

2026

Sustainability Report





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A message from the CEO

To our stakeholders,

For more than 120 years, PSEG has been a partner to the communities we serve. A lot has changed during that time, but our responsibility has remained consistent: provide the reliable energy our customers depend on, keep it as affordable as possible and invest wisely for the future.

That responsibility continues to be important today.

Energy demand is growing. Economic development, electrification and rapidly expanding technologies like artificial intelligence and data centers are placing new demands on an energy system already facing supply constraints. At the same time, customers are concerned about energy costs.

The challenge is straightforward: we need more energy, and we need to deliver it reliably, affordably and sustainably.

PSEG has a proven track record of addressing challenges like these. For decades, we have invested in the energy supply, grid infrastructure, resilience and energy efficiency that New Jersey depends on, with a focus on disciplined investment and long-term value for customers. As we look to the future, we will continue with this balanced, practical approach.

Since our founding in 1903, we have helped New Jersey navigate dramatic changes in technology, customer needs and the way energy is produced and consumed. We have also learned from major events such as Superstorm Sandy and translated those lessons into investments to make our systems more resilient and better prepared for extreme weather.

Through it all, safety and reliability have remained at the forefront. PSE&G's 24 consecutive ReliabilityOne® Awards for superior electric system reliability in the Mid-Atlantic region reflect our consistent performance and the value of many years of investments we have made for our customers.

Now we are building on that record for the next energy era.

Nuclear energy has long been an important part of New Jersey's energy mix and is essential to its energy future. Our nuclear plants provide reliable, around-the-clock, carbon-free electricity. We are committed to maintaining and improving our existing fleet, while exploring opportunities to expand nuclear generation to address growing energy needs.

Our focus remains on serving New Jersey and staying ahead of the state's evolving energy needs, while thoughtfully pursuing opportunities where PSEG can address energy challenges facing the broader region.

Affordability will remain central to our decisions. We will focus on practical, responsible solutions and disciplined, cost-effective investments that deliver clear value for customers—whether by improving reliability, increasing resilience and capacity, lowering costs or helping customers use less energy.

Our results demonstrate the value of that approach. As of early 2026, more than 525,000 customers have saved an estimated \$1 billion annually through our energy efficiency programs. And in 2025, more than 2 million customers received more than \$409 million through energy assistance programs.





Our responsibility extends beyond providing energy. In 2025, PSEG and the PSEG Foundation distributed approximately \$12.8 million to nonprofits and community organizations addressing needs such as food security, housing and other critical services.

We are also investing in our people. The experience and expertise of our workforce are fundamental to PSEG's record of performance. We are building on that strength by developing the skills needed to meet growing customer needs.

For me, sustainability comes down to something simple: continuing to operate PSEG responsibly

for the long term. Operating sustainably helps to strengthen alignment and build trust with many important stakeholders and policymakers. It also means serving customers well, supporting our communities, protecting the environment and making investments that will stand the test of time—the same principles that have guided PSEG for generations.

Our history serves both as a record of performance and a foundation for what comes next.

New Jersey and the region need more energy, delivered reliably, affordably and in a sustainable way. PSEG has the experience, assets, people and discipline to deliver.

That is the opportunity in front of us, and I am confident in what we can accomplish together.

This report describes the progress we have made and the work still ahead. Thank you for your trust, partnership and confidence in PSEG.

Sincerely

Ralph A. LaRossa
Chair, President and CEO
PSEG

Company overview





Our mission and corporate strategy

Public Service Enterprise Group Incorporated (PSEG) is a predominantly regulated infrastructure company operating New Jersey's largest transmission and distribution utility, PSE&G. We serve approximately 2.4 million electric and 1.9 million natural gas customers. PSEG also owns a fleet of 3,758 MW of carbon-free, baseload nuclear power generating units in New Jersey and Pennsylvania and operates PSEG Long Island, which provides electricity to about 1.2 million customers on Long Island.

Since our company's founding in 1903, we have powered New Jersey and the region. We are one of the state's largest employers and the energy provider for a service territory that spans densely populated urban areas, suburbs, farmland and world-famous landmarks including the Statue of Liberty. We have approximately 13,000 employees who are carrying forward a proud tradition of dedicated service that has continued for more than 120 years.

We strive to be ready for whatever the future may bring and care for the communities we serve. Our vision is to power a future where people use energy more efficiently, and it's safer and delivered more reliably than ever.

We focus on efficient operations to deliver quality service and help us keep customer bills as low as possible.

At PSEG, we invest in our systems to update infrastructure, prepare for the future and bolster reliability, all while reducing emissions and supporting economic development.

We are ensuring that the critical work of our nuclear plants to produce 24/7, carbon-free energy for New Jersey can continue for decades to come.

Additionally, our ongoing energy efficiency programs have helped avoid more than 2.4 million metric tons of carbon emissions each year, equivalent to removing more than 530,000 gasoline-powered cars from the road annually.

We invest in our service territory and care for the communities we serve. In 2025 the PSEG Foundation, a separate 501(c)(3) entity, and PSEG together awarded over \$12.8 million to community organizations.

In 2025, we extended our contract with the Long Island Power Authority (LIPA) to continue operating the Long Island power grid for the next five years. We are proud of the improvements in safety, reliability and customer satisfaction achieved by PSEG Long Island and gratified to continue serving our customers there.

Our leadership team is deeply committed to proven business principles that balance long-term value creation with alignment to future state, regional and national energy goals. We work to deliver long-term value for our customers, our communities, our employees and our shareholders.

PSEG had approximately

\$57.6 billion in total
assets at the end
of 2025

Our values.

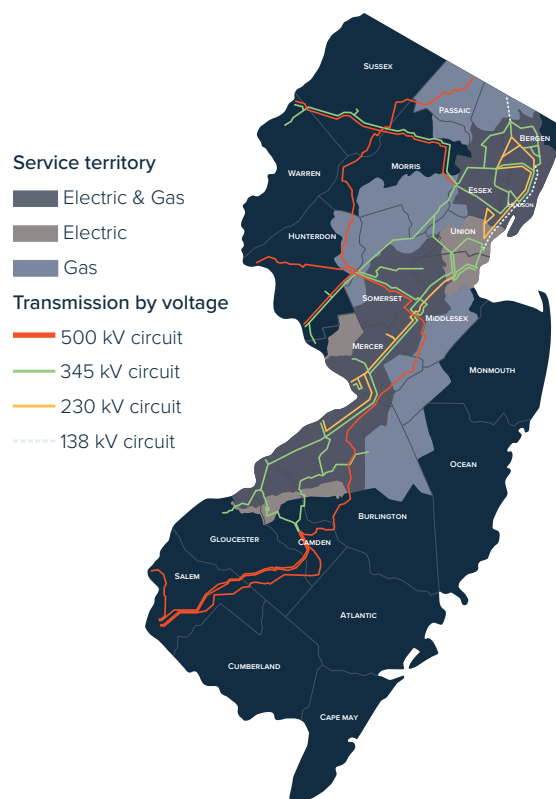
- 1 We are committed to the safety, security and well-being of our employees and communities.
- 2 We are our customers' trusted partners and have their backs.
- 3 We anticipate the challenges ahead and meet them responsibly with ingenuity and courage.
- 4 We treat people with respect and dignity, and embrace each other's differences.
- 5 We do what's right.

 **We are
PSEG.**



Our primary companies:

Public Service Electric and Gas Co. (PSE&G): New Jersey's largest provider of electric and natural gas service – serving 2.4 million electric and 1.9 million gas customers.



PSEG Power LLC: Operates the Hope Creek and Salem nuclear generating plants in South Jersey through PSEG Nuclear LLC. These plants provide about 40% of New Jersey's total electricity and over 80% of the state's carbon-free electricity. PSEG Nuclear is also part owner of the Peach Bottom nuclear generating station in Delta, PA.



PSEG Long Island:* Operates the electric transmission and distribution system of the Long Island Power Authority through an Operations Services Agreement. PSEG Long Island serves 1.2 million customers.



Other subsidiaries:

PSEG Services: Provides certain management, administrative and general services.

PSEG Energy Holdings: Holds legacy lease investments and competitively bid, FERC regulated transmission.



* This report covers PSEG and its businesses, including PSEG Long Island, unless otherwise noted.



Financial strength and value proposition

At PSEG we continue to maintain our financial strength and execute a disciplined investment program. Our predominantly regulated utility business and merchant nuclear assets offer a compelling investment proposition.

We achieved solid operating and financial results in 2025, delivering non-GAAP Operating Earnings that met or exceeded our guidance for the 21st year in a row. Our performance supported an increase in our annual common dividend to the indicative annual rate of \$2.68 per share for 2026. This represents our 15th consecutive annual increase and the 119th year PSEG has paid a common dividend to shareholders.

In 2025, our capital spending program focused on replacing and modernizing New Jersey's energy infrastructure, meeting growing demand and expanding energy efficiency programs that help lower usage and keep customer bills down. Because we have a strong balance sheet, we're able to continue these investments and move forward with our \$22.5 billion to \$25.5 billion regulated investment program for 2026 through 2030 without the need to issue new equity or sell assets.

Our financial strength, strong business mix and predictable growth position our company well for the future and allow us to continue to align our investments with New Jersey, the region and federal energy policies while actively caring for our people and the communities we serve in a responsible way.





PSEG impact

At PSEG we aim to be a positive force in a changing world by providing infrastructure to access safe, affordable, reliable energy and by caring for the communities we serve.

We play a vital role in strengthening the economic and social fabric of the communities we serve by creating high-quality jobs, supporting local businesses and enabling long-term economic development. Our operations sustain thousands of direct and indirect jobs across New Jersey, driving workforce opportunities in clean energy, infrastructure modernization, and energy efficiency. Through customer relief and savings programs, we help families and businesses manage energy costs, reduce energy burdens, and improve resilience. These efforts not only foster financial stability but also promote equitable access to reliable, affordable energy for our most vulnerable customers.

Our impact by the numbers*

13,000 employees making us **one of NJ's largest employers**

Serve 2.4 million electric and **1.9 million gas customers** in about **300 municipalities**

\$2.4 billion spend with **NJ suppliers** and vendors in 2025.
– Includes **\$714 million** with Minority/Woman-Owned Businesses or Veteran/Disabled Veteran-Owned Businesses

About **525,000 customers** participated in **energy efficiency programs**, saving more than **\$1 billion** annually

102,000+ solar connections to the PSE&G distribution grid

More than **2 million customers** received **~\$409 million** in **energy assistance**

~\$12.8 million distributed to community organizations **through PSEG Foundation** and **corporate giving** combined

1. Source: IMPLAN 2024 Data Year for New Jersey model region. For more information on the IMPLAN modeling process, visit IMPLAN.com

2. Direct contributions are related to PSEG's own operations. Indirect contributions arise through purchases from suppliers and contractors. Induced contributions arise from the additional economic activity generated when PSEG and supplier employees spend their earnings.

3. IMPLAN is a regional economic analysis software application that is designed to estimate the impact or ripple effect (specifically backward linkages) of a given economic activity within a specific geographic area through the implementation of its Input-Output and Social Accounting Matrix model. Reports that rely on IMPLAN data or applications rely on the researcher's assumptions concerning the subject or event being modeled.

IMPLAN provides the estimated Indirect and Induced Effects of the given economic activity as defined by the user's inputs. Some Direct Effects may be estimated by IMPLAN when such information is not specified by the user. While IMPLAN is an excellent tool for its designed purposes, it is the responsibility of analysts using IMPLAN to be sure inputs are defined appropriately and to be aware of the following assumptions within any I-O and Social Accounting Matrix Model: Constant returns to scale; No supply constraints; Fixed input structure; Industry technology assumption; Constant byproducts coefficients; The model is static; Backward linked; Time Delineated

PSEG's direct, indirect and induced contributions to NJ's economy^{1, 2, 3}

\$16.3 billion in **estimated annual output** to the NJ economy

Over **24,000 NJ jobs** supported

Estimated **combined tax revenue** of **\$3 billion** supported by PSEG each year

* 13,000 employees includes PSEG Long Island. All other numbers do not include PSEG Long Island.

Our approach to sustainability





Summary

We are thoughtful about understanding our relationship with the environment, our customers and the communities we serve. Sustainability goes beyond environmental responsibility to include the economic strength and social responsibility that help a business endure for the long term. Sustainability is critical to our work and meeting stakeholder needs as we aim to lower emissions, maintain or enhance the environment, care for our workforce and care for our communities.

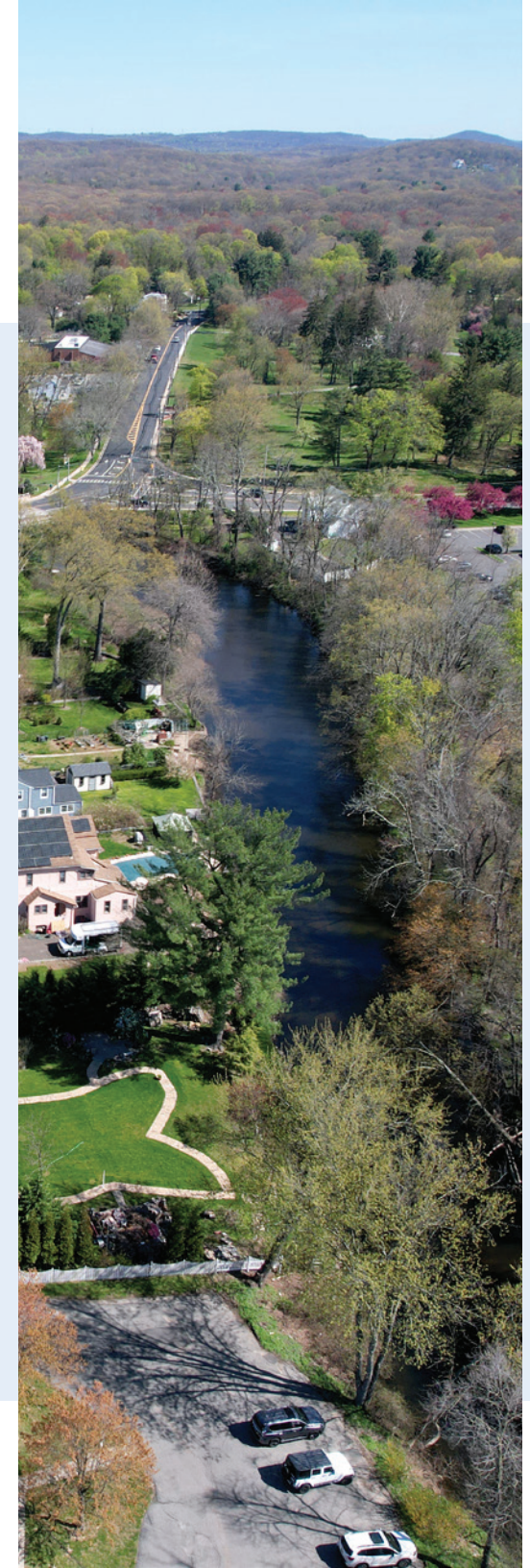
Our business strategy reflects not only how the effects of climate change might impact PSEG, our communities and our investors, but also how our business operations can positively impact the areas where we operate and the world in which we live. In the last decade, we have strengthened our governance and proactively decarbonized our operations in a way that supports the needs of our customers and State energy goals.

Our 2026 Sustainability Report details our performance across the environmental, social and governance dimensions. This report contains data through December 31, 2025. The report follows voluntary sustainability reporting standards and best practices. In addition to the sustainability disclosure data and information in this report, our [Sustainability Disclosures webpage](#)

on our Investor website contains standardized sustainability disclosures in accordance with:

- Sustainability Accounting Standards Board (SASB)
- Global Reporting Initiative (GRI)
- International Sustainability Standards Board (ISSB S1)
- EEI / AGA Sustainability template
- Taskforce on Climate-Related Financial Disclosure (TCFD)
- PSEG Data Matrix

We believe it is important to provide sustainability disclosures that address topics that are beyond the scope of standard financial and compliance reporting. We view our sustainability report as an important vehicle to deliver an update on our performance across the environmental, social and governance dimensions. In addition, this report allows us to share the positive impacts that we make within the communities we operate and highlights the important work we are doing in stewardship of the region and in maintaining the public's trust.





PSEG environmental sustainability journey

1970s

PSEG installs solar energy at 11 NJ homes as part of the three-year study of the potential for solar energy in the state.

1979

PSEG installs state-of-the-art wastewater treatment facilities at its plants.

1980s

PSEG introduces compressed natural gas vehicles to reduce emissions from its fleet of service vehicles.

1992

PSEG begins site remediation at its Paterson Gas Works, making it one of the first utilities in the nation to undertake on-site manufactured gas plant remediation.

PSEG voluntarily commits to reduce NO_x emissions at its NJ power plants by 80% by 2000.

PSEG commits publicly to stabilize CO₂ emissions at 1990 levels by 2000.

1993

PSEG establishes Estuary Enhancement Program (EEP) to restore and conserve more than 20,000 acres of coastal salt marsh and adjacent uplands.

PSEG publishes its first Environmental Progress Report to showcase the company's environmental stewardship.

PSEG becomes a founding member of and the first utility to commit to the U.S. Department of Energy Climate Challenge Program and first utility to sign on to the pre-Kyoto Voluntary GHG emissions reduction accord.

PSEG becomes the first utility to demonstrate selective non-catalytic reduction of emissions on a wet-bottom, coal-fired boiler.

1995

PSEG first calculates the carbon footprint of all its generating plants, facilities and fleet.

1997

PSEG launches a continuous improvement effort by benchmarking best safety-performing companies and forming Employee Safety Councils.

PSEG achieves a 90% recycling rate for non-hazardous solid wastes.

2000

PSEG meets its commitment to stabilize GHG emissions to 1990 levels.

PSEG wins Environmental Protection Agency's (EPA) Ally of the Year award for efforts to bring energy efficient housing to the market.

2004

Through EPA's Climate Leaders Program, PSEG pledges to reduce GHG emission intensity by 18% from 2000 levels by 2008.

2007

PSEG publishes the Strategic Report on Carbon Emission Reduction.

PSEG announces initiative to invest \$100 million in funding for solar installations.

PSEG begins replacing 1,300 vehicles with hybrids and making other changes to its fleet.

PSEG announces plans to invest in more energy-efficient electric delivery equipment.

2008

NJ Board of Public Utilities (BPU) approves Carbon Abatement Program.

2009

PSEG publishes first Sustainability Report following Global Reporting Initiative (GRI) framework.

PSEG becomes a founding member of Electric Power Research Institute (EPRI)'s Sustainability Interest Group.



PSEG environmental sustainability journey (cont.)

2009

PSEG establishes goal of reducing 25% of GHG emissions, from 2005 levels, by 2025.

NJ BPU approves Energy Efficiency Economic Stimulus Program (“EEE Program”).

NJ BPU approves Solar4All®, a \$515 million initiative to build grid-connected universal solar power within the PSE&G service territory.

2010

First solar power project under Solar4All® initiative is completed in September 2010 on the site of a former brownfield in Trenton, NJ.

The PSEG Foundation awards its first grant to Montclair State University and becomes a founding partner of the PSEG Institute for Sustainability Studies. PSEG Power & PSE&G file first federal GHG emissions report under US EPA GHG reporting rule.

2011

PSEG meets its 2025 GHG reduction goal 14 years ahead of schedule.

PSEG begins operation of a \$1.3 billion investment in emissions control technology on its NJ coal plants.

PSEG receives approval to extend operating licenses of Salem 1 and 2, Hope Creek nuclear power plants for 20 more years.

NJ BPU extends energy efficiency program for multi-family housing, government/muni/non-profit direct install and hospital efficiency.

PSE&G's first landfill solar farm goes into service.

The PSEG Foundation supports the creation of Sustainable Jersey and its Municipal Awards Program.

2012

PSEG upgrades wastewater treatment facilities, making generation plants state-of-the-art.

2013

PSE&G receives approval to extend Solar4All® program by 45 MW-dc, an additional investment up to \$247 million.

PSEG launches employee electric vehicle pilot program.

In the aftermath of Superstorm Sandy, PSEG partners with Sesame Workshop to create a disaster planning app to help families prepare for emergency situations.

PSEG creates the Diversity & Inclusion Council, an advisory group of 60 members from across all levels and locations within the company.

2014

PSEG welcomes PSEG Long Island.

PSEG employees sign Diversity & Inclusion Commitment statement.

PSE&G starts NJ BPU-approved Energy Strong I resiliency program. NJ BPU approves the first phase of the Gas System Modernization Program (GSMP I).

2015

NJ BPU further extends EE Program.

The PSEG Foundation funded research grant with Stevens Institute of Technology for the construction of Stevens' SURE (Sustainable and Resilient) House; wins top honors in the 2015 international competition.

2016

NJ BPU extends Solar4All® program again, allowing PSE&G to build an additional 33 MW-dc of solar farms on brownfield and landfill sites, representing an \$80 million investment.

PSE&G begins to demonstrate methane emission reductions under our accelerated gas main replacement programs.



PSEG environmental sustainability journey (cont.)

2017

NJ BPU extends EE program again and approves two new subprograms for smart thermostats and a data analytics pilot.

PSEG earns a score of 100 on the LGBTQ-focused Human Rights Council Corporate Equality Index.

PSEG established a new GHG goal to eliminate 13 million tons of CO₂e by 2030.

Retirement of the Hudson and Mercer coal-fired generating stations.

2018

PSEG files Clean Energy Future (CEF) proposal with NJ BPU.

PSEG establishes a formal Human Rights Practice.

PSEG establishes a new business function devoted to corporate citizenship.

PSEG formalizes its ESG and climate priorities by establishing the ESG Sustainability Council within management.

Governance Committee of the board of directors, now known as the Governance, Nominating and Sustainability Committee, started formally overseeing ESG and climate change and include this topic in its charter.

PSEG maps its operations to the U.N. Sustainable Development Goals (SDGs) for the first time, demonstrating awareness of our role in the international ESG community.

2019

PSEG starts the BPU-approved Energy Strong II program and GSMP II.

PSEG announces new GHG-reduction goal of 80% by 2046, from 2005 levels, for PSEG Power and net-zero vision by 2050.

PSEG publishes first-time disclosures using Sustainability Accounting Standards Board (SASB) framework.

PSEG names first female lead independent director of the board of directors.

2020

PSEG publishes inaugural Climate Report following Task Force on Climate-related Financial Disclosures (TCFD) framework.

PSEG formally incorporates the concept of equity into diversity and inclusion strategy.

NJ BPU approves \$1 billion Clean Energy Future – Energy Efficiency (CEF-EE) Program.

2021

PSEG joins Ceres company network, a leading sustainability nonprofit organization that works with the most influential investors and companies to build leadership and drive solutions throughout the economy.

PSEG Accelerates its Net-Zero Climate Vision to 2030 for Scopes 1 and 2.

NJ BPU approves Clean Energy Future electric vehicle and Advanced Metering Infrastructure programs.

PSEG concludes coal exit strategy with retirement of Bridgeport Harbor Station Unit 3.

2022

PSEG sells 6,750 MW fossil generating fleet.

PSEG Foundation announces its new strategic pillars of environmental sustainability, social justice, equity and economic empowerment.

PSEG receives approval for Infrastructure Advancement Program.

PSEG joins Energy Impact Partners' (EIP) Funds to drive decarbonization and accelerate clean energy targets.

2023

PSEG completes second phase of Gas System Modernization Program (GSMP) and gained approval to continue modernizing gas infrastructure.

