



# Environmental, Social and Governance





# Contents

<a href="#">Our strategy: A letter from our CEO</a>	3
<a href="#">NextEra Energy's ESG journey</a>	6
<a href="#">About this report</a>	7
<a href="#">Our operating portfolio</a>	8
<a href="#">2020-2021 awards &amp; recognitions</a>	10
<a href="#">Coronavirus (COVID-19) response</a>	11
<a href="#">Confronting climate change</a>	13
<a href="#">Building the world's leading clean energy provider</a>	19
<a href="#">Florida Power &amp; Light Company</a>	20
<a href="#">NextEra Energy Resources</a>	26
<a href="#">Environment</a>	30
<a href="#">Social</a>	38
<a href="#">Governance</a>	48
<a href="#">Risks and opportunities</a>	52
<a href="#">Conclusion</a>	60
<b>Appendix A</b>	
<a href="#">Sustainability Accounting Standards Board (SASB) Metrics</a>	61
<b>Appendix B</b>	
<a href="#">Task Force on Climate-related Financial Disclosures</a>	66
<b>Appendix C</b>	
<a href="#">EEI ESG/Sustainability Quantitative Metrics</a>	67
<b>Appendix D</b>	
<a href="#">United Nations Sustainable Development Goals Metrics</a>	70
<b>Appendix E</b>	
<a href="#">Global Reporting Initiative (GRI) Metrics</a>	72
<b>Appendix F</b>	
<a href="#">Emissions Data and</a>	
<a href="#">Third Party Emissions Assurance Statement</a>	77
<a href="#">Forward-Looking Statements</a>	78

Cover photos, clockwise from top: San Gorgonio Wind near Palm Springs, California. NextEra Energy Employee Angela Pitale volunteers to help homebound seniors. An Eastern Meadowlark at the FPL DeSoto Next Generation Clean Energy Center.



FPL Wynwood Energy Storage in Miami, Florida.

## OUR STRATEGY: A letter from our CEO



### To all our stakeholders:

I believe we are at an inflection point in the history of our company, our industry and our global economy.

Like so many of you, I have believed in the future of renewable energy for a very long time. Wind and solar energy have made economic sense for customers in many parts of the country for years. As technology has improved and costs have come down, even more customers across the country have realized the benefits of clean energy. Today, we can see a path to a completely emissions-free power sector built upon the combination of low-cost renewables with various forms of energy storage.

The most mature of these new technologies is battery storage. Over the past several years, our company has paired battery storage with wind and solar projects in a variety of configurations to deliver additional value to customers and to give grid operators more options to maintain reliability. The capability to store renewable energy at utility scale for even a few hours has already greatly improved the economics of wind and solar projects to meet customer demand for renewable energy. We expect that battery storage alone, combined with renewables, could enable a power sector that is up to 85% emissions-free.

Short-term energy storage applications are proven winners for customers and the environment, and long-term energy storage solutions have even more promise. In just the past year, NextEra Energy has launched several pilot projects to prove out the feasibility of using renewable energy, water and electrolysis to produce green hydrogen for several applications. We will learn how green hydrogen can best be produced and stored. We will learn how green hydrogen can replace some of the fuel powering our combined-cycle gas turbines as well as become a reliable feedstock for a variety of industrial uses. We will learn how fuel cells powered by green hydrogen can decarbonize vehicle fleets. We will bring into focus whether these and other long-term energy storage solutions can one day deliver a power sector that is 100% emissions-free, decarbonize large segments of the





Today, we can see a path to a completely emissions-free power sector built upon the combination of low-cost renewables with various forms of energy storage.”

transportation and industrial sectors and represent a bold step forward as we all work together to confront climate change.

Trillions of dollars of additional investment in wind and solar energy will be necessary to pair with the various energy storage solutions that will prove out to be the best value for customers. We believe that this massive capital investment opportunity could be terrific for customers, terrific for shareholders, terrific for the environment and terrific for the energy security of every nation. We believe that NextEra Energy is best positioned to build out the infrastructure required to make this vision a reality because we have a proven strategy that drives our team every day and has delivered value to all our stakeholders over a very long period of time.

Our strategy begins with innovation. At both Florida Power & Light Company and NextEra Energy Resources, we have pioneered several technologies that have already transformed our industry. We are the world’s largest generator of renewable energy from the wind and sun. We were among the first to deploy smart grid technology and to harden our grid in Florida to improve everyday reliability, as well as resiliency in severe weather. We were also among the first to invest in data analytics to understand our own infrastructure even better, as well as give our customers new tools to manage their energy usage. We have a team that embraces the disruptive forces reshaping our industry and seeks out new ways to disrupt our own company and make it even better.

Our strategy also includes a strong focus on cost and customer value. I have said for many years that NextEra Energy has proven that a company can be clean and low cost at the same time. That focus on cost has never been more important for our low-income customers and for those who have suffered economic hardship as a result of the pandemic. We know that all our investments must deliver clear benefits to our customers, who not only want their energy to be clean but also reliable and affordable.

Many other elements of our strategy are discussed throughout this report. Our strategy includes operational excellence, beginning with safety. It includes a consistently lower emissions rate than our industry peers and a decades-long commitment to protecting the environment. It includes financial discipline and a strong

balance sheet. It includes making the right capital investments and executing capital projects on time and on budget. It includes a culture of continuous improvement and a passion to succeed in any competitive environment. It includes a strong focus on governance and ethics. And it includes a continued commitment to diversity, equity and inclusion.

Keeping all our commitments is the imperative of the most talented team in our industry. Our team faced numerous unprecedented challenges over the last year and rose to every single one of them: a global pandemic, economic dislocations, injustice and social unrest, political uncertainty and the Atlantic basin’s most active hurricane season on record. Among our team of nearly 15,000 professionals, many experienced one or more of these challenges in a deeply personal way. Yet all kept their focus on what we needed to do each day to keep the lights on for those we are so proud and grateful to serve.

Thank you for your interest in learning more about NextEra Energy and all our environmental, social and governance (ESG) accomplishments and commitments.

Jim Robo  
Chairman and CEO





~\$14.6 B

invested in American energy infrastructure in 2020, making us one of the top capital investors in any sector in the U.S.



47%

below the national average carbon dioxide (CO<sub>2</sub>) emissions rate



30%

total shareholder return (TSR) in 2020 – outperforming both the S&P 500 and the S&P 500 Utilities Index



82%

improvement in overall company safety performance since 2003, marking 2020 as the safest year in NextEra Energy company history



~30%

lower typical residential bills than the national average for Florida Power & Light Company customers as of year-end 2020, with award-winning reliability



Construction crews work to build the FPL Babcock Ranch Solar Energy Center in Charlotte County, Florida.



# NextEra Energy's ESG journey

- 1952:** FPL holds its first storm drill.
- 1978:** FPL begins demand-side management program.
- 1979:** FPL starts exploring alternative fuels, including solar power.
- 1984:** FPL Group (renamed NextEra Energy in 2010) incorporated; appoints first female director; we have had at least one female director on our board continuously since our incorporation.
- 1984:** FPL Group provides the right for a majority of shareholders to call a special meeting; in 2015, the threshold was lowered to 20%.
- 1989:** FPL Group is the first non-Japanese company to win Deming Prize recognizing outstanding performance in quality control.
- 1989:** FPL Group invests in our first wind and solar projects.
- 1994:** FPL launches Care to Share program, providing crisis assistance to customers who are unable to pay their electric bills.
- 1997:** FPL Energy (renamed NextEra Energy Resources in 2010) is formed to focus on clean energy technologies and fuels.
- 1998:** FPL Energy builds first wind farm.
- 2001:** FPL Group incorporates sustainability metrics into executive officer compensation goals.
- 2001:** FPL begins fleet modernization by switching from oil to natural gas and increasing fuel efficiency.
- 2006:** FPL begins hardening program to strengthen the energy grid.
- 2007:** FPL Group commits to more than \$2 billion investment in clean energy to reduce CO<sub>2</sub> emissions at the Clinton Global Initiative Forum.
- 2008:** FPL builds the nation's largest photovoltaic (PV) solar project.
- 2008:** FPL Group begins ZeroToday! employee safety campaign.
- 2009:** FPL Group becomes the largest producer of wind and solar power in the U.S.
- 2010:** FPL builds the world's first solar hybrid facility.
- 2010:** FPL Group, Inc., renamed NextEra Energy, Inc.; FPL Energy renamed NextEra Energy Resources
- 2012:** NextEra Energy Resources celebrates commissioning of 10,000th megawatt (MW) of wind energy.
- 2012:** NextEra Energy Resources launches first battery storage demonstration project.
- 2016:** FPL launches innovative energy storage pilot project related to scaling renewable energy and storage.
- 2018:** NextEra Energy announces goal to reduce CO<sub>2</sub> emissions rate 65% by 2021 from a 2001 baseline.
- 2019:** NextEra Energy acquires Gulf Power Company and begins plans to reduce emissions, increase clean energy and lower costs.
- 2019:** FPL announces plan to install 30 million solar panels by 2030.
- 2019:** NextEra Energy announces updated goal to reduce CO<sub>2</sub> emissions rate by 67% by 2025 from an adjusted 2005 baseline.
- 2020:** FPL launches FPL SolarTogether, the largest community solar program in the U.S.
- 2020:** FPL announces plan for first green hydrogen pilot project.
- 2020:** FPL and Gulf Power Company end coal-fired power generation in Florida.
- 2021:** FPL and Gulf Power Company legally combine.
- 2021:** NextEra Energy Resources announces plan for first green hydrogen pilot project.
- 2021:** FPL begins construction of the world's largest integrated solar-powered battery.



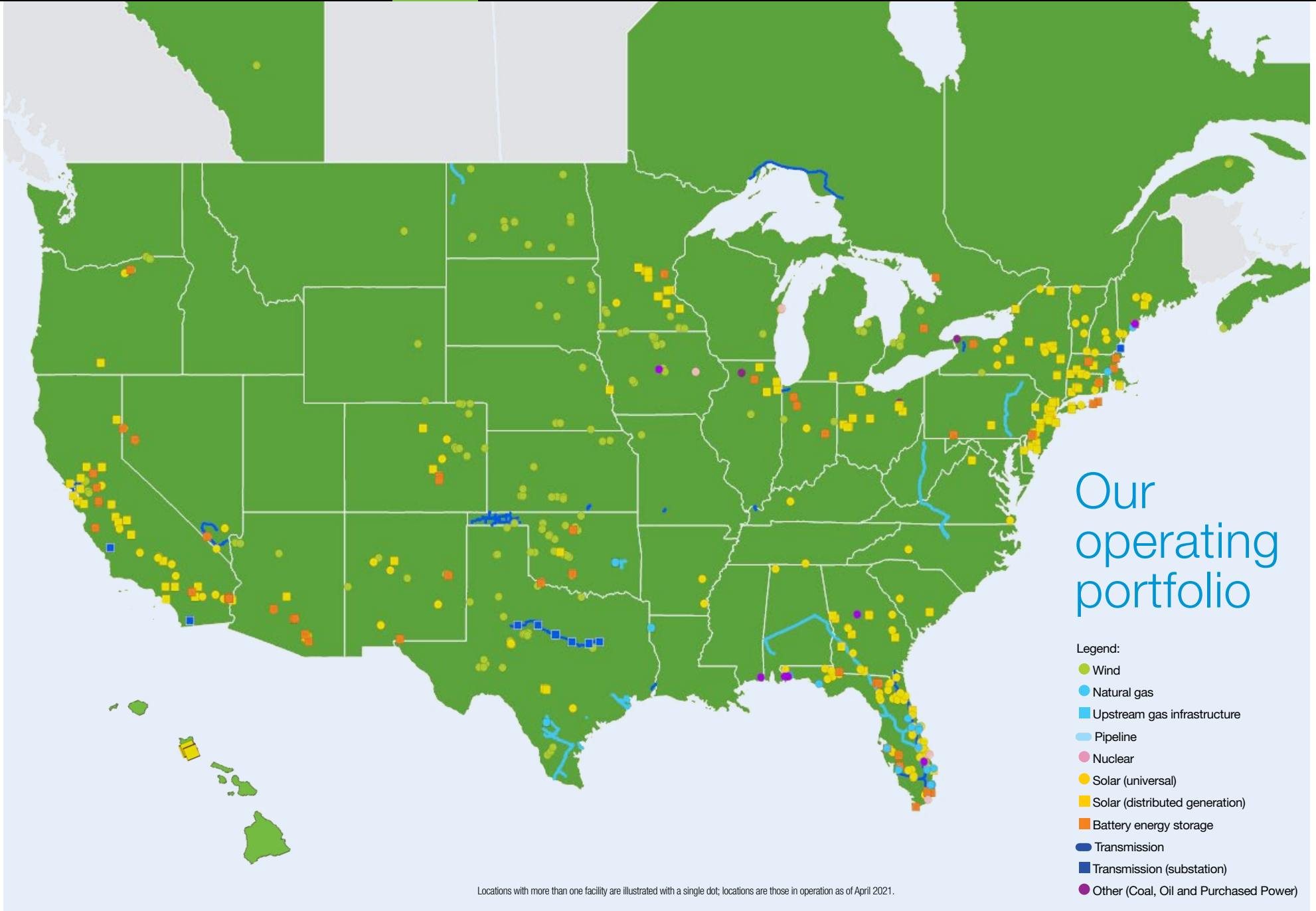
## About this report

We set big goals, deliver measurable results and hold ourselves to high standards. In recent years, investors and other stakeholders have shown increased interest in understanding our goals, results and standards within the framework of ESG reporting. This report is designed to highlight our core ESG strategy and disclosures, based on feedback from the investment community and other stakeholders.

NextEra Energy reports ESG disclosures through multiple resources, including this report, to provide stakeholders with an understanding of our long-term strategy focused on providing clean, reliable and affordable energy solutions across North America, our track record of delivering results for our customers and shareholders and our vision for a low-carbon future.

This report is aligned with the Sustainability Accounting Standards Board (SASB) framework under the Electric Utilities and Power Generators standards.

We also continue to report ESG disclosures through the Edison Electric Institute (EEI) ESG/Sustainability template. Additionally, this report contains the Global Reporting Initiative (GRI) Index, the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals. Additional metrics can also be found in the [By the Numbers](#) section of our [Sustainability website](#).







**~54,727 MW**

generating capacity as of  
year-end 2020



**\$128 B**

in total assets  
as of year-end 2020



**~\$100 B**

infrastructure capital  
deployed since 2011



**~87,610 miles**

of transmission &  
distribution lines



**~14,900**

employees as of  
year-end 2020



**\$18 B**

operating revenues  
in 2020



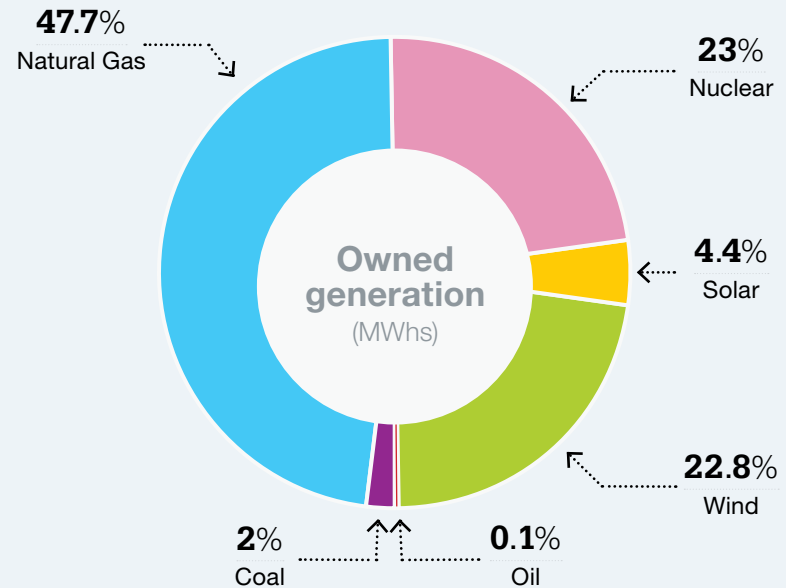
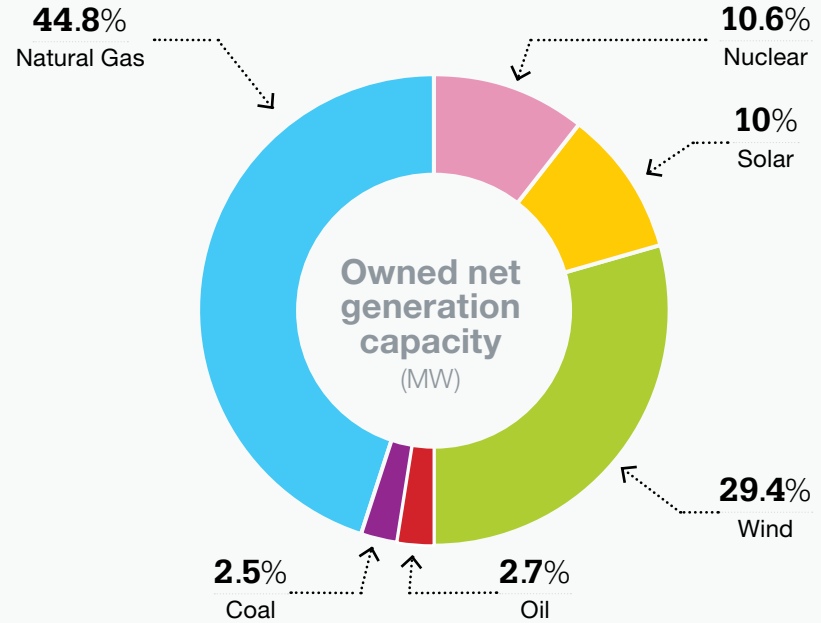
**49 states**

with operations and  
development projects



**4 provinces**

in Canada with operations  
and development projects



# 2020-2021 awards & recognitions

- » In 2021, NextEra Energy was ranked No. 1 in the electric and gas utilities industry on Fortune magazine's list of World's Most Admired Companies for the 14th time in 15 years. NextEra Energy ranked No. 1 for eight of the nine rated attributes, including innovation, people management, use of corporate assets, quality of management, financial soundness, long-term investment value, quality of products/services and global competitiveness.
- » In 2021, NextEra Energy was recognized by Forbes magazine as one of America's Best Employers for the fifth year and as one of America's Best Employers for Diversity for the fourth consecutive year and in 2020 as one of America's Best Employers for Veterans for its efforts to recruit, employ and retain veterans.
- » In 2021, NextEra Energy was named to the first-ever list of TIME100 Most Influential Companies. The new list highlights 100 businesses making an extraordinary impact around the world.
- » NextEra Energy was recognized in 2021 for the 14th time as one of the World's Most Ethical Companies™ by the Ethisphere Institute.
- » NextEra Energy was assessed as having best-in-class preparedness, according to S&P Global Ratings' ESG evaluation, reflecting our ability to identify long-term risks and develop and implement plans to transform these challenges into new opportunities, distinguishing the company from its peers amid the disruptive forces facing the industry. NextEra Energy's final ESG evaluation score, 86, is one of the highest rankings to be given by S&P Global Ratings to any corporate entity within the electric power industry.



- » In 2020, NextEra Energy received the third annual S&P Global Platts Energy Transition Award, recognizing our leadership in environmental, social and governance.
- » NextEra Energy received the highest ESG rating of AAA from MSCI Inc.
- » NextEra Energy received a HIRE Vets Platinum Medallion Award in 2020 from the U.S. Department of Labor for recruiting, employing and retaining veterans.
- » In 2021, NextEra Energy was recognized by Institutional Investor for the best CEO and the best investor relations team in the utilities industry for the last six years in a row and the best CFO for the last three years.
- » In 2020, FPL was awarded the ReliabilityOne™ National Reliability Award, presented by PA Consulting, for the fifth time in six years; FPL also earned the ReliabilityOne™ Award for Outstanding Technology & Innovation, as well as the Outstanding Reliability Performance Award for the Southeast region.
- » In 2020, Site Selection magazine named FPL as one of the Top U.S. Utilities in Economic Development.
- » FPL was named among the 2020 Most Trusted Utilities by Escalent, a top human behavior and analytics firm. FPL ranked as the most trusted electric provider in Florida and fourth among our electric utility peers nationwide. This is the seventh consecutive year the company was recognized by Escalent as being one of the top-performing utilities.



# Our COVID-19 response

Throughout 2020 and continuing into 2021, the NextEra Energy team has constantly risen to meet the challenges we faced from the coronavirus (COVID-19) global pandemic. We feel great compassion for those who have lost loved ones to this disease, those who have contracted the COVID-19 virus and for those who have experienced economic hardship. We've worked tirelessly to provide innovative solutions to help our customers and communities in need, while keeping our employees safe during this unprecedented crisis.

We have responded to COVID-19 through emergency funding to our community partners. Since the outbreak began in March 2020, NextEra Energy companies and employees have committed more than \$5 million in emergency assistance funds to provide critical support to the most vulnerable members of our communities.

We have responded by prioritizing the safety of our team. We have instituted temperature screenings at company facilities and implemented testing sites in coordination with medical provider partners. We have created social distancing protocols and provided personal protective equipment, where appropriate. And we have leveraged remote working capabilities, where possible.

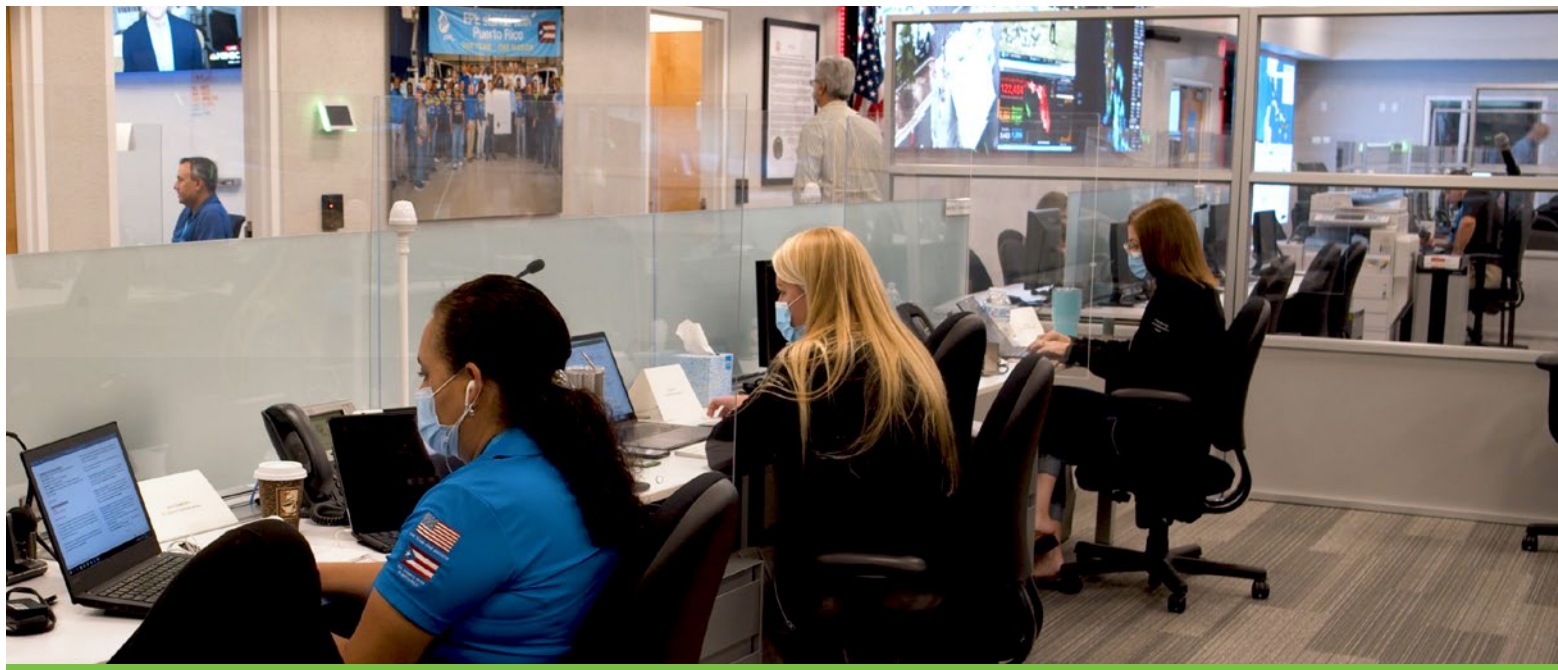
We have responded by supporting our customers. Throughout the pandemic, FPL and Gulf Power have worked with customers experiencing hardship. All customer disconnections were suspended for six months. In addition, we offered payment extensions, waived late fees and connected customers with available financial assistance. Other actions on behalf of customers included an accelerated bill decrease in May 2020 due to lower fuel costs, providing bill credits to customers who receive federal assistance to pay their bills and accelerating deposit refunds to eligible residential and small business customers. NextEra Energy Resources has also worked with customers to



NextEra Energy employee Nicole Morrison taking precautions to prevent the spread of COVID-19 at the NextEra Energy offices in Juno Beach, Florida. Employees continue to take COVID-19 safety precautions at all company facilities while working to serve customers.



