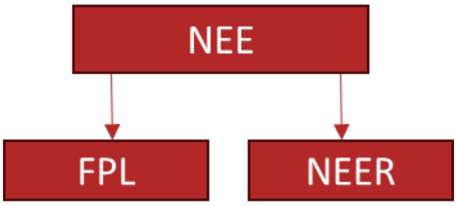
St Andrews Investment Society

NextEra Energy

NextEra Energy is both a large utility company in North America and the world's largest producer of renewable energy. Its defensive nature as a utility company offers it stability under the current volatile macroeconomic environment, whereas its renewable infrastructure will allow it to experience growth once the economy recovers.

COMPANY & INDUSTRY OVERVIEW



The company's headquarters is in Juno Beach, Florida and it is composed of two primary subsidies: Florida Power & Light Company (FPL) and NextEra Energy Resources (NEER). FPL stands as a leading regulated electric utilities company and NextEra Energy Resources is its renewables energy business. Overall, the company is involved in the generation, transmission, distribution, and sale of electricity.

NextEra Energy operates in the 2 industries: utilities (FPL) and renewables (NEER) at a 58% to 42% split, respectively. The utilities industry is predicted to grow at a CAGR of 6.6% from 2022 to 2032. NEER has grown by 33% year on year. In essence FPL acts as the cash cow and NEER as the high growth segment. Currently, NextEra Energy's overall market share is 3.56% based on revenue.[1,2]

NextEra has put a strong focus on sustainability and reducing its carbon footprint; this can be seen through its emphasis on renewable energy. NextEra is one of the largest generators of wind and solar power in the world and it has put a significant amount of investment into it.

The company plans to continue growing and expanding its renewable energy resources, while simultaneously making the power grid more efficient and modern. NextEra presents a transformative opportunity to propel the world forward in the realm of clean and renewable energy. They deliver clean energy across much of the United States to help meet the evolving energy demand. The industry is extremely lucrative to enter, given its positive impact on the environment, allowing for high growth potential as the industry continues to expand as the world aims to reduce its carbon emissions. As the

26/Jan/2024

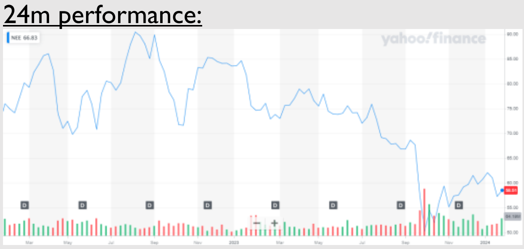
NYSE: NEE

Price (26/01/2024)	$58.84
Market Cap	$120.5bn
EV	$189.5bn
Beta (5Y monthly)	0.52

Industrial & Natural Resources

Mean Price Target	$73.89
% Upside	25.58%

24m performance:



Market Data:

52- Week Range	$47.15-$79.78
Shares Out. (bn)	$2.05bn
P/E (ttm)	16.11x
PEG (5-yr expected)	2.34
EPS (ttm)	$3.79
EPS growth	-28.10%
Div./Yield	$0.47/3.15%
Payout ratio	48.22%

Profitability:

Profit margin	27.82%
Op margin	26.37%
ROA (ttm)	3.58%
ROE (ttm)	12.84%

Financial Data:

Revenue	$27.4bn
Revenue growth	6.70%
EBITDA	$15.12bn
EBITDA growth	13.60%
EBITDA margin	55.18%

Leverage:

Net debt (bn)	$71.75
Total debt/equity	1.30x
Current ratio	0.50x
Cash ratio	0.47x

1 NEE-FPL 2022 Form 10-K - Annual Report
2 Quarterly Earnings 2023 – NextEra Energy, Inc.

world moves towards sustainability, NextEra Energy will benefit due to its focus on renewable energy and advantages arising from economies of scale and experience.