PSEG receives extension of the CEF-EE program.

PSEG completes the divestiture of the Kalaeloa cogeneration facility, making PSEG's generation fully carbon-free.

PSEG installs its one-millionth smart meter.



PSEG environmental sustainability journey (cont.)



2024 The BPU approves the \$1.9 billion Clean Energy Future-Energy Efficiency II (CEF-EE II) Program, which aims to help customers reduce their energy usage, bills and carbon footprint, while supporting economic growth in New Jersey.

PSE&G installs its two-millionth smart meter, completing the Clean Energy Future-Energy Cloud smart meter installations.

2025 PSEG reduces total Scope 1 and 2 GHG emissions 95% from 2005 baseline.

PSEG creates over 4,100 clean energy careers in New Jersey as part of our economy-wide decarbonization efforts.

PSE&G's GSMP reduces methane emissions more than 34% at the end of 2025 when compared to 2018 levels. The BPU approved a continuation of GSMP in late 2025.

2026 PSEG updates *Net Zero* greenhouse gas emissions reduction goal (Scopes 1 and 2) from 2030 to 2050.

PSE&G's CEF-EE program savings eclipse \$1 billion annually for approximately 525,000 participating customers.



How we manage sustainability and governance

The PSEG Board of Directors plays an active role in reviewing our sustainability framework. The Board's Governance, Nominating and Sustainability Committee (Governance Committee) oversees sustainability and climate matters, including sustainability risks, and climate-related efforts and initiatives. This committee oversees sustainability efforts and initiatives, including matters related to climate change, and our political corporate activities, including reviewing political contributions. A cross-functional sustainability team within the organization steers, coordinates and executes the company's sustainability disclosure activities.

Our company aligns executive compensation with the successful execution of our strategic plans, meeting our financial and operational goals and delivering strong returns to our shareholders while balancing the interests of our stakeholders. These include our stockholders, the customers we serve, our employees, our suppliers and the communities in which we operate. We place a high value on financial strength, critical strategic initiatives, long-range planning, disciplined investments, sustainability priorities and operational excellence that enhance value and recognize our responsibilities as a public utility.

For more on our Board and Governance, see [page 74](#) of this report.

Corporate sustainability priorities

At PSEG, our vision is to power a future where people use energy more efficiently, and it's safer and delivered more reliably than ever. Our investments are focused on building infrastructure that is hardened against increasing weather risks and delivering energy as cost effectively and cleanly as possible while supporting New Jersey's long-term energy goals. Environmental stewardship and supporting our communities have long been integrated into our business strategy. In the last decade, we have strengthened our governance, proactively reduced the environmental impact of our operations and embraced new opportunities to evolve our company in line with the needs of our customers.

Sustainability-related issues affecting the utility industry and its stakeholders continue to evolve. Since 2019, we have worked with Datamaran, a leading provider of sustainability and risk intelligence, to identify and monitor emerging and evolving sustainability topics relevant to our business and stakeholders. Insights from this process are evaluated alongside our Enterprise Risk Management assessments, strategic planning activities and other established governance processes, which collectively guide the prioritization of issues most relevant to our business. Through this approach, we have seen topics such as reliability, resiliency, affordability, regulatory uncertainty and the rapid emergence of artificial intelligence become increasingly important areas of focus.

For more on enterprise risk management, see [page 49](#) of this report.

PSEG Sustainability Priorities

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Stakeholder management [page 66](#)

Energy efficiency [page 21](#)

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Community engagement [page 66](#)

Climate-related risks [page 48](#)

Natural resource management [page 40](#)



Awards and recognitions

2026

America's Most Responsible
Companies



America's Most Charitable
Companies



JUST Capital Industry Leader



Dow Jones Best-in-Class North
America Index



Most Trusted Utility Brand
(residential) and Most Trusted
Business Partner (business)



2025

#1 in Customer Satisfaction with
Residential Electric Service in the
East Region Among Large Utilities



ReliabilityOne® Outstanding
System Resiliency Award



ReliabilityOne® Outstanding
Customer Engagement Award



ReliabilityOne® Award for
Outstanding Metropolitan Service
Area Reliability Performance in the
Mid-Atlantic Region for the
24th consecutive year



Most Trusted Companies in
America



Customer Champion, Most Trusted
Brands (residential), and Easiest to
Do Business With (residential)



Corporate Partner of the Year



America's Greatest Workplaces for
Inclusion and Diversity



America's Most Responsible
Companies



America's Most JUST Companies



Energy infrastructure investment





PSE&G reliability

Summary

As New Jersey's largest electric and gas utility company, and one of the country's largest owners of nuclear-based electric generating capacity, we have significant roles in the region's energy future. Notwithstanding the structural barriers in New Jersey to developing an integrated resource plan, we pride ourselves on our long-term strategic planning and resource allocation, which helps us manage costs and deliver for our customers.

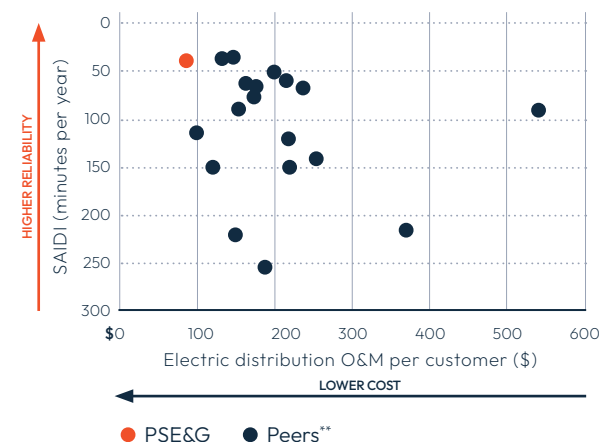
We believe we must take steps to protect our systems from extreme weather, maintain reliability and keep customer bills as low as possible. As a long-standing leader in clean energy—with one of the lowest emissions profiles in the industry—our business strategy considers how we care for the environment and communities we serve.

Reliability is the cornerstone of excellence in the utility industry. PSE&G has a comprehensive plan that includes statewide electric and gas reliability improvements to upgrade utility infrastructure. These upgrades will increase both electric service reliability and system redundancy to help us continue providing safe and reliable electric service to our customers. We will also continue to deliver on our energy efficiency programs.

We have already done significant work to improve reliability, particularly since Super Storm Sandy hit our state in October 2012. Through our Energy Strong program, in the years following Sandy we raised or hardened more than 60 substations, replaced thousands of aging utility poles and upgraded hundreds of miles of overhead wire and underground cables. Energy Strong I (ES I) followed Sandy and was a landmark \$1 billion infrastructure improvement program focused on hardening our networks and enhancing the resiliency of our systems. This program was expanded in 2019, with an additional \$842 million allocated for further improvements. This program—which concluded in 2023—means that fewer customers will experience outages and, when outages do occur, they will be restored more quickly. Energy Strong created jobs, improved worker safety and added more advanced technology and redundancy to make our systems even more resilient.

We track reliability through metrics including SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index), which represent the duration and average number of times a customer experiences an outage during the year. PSE&G has achieved the highest customer reliability at the lowest costs based on IEEE standards. We have the best SAIDI metrics of any New Jersey utility.

Delivering highest customer reliability at lowest cost: Achieving low SAIDI outage scores with lowest distribution O&M spend*



* Reliability metrics based on IEEE standards and exclude Major Event Days.

** Peer group includes all operating companies classified by SNL as an "Electric Utility" or "Diversified Utility" with a customer count of more than 500,000 in CT, DE, MD, NJ, NY or PA.

In 2025, PSE&G was the recipient of the 2025 ReliabilityOne® Award for Outstanding System Resiliency, recognized as the nation's top utility for system resiliency and planning including reliability and grid modernization initiatives. Along with this honor, PSE&G also received the ReliabilityOne® Outstanding Metropolitan Service Area Reliability Performance in the Mid-Atlantic Region for the 24th year in a row, and the Outstanding Customer Engagement Award nationally for the third consecutive year. These awards are a testament to PSE&G's outstanding reliability performance, our year-round storm preparation, our significant infrastructure improvements and dedicated employees.



PSE&G response to record-breaking Winter Storm Hernando

Winter Storm Hernando barreled into New Jersey in February 2026, bringing blizzard conditions, record-breaking snowfall and wind gusts that topped 50 miles per hour to PSE&G's service territory.

In a matter of hours, two to three feet of snow buried neighborhoods across the state. Wind quickly toppled trees and triggered widespread power outages, forcing schools and businesses to close. Roads disappeared, bringing travel and transit to a standstill.

During Hernando alone, more than 3,000 employees mobilized across our service territory, working around the clock in deep snow and freezing temperatures. That included over 1,150 lineworkers, 400 tree trimmers, 472 mutual aid contractors and hundreds of other field personnel focused on one thing: restoring service safely and quickly.

The response to Hernando was not unique. It was a testament to PSE&G's deeply ingrained and longstanding resilience efforts. Despite punishing conditions over the winter season, our energy system held strong with just over 4% of electric customers experiencing minimal power loss during major storm events.

Throughout the entire winter storm season, thousands of employees, union partners, contractors and mutual aid crews mobilized to deliver results and care for the people and communities we serve.

Our crews:

- Restored service to about 100,000 customers.
- Responded to over 10,000 gas emergencies and no-heat calls.
- Handled approximately 1,800 no-heat calls per day during the coldest winter stretch.
- Replaced or repaired over 1,250 pieces of storm-damaged equipment.

Results like this don't happen overnight. For more than a decade, we've been strengthening, fortifying and modernizing our gas and electric systems to better withstand extreme weather, whether it's a blizzard in January or a heatwave in June.

We stay prepared by:

- Proactively trimming trees to reduce outages before storms hit.
- Conducting regular storm drills and emergency response exercises.
- Analyzing performance after every major event to look for ways to improve.

And that's just part of the work happening behind the scenes every day to strengthen our systems and prepare for a storm like Hernando or whatever Mother Nature throws at us.





Utility environmental emergency response and preparation



Our emergency response program is covered in our *Environment, Occupational Health, Safety, and Security* policy and *Environment, Health and Safety* program guide. These documents can be found below:

- [Environment, Occupational Health, Safety, and Security policy](#)
- [Environment, Health and Safety program guide](#)

The program guide directs the Line of Business to cover key features of our Environmental, Health and Safety system including:

- Identification of risks, issues, or hazards that may require emergency response
- Roles and responsibilities
- Procedures to address potential emergency situations
- Expectation on training and awareness for our employees
- Communicating with our internal and external stakeholders

Most of our emergency response procedures are confidential and are not publicly disclosed.

PSE&G maintains a robust, comprehensive environmental emergency response program by actively collaborating with stakeholders to facilitate effective implementation, continuous improvement and heightened operational safety.

To achieve this, the utility mandates annual employee training that reinforces regulatory compliance and internal practices, directly mitigating risks to the public and the environment. When discharges of hazardous substances occur, PSE&G responds using documented procedure aligned with the nationally recognized Incident Command Structure (ICS). This framework defines clear roles and response stages to facilitate seamless coordination with environmental contractors and local emergency services.

The company also demonstrates strong environmental stewardship through compliance with applicable environmental regulations, including the Spill Prevention, Control and Countermeasure (SPCC) Program. This program is designed to proactively minimize the risk of oil discharges and protect navigable waters and adjoining shorelines in accordance with applicable federal regulatory requirements.

In addition, to support local and regional emergency planning and preparedness, PSE&G submits Community Right- to-Know surveys for applicable facilities to NJDEP, EPA and local emergency response agencies. These surveys ensure that chemical inventory information is available to regulators, emergency responders and facility employees.



Asset management

PSE&G maintains a comprehensive asset management framework designed to support the safe, reliable, resilient and cost-effective operation of our electric transmission and distribution infrastructure. Our asset management approach incorporates lifecycle planning, condition assessments, inspection and maintenance programs, reliability analysis, operational performance monitoring and risk-based capital investment planning. Asset management plans are maintained across major infrastructure categories, including substations, transformers, breakers, relays, underground cable systems, poles, switching equipment and distribution assets.

PSE&G applies structured risk-management methodologies to prioritize maintenance, rehabilitation and replacement activities. Asset risk models incorporate the likelihood and consequence of failure, using factors such as asset age, condition, operational history, restoration complexity, customer impacts, environmental considerations, reliability performance and system criticality. Asset health indices, engineering assessments, diagnostic testing and inspection data are used to support proactive lifecycle management and capital planning decisions.

The Company's asset management and planning processes are guided by formal engineering standards, technical directives and operational procedures that support system reliability, resiliency and continuous improvement. PSE&G periodically reviews asset condition, maintenance performance, outage trends and replacement strategies to refine long-term investment priorities and improve operational effectiveness. Current planning processes also incorporate distributed energy resource integration, spare equipment strategies, contingency planning, infrastructure replacement programs and enhanced safety and operational requirements for aging assets.



PSE&G's asset management programs align with ISO 55001 asset management principles and are intended to support long-term system reliability, operational resilience, customer service continuity, safety performance and prudent capital deployment.

Solar assets

Solar energy is an important component of New Jersey's clean energy future, and PSE&G has played a leading role in expanding solar development and supporting the establishment of new businesses across the state over the past 17 years. Through innovative programs and investments, PSE&G has helped customers, businesses and communities access renewable energy while supporting New Jersey's broader clean energy objectives.

One example is the Solar Loan program, which helped more than 1,600 customers install solar systems by financing a significant portion of their projects. Since 2008, PSE&G has financed more

than \$335 million in solar investments through its Solar Loan program supporting approximately 140 MW-dc of new solar capacity on homes and businesses throughout its electric service territory. PSE&G has also expanded renewable energy generation through its Solar 4 All program, which developed grid-connected solar farms that serve PSE&G electric customers. The projects are primarily located on landfills and brownfields, helping increase renewable energy generation while preserving green space. Through Solar 4 All, PSE&G also developed approximately 158 MW of solar capacity within its service territory. The program also includes five solar-plus-storage facilities totaling 3 MW of battery capacity, demonstrating how energy storage can complement renewable generation and support a more resilient and flexible electric grid. Together, these two programs highlight PSE&G's longstanding work to support solar energy development and advance New Jersey's clean energy transition.



Clean Energy Solutions

As New Jersey's largest utility, PSE&G's investments in energy efficiency are helping customers manage their energy use. These efforts support residential and business customers across New Jersey by making energy saving upgrades and solutions more accessible. PSE&G's Clean Energy Solutions (CES) team leads these efforts for the company and the customers it serves.

The Clean Energy Future – Energy Efficiency program

In 2020, following approval by the New Jersey Board of Public Utilities, PSE&G launched the Clean Energy Future-Energy Efficiency (CEF-EE) program, one of the most significant advances in energy policy ever approved in New Jersey. CEF-EE builds on our long-standing efforts to modernize our utility's infrastructure, help customers manage and lower their energy bills, improve energy efficiency, reduce emissions, create jobs, and deliver lasting economic benefits across the state.

As part of the program, PSE&G introduced a comprehensive portfolio of energy efficiency programs designed to serve residential, multifamily, and business customers. These offerings provided customers with a range of options to manage and reduce energy use, save money, and reduce their carbon footprint — from home energy assessments and appliance rebates to commercial equipment upgrades and direct install services. The first triennium of the program concluded in December 2024, in alignment with New Jersey's statewide energy efficiency planning cycle.

In October 2024, the New Jersey Board of Public Utilities (NJBP) approved the second triennium of our energy efficiency program, CEF-EE II, which began

Clean Energy Future – Energy Efficiency II program

in January 2025 and runs through June 2027. This 30-month cycle builds on the success of CEF-EE and continues to deliver comprehensive energy efficiency programs to residential and business customers that will help them save energy, reduce costs, and lower emissions. CEF-EE II also introduces two new initiatives that focus on building decarbonization and demand response along with expanded job training in emerging technologies like heat pump installations via our PSE&G sponsored Clean Energy Jobs Program. Our energy efficiency programs have supported more than 11,000 clean energy careers,* helping to build and sustain a skilled local workforce.

Since the launch of the current energy efficiency program in October 2020, approximately 525,000 customers have participated in PSE&G's programs through March 2026. PSE&G programs are now delivering more than \$1 billion in annual customer bill savings to participating customers. The company has also provided approximately \$1.1 billion in rebates to help reduce the upfront cost of energy-saving upgrades and products for residential and business

* Jobs supported metric reflects data through June 2026

customers. An [outside study commissioned by PSE&G](#) shows that our energy efficiency programs generate broad economic benefits, including over \$1.15 billion in total economic output from projects completed in 2025.

CEF-EE II helps avoid more than 2.5 million metric tons of carbon emissions each year, equivalent to removing more than 550,000 gasoline-powered cars from the road annually. Recent program milestones include:

- More than 111,000 home energy assessments completed
- Nearly 373,000 smart thermostats sold via PSE&G Marketplace
- Approximately 158,000 rebates claimed for upgrades to energy-efficient appliances
- More than 36,000 appliances recycled through the PSE&G recycling program
- Enrolled more than 37,600 customers in our Demand Response programs, helping reduce strain on the electric grid during periods of peak demand, including some of the hottest days of the year

These results reflect the combined impact of our energy efficiency efforts to date and underscore the program's continued contributions to New Jersey's energy goals.

Impact to date



2.5M+

Approximate CO₂
emissions reduced
annually in metric tons



525K

Approximate customers
participating in energy
efficiency programs



\$1B

Total approximate
collective annual
customer savings



11,000+

Jobs supported through
PSE&G's energy
efficiency programs



PSE&G upgrades help the Montclair Public Library continue its tradition of serving the community

Montclair Public Library has long been the heartbeat of the township—a place where toddlers discover picture books, students find quiet corners to study and neighbors of all ages gather for lectures, art shows and conversation. As one of the few public buildings in Montclair open seven days a week, it serves more than 185,000 visitors annually.

Behind its midcentury charm, however, stood decades of deferred maintenance. The three story, 55,000-square-foot main building, opened in 1956, still relied on mechanical systems last updated during a late 1990s expansion. Indoor temperatures regularly climbed into the high 80s, and during August 2024's unprecedented heatwave, readings surged into the 90s.

To address longstanding energy issues, Montclair Public Library enrolled in three programs within PSE&G's business solutions portfolio—Direct Install, Advanced Custom and Energy Management. Working in partnership with the library, we developed a tailored package of solutions to modernize outdated systems, improve building comfort and support sustainability goals.

An audit evaluated longer-term upgrades across the building and identified improvements such as variable-frequency drive pumps, modern air handling units, retrofitted VAV boxes for room-by-room airflow control, digital controls, smart

thermostats, retrofit controls and accessible remote monitoring. TriState Light & Energy coordinated these measures, with subcontractor Sander Mechanical performing all mechanical installations using all in-house union employees.

Program incentives covered about 40% of the combined \$1.9 million project cost. The remaining balance is being repaid over five years, interest-free, through on-bill repayment, allowing the library to pursue long-term savings without a large upfront expense.

The upgrades are projected to save nearly 2.85 million kilowatt-hours of electricity and 176,500 therms of natural gas, with annual energy cost savings exceeding \$125,000.

For Montclair Public Library Director Radwa Ali and her team, the impact is clear. "It's no longer a guessing game. We open every morning knowing our building will be comfortable and efficient."

Today, the Montclair Public Library stands not just as a community hub for learning, gathering and connection, but as a model of thoughtful investment and smart partnerships. These upgrades have strengthened the library's ability to serve the community with great reliability and confidence. It's a testament to what collaboration, strategic investment and long-term planning can achieve for public institutions.





The Clean Energy Jobs program

The Clean Energy Jobs program is a public-private workforce development initiative that is sponsored by PSE&G in partnership with the New Jersey Department of Labor and Workforce Development. Since its inception, the program has supported the hiring of more than 11,000 New Jersey residents* to entry-, mid- and senior-level positions in clean energy roles across the state.

* Jobs supported metric reflects data through June 2026

The program is designed to help expand the pool of qualified candidates and train and support New Jersey residents for careers in clean energy. It includes a recruitment initiative, a training initiative and a community-based vendor initiative that are focused on creating and expanding opportunities for suppliers and supporting New Jersey's economic development objectives. The program also works in collaboration with dozens of public, private and community organizations throughout

the state, helping to build a skilled workforce that supports both economic and environmental progress in New Jersey.

A steering committee, composed of community advocates and strategic partners, meets on a regular basis to drive program success. We also aim to use local businesses to support our activities, which has created additional jobs and spread the economic benefits of our work.





Clean Energy Future – Electric Vehicles (EVs)

In 2021, PSE&G received approval from the NJBPU to invest \$166 million to support the growth of New Jersey's EV charging infrastructure. The EV program is designed to support the deployment of EV chargers across a wide range of customers and

sectors including residential, mixed-use, and public Direct Charge fast charging. The program does this by offering rebates and other incentives that offset charger installation costs. To date, the program has energized nearly 34,000 EV chargers.



Electric Vehicle Programs

\$166M investment

Residential smart charging (single family homes)

Approximately \$80M investment/40,000 chargers
Incentives include*:

- Up to \$1,500 toward the behind the meter (BTM) installation of a residential Level 2 charger
- Up to \$5,000 of pole to meter (PTM) utility service upgrades (if needed)

Level 2 mixed-use charging (multi-family, government and publicly accessible)

Approximately \$35M investment/875 sites/3,500 chargers**

Public DC fast charging (travel corridors and community locations)

Approximately \$45M investment/300 sites/1,500 chargers
Incentives include*:

- Up to \$100,000+ per site BTM installation costs for direct current fast chargers
- Up to \$50,000 of PTM utility service upgrades (if needed)

* Some incentives may depend on participants' agreement to allow PSE&G to collect charging data

** The incentive is based on the number of chargers installed, offering up to \$7,500 per charger installation for up to four chargers per site

† The incentive is based on the number of chargers installed, offering up to \$25,000 per charger installation for up to four chargers per site



Supporting New Jersey's energy future

We have been headquartered in New Jersey for more than 120 years. Through every era of change—from the widespread adoption of air conditioning to the expansion of nuclear power and the rise of the Internet—we have helped meet the state's evolving energy needs. That experience continues to guide us as we support and play a role in New Jersey's energy future.

Today, energy demand is growing. As one of the nation's most reliable utilities, we believe reliability must remain at the center of any energy planning effort. As customer needs evolve and new technologies emerge, we will continue investing in our infrastructure so that families and businesses can count on dependable service.

Achieving the state's energy and reliability goals requires strong collaboration with stakeholders including federal, state and local policymakers, and we are committed to working together to create a resilient energy future. While utilities are not permitted to build new generation—a constraint that adds complexity to long-term planning—we stand ready to contribute our expertise and support policies that give the state greater control over its energy supply.

As the operator of New Jersey's existing nuclear generating facilities, PSEG is fortunate to have a highly attractive site that could support the state's efforts to develop new nuclear generation. We have been positioning this site for advanced nuclear development since 2016, when we obtained an Early Site Permit from the U.S. Nuclear Regulatory Commission—one of only six currently issued in the United States. Following Governor Sherrill's signing of the Power NJ Act, which establishes a state process to evaluate and procure advanced nuclear generation projects, PSEG remains committed to supporting this important initiative to advance the next generation of nuclear energy in the state.