Our corporate pandemic team has ensured continued safe operations while we continue to deliver on our commitments to customers during this pandemic and beyond.”



Employees following COVID-19 safety protocols at the FPL Command Center during the 2020 storm drill.

suspend disconnections and make payment arrangements for customers in need.

We have responded to the specific needs of our small business customers. Qualifying small business customers are eligible for monthly bill credits through December 2021 from FPL's Main Street Recovery Credit Program. In addition, FPL has led energy efficiency webinars for businesses, worked to raise awareness about FPL's Business Energy Manager tool that helps businesses track and take control of their energy use and has worked with small businesses to make sure they understand available CARES Act resources.

FPL and Gulf Power planned and executed our response to Hurricanes Isaias, Sally and Eta during the historic 2020 hurricane season amid the COVID-19 pandemic. Both companies had a relentless focus on preparations, such as multiple training events,

additional COVID-19 related safety precautions and detailed time studies to help ensure we were ready to respond for our customers. While the conditions we are facing have changed, our restoration commitment has not: We will work around-the-clock and we will not stop until every customer's power is restored.

Our corporate pandemic team has ensured continued safe operations while we continue to deliver on our commitments to customers during this pandemic and beyond. Electricity is critical to responding to the virus so first responders can help those in need, businesses can continue to operate, governments can continue to function and our customers can go about their daily lives to the greatest extent possible during these challenging times. Electricity also will be critical as our communities recover from the pandemic and our economies regain strength.



# Confronting climate change

We believe that no company in any industry has done more to reduce carbon emissions and to confront climate change than NextEra Energy. As one of the largest electric power and energy infrastructure companies in North America and a leader in the renewable energy industry, NextEra Energy is committed to building a sustainable energy future that is affordable, reliable and clean. Serving customers while tackling today's challenges comes with the fundamental responsibility of also looking over the horizon to ensure we're ready to serve customers tomorrow. This is especially true in Florida as FPL serves a rapidly growing state on the front lines of climate change and frequently severe weather. Our approach to climate change, which is in line with the TCFD framework, is summarized below and discussed throughout this report. A TCFD reference index is also included as [Appendix B](#) to this report.

## Governance

As a renewable energy leader, climate-related issues are core to our overall business strategy. As such, the entire board, led by our chairman and CEO, has oversight of climate-related risks and opportunities, including their impact on our strategy. The board understands the impacts of climate change on our future growth, as well as how we prepare our business to adapt to the effects of climate change.

At every scheduled board of directors meeting, the board performs a detailed review of our performance against business objectives and key risks and opportunities for the company. The board also holds an annual strategy session devoted to discussing, debating and validating management's overall strategy. Oversight of climate-related issues include physical risks from climate change such as hurricanes, government policies and incentives, carbon regulations, renewable energy and emerging technologies, among others.



Our goal is to reduce our CO<sub>2</sub> emissions rate **67 percent**

by 2025 from an adjusted 2005 baseline

NextEra Energy Resources' Cedar Springs Wind Energy Center in Douglas, Wyoming.



**Our emissions rate in 2005 was already 37% better than the U.S. electric power sector and, in 2020, was 47% better than the U.S. electric power sector.”**

Our executive management team is responsible for day-to-day management of climate-related risks and opportunities as well as the effects on the management and operations of individual business units.

Through the board’s oversight and management’s execution of our strategy, our emissions rate in 2005 was already 37% better than the U.S. electric power sector and, in 2020, was 47% better than the U.S. electric power sector. Over the same period, our total amount of generation has increased 68% to meet growing customer demand. These results demonstrate that even with dramatic growth in our core business, we’ve reduced our already industry-leading emissions rate much faster than the industry average.

### Strategy

Climate-related risks and opportunities influence our strategy across all of our businesses over the short term (less than five years), medium term (5-10 years) and long term (greater than 10 years). Climate-related risks and opportunities have influenced our financial plan for capital expenditures, acquisitions and revenues, in order to respond to our customers’ demands for clean and renewable energy. This has influenced our capital plan in executing our significant renewable energy deployment and grid hardening initiatives. It has influenced our acquisitions like acquiring Gulf Power and employing our strategy of advancing affordable, reliable and clean energy and making smart infrastructure investments. All of these actions in turn have helped drive our consistently strong financial performance.

At FPL, climate-related risks and opportunities have influenced our operational strategy. This has influenced our short- and medium-term strategy for daily operations and infrastructure planning as part of our integrated resource plan. This is reflected in our modernization of FPL’s generation fleet, beginning two decades ago. In 2001, we burned 41 million barrels of oil to generate electricity, the most in the country. That year, we made the decision to modernize our generation fleet by beginning to replace old inefficient oil, natural gas and coal plants with state-of-the-art natural gas units. Since 2001, we have reduced

our use of oil by approximately 99%, burning only 0.1 million barrels in 2020. Additionally, in 2020, we were able to complete the accelerated shut down of coal units at the Gulf Clean Energy Center, formerly Plant Crist, and with the retirement of FPL’s Indiantown Cogeneration facility in 2020, 2021 is the first time in nearly 70 years that there are no coal-fired power plants in our Florida system. The phase-out of these coal facilities is expected to generate hundreds of millions of dollars of savings for customers while eliminating millions of tons of CO<sub>2</sub> emissions annually. FPL’s generation fleet is one of the cleanest and most efficient in the country, saving customers \$11.3 billion in fuel costs and avoiding more than 165 million tons of CO<sub>2</sub> emissions since 2001.

The next leg of FPL’s generation modernization efforts is focused on deploying solar, which is now the most cost-effective generation resource in most parts of our service area. In 2019, we announced our groundbreaking ‘30-by-30’ plan to install 30 million solar panels in Florida by 2030, representing one of the largest solar expansions in the world. By the end of this decade, we project that we will have more than 11,700 MW of installed solar capacity on FPL’s system.

At NextEra Energy Resources, climate-related opportunities influence our strategy over the short-, medium- and long-term horizons. NextEra Energy Resources is a diversified clean energy business with a strategy that emphasizes the development, construction and operation of long-term contracted assets with a focus on renewable projects. We continue to tailor solutions for commercial, utility and public power customers who want to produce their own clean, reliable renewable energy. We offer a combination of energy solutions that cannot be found elsewhere in the marketplace from one company. These include universal and small-scale solar energy, wind energy and energy storage.

Our strategy at NextEra Energy Resources is focused on developing long-term contracted, low-cost wind and solar generation assets, increasingly paired with battery storage. We invested in our first wind and solar projects in 1989 and we have been in the renewable development business for decades. From these early beginnings, we have become the world’s largest





NextEra Energy has been at the forefront of combating climate change for a very long time, we believe even greater opportunities to reduce emissions lie ahead.”



Artist rendering of the FPL Manatee Energy Storage Center expected to be completed in late 2021 in Parrish, Florida. The facility will be the world’s largest integrated solar-powered battery.

generator of renewable energy from the wind and the sun and a world leader in battery storage, a sector in which we anticipate deploying more than \$1 billion in capital in 2021. Along with the broader public shift toward calls for action to fight climate change, over the past few years there has been an increased focus on ESG on the part of many of our stakeholders. While we expect this trend to amplify demand among our traditional customers and in our core renewable energy business, we also believe that it is opening up significant new markets and business opportunities for NextEra Energy Resources. We anticipate our development program to be further enhanced by an ability to attract new, non-traditional customers, particularly in the commercial and industrial sector, as improving renewable economics are increasingly aligned with corporate objectives to procure energy from clean generation sources.

NextEra Energy has been at the forefront of combating climate change for a very long time, we believe even greater opportunities to reduce emissions lie ahead. We have conducted an extensive scenario analysis to model the U.S. energy grid to determine how the U.S. electric sector can achieve a 100% carbon-free electricity grid on a long-term horizon by 2050. According to the Intergovernmental Panel on Climate Change (IPCC), 1.5-degree scenario pathways require a completely decarbonized electricity sector by 2050. Our scenario analysis is consistent with the IPCC analysis and the decarbonization efforts needed by the U.S. electric sector in order to keep global warming below 1.5 degrees Celsius. We now believe that low-cost renewable energy combined with storage can achieve full decarbonization of the U.S. electric sector by 2050 with minimal incremental costs to customers, even in the case without national

carbon prices. Based on our analysis, we believe there is an opportunity to build approximately 3,600 gigawatts (GW), or more than 100 GW per year, of renewable energy and storage through 2050. Additionally, decarbonizing the electricity sector of the economy results in excess energy that may be converted to green hydrogen to decarbonize other sectors of the economy. This creates a \$1.7 trillion investment opportunity in renewable energy plus storage through 2050. While our decarbonization scenario analysis is dependent on a number of assumptions and uncertainties, we believe these potential outcomes validate our view of the enormous renewable energy and storage opportunities over the coming decades.

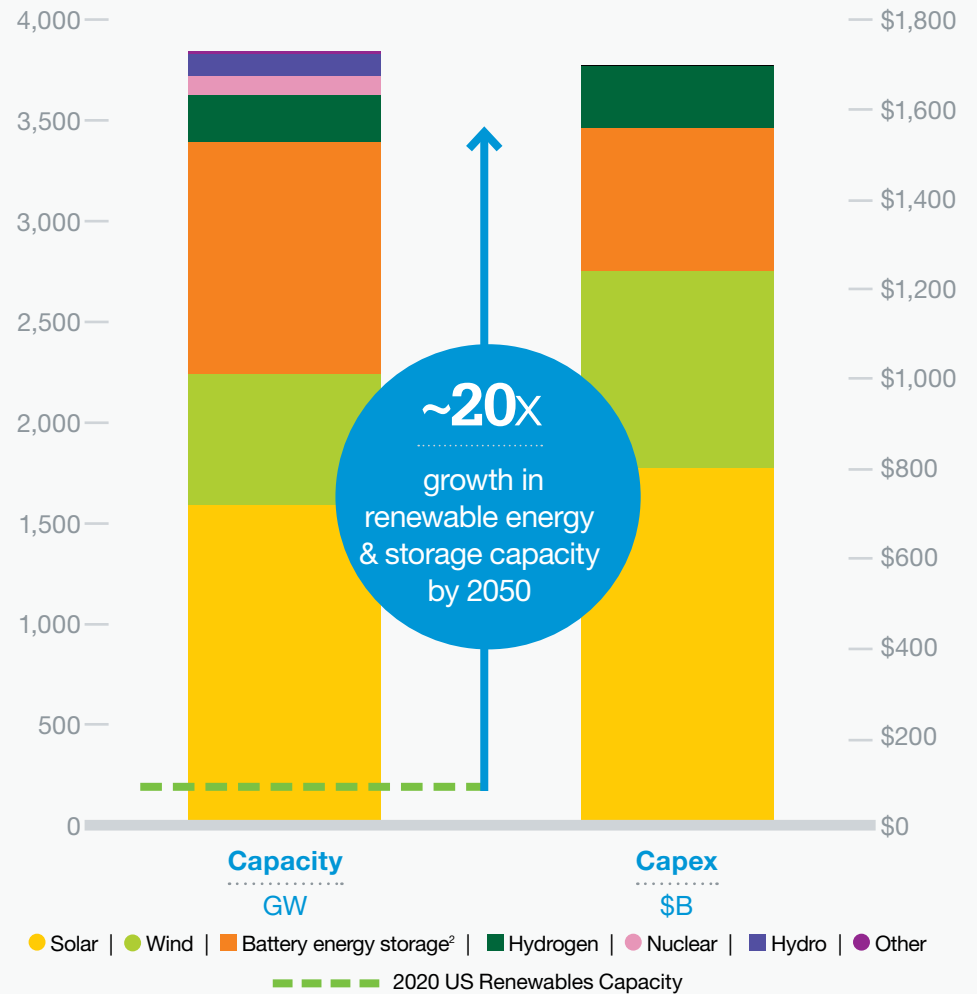
### Risk management

As discussed in more detail in the risks and opportunities section of this report, our approach to risk management starts with a strategic focus on preparedness and a disciplined capital allocation process. Preparedness, crisis planning and risk management are part of our culture. Our CEO, who also serves as our chief risk officer, and executive management are responsible for executing our long-term strategy while also monitoring climate-change opportunities and risks related to our strategy. Our corporate risk management committee provides oversight and support for our risk management activities.

For the purposes of our risk management process, we do not view climate change as a discrete risk, but rather a potential stress multiplier to existing risks and opportunities that we monitor very closely and have worked to mitigate for a very long time. For example, system disruption from a weather event is a long-standing risk that we have integrated into our risk assessment process, and potential climate change projections for more frequent storms would be a multiplier for this risk category but not necessarily broken out as an incremental impact being added separately. We also recognize that climate change may affect different parts of our business in different ways. The [table on page 17](#) summarizes certain climate-change related risks and the their potential applications to our businesses.

## Decarbonized U.S. electric sector

2050 U.S. Capacity & Capex<sup>1</sup>



1) Based on NextEra internal analysis, with uncertainties in assumptions including transmission and land costs and treatment of stranded costs for certain existing generation assets and future cost declines for certain technologies  
2) 4-hour batteries, with included 8-hour batteries normalized to a 4-hour battery equivalent



## Climate-related risks that may impact our business

Climate Change Risk Type	Application to Our Businesses
Current/emerging regulation	Our operations are subject to complex and comprehensive federal, state and other regulations. Current and emerging regulations are addressed in risk management and business planning. As an example, under a Florida law enacted in 2019, we must file a long-term Storm Protection Plan that details our plans to continue building a stronger, smarter and more storm-resilient grid in the years ahead. The Storm Protection Plan and subsequent Florida Public Service Commission (FPSC) rules regarding filings and cost recovery mechanism are an example of current regulation that addresses risks related to climate change and severe weather events and impacts how FPL receives cost recovery for our storm hardening activities.
Technology	Technology developments are reviewed as part of our corporate risk assessment and strategic planning process. We are always focused on innovation, exploring new technologies and on the leading edge of disruption. Being innovative and having a strong commitment to continuous improvement is at the heart of who we are as a company. From state-of-the-art renewable energy solutions and leading-edge battery storage systems to smart grid technology, we're making significant investments in innovative, advanced technologies to do what's right on behalf of our customers, our stakeholders and our shareholders. Transition risks related to changes in the price and availability of technology are some of the risks related to climate change that we consider in our analyses. Based on our ongoing analysis of the long-term potential of low-cost renewables, we remain confident that wind, solar and battery storage will help reduce costs for customers and help achieve future CO <sub>2</sub> emissions reductions.
Legal	While our generation portfolio emits greenhouse gases at a lower rate than most of the U.S. electric generation sector, the results of operations could be impacted to the extent that new federal or state laws or regulations impose any new greenhouse gas emission limits or a price on CO <sub>2</sub> emissions. To address this potential risk, FPL's integrated resource planning and annual Ten-Year Site Plan filing with the FPSC have included CO <sub>2</sub> cost projections since 2007.
Market	Investments at our regulated utilities are guided by a well-established integrated resource planning process to determine the amount and timing of future generation needed to meet projected growth in energy load and demand. Market climate-related risks are incorporated into this planning process and different options are evaluated taking into account system economics, forecasted electric power demand, demand-side management, fuel prices, potential future climate policies and the integration of low-cost, clean and reliable generation, including solar and battery storage solutions. We also look at the impact of federal and state energy efficiency codes and standards.
Acute/chronic physical	Physical risks tied to climate change are reviewed as part of our risk management process. Changes in global climate could produce unusual variations in temperature and weather patterns, resulting in more intense, frequent and extreme weather events, abnormal levels of precipitation and, particularly relevant to FPL, changes in sea level. FPL operates in the east and lower west coasts of Florida and in northwest Florida, areas that historically have been prone to severe weather events, such as hurricanes. Throughout our history of managing the impacts of hurricanes and natural disasters in Florida, we have remained focused on safety, execution and the importance of providing an essential service to our customers during these events. Our continued investments and preparation at FPL and Gulf Power have resulted in building a stronger, smarter and more resilient energy grid that has improved reliability in good weather and bad and enables faster power restoration following extreme weather events. Since 2006, FPL has made significant investments in strengthening the energy grid to make it more resilient to severe weather. The deployment of innovative technology to help prevent outages and shorten restoration times when outages occur has enabled FPL to lower operating costs and improve reliability and resiliency.



Our smart, long-term capital investments, such as our investments in wind and solar, will help us achieve our emissions intensity reduction target.”

### Metrics and targets

Our business metrics used to assess climate-related risks and opportunities include our progress against each business unit's goals. At FPL, these include our service reliability metrics, our power plant availability metrics and our progress toward our goal to install 30 million solar panels by 2030. One of the main climate-change related risks facing FPL is more frequent storms, and our reliability metrics help us measure our progress in providing a stronger and more resilient energy grid. At NextEra Energy Resources, this includes our progress on completing the development of our wind and solar projects on schedule and on budget, as well as adding significant new wind and solar opportunities to our backlog to support future growth. Implementing our renewables development strategy has led to significant emission reductions for our company and our customers.

NextEra Energy's goal is to reduce our CO<sub>2</sub> emissions rate 67% by 2025 from an adjusted 2005 baseline, which is equivalent to a nearly 40% reduction in absolute CO<sub>2</sub> emissions despite more than doubling our expected electricity generation from 2005 to 2025.

Additionally, our CO<sub>2</sub> emissions rate in 2020 was 68% lower than the 2005 industry average CO<sub>2</sub> emissions rate. Our smart, long-term capital investments, such as our investments in wind and solar, will help us achieve our emissions intensity reduction target. As we progress toward that goal, through 2020, NextEra Energy has already achieved a 57% reduction in its CO<sub>2</sub> emissions rate.\*

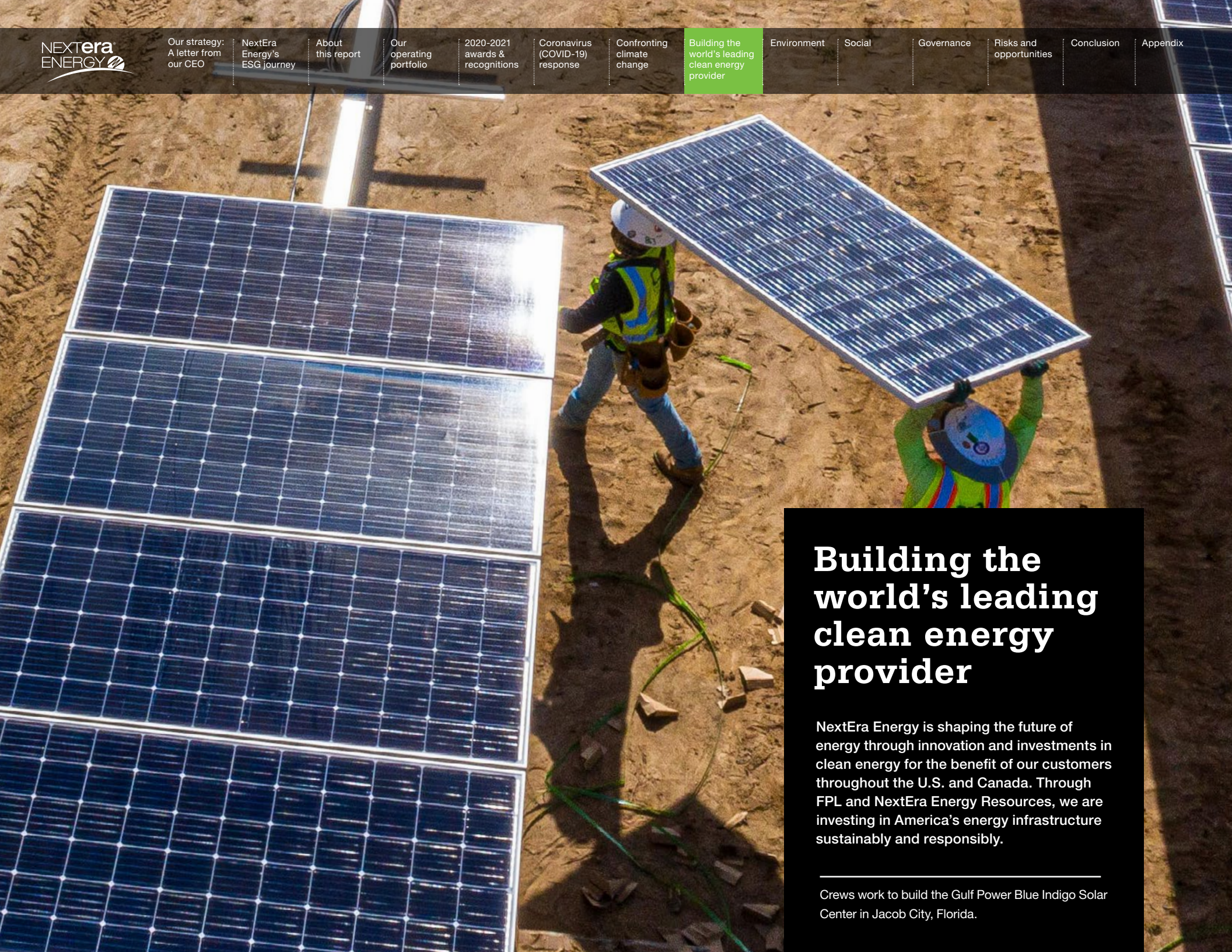
Our Scope 1, 2 and 3 emissions data as verified by an independent third party is available in [Appendix F \(Emissions Data and Third-Party Emissions Assurance Statement\)](#) of this report. We also participated in the CDP (formerly known as the Carbon Disclosure Project) survey in 2021 which will be published later this year.

*\* Certain facilities within the NextEra Energy Resources wind and solar generation portfolio produce Renewable Energy Credits (RECs) and other environmental attributes which are typically sold along with the energy from the plants under long-term contracts, or may be sold separately from wind and solar generation not sold under long-term contracts. The purchasing party is solely entitled to the reporting rights and ownership of the environmental attributes. Visit "Reports and Filings" on the investor page of [NextEraEnergy.com](#) for more information. Throughout this report we reference our adjusted 2005 baseline for our emissions reduction goal. The 2005 baseline is adjusted to account for acquisitions and divestitures during the goal period.*



Crews work to commission the FPL Miami-Dade Solar Energy Center in Miami-Dade County Florida.





## Building the world's leading clean energy provider

NextEra Energy is shaping the future of energy through innovation and investments in clean energy for the benefit of our customers throughout the U.S. and Canada. Through FPL and NextEra Energy Resources, we are investing in America's energy infrastructure sustainably and responsibly.

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Crews work to build the Gulf Power Blue Indigo Solar Center in Jacob City, Florida.