FPL's Competitive Advantage:

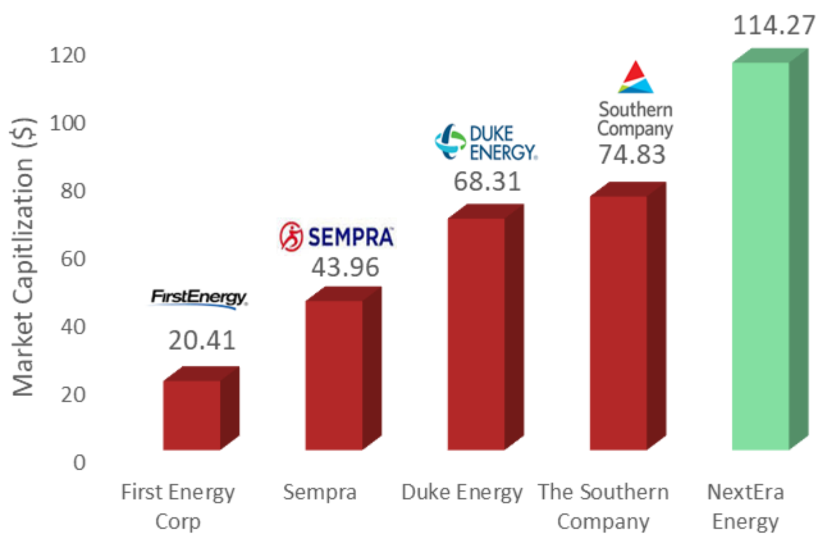
- The company has 97 years of experience, so they are knowledgeable in forecasting costs in project proposals to the government agency in charge: the FERC, which allows them to price electricity to recover full operating expenses and capital expenditure on the project, in addition to allowing FPL to collect a satisfactory return (a specified margin within the proposal) on top of Capex for providing favourable energy prices to customers.
- "Buy at scale, build at scale, operate at scale." -CEO John Ketchum, highlights how the utilities industry is moving to reliable scale players and this serves as an advantage for a reliable behemoth such as NextEra.[3]
- Lower prices and capital costs wins NextEra more contracts and due to the regulated nature of the industry, once they have won a project bid, they are effectively in a guaranteed monopoly position.

NEER Key Growth Drivers:

- August 2022 Inflation Reduction Act: $370bn to decarbonise the US, Includes billions of dollars in tax credits to low-emission companies.
- 2021 Federal Sustainability Plan: 100% carbon-pollution free electricity by 2030.
- 2021 Bipartisan $1.2tn US Infrastructure Bill: Committed $108bn to upgrading the energy grid and supporting environmental energy firms.
- 100% carbon-pollution free electricity by 2030.
- Signed long-term, green Power-Purchase Agreements (PPAs) with Google, AT&T, Goldman Sachs and other firms who look to operate on sustainable energy.

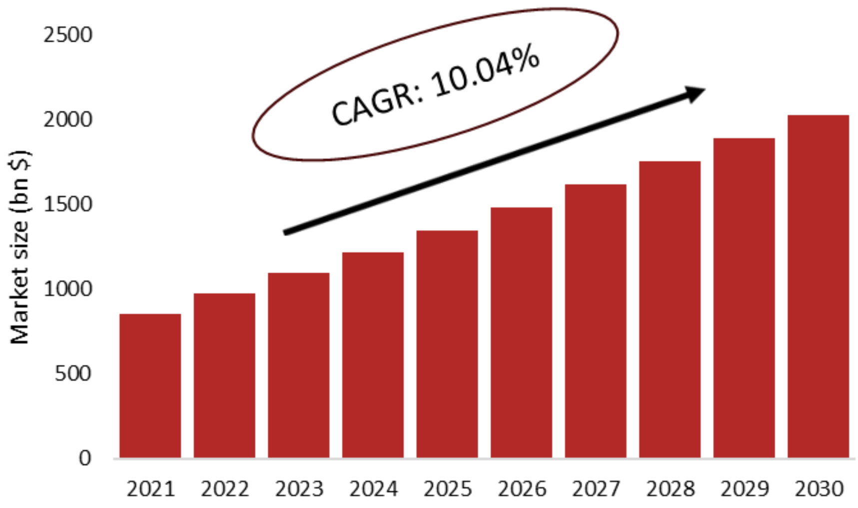
United States policy direction affirms commitment to low carbon energy alternatives and thus NextEra Energy's position in the market.

Market cap of key competitors ($ billion): [4]



[3] NextEra Energy (NEE) Q3 2023 Earnings Call Transcript
[4] Yahoo Finance

Renewable Industry growth forecast ($ billion): [5]



The company is one of the leading energy companies given their extremely broad portfolio, including wind, solar, and nuclear energy. In addition, the company makes it a goal to invest in the most recent innovation and stay committed to sustainability. NextEra Energy is currently a leader within its industry boasting a $120.5bn market cap.