Resource adequacy and the need for an integrated resource plan

Resource adequacy ensures enough electricity is available to reliably meet customer demand. New Jersey and the region face a growing challenge in this area, driven by rising energy use and a regional supply-demand imbalance. We are part of the PJM Interconnection, a 13-state regional transmission organization, with 40% to 50% of our electricity supply being imported from other states. The state is short of meeting state electric load requirements on peak days.

Demand growth is being driven by factors including new large customers, increased electrification in homes and businesses, new housing development and the expansion of EVs. If this demand continues to outpace new firm generation, which is anticipated, the state will face reliability risk and further upward pressure on energy prices.

PSEG is investing to support this demand growth by modernizing infrastructure, improving reliability and resilience as well as helping customers use energy more efficiently. However, PJM does not order generation to be built; that is a responsibility that resides at the state level. Addressing resource adequacy will therefore require action by states including New Jersey.

We recommend that policymakers undertake a comprehensive resource adequacy study and develop a statewide strategy—an integrated resource plan—that incorporates an all-of-the-above approach: solar and battery storage, energy efficiency and demand management, and firm, dependable generation such as nuclear and natural gas.

A statewide energy strategy should include



Solar



Battery storage



Energy efficiency



Demand management



Firm generation

A state integrated resource plan would allow for effective planning based on end-use demand, supply and capacity the state will need by 2030 and beyond. Policymakers can foster a strategic approach, that can mitigate risks, bolster grid reliability and identify the right energy resources to respond to the State's policies and needs.



PSEG's carbon-free nuclear fleet



For almost 50 years, we have operated nuclear plants in southern New Jersey, providing millions of homes and businesses with safe, reliable, affordable, carbon-free energy. Today, our nuclear plants are a critical part of New Jersey's energy mix. The plants produce about 40% of the electricity and generate over 80% of the state's carbon-free energy.

PSEG Nuclear operates three nuclear plants, which are co-located on one site in Lower Alloways Creek in Salem County, New Jersey. We own approximately 57% of the two-unit Salem Generating Station and 100% of the Hope Creek Generating Station. Addi-

tionally, we co-own the two reactor Peach Bottom Nuclear Generating Station in Delta, Pennsylvania.

The Salem Generating Station reactors began commercial operations in 1976 (Unit 1) and 1980 (Unit 2). The units obtained their first 20-year operating license renewals from the Nuclear Regulatory Commission (NRC) in 2011. We have notified the NRC of our intent to seek license renewals for the Salem Generating Station, Units 1 and 2, and Hope Creek, which, if approved, would extend their licenses from 2036, 2040 and 2046 to 2056, 2060 and 2066. These extensions will allow the facilities to continue

to produce carbon-free energy for decades to come. Our collaboration with state and national leaders to preserve the state's nuclear facilities has become one of our most significant contributions to advancing New Jersey's energy goals.

The Peach Bottom Nuclear Generating Station in Pennsylvania began commercial service in 1974. The operating licenses have been renewed until 2053 (unit 2) and 2054 (unit 3), and the plant will continue to produce carbon-free power for approximately 2.7 million homes in the region for years to come.

In early 2025, we decided to proceed with an uprate project that will increase Salem's capacity by approximately 200 MWe, or enough energy to power approximately 200,000 homes each year. This uprate demonstrates how significant the plants are, particularly as the state's demand for electricity continues to outpace in-state generation supply.

In April 2026, Hope Creek reached an important milestone as the station entered its 20-year period of extended operation under its renewed license.

Two major initiatives are helping Hope Creek Generating Station increase output and change the way outages are performed. First, the station completed a major refurbishment of the cooling tower. The enhancements are helping maximize cooling tower function, which ultimately helps improve overall performance. The second major initiative is moving from an 18-month fuel cycle to a 24-month fuel cycle.

According to a 2020 Brattle Group report, our nuclear plants are the stimulus for more than \$1.2 billion of economic activity each year in southern New Jersey. The plants also support more than 1,600 direct jobs, plus 1,000 contractors during scheduled maintenance and refueling outages throughout the year. PSEG Nuclear



employees are integral to their communities. In addition to working to provide safe, carbon-free and reliable energy, they are active participants in many towns, counties and school districts, contributing volunteer hours to community organizations across the region. They are coaches, educators, parents, caregivers and faith leaders.

We also recognize the importance of educating the public about nuclear energy and have been recognized for our community outreach efforts. In 2010, we opened the Clean Energy Center (formerly the Energy & Environmental Resource Center (EERC)), a Silver level LEED (Leadership in Energy and Environmental Design) certified building that houses programs on electricity generation, climate change and nuclear energy. The facility, located near our generating stations in Salem, is available for student field trips, scouting and other interested groups and is free of charge for the local community's use.

Nuclear safety and emergency preparation

PSEG Nuclear works closely with the states of New Jersey and Delaware to protect the public's health and safety. We have employees ready to provide emergency support as needed, 24 hours per day, seven days a week.

Our emergency preparation and training efforts are extensive and involve proactive engagement with government/elected officials, emergency responders, residents, and businesses. The details of our emergency plans are publicly available through the Nuclear Regulatory Commission website: [NRC Website: PSEG Nuclear Emergency Preparedness](#).

PSEG Nuclear demonstrated strong emergency preparedness performance during our fleetwide

Emergency Management Performance Evaluation (EMPE), conducted by the Institute of Nuclear Power Operations. The evaluation found no Gap Focus Areas (GFAs) or Areas for Improvement (AFIs) in Emergency Preparedness or Fire Protection, recognizing disciplined execution, realistic training, strong cross-functional teamwork and robust emergency response capabilities. Industry peers highlighted meaningful leadership engagement, strong Emergency Response Organization support and a culture that is self-critical, receptive to coaching and focused on continuous improvement.

In addition, we proactively distribute an emergency planning calendar to over 50,000 people within 10 miles of the generating stations. The calendar contains important safety information that we want to put directly in the hands of our stakeholders. To enhance our collaboration within the community, we engage middle school students to create artwork for the calendar. The planning calendar includes:

- What to do in an emergency
- Where to go for additional information
- Dates of siren tests, and public meetings
- Protective procedures
- Educational content
- Emergency routes
- Reception center locations

A full copy of the emergency calendar can be found using the link below:

[2025-2026 PSEG Nuclear Emergency Plan Information Calendar](#).





Gas infrastructure safety and reliability



PSE&G serves 1.9 million gas customers in New Jersey. Our natural gas system is currently an important lever for providing safe, affordable heat, hot water and cooking. We plan to continue investing in our gas system to improve efficiency and reduce methane leaks and the carbon content of the fuel traveling through these pipes.

Beyond the benefits of methane leak reduction, we know that cost considerations factor into the future of natural gas. With affordability among the primary concerns for customers, we cannot ignore that natural gas is among the most reliable and

cost-effective fuels currently available. Despite a volatile natural gas market during this past winter, PSE&G's strategic and long-term planning efforts have helped maintain the lowest bills in the state and region. Many of the decisions that influence what our customers will pay next winter — and even years from now — are being made today. The region's lowest residential gas supply rates aren't just the result of favorable market conditions. They reflect decades of deliberate planning, long-term investment and strategic gas purchasing strategies designed to protect our customers from the kind of price volatility that often defines energy markets.

In addition to heating homes, millions of furnaces, water heaters, stoves and clothes dryers run on natural gas.

One of the most impactful ways to curb emissions associated with natural gas delivery is to continue our Gas System Modernization Program (GSMP), which began in 2016 and is reducing the number of cast iron mains — which historically result in the most leaks. In doing so, we are making our system safer, cleaner and ensuring that our system is strong and affordable for future generations. Cast iron and unprotected steel mains constitutes less than 20% of PSE&G's pipes but account for more than 80% of the methane leaks. The average age of these cast iron gas pipes is 94 years. The GSMP is designed to improve safety and reliability and significantly reduce natural gas leaks in our distribution system, which would reduce the release of methane, a potent greenhouse gas (GHG), into the air. Through the second phase of GSMP, from 2018 through 2025 we reduced reported methane emissions by over 34% system-wide.

GSMP has also improved our system's reliability. When Tropical Storm Ida caused widespread flooding in September 2021, thousands of gas customers maintained their gas or were restored more quickly due to GSMP improvements, which included upgrades to high-pressure mains that reduced the likelihood of water infiltration into the system.

We are proud to be able to continue investing in the modernization of our gas system and continue improving the reliability, resiliency and safety of gas service for our customers across the state. The continuation of this program anticipates replacing an additional 600 miles of cast iron in over 70 municipalities over the next three years.



Transmission and an integrated approach to the grid

Transmission is the movement of electricity from generation plants to substations, where it is reduced in voltage and then distributed to homes, businesses and industrial customers. PSE&G is one of the nation's most accomplished transmission developers, and our customers directly benefit from our ongoing investments. Across New Jersey, PSE&G's planned upgrades significantly enhance electric capacity, strengthen system redundancy and improve overall service reliability. In Maryland, we are constructing a transmission line that will improve reliability, add capacity and help create a more efficient, affordable energy system in the region.

These improvements help our transmission system better support today's technology-driven lifestyles, including increased electronics use, the growing adoption of EVs and rising overall energy demand. Advancements in both transmission and sub-transmission systems—such as the installation of smart sensors, relays and automated switching—enable faster detection of issues and the ability to redirect power flow. This reduces both the frequency and duration of outages, improving day-to-day reliability for customers.

These upgrades also enhance system resilience, allowing the electric grid to better withstand extreme weather events and rapidly changing load conditions. A smarter, more robust grid will more effectively connect customers with renewable energy sources and enable last mile readiness to support state policy related to distributed energy resources. Together, these improvements create a stronger, more resilient and more modern electric network designed to serve customers dependably for decades to come.





Helping power a reliable, more affordable energy future in Maryland

Maryland's energy landscape is changing. Electricity demand is growing while existing power plants are retiring, creating a widening gap between the energy Maryland needs and the energy it can produce. Meeting that challenge requires a stronger, more resilient transmission system, and the Maryland Piedmont Reliability Project (MPRP) is an important part of the solution.

PJM identified the need for new transmission infrastructure after determining that increasing demand growth combined with generator retirements could cause extensive overloads on the regional electric system. Left unaddressed, PJM has warned those conditions could increase the risk of service interruptions, brownouts and even blackouts in Maryland.

Following an open, competitive solicitation, PJM selected PSEG to construct the MPRP, an approximately 67-mile, 500-kV transmission line connecting Frederick, Carroll and Baltimore counties. PJM noted that no submitted proposal using existing rights-of-way could fulfill the reliability needs addressed by the MPRP.

The project will improve electric reliability in Maryland, which can in turn add transmission capacity and help relieve congestion on the regional transmission system serving Maryland. Additional transmission capacity can also support a more efficient and affordable energy system. In addition, a stronger transmission network

can support Maryland's evolving energy mix by providing additional capacity for new generation resources, including renewables.

MPRP also represents an investment in Maryland's economy. An independent economic-impact analysis projects \$416 million in increased economic output, \$306 million in net economic impact, \$239 million in increased earnings within Maryland and approximately 1,700 full-time-equivalent jobs during construction.

For PSEG, MPRP is an opportunity to bring generations of energy expertise in designing, planning, siting and building transmission to a new region. Projects like the MPRP position PSEG to help solve increasingly complex regional energy challenges by building critical infrastructure while establishing relationships with new communities.

MPRP will help prepare Maryland for increasing electricity demand, a changing generation mix, new economic development and a cleaner energy future. By investing in the grid today, PSEG can help Maryland build the reliable energy foundation it will need for decades to come.



An aerial photograph of a coastal wetland. The foreground is filled with a complex network of winding water channels and dense, low-lying vegetation in shades of green and brown. In the middle ground, the wetland continues with more channels and patches of land. In the far background, a large body of water is visible, and on the horizon, a nuclear power plant with a prominent cooling tower stands out against the sky. The sky is a pale blue with some light clouds.

Environmental stewardship



Our approach to environmental management

Summary

At PSEG we believe that we must protect and maintain the environment and natural resources in the areas where we operate. Through a continuous improvement mindset, we are always aiming for ways to lessen the impacts of our operations and proceed in a responsible way that protects biodiversity, minimizes waste and keeps our air and water as clean as possible.

Environmental stewardship and sustainability require careful management. Each line of business has their own dedicated environmental teams embedded in day-to-day operations.

Our company has several policies, procedures and departments that focus on environmental stewardship. These include:

- Our [Environment, Health and Safety \(EH&S\)](#) Policy describes our efforts to conduct our business in a safe, environmentally conscious and responsible manner. The [PSEG EH&S Program Guide](#) represents the cornerstone of our corporate-wide environmental management approach. The 14 core elements of our program are derived from the specifications developed by the International Organization for Standardization for Environmental Management Systems (ISO 14001) and Occupational Health and Safety Management Systems (ISO45001). The EH&S Program Guide is in the process of being updated to be two separate guides. One that covers our environmental program and another for the health and safety program.
- PSEG maintains a comprehensive Environmental Projects and Services organization staffed by environmental professionals with diverse areas of expertise. The organization has long been recognized for our creative problem solving to achieve compliance with applicable federal, state and local environmental regulations, while also enhancing the environment. The organization includes several dedicated groups:
 - The Licensing & Permitting Team plays a critical role in the development, expansion and maintenance of PSEG facilities. Their work

supports a wide range of permitting initiatives, including transmission and distribution expansions, new facility construction and upgrades or maintenance across our gas and electric transmission and distribution networks. For each project, the team evaluates applicable regulations, collaborates with project managers and regulatory agencies, and secures the necessary permits and approvals to the extent possible. Their permitting strategies emphasize avoidance and minimization of environmental impacts, including those related to threatened and endangered species habitats, wetlands, riparian areas and other sensitive resources. In addition, the team also strives to ensure the improvements are consistent with the character of the existing built landscapes for our local and community partners.

- The Environmental Projects and Services Teams provide ongoing environmental compliance support across PSEG facilities and manage waste streams at both operational sites and project locations. These teams deliver the comprehensive environmental services essential to the continued operation, maintenance and improvement of our utility infrastructure.
- The Environmental Strategy Team leads PSEG's engagement with government agencies, industry groups and stakeholders in the development of environmental regulations that shape electric and gas utility operations. In addition, the team is responsible for communicating regulatory changes to the entire utility organization to ensure compliance is maintained. The team also directs the company's sustainability initiatives, guiding efforts to enhance environmental performance and achieve corporate sustainability goals.



- Within the Environmental Strategy organization are two additional critical functions: the Environmental Oversight Team and the Industrial Hygiene Program.
- The Environmental Oversight Team serves as an internal system of checks and balances, conducting routine compliance inspections to ensure that environmental programs are

operating as intended and effectively meeting regulatory and operational expectations.

- The Industrial Hygiene Program supports workplace health by identifying, evaluating and mitigating chronic and specialized occupational exposures across PSE&G's operations. This work encompasses key risks such as PALMS contaminants (PCBs, asbestos, lead, mold and

silica), noise and hearing loss hazards, chemical releases, indoor air quality and biological concerns, radiation sources, thermal stressors managed through the Heat Illness Prevention Plan (HIPP) and mercury spill response. Through scientific assessment and proactive monitoring, the program promotes regulatory compliance, responsible operations and the well-being of employees and the communities we serve.

- PSEG Nuclear's Environmental Team manages the day-to-day compliance with applicable environmental regulations and site permits at the Salem and Hope Creek facilities. In addition, the team participates in the process of working with government officials, stakeholders and industry groups in the development of environmental regulations that have the potential to guide nuclear operations.
- PSEG Commercial Development's Environmental Team is involved in the development of projects outside of PSE&G's utility scope. The team evaluates each project scope to determine applicability to environmental regulations and works with the project teams and regulatory agencies to obtain the required permits and approvals. Permitting strategies include actions to avoid or reduce adverse impacts to threatened and endangered species habitats, wetlands and riparian impacts. And like the PSE&G's Environmental Strategy Team, the Commercial Development Environmental Team supports and participates in the process of working with government officials, stakeholders and industry groups in the development of environmental regulations which support responsible development.



Growing stronger communities through environmental stewardship

Building a more sustainable future requires collaboration, dedication and long-term investment in the communities we serve. Through strategic partnerships and grantmaking, the PSEG Foundation supports organizations that are advancing environmental stewardship, strengthening community resilience and empowering local leaders to create lasting change.

One such example is our collaboration with [The Nature Conservancy](#), a global nonprofit dedicated to creating a world where people and nature can thrive together. In Newark, support from the PSEG Foundation has helped advance urban tree-planting efforts in neighborhoods where green spaces are most needed. Our support also enabled the development of a publicly available [spatial mapping tool](#) that provides data on open space, urban heat islands, natural resources and environmental health indicators. By making this information accessible, the tool helps residents, community organizations and policymakers identify opportunities to improve neighborhood resilience and environmental quality.

The PSEG Foundation also supports the work of the [Arbor Day Foundation](#), an organization dedicated to expanding tree canopy and promoting the environmental and economic benefits of trees.

PSE&G was recognized as a Tree Line USA Utility in 2023, 2024, 2025 and 2026 for our commitment to responsible urban forestry and community tree planting efforts. Through support

of the Arbor Day Foundation's Energy-Saving Trees program, residents can access tools that help identify optimal tree-planting locations around their homes, improving energy efficiency while enhancing neighborhood green spaces. In 2026, PSE&G joined the Arbor Day Foundation and the New Jersey Tree Foundation to plant 40 trees at Cadwalader Park in Trenton, contributing to cleaner air, reduced stormwater runoff and a healthier urban environment.

Beyond environmental restoration, the PSEG Foundation invests in programs that help communities integrate sustainability into local decision-making. Since 2012, through its longstanding partnership with [Sustainable Jersey](#), the Foundation has provided \$5.6 million in program support and direct grants to schools and municipalities across New Jersey. These grants help communities implement projects focused on energy efficiency, food waste reduction, green infrastructure and environmental education while building local capacity to address sustainability challenges.

Together, these partnerships demonstrate how environmental stewardship extends beyond individual projects. By investing in community organizations, expanding access to resources and supporting local leadership, the PSEG Foundation is helping create a more sustainable future for generations to come.





Water stewardship

In 2024, the NJDEP introduced the third iteration of its Statewide Water Supply Plan. The plan identifies multiple action items to ensure that New Jerseyans have access to an ample, reliable and safe quantity and quality of water. We support the State's plan and have exhibited leadership in stewarding this important natural resource.

The PSEG Nuclear senior management team has responsibility for managing water stewardship at the nuclear facilities.

Water resource management

Our company measures water inflows and outflows by source as required by various permit requirements and internal performance monitoring systems, including the quarterly reporting of certain well pumpage and levels to the NJDEP. PSEG Nuclear's Water Conservation Plan is updated and submitted for review to NJDEP biennially. Detailed metrics regarding our water usage can be found in our [Sustainability Data Matrix](#).

Water withdrawal management

Most of our water withdrawal is from the Delaware River and is used for the operation and cooling of our 100% carbon-free nuclear fleet. PSEG, through participation in the Merrill Creek Owners Group, helps mitigate drought risk in the region by

releasing water from the Merrill Creek Reservoir when deemed necessary by the Delaware River Basin Commission (DRBC). The DRBC has regulated

the flow of the river since 1961 and provides unified water resource management across New Jersey, New York, Pennsylvania and Delaware.





Water discharge and effluent management

We have internal policies and practices related to the discharge of water and effluents. The federal Clean Water Act prohibits releasing pollutants into U.S. waters from point sources, except with a National Pollutant Discharge Elimination System (NPDES) permit from the EPA or from a state through a federally authorized state program. New Jersey is among the states where the EPA has delegated authority to administer the NPDES program.

We have implemented various processes to monitor PSEG Nuclear's discharges and to ensure they remain within our permitted limits.

Finally, we maintain a discharge prevention and response program. This program incorporates the requirements of the NJDEP, the EPA Facility Response Plan and National Oceanic and Atmospheric Administration (NOAA) Natural Resource Damage Assessment Protocol.

Water use rights and limitations

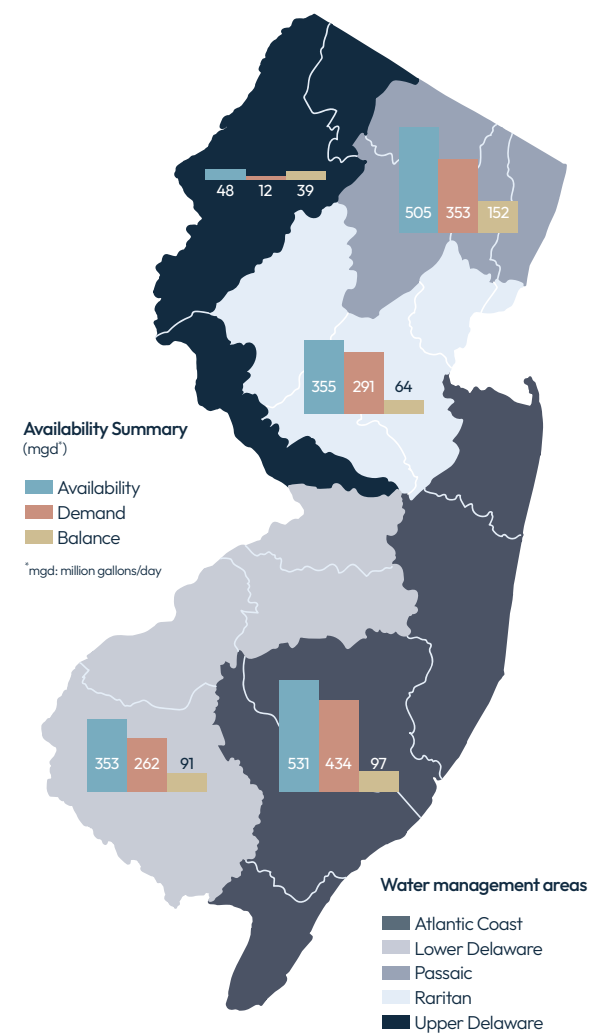
Our plant operations utilize water from the Delaware River, which is monitored and regulated by the DRBC. Our ownership interest in the Merrill Creek Reservoir ensures we have access to water during a drought, as determined by the DRBC. Our NPDES permit with the NJDEP contains effluent limitations for discharge to surface waters.

Water risk

Water is an essential component of steam power generation, making water availability critical for effective operations. In New Jersey, the NJDEP has the authority to study and manage the State's water resources and plan for future water needs. This includes analyzing water supply data, examining growth projections, evaluating risks and identifying policies necessary to overcome supply challenges. The most recent findings are communicated in the 2024 NJ Water Supply Plan.*

The NJDEP water supply plan states that New Jersey has water supplies in sufficient quantity and condition for the current and forecast future use. However, climate change, drought, aging infrastructure and freshwater contamination are all cited as issues that could negatively impact our water availability and will be analyzed further by the NJDEP.

NJ Water Availability Summary



* Source: [2024 NJ Water Supply Plan](#)



Reducing, reusing and recycling: our waste management practices*

Utility waste

PSE&G's utility operations generate waste through ongoing maintenance activities, day-to-day operations and upgrades to facility infrastructure. We manage this waste responsibly and work to minimize landfilling and waste-to-energy incineration by prioritizing recycling, reduction and reuse wherever possible.

Our sustainable waste management practices, goals and objectives emphasize recycling, investment recovery, source reduction where feasible and the reuse or donation of materials that retain value. To support continuous improvement and maintain compliance with waste management requirements, PSE&G continues to invest in resources, strengthen internal processes and collaborate with vendors so that waste is managed in the most effective and environmentally responsible manner.