**\$43 billion**

smart capital investments  
over the past decade



**5.6 million**

customers



**11,700+ MW**

installed solar capacity  
by end of 2030



# Florida Power & Light Company

FPL is the largest energy company in the U.S. as measured by retail electricity produced and sold, serving more than 5.6 million customer accounts or an estimated more than 11 million people across Florida. In January 2021, FPL and Gulf Power legally combined to become one united energy company, and Gulf Power will continue to serve customers under the Gulf Power brand name until January 2022.

Our core philosophy, known as the virtuous circle, starts with providing customers a best-in-class value proposition of low bills, high reliability, clean energy solutions and excellent customer service. By delivering on these key commitments, we are able to drive high customer satisfaction, which leads to a constructive regulatory environment and the ability to have important conversations with regulators and elected officials at all levels about investments in new technologies. A constructive regulatory environment in turn attracts investment which enables us to move forward with projects that grow clean energy, keep costs low for customers and improve reliability.

FPL has deployed more than \$43 billion in smart capital investments in Florida over the past decade to continue to improve our customer value proposition.

To help pay for these investments with minimal impact to the customer bill, we have focused on lowering our operating costs for more than 30 years. FPL has improved our operating costs from almost 10% worse than the industry average in 1988, to 63% better than the industry average in 2019. Relative to an average utility's operation and maintenance (O&M) costs per retail MWh, FPL saves our customers nearly \$2.6 billion per year through our best-in-

FPL Echo River Solar Energy Center in Live Oak, Florida.



## First in Florida to end coal

### Coal plant retirements by FPL in Florida:

2016

**Cedar Bay**  
**250 MW**

2018

**St. John's River Power Park**  
**254 MW**

(Units 1&2 ownership portion)

**375 MW**

(Units 1&2 purchased power purchase agreement portion)

2020

**Indiantown Cogen**  
**330 MW**

2020

**Plant Crist**  
**924 MW (Units 4-7)**

### Coal plant retirements outside of Florida:

2021

**Plant Scherer**  
**634 MW**

(Unit 4 ownership portion scheduled to retire by January 2022)

2023

**Plant Daniel**  
**502 MW**

(Units 1&2 ownership share scheduled to retire by January 2024)

class cost profile. The result of these smart capital investments and continued focus on cost reduction is a typical 1,000-kilowatt hour (kWh) FPL residential customer bill that is approximately 30% lower than the national average as of year-end 2020 and among the lowest in the U.S. At a time when the average U.S. utility bills have increased by about 30% over the last 15 years, today our typical 1,000-kWh FPL residential customer bill is about 10% lower than it was 15 years ago. Additionally, based on the 20 largest investor-owned utilities in the country, ranked by number of customers, FPL has the lowest residential bill and is more than 40% below the average.

### Efficient generation and clean energy solutions

Two decades ago FPL began to modernize our generation fleet by replacing old inefficient oil, natural gas and coal plants with state-of-the-art natural gas units, reducing our use of oil by 99%. Our generation fleet is now one of the cleanest and most efficient in the country, saving customers \$11.3 billion in fuel costs and avoiding more than 165 million tons of CO<sub>2</sub> emissions since 2001.

In recent years, FPL acquired coal plants from which we were previously obligated to purchase power and subsequently began to close and demolish these plants. FPL has permanently closed approximately 2,133 MW of coal capacity, including joint ownership interests, since 2015. The Indiantown Cogeneration Plant was closed at the end of 2020, and the Gulf Clean Energy Center was converted to natural gas, cutting its CO<sub>2</sub> emissions rate by 40%. With the conversion of the Gulf Clean Energy Center and the retirement of Indiantown Cogeneration Plant, 2021 is the first time in nearly 70 years that FPL has no coal-fired power plants in Florida. We have announced plans for retirements of three of our four remaining coal units outside of the state of Florida by January 2024. The fourth coal unit is a minority 25% ownership interest in a 215-MW coal plant in Georgia.

We have invested in natural gas generation to reduce dependence on oil and coal. Our highly efficient natural gas power generation fleet has helped drive these coal retirements, saved costs for our customers and lowered our emissions rate. Our natural gas units emit approximately one-third the CO<sub>2</sub> of similarly sized coal units

while maintaining affordability and reliability. In the future, FPL's natural gas power generation fleet may be adapted to be able to utilize zero-carbon, green hydrogen produced from FPL's solar generation fleet.

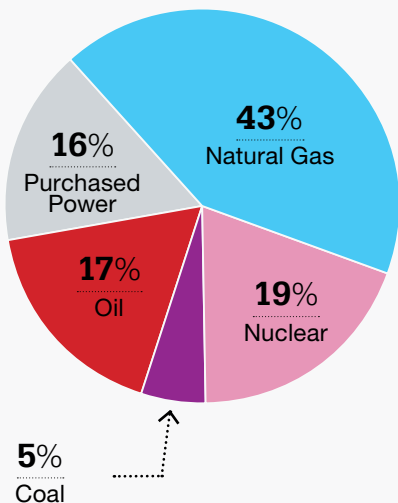
We are bringing the benefits of solar energy to the Sunshine State. The next leg of FPL's generation modernization efforts is focused on deploying solar, which is now the most cost-effective generation resource in most parts of our service area. FPL leads all utilities in the nation with the most universal solar capacity and is currently Florida's largest generator of solar power. In 2019, we announced our groundbreaking "30-by-30" plan to install 30 million solar panels in Florida by 2030, representing one of the largest solar expansions in the world. FPL has achieved a major milestone by completing approximately 40% of its "30-by-30" goal as of May 2021. By the summer of 2021, we expect to have 42 solar energy centers in operation and we will be more than 40% of the way toward completing the "30-by-30" goal. By the end of this decade, we project that we will have more than 11,700 MW of installed solar capacity on FPL's system.

We have given our customers additional opportunities to invest in solar through the FPL SolarTogether program. Nearly 1,500 MW of capacity, much of which has already been completed or is under construction, is for the FPL SolarTogether program, which is the largest community solar program in the U.S. Under this program, customers can offset up to 100% of their electricity use with emissions-free solar. The program is expected to generate nearly \$250 million in total net cost savings for participants and all FPL customers over its life. SolarTogether also includes an allocated portion of solar capacity for low-income customers, which is the largest low-income solar offering in the country.

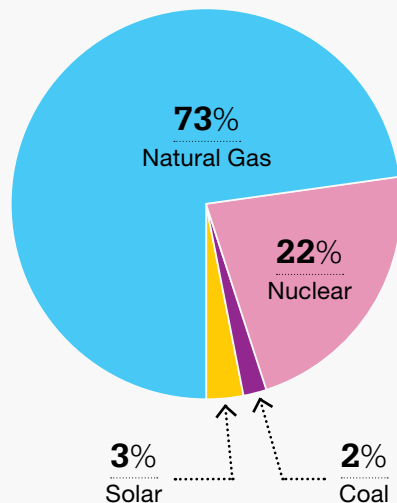
We are increasingly combining solar with low-cost energy storage. In early 2021, FPL began construction of the world's largest integrated solar-powered battery – a 409-MW project in Manatee County, Florida – which will accelerate the retirement of two 1970s-era fossil-fuel units on the same site. FPL's combined 10-year site plan includes a significant increase in battery storage deployment with approximately 700 MW of additional battery storage, for a total of 1,200 MW of battery storage by 2030.

## FPL's generation capacity mix

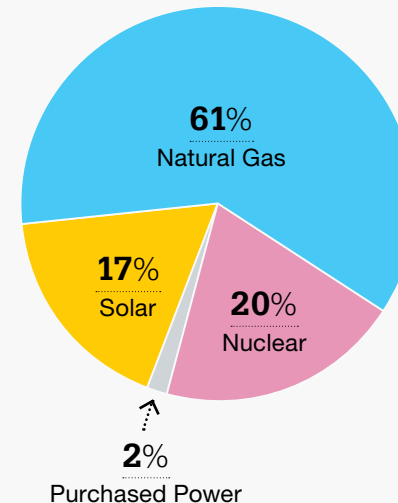
2005  
FPL only



2020  
FPL only



2030 projected  
FPL combined with Gulf Power



We are excited about the potential of green hydrogen. In 2020, we announced that FPL is undertaking a green hydrogen pilot project at the Okeechobee Clean Energy Center (OCEC) as part of our pursuit of new ways to integrate state-of-the-art technologies that will further enhance the diversity of clean energy solutions for the benefit of customers and the environment. As the use of solar energy increases in the future, there may be times when there is excess solar generation that can be rerouted to produce what is known as “green hydrogen” which can be stored and utilized as a fuel for combustion turbine power generators.

Still in its early stages, the project will complement our ongoing solar and battery storage development efforts and help us to produce power with lower

emissions rates. The pilot project will use a neighboring solar power plant to power an electrolysis system to produce green hydrogen, which will then be blended with natural gas being supplied to the OCEC. This proposed pilot would allow FPL to assess how our combustion turbine units operate with a hydrogen fuel mix and allow us to learn how a hydrogen fuel production and storage facility can be effectively used on site with combustion turbine units. Expected learnings from this pilot include lessons from design, procurement, construction, commissioning, operations, and maintenance during a variety of operational scenarios on the grid.

As we execute on our plan, we project that FPL's combined CO<sub>2</sub> emissions rate will be approximately 62%

lower in 2030 than the industry average was in 2005.

We believe in the future of electric vehicles (EV). Beyond our generation transformation, we are excited about the potential for the electrification of transportation. In 2019, FPL launched an EV charging initiative to propel Florida to the forefront of sustainable transportation. The program, FPL EVolution, will bring more than 1,000 charging ports to more than 100 locations across the FPL service area. Additionally, the program includes a more than 800-mile network of strategically located, fast charging stations across the state of Florida. EV drivers can plug in every 50 miles along Florida's Turnpike.

On top of investments in charging, we've also





FPL Evolution charging stations at the Florida Turnpike Plaza in Fort Drum, Florida.

“

**FPL leads all utilities in the nation with the most universal solar capacity.”**

launched a partnership with the city of West Palm Beach to purchase five electric school buses for use by the city’s parks and recreation department. This project is the first of its kind in Florida – and it’s just the beginning. FPL is also leading by example when it comes to driving EVs. We are committed to converting 60% of our light-duty vehicle fleet to electric or plug-in hybrid by 2030, demonstrating our pledge to helping Florida become a leader in clean transportation.

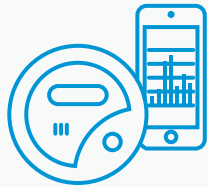
**Building America’s smartest and strongest energy grid – reliability and customer service**

Another example of FPL’s strategy is our extensive effort to harden the energy grid and deploy smart grid technology. In

2004-05, FPL’s service area was hit by seven major hurricanes over 18 months, including Hurricane Wilma, which caused extensive damage throughout FPL’s service area, requiring a total restoration time of more than two weeks. Since 2006, we have made significant investments to strengthen the energy grid to improve reliability for customers. By the end of 2020, we had hardened or undergrounded more than 60% of all main distribution power lines. We have also replaced wood transmission structures so that 98% of these are now concrete or steel. All transmission structures are planned to be either steel or concrete by year-end 2022.

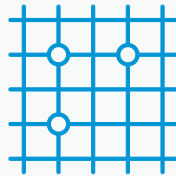
FPL was one of the early adopters of smart grid devices and today has more than 5 million smart meters and 155,000 intelligent

## A stronger and smarter energy grid helps prevent outages and restore power quicker:



deployed more than

**5 million smart meters**



installed more than

**155,000 intelligent devices**



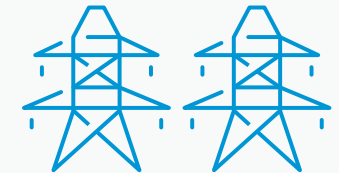
collect daily

**~1 billion data points**



perform annually

**15,000 miles**  
of vegetation management



hardened

**98%**  
of transmission structures which are now concrete or steel

devices on our grid. Each day we collect about 1 billion data points from these devices and use predictive analytics and algorithms we developed and patented to identify potential problems, so we can fix them before our customers are interrupted or crews are dispatched. Not having to dispatch a vehicle helps reduce our carbon footprint and reduces customer costs. These intelligent devices can automatically redirect power, self-heal and eliminate or minimize customers affected, resulting in more than 8.5 million outages avoided over the last decade. We delivered our best-ever service reliability performance in 2020, continuing a trend in which we've improved reliability by nearly 40% since 2006. For the fifth time in six years, FPL was awarded the 2020 ReliabilityOne® National Reliability Excellence Award, presented by PA Consulting to the award recipient that has demonstrated sustained leadership, innovation and achievement in the area of electric reliability.

FPL expects to continue to invest in building the nation's

strongest and smartest energy grid. Under a Florida law enacted in 2019, we have filed a long-term Storm Protection Plan that details our plans to continue building a stronger, smarter and more storm-resilient grid in the years ahead. The plan is a continuation of our successful storm hardening and preparedness program and includes additional hardening of overhead transmission and distribution facilities, as well as significant undergrounding of distribution lines. The undergrounding of neighborhood lines, or distribution laterals, will further enhance the network's overall reliability and resiliency. We also intend to make further smart grid investments over the coming years and will continue to use emerging technology to find new, innovative ways to deliver cleaner, more reliable energy to customers.

FPL also focuses on providing best-in-class customer service. All our capital investments have improved our customer value proposition, and we have the team and technology to respond to customer concerns quickly and transparently through several communication

channels and web-based applications. Our focus on enhancing the customer value proposition has helped reduce customer complaints and earn award-winning customer satisfaction. FPL's survey data indicates that more than three-quarters of customers rate their overall experience with the company as excellent. Complaints recorded as "logged" in the Florida Public Service Commission Consumer Activity Report have dropped from 346 in 2010 to 124 in 2019 – a 64% reduction for FPL. At the same time, the number of customers we serve increased by 12% over that same period.



# Gulf Power Company

We are committed to giving our customers in northwest Florida the best electric service they have ever had, and we have realized outstanding results towards this goal in the two years since welcoming Gulf Power into the NextEra Energy family. On Jan. 1, 2021 Gulf Power legally combined with FPL, with FPL as the surviving entity. Gulf Power will continue to serve customers as a separate division of FPL operating under the Gulf Power brand and under separate retail rates until January 2022. Gulf Power has served customers in northwest Florida for more than nine decades, helping local economies grow while developing especially strong relationships with U.S. military installations in our service area.

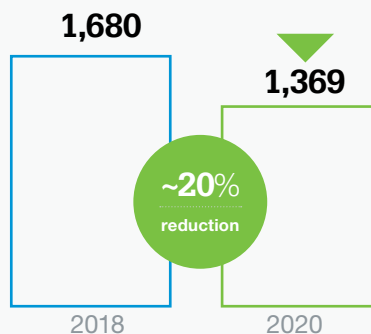
NextEra Energy acquired Gulf Power in January 2019 and immediately began identifying investments to improve reliability and expand clean energy, while working to reduce costs for customers. The Blue Indigo Solar Energy Center, Gulf Power's first solar development project, came online in early 2020. We completed the Gulf Clean Energy Center coal-to-natural gas conversion and accelerated shut down of its coal units. A new transmission line is being constructed to connect the Gulf Power and FPL systems.

The results of the work of our dedicated team and smart investments over the past two years have been remarkable compared to industry standards. Due to our smart capital investments, Gulf Power achieved a roughly 20% improvement in CO<sub>2</sub> emissions rate since year-end 2018. In only our first two years of ownership, our investments in generation, smart grid technology and other infrastructure have helped improve Gulf Power's reliability by approximately 50% and reduced O&M costs per retail MWh by nearly 30%. Additionally, Gulf Power had its best lowest Occupational Safety and Health Administration (OSHA) recordable rate in company history in 2020, which is an approximately 95% improvement since year-end 2018.

## Execution summary

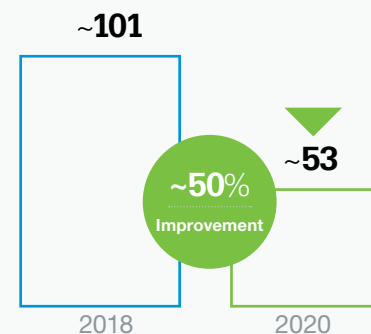
### CO<sub>2</sub> Emissions Reduction

(Lbs/MWh)



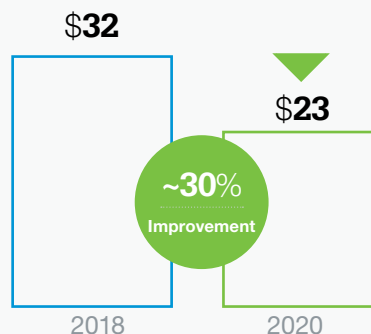
### Service Reliability<sup>(1)</sup>

(minutes)

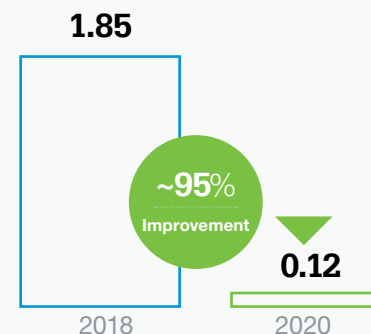


### Operational Cost Effectiveness<sup>(2)</sup>

(\$/Retail MWh)



### OSHA Recordable Rate<sup>(3)</sup>



1) System Average Interruption Duration Index

2) GAAP O&M per retail MWh

3) OSHA Recordable Rate equals number of OSHA recordable injuries/illnesses \* 200,000/total hours worked



Invested more than  
**\$34 billion**  
in wind and solar  
over the past decade

Owned or operated  
a portfolio of over  
**22 GW**  
of wind and solar projects  
as of year-end 2020

Commissioned  
**5,800 MW**  
of renewable  
energy projects  
in 2020

## NextEra Energy Resources

NextEra Energy Resources is a clean energy leader, with approximately 23,900 MW of total net generating capacity in the U.S. and Canada as of year-end 2020 and a total generating capacity of 27,300 MW for the facilities it operates, in which it has ownership interests as of year-end 2020. NextEra Energy Resources has invested capital in nearly every part of the energy and electricity value chain. Yet the heart of the business is building and growing the world's leading portfolio of wind, solar and battery storage assets.

Our strategy is focused on developing low-cost and long-term contracted wind and solar generation assets, which are increasingly paired with battery storage. NextEra Energy Resources invested in our first wind and solar projects in 1989. From these early beginnings, we have become the world's largest generator of renewable energy from the wind and the sun. Over the past decade, NextEra Energy Resources has invested more than \$34 billion in wind and solar to advance our industry-leading position. With renewable operations and development projects in 47 states, we are helping states and companies across the U.S. meet renewable portfolio standards (RPS) and emissions reduction goals through the development of zero-emissions renewable energy solutions, while lowering customer bills and creating value for our shareholders. With approximately 31% of U.S. origination market share for wind and 12% of U.S. origination market share for universal solar and 31% of U.S. universal storage origination market share in 2020, NextEra Energy Resources has been a driving force in emission reductions across the U.S. power sector for three decades.

NextEra Energy Resources' White Hills Wind Energy Center in Mohave County, Arizona.



To grow the world's largest and most profitable competitive clean energy company, we are focused on leveraging our competitive advantages to capitalize on what we believe is the best renewables environment in our history. By executing our strategy, we will help disrupt the rest of the energy industry and continue to drive North America's clean energy future forward.

### Executing our strategy

NextEra Energy Resources' renewable energy business has been built almost entirely from the ground up, and along the way we have honed several competitive advantages. These start with our development skills – outstanding customer relationships, regulatory and permitting knowledge, the ability to design integrated renewable products and our history of construction execution and brand recognition.

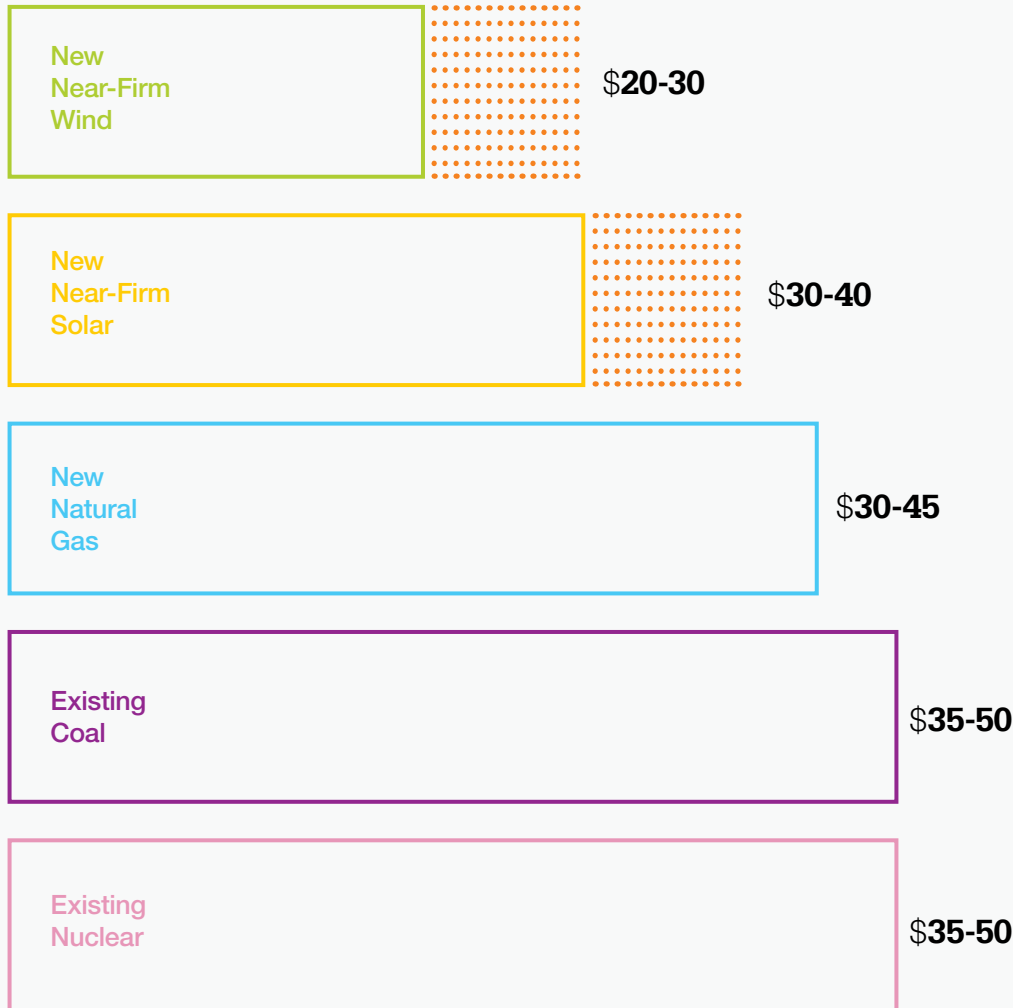
Another key competitive advantage is scale. As of year-end 2020, NextEra Energy Resources owned or operated a portfolio of over 22 GW of wind and solar projects out of our total generating capacity of more than 27 GW, and we are among the leaders in bringing new renewable energy projects online every year. Our scale allows us to leverage long-term, strategic relationships with our suppliers and lenders to realize sustained cost advantages. With the largest portfolio of development sites and interconnection queue positions in the industry, we are uniquely positioned to ensure delivery of projects where customers need them most.

Our team's skill set includes a deep understanding of our data and the ability to leverage that data to improve our offerings to customers. NextEra Energy Resources collects billions of data points every day from its operating wind and solar portfolio and uses that data to make smart decisions to optimize project development, maximize revenues and reduce operational costs. Using advanced analytics, we developed the first-of-its-kind intelligent wind and solar site design optimization tool. By processing large proprietary data sets – from weather and resource data, land constraints and equipment characteristics – this tool evaluates thousands of potential layouts to find the optimal design that maximizes value for each site. With digital work plans and the ability to view real-time performance of the



NextEra Energy Resources' Skeleton Creek Project located near Enid, Oklahoma.

