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VISION AND STRATEGY: A LETTER FROM OUR CHAIRMAN, PRESIDENT AND CEO

To all our stakeholders:

It is the honor of my professional life to lead the best team in our industry at NextEra Energy. Our team has a clear vision: We will help lead the decarbonization of the U.S. economy. This vision is bold – even unprecedented. Yet, it's consistent with our decades-long record of performance for all our stakeholders, including our accomplishments and goals related to environmental, social and governance (ESG) that we share with you in this report.

I joined this company nearly 20 years ago, and right away was given the opportunity to work on a game-changing step we took at that time to move forward to a clean energy future. That transaction was the conversion of a gas turbine contract with General Electric, still one of our largest suppliers today, to a contract for wind turbines. We made that decision because we saw something others didn't see, that renewables would soon become the low-cost generation source of choice.

Our first-mover advantage in wind at what is now NextEra Energy Resources was soon expanded to solar. We started first with solar-thermal technology, but then photovoltaic technology came along and was a game-changer for us and for our entire economy, and our solar business began to take off. Over the years, NextEra Energy Resources became the largest generator of wind and solar energy in the world.

WE PLAN TO DECARBONIZE OURSELVES, STARTING AT FPL, WITH THE MOST AMBITIOUS GOAL SET BY ANY U.S. UTILITY OR POWER PROVIDER TO DATE, AND THE SECTOR'S ONLY ONE TO NOT REQUIRE CARBON OFFSETS. OUR GOAL IS TO ACHIEVE REAL ZERO™ BY NO LATER THAN 2045 ... ZERO CARBON EMISSIONS, 100% CLEAN ENERGY, AT NO INCREMENTAL COST TO OUR CUSTOMERS.

Over this same period, Florida Power & Light Company (FPL) led its own transformation. FPL was already one of the best utilities in the nation. But the FPL team was not satisfied 20 years ago, and still is not satisfied today, and we have chosen to be a first mover in the utility space time and time again. FPL voluntarily reduced our reliance on foreign oil by 99% starting in 2001. We were also one of the very first utilities to fully deploy smart meters across our service area and to launch a comprehensive storm hardening program to help us restore power faster after major storms and to help us improve everyday reliability. And FPL was also the first utility to really go after renewables as a way to reduce customer bills relative to alternatives.



John Ketchum – NextEra Energy's chairman, president and CEO.

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Both FPL and NextEra Energy Resources continue to be industry leaders. Several years ago, both businesses invested in battery storage, which is the holy grail of renewables because it can help make wind and solar energy a nearly firm energy product. Today, our vision is focused on deploying even more renewables and storage, which in the future we expect to be supplemented by green hydrogen as a way to convert gas turbines to generate emissions-free baseload generation. We have built both FPL and NextEra Energy Resources through a series of toe-in-the-water investments that over time have added up to something big, a scalable platform, built from the ground up, and centered on the best opportunity set and team in the industry.

WE PLAN TO BECOME THE PREFERRED U.S. PARTNER FOR RENEWABLE ENERGY INFRASTRUCTURE SOLUTIONS OF FORTUNE 1000 CUSTOMERS THAT ARE TRYING TO ACHIEVE THEIR OWN SUSTAINABILITY GOALS.

Our vision to help decarbonize the U.S. economy is based upon that scalable platform and everything else that has made our company successful over at least the last 20 years. We plan to achieve our vision in four ways, simultaneously:

- » We plan to decarbonize ourselves, starting at FPL, and starting with the most ambitious goal set by any U.S. utility or power provider to date, and the sector's only one to not require carbon offsets. Our goal is to achieve Real Zero, meaning we will be carbon emissions free by no later than 2045. Described in our Zero Carbon Blueprint™, Real Zero means exactly that: zero carbon emissions, 100% clean energy, at no incremental cost to our customers.
- » We plan to partner with our peer companies to help decarbonize the rest of the U.S. power sector, continuing the work that NextEra Energy Resources has done with investor-owned utilities, municipalities and cooperatives over the last 20 years. We believe that, as we work toward our own Real Zero goal, we will further develop the capabilities that can help other power companies meet their own goals.
- » We plan to partner with companies outside the power sector to help lead the decarbonization of the rest of the U.S. economy. We aim to become the preferred U.S. partner for renewable energy infrastructure solutions of Fortune 1000 customers that are trying to achieve their own sustainability goals, especially in sectors with high electric use or high emissions.
- » We plan to continue to build the nation's leading competitive transmission business to help provide the backbone for the significant renewables expansion that we believe is coming.

Many other elements of our ESG strategy are discussed throughout this report, such as the measurable progress we have made on racial equity at our company, especially over the last two years. We have also committed to additional disclosures on various metrics related to diversity, equity and inclusion. I am proud of our team's efforts and am honored to have joined a board of directors that has such a strong commitment to corporate governance and ethics and which provides oversight of every facet of NextEra Energy's strategy that is reflected in this document.

Our company has made many ambitious goals. Some, such as reliable and affordable electric service, date from the founding of our company nearly a century ago. Others, such as our new Real Zero goal, keep us focused on what we can achieve in the decades ahead. Reaching each of our goals is the imperative of the most talented team in our industry. Over the last 20 years, and especially over the last six months, I have become even more grateful for all my colleagues who come to work every day focused on delivering even more value to our customers and who challenge themselves to make our company even better.

On behalf of our more than 15,000-member team, thank you for your interest in learning more about NextEra Energy and all our ESG accomplishments and goals.

JOHN KETCHUM
NEXTERA ENERGY CHAIRMAN, PRESIDENT AND CEO

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NEXTERA ENERGY'S BLUEPRINT TO REACH REAL ZERO BY ELIMINATING CARBON EMISSIONS BY NO LATER THAN 2045

Today, we see a pathway to a completely carbon-emissions-free power sector by no later than 2050, with a combination of zero-carbon-emissions resources and short-term and long-term energy storage. We believe that the transition to affordable renewable energy isn't an option; it's the solution. Years before many Fortune 500 companies considered transitioning away from fossil fuels to renewable energy, we were building solar and wind projects, and closing oil- and coal-fired power plants. We're now poised to build on our decades of innovation, as we work to fulfill our long-standing vision to be the largest and cleanest energy provider in the world.

OUR GOAL IS TO BE COMPLETELY CARBON EMISSIONS FREE BY NO LATER THAN 2045. OUR GOAL INCLUDES MEANINGFUL MILESTONES IN FIVE-YEAR INCREMENTS.

The road to decarbonizing the U.S. economy requires every industry to assess its role and set goals that will lead to the greatest possible impact. As the largest U.S. utility company, we know our sector can lead the way. Today, we're setting an ambitious goal for our company that should catalyze progress for our sector and for the U.S. economy. Our goal is to be completely carbon emissions free by no later than 2045.* Our goal includes meaningful milestones in five-year increments that would allow us to reach Real Zero emissions by no later than 2045.

NextEra Energy has been working to reduce our carbon dioxide (CO₂)-emissions rate for decades, and as of 2021 has achieved a 58% reduction, compared to a 2005 adjusted baseline. While we've had emissions-rate-reduction goals since 2018 and worked to reduce emissions years before setting goals, we've always said that we did not want to commit to a full decarbonization goal until we could see the full path. That time is now.

*Greenhouse gas (GHG) emissions are reported in our annual GHG inventory as metric tons carbon dioxide equivalent (CO₂e), and include carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).



Employees from left, Devon Wing, Will Rosenboom and Stefan Hansen are among the first to work at the company's Wheatridge Renewable Energy Facility where solar, wind and battery energy storage merge into a winning combination to reach Real Zero.

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NEXTERA ENERGY'S REAL ZERO GOAL

Our Real Zero goal is the most ambitious target set by an energy producer, and the sector's only one to not require carbon offsets for success. We've been an industry leader for at least 30 years, and our size, scale and expertise position us to lead the energy sector to Real Zero. Our Real Zero goal aligns with our view that our nation must be energy independent and that America's energy can and should be carbon emissions free, and affordable.

NextEra Energy's ability to produce power with zero-carbon emissions means our energy customers can meet their emissions goals. We can help make any such goal achievable, affordable and on a faster pace.

For our current and future customers, whatever your emissions-reduction goals, NextEra Energy would be prepared to be your partner of choice, using our unmatched expertise to accelerate your success.

We're in this to lead our industry and drive change. And we want to bring the U.S. economy with us on this journey.

Producing electricity at Real Zero would be a game-changer – for our customers, the U.S. electric power sector and the entire U.S. economy.

NextEra Energy's Real Zero goal would catalyze the decarbonization of the U.S. economy along three parallel paths.

First, we intend to decarbonize our own business, beginning with our goal to reach Real Zero emissions, without the need for carbon offsets, by no later than 2045. We've been prudently investing in decarbonizing our own operations for decades and this is an extension of our core values.

Second, we plan to help decarbonize more of the U.S. power sector – investor-owned utilities (IOUs), municipalities and cooperatives – through continued investments and innovation in wind, solar, storage and green hydrogen projects.

Third, we expect to help lead the decarbonization of the U.S. economy – by working to become the preferred partner for customers to help them reduce or eliminate carbon emissions in their operations. We would also use our experts and data analytics to help our commercial and industrial customers reach their own net zero or strive to achieve Real Zero goals.