Some of the Macro-drivers within the industry consist of environmental factors, government factors and social factors (ESG). As fossil fuels continue to increase in price, renewable energy sources are beginning to become more cost-competitive and appeal to more consumers.

Management

John Ketchum

President, Chairman and CEO NEE
- Joined NextEra 20 years ago.
- Held CFO roles prior

Armando Pimentel

President and CEO FPL
- 20 years in-house experience.
- Previously Senior Partner at Deloitte, led power & utilities segment.

Mark Hickson

Executive VP, Corporate Strategy
- Leads M&A division since 2012
- Previously Managing Director of Global M&A at Merrill Lynch & Co.

The management team have a lot of experience and have been at the company generally for a very long time. The total value of shares owned by directors and executive officers at time of writing is $201,676,666 and officers are required to own stock in NextEra equal to the value of their base salary within three years of appointment. Senior executive officers are required to own 3x their salary in stock and the CEO is required to own 7x their salary in stock.[6] This shows that management incentives are strongly aligned with those of the shareholders as the management owns a significant quantity

[5] Market value of renewable energy industry 2030 | Statista
[6] NextEra Energy executive compensation | Energy and Policy Institute

of stock themselves. Furthermore, management turnover is low. The impact that the management have made is portrayed through the ROE metrics stated below.

NEE's ROE (1 year)	15.3%
NEE's ROE (3 year)	14.6%
Industry Average ROE	8.3%

[7]

As seen on the compensation tables below, NEE's management is compensated in line with other competitors. Duke Electric's executive compensation (the 2nd table) proves to be slightly higher than NextEra's despite its smaller size. Only the CEO and CFO were compared as those were the only positions with identical titles between both companies, but the executive team's compensation was broadly similar either way.

66% of the CEO's compensation each year is long term equity, which ensures that the management team's incentives remain broadly aligned with shareholders.

TABLE 1A: 2022 SUMMARY COMPENSATION TABLE

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
NAME AND PRINCIPAL POSITION (1)	YEAR	SALARY (3) ($)	BONUS ($)	STOCK AWARDS (4)(5)(6) ($)	OPTION AWARDS (4)(7) ($)	NON-EQUITY INCENTIVE PLAN COMPENSATION (8) ($)	CHANGE IN PENSION VALUE AND NONQUALIFIED DEFERRED COMPENSATION EARNINGS (9)(10) ($)	ALL OTHER COMPENSATION (9)(11) ($)	TOTAL ($)
John W. Ketchum(2), *Chairman, President and CEO of NextEra Energy and Chairman of FPL*	2022	1,483,333	0	8,436,431	2,187,500	4,500,000	475,209	331,856	17,414,329
	2021	1,400,000	0	10,517,014	983,999	1,960,000	421,019	225,121	15,507,153
	2020	1,180,600	0	3,528,702	638,576	1,652,800	342,563	175,541	7,518,782
Terrell Kirk Crews II, *Executive Vice President, Finance and Chief Financial Officer of NextEra Energy and FPL*	2022	630,400	0	1,317,395	264,094	889,000	103,644	91,662	3,296,195

[8]

7 S&P Capital IQ
8 NextEra Energy SEC Form 14A

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)[2]	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)[3]	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)[4]	All Other Compensation ($)[5]	Total ($)
Lynn J. Good Chair, President and CEO	2022	1,481,750	0	15,879,501	0	2,730,073	345,924	917,511	21,354,759
	2021	1,390,500	0	11,196,187	0	3,288,915	277,111	298,523	16,451,236
	2020	1,390,500	0	11,431,738	0	1,169,578	246,046	306,536	14,544,398
Brian D. Savoy[1] Executive Vice President and CFO	2022	587,931	300,000[6]	1,753,218	0	531,773	0	167,760	3,340,682

[9]

CATALYSTS

The utility sector stands out for its relative stability, predictability, and lower risk profile when compared to other sectors in the economy. Leveraging these attributes, we can conduct a more informed assessment of NextEra Energy's prospects.

Utility stocks are often considered safe havens in times of conflict due to their dependable revenue and earnings. Furthermore, NextEra Energy's limited correlation with economic cycles makes it an appealing choice for investors seeking assets less susceptible to economic fluctuations.