Utility Recycling

PSE&G has a long-standing history of environmental stewardship, beginning with the launch of our first formal recycling program in 1992. In recent years, our efforts have increasingly focused on collecting and analyzing waste-related data to better understand our waste streams, document program performance, identify new reduction opportunities and support continuous improvement.

Accurate tracking of waste generation and disposal has proven essential in identifying opportunities to reduce the amount of solid waste sent to landfills, while also helping to reduce future greenhouse gas emissions. This work continues to create new opportunities for recycling, reduction and reuse across our operations.

To support these efforts, we utilize our internally developed Environmental Waste Accounting

Management System (EWAMS), created in 2017 to record and track waste streams generated at PSE&G-operated sites, along with their disposal destinations and volumes. EWAMS underwent major upgrades in 2019 to strengthen sustainability waste metrics and establish an internally facing target to reduce the volume of waste disposed of in landfills.

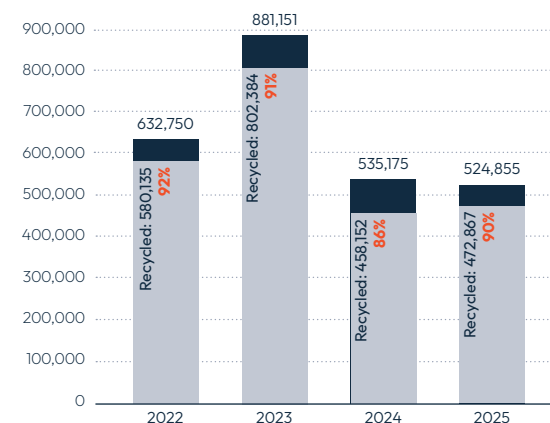
In 2025, more than 91 percent of all waste generated by PSE&G and 90 percent of all waste generated by PSEG was recycled. This achievement not only surpasses the EPA's national recycling goal of 50 percent by 2030, but also exceeds the NJDEP's target to recycle 50 percent of municipal solid waste.

Investment recovery and waste reduction

PSEG's Investment Recovery Program supports sustainability and responsible asset management by maximizing the value of surplus, obsolete and retired materials and equipment. Through the reuse, resale and recycling of these assets, the program diverts materials from landfills, reduces waste and generates revenue that helps offset operating costs. By extending the useful life of equipment and promoting the efficient use of resources, the program advances the company's environmental stewardship and circular economy objectives.

The program encompasses the beneficial reuse, sale or disposition of a wide range of surplus equipment and supplies, including fleet vehicles and heavy machinery, electrical and gas equipment such as transformers, substation and gas plant components, cables and solar equipment. Surplus items are evaluated for internal reuse prior to being sold, donated or recycled, in order to achieve the highest-value and most environmentally responsible outcome.

PSEG totals for waste generated/recycled (metric tons)



Through this approach, PSEG's Investment Recovery Program integrates environmental stewardship, social responsibility and economic value.

A key example of this work includes the evaluation, repair and reuse of small distribution transformers that would previously have been disposed of or recycled. These proactive processes extend the life of existing materials and equipment, significantly reducing operational waste generation and the volume of material sent to landfills.

Additionally, PSE&G's Environmental Projects and Services Waste Minimization Team was established to identify potential waste streams across both project

* Section does not include PSEG Long Island



and routine operations and to develop strategies to reduce them. Since its inception, the team has identified multiple opportunities for waste minimization by applying lessons learned and implementing improved practices that drive continuous operational improvement.

Donations

Donations provide another meaningful way for us to responsibly manage resources that might otherwise be treated as waste. Through PSEG's In-Kind Donation procedure, we are able to give retired materials a second life by donating them to nonprofit organizations within the communities we serve.

In 2025, PSEG partnered with Ewing High School and the John Marshall School in Elizabeth to donate 400 binders, supporting local educational needs while reducing waste and extending the useful life of our materials.

E-Waste

PSEG recognizes that E-Waste is a potential issue, and our IT team has several programs aimed at preventing E-Waste from causing negative environmental impacts:

- E-Recycling: We recycle technology devices that are being replaced but are still in working condition. The devices are transported via an electric vehicle to a central office location where they are then picked up by a third-party vendor. The vendor conditions the device for resale by removing any data that is stored and certifying it is in working condition.
- E-Waste: For devices that are no longer in working condition, we have engaged a third-party

to strip and break down the devices to reuse their component parts. Our agreement includes provisions for none of the devices to be landfilled.

Moving forward, we will look for opportunities to continue improving our management of E-Waste.

PSEG waste vendors and contracts

Contractors play an essential role in supporting PSEG's management efforts. As part of their contractual obligations, contractors work with us to identify new and existing markets for our recyclable materials. In turn, PSEG personnel notify contractors of newly segregated waste streams and collaborate on researching potential outlets and recycling pathways the utility may pursue.

Maintaining a strong waste management program requires close coordination with these partners. By working together to identify facilities capable of converting waste into valuable resources, we increase opportunities for reuse and recycling, reduce the volume of waste sent to landfills, and manage material streams more efficiently. This collaborative approach not only advances our environmental objectives but also supports affordability by helping offset disposal costs, generating revenue where possible, and ensuring that material management decisions reflect both environmental and financial responsibility.

Waste vendor facility audit program

PSEG strives to be a leader in the public utility industry in training, communication and outreach related to waste tracking, compliance and auditing.

For example, our forward-thinking Waste Vendor Facility Audit Program evaluates waste-supplier facilities to assess that materials are managed responsibly and reach the appropriate end markets. These audits verify that the company's recyclers and waste-management partners comply with current environmental regulations and established practices of PSEG.

To promote transparency and maintain high standards, PSEG maintains an internal list of approved disposal facilities and suppliers. These approved partners are required to be used when managing PSEG waste streams, ensuring consistent, compliant and environmentally responsible handling of materials across our operations.

Waste management oversight

PSEG Environmental Services team and Oversight program conduct routine compliance inspections for the proper management of waste streams at operational facilities and project locations. These inspections help verify that waste-handling practices align with regulatory requirements and PSEG's internal practices.

In addition, the utility's Environmental Strategy team supports and participates in efforts to engage government officials, stakeholders and industry groups in the development of environmental regulations that may affect electric and gas utility operations. This involvement helps emerging regulations be well-informed, practical and aligned with responsible waste-management practices.



Nuclear waste

Nuclear safety is an essential element of operating the three plants that generate about 40% of New Jersey's electricity and 80% of its carbon-free power, as well as the Peach Bottom facility in Pennsylvania that is partially owned but not operated by PSEG. We diligently manage our nuclear waste, low-level radioactive waste (LLRW) and spent nuclear fuel safely, securely and responsibly. We maintain monitoring and measurement practices designed to support the ongoing safe management of radioactive waste generated through nuclear operations. The health and safety of our communities, employees and the environment is a top corporate priority.

Employees involved in radioactive waste management activities receive training consistent with NRC requirements and plant operating procedures. Training programs are designed to reinforce safe handling practices, radiation protection principles, incident response and operational requirements. All training and practices comply with federal and state requirements.

Low-level radioactive waste

Most of the radioactive waste produced by nuclear power plants is LLRW. It is safely packaged before being placed in specially designed, robust containers for storage and disposal. This waste includes paper, plastics, protective clothing, water purification supplies and other materials. These waste materials are accumulated on-site and disposed of at licensed permanent disposal facilities.

As part of the Atlantic Compact between New Jersey, Connecticut and South Carolina, New Jersey nuclear operators have access to South Carolina's Barnwell waste disposal facility. The Atlantic Compact is an example of operators, state governments and vendors working together to develop a sustainable solution for LLRW. We expect the Atlantic Compact will satisfy the Salem and Hope Creek plants' need for LLRW disposal through the end of their current licenses, including potential full decommissioning. LLRW is periodically shipped from Salem and Hope Creek to Barnwell.

Nuclear fuel disposal

The federal government has contracts with nuclear power plant operators to transport, store and dispose of spent nuclear fuel. The Nuclear Waste Policy Act allows plants to store the spent nuclear fuel in on-site storage pools or at independent spent fuel storage installations. We have on-site storage facilities that are expected to satisfy the storage needs of the Salem, Hope Creek and Peach Bottom plants through the end of their current operating licenses.



Biodiversity and natural resources*

PSEG and its subsidiaries operate within a biologically diverse region of the world. The Northeastern United States – and New Jersey, in particular – offer a variety of habitats and migratory pathways for avian, aquatic and terrestrial wildlife, such as red knots, horseshoe crabs and golden-wing warblers, just to name a few.

New Jersey also is home to wildlife that requires special habitats in limited supply. Threatened and endangered species that rely on New Jersey's wetland areas include bog turtles, blue spotted salamanders, Pine Barrens tree frogs and swamp pink plants.

Because of the complex ecosystems in the areas where we operate, our efforts to protect the environment are integrated into our strategic planning and permitting requirements. This includes longstanding initiatives such as our Estuary Enhancement Program, which has restored thousands of acres of marshlands in southern New Jersey and neighboring areas along Delaware Bay.

We continue to proactively partner with wildlife agencies and conservationists on research studies, best management practices, support programs and regulatory efforts designed to protect wildlife and their habitats. For example, we collaborate with New Jersey Audubon on evaluating our vegetation maintenance practices and potential effects on bird nesting habitats. Information gathered from this effort is used to develop sustainable maintenance practices to help balance the safety and reliability needs of the utility system while helping to preserve bird species diversity along our 1,200 miles of transmission rights-of-way (ROW). Our planning processes aim to minimize potential impacts on regional biodiversity caused by maintenance, upgrades or new electric or gas distribution and transmission projects. We take appropriate steps to protect local plants and animal wildlife.

For large transmission projects, planning starts years in advance to consider how we can avoid environmentally sensitive areas and incorporate solutions for the protection of wildlife during construction and operation of our infrastructure. Once projects are underway, environmental monitors are routinely onsite to confirm these solutions are implemented. Upon completion, we work to restore areas and implement a variety of tools, including using native seed mixes and biodegradable stabilization measures.

PSEG's focus on biodiversity

We are focused on promoting and enhancing biodiversity through natural resource conservation while continuing to operate in a safe and reliable manner. This focus is guided by our corporate Environment, Health and Safety policy and our Corporate Biodiversity Commitment. Not only do we focus on conserving biodiversity in our operations, we also work with external partnerships through corporate investment and philanthropy to support the enhancement of important biodiversity areas and habitats.

PSEG aims to:

- Address present and future considerations and competing objectives as part of strategic planning, avoiding and minimizing negative impacts on biodiversity and, when the impacts cannot be avoided, reducing damage and mitigating their effects.
- Assess impacts on biodiversity and habitats such as bird interactions with power lines, pollinator habitat loss, vegetation management practices and construction activities; we will continuously adapt strategies and plans to address these issues.

- Engage with stakeholders such as local communities, academia, conservation non-profit organizations and regulatory agencies with expertise in biodiversity matters, where appropriate, when planning, building and operating energy infrastructure with the objective of addressing opportunities for protecting and enhancing biodiversity.
- In the case of residual impacts, implement mitigation strategies that respect the “no net loss” principle of biodiversity and, where possible, have a net positive benefit.
- As required, conduct environmental impact studies that provide an assessment of the effects on biodiversity.
- Report regularly on performance and remain focused on continuous improvement in our biodiversity programs and sharing best practices when appropriate.

Doing our part to protect New Jersey's diverse wildlife is just one reason PSE&G maintains a robust Environmental Projects and Services team. We strive to foster a harmonious balance so that plants and wildlife, large and small, can thrive while we safely maintain our infrastructure and deliver safe and reliable energy.

From building safe “critter crossings” near construction sites in environmentally sensitive areas to using special helicopters instead of trucks to transport crews and equipment in environmentally sensitive areas, we work to be good stewards of the environment while we carry out the essential work of upgrading and maintaining our electric system. For example, for a wood turtle nest mound project,

* Section does not include PSEG Long Island



Osprey relocation on Petty's Island

When an osprey pair built a nest atop an energized electrical pole on Petty's Island in Pennsauken, New Jersey, it created a safety risk for the birds and a reliability concern for customers. With three eggs already in the nest, we needed to act quickly.

Petty's Island, an important habitat for wildlife in the Delaware River, is managed by the NJ Natural Lands Trust, which first alerted us to the situation. During an initial visit, crews discovered that the nest was active, triggering the need for federal permits. The project team immediately coordinated with the U.S. Department of Agriculture Wildlife Services, which issues permits for handling migratory bird nests and eggs, allowing the relocation to move forward safely and legally.

Within days, PSE&G crews organized a plan to install a new nesting platform on an existing pole, with support from CITGO, the island's current owner. The Conserve Wildlife Foundation of New Jersey provided a nest box kit and helped our lineworkers assemble it onsite. USDA Wildlife Services carefully removed and incubated the eggs while crews dismantled the original nest and rebuilt it on the new platform, using as much original material as possible to keep the site familiar for the ospreys.

Once the nest was reconstructed, the eggs were returned, and the relocation was an immediate success—within 15 minutes, the osprey parents were back on the nest.



Ospreys often choose elevated structures near water, making utility poles appealing but hazardous. This project showcased strong coordination across PSE&G and partner organizations.

New Jersey's osprey population, once fewer than 50 pairs, has rebounded to more than 800 today thanks to decades of conservation work. Partnerships like this help wildlife protection and electric reliability coexist.

we created artificial mounds for turtle nesting when the natural nesting habitat was destroyed by storms. Installation of wildlife protection fencing minimizes the risk to wildlife such as turtles and amphibians from road crossings or construction. In areas supporting New Jersey's declining bat populations, we conduct vegetation management outside sensitive times of year and trim only trees that pose a danger to our distribution lines and leave behind those that provide roosting, maternity and hibernating habitats for various species of bats.

Enticing birds to alternative nest sites

Various species of birds, including bald eagles and ospreys, have acclimated to nesting on our transmission towers or distribution poles. Nests built on utility poles can pose a threat to the birds and may cause outages and damage to electrical equipment. PSE&G has adopted an Avian Protection Plan that provides tools to safeguard both the birds and electrical infrastructure. Through the use of line marking, nesting & perch deterrents, insulator shields, electrical covers and nesting platforms, we are working toward a balance of delivering safe and reliable electricity and minimizing impacts to birds.

PSE&G has worked with the New Jersey Sports and Exposition Authority (NJSEA) to build and install osprey nest platforms in the Meadowlands where natural nesting habitat is hard to come by. As part of our Estuary Enhancement Program, we work with the Nature Conservancy to help protect osprey habitats in Cape May and Cumberland counties in New Jersey. PSEG Long Island also partners with The Group for the East End to find alternative nest platforms in known osprey nesting areas that are taller than nearby lines to provide more attractive and safer nesting sites for the raptors. We also



work closely with communities and civic groups to help evaluate utility poles near high-quality osprey habitats, to identify alternative sites and to assist with building and installing safe osprey nest platforms.

As part of a strategic reliability project, PSE&G installed a nest platform for a pair of bald eagles that had been nesting for many years on a transmission tower that needed to be rebuilt. The bald eagles took to the platform and raised two eaglets, the first-ever successful bald eagle nest platform in the state. A live nest camera was installed to share exciting events, provide an educational opportunity and raise awareness on the importance of the balance with our natural world.

Right-of-way (ROW) management

Providing safe, reliable and affordable energy to meet the needs of our customers requires maintenance of transmission and distribution lines that pass through local ecosystems. Vegetation on transmission ROWs must be managed regularly to facilitate safety and system reliability. PSE&G maintains a detailed rare, threatened and endangered species matrix for our electric transmission ROWs and follows state and federal fish and wildlife agency best management practices while conducting transmission and vegetation maintenance to protect these species and their habitats.

Managing these areas presents an opportunity to promote open, low-growing meadow habitats favored by certain plants and wildlife that are often rare in the matrix of forest, suburban and urban landscapes found in New Jersey. We work closely with experts from environmental non-governmental organizations and state and federal agencies to

integrate biodiversity considerations and impact mitigation into our maintenance programs.

In partnership with the NJDEP's Endangered & Non-Game Species Program and New Jersey Audubon, we worked to find solutions to protect vital habitat for the golden-winged warbler, a species in severe decline. With over half of the state's golden-winged warbler population nesting and breeding on one of our ROWs, it was critical to adjust our vegetation management activities to preserve this critical habitat. We continue to work with these organizations to conduct yearly surveys for these birds and their nests and continue to look for ways to help safeguard the species' survival.

Researchers recognize that electric transmission ROWs can provide important early successional habitats for pollinators (such as butterflies and bees) as well as an excellent source of food and cover for wildlife. PSE&G employs integrated vegetation management (IVM) strategies to promote sustainable early successional habitats on our ROWs for species that depend on meadow and grassland habitats.

PSE&G does not conduct high-volume broadcast herbicide applications that can decimate all plants in a given area. Instead, we employ IVM strategies to remove only vegetation that poses a risk to our lines, allowing compatible native vegetation to thrive and spread. We also do our part to aid in the control of invasive plant species. We practice invasive plant species management during maintenance and construction projects, such as eradication of invasive common reeds along our ROW within the Great Swamp Wildlife Refuge. PSE&G is continuing an initiative to voluntarily convert ROWs that are maintained as lawns, which provide little to no wildlife benefit, into

early successional habitats with specialized native plant seed mixes created by utility biologists.

In March 2026, PSE&G was recognized by the Arbor Day Foundation as a Tree Line USA utility, the 4th year in a row we have been recognized for best practices utility arboriculture.

Pollinators and monarch butterfly conservation

In 2021, PSE&G became the first entity in New Jersey to sign on to the U.S. Fish and Wildlife Service's (USFWS) Monarch Butterfly Conservation Agreement. PSE&G enrolled our entire electric transmission system, over 16,000-acres into the program that focuses on vegetation management practices to sustain and create pollinator habitats on our ROWs. PSE&G conducts annual random monitoring across our system to assess the health of our pollinator habitats and identify areas where improvements are needed.

As part of our Pollinator & Monarch Habitat initiative, in 2025 we seeded about 70 acres, planted 1,900 milkweed plants across 51 sites and managed invasive species on 278 acres. PSE&G ROWs provide important contiguous pathways for pollinators, especially the monarch butterfly on their long seasonal migrations. Ensuring there are plentiful nectar sources on our ROWs gives the pollinators the energy they need to provide their invaluable ecological services that also fuel our agricultural and food industries.



Estuary enhancement program

Longstanding initiatives like our Estuary Enhancement Program, are incorporated into our work. The program has restored, enhanced and preserved more than 20,000 acres of salt marsh and adjacent upland in southern New Jersey and neighboring areas along the Delaware Bay, and is one of the largest privately funded salt marsh restoration initiatives in the nation.

Tidal wetlands are among the most productive ecosystems on earth, performing many valuable functions: filtering impurities from storm water runoff, minimizing damage from storm surge, as well as providing shelter and food for migrating birds while serving as spawning and breeding grounds for fish

and wildlife – in essence, they are the base of the food chain.

In an effort of unprecedented scale, PSEG began working in 1994 to restore and preserve portions of the Delaware Estuary in New Jersey and Delaware. The Estuary Enhancement Program is a true public/private partnership, featuring collaboration between independent scientists, environmental groups, natural resource and land management agencies, public officials and local communities.

PSEG, working with local communities, has constructed parking areas, boardwalks and observation platforms, boat ramps and nature trails to

facilitate environmental education and recreational activities. Our continued support of these efforts is demonstrated by the recent replacement of original wooden observation platforms with more durable concrete and steel materials. These platforms are enjoyed by bird watchers, photographers, school groups and nature enthusiasts.

Long-term sustainable benefits of the Estuary Enhancement Program include expanded habitat, nursery grounds, shelter and foraging opportunities for fish and other aquatic species; increased fisheries and primary food source production; increased habitat availability for threatened and endangered species, and resident and migrating birds; increased biodiversity; and increased public use opportunities.

We are also focusing on the long-term sustainability of our facilities, specifically working to enhance their resiliency. In recent years nuclear plant operations across the country have been specifically impacted by weather events, and we are working with our nuclear industry peers to prepare in advance of future climate-related impacts. Toward that effort, we are conducting a resiliency assessment to gauge the ability of our power plants to withstand extreme climate events. We will be evaluating our ability to anticipate, absorb, adapt to and rapidly recover from not only extreme climate events but also supply chain issues and other evolving threats so that we continue to provide safe and reliable electricity that our customers depend on.

Merrill Creek reservoir

Located in Warren County, NJ, PSEG owns approximately 14% of the Merrill Creek Reservoir (MCR) and is a member of the Merrill Creek Owners Group that is charged with the governance and operation of this important natural resource.





Merrill Creek reservoir

To manage its lands, wildlife, and habitats – and to protect biodiversity that the property provides the local community – MCR implements a NJ approved Forest Stewardship Plan (FSP). The plan includes active forest conservation management, including forest thinning (harvest), invasive species controls, native plantings and other conservation practices that will increase young forest habitat, as well as help facilitate old growth forest characteristics in different parts of the property. MCR voluntarily implements additional complementary conservation projects to the FSP that enhance and/or restore other ecological resources at MCR.

In addition to the FSP, Merrill Creek considers aquatic biodiversity impacts in its operations. One such instance is in the management of releases to minimize impacts to the native Brook Trout, NJ's state fish. Brook Trout require very cold water to survive, so by releasing small amounts of water from the bottom of the reservoir, the MCR ensures that the creek not only continuously flows but does so with cold water the fish need.

Another Merrill Creek success story is related to the New Jersey Bald Eagle population. As recently as 1970, there was exactly one nesting pair of Bald

Eagles in New Jersey. In 1999, Bald Eagles were observed flying near the reservoir and in 2011 equipment was purchased to monitor, confirm and minimize impacts to two nesting sites discovered on the property. Since their discovery, several confirmed eaglet hatchings have occurred – with three alone in 2024!

Also in 2024, Merrill Creek was honored as a winner of the Governor's Environmental Excellence Award in the category of Healthy Ecosystems & Habitat. Specifically, the award recognizes the voluntary conservation practices and/or restorations that were performed in 2024. These include forest stand/habitat improvement practices, native grassland management and creation or enhancement of several demonstration pollinator gardens, all to benefit various wildlife species, including several declining species that are found on the property.

By implementing voluntary complementary conservation projects to its overarching ecological forestry management practices, Merrill Creek is meeting needs of the State and the region for critical habitat management/restoration (outlined in the NJ State Wildlife Action Plan 2018); managing for forest resiliency, species composition and forest age-class diversification and climate mitigation (outlined in the NJ State Forest Action Plan 2020); and managing forest health with carbon defense and sequestration strategies (meeting needs outlined in the 2020 NJ Global Warming Response Act 80x50 Report).

All voluntary work performed at Merrill Creek for healthy ecosystem restoration and stewardship is directly tied to NJDEP and USFWS regulation/guidelines, regional planning documents and/or federal or state initiatives/incentive programs.