LEADING THE DECARBONIZATION OF THE U.S. ECONOMY

Learn more in
our **Zero Carbon
Blueprint**

Decarbonize

First
NextEra Energy

Second
U.S. power sector

Third
U.S. economy

Strategy and measurable milestones

We plan to decarbonize our company and achieve our Real Zero goal by doubling down on our core businesses at FPL and NextEra Energy Resources. We would continue to smartly invest capital at FPL, and increase our investments in renewable energy, storage and innovation. We're also setting clear, interim emissions-reduction milestones to hold ourselves accountable and demonstrate measurable progress to our stakeholders. Value, affordability, reliability and resiliency for our customers remain our priority.

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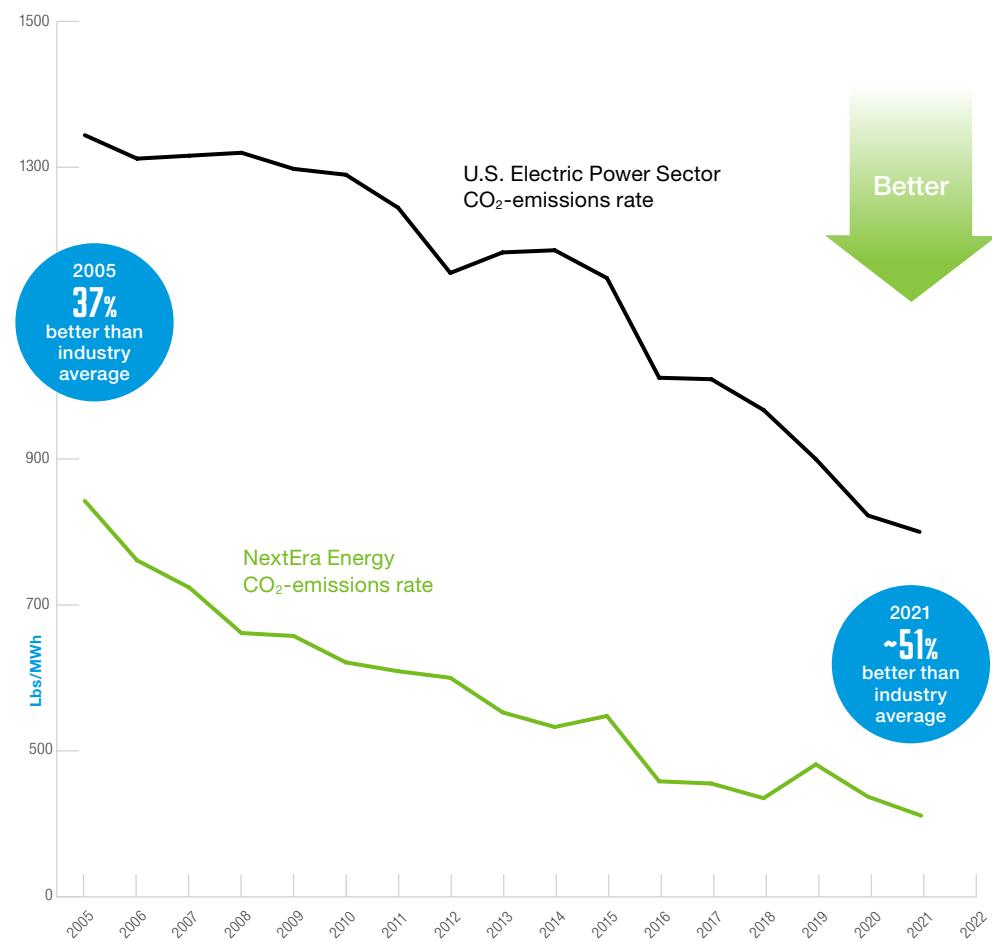
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OUR CO₂-EMISSIONS RATE IS SIGNIFICANTLY BETTER THAN THE INDUSTRY AVERAGE DUE TO OUR CLEAN ENERGY INVESTMENTS AND ACTIONS

Others in our sector are today reaching carbon-emissions-reduction levels we achieved 15 years ago.



2005 Continued the transition away from foreign oil and added 2,214 megawatts (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 of natural gas and 1,060 MW of wind.

2008 Added 25 MW of solar, 2,500 MW of 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 addition, added 1,250 MW of natural gas, 378 MW of wind, 5 MW of solar.

2012 Completed 514-MW nuclear addition, 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 and 924 MW of solar, and completed a 26-MW nuclear addition.

2019 Acquired Gulf Power (which added 1,750 MW of natural gas), repowered 1,091 MW of wind, and 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 addition, repowered 1,432 MW of wind, and added 1,993 MW of solar, 2,679 MW of wind and 26 MW of energy storage.

2021 Added approximately 2,007 MW of wind, 1,547 MW of solar, 1,017 MW of battery energy storage, and repowered 435 MW of wind generating capacity.

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A sunset at the Ponderosa Wind Energy Center in Ponderosa, Okla., sends a warm glow over the renewable energy facility.

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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 environmental, social and governance (ESG) reporting. We're confident that our smart capital investments in renewable energy will be beneficial for our customers, the environment and the U.S. economy, and will support reaching our Real Zero goal.

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 zero-carbon-emissions future.

This report is aligned with the Sustainability Accounting Standards Board (SASB) framework under the Electric Utilities and Power Generators Standard and the Task Force on Climate-Related Financial Disclosures (TCFD).

We also continue to report ESG disclosures through the Edison Electric Institute (EEI) ESG/Sustainability template and the United Nations Sustainable Development Goals (SDGs), and our report includes a [Third-Party Emissions Statement](#). Additional metrics also can be found on the ESG Resources page on our [Investor Relations website](#).

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CONFRONTING CLIMATE CHANGE

At NextEra Energy, we began our journey to Real Zero in the 1980s when we invested in our first solar and wind projects. Today, we pledge to do what we can to accelerate our journey and lead the decarbonization of the entire U.S. economy.

As highlighted in this report, we envision an ambitious expansion of our existing storage and renewables portfolios and the adoption of emerging technologies to fulfill our goal of achieving Real Zero carbon emissions at NextEra Energy, as well as our endeavor to lead the decarbonization of the U.S. economy. While those technologies and wind will support broader decarbonization, additional solar, battery energy storage, green hydrogen and renewable natural gas, as well as continued use of our existing nuclear fleet, represent key steps in the drive toward decarbonization of our own operations.

Serving customers while tackling today's challenges comes with the fundamental responsibility to also look beyond the horizon to ensure we're ready to serve customers tomorrow. This is especially true in Florida, where FPL serves a rapidly growing state on the front lines of climate change and frequent 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

NextEra Energy, as a renewable energy leader, has made climate-related issues core to our overall business strategy. The entire NextEra Energy board of directors, led by our executive chairman has oversight of climate-related risks and opportunities, including their impacts 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 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 includes discussion of physical risks from climate change, such as hurricanes, climate- and emissions-related government policies, incentives and regulations, emissions-reduction initiatives, renewable energy, trends and business plans, and emerging clean energy technologies, among others.

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



Crew members team up to install new wind generating equipment during construction of the Borderlands Wind Energy Center in Quemado, N.M.

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The Cotton Creek Solar Energy Center was commissioned in Northwest Florida in March 2022.

Through the board's oversight and management's execution of our strategy, our carbon-emissions rate in 2005 was already 37% better than the U.S. electric power sector and, in 2021, was nearly 51% better than the U.S. electric power sector. Over the same period, our total generating capacity increased 72% to meet growing customer demand. These results demonstrate that, even with dramatic growth in our core business, we've reduced our already industry-leading, carbon-emissions rate much faster than the industry average – leading the way to Real Zero, we believe.

Strategy

Climate-related risks and opportunities influence our strategy across all of our businesses over the short term (less than five years), medium term (five to 10 years) and long term (greater than 10 years). As we respond to our customers' demands for emissions-free and renewable energy, climate-related risks and opportunities have influenced our financial plan for capital expenditures, acquisitions and revenues.

Customer demands also have influenced our capital plan in executing our significant renewable energy deployment and transmission line development business plans, including our grid hardening initiatives. At FPL, climate-related risks and opportunities have influenced our operational strategy, including our short- and medium-term strategy for daily operations and infrastructure planning in our integrated resource plan. This strategy is reflected in our modernization of FPL's generation fleet by first replacing old, inefficient oil, natural gas and coal plants with state-of-the-art natural gas units. We reduced our use of oil to generate electricity from 41 million barrels in 2001, the most in the country, to only 100,000 barrels of low-sulphur diesel, a fuel used as emergency backup, in 2021. In 2020, we converted the Gulf Clean Energy Center, formerly Plant Crist, to natural gas, cutting its CO₂-emissions rate by 40%. With the 2020 retirement of FPL's Indiantown Cogeneration facility, 2021 was the first time in nearly 70 years that there were 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 CO₂ emissions annually.

CLIMATE-RELATED RISKS AND OPPORTUNITIES INFLUENCE OUR STRATEGY ACROSS ALL OF OUR BUSINESSES OVER THE SHORT TERM, MEDIUM TERM AND LONG TERM.

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. At the end of 2021, FPL had approximately 3,164 MW of solar generation capacity on its system, making it the largest producer of solar energy-generated electricity in Florida. By the end of 2031, FPL projects that it will have approximately 12,626 MW of photovoltaic (PV) solar generation. Company projections show that the cleanest energy sources, such as low-emissions natural gas, zero-carbon-emissions nuclear and solar, will provide approximately 99% of all energy produced in FPL's system in 2031, putting the company well on its way to attaining Real Zero. Our decarbonization goals also includes converting current natural gas generation to green hydrogen or renewable natural gas in the future.