## Potential costs per MWh post-2023/2024<sup>(1)</sup> (\$/MWh)



 Storage Adder

<sup>1)</sup> Represents projected cost per MWh for new build wind, solar, and natural gas; excludes PTC for wind and assumes 10% ITC for solar; projected per MWh operating cost including fuel for existing nuclear and coal; based on NextEra Energy internal estimates

fleet, we leverage digital tools to streamline, simplify and automate labor-intensive processes, while optimizing work planning across our portfolio. These efforts have allowed NextEra Energy Resources to reduce our wind O&M costs per MWh by approximately 25% since 2014, with the expectation of another 20% reduction by 2022. For solar, we aim to reduce NextEra Energy Resources' O&M costs per MWh by approximately 30% by 2022.

### Renewables' market potential

Over the past 10 years, renewable energy has shifted from a business that was driven by compliance to one that is driven by economics. Today, new renewable energy resources are cheaper than the operating costs of nuclear generation units in some parts of the country and older, inefficient coal and fossil generation units. With continued technology improvements and cost declines, we believe that by the middle of this decade, after U.S. federal tax credits phase down, new near-firm (with battery storage) wind will be a \$20 to \$30 per MWh product and new near-firm (with battery storage) solar will be a \$30 to \$40 per MWh product, continuing to be the low-cost generation alternative. These cost projections indicate that renewable energy sources will continue to be a significant driver of disruption in the energy industry. Market estimates now show an expectation for the renewable energy market to grow at roughly 15% per year through the next decade and that the wind and solar share of the nation's generation mix could grow from less than 10% in 2019 to at least 40% in 2030. We have conducted a scenario analysis to model the U.S. energy grid to determine how the U.S. electric sector can achieve a 100% carbon-free electricity grid on a long-term horizon by 2050. Based on our analysis, we believe there is an opportunity to build approximately 3,600 GW, or more than 100 GW per year, of renewable energy and storage through 2050. Additionally, decarbonizing the electricity sector of the economy results in excess energy that may be converted to green hydrogen to decarbonize other sectors of the economy. This creates a \$1.7 trillion investment opportunity in renewable energy plus storage through 2050.

### Positioned to lead the clean energy future

NextEra Energy Resources is at the leading edge of our industry's disruption and we expect to help drive tremendous





Construction of a wind turbine at NextEra Energy Resources' Golden Hills North Wind Energy Center in Livermore, California.

growth over the next decade, while reducing customer costs and significantly improving the overall emissions rate of the power sector. With our meaningful competitive advantages, we are well-positioned to capitalize on this opportunity through better development and operational and customer solutions. NextEra Energy Resources' focus on leading the power sector's disruption through low-cost renewables is reflected in our development expectations. From 2021 through 2024, NextEra Energy Resources expects to construct approximately 23 to 30 GW of long-term contracted renewables projects, representing one of the largest-ever deployments of wind, solar and battery projects over a four-year period. To put this in context, if we are successful, at the midpoint would mean adding a portfolio of generation projects that is approximately one-and-a-half times the size of NextEra Energy Resources' entire operating renewables portfolio as of year-end 2019. In 2020, we made tremendous

progress, commissioning approximately 5,800 MW of renewable energy projects during the year, more than doubling the amount of total renewable energy commissioned in 2019, and adding nearly 7,000 MW to our backlog. Our renewables backlog as of April 21, 2021, is approximately 15,250 MW.

NextEra Energy Resources is also in discussions with other potential customers across the industrial landscape, including in food processing, specialty chemicals and refineries, to develop economic clean energy solutions for more efficient, green production processes. Early in 2021, we also announced a planned partnership to pursue large school bus fleet conversions to electric and hydrogen with the nation's largest school bus owner and operator and transportation services provider. With its partner, NextEra Energy Resources anticipates investing in bus electrification upgrades and charging stations, as well as providing energy management services. This

transaction is consistent with our toe-in-the-water approach as we explore potential opportunities in the electrification of the transportation sector.

Green hydrogen is an exciting new opportunity that allows NextEra Energy Resources to continue our focus on innovation, explore new technologies and be on the leading edge of disruption once again.

As we execute on the renewable energy development opportunities over the coming years, we expect they will deliver benefits for many stakeholders. Older, inefficient and higher cost generation units will be replaced with clean low-cost wind and solar, reducing customers' costs, emissions, water use and waste. The billions of dollars of investments we make will support local communities and create attractive construction and operations job opportunities. Finally, shareholders will benefit through execution of a sustainable business strategy that also delivers attractive long-term growth.





## Environment

Being a good steward of the environment means making the right choices. NextEra Energy has been an industry leader in protecting the environment for many decades, and we continue to demonstrate that commitment. We invest in low- and zero-emissions generation. We support environmental conservation and research. We engage with environmental and government agencies and local stakeholders. We follow our Environmental Policy that includes our strategies to prevent pollution, minimize waste and conserve natural resources and habitats where we operate.

American crocodile hatchlings at the FPL Turkey Point Clean Energy Center near Homestead, Florida.



## Managing and mitigating environmental risk

Environmental risk identification, mitigation and management are key drivers for ensuring safe and sustainable operations. More than 140 corporate environmental professionals and numerous others embedded in our operating business units keep these environmental drivers top of mind, all of whom are key members of the teams that develop and operate our projects over the long term. These include experts in air emissions, water use and quality, remediation, wildlife and their habitat, oil and hazardous substances, archaeology and cultural resources and environmental policy, all critical to the responsible development and ongoing operation and compliance of our facilities. Whether it is a modernization of an existing generation facility, a clean energy development project, a transmission or distribution infrastructure project or development of corporate facilities, our environmental services team is part of the entire life cycle of the project to ensure that we identify, mitigate and manage any potential impacts to the environment.

We also work closely with a wide range of environmental organizations to ensure responsible development and operations, and complete environmental stewardship projects that go beyond compliance. We employ a multifaceted, proactive approach to managing environmental protection and stewardship and achieving our goal of zero significant environmental events every year. Our programs include employee and contractor training, daily site inspections, remote satellite monitoring, routine self-assessments, compliance tracking systems, environmental audits, quarterly business unit reviews with our Corporate Environmental Governance Council and quarterly due diligence reporting to executive management and the NextEra Energy board of directors.

## Climate change and reducing emissions

Our industry can best confront climate change by investing in clean power generation that produces zero or low emissions. This has been part of the strategy across all of our businesses for a long period of time, and we will continue this commitment going forward.

In 2020, nearly 98% of the power produced by NextEra Energy's



FPL biologist Mary Jo Hernandez conducts water tests in the cooling canals of the Turkey Point Clean Energy Center.

Our goal is to reduce our CO<sub>2</sub> emissions rate 67% by 2025 from an adjusted 2005 baseline, which is equivalent to a nearly 40% reduction in absolute CO<sub>2</sub> emissions despite nearly doubling our expected electricity generation over that period.<sup>1</sup>

From 2005 to 2020, NextEra Energy has delivered:

**56.6%**

reduction  
in CO<sub>2</sub>  
emissions rate

**24.2%**

reduction  
in absolute  
CO<sub>2</sub> tons emitted

**74.6%**

increase in  
clean electricity  
generation



A Little Blue Heron rests on a solar panel at FPL's DeSoto Next Generation Solar Energy Center.

<sup>1</sup> The 2005 baseline is adjusted to account for acquisitions and divestitures during the goal period.





**In 2020, nearly 98% of the power produced by NextEra Energy's facilities was generated from a diverse mix of clean or renewable sources, including wind, solar, natural gas and nuclear."**

facilities was generated from a diverse mix of clean or renewable sources, including wind, solar, natural gas and nuclear. We have one of the lowest emissions profiles of any utility in North America. In 2020, sulfur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>) and CO<sub>2</sub> rates were 97%, 79% and 47% lower, respectively, than the U.S. electric power sector average.\* We have also set a clear goal to reduce carbon emissions further and are making excellent progress toward its achievement. Our goal is to reduce our CO<sub>2</sub> emissions rate 67% by 2025 from an adjusted 2005 baseline, which is equivalent to a nearly 40% reduction in absolute CO<sub>2</sub> emissions despite nearly doubling our expected electricity generation from 2005 to 2025. From 2005 to 2020 NextEra Energy has reduced its CO<sub>2</sub> emissions rate by 56.6%.\*

The innovative solutions we offer, such as FPL SolarTogether, energy efficiency programs and NextEra Energy Resources' near-firm wind and solar projects, are helping customers, states and businesses across the country reduce their emissions and meet their clean energy goals.

Nuclear energy generates zero emissions, and the continued safe operation of our nuclear fleet is a core component of our environmental strategy. In early 2019, our Seabrook Station nuclear facility received its first 20-year license extension. In addition, following an extensive and thorough 18-month review, the Nuclear Regulatory Commission (NRC) granted FPL's Turkey Point Clean Energy Center Units 3 and 4 their second 20-year license extensions, allowing the units to continue to operate until 2052 and 2053, respectively. These units are the first nuclear power plants in the U.S. to achieve this milestone, a reflection of our continued focus on driving clean energy solutions across the country.

### Verifying our emissions data

Our 2020 Scope 1, Scope 2 and Scope 3 emissions inventory received independent third-party verification. The verification activities were conducted in alignment with the principles of ISO-14064-3:2006(E) Specifications with Guidance for the Validation and Verification of Greenhouse Gas Assertions. Our GHG emissions rate (lbs of CO<sub>2</sub> per MWh) was also verified as part of this process. Our verified Scope 1, 2 and 3 emissions data and

additional information can be found in [Appendix F \(Emissions Data and Third Party Emissions Assurance Statement\)](#) of this report.

### Water availability

Water is a vital natural resource. We continue to take measures to reduce our water consumption, including investing in both water-free power generation from wind and PV solar, and in more efficient generation at our facilities that use steam turbines. To ensure sustainable access to water, we are active stewards of sourcing, using and managing this critical resource in the communities in which we operate. We embed water conservation management strategies into our business planning and operational practices to lower costs and mitigate risks posed by water availability. We reduce consumption through efficiency, technology and operational improvements.

Our investments in water-free wind and PV solar energy, which currently comprise more than a third of our company's generating capacity, avoided the use of more than 16 billion gallons of water in 2020. Nearly 75% of the water NextEra Energy generating facilities withdrew in 2020 came from saltwater sources, which are non-potable and not subject to drought.

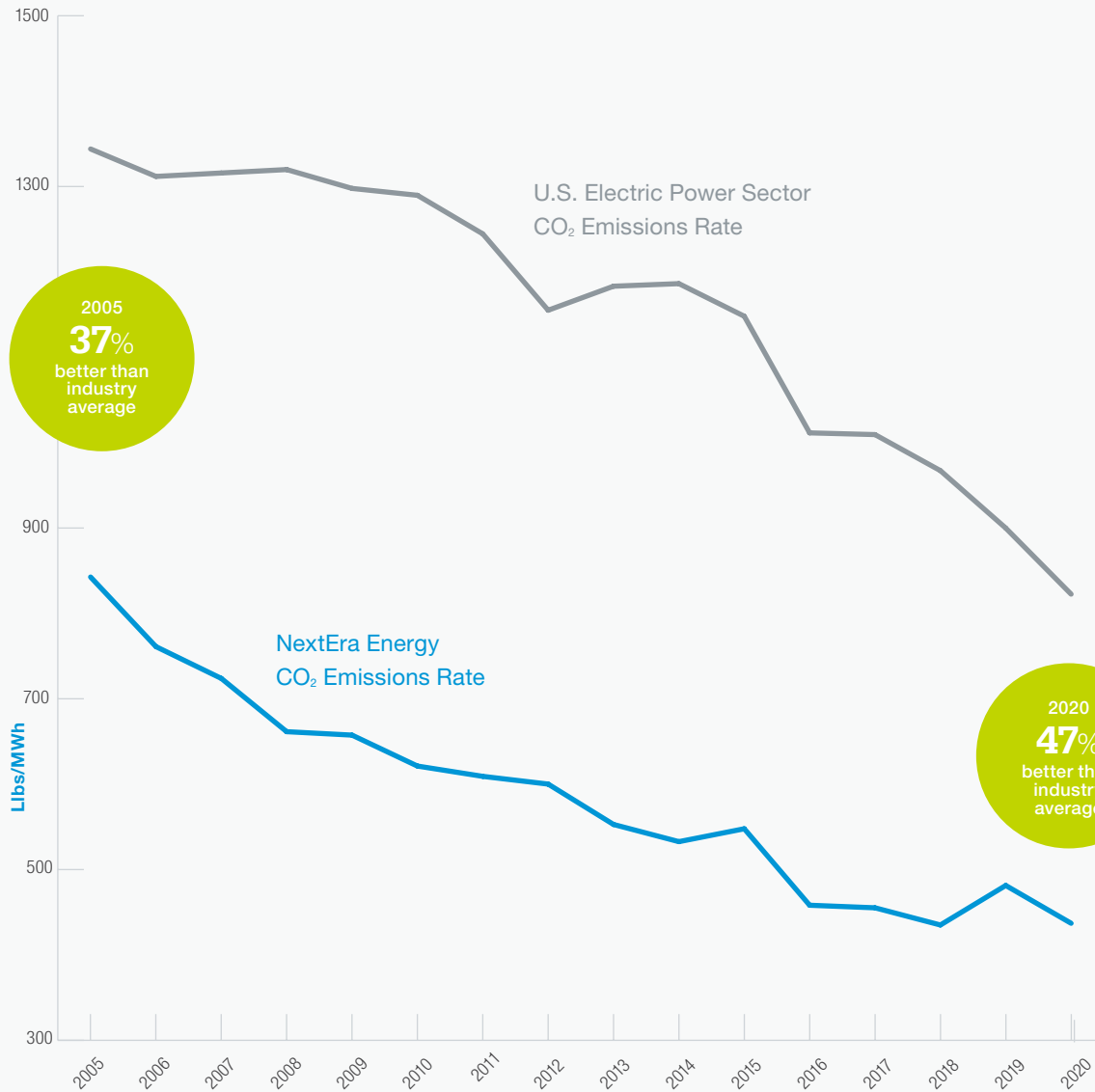
Importantly, 98.6% of water withdrawn for use at our thermoelectric plants is withdrawn via a once-through cooling system and then returned to its original source. The remainder of the water withdrawn is reused or consumed through evaporation or deep-well injection.

Only one of 27 generation facilities that use water is located in a region of high or extremely high water stress in the U.S., and this facility represents only 0.08% of our company's total water consumption.

In 2020, we used 5.9 billion gallons of reclaimed water for cooling purposes. Doing so offsets the demand for higher-quality water and reduces water supply risk. We continue to find innovative ways to use reclaimed water at our generation facilities. In June 2020, the Miami-Dade County Commission approved FPL's proposed development of a state-of-the-art reclaimed water

\* Certain facilities within the NextEra Energy Resources wind and solar generation portfolio produce Renewable Energy Credits (RECs) and other environmental attributes which are typically sold along with the energy from the plants under long-term contracts, or may be sold separately from wind and solar generation not sold under long-term contracts. The purchasing party is solely entitled to the reporting rights and ownership of the environmental attributes. Visit "Reports and Filings" on the investor page of [NextEraEnergy.com](http://NextEraEnergy.com) for more information. Throughout this report, we reference our adjusted 2005 baseline for our emissions reduction goal. The 2005 baseline is adjusted to account for acquisitions and divestitures during the goal period.

## Our CO<sub>2</sub> emissions rate is improving faster than the national average due to our clean energy investments and actions



2005	Added 2,214 MW of natural gas and added 434 MW of wind.
2006	Acquired 615 MW of nuclear and added 824 MW of wind.
2007	Acquired 1,024 MW of nuclear, added 1,150 MW natural gas and 824 MW of wind.
2008	Added 25 MW solar, 2,500 MW natural gas and 1,061 MW of wind.
2009	Added 1,169 MW of wind.
2010	Added 91 MW of solar and 683 MW of wind.
2011	Completed 176 MW nuclear uprate, added 1,250 MW of natural gas, 378 MW of wind, 5 MW of solar.
2012	Completed 514 MW of nuclear uprate, added 1,523 MW of wind and 40 MW of solar.
2013	Modernized 1,200 MW of natural gas, added 1,364 MW of wind and 20 MW of solar.
2014	Modernized 1,250 MW of natural gas, added 374 MW of wind and 623 MW of solar.
2015	Added 522 MW of wind and 47 MW of solar.
2016	Modernized 1,277 MW of natural gas, divested 3,828 MW of natural gas, added 621 MW of wind and 1,012 MW of solar.
2017	Retired and demolished 250 MW of coal, repowered 1,597 MW of wind, added 354 MW of wind and 497 MW of solar.
2018	Retired and demolished 636 MW of coal and 2,530 MW of natural gas and oil, repowered 928 MW of wind, added 1,405 MW of wind, 924 MW of solar and completed a 26 MW nuclear uprate.
2019	Acquired Gulf Power, added 1,750 MW of natural gas, repowered 1,091 MW of wind, added 1,025 MW of wind and 830 MW of solar.
2020	Retired 615 MW of nuclear and 330 MW of coal, converted 924 MW of coal to natural gas, completed a 23 MW nuclear uprate, repowered 1,432 MW of wind, added 1,993 MW of solar, 2,679 MW of wind and 26 MW of energy storage.



FPL Manatee Masters conduct underwater cleanup near FPL Manatee Lagoon West Palm Beach, Florida.

project that will reuse treated wastewater from the county at FPL's Turkey Point Clean Energy Center. The FPL Miami-Dade Clean Water Recovery Center is expected to treat up to 15 million gallons of wastewater per day. The agreement solidifies FPL's alliance with the county to build one of the largest reclaimed water projects in the state.

### Reducing waste

We believe that the best way to deliver environmental value by minimizing our waste footprint begins with

reducing the amount of waste we generate in the first place and then looking for opportunities to reuse and recycle materials so that we minimize the waste that we must send to local landfills.

From modernizing many of our facilities to reducing the amount of oil-ash generated to banning the use of chlorinated solvents at all facilities and continuing to phase out polychlorinated biphenyl (PCB) equipment, we are reducing the amount of waste generated. We also have greatly reduced the amount of hazardous waste we generate and limit the generation of

hazardous waste to maintain the status of a Very Small Quantity Generator, the lowest possible generator federal regulatory classification. NextEra Energy provides documented training to employees to ensure that hazardous waste when generated is properly identified, stored and disposed or recycled. All aspects of waste management are validated through facility environmental audits that include records review, site inspection and personnel interviews. In addition, all waste management vendors receive an environmental audit from either internal audit personnel or through the nonprofit





While our solar and wind fleet are still early in their operating lives, we have proactively worked with our vendors on recycling plans.”

trade association CHWMEG and its global Facility Review Program. Active engagement with industry groups, like Cross-Cutting Issues Group and the Electric Power Research Institute, also helps ensure understanding of evolving standards and compliance obligations.

We also seek opportunities to identify and implement reuse and recycling programs that result in environmental and economic benefits. In 2020, our corporate recycling and services facility reconditioned and redirected nearly \$5 million worth of equipment back into inventory. In addition, our investment recovery team, which oversees the release of surplus and dormant material and encourages redeployment to other plants for extended use where possible, engages a seven-step process for asset disposition when assets reach the end-of-use stage: reuse, recondition, return, resell, reclaim, recycle and remove.

While our solar and wind fleet are still early in their operating lives, we are working with our vendors on recycling plans. We have proactively worked with solar vendors on plans to first reuse solar infrastructure components when a site is decommissioned and, in the event they cannot be reused, to recycle them. We have recently employed the same collaboration with wind vendors for waste management as we decommission or repower wind sites. Many of our wind vendors have made significant strides in recycling as recently demonstrated by GE Renewable Energy’s announcement that it has entered into long-term contracts to recycle blades removed from its U.S.-based turbines during upgrades or repowering. The recycled blades are used as a raw material for cement. In 2020, 915 blades were recycled from five projects and an additional 393 blades removed in 2020 will be recycled in 2021.

### Preserving and protecting habitat and wildlife

Environmental stewardship also includes habitat and wildlife protection. Before we build an operating facility, we ensure we understand the local ecosystem, and what it takes to be a partner in its preservation and to be a good neighbor to all the species that live there. We carefully consider the presence of any threatened or endangered species, as well as significant wildlife

corridors, wetlands or other ecologically important areas. We seek to minimize and mitigate the impact of our developments before we begin a project, and once a project is operating, we continue to monitor potential impacts to biodiversity. We adhere to numerous policies and programs to protect threatened and endangered species. In addition to following all federal and state regulations, we make important contributions to scientific research to protect several vulnerable species and habitats and to better understand how to reduce impacts. Several examples of our wildlife and habitat restoration projects are featured on our [Sustainability webpage](#).

### Avian protection programs

We have taken the initiative to protect bird species through several innovative programs. Since 2007, FPL has invested more than \$130 million to construct and retrofit more than 150,000 poles to make them more bird-friendly, reducing avian risk and improving service reliability to our customers. To identify and proactively address high-risk distribution structures, FPL created the energy industry’s first avian risk assessment model. In 2014, FPL updated the avian risk assessment model to further enhance avian assessment and protection processes. At NextEra Energy Resources’ wind and universal solar sites, we implement a voluntary Wildlife Response and Reporting System (WRRS) to document long-term avian and bat interactions. We also voluntarily adhere to the U.S. Fish and Wildlife Service Land-Based Wind Energy Guidelines by conducting a minimum of one year of post-construction mortality monitoring at all the U.S. wind sites we have constructed since March 2012.

Since 2009, NextEra Energy Resources has partnered with Texas Christian University on ongoing research aimed at reducing the impact of wind energy production on birds and bats. NextEra Energy Resources is also participating in the Wind and Wildlife Research Fund (WWRF) which is housed within the American Wind Wildlife Institute, an independent, nonprofit organization created by leaders in the wind industry, conservation and science communities to better understand wind energy’s risks to wildlife and find ways to mitigate those risks. The WWRF is currently

funding innovative research projects related to bats, eagles and grouse. All research is conducted by independent third parties and will be peer reviewed and publicly released.

### Everglades Mitigation Bank

We support the goal of restoring the Everglades ecosystem to its natural condition. FPL's Everglades Mitigation Bank, a nearly 14,000-acre project located in southern Miami-Dade County adjacent to the FPL Turkey Point Clean Energy Center, is helping to make that vision a reality. Two phases of restoration have been completed at the mitigation bank, culminating in the creation of tidal creeks for essential fish habitat, along with crocodile and indigo snake habitat. Other aspects of the effort have included removal of roads and canals, removal of hydrologic barriers, replanting of vegetation and the installation of more than 80 features to restore historical water distribution patterns for more than 9,000 acres of sawgrass marsh, high marsh, forested tree islands and mangrove habitat.

### Crocodile program

On the brink of extirpation from the U.S. in the late 1970s due to habitat loss, the American crocodile has made a dramatic comeback in the habitat surrounding FPL's Turkey Point Clean Energy Center. In the 1980s, FPL initiated a crocodile management program at the plant. This plant has a 5,900-acre, man-made cooling canal system that offers ideal nesting conditions for the American crocodile. Our crocodile management program includes protecting these nesting areas, completing population surveys, conducting capture and spatial distribution surveys and regulating plant activity at night and during nesting season. Since 1978, FPL biologists have tagged 8,205 hatchlings at Turkey Point. The database of tagged crocodiles assists FPL and the wildlife agencies in understanding the growth and survival of the species at the site.



FPL Environmental Specialist Jeff Smith and Audubon Florida Chapter Conservation Manager Jacqui Sulek review the solar stewardship plan at the FPL Northern Preserve Solar Energy Center near Glen St. Mary, Florida.





## Social

Our three core values are at the forefront of everything we do:

We are committed to excellence.

We do the right thing.

We treat people with respect.

FPL Senior Community Relations Specialist Whitney Walker participates in a Power to Care Community Greening tree planting in West Palm Beach, Florida. This photo was taken before the COVID-19 pandemic.