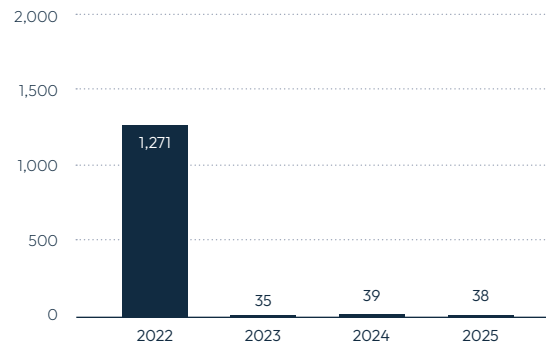


Non-GHG emissions

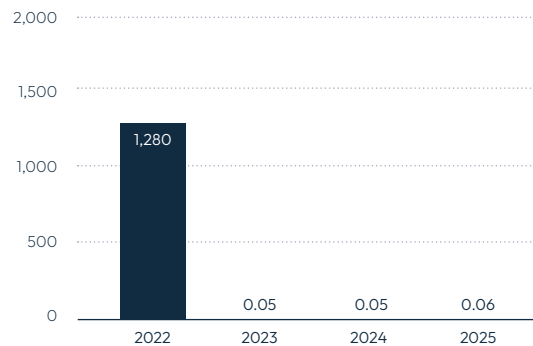
Over the years, our work to reduce air emissions has gone beyond GHGs. In 1992, we voluntarily committed to reducing nitrogen oxide (NO_x) emissions at our then-owned New Jersey power plants by 80% by 2000. We were the first power company to effectively demonstrate the emission reduction efficacy of selective non-catalytic reduction (SNCR) on a wet-bottom, coal-fired boiler. In 2011, after a \$1.4 billion investment in technology, we began work to reduce emissions of NO_x , sulfur dioxide (SO_2) and particulate matter at our now-retired New Jersey coal plants. By 2023, PSEG fully divested our fossil-fuel generation portfolio, which has allowed us to redeploy resources – both financial and human – toward a more regulated business mix that strives to help New Jersey achieve its policy objectives and energy-related goals.



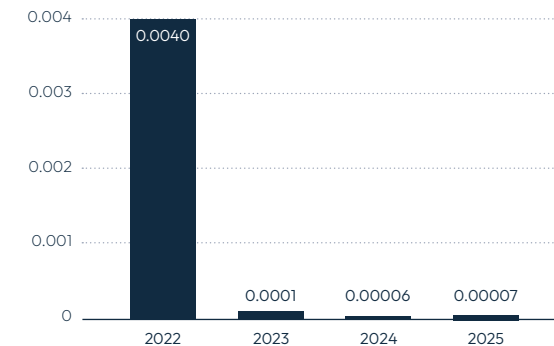
NO_x Emissions (metric tons)



SO_2 Emissions (metric tons)



Hg Emissions (metric tons)





Climate strategy*



Over the past decade, we have strengthened our governance frameworks, enhanced climate-related oversight and advanced the decarbonization of our operations in ways that support customer needs and align with state energy and climate goals. These efforts reflect our focus on responsible long-term planning, operational excellence and the transition to a cleaner, more sustainable energy future.

PSEG continues to believe that addressing climate change requires meaningful action, and we are proud of the significant progress we have made in reducing GHG emissions over the past three decades. Through strategic investments, operational improvements and the transformation of our generation portfolio, we have achieved emissions reductions that rank among the strongest in our industry. Most notably, we achieved our goal of 100% GHG-free power generation eight years ahead of schedule and have helped create more than 4,100 clean energy careers in New Jersey through investments that support both economic growth and decarbonization.

As we look ahead, we must also recognize the changing realities of the energy landscape. New Jersey households are facing rising costs for essential needs such as food, housing, healthcare and energy. At the same time, electricity demand is increasing across the United States after more than a decade of relatively flat growth, creating new challenges for electric supply, grid reliability and customer affordability. As New Jersey works to address the supply-and-demand imbalance that has contributed to recent increases in electric rates, we will work with policymakers and stakeholders to identify practical, long-term solutions that support reliability, affordability and decarbonization.

These evolving conditions have prompted us to reassess our climate targets. Accordingly, in January 2026, we updated our climate target from net-zero GHG emissions by 2030 to a net-zero GHG emissions by 2050 goal covering direct (Scope 1) and indirect (Scope 2) emissions from our operations. This revised target reflects the realities of the energy transition, including policy and regulatory developments, technology availability and affordability, market conditions, customer demand and broader economic factors that will influence the pace of decarbonization. While these factors could, and likely will, impact the timing of our progress, they do not change our commitment to reducing emissions, strengthening resilience and supporting a cleaner energy future.

To provide stakeholders with greater transparency into this evolution, PSEG published our [2026 Climate Progress Update](#) in January. The report outlines our climate strategy, progress toward greenhouse gas reduction goals, the divestiture and the retirement of our fossil generation fleet. Through this update, we aim to provide stakeholders with a clear view of our decarbonization journey and how climate considerations continue to be integrated into our long-term business strategy.

* Section does not include PSEG Long Island



GHG emissions progress report

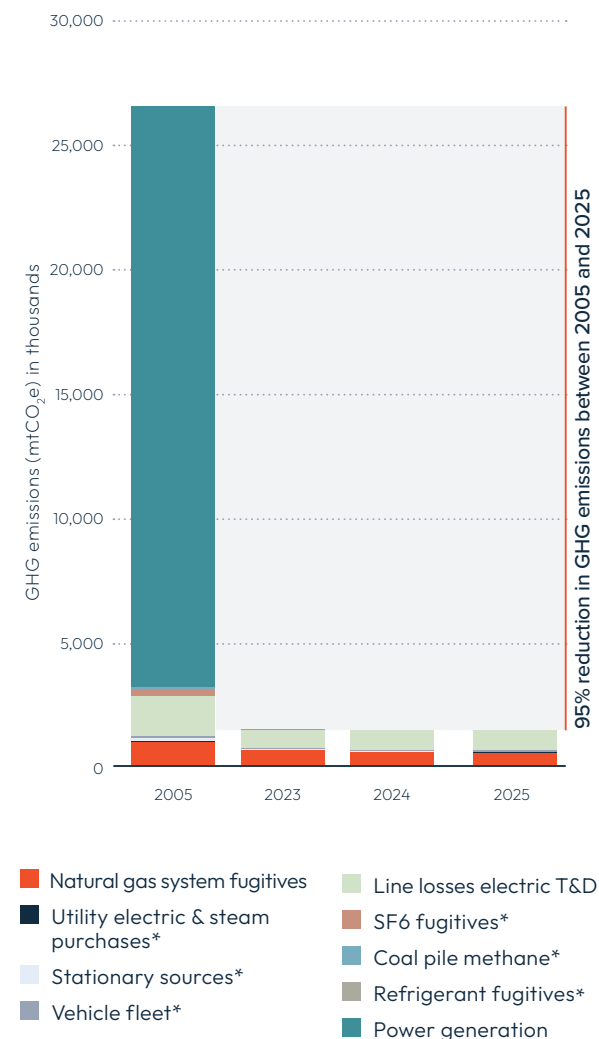
PSEG has factored climate and weather risks into our decisions since the early 1990s. We have achieved a 95% reduction in Scope 1 and 2 operational emissions from our 2005 baseline by retiring older fossil generation, divesting our remaining fossil assets, modernizing our gas system, transitioning our fleet to hybrid and electric vehicles, upgrading SF₆-containing equipment and transmission systems and improving energy efficiency across our facilities.

We continue to make meaningful progress in reducing our operational Scope 1 emissions. In January, we launched the third phase of the GSMP program, which will replace 600 miles of aging gas mains with modern materials that improve system reliability while reducing emissions. In addition, we completed building efficiency upgrades at our 24th facility in 2025. Collectively, these improvements are expected to avoid annual emissions by more than 12,000 metric tons of CO₂e through the installation of LED lighting, high-efficiency HVAC systems and advanced building management systems with enhanced energy monitoring and controls.

The largest component of our operational GHG footprint is Scope 2 emissions associated with line loss, which is the electricity lost as power moves through transmission and distribution infrastructure before reaching customers. While system efficiency can be improved through grid modernization, emissions from line loss are primarily driven by customer demand and the carbon intensity of electric generation within the PJM region, meaning significant reductions will depend on broader adoption of clean energy resources across the grid. Growing electricity demand continues to place upward pressure on regional emissions, which can contribute to increases in our Scope 2 footprint even as we pursue improvements within our operations. As a result, progress toward our GHG emissions reduction goals is expected to be non-linear and may be influenced by factors beyond our direct control.

For more on our GSMP, see [page 28](#) of this report.

GHG emissions progress report (2005–2025)



* GHG emissions too small to render clearly on chart.



Operational emissions

Methane

Curbing methane leaks from our natural gas distribution system is a priority. We are working toward this by replacing aging, leak-prone cast iron and unprotected steel mains with more modern materials through our GSMP. By the end of 2025, PSE&G achieved a methane emission reduction of over 47% from 2011 levels.

Sulfur Hexafluoride (SF₆)

Sulfur hexafluoride is a synthetic fluorinated compound with an extremely stable molecular structure. Electric utilities rely on SF₆ in electric power systems for voltage electrical insulation, current interruption and arc quenching in the transmission and distribution of electricity.

Since 2016, PSE&G has increased the total size of our SF₆ gas-insulated system by approximately 100%, but with proper installation and maintenance, we have been successful at maintaining SF₆ emissions below EPA reporting thresholds. As cost-effective alternatives to SF₆ circuit breakers and gas-insulated substations become available, we will assess how we can integrate this equipment safely and reliably into our electric operations.

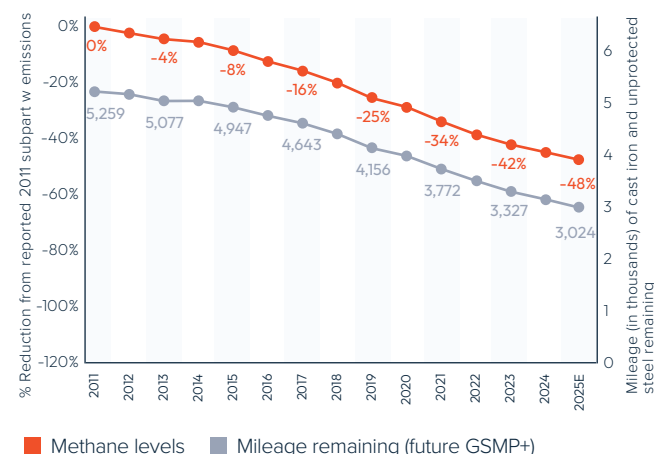
Climate-risk management

Climate-related events introduce complex and evolving risks and opportunities for our business. We continue to enhance our understanding of the potential impacts to our assets and operations, as well as to our customers and the communities we serve. These factors may influence customer demand, capital planning, operational priorities and long-term strategy. Key areas of focus include:

- **Physical risks of climate change:** Severe weather or acts of nature, including hurricanes, winter storms, earthquakes, floods, wildfires and other natural disasters, can stress systems, disrupt operations and result in service interruptions or property damage. The effects of climate change are expected to increase the frequency and severity of certain weather events and introduce additional physical risks, including extreme wind, rainfall and flooding, sea level rise and extreme heat and drought, such as those experienced during Superstorm Sandy and Tropical Storms Isaias and Ida. These conditions may increase the need for system maintenance, resiliency investments and capital planning, and may influence customer demand and satisfaction. We work with regulators and stakeholders to support timely recovery of prudently incurred costs associated with maintaining and restoring service.

- **Climate-related policy, regulation and changing customer preferences:** Climate change may contribute to evolving legislation and regulation that shape our business environment and influence customer energy preferences and sustainability goals. These developments may include policies related to GHG emissions reductions, energy efficiency, renewable energy targets (including solar and storage) and electrification initiatives. Over time, these factors may affect the relative use of natural gas and electricity, the need for additional electric generation and infrastructure, and our approach to investing in electric and gas transmission and distribution (T&D) systems. Our ability to execute planned investments and achieve climate-related goals may depend on regulatory processes, technology development and broader economic conditions.

Methane reduction and mileage of CI/US* inventory remaining



* CI/US: Cast-iron/unprotected steel. Methane reductions starting from 2011 when greenhouse gas emissions were required to be reported by the U.S. EPA for gas distribution companies. Reduction is based on former (2016) 40 CFR 98, Subpart W methodology. This reduction does not include regulatory, and calculation changes reflected in the revised 40 CFR 98, Subpart W emissions released by the U.S. EPA on May 6, 2024.

- **Competing technologies and demand impacts:** Advances in distributed generation technologies, and the development of demand side management (DSM) and EE programs, can impact the demand for energy and require further improvements to our distribution systems to address changing load demands and make portions of our transmission and/or distribution facilities obsolete prior to the end of their useful lives.



- **Financial considerations:** As investors and financial institutions continue to evaluate climate-related risks and opportunities, there may be implications for access to capital and financing conditions.
- **Legal and regulatory considerations:** We monitor developments in climate-related litigation and regulatory actions, which may evolve as climate policy and stakeholder expectations continue to develop. These matters may involve requests for injunctive relief, monetary compensation or other remedies.

Effectively managing climate-related risks and opportunities involves collaboration across our organization:

- **Enterprise Risk Management (ERM):** Our ERM function supports the identification, assessment, monitoring and management of enterprise risks, including those related to climate. The Senior Vice President, Audit, Enterprise Risk and Compliance, oversees this process and supports the integration of risk management, internal audit, ethics and compliance activities.
- **Corporate Citizenship:** Our Corporate Citizenship organization, including Federal Affairs and Sustainability teams, provides guidance on sustainability and climate-related matters and helps integrate these considerations into business strategy and stakeholder engagement.
- **Operations and services:** Leaders across electric and gas operations, asset management, clean energy solutions, legal and finance contribute their expertise to assessing and addressing climate-related risks and opportunities.

PSEG enterprise risk management process components and top risk categories

ERM process

Risk Governance Risk-Aware Culture Risk-Informed Decision-Making Managing Execution Risk Risk Reporting and Communication

PSEG risk categories

Illustrative examples of risks associated with climate change for each risk category

Operational	Environment Health & Safety	Strategic	Legal & Compliance	Reputational	Financial
• Ability to maintain reliable service despite more extreme and frequent weather events	• Environmental or safety impacts from operational incidents caused by climate change (e.g., flooding, storms)	• Difficulties aligning regulatory constructs with climate goals	• Evolving liability landscape for climate events	• Ability to meet customer and stakeholder clean energy expectations	• Energy and capacity price impacts due to changing climate policies and generation mix

- **Environmental law and regulatory oversight:** Our legal team advises on evolving legal and regulatory developments related to climate change.

Through our ERM framework and cross-functional collaboration, we seek to incorporate leading practices to manage climate-related risks and opportunities, inform capital planning, support system reliability and resiliency and advance our long-term business objectives. We continue to evaluate the potential impacts of climate change

and adapt our investment strategies to strengthen our infrastructure and better serve our customers in a changing environment.

Supporting our people
and communities





Our management approach to supporting our people and communities

Summary

PSEG lives up to our “Public Service” name by doing what’s right for our people and the communities we serve. We aim to serve our customers both as a trusted energy provider and a company that cares for their communities. Our vision is to power a future where people use energy more efficiently, and it’s safer and delivered more reliably than ever.

We are guided by our company’s values:

- We are committed to the safety, security and well-being of our employees and communities.
- We are our customers’ trusted partners and have their backs.
- We anticipate the challenges ahead and meet them responsibly with ingenuity and courage.
- We treat people with respect and dignity, and embrace each other’s differences.
- We do what’s right.

Our company’s management approach is centered on doing right by our people, our communities and our planet. Our employees live and work in the same neighborhoods we serve, and they are essential to delivering the safe, reliable and affordable energy our customers depend on. They are the ones who respond to extreme weather and support customers on everyday “blue sky” days.

Our company strives to support our employees and provide care in the communities we serve through philanthropic initiatives, corporate giving and investments in our communities.





Fighting hunger, strengthening communities: PSEG's longstanding partnership with the Community FoodBank of New Jersey

For more than 30 years, PSEG and the PSEG Foundation have partnered with the Community FoodBank of New Jersey (CFBNJ) to help address food insecurity and support families facing hardship across the state. Through financial support, emergency response funding, volunteerism and employee giving, this enduring partnership reflects PSEG's work to strengthen the communities we serve.

Together, PSEG and the PSEG Foundation have provided more than \$1.4 million in support to CFBNJ, helping the organization expand its reach and respond to growing community needs. Over the past decade, PSEG has also made significant gifts that have supported CFBNJ's emergency response efforts, ensuring resources are available when New Jersey residents need them most.

Employee engagement has been a defining element of the partnership. Since 2014, PSEG employees have contributed more than 4,000 volunteer hours at CFBNJ, helping to sort and pack food, prepare emergency food boxes and support large-scale events such as the annual 24-hour Pack-a-Thon. These volunteer efforts provide critical assistance to the food bank while offering employees meaningful opportunities to make a direct impact on their communities.

Our employees have also demonstrated their commitment through generous donations. Over the past decade, employees have contributed more than 12,000 pounds of food, including 1,200 pounds collected during the 2026 food drive at PSEG's Newark headquarters. In addition, employees have donated more than \$130,000 to support CFBNJ's mission. Through the PSEG Foundation's matching gift program, those contributions were doubled, generating more than \$260,000 in combined employee and Foundation support.

The partnership reflects a shared commitment to addressing hunger and improving quality of life for New Jersey residents. Through financial contributions, volunteer service and employee engagement, we continue to support CFBNJ's efforts to provide nutritious food and essential resources to individuals and families facing food insecurity across the state.

By combining corporate support, employee engagement and community partnerships, PSEG and the PSEG Foundation are helping address immediate needs while building healthier communities for the future.





Our customers

Creating a customer-centric experience is central to our work at PSEG. We focus on affordably and reliably delivering the electric and gas service our customers need. We also understand that the service and value our customers expect continues to change and evolve.

For more information on our energy affordability efforts see [page 55](#) of this report. For more information about our work to continually enhance reliability see [page 17](#) of this report.

Customer service

PSEG offers a variety of options for people who need to contact us regarding their account. Along with phone support and a wide variety of online self-service options, PSEG operates 16 customer service centers for in-person support for bill payment, new account setup, inquiries and guidance on energy efficiency and payment assistance offerings. Through these channels and community outreach, PSEG helps customers access cost saving programs and bill payment assistance to help manage energy bills.

Our Transactional Satisfaction Surveys measure the overall average of customer satisfaction of core utility customer-facing processes. The J.D. Power Survey measures the CSI (Customer Satisfaction Index) in four segments: Residential Gas, Residential Electric, Business Gas and Business Electric. We also use a monthly survey measuring customer communication effectiveness, as well as ad hoc online panel surveys. Findings from these surveys are reviewed by internal teams that work to improve the customer experience.

In 2025, PSEG combined the outreach teams of our customer payment assistance and energy efficiency program areas to provide information on both critical program areas in one interaction. We held over 500 events and engaged in person with over 35,000 customers in 2025. We also added a 25-person bilingual team that helps our customers navigate the application process for federal and state programs. This team engages with customers in person and over the phone and also makes home visits when needed.

In 2025, PSEG:

- Received JD Power distinction of Highest in Customer Satisfaction with Residential Electric Service in the East Region among Large Utilities for the fourth consecutive year, as well as winning the JD Power Brand Appeal award for both Gas and Electric.
- Earned ReliabilityOne® awards including the National Award for Outstanding System Resiliency, the MidAtlantic Metropolitan Reliability Award for the 24th straight year, and the National Customer Engagement Award for the third year in a row.

We saw strong performance across the region as well. In the JD Power 2025 Business Customer Satisfaction Study, PSEG Long Island and PSEG ranked as the top two large utilities in the East Region, with PSEG Long Island taking the number one spot—an 11-year climb from the bottom of the rankings when we took over grid operations in 2014. In 2025, we extended our contract with the Long Island Power Authority to continue operating the Long Island power grid for the next five years.

Customer privacy

We capture customer information to provide energy services. We take seriously our obligation to safeguard customer data through the implementation of training, controls and other procedures both at the business level and with the oversight of our cybersecurity team in IT. Our aim is for customer data to be secure and for access to be restricted to only those authorized. We do not sell any of our customers' information and only some authorized vendors have limited access to customer information based on the work they are performing.

For more information on cybersecurity, see the "Cybersecurity" section on [page 80](#) of this report.



Rider University: turning energy challenges into campus-wide transformation

Designed to support a wide range of customers and facility types, PSE&G's Engineered Solutions Program helps colleges, universities, hospitals, municipalities, commercial businesses and other organizations implement energy-saving improvements that may otherwise be difficult to fund upfront. By combining customized engineering support, energy efficiency incentives and interest-free, on-bill repayment, the program enables organizations to modernize critical systems while advancing long-term sustainability goals.

At Rider University, a \$1.9 million energy efficiency project created an opportunity to modernize aging infrastructure across campus while improving campus operations, reducing energy consumption and enhancing the student experience. Approximately 56% of project costs were offset through energy efficiency incentives, with the remaining balance repaid over five years through interest-free, on-bill financing. Delivered with support from New Jersey-based contractors and union electrical labor, the project demonstrates how collaborative partnerships can help institutions achieve both operational and environmental objectives.

One of the project's most visible transformations took place inside Alumni Gym, where outdated mercury vapor lighting had long created challenges due to poor light quality, inefficiency and persistent noise. Through the Engineered Solutions Program, Rider replaced the aging

fixtures with high-efficiency LED technology, dramatically improving lighting performance while creating a more modern and adaptable environment for athletic competitions, campus events and community gatherings.

The upgraded lighting system improves visibility and safety for student-athletes while also creating a more engaging game-day atmosphere. Enhanced lighting controls allow the university to tailor the space for different uses and events, supporting everything from athletics to campus programming. The improvements also strengthen Rider's ability to recruit top student athletes by elevating the quality and professionalism of its athletic facilities.

The benefits extend well beyond the gymnasium. Rider upgraded exterior lighting across seven campus buildings and began modernizing heating and HVAC systems in the university library and Fine Arts Building. Collectively, the improvements are projected to save approximately 1.3 million kilowatt-hours of electricity annually, helping reduce utility costs while supporting Rider's long-term sustainability strategy and carbon neutrality goal.

What began as an infrastructure modernization effort ultimately became a broader investment in campus resilience, operational efficiency and a more sustainable future for the Rider community.





Affordability

PSE&G is among the most affordable utilities nationally, when measured by share of household income. We prioritize operational efficiency to help us keep our controllable costs down as much as possible, and provide excellent distribution services at reasonable rates, while making significant, long-lived investment in the systems. As of May 2026, average combined gas and electric bills for PSE&G customers represent about 3% of median New Jersey income. For low-income customers who utilize payment support programs, that number is about 2.4% of income. PSE&G has demonstrated top decile affordability nationwide. Our electric rates are below the regional average despite higher PJM-related costs, and our gas bills remain the lowest in New Jersey and the region.

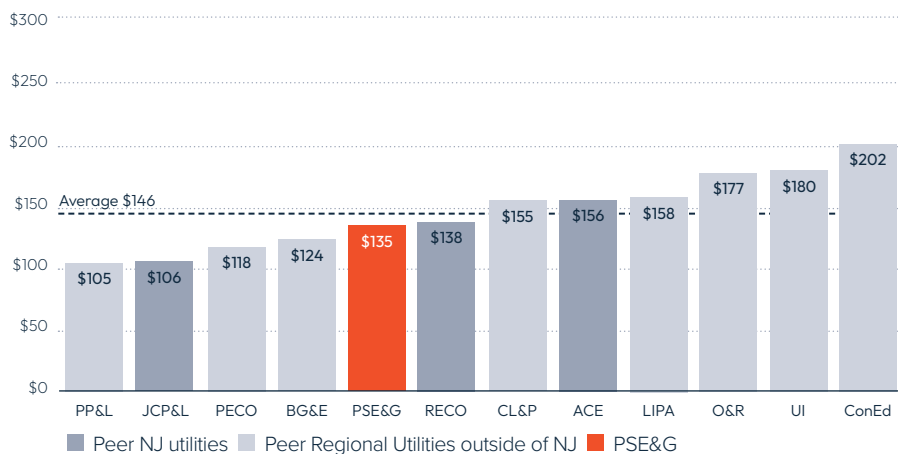
We work hard to keep energy costs affordable and understand our responsibility to protect our

customers from the inconsistent performance by PJM. PSE&G will continue working with policymakers to find solutions to rising energy bills in New Jersey. We aim to be a trusted energy advisor for our customers and help them identify ways to reduce their usage, help connect them to payment assistance resources or help them with payment plans.