NextEra Energy has built and operates more solar power facilities than any other utility in the nation, and we have even more on the way as we work to reach our Real Zero goal and continue to build a more resilient and sustainable energy future. We believe all forms of solar play a role in a zero-carbon-emissions future and we support customers who choose to put solar panels on their roofs. In Florida, we are concerned about the growing and unnecessary state-mandated, subsidized bill credit for the very small fraction of customers who choose to buy or lease expensive rooftop solar systems, yet the credit is funded by all FPL customers, including those who can't or choose not to place solar systems on their homes.

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Employee Jana Lehn surveys solar panels at the Wheatridge Renewable Energy Facility in Lexington, Ore. The operation combines solar with wind and battery storage.

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CLIMATE-RELATED RISKS THAT MAY IMPACT OUR BUSINESS

Climate change risk type	Application to our businesses
Current/emerging regulation	<p>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, FPL must file a long-term Storm Protection Plan that details how it plans to continue to build 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 cost recovery mechanism are examples of current regulation that address risks related to climate change and severe weather events and impact how FPL receives cost recovery for its storm hardening activities.</p>
Technology	<p>Technology developments are reviewed as part of our corporate risk assessment and strategic planning processes. We are always focused on innovation and exploring new technologies. 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 and drones equipped with artificial intelligence, we're making significant investments in innovative, advanced technologies to do what's right on behalf of our customers, shareholders and other stakeholders. 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 CO₂-emissions reductions on our path to Real Zero by no later than 2045.</p>
Legal	<p>While FPL's generation portfolio emits greenhouse gases at a lower rate than most of the U.S. electric generation sector, its results of operations could be impacted to the extent that new federal or state laws or regulations impose any new greenhouse gas emissions limits or a price on CO₂ emissions. To address this potential risk, FPL's integrated resource planning and annual Ten-Year Site Plan filing with the FPSC have included CO₂ cost projections since 2007. On the other hand, we believe that any such new laws or regulations likely would increase the demand for NextEra Energy Resources' clean energy products and services.</p>
Market	<p>Investments by FPL 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 energy storage solutions. We also look at the impact of federal and state energy efficiency codes and standards. To the extent market forces drive demand for renewable energy, we believe that should only increase the opportunities available for NextEra Energy Resources.</p>
Acute/chronic physical	<p>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.</p> <p>Our continued investments and preparation at FPL 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.</p>

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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 president and 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.

Metrics and targets

The business metrics we use 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. We now expect to reach our solar panel installation goal by 2025. 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, solar and storage 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 carbon-emission reductions for our company and our customers. Our smart, long-term investments, including in wind and solar, have helped us achieve a laudable reduction in our CO₂-emissions rate, achieving a 58% reduction from an adjusted 2005 baseline. As we implement Real Zero, our goal is to eliminate scope 1 and scope 2 carbon emissions from our operations by no later than 2045, beginning with a 70% reduction in our CO₂ rate by 2025.* Read more about our Real Zero goal and our plan to achieve it in our [Zero Carbon Blueprint](#).

Our scope 1, 2 and 3 emissions data is verified by an independent third party and available in [Appendix E](#) (Emissions Data and Third-Party Emissions Assurance Statement) of this report. We also participate in the CDP (formerly known as the Carbon Disclosure Project) survey. Our 2021 response is available on our [Investor Relations website](#).



Crews construct what today is the FPL Miami-Dade Solar Center in Florida.

* We are striving to achieve our goal of Real Zero emissions by no later than 2045 so long as there is no incremental cost to customers relative to alternatives, our efforts to do so are supported by cost-effective technology advancements and constructive government policies and incentives and our investments are acceptable to our regulators. 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. Certain facilities within the NextEra Energy wind and solar generation portfolio produce Renewable Energy Credits 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.

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NEXTERA ENERGY'S ESG JOURNEY

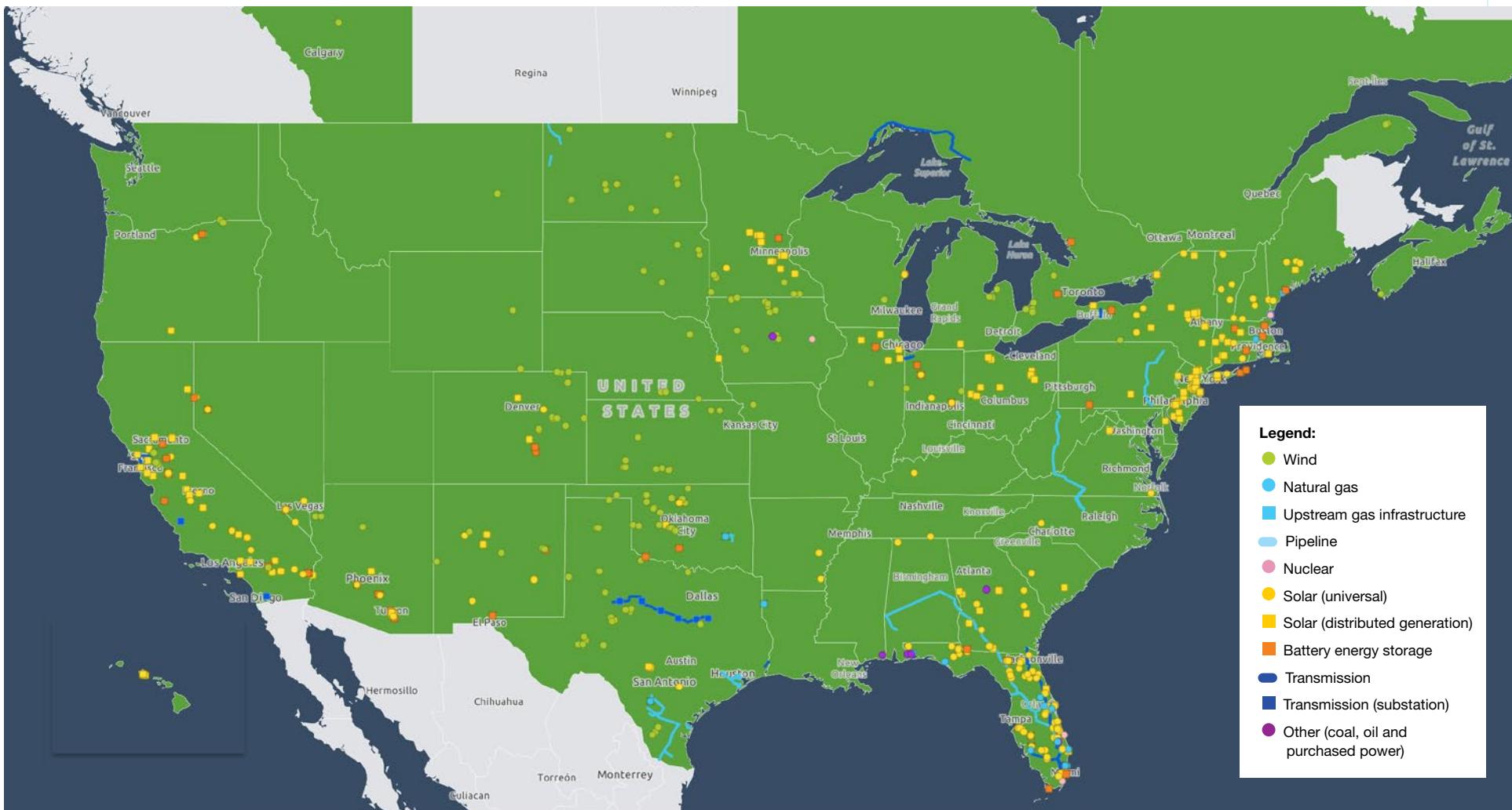
- 1952:** FPL holds its first storm drill.
- 1978:** FPL begins demand-side management program.
- 1979:** FPL starts exploring alternative fuels, including solar power.
- 1984:** FPL Group (renamed NextEra Energy in 2010) incorporated; appoints first female director; we have had at least one female director 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%.
- 1984:** FPL Group invests in our first Florida solar project in Miami.
- 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 project outside of Florida.
- 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 our first wind farm in Oregon.
- 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 CO₂ emissions at the Clinton Global Initiative Forum.
- 2008:** FPL builds the nation's largest 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 Group, Inc., is renamed NextEra Energy, Inc. and FPL Energy renamed NextEra Energy Resources.
- 2012:** NextEra Energy Resources celebrates commissioning 10,000th 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 CO₂-emissions rate 65% by 2021 from a 2001 adjusted baseline.
- 2018:** FPL launches Storm Secure Underground Program, a pilot to place neighborhood overhead power lines underground to improve resiliency during severe weather and enhance day-to-day reliability.
- 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 CO₂-emissions rate by 67% by 2025 from a 2005 adjusted 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 completes and commissions the world's largest integrated solar-powered battery.
- 2022:** FPL installs 50% of 30 million solar panels ahead of schedule. Completion is now expected by 2025.
- 2022:** NextEra Energy sets goal to achieve Real Zero carbon emissions by no later than 2045.

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OUR PORTFOLIO



Map represents areas where NextEra Energy has a presence, operations or development projects. Locations with more than one facility are illustrated with a single dot. Data as of December 2021.