We have a culture that is focused on our people, setting big goals, execution, continuous improvement and accountability in everything that we do.”

### Our culture and people

Our culture and people are our most important resource and a key competitive advantage. We have a culture that is focused on our people, setting big goals, execution, continuous improvement and accountability in everything that we do. Integrity and ethical behavior are at the very foundation of who we are, what we do and how we do it. We expect all employees and contractors of our company to act with the highest standards of personal and professional integrity and to comply with all applicable laws, regulations and company policies. We have three principal codes of conduct that embody these values and help ensure they are upheld: our [Code of Business Conduct & Ethics](#), our [Code of Ethics for Senior Executive and Financial Officers](#) and our [Supplier Code of Conduct and Ethics](#). Each year, all employees are required to review our Code of Business Conduct & Ethics and certify compliance via a required annual Code of Conduct training session. In 2021, NextEra Energy was recognized for the 14th time as one of the World’s Most Ethical Companies® by the Ethisphere Institute, which is a testament to our team of nearly 15,000 employees who are committed to our core values while helping build a sustainable energy era that is affordable and clean.

NextEra Energy annually hosts several events for employees to showcase innovation and advances in technology. An example is the NextEra Energy Shark Tank which is an annual event that celebrates innovation, inspires creativity and gives employees a chance to pitch their big ideas to a group of executive “sharks” for project funding. Each year we also host the NextEra Energy Quality, Safety and Innovation Expo that provides an opportunity for employees to learn about the latest innovations in technology and practices that power our company. These events have been held virtually since the start of the COVID-19 pandemic.

### Human rights

We are committed to maintaining a culture that supports human rights. This commitment to human rights is consistent with our company’s core values and cuts across all of our operations. Our Code of Business Conduct & Ethics covers relevant aspects of human rights issues, including nondiscrimination. We are

subject to federal and state labor laws which address freedom of association and collective bargaining, child labor and forced and compulsory labor. Company operations do not interfere with employees’ freedom of association and collective bargaining, and we are committed to continued compliance with those laws and the rights of indigenous people. We support compliance with federal and state laws by continuous monitoring and auditing of our internal processes, such as hiring and promotion practices. Additionally, we actively encourage all employees to speak up if they believe our Code of Business Conduct & Ethics or labor laws have been violated. All such reports are taken seriously and investigated. We expect the same standards from our suppliers and all other entities with which we conduct business.

### Safety

There is nothing more important in our company than the safety of our employees and our customers. Our commitment to safety is a hallmark of our culture and a reflection of our focus on execution. Our vision for corporate safety is to establish and promote a safety culture based on the principle that zero injuries is the only acceptable target. We’re proud of our decades-long record of safe operations, and since 2003, we have seen an 82% improvement in safety performance as of year-end 2020. In 2020, NextEra Energy, FPL and Gulf Power had their best-ever safety performances.

To ensure we maintain a safe working environment, we leverage safety committees, as well as an Executive Safety Council that reviews and addresses our work-related injury risks. Numerous NextEra Energy locations participate in the Voluntary Protection Program (VPP) of OSHA. Currently, 28 of our work locations have received an inspection from OSHA and recognition as a VPP Star Site. We are also committed to using suppliers with a demonstrated commitment to safety. In general, suppliers who have a presence on company premises of 30 or more cumulative person-days within 12 months are required to comply with the requirements of NextEra Energy’s Supplier Safe and Secure Workplace Policy. We maintain specific guidelines for the implementation of safety goals and invoke them as requirements within contractual agreements with our suppliers.



## Attracting and retaining talent

We believe that achieving success begins with people, and we are focused on attracting and retaining a diverse, highly skilled and multi-generational workforce that can help us drive innovative and creative solutions to meet the continually evolving needs of our customers. In 2020, our voluntary turnover rate was 3.4%, and we are focused on retaining the talent needed to support our culture of innovation and continuous improvement. As a world leader in clean energy, we attract highly skilled talent from across different specializations, including engineers, technical industry specialists, finance and legal professionals, biologists, data scientists and mathematicians that are eager to be a part of providing a more sustainable energy future for the U.S. In 2020, our talent acquisition team virtually attended career fairs and college recruiting events across the country to identify top candidates and partners with key organizations, such as Women in Technology International, the National Black MBA Association, the American Indian Science and Engineering Society and several veterans organizations with a focus on attracting a diverse talent pool. We recruit from universities across the country, including Historically Black Colleges and Universities, to identify candidates for our summer intern program and early-career rotational programs.

In 2020, our NEXT summer intern program welcomed nearly 200 interns from universities across the country, of which more than 78% were women and minority interns. In 2020, we adapted this important program to be virtual to ensure it would continue during the COVID-19 pandemic.

We have a robust talent management process that includes an annual performance review with two check-ins throughout the year and an employee development and goal-setting plan that focuses equally on employee and leader feedback to develop skills, opportunities and further advancement within the organization. Our senior management team hosts talent meetings across business units to identify, assess and position employees to further develop skills needed to become future leaders. We also regularly conduct employee engagement surveys to identify ways to improve our business and increase employee engagement. Based on the results of these surveys we establish action plans



An FPL employee participates in Power to Care week in early 2020 at Feeding South Florida in Boynton Beach, Florida. This photo was taken before the COVID-19 pandemic.



From left, Darryl L. Wilson, NextEra Energy board member, and Mark Hickson, NextEra Energy executive vice president, share their perspectives as part of a Black History Month event, sponsored by the African-American Professional Employee Group in early 2020 before the COVID-19 pandemic.

facilitated by our corporate engagement team to address top focus areas. In 2020, 90% of NextEra Energy employees, excluding FPL bargaining employees, completed the survey, consistent with the 2018 participation rate. Our overall engagement score for 2020 was 72%, a top quartile performance. Employees ranked safety, their immediate supervisor, performance and diversity and inclusion among their most positive work experiences.

It is critical to our success that we support the health and well-being of our employees with programs that drive high performance, development and engagement, while also providing work-life balance. Some of the programs we offer employees include on-site fitness centers and medical services, paid parental leave, career development programs and tuition reimbursement for higher education. We offer more than 1,500 courses through NextEra University – an internal continuous education platform available to all employees – that includes training related to leadership, technical and commercial skills, Six Sigma and project management. In 2020, our employees completed 616,000 hours of continued education.

### Diversity, equity and inclusion

We highly value diversity of thought, style, technical and functional capabilities and leadership. When talented employees from varied backgrounds are engaged and contributing to our business success, we all benefit. NextEra Energy is committed to maintaining an inclusive work environment that is free from discrimination and harassment on the basis of race, color, age, sex, national origin, religion, marital status, sexual orientation, gender identity, gender expression, genetics, disability or protected veteran status.

Our Executive Diversity & Inclusion (D&I) Council advises and drives our corporate D&I strategy and partners with business units to promote diversity talent development and recruiting. We also have a Corporate D&I Council whose members are business unit champions and drive business unit D&I strategies. The Corporate D&I Council shares best practices, sponsors our annual D&I Summit and advises and mentors our employee resource groups (ERGs).

D&I metrics are also reviewed quarterly by the Executive D&I





More than 100 employees from many backgrounds are part of our racial equity working team that launched in 2020. Top: Mahogany Newell, Michelle Landery and McKenley Romeo; Middle: Ezekiel Maki, Monica Barnes and Juliet Roulhac; Bottom: Michelle Thillman, Ashley Cabrera and Jaime Holland.

Council as well as by all senior leaders who are members of the company's operating committee. The Corporate D&I Council meets monthly, and reviews organizational diversity metrics on a quarterly basis. Business unit leaders review a diversity scorecard quarterly to develop annual D&I plans, track progress and implement our strategies. Our board of directors reviews our D&I and talent management strategy at least annually, including human capital and diversity metrics. The board also focuses on diversity in our talent pipeline and reviews the diversity metrics of our internship program. Our diverse board members also speak to employee resource groups (ERGs) and other employee forums.

As of year-end 2020, women represented 24% of our workforce and minorities represented 37% of our workforce. We also actively focus on increasing diversity of company management. Women represented 25% of our management team and minorities represented 27% of our management team as of year-end 2020.

In 2020, NextEra Energy was again named to Forbes magazine's list of "America's Best Employers for Diversity." In addition, the company was selected by Winds of Change magazine as one of the "Top 50 Workplaces for Indigenous STEM Professionals" for our strong support for diversity and an inclusive work climate.

### Racial equity working team

In light of the continued focus throughout the country on social justice, racial equity and related issues, our company established a racial equity working team to develop specific actions our company can take to make a positive contribution toward racial equity. The focus areas of this effort are to improve recruiting, retention and promotion of Black team members; increase support of programs that make a difference in Black communities; and identify additional minority-owned suppliers and venture investment opportunities. About 100 team members volunteered to be part of the racial equity working team.

### Employee resource groups

Our twelve ERGs are at the heart of our D&I and engagement efforts. These voluntary, employee-led groups are made up

## 2020 workforce and management demographics

### Women and minorities in the workforce

Women	24%
Minorities	37%
Minority and women interns	78%

### Women and minorities in management

Women	25%
Minorities	27%

### Ethnic diversity in the workforce

White	62%
Hispanic/Latino	21%
Black or African American	10%
Asian	4%
All other minorities*	2%

### Ethnic diversity in management

White	73%
Hispanic/Latino	14%
Asian	6%
Black or African American	4%
All other minorities*	2%

\* All other minorities include: Native Hawaiian or Other Pacific Islander, two or more races, and Native American or Alaskan Native.

## Racial equity working team focus

- » Hiring, retention and promotion of Black employees:
  - Partner with 50+ professional organizations to increase pipeline of Black talent, including Management Leadership for Tomorrow, National Black MBA Association, National Association of Black Accountants, HBCU Connect, etc.
  - Implement rotational development program and mentoring/sponsorship program for Black employees.
- » Programs that make a difference in Black communities:
  - Support 19 community and youth outreach organizations including National Urban League, Black Girls CODE, Data for Black Lives, Center for Policing Equity, etc.
  - Increase total funding by \$6 million annually.
- » Supplier diversity and venture investment:
  - Staff company-wide supplier diversity program to triple our spending with Black-owned businesses by 2022.
  - Committed to more than \$100 million to venture capital and private equity funds that are focused on racial equity.





With operations across North America, we recognize the importance of building relationships and supporting the communities where we live and work.”

of employees and allies who partner together to develop personal and professional skills, drive cultural competency and demonstrate advocacy. Additionally, the ERGs help influence our D&I strategy and serve as key advisors to help us grow. During the month of July, our ERGs raised money to combat food insecurity caused by the COVID-19 pandemic and to support local businesses in Palm Beach, Broward and Miami-Dade counties. The funds raised were used to purchase hot meals from local restaurants and have them delivered to shelters and feeding centers.

### Supplier diversity

Since the 1970s, we have maintained a Supplier Diversity Program that promotes the use of diverse suppliers. We proactively promote and seek opportunities to work with qualified small, disadvantaged, women-owned, veteran and service-disabled veteran-owned and minority-owned business enterprises. In the past five years, contracts awarded to small businesses nearly doubled. In the most recent federal reporting period from Oct. 1, 2019, through Sept. 30, 2020, small and diverse businesses received more than \$633 million in contracts, including:

- » \$113 million with small, disadvantaged businesses.
- » \$160 million with women-owned businesses.
- » \$357 million with minority-owned businesses.
- » \$29 million with veteran-owned and service-disabled veteran-owned small businesses.

In addition, our company proudly supports and is a founding member of the Florida State Minority Supplier Development Council, whose mission is to link corporations and government agencies with Minority Business Enterprises (MBEs) to foster business development and expansion. We are also committed to diversity among our external banking partners. We have formed partnerships with a targeted group of minority, women and disabled veteran broker dealers and we have a strong commitment toward supporting this sector. Over many years, we have engaged these firms on various capital markets opportunities as they arise.

### Veterans

We are proud that nearly 2,000 NextEra Energy employees – 13% of our workforce – are veterans of our nation’s armed forces. The Veterans at NextEra Energy (VETNEXT) ERG is one of the company’s largest and most engaged. In 2020, NextEra Energy received the U.S. Department of Labor’s HIRE Vets Platinum Medallion award for our excellence in hiring and retaining veterans for the second year in a row.

Additionally, we are honored to be named by Forbes and Statista to the 2020 list of America’s Best Employers for Veterans. This inaugural award was chosen based on an independent survey from a sample of 5,000 U.S. veterans and awarded to 150 companies for their efforts to recruit, employ and retain veterans.

### Our communities

With operations across North America, we recognize the importance of building relationships and supporting the communities where we live and work. From development through operations, we engage landowners, community leaders and businesses to share information and ensure our projects have a positive impact on the community.

### Affordable energy

Providing affordable electricity for customers is critical to supporting local economies. The typical FPL residential customer bill is well below the national average and among the lowest in Florida. For many years, we have worked closely with our customers experiencing hardship regarding any issues about their service or paying their bill, offering several programs designed to support customers. FPL’s Care to Share program has provided payment support to customers in time of crisis with more than \$26 million raised since 1994 and has helped nearly 100,000 Florida families pay their electric bills. For decades, FPL has worked with hundreds of agencies to facilitate payment assistance for qualified customers. Gulf Power’s Project SHARE is administered by the Salvation Army and supports our neighbors in Northwest Florida who need assistance with their energy bills.

FPL has developed programs and tools designed to educate our customers about energy efficiency and help them reduce electricity use. Programs like our FPL Energy Analyzer on our mobile app and the FPL Business Energy Manager empower customers and enable them to analyze, track and better understand their energy usage, in addition to providing customers a personalized plan with energy-saving tips and recommendations, including programs and rebates that may be available. FPL demand-side management efforts through 2020 have resulted in a cumulative summer peak reduction of nearly 5,000 MW and an estimated cumulative energy savings of approximately 92,110 gigawatt-hours (GWh). This has eliminated the need to construct the equivalent of approximately 15 new 400-MW generating units.

We also support our customers during major disruptive events. In 2017, FPL voluntarily suspended electrical disconnections for several months following Hurricane Irma. In 2020, both FPL and Gulf Power voluntarily suspended electrical disconnections for many months to support customers who fell behind in payments during the COVID-19 pandemic. Following such suspensions, our customer service team worked with customers to establish payment plans or offer assistance to those continuing to experience hardship. Through payroll deductions and one-time donations, employees contributed \$50,000 during FPL's week-long Care to Share campaign to assist customers in need. The total projected employee commitments for Care to Share in 2020 increased to more than \$123,000. Combined with the company shareholder match announced as part of the 2020 campaign, the total committed to helping others through Care to Share in 2020 is more than \$200,000. NextEra Energy Resources also worked with customers during the COVID-19 pandemic, such as suspending disconnections and making payment arrangements for customers in need.

### Economic development

NextEra Energy is one of the largest infrastructure companies and among the largest capital investors in the U.S., and our



A Girl Scout in Florida displays the NextEra Energy Solar and Wind Energy patch during a virtual event in 2020.





**In 2020, we spent more than \$1.56 billion with suppliers based in Florida, where our headquarters are located.”**

investments create significant economic benefits. In 2020, NextEra Energy paid nearly \$1.8 billion in various state and local taxes and business-related fees that support local governments, police, fire, schools and other local organizations within the communities where we operate. In Florida, we were one of the top taxpayers in 2020, paying nearly \$1.5 billion in various state and local taxes and business-related fees. Economic analysis indicates that NextEra Energy’s capital investments have created more than 80,000 jobs across the nation in 2019 alone when including both direct and indirect economic activity. Florida’s low-tax, pro-business policies, combined with a variety of incentives designed to spur economic growth make it an attractive place to do business. We are doing our part to energize economic opportunity across FPL’s service area through FPL’s Office of Economic Development, which was created in 2011. This one-stop resource for new and expanding businesses that are considering expansion in Florida has brought dozens of new businesses from out of state, promoting Florida’s economic growth.

We’re also committed to supporting locally based suppliers. In 2020, we spent more than \$1.56 billion with suppliers based in Florida, where our headquarters are located.

### 35 Mules innovation hub

The 35 Mules innovation hub helps entrepreneurs develop their game-changing ideas in energy, water and energy-adjacent industries into businesses based in Florida, further supporting the state’s economic growth and stimulating the business environment. FPL launched the hub in February 2020 and received 70 applications from around the world. FPL chose six companies to join 35 Mules for its first cohort. The founders of these six companies have a dedicated workspace on FPL’s Juno Beach campus for 12 to 18 months. The entrepreneurs also have access to subject matter experts in solar, renewables, innovation and smart grid, along with a grant to put toward their venture and free coaching from executives.

The program’s unique name comes from FPL’s humble beginnings in 1925, when a very unlikely patchwork of enterprises combined to form the precursor to NextEra Energy, including an ice plant, a sponge boat and 35 mules.

### Charitable giving and volunteering

NextEra Energy and its employees have supported many nonprofit organizations and local community programs as part of our commitment to contribute to the communities where we live and work. Through our Power to Care volunteer program, our employees and their families volunteer thousands of hours each year to make a difference in our communities. In 2020, NextEra Energy and our employees contributed more than \$19 million to support wide-ranging initiatives and causes that contribute to the well-being of our local communities, including United Way and other nonprofit organizations. In response to the COVID-19 global pandemic, NextEra Energy and our employees committed more than \$5 million in emergency assistance funds that were distributed directly to those in need and to partner organizations to provide critical support to the most vulnerable members of the communities we serve. Our employees also sit on more than 250 boards for community and charitable foundations in the communities we serve.

### Tribal/indigenous relations

Federally recognized Native American tribes and Canadian indigenous communities are among our most important stakeholders for many of our projects. Our tribal/indigenous relations staff works with these communities in several different ways, balancing issue avoidance, internal education, tribal community support and business development. We are committed to issue avoidance and resolution by collaboratively working with tribes early in the project development process for all our projects. This collaboration ensures that we identify, avoid where feasible, and help protect sensitive tribal cultural resources during development and construction of our projects. We routinely share our unique approach with state and federal agencies, consultants and developers, encouraging others to do the same. One recent example took place in 2018-2019, when our tribal/indigenous relations staff collaborated successfully with multiple tribes on all aspects of the 200 MW Emmons Logan Wind Farm in North Dakota, resulting in on-time and on-budget project completion.

A key component of our effort is working with tribes who help us provide education on Native American and indigenous practices, cultures and traditions to our internal development, environmental and construction teams. This helps ensure that all members of our project teams act in a responsible, respectful manner.

Our collaborative work with tribes also allows our team to identify and act on opportunities to support tribal communities, as well as local, regional and national tribal and indigenous organizations. In recent years, for example, we have supported specialized training for tribes, food pantries, tribal businesses and tribal member scholarships.

Tribal communities interested in economically diverse revenue streams often contact us for help in determining whether they might be able to host an energy project on their own lands. Our tribal/indigenous relations staff facilitates discussions between the tribes' project proponents and our regional project development leads to help identify economically viable projects, and to help those projects move forward, if the tribe desires.

NextEra Energy's proactive, balanced approach has evolved over many years and has become a model in the energy industry, widely recognized as one of the most effective in the country and was highlighted by The Advisory Council on Historic Preservation in its 2019 Early Coordination with Indian Tribes handbook.

### Supporting the military

We partner with and support our nation's armed forces in the areas in which we work. Our mission is to help our military partners' missions succeed. Northwest Florida is a key area for the armed services and our team has extensive experience working to customize energy solutions for the U.S. Navy and Air Force. We work to design projects to meet the military's mission and at the foundation of our approach is communication, cooperation and collaboration to form consensus.

We are committed to being the best partner we can be with our military.



A Tribal Historic Preservation Officer and tribal cultural specialists participated in tribal cultural surveys for the Crowned Ridge Wind projects in South Dakota, completed in 2020.





## Governance

Our proven track record of delivering strong financial and operational performance begins with our foundation of sound corporate governance and oversight. Our board of directors is led by our chairman and CEO and by a lead independent director. The board has a broad range of skills and industry knowledge as well as diversity with respect to age, gender, race, ethnicity and specialized experience.

Together, the board has brought diverse perspectives to lead NextEra Energy to successful results and create long-term value for our shareholders and stakeholders. For more details, please refer to the [NextEra Energy 2021 Proxy Statement](#) on the investor relations section of NextEra Energy's website. Page 8 of the proxy statement includes a summary of director qualifications and experience.

From left, Ashish Gupta, NextEra Energy chief information officer, and Naren Gursahaney, NextEra Energy board member, share their perspectives on career development as part of an event sponsored by the APEX Employee Resources Group in 2019.

## Sustainability governance

Our approach to sustainability engages all levels of the company from the board of directors to our employees. Sustainable business practices are embedded throughout the company as we execute our long-term strategy.

**Board of directors** – With sustainability core to our business, the board’s oversight of the execution of NextEra Energy’s strategy includes providing oversight of issues which could impact the long-term sustainability of our company. Additionally, through annual in-depth strategy sessions and regular updates on each business, the board effectively oversees opportunities and risks, including those related to our ESG responsibilities.

**Board committees** - Each board committee, composed entirely of independent directors, oversees different areas of opportunities and risks related to sustainability and communicates key findings to the full board.

**Chief executive officer** – Our chairman and CEO has ultimate responsibility for the company’s sustainability performance and long-term success.

**Executive leadership** – As our leaders execute our long-term growth plan and key initiatives, they implement our sustainability vision. Leaders are responsible for achieving specific goals tied to sustainability as we deliver long-term value.

**Sustainability executive steering committee and sustainability council** – Composed of key business unit representatives across the organization, the council focuses on proactively addressing sustainability issues and policies and driving strategic initiatives across the company. The council reports to, and receives feedback from, the executive steering committee quarterly.

**Employees** – By delivering on their goals and objectives, our employees are key to driving our company’s sustainability efforts and delivering value to all stakeholders.

## Governance highlights

**11 of 12 directors are independent.**

Balance of new and experienced directors, with **tenure of current directors averaging less than eight years.**  
(as of May 20, 2021)

**Two of the three new independent directors added since 2018 are women or ethnically diverse.**

**Added eight new directors** in the last nine years and have a **specified retirement age** for directors.

**Five of 12 directors are women or ethnically diverse** and average age of directors is 65 years old.  
(as of May 20, 2021)

## Compensation aligned with sustainability

Senior executive compensation is tied directly to performance that drives long-term shareholder value. Our senior executive compensation program includes goals tied to sustainability, a variety of which have been included as compensation metrics since 2001. Current senior executive compensation metrics include:

Environment	Social	Governance / Operations
<p><b>Renewable energy</b> – To maintain our position as the world’s leading renewables developer, compensation is tied to completing the development and construction of our wind and solar projects on schedule and on budget, as well as adding significant new wind and solar opportunities to our backlog to support future growth. Implementing our renewables development strategy has led to significant emission reductions for our company and our customers.</p>	<p><b>Customer value proposition</b> – To emphasize the delivery of an outstanding customer value proposition, compensation metrics include O&amp;M costs per retail MWh, capital expenditures, service reliability and customer satisfaction scores. These metrics help ensure the delivery of low bills, high reliability, clean energy solutions and outstanding customer service.</p>	<p><b>Operational performance</b> – To support continued delivery of clean energy to our customers, compensation metrics include availability metrics across the generation fleets.</p>
<p><b>Environmental events</b> – To support our commitment to the environment, metrics include achieving zero significant environmental violations across all of our businesses.</p>	<p><b>Safety</b> – Safety is always our highest priority. We include the number of OSHA recordable incidents in our compensation metrics to emphasize our focus on a ZeroToday! workplace.</p>	<p><b>Nuclear safety and reliability</b> – To prioritize the highest levels of nuclear safety and reliability, compensation metrics include the nuclear fleet’s performance against industry-wide operating performance measures, as measured by a third party.</p>





NextEra Energy board of directors from top left, Sherry Barrat, James Camaren, Kenneth Dunn, Naren Gursahaney, Kirk Hachigian, Toni Jennings, Amy Lane, David Porges, Jim Robo, Rudy Schupp, John Skolds, William Swanson, Lynn Utter and Darryl Wilson. Toni Jennings and William Swanson did not stand for re-election at the 2021 annual meeting.