NextEra Energy is a leading provider of electricity, and it is worth noting that recent geopolitical tensions in regions like the Middle East and Ukraine are likely to drive an increase in energy demand and prices during the upcoming winter.

NextEra plays a vital role in maintaining critical infrastructure, particularly in operating power grids. This role becomes even more pronounced during periods of conflict, emphasizing the significance of utility stocks as an investment in the continuity and resilience of essential services.

In the current climate of conflict, it is evident that a company like NextEra is well-positioned to capitalize on rising energy costs. Additionally, the expectation of declining interest rates in the coming years sets the stage for favorable economic conditions, making NextEra Energy an attractive investment prospect.

KEY RISKS[10]

The Mountain Valley natural gas pipeline is poised to be completed in Q1 2024, which is good news, since this will bring increased revenues for the future. However, the problem is that project costs have spiraled; cost of ~$3.5Bn in 2018, to $6.6Bn in 2023, to $7.2Bn for 2024 completion.

Regulatory change could pose a risk for the functioning of the company. They may require them to cancel, or delay planned development activities, to reduce or delay other planned capital expenditure or to pay for investments or otherwise incur costs that they may not be able to recover through rates or otherwise.

The company is exposed to risks associated with changes in commodity prices, interest rates and equity prices. They use derivatives to manage the risk in the purchase and sale of fuel and electricity. Certain members of senior management and NEE's CEO are responsible for the overall approval of market risk management policies. They regularly check and reanalyse according to the latest updates. The FPSC (Federal Public Service Commission) annually reviews FPL's use of derivate instruments, and they could deny cost recovery for such use by FPL.

Any change and reduction in government policy in support of renewable energy could lead to the company abandoning development of renewable energy projects, a loss of investments and reduced project returns. This does not seem likely as the Biden administration is driving for the green energy transition. In the summer of this year, they launched a $20 billion competition to catalyse investment in clean energy projects as part of the Environmental Protection Agency's Greenhouse Gas Reduction Fund.

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[9] Duke Energy SEC Form 14A
[10] NEE-FPL 2022 Form 10-K - Annual Report

Investment growth in renewable energy remains insufficient to compensate for the drop in ‘old economy’ energy across the macro economy. ‘Old economy’ energy is carbon intensive. There is a lack of drive for renewable energy because it has a higher capital intensity per unit of energy output. There has also been a drop in demand for renewable energy because inflation, the war in Ukraine and predictions of a global recession have made the desire for self-sufficiency greater. With our current infrastructure, that is majorly reliant on ‘old economy’ energy sources, we are not made worse off by the drive for self-sufficiency.

FPL has limited competition in the Florida market for retail electricity customers and is not subject to an RPS. RPS is Renewable Portfolio Standards which require utility companies to sell a specified percentage of electricity from renewable sources.

They could be adversely affected by weather conditions. This is true for all companies with renewable energy production. It is not as significant a problem for NextEra because 78% of their energy portfolio is natural gas. In addition, when they were hit by a hurricane in 2022 although 12 million of the company’s solar panels were exposed to the storm, less than 0.3% of the panels sustained damage.

They have restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of NEE’s and FPL’s nuclear power plants. The funds for storm damage could be needed at any time so the investments are generally more liquid. The nuclear decommissioning funds are generally invested in long-term securities. They had a total of $4,437 million invested in 2022 for decommissioning. On December 31, 2022, a hypothetical 10% decrease in prices quoted on stock exchange would result in approximately a $427 million reduction in fair value, which relative to the company size is a small amount.

FINANCIAL ANALYSIS[11,12]

Liquidity & Leverage Ratios:

Liquidity & Leverage			
	Sep-23	*5 Year Average*	*Industry*
Current Ratio	0.50	0.55	0.78
Cash Ratio	0.06	0.07	0.06
Interest Coverage	7.44	6.50	6.25

The sheer size of the cash flows needed to keep an infrastructure and utilities company like NEE make the indicators of short-term liquidity problems skewed negatively. When compared to industry peers, its current ratio, cash ratio or Altman Z-score are normal. Long term leverage ratios such as interest coverage show that NEE has a more than comfortable buffer to meet all its interest obligations. The utilities sector is highly regulated, with companies adhering to strict rules that deter them from over leveraging or taking on projects that would put their financial health at risk, this strict regulation ensures financial wellbeing.