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COMPANY SNAPSHOT*

**~61,800 MW**

net generating capacity

**~\$110 B**

infrastructure capital deployed since 2012

**~15,000**

employees

**~\$141 B**

in total assets

**~89,180 MILES**

of transmission and distribution

**\$17.1 B**

operating revenues

**49 STATES AND 4 CANADIAN PROVINCES**

with a presence, operations or development projects

**~51%**below the national average CO₂-emissions rate**85%**

improvement in NextEra Energy overall company safety performance since 2003

**~\$16 B**

invested in American energy infrastructure

**23%**

total shareholder return, outperforming the S&P 500 Utilities Index

**45%**

improvement in FPL's reliability over the last decade

*Data as of year-end 2021 if not otherwise shown.

A wide-angle aerial photograph of a massive solar energy facility. In the foreground, numerous large, rectangular grey battery storage units are arranged in rows. Behind them, a vast array of solar panels stretches across the landscape under a bright blue sky with scattered white clouds. A dense line of trees marks the horizon. The overall scene conveys a sense of significant industrial-scale renewable energy infrastructure.
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Solar panels and batteries work together at the Manatee Solar Energy Center in Parrish, Fla., to form one of the world's biggest solar-charged battery storage systems.

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 North America's energy infrastructure sustainably and responsibly.

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FLORIDA POWER & LIGHT COMPANY

FPL is the largest energy company in the U.S. as measured by retail electricity produced and sold, serving approximately 5.8 million customer accounts or more than 12 million people across Florida – from Miami to Pensacola.

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 can 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 invest in projects that grow clean energy capacity, keep costs low for customers and improve reliability. From 2012 to 2021, FPL deployed approximately \$51 billion in smart capital investments in Florida to continue to improve its customer value proposition.

FPL'S GENERATION FLEET IS NOW ONE OF THE CLEANEST AND MOST EFFICIENT IN THE COUNTRY, SAVING CUSTOMERS MORE THAN \$12 BILLION IN FUEL COSTS AND AVOIDING MORE THAN 175 MILLION TONS OF CO₂ EMISSIONS SINCE 2001.

To help pay for these investments with minimal impact to customer bills, FPL has focused on lowering its operating costs for more than 30 years. FPL has improved its operating costs from almost 10% worse than the industry average in 1988 to 65% better than the industry average by 2020. Relative to an average utility's operation and maintenance (O&M) costs per retail megawatt hour (MWh), FPL saves its customers nearly \$2.6 billion a year through its best-in-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 was approximately 28% lower than the national average as of year-end 2021 and among the lowest in the U.S.* Additionally, based on the 20 largest investor-owned utilities in the country ranked by number of customers, FPL has the lowest residential bill, which is well below the average.*

Efficient generation and clean energy solutions

FPL has been making smart, consistent, long-term investments in cleaner, state-of-the-art energy centers and replacing old inefficient oil, natural gas and coal plants with modern natural gas units, reducing its oil use to nearly zero since 2001.

*Data does not include Gulf Power.



The Blue Springs Solar Energy Center is one of the newer solar installations in the FPL fleet. The facility, located in Northwest Florida's Jackson County, was commissioned in 2022.

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LEADING COAL PHASE-OUT STRATEGY

Coal plant retirements by FPL in Florida:

2016

Cedar Bay

250 MW

2018

St. John's River Power Park

254 MW (Units 1 and 2 ownership portion)

375 MW (Units 1 and 2 bought purchased power agreement portion)

2020

Indiantown Cogen

330 MW

Plant Crist

924 MW (Units 4-7)

FPL has closed all of its coal plants in Florida.

Coal plant retirements outside of Florida:

2021

Plant Scherer

634 MW

(Unit 4 ownership share)

2024

Plant Daniel

502 MW

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

2028

Plant Scherer

215 MW

(Unit 3 ownership share scheduled to retire by 2028)

FPL's generation fleet is now one of the cleanest and most efficient in the country, saving customers more than \$12 billion in fuel costs and avoiding more than 175 million tons of CO₂ emissions since 2001.

In recent years, FPL acquired coal plants from which we were previously contractually obligated to purchase power and subsequently began to close and demolish these plants. FPL has permanently closed approximately 2,133 MW of coal generation, including joint ownership interests, since 2015. The Indiantown Cogeneration Plant was closed at the end of 2020, and the Gulf Clean Energy Center, formerly Plant Crist, was converted to natural gas, cutting its CO₂-emissions-rate by 40%. With the conversion of the Gulf Clean Energy Center and the retirement of Indiantown Cogeneration Plant, 2021 marked the first time in nearly 70 years that FPL had no coal-fired power plants in Florida. At the end of 2021, FPL formally retired its portion of a coal unit located in Georgia. FPL has announced plans for retirements of two of its three remaining coal units outside of Florida by January 2024. FPL also owns a 25% interest in an 860-MW coal unit at a multi-unit power plant in Georgia. This unit in which we own an interest is slated to close around or before 2028.



The distinct red and white stacks of FPL's Cape Canaveral Power Plant in Florida are demolished to make way for a more modern, efficient, less-carbon emitting facility to serve Florida customers.

FPL has invested in natural gas generation to reduce dependence on oil and coal. Its highly efficient natural gas power generation fleet has helped drive these coal retirements, reduced costs for its customers and lowered its CO₂-emissions rate. Its natural gas units emit approximately one-third the CO₂ of similarly sized coal units, while maintaining affordability and reliability. In the future, we plan to adapt FPL's natural gas power generation fleet to use zero-carbon-emissions green hydrogen. In fact, FPL received approval to develop Florida's first green hydrogen plant, which is expected to come online in 2023 at our Okeechobee Clean Energy Center. Early investments in modernizations, such as green hydrogen, are an important part of our Real Zero journey and pave the way for cost-effective conversion of our existing natural gas-fired plants to green hydrogen.

In addition, we are bringing the benefits of solar energy to the Sunshine State. Solar is now the most cost-effective generation resource in most parts of FPL's 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, FPL announced its groundbreaking 30-by-30 plan, representing one of the largest solar expansions in the world. By April 2022, FPL passed the 50% mark toward completing the plan with 50 solar energy centers in operation. FPL now expects to install 30 million solar panels across the state of Florida by 2025 – five years ahead of schedule.

FPL is giving customers additional opportunities to invest in solar through the FPL SolarTogether™ program – the largest community solar program in the U.S. The program was initially launched in 2020 to provide customers the opportunity to offset their energy capacity with power from 20 universal solar energy centers totaling nearly 1,500 MW of capacity.

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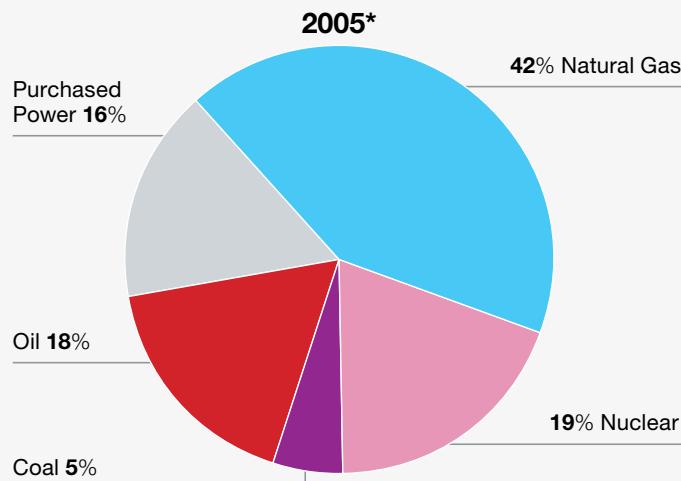
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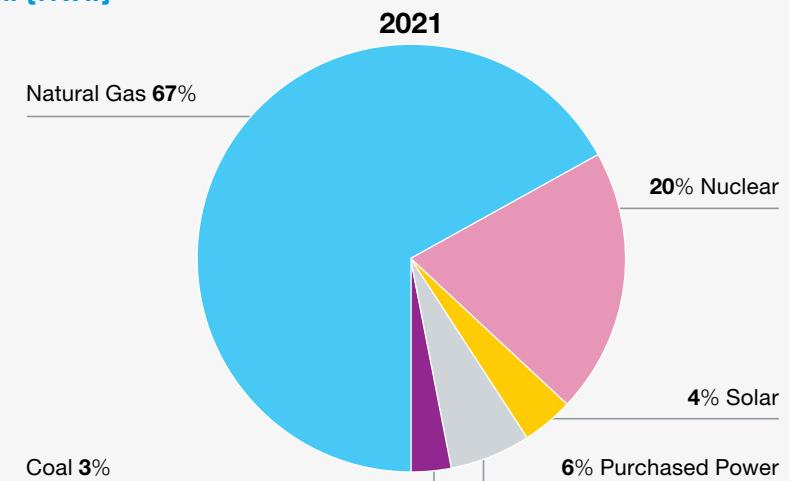
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FPL'S ENERGY MIX [MWH]



Due to the overwhelming popularity of SolarTogether, a program extension – which would include 24 more solar energy centers and 1,788 MW of additional capacity – was approved in 2021. 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 battery energy storage. At the end of 2021, FPL commissioned the world's largest solar-powered battery – a 409-MW project adjacent to our Manatee solar facility in Manatee County, Florida. FPL's [Ten-Year Site Plan](#), filed in April 2022, includes a significant increase in battery energy storage deployment with approximately 1,800 MW of new battery energy storage by 2031.

We are excited about green hydrogen technology, which will be key to unlocking 100% carbon-free electricity through long battery energy storage created with solar power. Green hydrogen is a versatile clean fuel and important to NextEra Energy's Real Zero goal. Green hydrogen is made by using zero-carbon-emissions electricity to run an electrolyzer, which splits water into hydrogen and oxygen, while producing no greenhouse gas emissions. Green hydrogen holds the promise of addressing hard-to-decarbonize sectors that are important drivers of economic growth in the U.S., such as manufacturing and heavy-duty transportation.