## Board of directors' ESG oversight

### Audit Committee

- » Oversees compliance with legal and regulatory requirements and Code of Business Conduct and Ethics.
- » Oversees external and internal auditors.
- » Oversees preparation of financial statements in accordance with GAAP standards.
- » Major risk exposures.
- » Ensures that major risks identified are reviewed by the board or a board committee.

### Governance and Nominating Committee

- » Board composition, refreshment and diversity.
- » Political expenditures and disclosures.
- » Makes recommendations to the board on the business of the Annual Meeting of Shareholders.
- » Oversees evaluation of the board.

### Finance and Investment Committee

- » Capital spending and financing plans.
- » Financing strategy, financial policies and the use of financial instruments, including derivatives.
- » Energy trading and marketing operations.

### Nuclear Committee

- » Safety, reliability and quality of nuclear operations.
- » Long-term strategies and plans related to nuclear operations.

### Compensation Committee

- » Approval of compensation program, including incentive compensation goals tied to sustainability.
- » Selection of corporate peer group for compensation benchmarking.
- » Annual review of assessment of risks related to employee compensation programs.



We engage with shareholders on a regular basis and provide information through multiple channels.”

### Public policy advocacy

Since every aspect of our business is impacted by policy decisions at every level of government, it is particularly important for us to be involved in the political process. Our political engagement strategy helps support constructive political and regulatory environments throughout the U.S. and creates long-term shareholder value. In Florida, a constructive regulatory environment is a key foundation to our regulated utility strategy of further improving our best-in-class customer value proposition through smart capital investments. At NextEra Energy Resources, local, state and federal regulations govern every aspect of our renewable energy development business. Successful political engagement has supported NextEra Energy in becoming the world’s leading generator of energy from the wind and the sun. Without active political engagement, it is likely that overall renewable development within the U.S. would have been significantly lower than current levels. Additionally, we believe that without active political engagement, we would be less successful in advancing our corporate strategies and, as a result, reduce long-term shareholder value creation.

During 2019, we engaged in an extensive shareholder outreach program to better understand shareholder views on political expenditures and associated disclosures. As part of these efforts, we engaged with 25 of our top shareholders, representing more than 40% of NextEra Energy’s outstanding shares. In response to feedback gathered from our outreach efforts, we enhanced our Political Engagement Policy which governs our political contributions and expenditures. The enhanced Political Engagement Policy now includes formalized oversight of our political expenditures and disclosures by the board’s governance and nominating committee, composed entirely of independent directors. We also increased disclosure of political contributions and expenditures on our website to address specific investor feedback received during the outreach sessions. In addition, the vice president, government affairs – federal, annually reviews significant trade association memberships to ensure that participation aligns with our strategy. Any policy positions taken by a trade association

that may be in conflict with our core strategy and objectives will be reviewed with the chairman and CEO. As a result of the enhancements made to the company’s political engagement website and political expenditure disclosures, the company moved from the fourth tier to the second tier in the 2020 CPA-Zicklin Index of Political Disclosure and Accountability. For more information on our engagement policies and public disclosures, please access our [Corporate Political Engagement Policy](#), on the investor relations section of our website.

### Shareholder engagement

We engage with shareholders on a regular basis and provide information through multiple channels. Our shareholder engagement efforts allow us to better understand our shareholders’ priorities and perspectives and enable us to effectively address the issues that matter the most to our shareholders. In 2020, we held more than 325 meetings with more than 700 different institutional investors. The feedback we received from these meetings was reported to the relevant board committee and the board as a whole.

In 2020, we also reached out to our 50 largest shareholders and offered to engage on ESG-related topics as well as any other topics of interest. We also reached out to shareholders that are not among our 50 largest shareholders but expressed an interest in engagement with us. We received positive feedback from, and held engagements with, shareholders representing over 30% of our shares outstanding. Our 2020 ESG report and our emissions reduction initiatives and renewable energy strategy were main topics of these engagements.



A large-scale photograph of a solar farm at sunrise. The solar panels are arranged in long, parallel rows that recede into the distance. The sky is a mix of blue and orange, indicating the time of day. The panels in the foreground are in sharp focus, showing their grid-like structure.

## Risks and opportunities

Our approach to risk management starts with a strategic focus on preparedness and a disciplined capital allocation process. Preparedness, crisis planning and risk management are part of our culture. Our CEO, who also serves as our chief risk officer, and executive management are responsible for executing our long-term strategy while also monitoring opportunities and risks related to our strategy.

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Sunrise at the FPL Miami-Dade Solar Energy Center in Miami-Dade County, Florida.



For the purposes of our risk management process, we do not view climate change as a discrete risk, but rather a potential stress multiplier to existing risks and opportunities already under consideration. For example, system disruption from a weather event is a long-standing risk that we have integrated into our risk-assessment process, and potential climate change projections for more frequent storms would be a multiplier for this risk category but not necessarily broken out as an incremental, separate impact. We also recognize that climate change may affect different parts of our business in different ways.

Our corporate risk management committee provides oversight and support for our risk management activities. The committee consists of officers and key

personnel from across the company. The committee meets four times per year and discusses risks, related mitigation activities and performs detailed reviews of risks, as appropriate. Risks are assessed based on impact, probability and speed of onset. Representatives of the committee meet twice a year with the risk lead team, which is comprised of the CEO, CFO and General Counsel, to review and provide feedback on the results of the committee's work. The risk assessment activities and results are reported to the audit committee of the board of directors annually.

The corporate risk management committee has established relationships within the risk community and continuously works to ensure our risk program

stays current and relevant. In 2020, the committee participated in enterprise risk management roundtables with companies both within and outside the utility industry. We also have an exposure management committee, which has policy oversight of the risk profiles of our energy marketing and trading and power marketing businesses. This committee meets monthly and is chaired by the CFO. The exposure management committee reviews all market, credit and operational issues associated with energy trading and reports to the finance and investment committee of the board of directors at least annually. It also reports to the audit committee on all matters of internal control and financial reporting.





We employ a robust risk management process to all of our investment decisions. All of our investment decisions are rooted in realistic assumptions, with appropriate sensitivity analyses, as needed, to ensure a data-driven decision-making process. Across all of our businesses there is a robust due diligence and project approval process to ensure that all significant risks have been identified and mitigated to the greatest extent possible. All significant investment decisions are reviewed and approved by NextEra Energy's operating committee, which is comprised of all senior executives and other executives from the various functional departments of each of our businesses. Investments of greater dollar value require additional authorizations, up to and including approval by the board's finance and investment committee and the full NextEra Energy board of directors, depending on the amount of the investment.

Investments at our regulated utilities are guided through a well-established integrated resource planning process to determine the amount and timing of future generation needed to meet projected growth in energy load and demand. Our carbon footprint and potential climate-related risks are incorporated into this planning process and different options are evaluated taking into account system economics, forecasted electric power demand, demand-side management, fuel prices, potential future climate policies and the integration of low-cost, clean and reliable generation, including solar and battery storage solutions. Our capital allocation process at FPL is centered on enhancing the overall customer value proposition to deliver long-term customer benefits and, ultimately, the support of regulators for our investment decisions.

Review of NextEra Energy Resources' investment decisions begins with thorough due diligence by subject matter experts from nearly 20 key functional areas. These subject matter experts, who all bring deep experience and expertise, help identify and assess the commercial, financial and operational feasibility of new project investment opportunities. We also have processes in place to ensure we are continuously learning from unforeseen challenges to improve future capital allocation decisions.

FPL and NextEra Energy Resources hold annual strategy sessions with business unit leadership across each organization to identify and review long-term goals, risks and opportunities. The results of these annual strategy sessions are reviewed with the board of directors to ensure key risks are identified and managed, and opportunities to enhance customer and shareholder value creation are pursued.

Our approach to managing environmental risks and our strategy is discussed in more detail under [Environment](#).

### Preparing for storms, flooding and sea-level rise

Physical risks are reviewed as part of our corporate risk management process, including the risks of more frequent and severe storms, flooding and sea-level rise as a result of climate change. Our experience and history of managing hurricanes and natural disasters in Florida provides us with the skills and capabilities to remain focused on safety, execution and the importance of providing an essential service to our customers during these events.

Our continued investments and preparation at



Preparedness and crisis management are part of who we are as a company. For nearly 70 years, we have conducted annual drills to prepare for disruptions to our business.”

FPL and Gulf Power have resulted in building a stronger, smarter and more resilient energy grid that has improved reliability in good weather and bad and enables faster power restoration following extreme weather events. Since 2006, FPL has made significant investments in strengthening its energy grid to make it more resilient to severe weather. The deployment of innovative technology to help prevent outages and shorten restoration times when outages occur has enabled FPL to lower operating costs and improve reliability and resiliency. Specific investments in the FPL system include:

- » Hardening or undergrounding power lines to better withstand higher winds to enhance service reliability and resiliency.
- » Upgrading transmission line structures, replacing all wood structures with concrete or steel, maintaining vegetation along more than 15,000 miles of power lines each year and inspecting all 1.2 million power poles within an eight-year cycle.
- » Installing more than 155,000 intelligent devices that prevent power outages and shorten restoration times by automatically redirecting power, self-healing and minimizing customers affected, resulting in more than 8.5 million outages avoided over the last decade.
- » Using drones equipped with artificial intelligence, machine learning and geospatial data so flights are fully autonomous, as well as image recognition software we developed in-house to spot faulty equipment and prevent outages.

Based on analysis of sea level rise and flooding that FPL has completed in collaboration with many different government organizations, we have determined that near-term risk to our operations and facilities is low. Our Florida nuclear facilities are elevated 20 feet above sea level to protect against flooding and extreme storm surge. We expect to continue to make additional resiliency and reliability investments over the coming decades to mitigate any potential impacts to our system. Mitigation actions taken to date include:

- » Installing pumps, flood control structures, monitoring sensors and raised equipment in high-risk flood zones.

- » Designing our substation yards to meet FEMA 100-year flood elevations.
- » Deploying mobile substations and transformers, along with other equipment, that can be used to respond to flood or storm events.
- » Hardening underground structures and using above-ground equipment in high-risk flood zones.
- » Deploying innovative technology at locations more susceptible to storm surge, such as a temporary AquaDam we installed at one of FPL’s coastal substations in North Florida.

A good example of how our storm hardening investments have created value for our customers is to compare the last two major hurricanes that hit FPL’s service area: Hurricane Wilma in 2005 and Hurricane Irma in 2017. Although Irma was a more powerful storm, with nearly 50% greater damage potential than Wilma, FPL was able to reduce the average number of outage days per customer by 60%. Hurricane Irma was the largest hurricane event FPL has ever faced with more than 4.4 million, or nearly 90% of customers, losing power compared to roughly 3.2 million, or 75% of customers, due to Hurricane Wilma. As a result of our storm hardening investments, FPL improved restoration times, sustained less equipment damage, lost fewer poles and brought our generation facilities back faster than ever. These investments also avoided significant economic loss in FPL’s service area and in the state of Florida.

### Emergency preparedness

Preparedness and crisis management are part of who we are as a company. For nearly 70 years, we have conducted annual drills to prepare for disruptions to our business. It is this type of preparation to deal with the unexpected that we believe will enable us to continue to deliver for our customers over the long-term, no matter what may come our way.

We are continuously monitoring and preparing for an unexpected emergency or disruption to our business and have teams in place that regularly test our systems, our operations and our people to



ensure they are prepared to manage through the unexpected – whether a storm, cyber event, oil spill, capacity shortfall or, as we have experienced recently, a global pandemic.

FPL conducts annual week-long storm drills, which test the response of employees to a hypothetical hurricane. These drills, which traditionally include local first responders as well as state and federal officials, provide an opportunity to demonstrate how we continuously improve and are ready to respond together with local and state partners to return life to normal for millions of Floridians in their greatest time of need. Every year, our drills are a commitment to push ourselves and improve upon our procedures when responding to a natural disaster. During the simulated exercises, FPL and Gulf Power employees are evaluated on our response and restoration efforts related to operations, logistics, communications and customer service, among other areas.

The FPL Distribution Control Center is a state-of-the-art, Category 5-rated building that enhances FPL's ability to respond to natural disasters, as well as efficiently monitor thousands of smart devices and other equipment around the clock to prevent outages before they occur and to quickly respond and restore power when they do occur. FPL has improved its storm preparation and response capabilities by:

- » Building 12 hardened service centers throughout Florida to help pre-stage equipment and more than 1,000 personnel to restore power safely and as quickly as possible once a hurricane passes.
- » Improving communication systems and capitalizing on smart grid technology to ensure efficient and accurate restoration information to customers.
- » Providing customers an opportunity to directly report a downed power line using smartphone technology, which will speed efforts to restore power.

We also participate in mutual assistance programs with other electric companies from across the nation, which allows us to bring in additional resources to quickly support our crews responding to major outage events.



FPL Drone Pilot Michael Dorr demonstrates the “drone-in-a-box” used to inspect the energy grid and other critical infrastructure, including after storms, in Indiantown, Florida.



**Our nuclear fleet is a source of safe, reliable, clean and cost-effective base-load energy for customers and a key component of providing emissions-free generation in the U.S.”**

As part of our preparedness, we have a pandemic plan that ensures the reliable delivery of electricity, allowing first responders to help those in need, businesses to continue to operate where possible, governments to continue to function and our customers to go about their daily lives to the greatest extent possible during the most challenging times. In early 2020, we put this plan into action across NextEra Energy to respond to COVID-19. We continue to focus on the safety of our employees, customers and community by taking the following actions:

- » Establishing cross-functional pandemic team and sub-team working groups to address specific challenges.
- » Following guidance from company medical leadership.
- » Establishing temperature screening locations at company facilities.
- » Implementing testing sites in coordination with medical provider partners.
- » Splitting control centers between primary and backup locations, and using staggered shift start times.
- » Using social distancing protocols along with personal protective equipment, where appropriate.
- » Having employees work remotely, where possible.

We took extra steps and deployed state-of-the-art technology to ensure the safety of crews and customers by altering the layout and safety features of staging sites during the 2020 hurricane season and again in 2021 to account for social distancing and limited interaction. Additionally, we also expanded the use of smaller, micro-staging sites. Precautions FPL executed to ensure employees and customers stayed safe during storm restoration include:

- » Incorporating social distancing wherever possible, appropriate personal protective equipment and other health and safety measures as an integral part of storm response planning.
- » Providing masks and sanitizing materials to crews, such as hand sanitizer, disinfectant spray and wipes.
- » Implementing extensive cleaning and sanitization measures

at staging sites and command centers to protect personnel supporting the restoration effort.

- » Administering required screening and temperature checks for the restoration workforce at all staging sites and corporate facilities, as well as testing employees in critical functions.
- » Minimizing the movement of crews by assigning them to the same work areas as much as possible.
- » Minimizing crews entering customers' homes and businesses.
- » Assigning back-up staffing and alternate locations for all critical functions, including command and control centers, which coordinate storm response and grid operations.

### Nuclear safety

Our nuclear fleet is a critical part of our generation mix and one of the most cost-effective fleets in the industry, driven by a focus on innovation, lowering costs and commitment to excellence. Our nuclear fleet is a source of safe, reliable, clean and cost-effective base-load energy for customers and a key component of providing emissions-free generation in the U.S. Our operating nuclear units avoided the generation of nearly 25 million tons of CO<sub>2</sub> in 2020, equivalent to removing more than 4.85 million cars from the road annually. Nuclear safety is paramount to our business operations and we have robust safety measures across our nuclear fleet. The NRC maintains and tracks a set of performance indicators as objective measures of nuclear safety performance for commercial U.S. nuclear plants. These indicators monitor the performance of initiating events, safety systems, fission product barrier integrity, emergency preparedness, occupational and public radiation safety and physical protection (security).

Our plants are designed to withstand physical attacks, as well as earthquakes and other natural events stronger than ever recorded in their respective regions. Site design at all of our nuclear sites provides extra protection against flooding and extreme storm surge, including all sites being elevated at least 20 feet above sea level. In collaboration with the nuclear industry, we created regional response centers that are centers



with pre-built equipment, located away from nuclear sites, that can be brought into any of our nuclear plants in response to a natural disaster at a site. We have made significant upgrades to our nuclear facilities, including:

- » High-capacity pumps to provide additional backup cooling water for safety systems.
- » Pre-staged additional backup equipment in reinforced buildings on-site.
- » Confirmed the ability of our plants to withstand extreme natural events, such as earthquakes, flooding and fires.
- » Our plant operators can shut down the plant within a matter of seconds, if necessary.
- » For one full week every six weeks, plant operators must prove their ability to safely operate the plant in a variety of worst-case scenarios that include earthquakes, severe storms, flooding, loss of power and loss of reactor core cooling.

### Cybersecurity

We take security seriously at NextEra Energy – both at our facilities and online. We have a comprehensive cybersecurity monitoring program for all of our computer and data networks and are actively involved in cybersecurity-related matters, including establishing a cybersecurity culture at NextEra Energy and educating our employees about the importance of being cyber aware. In 2020, all employees were required to complete a cybersecurity and data privacy training course focused on building techniques for maintaining cyber awareness at work, at home and while traveling.

We have made it a priority to protect our power networks and customer data from all forms of intrusion, including cyber incidents, that could threaten to disrupt operations or cause harm to customers. The safe, secure delivery of electrical service is paramount. Our comprehensive, defense-in-depth approach imposes security at every layer and our standards for cybersecurity exceed those set by the industry.



Crews lift a large rotor during a maintenance outage of Unit 4 at the Turkey Point Nuclear Power Plant near Homestead, Florida.





FPL employees monitor the energy grid from the Power Delivery Diagnostic Center in West Palm Beach, Florida. This photo was taken in 2018.

NextEra Energy’s audit committee receives regular reports on the key risks facing the company from a representative of the corporate risk committee and also receives frequent reports from the company’s internal auditor about the results of reviews of cybersecurity and information security governance. The board of directors of the company annually receives a cybersecurity report from the company’s chief information officer and its vice president, IT infrastructure & cybersecurity.

Various leading third parties periodically assess the

company’s alignment with the U.S. Department of Energy’s Cyber Capability Maturity Model (C2M2) standard, which is the predominate cybersecurity framework for the U.S. electric utility industry. NextEra Energy has a comprehensive cybersecurity training program in which all employees receive education and training on prevention of cybersecurity problems and on privacy and data protection.

FPL performs annual internal cybersecurity drills with the participation of federal agencies (the U.S. Department of Homeland Security, U.S. Secret

Service and the Federal Bureau of Investigation) to ensure readiness of the organization, participates with other electric utilities across the country in the North American Electric Reliability Corporation’s (NERC) biennial GridEx exercise and participates in industry forums (e.g., Electricity Subsector Coordinating Council and NERC activities) to ensure lessons learned are applied.





## Conclusion

We have been making long-term strategic investments to build a business that is resilient and able to deliver for customers and shareholders. As our industry and economy continues to develop, we believe that NextEra Energy is well-positioned to help lead the transformation of our industry and economy to a carbon-free future. We are committed to delivering outstanding value for our customers, supporting our communities and empowering our teams, all while generating significant shareholder value creation and doing the right thing for the environment.

FPL Babcock Ranch Solar Energy Center in Charlotte County, Florida. This facility pairs solar energy with 11 MW of energy storage.

## APPENDIX A

# Sustainability Accounting Standards Board (SASB) Metrics

SASB Topic	SASB Accounting Metric	2019	2020	Comments
Greenhouse Gas Emissions & Energy Resource Planning	1. Gross global scope 1 emissions 2. percentage covered under emissions- limiting regulations and 3. percentage covered under emissions- reporting regulations	1. 45,645,691 metric tons CO <sub>2</sub> e 2. 0.03% 3. 100%	1. 43,247,570.80 metric tons CO <sub>2</sub> e 2. 0.07% 3. 100%	NextEra Energy conducts business under regulatory regimes that require CO <sub>2</sub> rather than CO <sub>2</sub> e reporting. The SASB metric reported here is CO <sub>2</sub> e which includes emissions from power generation as well as auxiliary equipment, while other areas of our sustainability reporting convey CO <sub>2</sub> from power generation only.
	GHG emissions associated with power deliveries	47,710,888 metric tons CO <sub>2</sub> e	2,172,160 metric tons CO <sub>2</sub> e	NextEra Energy subsidiary, FPL, had no additional CO <sub>2</sub> e associated with power deliveries. The 2019 and 2020 numbers represents additional CO <sub>2</sub> e for power purchased for customer load of Gulf Power.
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction target, and analysis of performance against those targets	Discussion within report	Discussion within report	See discussion in the following sections of this report: <a href="#">Confronting climate change</a> <a href="#">Our strategy: A letter from our CEO</a> <a href="#">Building the world's leading clean energy provider</a> <a href="#">Climate Change and Reducing Emissions</a>
	1. Number of customers served in markets with renewable portfolio standards and 2. Percentage fulfillment of RPS target by market	See comments	See comments	FPL and Gulf Power serve a combined 5.6 million customers in Florida. Florida does not have a state-level renewable portfolio standard (RPS) requirement. NextEra Energy Resources is a wholesale power generator for customers across the U.S. that includes utilities, retail electricity providers, power cooperatives, municipal electric providers and large industrial companies. NextEra Energy Resources operates in 18 states with mandatory renewable portfolio standards and an additional five states with voluntary renewable energy standards or targets.
Air Quality	Air emissions of the following pollutants: 1. NOx (excluding N <sub>2</sub> O) 2. SOx 3. particulate matter (PM 10) 4. lead (Pb) 5. mercury (Hg)  Percentage of each in or near areas of dense population	1. 10,951.24 metric tons 2. 2,347.07 metric tons 3. 760.64 metric tons 4. 0.57 metric tons 5. 0.03 metric tons	1. 8,452.62 metric tons 2. 1,183.05 metric tons 3. 958.65 metric tons 4. 0.36 metric tons 5. 0.03 metric tons	SASB data set includes emissions from power generation and auxiliary equipment. All power plants are near areas of dense population based on the definitions of "near" and "dense". SOx is reported as SO <sub>2</sub> . NOx and SO <sub>2</sub> numbers differ from other reported areas due to the inclusion of auxiliary equipment and reporting in metric tons versus short tons.



## APPENDIX A

# Sustainability Accounting Standards Board (SASB) Metrics

SASB Topic	SASB Accounting Metric	2019	2020	Comments
Water Management	1. Total water withdrawn 2. Total water consumed, percentage of each in regions of high or extremely high baseline water stress	1. 7,757,443 thousand cubic meters; 0.005% 2. 140,857 thousand cubic meters; 0.28%	1. 7,689,112 thousand cubic meters; 0.001% 2. 107,578 thousand cubic meters; 0.08%	In 2019, NextEra Energy operated or had ownership share of 30 power sites across the U.S. that use water, but only two of those sites are located in regions of high or extremely high water stress. For 2019, nearly 80% of the water we withdrew came from seawater sources, which are non-potable and drought proof.  In 2020, NextEra Energy operated or had ownership share of 27 power generating sites across the U.S. that use water, but only one site is located in regions of high or extremely high water stress. Nearly 75% of the water we withdrew in 2020 came from seawater sources. Water metrics reported reflect use for plant operations, including the addition of Gulf Power facilities in 2019. Water numbers differ from other reported areas due to the use of thousand cubic meters vs. billions gallons.
	Number of incidents of non-compliance associated with water quality and/or quantity permits, standards, and regulations	0	0	
	Description of water management risks and discussion of strategy and practices to mitigate those risks	Description within report and on the sustainability website	Description within report and on the sustainability website	See discussion in the following sections of this report and the sustainability website: <a href="#">Water Availability</a> <a href="#">Air and Water</a>
Coal Ash Management	Amount of coal combustion residuals (CCR) generated, percentage recycled	346,008 metric tons; 69% recycled	169,771 metric tons; 93% recycled	In 2019 and 2020 NextEra operated one plant that generated CCR, the Gulf Clean Center (formerly Plant Crist). The plant was converted to natural gas in 2020.
	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	3	3	NextEra Energy has interest in three coal combustion residual (CCR) impoundments. Each has been ranked using the EPA hazard potential classification. There are one each of Low Hazard, Significant Hazard and High Hazard. All three had the highest structural integrity assessment rating of Satisfactory in 2019 and 2020.