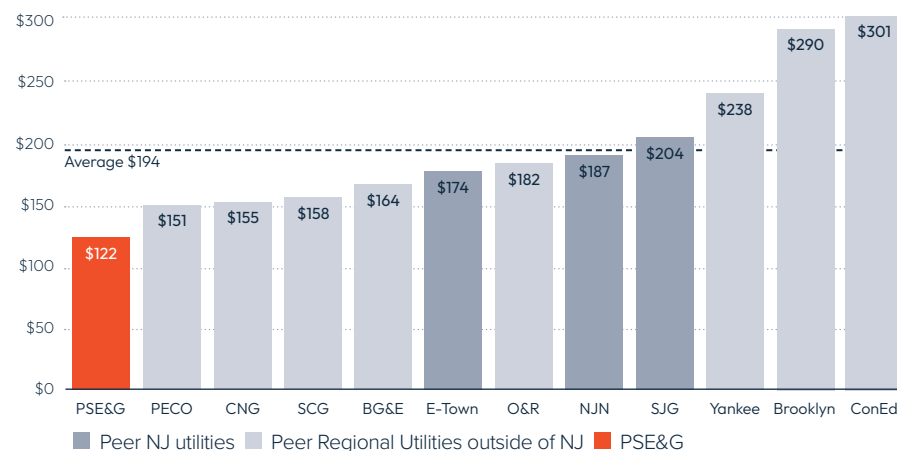
While keeping bills as low as possible, we firmly believe we can and must also protect our systems from increasingly severe weather and maintain high reliability. Through traditional utility investments that provide value to customers by hardening our system against increasingly frequent severe weather, PSE&G has maintained excellent reliability and customer satisfaction while keeping customer bills for electric and gas delivery service stable and among the lowest of PSE&G's peers—benefiting all New Jersey residents.

When reviewing the customer bill, it is important to note that utilities do not control the majority of costs on the bill – including energy supply. The PJM market's response to the demand brought on by data center growth, increased manufacturing and increased building electrification has not fostered new generators coming online to supply the market. This lack of new generation and increased demand have led to the balance between supply and demand tightening, and energy prices have risen accordingly. Higher customer bills may not have been an intended outcome when markets were designed, but they certainly point to a need for states and policymakers to take greater control of energy supply and avoid over-reliance on market mechanisms. This is especially true in light of an electricity supply shortage that is forecast to continue for many years.

Monthly electric bills



Monthly gas bills



March 2026 bills for an electric customer using 500 kilowatt-hours and for a gas customer using 100 therms. Rates sourced from public company documents.



Advancing affordability through community partnerships

As rising living costs continue to place pressure on households across New Jersey, PSE&G and the PSEG Foundation are working to help families access the resources they need to remain safe, stable and resilient. In December 2025, that effort took shape through the launch of the \$1.5 million Community Relief Initiative, a collaborative effort designed to support affordability and strengthen the social safety net in the communities PSE&G serves.

The initiative provided funding to more than 25 nonprofit organizations that provide essential services, including food assistance, housing support, utility assistance and other critical resources. By partnering with trusted community organizations, PSE&G and the PSEG Foundation are helping direct support to residents facing financial challenges while strengthening the organizations best equipped to meet local needs.

Funding was provided to organizations including [SHARES Nation](#), the [Community FoodBank of New Jersey](#), the [Food Bank of South Jersey](#), [Island Harvest Food Bank](#) and numerous other community-based partners. These organizations work directly with individuals and families experiencing hardship, helping them access necessities while navigating economic uncertainty.

For many residents, affordability challenges extend beyond a single need. Food insecurity, housing instability and difficulty paying utility bills are often interconnected. The Community Relief Initiative

was designed with this reality in mind, supporting organizations that provide comprehensive assistance and helping families maintain stability during difficult times. The funding also strengthens the capacity of nonprofit organizations to continue delivering critical services and expanding their reach to vulnerable populations.

Beyond financial support, the initiative focuses on fostering collaboration across the nonprofit sector. PSE&G and the PSEG Foundation convened approximately 135 nonprofit partners for a conference centered on community needs, utility assistance programs and strategies for improving access to essential services. The event created opportunities for organizations to share best practices, identify emerging challenges and explore ways to enhance support for residents facing economic hardship.

The Community Relief Initiative reflects PSE&G's broader commitment to affordability and community well-being. By supporting organizations that address immediate needs while building long-term resilience, the initiative helps strengthen the network of resources available to families throughout New Jersey.

Through strategic investments and community partnerships, PSE&G and the PSEG Foundation are helping ensure that assistance reaches those who need it most. The initiative demonstrates how collaboration can create meaningful impact, supporting households today while building stronger communities for the future.





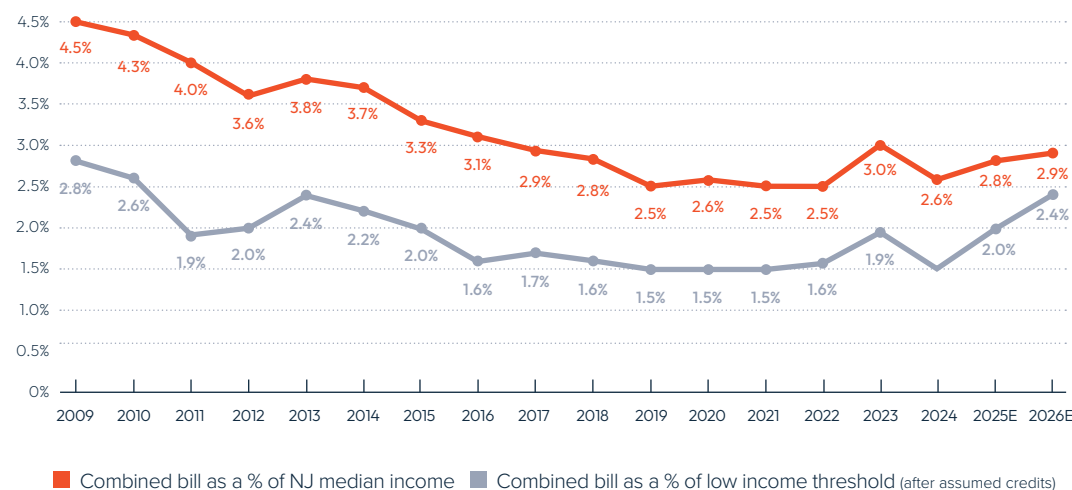
Energy access and payment assistance

PSE&G strives to support customers who have fallen behind on their energy bill or are facing difficult circumstances maintaining access to energy. In 2025, more than 2 million customers received more than \$409 million through energy assistance programs. We work closely with state agencies, nonprofit organizations and community partners to connect customers with a range of bill assistance programs, including the Low Income Home Energy Assistance Program (LIHEAP), Universal Service Fund (USF), SHARES utility assistance grants and New Jersey Lifeline. Together, these programs provide direct bill payment assistance, monthly bill credits, emergency aid and support. Details on resources, programs and services provided by PSE&G can be found at [PSE&G Payment Assistance Programs](#)

PSE&G takes steps to inform customers who are having difficulty paying their bills of the payment options and financial assistance available to them. This includes outreach through community events, customer service centers, online and phone support from the PSE&G customer care team. In 2025, PSE&G attended over 500 in-person events, had over 35,000 customer engagements that educated customers on the programs available to them, and helped them enroll for assistance.

PSE&G conducts payment assistance outreach campaigns to educate customers about available assistance programs, changes to program eligibility and flexible payment arrangement options. These efforts are designed to provide access to information on a range of affordability and energy efficiency offerings – from rebates and discounts to programs for small businesses and corporations.

PSE&G electric and gas combined bills*



* Based on a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis using rates as June 1 for each year. 2025 onward is based on a typical residential customer using 683 kWh in a summer month and 6,700 kWh on an annual basis.

Based on a typical residential gas heating customer using 172 therms per winter month and 1,040 therms on an annual basis using rates as of January 1 of each year.

175% of the Federal Poverty Line represents the income level associated with USF which is the lowest threshold of the three low-income programs. It is assumed that if the customer qualifies for USF they would also qualify for LIHEAP and Lifeline.

NJ Median income for 2025 and 2026 are not available. Assumes 3% annual increase over 2024 and 2025.

2022 Results were adjusted to normal levels of customer assistance, which was elevated in 2022 due to funds received through the American Recovery Plan. 2024 Results were also adjusted in 2024 for LIHEAP to normal levels of customer assistance due to a supplemental payment that was intended to be awarded in 2023 but was received in 2024.

The 2025E electric bill for PSE&G includes the full NJ RUBC of \$100 and includes a REAP credit for low-income customers of \$175.



Campaign communications include radio, billboards, transit ads, social media, email, direct mail, newsletters and more. Grassroots efforts involve working closely with social service agencies, food banks, municipalities and houses of worship to provide information to their constituents.

In addition, we promote energy efficiency programs that are available and can result in meaningful utility bill reductions. For more information on our EE programs, see [page 21](#) of this report.

Our focus on operational excellence

Our focus on operational excellence keeps us among the most reliable utilities in the country. Carefully managing our operations and maintenance costs helps us maintain value for customers and keep bills as low as possible. By focusing on controllable costs, we have kept distribution rates relatively stable for our customers.

And our best-in-class performance during winter 2025/2026 would not have been possible without the dedication and preparedness of our employees. They continued to operate and restored our systems as we dealt with single-digit temperatures, heavy snow and high winds. Over the course of the winter, PSE&G crews:

- Restored power to about 100,000 customers
- Responded to over 10,000 gas emergencies and no heat calls, including approximately 1,800 no-heat calls per day during the coldest stretch
- Replaced or repaired over 1,250 pieces of storm-damaged equipment

This operational excellence was seen yet again in July 2025 when PSE&G restored power to over 140,000 customers after a week of storms and a record-breaking heat wave where we responded to over 8,000 appliance calls and replaced over 500 transformers. Our operational excellence work includes asset management efforts so that the tools

we use at work last longer and require fewer costly repairs or replacements as well as minimization of wasted resources like fuel or water, which helps us manage our operating expenses.

We are also investing in new technologies such as smart meters that lower costs over time.





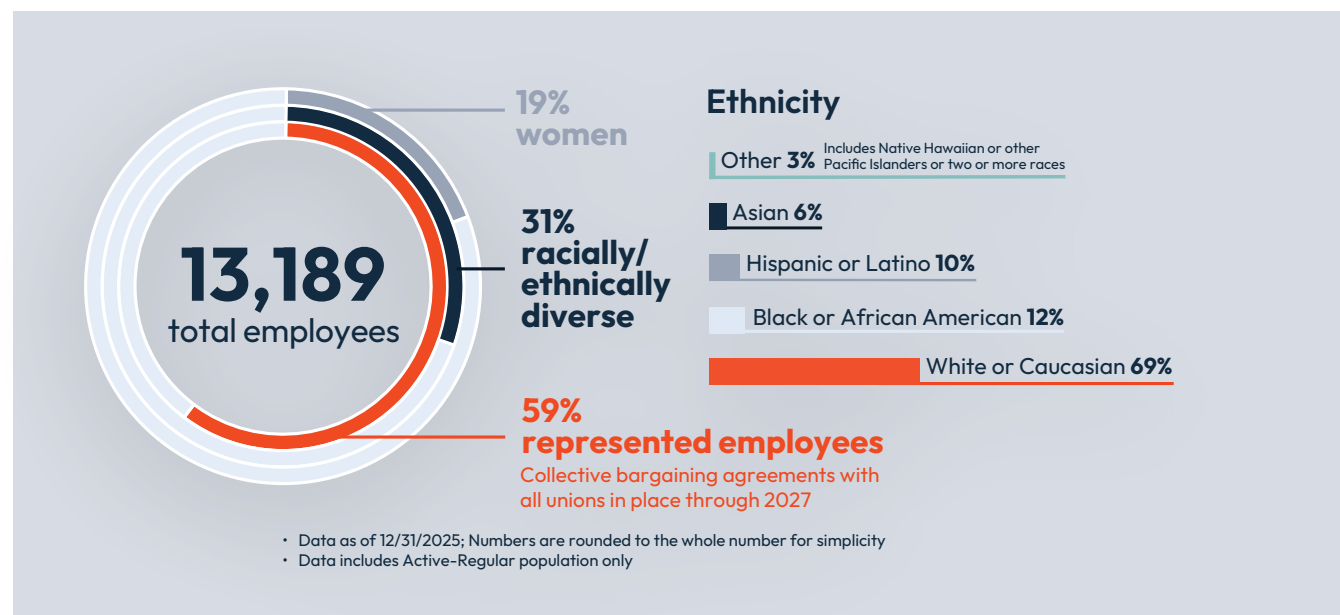
Our people

Our people are the foundation of our success and the driving force behind our ability to deliver safe, reliable and affordable energy to the millions of customers and communities we serve. Across our approximately 13,000-person workforce, employees bring the expertise, dedication and innovative thinking needed to maintain critical infrastructure and support changing energy expectations. Every day, they support our mission by providing essential services across a diverse territory that includes major cities, iconic landmarks, rural communities and suburban neighborhoods.

As the energy industry evolves, we are focused on attracting, developing and retaining the talent needed to meet changing customer needs, drive innovation and support operational excellence. We invest in our employees by providing opportunities to grow their skills, expand their careers and make meaningful contributions to the company and their communities. By encouraging collaboration, accountability and continuous improvement, we are preparing our workforce to navigate the opportunities and challenges ahead.

Wellbeing

To support our people and reinforce the values that shape our culture, PSEG provides programs and resources that help employees thrive both personally and professionally. A core part of this effort is promoting holistic wellbeing, so that employees feel respected, supported and equipped to care for their health, their families and their futures.



We offer a comprehensive benefits package designed to support the health, financial security and overall wellbeing of employees and their families. Eligible employees have access to medical, dental and prescription drug coverage, health and dependent care flexible spending accounts, life insurance, short-term and long-term disability benefits and retirement programs including a 401(k) savings plan.

To support mental, emotional and family wellbeing, we offer an Employee Assistance Program (EAP), which provides confidential counseling and resources related to mental health, emotional wellness, caregiving, financial challenges, family concerns and work-related issues.

PSEG also provides a variety of benefits to support employees during different life events. Eligible employees receive vacation, holidays, sick leave, bereavement leave, military leave, parental leave and family and medical leave. Paid parental leave is available to eligible employees — those who have been with the company for at least 12 months, have worked for 1,000 hours or more in the past 12 months, and are not represented by a labor union — to care for a newborn, newly adopted or fostered child. We also administer a vacation donation program that allows employees to voluntarily donate unused time to colleagues experiencing catastrophic illness, injury, family loss or other qualifying hardships.



Workplace practices

PSEG strives to maintain a fair, responsible and employee-centered workplace.

Foundational practices include:

- A robust Equal Employment Opportunity practice prohibiting discrimination across all employment decisions, including hiring, compensation, promotion, benefits and termination.
- Workplace accommodations for employees with disabilities, pregnancy-related conditions and sincerely held religious beliefs, along with dedicated resources for nursing employees and caregivers.
- Multiple reporting channels for raising concerns, with established processes to investigate and address concerns related to discrimination, harassment and retaliation.

To promote responsible working conditions, PSEG maintains formal timekeeping and overtime management practices. Non-exempt employees receive overtime compensation for hours worked in excess of 40 hours per week.

We support flexibility through our Flexible Work Model and Flexible Work Options programs. Depending on business needs and job responsibilities, employees may be eligible for hybrid work arrangements, flexible schedules, compressed workweeks, alternate work locations, reduced work hours, job sharing and temporary remote work arrangements.

PSEG's pay-for-performance philosophy aligns employee compensation with individual, business unit and enterprise performance, reinforcing accountability and ownership. Regular performance conversations help employees understand expectations, celebrate accomplishments and identify opportunities to develop skills needed to advance their careers. Through training, learning opportunities and development tools, we empower employees to build rewarding careers while contributing to shared success.

Underlying these efforts is our commitment to the high standards of ethics and integrity that have long defined our culture and reputation.

Employee experience and engagement

One of PSEG's values is to treat people with respect and dignity while embracing each other's differences. We believe that every employee should feel valued, included and empowered to grow and succeed.

Our employee experience and engagement strategy, grounded in Inclusion for All, includes things like leveraging people insights to drive action, strengthening connection and belonging and elevating recognition and appreciation across the organization. Employee business resource groups, local inclusion teams and safety & well-being councils help bring these priorities to life by creating opportunities for professional development, connection and community service. They help improve safety performance, create safe spaces for employees to learn and grow and recognize outstanding individual and team achievements.

Approximately 59% of our workforce is represented by labor unions, and we remain focused on strong partnerships with organized labor. Together, we support training and workforce development programs that help prepare the next generation of skilled workers to meet New Jersey's energy needs through partnerships with vocational and technical schools, apprenticeship and internship programs, military recruiting initiatives and workforce development organizations throughout our service territory.

We also invest in leadership and professional development programs that build skills, technical expertise and leadership capabilities. Offerings such as the Leadership Foundations Program, Strategic Leader Experience and Advanced Leadership Program support employees at various stages of their careers.

Listening to employees is core to improving the workplace experience. Through surveys, focus groups and listening sessions, we gather insights that shape programs and priorities. In our latest Employee Experience Survey, employees reported improvements in several areas, including recognition, teamwork and collaboration.



Building New Jersey's future utility workforce

Preparing the next generation of skilled utility professionals begins long before graduation. Across our service territory, PSEG is building partnerships with vocational and technical schools and other community partners to introduce students to rewarding careers in the energy industry while developing the workforce needed to support New Jersey's evolving energy future.

Our partnership with Passaic County Technical Institute (PCTI) is the most established example of this effort. Through annual PSEG Day events, employees from across the company have engaged nearly 150 students enrolled in automotive and construction technology programs. Team members shared their career journeys, demonstrated utility operations, answered students' questions and provided firsthand insight into careers at PSEG. The impact has been immediate. At our two PSEG Days, we extended on-the-spot employment offers to 11 graduating seniors—five of these students have started and continue to build successful careers with PSEG, and six additional students plan to join the company in 2026. In recognition of PSEG's efforts to create a sustainable talent pipeline, PCTI honored PSEG as its Business Partner of the Year.

Our efforts extend beyond recruitment. In 2025, PSEG donated a utility truck to Mercer County Technical Schools, helping to update the vehicle the students were working on. This new vehicle

provides a modern and safer training platform and practical experience using equipment similar to what they will encounter in the workplace. We also donated electric training stations to Mercer County and Essex County Schools of Technology.

We continue to expand our workforce development network across New Jersey. During the year, we formed and strengthened relationships with several educational institutions in the state, including Jobs for America's Graduates New Jersey and Oasis – A Haven for Women and Children. One example was our hosting the Oasis Teen Summit, where employees volunteered on a Saturday to mentor young women and share their career journeys in the energy industry.

As demand for skilled utility professionals continues to grow, partnerships like these help create a stronger pipeline of qualified talent while expanding career opportunities for students throughout our service territory. By investing in technical education today, PSEG is helping prepare the skilled workforce that will safely and reliably serve our customers and communities for decades to come.





Health, safety and security

PSEG's number one value is a commitment to the safety, security and wellbeing of our employees and communities. We prioritize an environment where employees have the resources, training and support needed to work safely every day. Safety remains foundational to our employee experience.

We actively work to establish and promote a strong safety culture among our approximately 13,000-person workforce and strive for everyone to go home the same way—or better—than they arrived at work. Throughout our company's long history, we have significantly improved our safety culture, processes and procedures and endeavor to continue improving. We believe that safety excellence enables operational excellence.

Our business requires managing sophisticated energy production and distribution operations involving commodities that are inherently hazardous. We manage the risks associated with those hazards through engineering controls, work processes, data analytics and continuous improvement goals, led by a highly trained and skilled workforce with a safety-first mindset.

Our approach

We take many measures to provide employees and contractors with the proper knowledge, training and protective equipment to maintain their personal health and safety. We have built our culture around strong values, policies and practices that enable employee involvement, continuous learning, identification of potential hazards and issues, disciplined risk assessment, prioritization and control.

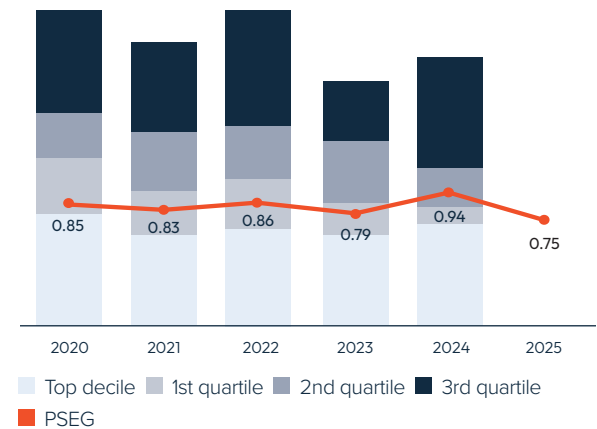
We put our processes and management systems and their implementation to the test through self-assessments, third-party audits and benchmarking activities inside and outside our industry. Our culture and safety management system illustrates our approach to safety throughout the company.

The 14 components of our health and safety system provide the structure for promoting a culture built on trust, care, knowledge and communication. We also monitor recordable incident rates through the Occupational Safety and Health Administration (OSHA).

Thanks to our work in this area, we have seen a decline in OSHA recordable injuries over the last 20-years. But compliance is only the baseline for how we think about safety. We continue to look beyond traditional measures and are evaluating metrics like Serious Injury Incidence Rate, Potential Serious Injury Incidence Rate and Motor Vehicle Accident Rate to strengthen a culture where safety is embedded in how we work, the decisions we make and how we look out for one another with the ultimate goal of ensuring everyone returns home safely at the end of each day.

To continue our positive safety momentum, we launched a renewed company-wide safety initiative aimed at empowering employees to protect their

OSHA recordable incident rate



Consistent top performance in OSHA recordable incidence

High level benchmarks are computed based on benchmarks for individual Business Units or Lines of Business (3-year average).

own safety and the safety of those around them. Through this initiative we are building on our strong safety culture so that employees feel safe reporting issues and comfortable speaking up, only start a job when safe, or stop a job if they notice an issue.

Our renewed safety initiative focuses on three central pillars: safety leadership, human and organizational performance (HOP) and incident prevention. The overall objective of this is not only to reduce injuries, but also to reduce the severity of injuries in alignment with the industry efforts to reduce Serious Injuries and Fatalities (SIFs).

We use a wide variety of safety tools and tactics to foster a culture of safety. This process starts with



new hires who undergo safety awareness training. Safety tools and tactics include work practices centered on situational awareness, including pre-job briefs and two-minute drills, open communications and our Stop the Job initiative.