*Data does not include Gulf Power.

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These electric vehicle fast chargers located at the Turnpike Plaza in Pompano, Fla., are among those available in FPL's EVolution program.

We believe in the future of electric vehicles (EVs). Beyond our generation transformation, we are excited about the potential for the electrification of transportation. In 2019, FPL launched an innovative program designed to boost Florida's electric vehicle charging infrastructure, support EV adoption and increase range confidence. FPL EVolution will bring more than 1,000 charging ports to more than 200 locations across the FPL service area by the end of 2025, and is positioned to be one of the largest fast-charging networks in the state. The program includes more than 800 miles of strategically located, fast-charging stations, where EV drivers will be able to plug in every 25 miles along major highways, such as I-95, the Florida Turnpike and east-west corridors. With the addition of FPL EVolution Fleet and FPL EVolution Home, we also are meeting EV drivers' needs at home, at work and on the road.

On top of investments in EV charging, we partnered 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 also is 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 help Florida become a leader in sustainable transportation and our Real Zero goal to be zero-emitting by no later than 2045.

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 2004-2005, 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 2021, we had hardened or undergrounded more than 65% of all main distribution power lines. We also have replaced wood transmission structures so that 94% of these are now concrete or steel.

FPL was one of the early adopters of smart grid devices and today has approximately 6 million smart meters and intelligent devices on our grid. Each day we collect about 1 billion data points from these devices and use predictive analytics and algorithms that we developed and patented to identify potential problems so we can fix them before our customers are interrupted and crews are dispatched. Not having to dispatch a vehicle helps reduce our carbon footprint and reduces O&M costs. These intelligent devices can automatically redirect power, self-heal and eliminate or minimize customers affected, resulting in more than 10 million outages avoided over the last decade.

We delivered our best-ever service reliability performance in 2021, continuing a trend in which we've improved reliability by nearly 45% since 2011. Customers in Northwest Florida have seen an improvement of nearly 60% in reliability since becoming part of the FPL family in 2019. For the sixth time in seven years, FPL in 2021 was awarded the ReliabilityOne® National Reliability 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 how we will continue to build 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.

In addition, we 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. The company received the top ranking in the southern U.S. among large electric providers, according to J.D. Power's 2021 Electric Utility Residential Customer Satisfaction StudySM and 2021 Electric Utility Business Customer Satisfaction StudySM. 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.

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Our focus on enhancing the customer value proposition has helped reduce customer complaints and earn award-winning customer satisfaction. Our survey data indicates that three-quarters of residential customers rate their overall experience with us as excellent. Complaints recorded as logged in the FPSC Consumer Activity Report have dropped from 346 in 2010 to 102 in 2021 – a 71% reduction. During the same period, the number of customers we serve increased by 15%.

Modernizing Northwest Florida with innovative infrastructure and first-class reliability

We are committed to giving our customers in Northwest Florida the best electric service they have ever had. In the three years since welcoming Gulf Power into the NextEra Energy family, we have realized outstanding results toward this goal. On Jan. 1, 2021, Gulf Power merged into FPL with separate retail rates. Following unanimous regulatory approval of a comprehensive four-year-rate agreement, FPL began serving Northwest Florida under unified rates in 2022.

FPL EXPECTS TO CONTINUE TO INVEST IN BUILDING THE NATION'S STRONGEST AND SMARTEST ENERGY GRID.

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. Currently, FPL has 19 solar farms in operation or in development across Northwest Florida (not including solar on military installations) – and even more in the works. We completed the Gulf Clean Energy Center coal-to-natural gas conversion and accelerated shut down of its coal units. We also are constructing the North Florida Resiliency Connection (NFR), a new transmission line that will connect the Northwest Florida and FPL systems. It is expected to be completed in 2022.

The results of the work of our dedicated team and smart investments over the past years have been remarkable compared to industry standards. Due to our smart capital investments, Northwest Florida customers achieved a 24% improvement in CO₂-emissions rate over the last three years. Under our Real Zero goal we will continue to reduce carbon emissions. The investments we are making in Northwest Florida are the same types of investments that have made FPL's energy grid the strongest and most reliable in the nation.

Our service reliability in Northwest Florida has improved by nearly 60% since 2019. The improvements include a pilot program to replace select overhead power lines with underground lines in neighborhoods chosen based on past hurricane outages, vegetation-related service interruptions and other reliability data.

A STRONGER AND SMARTER ENERGY GRID HELPS PREVENT OUTAGES AND RESTORE POWER QUICKER*

deployed

~6 MILLION SMART METERSinstalled more than
200,000 INTELLIGENT DEVICES**

collect daily

~1 BILLION DATA POINTSperform annually
26,000 MILES
of vegetation management

hardened

94%

of transmission structures which are now concrete or steel

* Data as of year-end 2021 unless otherwise shown.
**Milestone reached May 20, 2022.

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NEXTERA ENERGY RESOURCES

NextEra Energy Resources, LLC (together with its subsidiaries) is a clean energy leader, with approximately 24,600 MW of total net generating capacity in the U.S. and Canada, as of year-end 2021, and a total generating capacity of approximately 30,000 MW for the facilities it operates and in which it has ownership interests as of year-end 2021. 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 energy 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 energy storage. NextEra Energy Resources invested in our first wind and solar projects in the 1980s.

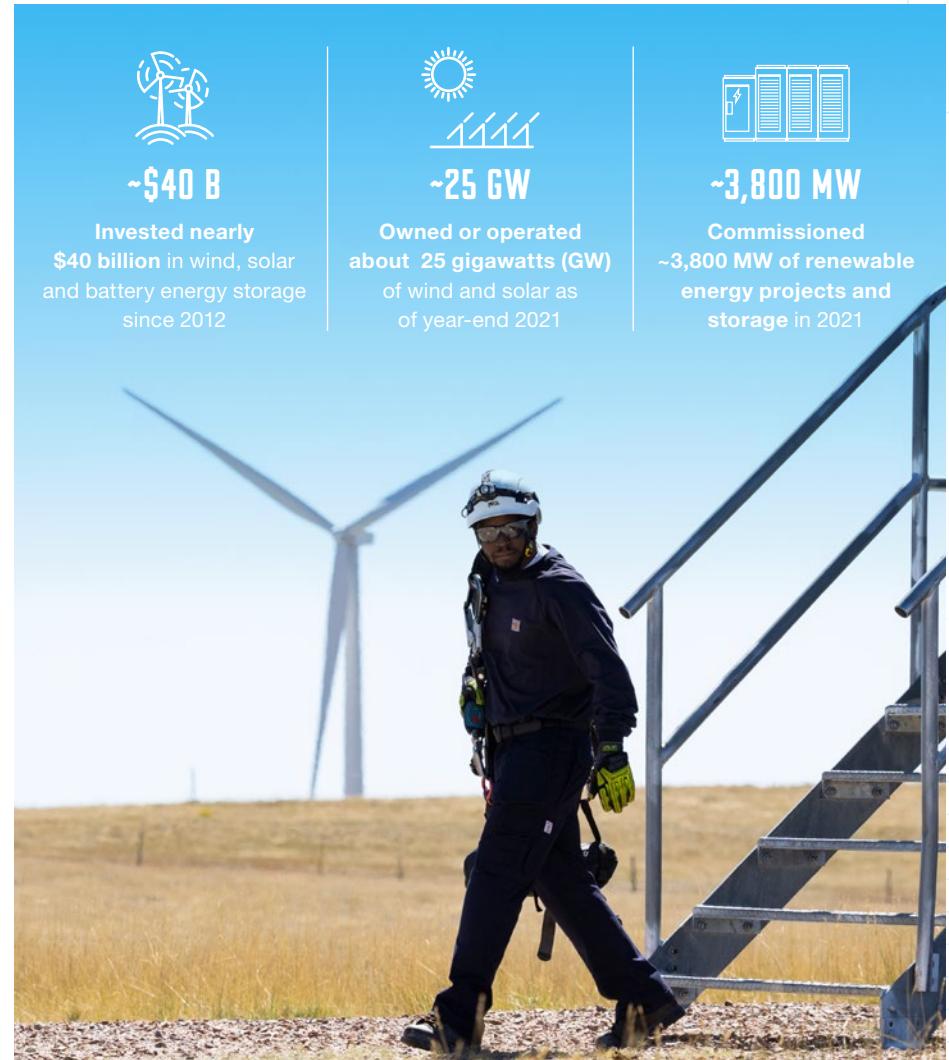
From these early beginnings, NextEra Energy Resources has become the world's largest generator of renewable energy from the wind and sun and a world leader in battery energy storage. Since 2012, NextEra Energy Resources has invested nearly \$40 billion in wind, solar and battery energy storage to advance our industry-leading position.

With renewable operations in 38 states as of year-end 2021, we are helping states and companies across the U.S. meet renewable portfolio standards and carbon-emissions-reduction goals through the development of zero-emissions renewable energy solutions, while lowering customer bills and creating value for NextEra Energy shareholders. With approximately 50% of U.S. origination market share for wind, 15% of U.S. origination market share for universal solar and 35% of U.S. universal storage origination market share in 2021, NextEra Energy Resources has been a driving force in emissions reductions across the U.S. power sector for three decades.*

FROM 2022 THROUGH 2025, NEXTERA ENERGY RESOURCES EXPECTS TO CONSTRUCT APPROXIMATELY 28 TO 37 GIGAWATTS 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 grow the world's largest 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 lead and partner with the rest of the energy industry to continue to drive North America's clean energy future forward.