## APPENDIX A

### Sustainability Accounting Standards Board (SASB) Metrics

SASB Topic	SASB Accounting Metric	2019	2020	Comments
Energy Affordability	Average retail electric rate for 1. residential, 2. commercial, and 3. industrial customers	FPL Retail electric rates: 1. Residential \$.1102/kWh 2. Commercial \$.0863/kWh 3. Industrial \$.0684/kWh  Gulf Retail electric rates: 1. Residential \$.13238/kWh 2. Commercial \$.10326/kWh 3. Industrial \$.07521/kWh	FPL Retail electric rates: 1. Residential \$0.1044/kWh 2. Commercial \$0.0805/kWh 3. Industrial \$0.0569/kWh  Gulf Retail electric rates: 1. Residential \$0.1357/kWh 2. Commercial \$0.1057/kWh 3. Industrial \$0.0722/kWh	
	Typical monthly electric bill for residential customers for 1. 500 kWh and 2. 1,000 kWh of electricity delivered per month	FPL: 1. 500 kWh \$54.21 2. 1,000 kWh \$99.90  Gulf: 1. 500 kWh \$78.39 2. 1,000 kWh \$137.07	FPL: 1. 500 kWh \$52.50 2. 1,000 kWh \$96.43  Gulf: 1. 500 kWh \$80.06 2. 1,000 kWh \$140.43	
	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Discussion within report	Discussion within report	See discussion in the following sections of this report and the sustainability website: <a href="#">Florida Power &amp; Light Company</a> <a href="#">Gulf Power Company</a> <a href="#">Affordable Energy</a> <a href="#">Economic Development</a>



## APPENDIX A

### Sustainability Accounting Standards Board (SASB) Metrics

SASB Topic	SASB Accounting Metric	2019	2020	Comments
Workforce Health & Safety	1. Total recordable incident rate (TRIR), 2. fatality rate, and 3. near miss frequency rate (NMFR)	1. 0.62 2. 0.00 3. N/A	1. 0.39 2. 0.00 3. N/A	NextEra Energy does not track NMFR in a comparable manner as SASB guidelines.  OSHA recordable rate (TRIR) is the metric used in senior leadership compensation goals; goal for senior leadership is top decile performance.
	Percentage of electric utility revenues from rate structures that 1. are decoupled and 2. contain a lost revenue adjustment mechanism (LRAM)	Not applicable	Not applicable	
	Percentage of electric load served by smart grid technology	99%	99%	
End-Use Efficiency & Demand	Customer electricity savings from efficiency measures, by market	Discussion within report	Discussion within report	See discussion in the following sections of this report: <a href="#">Florida Power &amp; Light Company</a> <a href="#">Gulf Power Company</a> <a href="#">Affordable Energy</a>
Nuclear Safety & Emergency Management	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action	All eight nuclear power units are 'licensee response' classification under U.S. Nuclear Regulatory Commission Action	All eight nuclear power units are 'licensee response' classification under U.S. Nuclear Regulatory Commission Action	<a href="#">U.S. Nuclear Regulatory Commission Action Matrix</a>  Includes Duane Arnold nuclear power unit, which is in the process of decommissioning
	Description of efforts to manage nuclear safety and emergency preparedness	Description within report	Description within report	See discussion in the following section of this report: <a href="#">Nuclear safety</a>

## APPENDIX A

### Sustainability Accounting Standards Board (SASB) Metrics

SASB Topic	SASB Accounting Metric	2019	2020	Comments
Grid Resiliency	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Description within report	Description within report	See discussion in the following section of this report: <a href="#">Cybersecurity</a>
	1. System Average Interruption Duration Index (SAIDI), 2. System Average Interruption Frequency Index (SAIFI) 3. Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	FPL: 1. SAIDI: 51.4 2. SAIFI: 0.95 3. CAIDI: 54.35  Gulf Power: 1. SAIDI: 81.3 2. SAIFI: 1.24 3. CAIDI: 65.58	FPL: 1. SAIDI: 48.5 2. SAIFI: 0.87 3. CAIDI: 56.26  Gulf Power: 1. SAIDI: 50.26 2. SAIFI: 0.81 3. CAIDI: 61.71	Exclusive of major event days, based on how reported to Florida Public Service Commission for all of power delivery (transmission and distribution).



## APPENDIX B

### Task Force on Climate-related Financial Disclosures

Section	Recommended Disclosure	NextEra Energy Response
Governance	Describe the board's oversight of climate-related risks and opportunities.	<a href="#">Confronting climate change - Governance</a> <a href="#">Sustainability governance</a> <a href="#">Our approach to risk management</a>
	Describe management's role in assessing and managing climate-related risks and opportunities	<a href="#">Confronting climate change - Governance</a> <a href="#">Sustainability governance</a> <a href="#">Our approach to risk management</a>
Strategy	Describe the climate-related risks and opportunities identified over the short, medium and long term.	<a href="#">Confronting climate change - Strategy</a> <a href="#">Risks and opportunities</a> <a href="#">Florida Power &amp; Light Company</a> <a href="#">Gulf Power Company</a> <a href="#">NextEra Energy Resources</a>
	Describe the impact of climate-related risks and opportunities on the businesses, strategy and financial planning.	<a href="#">Confronting climate change - Strategy</a> <a href="#">Our approach to risk management</a>
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.	<a href="#">Confronting climate change - Strategy</a> <a href="#">Our approach to risk management</a> <a href="#">2021 FPL and Gulf Power Combined Ten-Year Site Plan</a>
Risk Management	Describe the processes for identifying and assessing climate-related risks.	<a href="#">Confronting climate change – Risk management</a> <a href="#">Risks and opportunities</a>
	Describe the processes for managing climate-related risks.	<a href="#">Confronting climate change – Risk management</a> <a href="#">Risks and opportunities</a>
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the overall risk management process.	<a href="#">Confronting climate change – Risk management</a> <a href="#">Risks and opportunities</a>
Metrics & Targets	Disclose the metrics used to assess climate-related risks and opportunities in line with strategy and risk management processes	<a href="#">Confronting climate change – Metrics and targets</a> <a href="#">Environment - Climate change and reducing emissions</a>
	Disclose Scope 1, 2 and, if appropriate, 3 GHG emissions and related risks.	<a href="#">Confronting climate change – Metrics and targets</a> <a href="#">Sustainability Accounting Standards Board (SASB) Metrics</a>
	Describe the targets used to manage climate-related risks and opportunities and performance against targets.	<a href="#">Confronting climate change – Metrics and targets</a> <a href="#">Environment - Climate change and reducing emissions</a>

## APPENDIX C

### EEI ESG/Sustainability Quantitative Metrics

Parent Company: NextEra Energy, Inc. (NextEra Energy)

Principal Operating Companies: Florida Power & Light Company (FPL), NextEra Energy Resources, LLC, and Gulf Power Company (2019 and 2020 data only)

Portfolio	2005	2018	2019	2020
<b>Owned Net Generation Capacity (MW)<sup>(1)</sup></b>				
Coal	915	964	2,554	1,351
Natural gas <sup>(2)</sup>	22,515	20,744	23,973	24,533
Nuclear	4,015	6,202	6,202	5,794
Oil	1,316	890	944	1,473
Total Renewable Energy Resources	4,069	16,771	18,007	21,581
Hydroelectric	361	0	0	0
Landfill gas	0	0	3	3
Solar	148	3,243	3,894	5,505
Wind	3,192	13,528	14,110	16,073
Other	368	0	0	0
<b>Owned Net Generation (MWh)</b>				
Coal	6,065,258	2,941,854	6,923,744	4,417,826
Natural gas	59,752,003	91,735,562	99,230,129	103,070,751
Nuclear	29,745,644	50,539,324	51,118,396	49,869,793
Oil	23,828,305	587,385	222,347	160,427
Total Renewable Energy Resources	9,385,224	47,282,101	49,890,065	58,688,356
Hydroelectric	1,811,409	0	0	0
Landfill gas	0	0	22,547	21,615
Solar	275,393	6,586,603	7,059,936	9,417,857
Wind	7,298,422	40,695,498	42,807,582	49,248,884
<b>Capital Expenditures and Energy Efficiency (EE)<sup>(3)</sup></b>				
Annual Capital Expenditures (billions) <sup>(4)</sup>	\$2.5	\$13	\$12.3	\$14.6
Incremental Annual Electricity Savings from EE Measures (MWh)	<a href="#">Form EIA-861</a>	<a href="#">Form EIA-861</a>	<a href="#">Form EIA-861</a>	<a href="#">Form EIA-861</a>
Incremental Annual Investment in Electric EE Programs (thousands)	<a href="#">Form EIA-861</a>	<a href="#">Form EIA-861</a>	<a href="#">Form EIA-861</a>	<a href="#">Form EIA-861</a>
<b>Retail Electric Customers<sup>(5)</sup></b>				
Commercial	469,973	553,562	622,212	628,861
Industrial	20,392	11,601	12,049	12,244
Residential	3,828,374	4,391,832	4,886,792	4,960,827

1) 2019 coal and landfill capacity and generation increased due to the acquisition of Gulf Power. 2019 Natural Gas capacity increased due to the addition of Okeechobee Clean Energy Center (state-of-the-art natural gas combined cycle power plant). This plant addition, along with NextEra Energy's acquisition of ownership share in natural gas power plants Oleander & Stanton, attributed to the increase in natural gas generation. The solar capacity numbers for 2018, 2019 and 2020 include 75 MW of non-incremental thermal solar.

2) Some natural gas plants have the ability to use oil for additional fuel flexibility. In 2019, approximately 65% of NextEra Energy's natural gas capacity was dual-fuel capable. In 2020, approximately 68% of NextEra Energy's natural gas capacity was dual-fuel capable.

3) Per NextEra Energy 10K filings. Energy Efficiency and Smart Meter metrics are relevant for FPL and Gulf Power.

4) 2019 capital expenditures exclude capital expenditures related to the Gulf Power acquisition.

5) Represents FPL and Gulf combined annual average customer counts for 2019 and 2020.



## APPENDIX C

### EEI ESG/Sustainability Quantitative Metrics

Parent Company: NextEra Energy, Inc. (NextEra Energy)

Principal Operating Companies: Florida Power & Light Company (FPL), NextEra Energy Resources, LLC, and Gulf Power Company (2019 and 2020 data only)

Emissions <sup>6)</sup>	2005	2018	2019	2020
<b>Carbon Dioxide (CO<sub>2</sub>)<sup>7)</sup></b>				
Owned Generation CO <sub>2</sub> Emissions (tons)	54,270,781	42,097,424	49,953,427	47,328,818
Owned Generation CO <sub>2</sub> Emissions Intensity (lbs/Net MWh)	843	436	482	438
Total Owned Generation CO <sub>2</sub> Emissions (MT)	49,233,638	38,190,152	45,317,000	42,935,994
Total Owned Generation CO <sub>2</sub> Emissions Intensity (MT/Net MWh)	0.260275	0.197788	0.218517	0.198587
<b>Non-Generation CO<sub>2</sub>e Emissions of Sulfur Hexafluoride (SF<sub>6</sub>)<sup>8)</sup></b>				
Total CO <sub>2</sub> e emissions of SF <sub>6</sub> (MT)	--	--	--	43,731
Leak rate of CO <sub>2</sub> e emissions of SF <sub>6</sub> (MT/Net MWh)	--	--	--	0.000202
<b>Nitrogen Oxide (NO<sub>x</sub>)</b>				
NO <sub>x</sub> Emissions (tons)	55,275	9,825	12,039	9,288
NO <sub>x</sub> Emissions Intensity (lbs/Net MWh)	0.86	0.10	0.12	0.086
Total NO <sub>x</sub> Emissions (MT)	50,145	8,913	10,922	8,426
Total NO <sub>x</sub> Emissions Intensity (MT/Net MWh)	0.0002651	0.0000462	0.0000527	0.0000390
<b>Sulfur Dioxide (SO<sub>2</sub>)</b>				
SO <sub>2</sub> Emissions (tons)	121,480	1,907	2,482	1,142
SO <sub>2</sub> Emissions Intensity (lbs/Net MWh)	1.89	0.02	0.02	0.011
Total SO <sub>2</sub> Emissions (MT)	110,205	1,730	2,252	1,036
Total SO <sub>2</sub> Emissions Intensity (MT/Net MWh)	0.000583	0.000009	0.000011	0.000005
<b>Mercury (Hg)</b>				
Hg Emissions (kg)	280.61	11.75	21.76	30.9
Hg Emissions Intensity (kg/Net MWh)	0.0000022	0.0000006	0.0000001	0.0000001

6) NextEra Energy conducts business under regulatory regimes that require CO<sub>2</sub> rather than CO<sub>2</sub>e reporting, therefore this report is being made consistent with those requirements. Includes direct CO<sub>2</sub> emissions data for NextEra Energy owned power plant sites as well as joint ownership sites (data for the joint ownership sites were adjusted to account for the company's ownership share only). Increases in total NextEra Energy emissions and rates in 2019 were mainly attributed to the acquisition of Gulf Power and NextEra Energy's acquisition of ownership share in natural gas power plants Oleander & Stanton.

7) Purchased power is considered minimal, as this would make up less than 1% of emissions profile and is excluded from the EEI template.

8) As reported to the EPA in accordance with EPA's GHG Reporting Program (40 CFR Part 98, Subpart DD).

## APPENDIX C

### EEI ESG/Sustainability Quantitative Metrics

Parent Company: NextEra Energy, Inc. (NextEra Energy)

Principal Operating Companies: Florida Power & Light Company (FPL), NextEra Energy Resources, LLC, and Gulf Power Company (2019 and 2020 data only)

Resources	2005	2018	2019	2020
<b>Human Resources</b>				
Total Number of Employees	12,400	14,300	14,800	14,900
Percentage of Women in Total Workforce	Not reported	Not reported	23%	24%
Percentage of Minorities in Total Workforce	Not reported	Not reported	36%	37%
Total Number on Board of Directors	11	13	13	13
Percentage of Women on Board of Directors	9%	23%	23%	23%
Percentage of Minorities on Board of Directors	18%	23%	23%	15%
Employee Safety - Recordable Incident Rate	2.40	0.56	0.62	0.39
Employee Safety - Work-related Fatalities	0	0	0	0
<b>Fresh Water Resources used in Thermal Power Generation Activities<sup>9)</sup></b>				
Water Withdrawals - Consumptive (Millions of Gallons)	21,061	23,332	23,755	19,833
Water Withdrawals - Non-Consumptive (Millions of Gallons)	341,107	373,371	479,075	477,900
Water Withdrawals - Consumptive Rate (Millions of Gallons/Net MWh)	0.0001385	0.0001208	0.0001145	0.0000917
Water Withdrawals - Non-Consumptive Rate (Millions of Gallons/Net MWh)	0.0022429	0.0019337	0.0023101	0.0022104
<b>Waste Products<sup>10)</sup></b>				
Amount of Hazardous Waste Manifested for Disposal (tons)	Not tracked	0.26	1.10	0.8
Percent of Coal Combustion Products Beneficially Used	Not tracked	77%	69%	93%

9) Water metrics reported reflect use for plant operations, including the addition of Gulf Power facilities in 2019. With the development of our improved water data management system, the baseline for water data was adjusted to 2007.

10) 2019 and 2020 hazardous waste data includes the addition of Gulf Power generation.



## APPENDIX D


# United Nations Sustainable Development Goals Metrics

Our business is aligned with global sustainability initiatives, particularly the United Nations Sustainable Development Goals (SDGs). The 17 goals and 169 targets provide a framework for governments, businesses and organizations to advance sustainable development. In 2021, we mapped our alignment with the SDGs to determine where our business most aligns with and contributes to supporting the goals. While nearly all of the SDGs are indirectly aligned with various aspects of our corporate strategies, we identified that our business strategy directly aligns with three priority SDGs: 7, 9 and 13.

SDG	Our Approach	Section of Report
<p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>	<p>Our investment in emissions-free and clean generation has reduced the impact on the air we breathe and demonstrates our commitment to environmental protection and stewardship. Our strategy is based on generating and delivering clean energy and building energy infrastructure that's reliable and affordable.</p> <p>We expect that our investments in emissions-free wind and solar generation, innovative battery storage technology, low-emissions natural gas generation, safe and emissions-free nuclear power, industry-leading energy efficiency programs and transmission lines designed to deliver energy where it's needed when it's needed will enable us to continue providing a wide range of benefits to our many valued stakeholders.</p> <ul style="list-style-type: none"> <li>» <b>From 2019-2030, FPL plans to install more than 30 million solar panels – resulting in more than 10,000 new megawatts of solar in Florida.</b></li> <li>» <b>From 2019-2022, NextEra Energy Resources expects to bring online an additional 3,800 to 7,300 megawatts of clean, emissions-free solar energy.</b></li> <li>» <b>Our capital investments also will help us meet our goal of reducing our carbon dioxide (CO2) emissions rate 67% by 2025 from an adjusted 2005 baseline.</b></li> </ul>	<p><a href="#">Confronting Climate Change – Strategy</a></p> <p><a href="#">Florida Power &amp; Light Company – Efficient generation and clean energy solutions</a></p> <p><a href="#">NextEra Energy Resources – Positioned to lead the clean energy future</a></p> <p><a href="#">Social - Affordable energy</a></p>
<p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p>	<p>As one of the largest electric power and energy infrastructure companies in North America and a leader in the renewable energy industry, NextEra Energy is committed to building a sustainable energy future that is affordable, reliable and clean.</p> <p>By investing in smart infrastructure and innovative clean energy solutions, we are helping to build a sustainable energy future that is affordable, reliable and clean.</p> <ul style="list-style-type: none"> <li>» <b>Over the past decade, we have invested ~\$100 billion in infrastructure capital deployment, making us the largest U.S. infrastructure investor in the energy industry and one of the largest capital investors across any industry in the U.S. over this period.</b></li> </ul>	<p><a href="#">Florida Power &amp; Light Company – Building America's smartest and strongest energy grid</a></p> <p><a href="#">Florida Power &amp; Light Company – Efficient generation and clean energy solutions</a></p> <p><a href="#">NextEra Energy Resources – Positioned to lead the clean energy future</a></p> <p><a href="#">Environment – climate change and reducing emissions</a></p> <p><a href="#">Social - Economic development</a></p>

APPENDIX D

UN Sustainable Development Goals Metrics

SDG	Our Approach	Section of Report
	<p>We believe that no company in any industry has done more to reduce carbon emissions and to confront climate change than NextEra Energy.</p> <p>Climate-related risks and opportunities have influenced our financial plan for capital expenditures, acquisitions, and revenues, in order to respond to our customers' demands for clean and renewable energy. This has influenced our capital plan in executing our significant renewable energy deployment and grid hardening initiatives. We have conducted an extensive scenario analysis to model the U.S. energy grid to determine how the U.S. electric sector can achieve a 100% carbon-free electricity grid on a long-term horizon by 2050.</p> <p>» <b>Based on our extensive scenario analysis, we believe there is an opportunity to build approximately 3,600 gigawatts (GW), or more than 100 GW per year, of renewable energy and storage through 2050.</b></p>	<p><a href="#">Confronting Climate Change – governance, strategy and risk management</a></p> <p><a href="#">Florida Power &amp; Light Company – Building America's smartest and strongest energy grid</a></p> <p><a href="#">Environment – climate change and reducing emissions</a></p> <p><a href="#">Risks and Opportunities - Emergency preparedness</a></p> <p><a href="#">Risks and Opportunities - Our approach to risk management</a></p> <p><a href="#">Risks and Opportunities - Preparing for storms, flooding and sea-level rise</a></p>



## APPENDIX E

### Global Reporting Initiative (GRI) Metrics

We use the GRI Sustainability Reporting Guidelines to help guide our reporting. This index is based on GRI Standards and includes the G4 Electric Utility Sector Supplement. Indicators specific to the electric utility sector are denoted with EU followed by a number. In this index table, we have provided hyperlinks to NextEraEnergy.com, publicly available reports, other corporate websites and/or a brief response to each indicator. All information and data are for fiscal year 2020 (Jan. 1-Dec. 31, 2020) unless otherwise noted.

We consider our disclosures in this GRI Index to be an extension of our sustainability website, which enables us to provide more information to a variety of stakeholders while maintaining a succinct online report. While we are working toward meeting the GRI reporting protocols, for several indicators we currently only partially meet the recommended standard. For GRI metrics not listed, we currently do not track the data, consider the data confidential or the data is not material to our business.

In addition to the information below, additional data related to the GRI metrics can be found in this ESG Report.