Our Safety Information Management System (SIMS-AVA) is technology used to extend safety considerations throughout the organization. This tool is designed to standardize data collection, eliminate information silos and provide live data analysis with a focus on mitigating future risks. Features of the SIMS-AVA tool include tracking live safety events, proactive safety system observations, advanced root cause analysis, job hazard analysis and an audit module.

Contractor safety management

PSEG provides contractors with safety program expectations so that work performed on company property and at company facilities is completed safely and without unnecessary risks and hazards. Contractors are selected, in part, by their OSHA-recordable incident rates and experience modification rates. Prospective contractors are required to provide a detailed explanation of their employee health and safety obligations, programs and safety record. Each prospective contractor's safety performance is reviewed prior to awarding contracts, and compliance with PSEG safety rules is included in our [supplier contract](#). Once a contractor is awarded work, we perform job site engagements to assess if the contractor is working safely and address any concerns. We provide feedback to the contractor while work is ongoing and once complete to help the contractor drive continuous improvement in their future safety performance. Lastly, we perform safety advocacy with the contractor community using

contractor meetings, contractor calls, shared safety messages, etc. For additional details, please see the Health and Safety section of our [Supplier Standards of Conduct](#).

Start When Safe and Stop the Job

As part of our renewed safety effort, we rolled out a new Start When Safe tailboard process to ensure that critical controls and defenses are in place prior to starting work. Additionally, we ramped up hazard recognition training for employees.

We strongly encourage employees to stop the job if they feel uncomfortable or have a concern in a situation. Our Stop the Job initiative is a part of our safety culture. There are many examples of employees successfully stopping the job for a safer and more positive outcome.

Corporate security

PSEG Corporate Security functions as an independent and objective internal organization. The department is charged with:

- Protecting people and infrastructure to provide safe, reliable service.
- Providing best-in-class proactive and preemptive information, infrastructure and physical asset protection services to all PSEG subsidiaries, business units and divisions.

The Holistic Security Model is a customized anti-terrorism program that is designed to identify and reduce risks based on comprehensive planning processes and physical security measures at five PSE&G critical electrical sites.

PSEG employee lost time injury rates

2022	2023	2024	2025
------	------	------	------

0.39	0.20	0.30	0.18
------	------	------	------

OSHA DART (Days Away Restricted or Transferred) rate

2022	2023	2024	2025
------	------	------	------

0.48	0.42	0.53	0.39
------	------	------	------

Contractor lost time injury rates

2022	2023	2024	2025
------	------	------	------

0.13	0.46	0.37	0.29
------	------	------	------



Corporate citizenship and social responsibility



At PSEG, we are committed to the safety, security and well-being of our employees and the communities we serve. This commitment guides our approach to responsible, well-informed social impact and is reflected in our name “Public Service,” and our demonstration of strong civic values.

For our communities to prosper, we invest in the well-being of our people and the places they call home. Through strategic partnerships, charitable giving and in-kind donations, and a robust employee giving program, we have established a strong framework for holistic, purpose-driven community investment. We leverage the skills, expertise and perspectives of our employees, who are also members of the communities we serve, to support local organizations and changemakers. By partnering with community partners and nonprofits on the issues that matter most, we help strengthen local economies and deliver measurable, lasting impact. Through collaboration and cross-sector partnerships, we work to scale solutions, strengthen institutions and transform ideas into meaningful outcomes.

Our corporate citizenship priorities of community well-being, environmental sustainability and economic empowerment focus on creating a positive impact on the communities we serve. In response to community needs, we also focus on affordability issues, such as food insecurity and housing. Through our efforts, we have built a strong framework of holistic and purpose-driven investments in our diverse communities.



Power of partnership

At PSEG, we strive to be a trusted community partner, working collaboratively with local stakeholders so that our infrastructure investments contribute to the long-term vitality, character and pride of the neighborhoods we serve.

Across our utility territory, we partner with municipal leaders, residents, artists and community organizations to design energy infrastructure that reflects local identity by incorporating murals, art walls, landscaping and other creative elements into substations and facilities. These projects not only support the growing energy needs of our customers but also create opportunities for local artists, generate economic activity and foster a shared sense of ownership.

Our first community art infrastructure project in Newark set the foundation for this approach. The Fairmount Heights Switching Station, energized in 2018 to strengthen system resilience following Superstorm Sandy, became a collaborative effort shaped by community input. The result was the region's first substation "art wall," a 48,000-square-foot installation featuring work by 14 artists, including six from Newark.

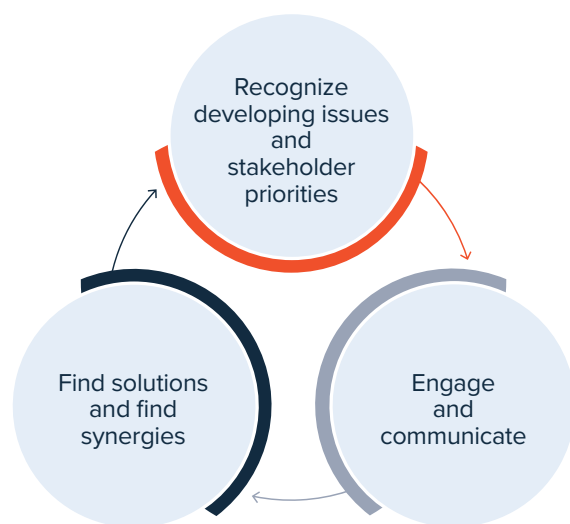
In Irvington, a substation serving approximately 14,500 customers is surrounded by "Legends Way," a series of murals created by nine artists that highlight the township's history and notable figures. During the August 2025 unveiling, Mayor

Tony Vauss described the portraits as a tribute to the visionaries who have shaped the community, underscoring the project's role in celebrating Irvington's identity and heritage.

In Orange, a new switching station was developed to replace aging equipment that had been prone to flooding and had left nearly 9,000 homes and businesses at risk of outages. Designed to address these reliability challenges, the new station incorporates community-informed features such as a streetscape-inspired perimeter, public seating and an abstract mural reflecting the connections within the electric grid.

These initiatives reflect our broader commitment to corporate citizenship. By engaging communities early and often, we aim for our projects to deliver lasting value beyond their operational purpose. As we continue to modernize and expand our energy system, we remain focused on building infrastructure that not only powers everyday life, but also strengthens communities, supports local economies and fosters pride in place.





Community involvement*

The Corporate Citizenship organization, led by the SVP of Corporate Citizenship, is responsible for managing the relationships with the communities we operate in. The organization includes State Government Affairs, which encompasses our local outreach team (Regional Public Affairs), and our local project engagement team (Project Outreach), as well as Federal Affairs, Sustainability and Corporate Social Responsibility.

In 2025, PSEG published a standalone [Community Relations Framework](#) that details key elements of our Corporate Citizenship program including Stakeholder Engagement and Community Consultation guidelines.

* Does not include PSEG Long Island Public Affairs

Corporate giving

Our corporate giving aims to distinguish ourselves as a corporation that cares for the environment, as well as the social and economic empowerment of the communities we serve and in which our employees live or work. This is accomplished through community engagement with nonprofit partners and strategic investments that are aligned with corporate goals. We support organizations, such as [SHARES Nation](#), [Center for Food Action](#) and [Habitat for Humanity](#), which assist the communities we serve through direct resources and training and development programs. In Maryland, PSEG supports organizations that strengthen local communities and advance economic opportunity, including chambers of commerce, business associations and organizations such as [NAMI \(National Alliance on Mental Issues\)](#) Metropolitan Baltimore, where we sponsored the annual Louder! benefit gala in support of mental health advocacy, education, awareness and resources. We also support the [Maryland Tech Council](#) and its work to foster innovation and economic growth through advocacy, education and workforce development. In 2025, through corporate giving we funded \$4.6 million to organizations that allowed our leaders and employees to deepen our engagement with our communities.

The PSEG Foundation

The PSEG Foundation is a separate 501(c)(3) entity that is supported and fully funded by PSEG. Through strategic partnerships, the PSEG Foundation aims to support initiatives that drive toward achieving tangible, lasting results and constantly evolves to bring innovative solutions to the social challenges facing our world. In 2025, the PSEG Foundation

awarded over \$7.9 million to organizations aligned with its strategic priorities of environmental sustainability, social justice and equity and economic empowerment. Of this total, 22% of grant funding was directed to initiatives under the Environmental Sustainability pillar, advancing environmental sustainability efforts. An additional 33% supported initiatives focused on affordability, reinforcing the PSEG Foundation's commitment to improving access to essential resources and services. Over the past 25 years, the PSEG Foundation has awarded nearly \$138 million to nonprofits across our service and operating territories. This support includes grants through various programs including strategic partnerships, the Neighborhood Partners Program (NPP) and a robust employee-matching gift and volunteer grant program to help organizations that support thousands of individuals and families across the region.

We also encourage charitable donations through our Power of Giving Program. Under this program, the PSEG Foundation matches donations from current and retired employees and Directors. In 2025, the PSEG Foundation matched over \$1.1 million in funds to over 1,000 nonprofits from nearly 1,400 employee, Director and retiree donations. Through the Volunteer Grant program, the PSEG Foundation contributed more than \$80,000 in grants in recognition of over 7,500 hours of employee volunteer time to more than 70 nonprofits. Demonstrating our efforts to address food insecurity, nearly 700 employee volunteers supported over 50 food drives, soup kitchens and food pantry initiatives, including partnerships with the Community FoodBank of New Jersey and the Food Bank of South Jersey. In addition, more than 2,300 employees participated in numerous other volunteer events throughout the year across our communities, yielding almost 15,000 volunteer hours in 2025.



The PSEG Foundation is widely recognized for its contributions and, in 2025, was honored with The Thomas Edison State University (TESU) Foundation Spirit of Edison Corporate Community Leader Award – in recognition of its more than 30 years of dedication to TESU’s military and veteran students. The support has included scholarships and TESU’s curriculum development in nuclear energy engineering technology, assisting students in transitioning into high-demand civilian careers.

Also in 2025, the Partnership for a Drug-Free New Jersey honored PSE&G and the PSEG Foundation with its prestigious Angel of Hope Award. The award recognizes PSE&G and the PSEG Foundation for our decade-long work to protect New Jersey youth by sponsoring statewide substance-use prevention programs. Chief among their support for critical educational initiatives in classrooms is the distribution of the Third Grade Life Choices Coloring & Activity Book to tens of thousands of young students to promote healthy, drug-free decision-making.

Through PSEG’s In-Kind Program, we provided donations of equipment and supplies to local nonprofits valued at nearly \$82,000 in 2025, including a service vehicle. The retired PSE&G 2013 Freightliner M2106 aerial truck went to Mercer County Technical Schools to give students real-world experience as they prepare for careers in skilled trades. We’re proud to work with several technical schools throughout New Jersey to help those interested in skilled trades have the resources and support they need to thrive, and to help create a workforce pipeline.

Finally, we maintain an Employee Crisis Fund to provide a source of relief to employees who are facing financial hardship due to their own or their immediate family member’s catastrophic event, life threatening illness or injury.

Our CSR and PSEG Foundation giving

500+ organizations supported

\$7.9 million+ in PSEG Foundation giving

\$4.6 million+ in corporate social investments

2,300 employees volunteering **15,000** hours

\$80K+ in volunteer grants

\$1.1M+ in matching gifts

\$82K in-kind giving



Investing in communities through the Neighborhood Partners Program

For more than a decade, the PSEG Foundation's Neighborhood Partners Program (NPP) has served as a cornerstone of its community investment strategy, supporting nonprofit organizations that help build stronger, more resilient communities. Guided by the Foundation's strategic pillars of community well-being, environmental sustainability and economic empowerment, the program provides funding to organizations that address critical community needs while creating opportunities for long-term impact.

In 2025, the NPP awarded more than \$1.3 million in grants, with a particular focus on advancing affordability, food access and essential services. Since its launch 11 years ago, the program has distributed more than \$9.2 million to nonprofit organizations serving communities across New Jersey and Long Island. More than 40% of the 2025 funding supported organizations working directly to improve affordability and economic stability for individuals and families, while several grants provided flexible operating support to help organizations strengthen capacity and respond to emerging needs.

The program's impact is reflected in the diverse organizations it supports. Rising Tide Capital equips entrepreneurs with the training, coaching and financial guidance needed to launch and grow successful businesses. Through its Community Business Academy and Business Acceleration Services, the organization has helped thousands of entrepreneurs develop sustainable enterprises that contribute to local economic growth and opportunity.

Addressing food insecurity is another key focus area. America's Grow-A-Row delivered fresh produce to families in need, reaching communities across New Jersey and in 28 other states. The organization's work is supported by thousands of volunteers, including PSEG employees who regularly participate in events that help bring healthy food to those facing hunger.

The program also supports organizations creating pathways to economic mobility. Cathedral Kitchen, South Jersey's largest emergency meal provider, serves more than 100,000 meals annually while offering a free culinary training program that prepares participants for careers in the food service industry. Similarly, More Than Bootstraps helps first-generation students access and succeed in higher education through mentorship, family engagement, financial support and wellness resources.

For families experiencing housing instability, Home-Front provides critical assistance ranging from emergency housing support to food, childcare and family services. Its holistic approach helps families move toward long-term stability and self-sufficiency.

Together, these organizations demonstrate the power of community partnerships to address complex challenges and create meaningful opportunities. Through the NPP, the PSEG Foundation continues to invest in local solutions that improve lives and strengthen communities.





Community development in Salem County and the surrounding region

Our nuclear plants are a critical part of New Jersey's energy mix. They are also an important part of the Salem County community.

We proactively build trusting relationships with regulators, businesses and the surrounding communities in New Jersey and Delaware. PSEG values our partnership with Salem County and the communities in the surrounding region, and we do not take our responsibility lightly. Our community development efforts include job creation, economic stimulus, training and development, and philanthropy.

We are one of the leading employers in the region, providing approximately 6,200 direct and secondary jobs to both South Jersey and Delaware. Over \$1.2 billion in regional economic activity is generated each year.

We also collaborate with local education institutions to develop our talent pipeline. Our nuclear team has representation on the Program Advisory Board at the Salem County Vocational Technical Schools and on the Board of the Salem Community College Foundation. Our goal is to develop programs that enable entry into a career at our nuclear plants.

Specific programs we have helped create include:

- Salem Community College Nuclear Energy Technology Program
- Salem County Vocational Technical Schools Academy for Energy Applications

PSEG makes meaningful philanthropic contributions to the region as well. These include grants and scholarships through the PSEG Foundation, and we maintain membership on several community boards: Salem County Chamber of Commerce Executive Board, Salem Community College Foundation as Vice Chair and Salem County Vocational and Technical Schools Foundation.





PSEG sponsored Salem County Math Showcase

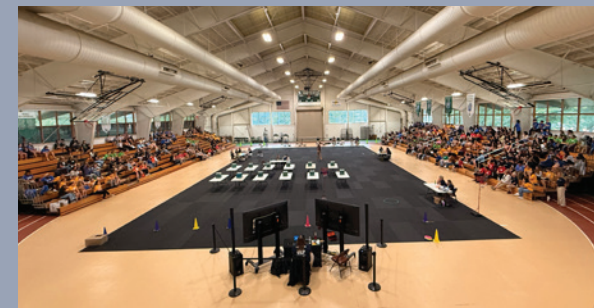
Our care for the communities we serve extends beyond reliable energy — it includes investing in the next generation of thinkers, problem-solvers and innovators. One longstanding example of this care is the PSEG sponsored Salem County Math Showcase, an annual event that brings together hundreds of local students to celebrate academic excellence and inspire future STEM leaders.

Founded in 1999 by PSEG employee Jim Cardona, the Math Showcase was created to provide a meaningful and immediate incentive for students who excel in mathematics. What began as a small initiative has grown into a full-day event hosted each year at Salem Community College, welcoming approximately 400 to 475 students from grades 4 through 8 across all Salem County public and private schools.

The showcase is made possible through the continued support of PSEG Nuclear and the dedication of employee volunteers who work alongside local educators to plan and facilitate the event. Through a series of engaging and challenging math activities, students are encouraged to apply their skills, build confidence and connect with peers who share similar interests. The event not only recognizes academic achievement but also helps foster a culture that values learning and curiosity.

In 2024, PSEG Nuclear introduced the Jim Cardona Math Excellence Award to honor the legacy of the showcase's founder and his decades of service to both the company and the community. This award is presented annually to an outstanding 8th grade student who demonstrates exceptional dedication to mathematics and a strong interest in pursuing a STEM-related career. Students are nominated by their schools, with the final selection made by PSEG Nuclear.

Through initiatives like the Salem County Math Showcase, PSEG Nuclear continues to strengthen ties to the community while helping to inspire the next generation of STEM professionals. By supporting educational opportunities and recognizing student achievement, we are proud to play a role in building a brighter future for Salem County.





Human rights

We believe in treating all people with dignity and respect and strive to uphold the high standards of ethical conduct that built our business and reputation as outlined in PSEG's [Human Rights Policy](#). This policy applies to all PSEG employees, contractors and anyone doing business with us.

Our employees take annual training on PSEG's Standards of Conduct that addresses everyone's responsibility to create a workplace free from discrimination and harassment. Additionally, we encourage all employees to speak up if they believe our Standards of Conduct have been violated. Reports are taken seriously and investigated as appropriate.

For more on our Standards of Conduct, see [page 77](#) of this report.

We believe that company operations should not interfere with employees' freedom of association and collective bargaining.

We support compliance with federal and state laws through continuous monitoring and auditing of our internal processes, such as vendor oversight, community and stakeholder engagement, freedom of association and workplace safety and security.

We hold ourselves to certain standards and set expectations with our suppliers and other entities we work with, expecting similar conduct from them.





Working with suppliers*

PSEG partners with more than 3,000 suppliers, an essential part of delivering energy and supporting our customers, communities, employees and the environment. We actively engage and evaluate suppliers to monitor our supply chain, identify risks and align our procurement practices with our environmental responsibility and local economic development goals.

PSEG joined the Sustainable Supply Chain Alliance (SSCA) in 2022 to collaborate with utilities and suppliers on advancing sustainable procurement practices and strengthening the utility supply chain. Through SSCA, we gain insight into how suppliers are managing environmental impacts and identifying opportunities to reduce emissions and improve supply chain resilience.

We also participate in SSCA's annual supplier assessment, the TSP, a leading platform for utility-specific sustainability data. In 2025, more than 125 PSEG suppliers completed the TSP survey, providing structured information across environmental, social and governance topics. PSEG is currently evaluating this expanding dataset to determine how these insights can enhance transparency, support more proactive risk identification and guide responsible sourcing decisions.

In another step toward creating a sustainable supply chain, PSEG invested in Energy Impact Partners (EIP) in 2022. EIP is a venture fund that invests in companies focused on optimizing energy consumption and decarbonizing the global economy. Through EIP, PSEG has access to innovative technologies and emerging trends including decarbonization technology that can potentially be integrated into our operations to address climate challenges and achieve emissions reduction targets.

Supply chain continuity

Our ability to meet customers' expectations depends on our supply chain continuity. PSEG's procurement strategy includes optimizing our logistics network and strengthening relationships with suppliers. Improved demand planning and forecasting, and strong supplier relationships allow us to react quickly to market shortages and mitigate issues that may arise as we conduct our business.

Our work with suppliers also helps support our local and state economy. We conducted \$2.4 billion worth of business with New Jersey-based companies in 2025, approximately 69% of our total expenditure.

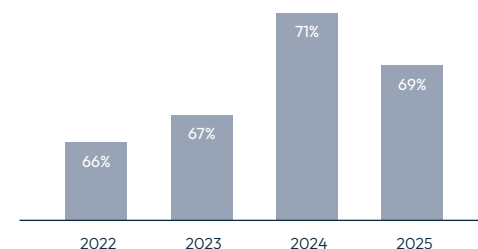
In addition, we are doing business with qualified, certified minority-, women-, veteran- and service-disabled veteran-owned businesses (MWVBEs) and LGBTQ+ businesses. During 2025 PSEG spent over \$700 million on goods and services from diverse suppliers.

Supply chain governance

We have adopted practices and processes to help our suppliers operate safely and in compliance with all regulations, laws and relevant internal policies and standards. This includes a Supplier Standards of Conduct that was implemented in 2021.

Adherence to the PSEG Supplier Standards of Conduct is a condition for doing business with us. The Standards apply to suppliers' subcontractors for work directly related to a PSEG contract. The Standards include the review and approval process applicable to engaging firms or suppliers with connections to prominent political figures. We require firms or suppliers that perform lobbying activities or political consulting not to subcontract work without our approval.

PSEG NJ Supplier Spend %



A rigorous pre-bid qualification review precedes the award of key contracts. In conjunction with our Health and Safety team, our procurement group monitors supplier performance after contracts are signed. A third-party compliance auditor also verifies health and safety compliance with regulatory and PSEG standards. Most key supplier contracts include metrics for grading performance.

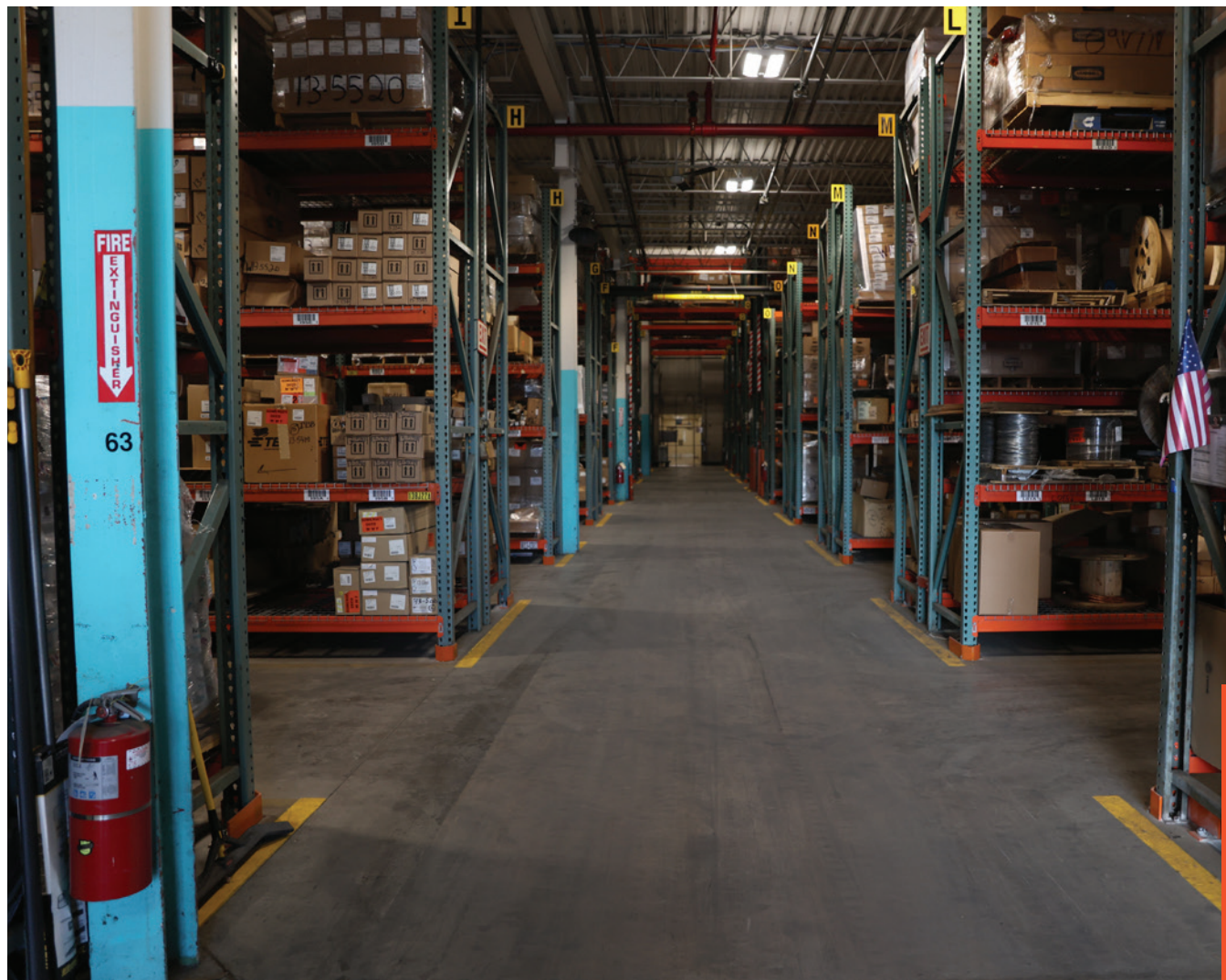
We review concerns involving vendors, including those raised by vendors or against vendors as appropriate. In addition, allegations of a violation of company policy or law are investigated with appropriate corrective action being taken as appropriate, which may include disallowing the contractor from providing us with services.