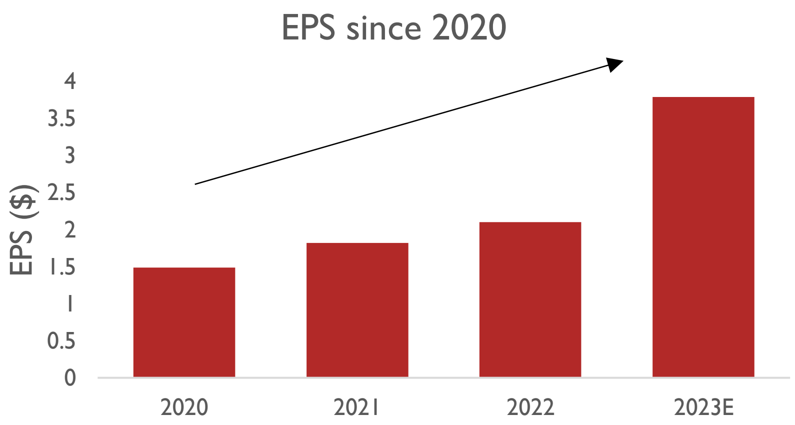
Profitability Ratios:

Profitability			
	Sep-23	*5 Year Average*	*Industry*
Operating Margin	35.67%	25.12%	19.40%
Net Margin	28.72%	22.30%	10.88%
ROE	12.90%	12.57%	8.30%

[11] S&P Capital IQ
[12] Yahoo Finance

All three profitability ratios show management´s competency at generating profit and containing both operating and overhead costs, a challenging feat in the especially capital-intensive utilities sector. When compared with its competitors, the company further distinguishes itself with its comparatively high Operating and Net Margins, as well as above industry´s average ROE. In addition, all three of these metrics have been etching higher since 2021, hinting at the company´s strengthening since the turbulences of the pandemic alongside its strong competitive position.

EPS Growth:



Strong EPS growth over the past few years which is yet to translate to the appropriate share price growth. Analysts and Management are predicting 20.2% EPS rise by 2026 ($3.63 EPS), propelled by consolidation of FPL's revenues from project completion and aggressive NEER expansion.

VALUATIONS[13,14]

Comparable Company Analysis:

NextEra's largest and 'closest' competitors were used in the comparable analysis, concluding an overall undervaluation relative to rivals.

Company Name	Trailing P/E	Forward P/E	EV/ Revenue	EV/ EBITDA	EV/ EBIT	EV/ Sales	Price to FCF	Price to Book	PEG Ratio	Market Cap ($M)
NextEra Energy	**15.42**	**17.63**	**6.94**	**11.69**	**17.57**	**6.83**	**(96.54)**	**2.51**	**2.23**	**115,756.0**
The Southern Company	25.08	16.87	5.16	12.94	23.36	5.12	(41.13)	2.12	2.92	73,879.0
Duke Energy Company	6.70	15.06	5.09	14.05	32.81	5.09	(15.18)	1.38	3.62	67,383.0
FirstEnergy Corp.	38.88	13.11	3.46	9.13	11.99	3.46	(10.00)	1.94	4.24	20,342.0

Mean	41.89	15.01	4.57	12.04	22.72	4.56	(22.10)	1.81	3.59	53868.00
Median	38.88	15.06	5.09	12.94	23.36	5.09	(15.18)	1.94	3.62	67383.00

Over/Under Valuation	**-63.19%**	**17.43%**	**51.83%**	**-2.90%**	**-22.67%**	**49.89%**	**336.77%**	**38.42%**	**-37.94%**
Implied Share Price	$158.8	$49.8	$38.5	$60.2	$75.6	$39.0	$13.4	$42.2	$94.2

[13] S&P Capital IQ
[14] Yahoo Finance

Current Stock Price	$57.02
Average Implied Share Price	$63.52
Premium Over Current Price	**11.40%**

Discounted Cash Flow Analysis:

DCF Model		
WACC		5.32%
Terminal growth rate		2%
FV of terminal value		276,671
PV of terminal value		156,466
Sum of PVs of FCFs		37,931
Enterprise Value		194,398
Cash & cash equivalents		1,601
Debt		(55,256)
Equity Value		140,743
Shares outstanding (m)	1,988	
Implied share price ($)		70.8
Implied EV / 23E EBITDA		13
Current share price ($)		58.46
Premium over current share price		21%