* Universal solar means utility-scale projects having at least 10 MW in nameplate generating capacity.



Employee Chris Farmer heads out to check the turbines at the Golden West Wind Energy Center in Callahan, Colo.

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Wind turbines are visible as the sun shines through the clouds at sunset at the Heartland Divide Wind Energy Center in Audubon, Iowa.

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. NextEra Energy Resources is 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 believe we are uniquely positioned to execute better than any other company in our sector even in challenging market conditions. 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 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 34% since 2016, with the expectation of another 10% reduction by 2023. For solar, we aim to reduce NextEra Energy Resources' O&M costs per MWh by approximately 44% from 2016 to 2023.

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Renewables' market potential

Over the past 10 years, renewable energy has shifted from a business solely driven by compliance to one that is driven by both compliance and economics. Today, new renewable energy resources are cheaper than the operating costs of many older, inefficient fossil generation units. With continued technology improvements and cost declines, we believe that by the latter part of this decade, after U.S. federal tax credits phase down, new near-firm (with battery energy storage) wind will be a \$25 to \$32 per MWh product and new near-firm (with battery energy storage) solar will be a \$30 to \$37 per MWh product, continuing to be the low-cost generation alternatives.

**NEXTERA ENERGY RESOURCES IS KEY TO NEXTERA ENERGY'S LEADERSHIP IN THE DECARBONIZATION OF THE POWER SECTOR AND OTHER PARTS OF THE U.S. ECONOMY.**

Market estimates now anticipate 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 13% in 2021 to about 60% in 2035. 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 carbon-free energy that may be converted to green hydrogen to decarbonize other sectors of the economy. This creates an estimated \$4 trillion investment opportunity in renewable energy plus storage through 2050.

Positioned to decarbonize the U.S. economy

NextEra Energy Resources is key to NextEra Energy's leadership in the decarbonization of the power sector and other parts of the U.S. economy. 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 transition to low-cost renewables is reflected in our development expectations. From 2022 through 2025, NextEra Energy Resources expects to construct approximately 28 to 37 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. In 2021, we had a record year of success, commissioning approximately 3,800 MW of renewable energy projects during the year and adding about 7,200 net MW of renewables and storage to our backlog.



Employee Francisco Castellanos checks on the battery energy storage facilities Blythe and McCoy Energy Centers in Blythe, Calif.

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An artist's rendering of the Okeechobee Clean Energy Center in Florida includes the Cavendish NextGen Hydrogen Hub.

Our renewables backlog, as of year-end 2021, was approximately 16,600 MW, which is roughly the size our entire renewables generation portfolio was at the end of 2017 and nearly 25% larger than our backlog at year-end 2020. In 2021, we added approximately 2,008 MW of new wind generating capacity and 728 MW of solar generating capacity, repowered 435 MW of wind generating capacity and increased our backlog of contracted renewable development projects. We are well on our way to meeting our current development expectations for new signed contracts.

Green hydrogen presents a particularly compelling new market for NextEra Energy Resources, where we have explored a number of pilot programs. A clean energy technology company with which we have partnered has developed proprietary processes to decarbonize industrial production of hydrogen at economic prices and recently won conditional approval for an approximately \$1 billion Department of Energy loan to expand its methane pyrolysis process facilities in Nebraska that produce clean hydrogen and low-emissions carbon black, which is primarily used in manufacturing tires, plastics, inks and toners, and other products. Our agreement with this company provides NextEra Energy Resources the opportunity to be its preferred renewable energy supplier for the manufacturing facility. Similarly, we also have partnered with a liquid fuels company with a proprietary process to produce zero-emissions synthetic fuels by combining green hydrogen with concentrated CO₂ streams captured from industrial processes. Our strategic partnership with this company includes the opportunity for NextEra Energy Resources to provide up to 3,000 MW of renewable energy under a preferential energy supply agreement.

In addition to assisting customers with the transition to sustainable and zero-carbon-emissions transportation, we are helping our customers optimize their energy use and reach their own carbon-reduction goals. Our NextEra 360 software platform leverages data from NextEra Energy Resources' world-leading renewable fleet. The software is part of our broader suite of sustainability solutions that help our customers navigate the sustainability journey to achieve their own Real Zero.

In addition, we are helping to change the landscape of water resource management through NextEra Distributed Water's on-site reclamation and reuse services. The company's ecologically engineered, district-scale water recycling systems, called Water Hubs, reduce water supply risk, have the potential to save millions of dollars in utility costs and improve environmental stewardship.

As we execute our Real Zero goal and develop additional renewable energy opportunities over the coming years, we expect to deliver benefits for customers and many other stakeholders. Older, inefficient and higher-cost generation units will be replaced with clean low-cost wind and solar, reducing customer costs, emissions, water use and waste. The billions of dollars of investments we plan to 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.

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PPL has a long history of protecting sea turtles, not only at our generating facilities like the St. Lucie Nuclear Power Plant, but also through our sea turtle lighting program in the coastal areas within our service territory.

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ENVIRONMENTAL

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 with our Real Zero goal. We invest in low- and zero-carbon-emissions generation. We support environmental conservation and research. We conserve and enhance biodiversity on land for which we are responsible. 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.

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ENVIRONMENTAL

Managing and mitigating environmental risk

Environmental risk identification, mitigation and management are key drivers for ensuring safe and sustainable operations. More than 150 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 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 to complete environmental stewardship projects that go beyond compliance. We also invest philanthropic dollars for environmental education, conservation and research. 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 and drone monitoring, routine self-assessments, compliance tracking systems, environmental construction monitoring, 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, decarbonization and Real Zero carbon emissions reductions

We believe 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 is a key element of our Real Zero goal. Our portfolio has one of the lowest emissions profiles of any utility in North America. In 2021, sulfur dioxide (SO₂), nitrogen oxides (NOx) and CO₂ rates were 98%, 74% and 51% lower, respectively, than the U.S. electric power sector average. We have also set a clear goal to reduce carbon emissions further with Real Zero and are making excellent progress toward that achievement. Our near-term goal is to reduce our CO₂-emissions rate 70% by 2025 from an adjusted 2005 baseline, while our long-term goal is to achieve Real Zero carbon emissions by no later than 2045. From 2005 to 2021, NextEra Energy reduced its CO₂-emissions rate by 58%.*



FPL biologist Mary Jo Hernandez uses a test strip to measure water pH as part of routine monitoring around the Turkey Point Clean Energy Center in Florida.

*We are striving to achieve our goal of Real Zero emissions by no later than 2045 so long as there is no incremental cost to customers relative to alternatives, our efforts to do so are supported by cost-effective technology advancements and constructive government policies and incentives and our investments are acceptable to our regulators. 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. Certain facilities within the NextEra Energy wind and solar generation portfolio produce Renewable Energy Credits 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.

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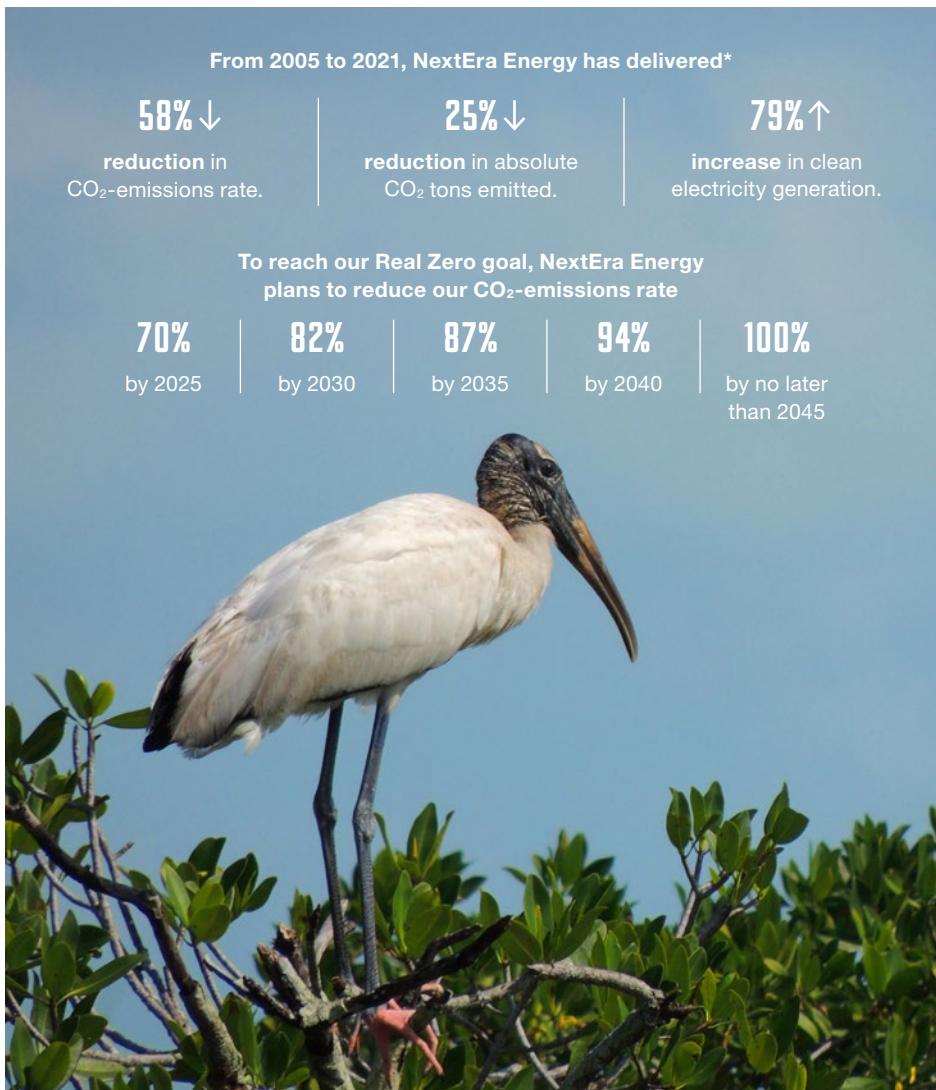
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This wood stork is one of many birds that frequent the natural areas surrounding the Turkey Point Clean Energy Center in Florida.