General Disclosures		
GRI 102: Organizational Profile		
102-1	Name of the organization	NextEra Energy, Inc.
102-2	Activities, brands, products and services	<a href="#">Our Work &amp; Our Subsidiaries</a>
102-3	Location of headquarters	Juno Beach, Florida
102-4	Location of operations	United States and Canada as of June 1, 2020 Spain as of March 1, 2020
102-5	Ownership and legal form	Investor-owned corporation [NYSE: NEE]
102-6	Markets served	<a href="#">Our Subsidiaries Annual Report</a>
102-7	Scale of the organization	<a href="#">Annual Report</a> <a href="#">Our Work By The Numbers</a>
102-8	Information on employees and other workers	<a href="#">Our Employees By The Numbers</a>
102-9	Supply chain	<a href="#">Supply Chain</a>
102-10	Significant changes to the organization and its supply chain	<a href="#">Annual Report</a>
102-11	Precautionary Principle or approach	<a href="#">Proxy Statement</a>
102-13	Membership of associations	<a href="#">Stakeholder Engagement</a>
EU1	Installed capacity	<a href="#">Annual Report By The Numbers</a>
EU2	Net energy output	
EU3	Number of residential, industrial, institutional and commercial customer accounts	
EU4	Length of above and underground transmission and distribution lines by regulatory regime	<a href="#">Annual Report</a>
EU10	Planned capacity against projected electricity demand over the long term	<a href="#">Ten-Year Power Plant Site Plan</a>
GRI 102: Strategy		
102-14	Statement from senior decision-maker	<a href="#">CEO Letter</a>
102-15	Key impacts, risks and opportunities	<a href="#">Annual Report</a> <a href="#">Cautionary Statements</a> <a href="#">CEO Letter</a> <a href="#">Governance</a> <a href="#">Renewable Energy</a>

## APPENDIX E

# Global Reporting Initiative Metrics

General Disclosures		
GRI 102: Ethics & Integrity		
102-18	Governance structure	<a href="#">Corporate Governance Integrity and Accountability in Governance</a>
102-19	Delegating authority	<a href="#">CEO Letter</a>
102-20	Executive-level responsibility for economic, environmental and social topics	<a href="#">CEO Letter</a> <a href="#">Sustainability Resources</a>
102-21	Consulting stakeholders on economic, environmental and social topics	<a href="#">Proxy Statement</a>
102-22	Composition of the highest governance body and its committees	<a href="#">Proxy Statement</a> <a href="#">Board of Directors</a> <a href="#">Corporate Governance</a>
102-23	Chair of the highest governance body	<a href="#">Proxy Statement</a>
102-24	Nominating and selecting the highest governance body	<a href="#">Corporate Governance</a> <a href="#">Proxy Statement</a>
102-25	Conflicts of interest	<a href="#">Corporate Governance</a>
102-26	Role of highest governance body in setting purpose, values and strategy	<a href="#">Proxy Statement</a>
102-27	Collective knowledge of highest governance body	<a href="#">Proxy Statement</a>
102-28	Evaluating the highest governance body's performance	<a href="#">Corporate Governance</a> <a href="#">Proxy Statement</a>
102-29	Identifying and managing economic, environmental and social impacts	<a href="#">Integrity and Accountability in Governance</a> <a href="#">Proxy Statement</a>
102-30	Effectiveness of risk management processes	<a href="#">Proxy Statement</a> <a href="#">Annual Report</a>
102-31	Review of economic, environmental and social topics	<a href="#">Proxy Statement</a> <a href="#">Annual Report</a>
102-32	Highest governance body's role in sustainability reporting	Subject matter experts and senior management, including chairman and CEO, approve reports
102-33	Communicating critical concerns	<a href="#">Corporate Governance</a> <a href="#">Proxy Statement</a>
102-34	Nature and total number of critical concerns	<a href="#">Corporate Governance</a> <a href="#">Proxy Statement</a>

General Disclosures		
102-35	Remuneration policies	<a href="#">Proxy Statement</a>
102-36	Process for determining remuneration	
102-37	Stakeholders' involvement in remuneration	
102-38	Annual total compensation ratio	
GRI 102: Stakeholder Engagement		
102-40	List of stakeholder groups	<a href="#">Stakeholder Engagement</a>
102-41	Collective bargaining agreements	<a href="#">Annual Report</a>
102-42	Identifying and selecting stakeholders	<a href="#">Stakeholder Engagement</a>
102-43	Approach to stakeholder engagement	<a href="#">Stakeholder Engagement</a> <a href="#">Customer Service</a> <a href="#">Our Partners</a> <a href="#">Engaging in Dialogue</a>
102-44	Key topics and concerns raised	<a href="#">Stakeholder Engagement</a> <a href="#">Proxy Statement</a>
GRI 102: Reporting Practice		
102-45	Entities included in the consolidated financial statements	<a href="#">Annual Report</a>
102-46	Defining report content and topic boundaries	<a href="#">Stakeholder Engagement</a>
102-47	List of material topics	
102-48	Restatements of information	This report contains no restatements of data for prior years.
102-49	Changes in reporting	<a href="#">Annual Report</a>
102-50	Reporting period	Calendar year 2020, except where otherwise noted
102-51	Date of most recent report	July 2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	NextEra Energy, Inc., Attn: Investor Relations 700 Universe Blvd., Juno Beach, FL 33408 (561) 694-4000
102-54	Claims of reporting in accordance with the GRI Standards	Global Reporting Initiative Index
102-55	GRI content index	



## APPENDIX E

# Global Reporting Initiative Metrics

General Disclosures		
102-56	External assurance	We did not seek external assurance for the entirety of the report.
GRI 103: Management Approach		
103-1	Explanation of the material topic and its boundary	<a href="#">Stakeholder Engagement</a>
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
Economic		
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	<a href="#">Annual Report By The Numbers</a>
201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Cautionary Statements Annual Report</a>
201-3	Defined benefit plan obligations and other retirement plans	<a href="#">Annual Report</a>
201-4	Financial assistance received from government	
GRI 203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	<a href="#">CEO Letter</a> <a href="#">Economic Development Our Communities</a> <a href="#">Our Customers</a> <a href="#">Natural Gas</a> <a href="#">Nuclear</a> <a href="#">Renewable Energy</a> <a href="#">Powering Florida</a> <a href="#">By The Numbers</a>
203-2	Significant indirect economic impacts	<a href="#">Economic Development</a> <a href="#">Powering Florida</a> <a href="#">FPL Community</a> <a href="#">Providing Community Support</a> <a href="#">Our Communities</a>
204: Procurement Practices		
204-1	Proportion of spending on local suppliers	<a href="#">Supply Chain</a>
205-1	Operations assessed for risks related to corruption	<a href="#">Governance</a> <a href="#">Code of Business Conduct &amp; Ethics</a>

Economic		
GRI 205: Anti-Corruption		
205-1	Operations assessed for risks related to corruption	<a href="#">Governance</a> <a href="#">Code of Business Conduct &amp; Ethics</a>
205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Governance</a> <a href="#">Code of Business Conduct &amp; Ethics</a>
205-3	Confirmed incidents of corruption and actions taken	<a href="#">Code of Business Conduct &amp; Ethics</a>
GRI 206: Anti-Competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<a href="#">Annual Report</a>
GRI 207: Tax		
207-1	Approach to tax	<a href="#">Annual Report</a>
207-2	Tax governance, control, and risk management	
207-3	Stakeholder engagement and management of concerns related to tax	
207-4	Country-by-country reporting	
Social		
GRI 403: Occupational Health & Safety		
403-1	Occupational health and safety management system	<a href="#">Employee Safety</a>
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">Health &amp; Well-Being</a> <a href="#">Employee Safety</a>
403-9	Work-related injuries	<a href="#">Employee Safety</a> <a href="#">By The Numbers</a>

## APPENDIX E

# Global Reporting Initiative Metrics

Social		
EU18	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	<a href="#">Employee Safety</a>
<b>GRI 404: Training &amp; Education</b>		
404-1	Average hours of training per year per employee	<a href="#">Learning and Development</a>
404-2	Programs for upgrading employee skills and transition assistance programs	
404-3	Percentage of employees receiving regular performance and career development reviews	
<b>GRI 405: Diversity &amp; Equal Opportunity</b>		
405-1	Diversity of governance bodies and employees	<a href="#">Proxy Statement</a> <a href="#">Our Employees</a>
<b>GRI 407: Freedom of Association &amp; Collective Bargaining</b>		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<a href="#">Supply Chain</a> <a href="#">Supplier Code of Conduct</a>
<b>GRI 408: Child Labor</b>		
408-1	Operations and suppliers at significant risk for incidents of child labor	<a href="#">Supply Chain</a> <a href="#">Supplier Code of Conduct</a>
<b>GRI 409: Forced or Compulsory Labor</b>		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">Supply Chain</a> <a href="#">Supplier Code of Conduct</a>
<b>GRI 411: Rights of Indigenous Peoples</b>		
411-1	Incidents of violations involving rights of indigenous peoples	<a href="#">Our Communities</a>
<b>GRI 412: Human Rights Assessment</b>		
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<a href="#">Supply Chain</a> <a href="#">Supplier Code of Conduct</a>
<b>GRI 413: Local Communities</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	<a href="#">Our Communities</a> <a href="#">Economic Development</a> <a href="#">Powering Florida</a> <a href="#">Our Customers</a>

Social		
413-2	Operations with significant actual and potential negative impacts on local communities	<a href="#">Economic Development</a> <a href="#">Our Communities</a> <a href="#">Our Customers</a>
<b>GRI 414: Supplier Social Assessment</b>		
414-1	New suppliers that were screened using social criteria	<a href="#">Supply Chain</a> <a href="#">Supplier Code of Conduct</a>
414-2	Negative social impacts in the supply chain and actions taken	
<b>GRI 415: Public Policy</b>		
415-1	Political contributions	<a href="#">Political Engagement Policy</a> <a href="#">Advocating for Public Policy</a>
<b>GRI 416: Customer Health &amp; Safety</b>		
416-1	Assessment of the health and safety impacts of product and service categories	<a href="#">Affordable Reliability</a> <a href="#">Employee Safety</a> <a href="#">Public Safety</a> <a href="#">Safety and Electricity</a>
EU28	Power outage frequency	<a href="#">By The Numbers</a>
EU29	Average power outage duration	
<b>GRI 417: Marketing &amp; Labeling</b>		
417-1	Requirements for product and service information and labeling	<a href="#">Public Safety</a>
417-2	Incidents of non-compliance concerning product and service information and labeling	<a href="#">Annual Report</a>
417-3	Incidents of non-compliance concerning marketing communications	
<b>GRI 418: Customer Privacy</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">Privacy Policy</a>
<b>GRI 419: Socioeconomic Compliance</b>		
419-1	Non-compliance with laws and regulations in the social and economic area	<a href="#">Annual Report</a>



## APPENDIX E

# Global Reporting Initiative Metrics

Environmental		
GRI 301: Materials		
301-2	Recycled input materials used	<a href="#">Waste Management</a>
GRI 302: Energy		
302-2	Energy consumption outside of the organization	<a href="#">Energy Efficiency</a> <a href="#">Air and Water</a>
302-4	Reduction of energy consumption	<a href="#">Energy Efficiency</a> <a href="#">Air and Water</a>
302-5	Reductions in energy requirements of products and services	<a href="#">Renewable Energy</a> <a href="#">Affordable Reliability</a>
GRI 303: Water & Effluents		
303-1	Interactions with water as a shared resource	<a href="#">Air and Water</a> <a href="#">By The Numbers</a>
303-2	Management of water discharge-related impacts	
303-3	Water withdrawal	
303-4	Water discharge	
303-5	Water consumption	
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<a href="#">Wildlife and Habitat</a>
304-2	Significant impacts of activities, products, and services on biodiversity	
304-3	Habitats protected or restored	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<a href="#">Wildlife and Habitat</a> <a href="#">Managing and Mitigating Risk</a>
EU13	Biodiversity of offset habitats compared to the biodiversity of the affected areas	<a href="#">Everglades Mitigation Bank</a> <a href="#">Wildlife and Habitat</a> <a href="#">Managing and Mitigating Risk</a>

Environmental		
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	<a href="#">By The Numbers</a>
305-4	GHG emissions intensity	<a href="#">Air and Water</a> <a href="#">By The Numbers</a>
305-5	Reduction of GHG emissions	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 306: Effluents & Waste		
306-2	Waste by type and disposal method	<a href="#">By The Numbers</a>
306-3	Significant spills	
GRI 307: Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	<a href="#">By The Numbers</a> <a href="#">Managing and Mitigating Risk</a>
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	<a href="#">Supply Chain</a> <a href="#">Supplier Code of Conduct</a>
308-2	Negative environmental impacts in the supply chain and actions taken	

## APPENDIX F

# Emissions Data and [Third-Party Emissions Assurance Statement](#)

Our 2020 Scope 1, Scope 2 and Scope 3 emissions inventory received independent third-party verification. The verification activities were conducted in alignment with the principles of ISO-14064-3:2006(E) Specifications with Guidance for the Validation and Verification of Greenhouse Gas Assertions. Our GHG emissions rate (lbs of CO<sub>2</sub> per MWh) was also verified as part of this process.

Scope 1 emissions were reported for Stationary and Mobile sources. Scope 2 (Location-Based) emissions were reported for office facilities (owned or leased) over 5,000 square feet, not served by FPL or Gulf Power. Emissions were estimated using actual kWh purchases (when available), sq. footage and a national average CO<sub>2</sub> emissions factor derived from electric sector emissions and generation data. Scope 2 (Market-Based) emissions were reported for office facilities (owned or leased) over 5,000 square feet, not served by FPL or Gulf Power. Emissions were estimated using actual kWh purchases (when available), sq. footage and Green-e Energy Residual Mix Emissions Rates (2018). Scope 3 emissions were reported as per GHG Protocol Scope 3 Standards Category 6 (Business Travel) based on employee vehicle mileage, rental car mileage and air mileage expenses.

	2020
Scope 1 Emissions	43,311,568 MT CO <sub>2</sub> e
Scope 2 Emissions (Location-Based)	14,539 MT CO <sub>2</sub> e
Scope 2 Emissions (Market-Based)	15,114 MT CO <sub>2</sub> e
Scope 3 Emissions (Business Travel)	6,017 MT CO <sub>2</sub> e
Emissions Rate	438 lbs CO <sub>2</sub> per MWh

### Verification Statement NextEra – CY2020 GHG Inventory

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#### Background

Cameron-Cole, LLC (Cameron-Cole) has been retained by NextEra to perform a verification of its Scope 1, 2 and 3 greenhouse gas (GHG) emissions inventory for calendar year (CY) 2020. NextEra prepared its Scope 1 and 2 GHG Inventory using WRI/WBCSD GHG Protocol (GHG Protocol) and associated amendments. The Scope 3 GHG Inventory was prepared using WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard dated September 2011 and associated amendments. Cameron-Cole also verified NextEra's GHG emissions rate (lbs of CO<sub>2</sub> per MWh) as part of this engagement. Our opinion on the results of the inventory, with respect to the verification objectives and criteria, is provided in this statement.

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#### Responsibility of NextEra & Independence of Verification Provider

NextEra has sole responsibility for the content of its GHG Inventory. Cameron-Cole accepts no responsibility for any changes that may have occurred to the GHG emissions results since they were submitted to us for review. Based on internationally accepted norms for impartiality, we believe our review represents an independent assessment of NextEra's CY2020 GHG Emissions Inventory. Finally, the opinion expressed in this verification statement should not be relied upon as the basis for any financial or investment decisions.

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#### Level of Assurance

The level of assurance is used to determine the depth of detail that a Verification Body designs into the Verification Plan to determine if there are material errors, omissions or misstatements in a company's GHG assertions. Two levels of assurance are generally recognized – reasonable and limited. Reasonable Assurance generates the highest level of confidence that an emissions report is materially correct (with the exception of Absolute Assurance which is generally impractical for companies to achieve). Limited Assurance provides less confidence, and involves less detailed examination of GHG data and supporting documentation. Limited Assurance statements assert that there is no evidence that an emissions report is not materially correct. Cameron-Cole's verification of NextEra's GHG Emissions Inventory and emissions rate for CY2020 was constructed to provide a Limited Level of Assurance.

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#### Objectives

The primary objectives of this verification assignment were as follows:

- Determine whether NextEra's 2020 GHG emissions inventory meets/exceeds the 95% threshold for accuracy for Scope 1 and 2 combine and for Scope 3 emissions, assessed separately,
- Determine whether NextEra's 2020 NextEra's GHG emissions rate (lbs of CO<sub>2</sub> per MWh) meets/exceeds the 95% threshold for accuracy and,
- Evaluate the conformance of NextEra's accounting and calculation methodologies, processes and systems to the WRI/WBCSD GHG Protocol and WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

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#### Verification Criteria

Cameron-Cole conducted verification activities in alignment with the principles of ISO-14064-3:2006(E) Specifications with Guidance for the Validation and Verification of Greenhouse Gas Assertions. The

### Verification Statement NextEra – CY2020 GHG Inventory

NextEra inventory was prepared to, and verified against, the WRI/WBCSD GHG Protocol and WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

#### Verification Scope & Assertions

The scope of the verification covers NextEra's CY2020 GHG Emissions Inventory with the following boundaries:

- Geographical:** United States
- Chemical:** carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O), methane (CH<sub>4</sub>)
- Organizational Boundary:** NextEra has defined its organizational reporting boundary based on financial control
- Operational Boundary:** The following sources/emissions were identified in NextEra's organizational boundary
  - Scope 1**
    - Direct Emissions from Stationary Combustion Sources: fossil fuel combustion emissions reported using continuous emission monitoring systems
    - Direct Emissions from Mobile Combustion Sources: vehicle fleet and aviation
  - Scope 2**
    - Indirect Emissions from Purchased Electricity at 18 locations (based primarily on square footage and electricity intensity factors)
  - Scope 3**
    - Business travel: Air travel and reimbursed mileage

In addition to the scope listed above, Cameron-Cole verified NextEra's GHG emissions rate (lbs of CO<sub>2</sub> per MWh).

Known exclusions from NextEra's reporting boundaries include the following:

- Scope 1**
  - Direct Fugitive Emissions: HFC emissions from stationary and mobile equipment and vehicles; CO<sub>2</sub> fire-suppression systems and SF<sub>6</sub>
  - Direct Emissions from Stationary Combustion Sources: emergency and non-emergency generators that are not at fossil power plants used for power delivery (substations, service centers), office buildings, storm restoration (staging sites), and renewable energy plants
- Scope 2**
  - Indirect Emissions from Purchased Electricity: at buildings smaller than 5,000 square feet; electricity purchased for operations within the protected area during periodic nuclear refueling outages
  - Indirect Emissions from Purchased Heating

For CY2020, NextEra's GHG assertions are as follows: 43,311,568 metric tons (MT) of carbon dioxide equivalents (CO<sub>2</sub>e) from direct emission sources (Scope 1), 14,539 MT CO<sub>2</sub>e from location-based Scope 2 emission sources, 15,114 MT CO<sub>2</sub>e from market-based Scope 2 emission sources and 6,017

2 | Page

### Verification Statement NextEra – CY2020 GHG Inventory

MT CO<sub>2</sub>e of Scope 3 emissions from business travel. NextEra's reported emissions rate is 438 lbs of CO<sub>2</sub> per MWh.

#### Verification Opinion

Based on the method employed and the results of our verification activities, Cameron-Cole has found no evidence of material errors, omissions or misstatements in NextEra's CY2020 GHG Inventory or emissions rate within the boundaries described above. Cameron-Cole also found that NextEra's GHG accounting and calculation methodologies, processes and systems for this inventory conform to the WRI/WBCSD GHG Protocol and WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Cameron-Cole, LLC  
June 25, 2021

**Chris Lawless**  
 Lead Verifier  
 Director, GHG Management Services

**H Dru Krupinsky**  
 Independent Reviewer  
 Senior Strategist, Sustainability Services

3 | Page

# Forward-Looking Statements

This report contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical facts, but instead represent the current expectations of NextEra Energy, Inc. (together with its subsidiaries, NextEra Energy) regarding future operating results and other future events, many of which, by their nature, are inherently uncertain and outside of NextEra Energy’s control. Forward-looking statements in this report include, among others, statements concerning adjusted earnings per share expectations and future operating performance, statements concerning future dividends, [and results of acquisitions. In some cases, you can identify the forward-looking statements by words or phrases such as “will,” “may result,” “expect,” “anticipate,” “believe,” “intend,” “plan,” “seek,” “potential,” “projection,” “forecast,” “predict,” “goals,” “target,” “outlook,” “should,” “would” or similar words or expressions. You should not place undue reliance on these forward-looking statements, which are not a guarantee of future performance. The future results of NextEra Energy and its business and financial condition are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, or may require it to limit or eliminate certain operations. These risks and uncertainties include, but are not limited to, those discussed in this report and the following: effects of extensive regulation of NextEra Energy’s business operations; inability of NextEra Energy to recover in a timely manner any significant amount of costs, a return on certain assets or a reasonable return on invested capital through base rates, cost recovery clauses, other regulatory mechanisms or otherwise; impact of political, regulatory and economic factors on regulatory decisions important to NextEra Energy; disallowance of cost recovery based on a finding of imprudent use of derivative instruments; effect of any reductions or modifications to, or elimination of, governmental incentives or policies that support utility scale renewable energy projects or the imposition of additional tax laws, policies or assessments on renewable energy; impact of new or revised laws, regulations, interpretations or ballot or regulatory initiatives on NextEra Energy; capital expenditures, increased operating costs and various liabilities attributable to environmental laws, regulations and other standards applicable to NextEra Energy; effects on NextEra Energy of federal or state laws or regulations mandating new or additional limits on the production of greenhouse gas emissions; exposure of NextEra Energy to significant and increasing compliance costs and substantial monetary penalties and other sanctions as a result of extensive federal regulation of its operations and businesses; effect on NextEra Energy of changes in tax laws, guidance or policies as well as in judgments and estimates used to determine tax-related asset and liability amounts; impact on NextEra Energy of adverse results of litigation; effect on

NextEra Energy of failure to proceed with projects under development or inability to complete the construction of (or capital improvements to) electric generation, transmission and distribution facilities, gas infrastructure facilities or other facilities on schedule or within budget; impact on development and operating activities of NextEra Energy resulting from risks related to project siting, financing, construction, permitting, governmental approvals and the negotiation of project development agreements; risks involved in the operation and maintenance of electric generation, transmission and distribution facilities, gas infrastructure facilities, retail gas distribution system in Florida and other facilities; effect on NextEra Energy of a lack of growth or slower growth in the number of customers or in customer usage; impact on NextEra Energy of severe weather and other weather conditions; threats of terrorism and catastrophic events that could result from terrorism, cyberattacks or other attempts to disrupt NextEra Energy’s business or the businesses of third parties; inability to obtain adequate insurance coverage for protection of NextEra Energy against significant losses and risk that insurance coverage does not provide protection against all significant losses; a prolonged period of low gas and oil prices could impact NextEra Energy’s gas infrastructure business and cause NextEra Energy to delay or cancel certain gas infrastructure projects and could result in certain projects becoming impaired; risk of increased operating costs resulting from unfavorable supply costs necessary to provide full energy and capacity requirement services; inability or failure to manage properly or hedge effectively the commodity risk within its portfolio; effect of reductions in the liquidity of energy markets on NextEra Energy’s ability to manage operational risks; effectiveness of NextEra Energy’s risk management tools associated with its hedging and trading procedures to protect against significant losses, including the effect of unforeseen price variances from historical behavior; impact of unavailability or disruption of power transmission or commodity transportation facilities on sale and delivery of power or natural gas; exposure of NextEra Energy to credit and performance risk from customers, hedging counterparties and vendors; failure of counterparties to perform under derivative contracts or of requirement for NextEra Energy to post margin cash collateral under derivative contracts; failure or breach of NextEra Energy’s information technology systems; risks to NextEra Energy’s retail businesses from compromise of sensitive customer data; losses from volatility in the market values of derivative instruments and limited liquidity in over-the-counter markets; impact of negative publicity; inability to maintain, negotiate or renegotiate acceptable franchise agreements; occurrence of work strikes or stoppages and increasing personnel costs; NextEra Energy’s ability to successfully identify, complete and integrate acquisitions, including the effect of increased competition for acquisitions; environmental, health and financial risks associated with ownership and

operation of nuclear generation facilities; liability of NextEra Energy for significant retrospective assessments and/or retrospective insurance premiums in the event of an incident at certain nuclear generation facilities; increased operating and capital expenditures and/or reduced revenues at nuclear generation facilities resulting from orders or new regulations of the Nuclear Regulatory Commission; inability to operate any of NextEra Energy’s owned nuclear generation units through the end of their respective operating licenses; effect of disruptions, uncertainty or volatility in the credit and capital markets or actions by third parties in connection with project-specific or other financing arrangements on NextEra Energy’s ability to fund its liquidity and capital needs and meet its growth objectives; inability to maintain current credit ratings; impairment of liquidity from inability of credit providers to fund their credit commitments or to maintain their current credit ratings; poor market performance and other economic factors that could affect NextEra Energy’s defined benefit pension plan’s funded status; poor market performance and other risks to the asset values of nuclear decommissioning funds; changes in market value and other risks to certain of NextEra Energy’s investments; effect of inability of NextEra Energy subsidiaries to pay upstream dividends or repay funds to NextEra Energy or of NextEra Energy’s performance under guarantees of subsidiary obligations on NextEra Energy’s ability to meet its financial obligations and to pay dividends on its common stock; the fact that the amount and timing of dividends payable on NextEra Energy’s common stock, as well as the dividend policy approved by NextEra Energy’s board of directors from time to time, and changes to that policy, are within the sole discretion of NextEra Energy’s board of directors and, if declared and paid, dividends may be in amounts that are less than might be expected by shareholders; NextEra Energy Partners, LP’s inability to access sources of capital on commercially reasonable terms could have an effect on its ability to consummate future acquisitions and on the value of NextEra Energy’s limited partner interest in NextEra Energy Operating Partners, LP; effects of disruptions, uncertainty or volatility in the credit and capital markets on the market price of NextEra Energy’s common stock; and the ultimate severity and duration of public health crises, epidemics and pandemics, including the coronavirus pandemic, and its effects on NextEra Energy’s or FPL’s businesses. NextEra Energy discusses these and other risks and uncertainties in its annual report on Form 10-K for the year ended December 31, 2020 and other Securities and Exchange Commission (SEC) filings, and this report should be read in conjunction with such SEC filings. The forward-looking statements made in this report are made only as of the date of this report and NextEra Energy undertakes no obligation to update any forward-looking statements.





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**[NextEraEnergy.com](http://NextEraEnergy.com)**

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