Capital Structure	
($m, FYE Dec.)	2022A
Cash & cash equivalents	1,601
Debt	55,256
Net debt	53,655
Debt/(Debt + Equity)	32%
Market value of equity	116,189
Equity/(Debt + Equity)	68%

WACC	
Effective tax rate	3%
Pre tax cost of debt	1%
After tax cost of debt	1.03%
Risk free rate	4.60%
Beta (5Y Monthly)	0.5
Risk premium	5%
Cost of equity	7%
WACC	5.32%

Free Cash Flow Projections														
($m, FYE Dec.)	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
Revenue	19,204	17,997	17,069	20,956	27,400	30,283	33,311	36,309	39,577	43,138	46,590	50,317	53,839	57,608
Operating expenses	8,003	7,290	8,480	10,817	12,990	13,081	13,991	14,887	16,226	17,687	19,102	20,630	22,074	23,619
EBITDA	11,201	10,707	8,589	10,139	14,410	17,201	19,320	21,422	23,350	25,452	27,488	29,687	31,765	33,988
Depreciation & amortisation	4,216	4,052	3,924	4,503	6,093	6,734	7,407	8,074	8,800	9,592	10,360	11,189	11,972	12,810
EBIT	15,417	14,759	12,513	14,642	20,503	23,935	26,727	29,496	32,151	35,044	37,848	40,875	43,737	46,798
Taxes	(448)	(44)	(348)	(586)	(615)	(718)	(802)	(885)	(965)	(1,051)	(1,135)	(1,226)	(1,312)	(1,404)
NOPAT	14,969	14,715	12,165	14,056	19,888	23,217	25,926	28,611	31,186	33,993	36,712	39,649	42,425	45,394
Depreciation & amortisation	(4,216)	(4,052)	(3,924)	(4,503)	(6,093)	(6,734)	(7,407)	(8,074)	(8,800)	(9,592)	(10,360)	(11,189)	(11,972)	(12,810)
Increase (Decrease) in working capital	(1,127)	(1,129)	(1,787)	(175)	5,574	(491)	(540)	(588)	(641)	(699)	(755)	(815)	(873)	(934)
Capital expenditure	(11,077)	(7,759)	(7,830)	(9,742)	(13,231)	(14,320)	(15,419)	(16,444)	(17,528)	(18,674)	(19,702)	(20,775)	(21,691)	(23,209)
Free cash flow	(1,451)	1,775	(1,376)	(364)	6,138	1,672	2,560	3,505	4,216	5,027	5,895	6,870	7,889	8,442
Discount period					1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0
Present value of free cash flows					5,828	1,508	2,191	2,849	3,254	3,684	4,102	4,539	4,949	5,028

Free Cash Flow Drivers														
(FYE Dec.)	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026A	2027A	2028A	2029A	2030A	2031A	2032A
Revenue growth rate		(6%)	(5%)	23%	31%	11%	10%	9%	9%	9%	8%	8%	7%	7%
Operating expenses % revenue	(42%)	(41%)	(50%)	(52%)	(47%)	(43%)	(42%)	(41%)	(41%)	(41%)	(41%)	(41%)	(41%)	(41%)
D&A % revenue	(22%)	(23%)	(23%)	(21%)	(22%)	(22%)	(22%)	(22%)	(22%)	(22%)	(22%)	(22%)	(22%)	(22%)
Effective tax rate	3%	0%	3%	4%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Decrease in working capital % revenue	(6%)	(6%)	(10%)	(1%)	20%	(2%)	(2%)	(2%)	(2%)	(2%)	(2%)	(2%)	(2%)	(2%)
Capital expenditure % revenue	58%	43%	46%	46%	48%	47%	46%	45%	44%	43%	42%	41%	40%	40%

DCF Assumptions:

- Blue shaded cells have been filled with inputs from Yahoo finance.
- Revenue growth rate based on CapEx growth, revenue predictions and S&P Capital IQ expectations[15].
- Operating margins based on cost reduction targets and lowered cost margins once inflation returns to the Federal Reserve's stabilized 2% target rate.