Through Real Zero, our goal is to expand our innovative solutions, such as FPL SolarTogether, energy efficiency programs, NextEra Energy Resources' wind and solar projects, and other offerings, to help customers, states and businesses across the country reduce their emissions and meet their clean energy goals. Real Zero also includes the continued safe operation of our nuclear fleet to generate zero-carbon-emissions electricity, a core component of our environmental strategy.

Verifying our emissions data

Our 2021 scope 1, scope 2 and partial 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 verified scope 1, 2 and 3 emissions data and additional information can be found in [Appendix E](#) (Emissions data and third-party emissions assurance statement) of this report.

WE ALSO WORK CLOSELY WITH A WIDE RANGE OF ENVIRONMENTAL ORGANIZATIONS TO ENSURE RESPONSIBLE DEVELOPMENT AND OPERATIONS AND TO COMPLETE ENVIRONMENTAL STEWARDSHIP PROJECTS THAT GO BEYOND COMPLIANCE. WE ALSO INVEST PHILANTHROPIC DOLLARS FOR ENVIRONMENTAL EDUCATION, CONSERVATION AND RESEARCH.

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 20 billion gallons of water in 2021. Nearly 74% of the water NextEra Energy generating facilities withdrew in 2021 came from saltwater sources, which are non-potable and not subject to drought.

*Based on a 2005 baseline adjusted for acquisitions and divestitures during the emissions-reduction goal period.

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Importantly, 98% of water withdrawn for use at our natural gas plants is withdrawn via a once-through cooling system and then returned to its original source. The remainder is reused or consumed through evaporation or deep-well injection.

Only one of 25 of our generation facilities that use water is located in a region of high or extremely high water stress in the U.S. In 2021, we used 7.1 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 at our generation facilities to use the lowest-quality water sources, including reclaimed water, which reduce impacts to higher-quality sources like groundwater. At FPL's Sanford Plant, we are transitioning from using groundwater to surface water, which assists the St. Johns River Water Management District in protecting the Volusia Blue Spring. Additionally, at FPL's Okeechobee Clean Energy Center, we are deepening a groundwater well to use lesser quality water from the Avion Park Production Zone, instead of sourcing water from the Upper Floridan Aquifer.

In June 2020, the Miami-Dade County Commission approved FPL's proposed development of an advanced reclaimed water project to reuse treated wastewater from the county at FPL's Turkey Point Clean Energy Center. The state-of-the-art FPL Miami-Dade Clean Water Recovery Center (CWRC) will further treat and reuse up to 15 million gallons of reclaimed water per day from the South District Wastewater Treatment Plant in Miami-Dade County. FPL will use 100% of that reclaimed water to cool a natural gas plant at Turkey Point.

A win-win for FPL customers, Miami-Dade County and the Sunshine State, the CWRC will increase resiliency at the Turkey Point Clean Energy Center, provide a cost-effective way to reuse and recycle treated wastewater that would otherwise be discarded, and conserve Floridan Aquifer groundwater at the Turkey Point site. The CWRC also will help Miami-Dade County meet regulations of the Ocean Outfall Act, which set a state requirement for Miami-Dade County to reuse 60% of its wastewater.

Reducing waste

We believe 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. Then, we look for opportunities to reuse and recycle materials to minimize the waste that we send to local landfills.

From modernizing many of our facilities and 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.



Environmental water conservation measures are underway at the Okeechobee Clean Energy Center in Florida to deepen a groundwater well which will allow the company to reduce its potable ground water use at this site.

We have greatly reduced the amount of hazardous waste we generate to maintain the status of a Very Small Quantity Generator, the lowest possible federal regulatory classification. NextEra Energy provides documented training to employees to ensure that hazardous waste, when generated, is properly identified, stored, 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 CHWMEG, a nonprofit trade association, 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 2021, our corporate recycling and services facility reconditioned and redirected \$4.7 million worth of equipment back into inventory. In addition, our investment recovery team engages a seven-step process for asset disposition when assets reach the end-of-use stage: reuse, recondition, return, resell, reclaim, recycle and remove. In 2021, FPL was awarded the Trailblazer Award from the Florida Recycling Partnership Foundation for the investment recovery operation.

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Another example of how NextEra Energy is working to reduce waste and streamline costs comes from our supply chain business unit. FPL replaces poles as needed due to aging, storms and grid hardening efforts. These poles include both wood and reinforced concrete. Historically, wood poles were cut into manageable pieces and collected for landfill disposal. Concrete poles would be transported to a crusher, with FPL covering transit costs. The team identified a source to recycle wood and concrete poles and reduce landfill costs, saving \$400,000 in cost avoidance and keeping 20.5 million pounds of debris out of the landfill. Our partner provides one-stop support for all poles. About 75% of the wood poles are now redeployed to landscapers or other end re-users so only 25% go to landfill, while all concrete poles are crushed and used as aggregate.

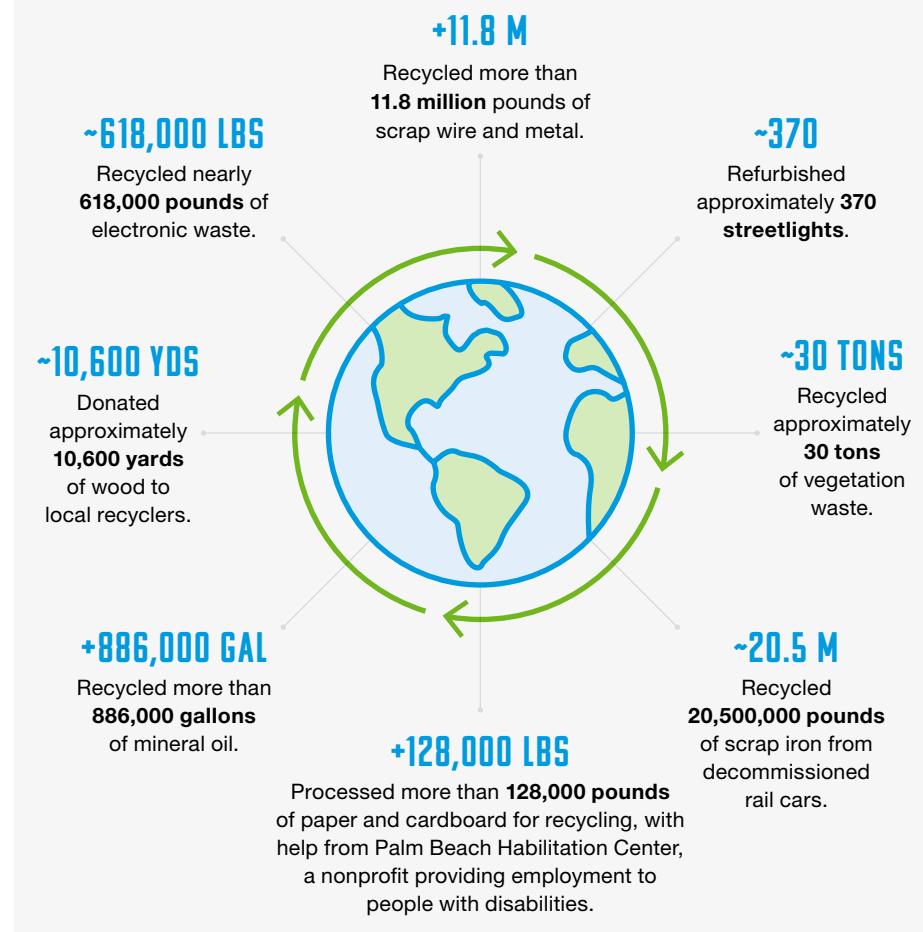
WE EMPLOY A MULTIFACETED, PROACTIVE APPROACH TO MANAGING ENVIRONMENTAL PROTECTION AND STEWARDSHIP AND ACHIEVING OUR GOAL OF ZERO SIGNIFICANT ENVIRONMENTAL EVENTS EVERY YEAR.

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.

This was 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 2021, 580 blades from five projects were identified for recycling, including 393 that were removed in 2020 and recycled in 2021 and an additional 287 blades that were removed in 2021 to be recycled in 2022.

PRESERVING AND PROTECTING HABITAT AND WILDLIFE

Environmental stewardship includes habitat and wildlife protection. Before we build any operating facility, we study the local ecosystem so that we can better understand 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.



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We seek to minimize and mitigate the impact of our development before we begin a project and, once a project is operating, we continue to monitor potential impacts to biodiversity. The Land-Based Wind Energy Guidelines, Avian Protection Plan Guidelines and Manatee Protection Plans are among numerous policies and programs aimed at protecting threatened and endangered species that we follow across our operations. In addition to following all federal and state regulations, we make important contributions to scientific research to protect numerous vulnerable species and habitats and to better understand how to reduce impacts. Several examples of our wildlife and habitat restoration projects are featured below.