* Section does not include PSEG Long Island



Supply chain due diligence and integrity

As part of our onboarding and ongoing supplier engagement process, we collect extensive SSCA-aligned data directly from our suppliers. Each year, this process yields hundreds of thousands of discrete data points, giving us broad visibility into our supply chain. The scale of data collected through the SSCA provides a powerful foundation for strengthening our supply chain due diligence. We are currently in the process of evaluating this dataset and exploring how its insights can be applied to improve transparency, enhance risk identification and support the long-term integrity of our supply chain. As we continue to analyze the data each year, we are gaining a clearer understanding of how supplier performance, sustainability data and emerging trends can potentially inform procurement decisions. This ongoing evaluation will help us to continually improve our approach to responsible sourcing and meet the high standards our customers and communities expect.





Governance



Summary

As a responsible corporate citizen, we prioritize corporate governance and ethical behavior—as exemplified by our Board of Directors, guided by our Corporate Governance Principles and our Standards of Conduct.

PSEG believes that strong corporate governance practices serve the long-term interests of all stakeholders, strengthen the Board and management and further enhance the public trust PSEG has earned during our 123-year history.

The Board of Directors, led by our chair, president and CEO along with the independent Lead Director, sets our strategic direction. We aim for managers, employees and contractors to execute on strategy each day with integrity and dedication.

To maintain responsible operations, we continue to take environmental impact and stakeholders into account and implement strong corporate governance practices that contribute to long-term stockholder value.

The Board has ultimate responsibility for the oversight of risk management at PSEG, overseeing the Company's risk management program and reviewing the most significant risks facing the Company.

The Board interacts with senior management regarding the assessment and mitigation of the most significant risks facing the Company, across a range of categories that includes strategic, financial, operational, climate and environmental, human capital management, health and safety, cybersecurity, legal, compliance and reputational risks.





Board of Directors

The PSEG Board consists of a majority of Independent Directors, as required by our Corporate Governance Principles and the New York Stock Exchange.

Our Directors have an active role in overseeing the company's business both at the Board and committee levels, bringing fresh and differing viewpoints. We value a broad set of skills, qualifications and experience for our Board, including factors such as background experience, leadership positions, skills, accomplishments, financial expertise, professional interests, personal qualities, demographics and other traits desirable for achieving an appropriate group of qualified individuals. Ensuring that our Board has the optimal balance of skills, viewpoints, perspectives and experiences is a top priority of the Board and the Governance Committee.

In addition to the chair, president and CEO, our leadership and governance structure is designed to rely on the contributions of our Lead Independent Director. The Lead Independent Director is an Independent Director designated annually by the Independent Directors with the expectation to serve in that capacity for a typical term of four years. The Lead Independent Director serves as the key conduit for communicating the Board agenda and works with the other Independent Directors on obtaining information from management; additionally, the Lead Independent Director ensures a robust Board self-evaluation.

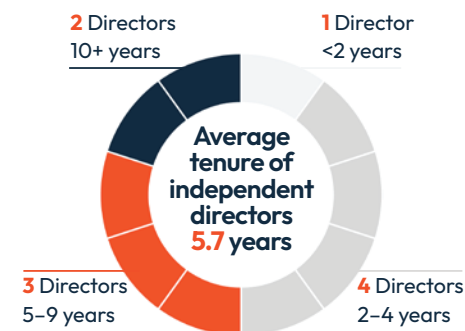
Board tenure and refreshment is important to provide new perspectives and ideas while ensuring sufficient experience and institutional knowledge to help mitigate risk. The average tenure of the independent Directors is approximately 5.7 years. Since 2022, we added five independent directors.

Our Board takes an active role in overseeing sustainability and corporate citizenship issues, including associated political engagement and trade association expenditures. Our controls have earned us the top recognition of "Trendsetter" in the CPA-Zicklin Index of Corporate Political Disclosure and Accountability for three years in a row, which is the top level of the Index that was achieved by only 112 companies of the S&P 500 in 2025. The CPA-Zicklin Index spotlights our 501(c)(4) contribution policy as "thorough and detailed."

Board Independence



Tenure of Independent Directors





Our Standards of Conduct

We have a long-established corporate culture of emphasizing integrity, honesty and the highest ethical standards, and require all employees, officers and Directors to remain in compliance with our Standards of Conduct. Our SVP, Audit, Enterprise Risk and Compliance has overall responsibility for administering the Standards of Conduct under the oversight of the Audit Committee.

The Standards of Conduct are posted on our website at: corporate.pseg.com/aboutpseg/leadershipandgovernance/standardsconduct.

Our Standards of Conduct:

- Form an integral part of our business conduct compliance program and apply to all our Directors

and employees, who are each responsible for understanding and complying with the Standards of Conduct;

- Establish a set of written common expectations for dealings with investors, customers, fellow employees, competitors, vendors, government officials and the media; and
- Provide procedures for seeking ethical guidance and reporting concerns, including a helpline.

Every employee is required to complete annual training on the Standards of Conduct, and our Directors receive periodic information and/or training on Standards of Conduct topics.

To the extent required by applicable rules of the SEC and/or NYSE, we commit to post on our website:

- Any amendment that we adopt to the Standards of Conduct; and
- Any grant by us of a waiver from the Standards of Conduct that applies to any Director or executive officer.

Our Standards of Conduct, Compliance Program, Related Person Transactions Practice and Conflicts of Interest Practice establish clear policies and procedures regarding personal and business conduct. Our written management practices provide that any capital investment with a non-PSEG entity or its affiliate, for which one of our Directors or officers serves as a Director or executive officer, must be approved by our Board. These are our only written policies and procedures regarding the review, approval or ratification of transactions with related persons.





Public policy engagement and political contributions

PSEG strives to have a positive impact on the communities we serve, meet the needs of customers and be a trusted corporate citizen.

As part of that effort, we take an active role in the political process by communicating with government agencies and officials, participating in trade associations and other tax-exempt organizations, making political contributions and expenditures and engaging in other activities to advance the interests of PSEG and our stakeholders.

Our goals are to contribute constructively to the formulation of public policy and to develop relationships of mutual trust with public officials, regulators, customers, community and NGO leaders, industry and business colleagues, shareholders and other important stakeholders. Our political spending is guided by these goals as well as our vision of a future where people use energy more efficiently, and it's safer and delivered more reliably than ever.

Our company's political engagement activities are also regulated by a [Corporate Political Participation Practice](#). For example, per the practice, corporate contributions to trade associations, social welfare organizations, ballot measures, independent expenditures and other forms of political spending are disclosed annually on the corporate website. The Corporate Political Participation Practice also details corporate governance over political spending, including the approvals that must be obtained before certain contributions are made. For instance, any corporate contribution to a 501(c)(4) social welfare organization undergoes a robust review and must be approved by the senior vice president for Corporate Citizenship and the executive vice president and general counsel, as well as notification to the Governance Committee or its chair, as spelled out in the practice. With regard

to trade associations, we request that organizations to which we pay total annual payments of \$50,000 or more identify the portion of dues or payments received from PSEG that were used for expenditures or contributions that, if made directly by PSEG, would not have been deductible under Section 162(e)(1)(B) of the Internal Revenue Code (IRC). The annual corporate political spending report is available here: [2025 Corporate Political Spending Report](#).

There is also a robust review, approval and reporting process applicable to retention of firms and hiring of employees with ties to prominent political figures. Vendors or suppliers who perform lobbying activities or political consulting are held to strong governance measures, including a requirement that they regularly detail services performed and a prohibition against subcontracting work without our prior review and approval.





Enterprise risk management

PSEG works to achieve our business objectives while keeping risk at an acceptable level. This effort is overseen by PSEG's Enterprise Risk Management (ERM) program that helps business units identify, report and manage risks across the company. The program looks at different types of risks, including strategic, financial, operational, environmental, health and safety, legal and reputational.

There are several important parts of the ERM program. First, we have a structure in place to identify and assess risks, from the Board to senior management and employees. We encourage a culture where everyone feels responsible for identifying and communicating potential risks or issues. Business units make decisions and set objectives based on a good understanding of risks. We regularly identify and assess risks, and review and monitor how we respond to them. Finally, we have formal processes in place for reporting and communicating risks.

The Board oversees the ERM program. Risks are assigned to different committees or handled at the full Board level. Throughout the year, there are scheduled updates and reviews of risks during Board and committee meetings. The Board and each committee receive a summary of relevant risk updates at every Board meeting. The executive level has a Risk Management Committee (RMC) chaired by the SVP of Audit, Risk & Compliance. The RMC includes executives reporting to the CEO, the SVP of Audit, Risk & Compliance, and the treasurer. The RMC meets regularly throughout the year and reports the results to the Governance Committee and the Audit Committee.

PSEG's ERM team, led by the SVP of Audit, Risk & Compliance, is independent of the business lines and reports directly to the Chief Financial Officer. The SVP of Audit, Risk & Compliance maintains responsibility

for the Risk Management Policy, which includes a framework for identifying, assessing and mitigating risks in categories such as financial, operations, political/regulatory, legal and compliance, strategic, reputational, environmental and health and safety.

The ERM team leads an effort to update the view of enterprise-level risks and emerging risks, informed by consultations with a broad swath of company representatives, external scanning, as well as similar risk assessments conducted by individual operating businesses. That update is done at least annually. This aggregate view of enterprise-level risks is discussed both with the RMC and with the Audit Committee and Governance Committee. This report safeguards that there is consensus on the overall risk picture, risk management priorities and potential opportunities. Throughout the year, deeper reviews of individual risks are conducted, including analyses of underlying risk causes, reviews of current risk mitigation and response activities and discussions of whether additional risk responses are needed.

The ERM program supports a culture of risk awareness. "Everyone is a Risk Manager" training is provided on the enterprise risk management process and risk awareness periodically to targeted employees. This training is also available to employees via the company's learning management system. Further, participants in the ERM life cycle identification and assessment process periodically receive training where the ERM foundation is covered. In the training, risk awareness, risk reporting and escalation guidance are emphasized.

Several other management committees and councils focus on topics related to risk management, including the Corporate Emergency Management Committee, the Compliance Committee, the Cybersecurity Council and a number of committees focused on financial risks.

Enterprise risk management

Supports risk-informed escalation
and decision making





Cybersecurity, data privacy and AI

Cybersecurity

PSEG maintains a comprehensive cybersecurity program that protects the confidentiality, integrity and availability of our technology systems and business operations. The Board, Industrial Operations Committee (IOC), Audit Committee and senior management receive regular updates on staffing and resources, emerging cyber threats, incident response readiness, regulatory developments and coordination with law enforcement and industry partners. Senior management promptly escalates significant cybersecurity risks or incidents to the Board outside of regular meetings when appropriate.

Our governance framework prioritizes strong oversight. The IOC holds primary responsibility for cybersecurity oversight, reviewing operational technology (OT) and information technology (IT) risks, program performance indicators, and updates from the Chief Information Security Officer (CISO) and Chief Information and Digital Officer (CIDO), including Executive Session discussions. PSEG's Cybersecurity Council, composed of senior leaders, meets at least six times a year to review the program, discuss emerging issues and ensure appropriate escalation. The CISO manages overall cybersecurity operations and risk assessment, supported by documented escalation procedures for potential or actual incidents.

Our cybersecurity risk management strategy includes training, safeguards and incident response capabilities. All employees with network access receive mandatory annual training, with additional instruction for those supporting industrial control or customer information systems. Routine phishing exercises, awareness campaigns and expert-led events strengthen our cybersecurity culture. Technical safeguards include firewalls, intrusion detection and prevention, penetration testing, vulnerability assessments, threat intelligence, endpoint security and role-based access controls.

We maintain and regularly update a cyber incident response plan covering technical response and external communication, supported by internal and external tabletop exercises. Our program also includes mobile device protections and artificial intelligence (AI) governance with policies and controls designed to support safe and effective AI use while defending against AI-enabled threats. Daily assessments help identify emerging risks. In addition, we engage Nth parties (third-party cybersecurity service providers, risk management firms and legal experts) to enhance preparedness and compliance. Our risk-based vendor management program includes contract requirements, security assessments, and periodic audits. Physical security protections follow a defense in-depth approach and include access controls, surveillance, 24/7 monitoring, physical barriers, insider threat mitigation, background checks, a threat level advisory system and close coordination with law enforcement.

Data privacy

PSEG protects the privacy of customers, employees and stakeholders and manages personal information responsibly and transparently. We collect only the information necessary to deliver reliable utility services, support program participation, enhance customer experience and maintain the security and integrity of our operations. Our approach reflects our broader work to safeguard sensitive data and uphold stakeholder trust.

We maintain policies, controls and secure-by-design practices to protect personal information throughout its lifecycle, including data-access controls, encryption, secure handling standards and privacy requirements for third-party service providers. Employees are required to take regular data-privacy and responsible-data-use training, and documented procedures help facilitate timely escalation and management of potential privacy risks. When information is shared with vendors, we use contractual and technical safeguards to ensure it is used only for authorized purposes and protected with standards consistent with our own.

We provide clear online disclosures explaining how data is collected and used across our digital platforms, including categories of information, permitted uses, customer rights and choices related to cookies and analytics. We regularly update these practices to reflect evolving laws, technologies and customer expectations. More information is available in our [Data Privacy Policy](#).



Artificial intelligence

PSEG's approach to AI is grounded in governance, security and responsible use. We maintain AI policies and an AI council to oversee adoption, and we incorporate AI into our Nth-party risk assessments to ensure third-party solutions meet our company's standards for privacy, security and operational integrity.

To enable safe and effective AI use, we have implemented a robust governance process to review each AI solution and use-case, identify associated risks, and determine mitigations and safeguards that must be put in place before the AI solution is approved for use. Human oversight is mandated for all critical decisions.

Our Responsible AI Use policy defines and mandates requirements for safe and responsible AI use by all employees and contractors, establishing clear expectations for how AI may be developed, deployed and used across the company. Our Responsible AI Use policy is grounded in the following principles:

- Privacy and the protection of confidential or personal information
- Security, requiring compliance with PSEG's Information Security practices
- Fairness, by avoiding the introduction or amplification of bias
- Transparency, requiring clear attribution of AI-generated content
- Robustness, including user verification of accuracy and compliance
- Accountability, ensuring humans remain responsible decision-makers

To safeguard company and customer information, PSEG strictly prohibits entering non-public data into

public AI systems and requires each employee to participate in mandatory AI training. We also reserve the right to monitor AI usage and enforce compliance with related security, privacy and ethics policies. These efforts are to safeguard our work to provide safe, reliable, resilient and affordable energy while upholding the highest standards of ethics and trust.





Disclaimer

This Sustainability Report includes information on PSEG's program for incorporating sustainability considerations across PSEG's operations and strategy. Such program is subject to PSEG's applicable legal, regulatory, and contractual requirements and is expected to change over time. Additionally, the act of selecting and evaluating material sustainability factors is subjective by nature, and the criteria utilized or judgment exercised by PSEG may not align with the views, beliefs or values, internal policies, or preferred practices of other energy utility companies or with market trends. There are a variety of sustainability principles, frameworks, methodologies, and tracking tools; PSEG's adoption and adherence to those discussed herein or to any others is expected to vary over time as sustainability practices evolve.

There can be no assurance that PSEG's sustainability initiatives, policies, and procedures as described herein will continue. PSEG is permitted to determine in its discretion, taking into account any applicable contractual commitments or regulatory requirements, that it is not feasible or practical to implement or complete certain of its sustainability initiatives, policies, and procedures based on cost, timing, or other considerations.

Additionally, sustainability factors are only some of the many factors PSEG considers with respect to its operations and strategy, and there is no guarantee that PSEG's implementation of its sustainability program, which depends in part on qualitative judgments, will enhance long-term value and financial returns. To the extent PSEG engages with PSEG assets on sustainability-related practices and potential enhancements thereto, the market or society may not view any sustainability results as desirable. There can be no assurance that

PSEG will be able to achieve any sustainability-related objectives (in the time or manner set forth herein or at all), that their actions will not result in outcomes that could be viewed as having a negative sustainability effect, or that any historical trends will continue to occur. Actual results may be significantly different from the forward-looking statements herein.

Certain information contained herein relating to sustainability goals, targets, intentions, or expectations, including with respect to net zero targets and related timelines, reflect current thinking and may be subject to change, and no assurance can be given that such goals, targets, intentions, or expectations will be met. Further, statistics and metrics relating to sustainability matters may be estimates and subject to assumptions or developing standards including PSEG's internal standards and policies.

The receipt of any awards by PSEG described herein is no assurance that PSEG's objectives have been achieved or successful.

In gathering and reporting upon the sustainability information contained herein, PSEG may depend on data, analysis, or recommendations provided by PSEG or by third-party advisors or data sources, which may be incomplete, inaccurate, or out of date. None of the figures included in this document were audited, assured, or independently verified by auditors or third-party assurance providers.

PSEG does not independently verify all sustainability information it receives from third-party advisors or data sources, and it may decide in its discretion not to use certain information or accept certain recommendations. PSEG makes no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness, fitness for use, or completeness of any of the information contained

herein, and expressly disclaims any responsibility or liability therefor.

Where data is obtained directly from a PSEG asset, this data may be inaccurate and the collection of such data may be limited due to human error and/or rounding errors when processing the data. In these situations, the quality and/or consistency will vary between PSEG assets based on potentially diverging approaches.

The inclusion of any third-party firm and/or company names, brands, and/or logos does not imply any affiliation with these firms or companies. None of these firms or companies have endorsed PSEG. Unless otherwise stated, the information in this report has been compiled as of December 31, 2025.

Materiality is used within this document to describe issues relating to sustainability strategies that we consider to be of high or medium importance in terms of stakeholder interest and potential business impact. Materiality, for the purposes of this document should not, therefore, be read as equating to any use of the word in other PSEG reporting or filings.

PSEG makes no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness or completeness of any of the information contained herein, and expressly disclaims any responsibility or liability therefor.



Forward-looking statements

Certain of the matters discussed in this report about our and our subsidiaries' future performance, including, without limitation, future strategies, prospects, consequences, as well as statements regarding sustainability targets, goals, plans to reduce emissions and emissions intensity, consideration by management of climate scenario analyses, strategies for implementing climate-related programs and related plans, targets and goals, commitments to climate-related programs and policies, expectations and priorities for climate-related initiatives, future climate reporting and other sustainability-related initiatives, objectives and other matters, and all other statements that are not purely historical, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated. Such statements are based on management's beliefs as well as assumptions made by and information currently available to management. When used herein, the words "aim", "hope", "strategy", "seek", "could", "would", "will", "may", "anticipate", "intend", "estimate", "believe", "expect", "plan", "should", "hypothetical", "potential", "forecast", "project", variations of such words and similar expressions are intended to identify forward-looking statements. Forward-looking statements are not guarantees or promises that targets, goals, plans, commitments, or projections, including but not limited to those relating to sustainability-related matters, will be met, or that strategies will be implemented or expectations realized, and no assurance can be given that any plans, targets, goals, commitments, expectations, initiatives or plans in this report can or will be realized, achieved, met or completed. Investors are cautioned not to place undue reliance on any forward-looking statements.

Factors that may cause actual results to differ are often presented with the forward-looking state-

ments themselves. These risks and uncertainties include, without limitation: the ability to implement our business strategy, including carbon emission reduction goals; the failure to meet stated environmental targets, goals and commitments, implement and execute our priorities and strategies in the time frame expected or at all; State and federal legislative and regulatory initiatives, including costs of compliance with existing and future environmental regulations, including those related to climate change; Federal and state regulations, laws or other efforts designed to promote and expand the use of energy efficiency measures, natural gas electrification and distributed generation technologies; global sociodemographic and economic trends, changing government regulations; technological advancements and innovations; climate-related conditions and weather events; our ability to gather and verify data regarding environmental impacts; the compliance of various third parties with our policies and procedures; and our expansion into new products, services, technologies, and geographic regions. Other factors that could cause actual results to differ materially from those contemplated in any forward-looking statements made by us herein are discussed in filings we make with the United States Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K and subsequent reports on Form 10-Q and Form 8-K.

All of the forward-looking statements made in this Report are qualified by these cautionary statements and we cannot assure you that any sustainability-related or other targets, goals, plans, commitments, or projections contained in this Report will be met, or that strategies will be implemented or expectations realized, will be realized or even if realized, will have the expected consequences to, or effects on, us or our business, prospects, financial condition, results of operations or cash flows. Readers are cautioned not to place undue reliance on these forward-looking statements in making any investment decision. Forward-looking statements made in this Report apply only as of the date of this Report. While we may elect to update forward-looking statements from time

to time, we specifically disclaim any obligation to do so, even in light of new information or future events, unless otherwise required by applicable securities laws. The forward-looking statements contained in this Report are intended to qualify for the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

Non-GAAP Financial Measures

Management uses non-GAAP Operating Earnings in its internal analysis, and in communications with investors and analysts, as a consistent measure for comparing PSEG's financial performance to previous financial results. Operating Earnings is a non-GAAP financial measure that differs from Net Income. Non-GAAP Operating Earnings exclude the impact of gains (losses) associated with the Nuclear Decommissioning Trust (NDT), Mark-to-Market (MTM) accounting and other material infrequent items. Any presentation of non-GAAP Operating Earnings is intended to complement and should not be considered an alternative to the presentation of Net Income, which is an indicator of financial performance determined in accordance with GAAP. In addition, non-GAAP Operating Earnings as presented in our communications may not be comparable to similarly titled measures used by other companies. Due to the forward-looking nature of non-GAAP Operating Earnings guidance, PSEG is unable to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure because comparable GAAP measures are not reasonably accessible or reliable due to the inherent difficulty in forecasting and quantifying measures that would be required for such reconciliation. Namely, we are not able to reliably project without unreasonable effort MTM and NDT gains (losses), for future periods due to market volatility. These items are uncertain, depend on various factors, and may have a material impact on our future GAAP results.



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