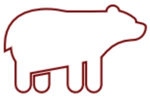
WACC Assumptions:

- Risk free rate taken as the 10Y United States Treasury Rate.
- Risk premium of United States.
- Terminal growth rate from the average United States GDP growth rate[16].

Bear and Bull cases were adapted by implementing lower growth rates estimates, higher OpEx and CapEx as a % of revenues. Probabilities were assigned to the cases under the belief of low probabilities of either bear of bull cases occurring and the understanding that the base case held high weight in reflecting the most probable cash flow outcome. Bear case was attributed the lowest probability due to the stable and upward trajectory of NextEra.

[15] S&P Capital IQ
[16] World Bank GDP data

Case	DCF Implied Share Price	Probability
Bear	$52.9	0.05
Base	$72.0	0.75
Bull	$90.5	0.2



DCF Valuation Share Price	**$74.75**
Current Share Price	$57.02
Premium over Share Price	31.1%
Recommendation	Buy

INTEGRITY AND ESG ANALYSIS

MSCI rating identifies NextEra as a leader in the industry for opportunities in renewable energy. Additionally, MSCI reports that NextEra isn't performing below average in any sectors. NextEra is leading decarbonisation in America by being the first company in history committed to moving past net zero all the way to Real Zero, leveraging low-cost renewables to drive energy affordability for customers.

Provided in the table below, we can see that NextEra Energy performs better than their competitors in most of the environmental, social and governance categories. The company performs particularly well in green energy generation, its 0% waste generation, and workforce diversity.

In the pursuit of decarbonization, NextEra Energy stands head and shoulders above its competitors. Setting an ambitious timeline, the company is not merely targeting a net-zero status by 2050 but is actively working towards achieving Net Zero by the more aggressive goal of 2045[17]. What sets NextEra Energy apart is its pioneering commitment to go beyond net zero, aiming for Real Zero, marking an unprecedented milestone int eh decarbonization journey. This forward-thinking approach not only positions NextEra Energy as in industry leader but also underscores its dedication to making substantial and meaningful impact on environmental sustainability. By pushing boundaries and setting higher benchmarks, NextEra Energy demonstrates a commitment to driving the clean energy agenda and creating a more sustainable future.

Overall, we have given NextEra Energy an AA rating which is consistent with its MSCI rating[18].

17 NextEra Energy 2023 Sustainability Report
18 NextEra Energy MSCI ESG Rating

NextEra ESG Score Against Competitors[19][20][21][22]

	NextEra	First Energy	Southern	Duke Energy	American Electric Power
Revenue (million USD)	27069	11132	11757	28768	19639
Enviromental Criteria					
Scope 1+2 CO2 MT/rev	1.59	1.64	0.65	2.95	2.61
Waste Generated MT/rev	0	2.29	0.52	3.89	1.07
Water Withdrawal megalitres/rev	84.32	5.76	1986.39	665.68	174.55
Social					
Lost Time Injury (per 100)	0.34	n/a	n/a	0.40	0.33
Privacy/Data Security (/950)	796	814	703	831	900
Leadership Roles %Women	24%	30%	26%	20%	24%
Leadership Roles %POC	37%	30%	30%	20%	13%
Governance					
Board governance Independant	No	Yes	Yes	No	No
BAME Board	28%	n/a	22%	14%	30%
Women Board	26%	n/a	24%	21%	46%
Business Ethics	28 violations	8 violations	1209 violations	112 violations	0 violations

Investment Rationale & Recommendation

In conclusion, we strongly advocate for the inclusion of NextEra Energy in the fund's portfolio at this opportune moment. To overlook such an investment prospect would be a missed opportunity. The ongoing industry-wide shift toward green energy positions NextEra Energy, as the market leader, to strategically capitalize on this transformative phase. What sets NextEra Energy apart is not only its prominent role int eh renewable energy sector but also its resilient and defensive qualities characteristic of a utility company. Hence, our recommendation for NextEra Energy is a resounding "buy". The company not only promises significant growth potential in the realm of green energy but also exhibits the capability to weather volatile macroeconomic conditions, providing a unique combination of growth and stabilities for investors.

[19] First Energy ESG report 2022
[20] Southern Company ESG report 2022
[21] Duke Energy ESG report 2022
[22] American Electric Power Corporate Sustainability Report 2023

This report is presented to you by the Industrial and Natural Resources Sector,

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