Solar stewardship

At our Florida solar energy centers, we work with Audubon Florida and other local organizations to craft site-specific enhancement and preservation plans focused on providing habitat opportunities for birds, pollinators and other wildlife. This is accomplished through a variety of prescriptive methodologies, including but not limited to: restoring hydrology to wetlands, increasing biodiversity through the use of appropriate native plant species, applying integrated

approaches to minimize the prevalence of invasive species, incorporating pollinator species into ground covers and installing of artificial perches, nest boxes and platforms for wildlife use.

For example, to avoid disrupting the delicate Florida ecosystem, sites within panther habitat include wildlife-friendly fencing. This special fencing is designed so that both panther prey species and panthers themselves can pass through or over the fence. At our FPL Hammock Solar Energy Center, which has been operating since 2018, we conducted a study with 20 cameras set along the perimeter fence and throughout the site to ensure that animals were able to access and use the site successfully and safely. In 2021, the company standardized the use of wildlife-friendly fencing at all future solar sites in Florida to further allow for wildlife use.

Outside of Florida, we follow a similar process. NextEra Energy Resources evaluates opportunities to implement additional voluntary stewardship actions on a project-by-project basis. Voluntary stewardship supplements the development process and takes further steps to preserve and enhance existing natural resources.



Two caracara and a red-shouldered hawk scout for prey at our Blue Heron Solar Energy Center in Hendry County, Fla.

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These additional actions can work to address local stakeholder concerns, build upon required regulatory actions and the stewardship components of the project development process, and address stewardship goals, such as preserving or enhancing biodiversity.

Monarch butterfly and pollinators

To demonstrate our commitment to protect pollinators and their habitats, FPL is one of the first electric utilities to have enrolled in the voluntary Monarch Candidate Conservation Agreement with Assurances. By enrolling, FPL has committed to implement measures to create conservation benefits for the monarch butterfly. These measures can also benefit other pollinators.

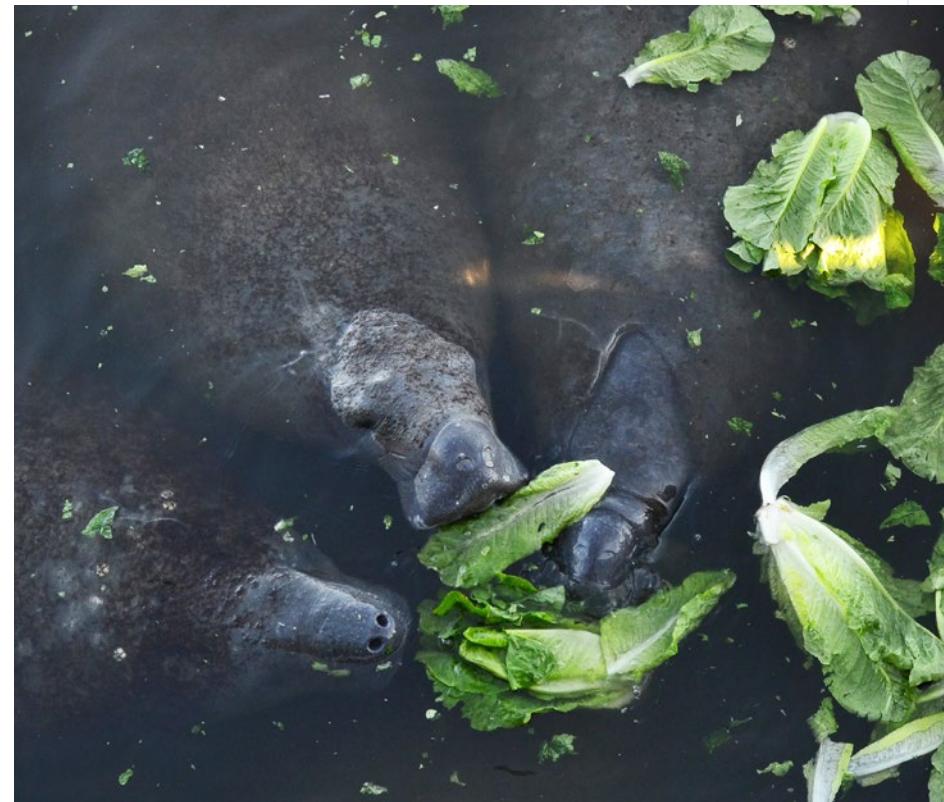
In addition to direct habitat conservation measures, it is also important to contribute to our scientific understanding of pollinator preservation. NextEra Energy is engaged in a research partnership with the University of Illinois Chicago's Energy Resources Center (UIC-ERC) to answer key questions at the intersection of insect pollinator conservation and solar power. The study, entitled "Evaluation of Economic, Ecological, and Performance Impacts of Co-Located Pollinator Plantings at Large-Scale Solar Installations," will examine the economic, ecological and performance impacts of pollinator habitats co-located at five large-scale solar PV facilities in the Midwest and Mid-Atlantic regions, one of which is a subsidiary of NextEra Energy.

Wildlife and habitat research

NextEra Energy Resources participates in the Renewable Energy Wildlife Research Fund (REWRF), which is housed within the Renewable Energy Wildlife Institute, an independent, nonprofit organization that works to solve renewable energy, wildlife, and related natural resource challenges through sound science and collaboration. The REWRF is currently funding innovative research projects related to bats, eagles and grouse, and will be expanding into solar research topics to better understand the potential impacts on species and habitat. REWRF will also explore potential benefits to ecosystem services that solar energy can provide (pollination, soil preservation, water quality, etc.). All research is conducted by independent third parties and will be peer reviewed and publicly released.

Manatees

For decades, FPL has worked closely with state and federal agencies to ensure manatees are protected. In 2016, FPL opened Manatee Lagoon, an eco-discovery center, to help educate the public and inspire communities to preserve and protect Florida's environment and wildlife for future generations. At FPL's Cape Canaveral Clean Energy Center, the U.S. Fish and Wildlife Service (USFWS) and the Florida Fish and Wildlife Conservation Commission (FWC) created



Manatees munch on romaine lettuce at FPL's Cape Canaveral Clean Energy Center in Florida. The supplements were provided for manatees in response to the 2021 Unusual Mortality Event. Photo courtesy of the Florida Fish and Wildlife Conservation Commission.

a temporary field response station to support the Florida manatee in response to the 2021 Unusual Mortality Event (UME) declared following an abnormal number of manatee deaths in Florida. The energy center, located in the northern Indian River Lagoon, is a critical stop-off point, where manatees congregate as they migrate south during the winter. We eagerly worked with the FWC to assist in the effort and pledged to contribute more than \$700,000 over the next three years to help with manatee rescue and rehabilitation, education and habitat restoration.

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Mike Lloret, a wildlife biologist with FPL, holds several American crocodile hatchlings. The reptiles have found an ideal home in the habitat surrounding FPL's Turkey Point Clean Energy Center in Florida.

Researchers determined the cause of the manatee UME is starvation attributed to a lack of seagrass, a primary food source, in the Indian River Lagoon. Supporting research to restore and recover seagrass can positively benefit the health of Florida manatees. With this knowledge, the NextEra Energy Foundation provided grants to the Florida Atlantic University (FAU) Foundation for the FAU Harbor Branch Experimental Seagrass Nursery and to the Florida Oceanographic Society to support seagrass research and on-site seagrass nursery operations.

Additionally, in partnership with the Fish & Wildlife Foundation of Florida, FPL funded a new manatee rescue transport truck for FWC. This truck was added to the FWC fleet to expand rescue efforts and transport sick or injured manatees to rehabilitation facilities throughout Florida.

American crocodiles

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, manmade cooling canal system and surrounding land 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. In 2021, FPL biologists captured, tagged and released a record setting 565 hatchlings. Our strategy to prepare historical nesting locations before the season and improve the water quality of the cooling canal system led to 27 successful nests in 2021, the second-highest year on record, behind 28 successful nests in 2008.

Avian protection programs

We have taken the initiative to protect bird species through several innovative programs. When siting projects, we are dedicated to avoiding and minimizing impacts to both terrestrial and avian species and their habitat. For NextEra Energy Resources' wind facilities, we follow industry and agency guidelines, which include voluntarily collecting and providing eagle nesting and avian point count survey data results, as well as post-construction mortality monitoring results, to the USFWS. Our practice also is to site our turbines at least 2 miles away from every known eagle nest, unless otherwise approved by USFWS. In addition to our siting practices, we use IdentiFlight®, a developing automated technology used to detect, identify and protect eagles at wind farms by using high performance optical systems paired with machine vision software. Golden Hills Wind, LLC has been conducting a pilot project using this technology to minimize effects to golden eagles at the site.

By detecting an eagle as far as 1 kilometer out from an operating wind turbine, in real time, the IdentiFlight system maximizes the protection for eagles compared to other non-automated systems. The pilot project, at the two-year mark, is demonstrating very promising results. In addition to our project specific work, we have funded several research projects related to eagle population assessments and eagle conservation. NextEra Energy Resources also has recently reached a voluntary agreement with the federal government pursuant to which it will spend up to approximately \$27 million to minimize additional eagle deaths and injuries at approximately 50 of its existing wind facilities. NextEra Energy Resources continues to minimize our interactions with bald and golden eagles through our siting practices, research and conservation. See our [statement](#) for additional details.

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 for eagles and wood storks and protection processes.