



2022 Annual Report

POWERING PROGRESS

for 120 years and counting.

energiv

Public Service Enterprise

Group Incorporated (PSEG),

is an energy company consisting primarily of a regulated utility and a nuclear generation business. PSEG has a strong focus on reliability, environmental stewardship, social responsibility and ethical corporate governance. PSEG had approximately \$48.7 billion in assets at the end of 2022.

Public Service.

That's not just our first name. It's part of our DNA.

Through

FORESIGHT

RELIABILITY

INGENUITY

RESPONSIVENESS

and

CARETAKING

WE ARE

powering a future where people use less energy, and it's cleaner, safer and delivered more reliably than ever.

WE ARE

Powering Progress.

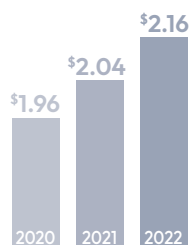
Letter

from the Chair of the PSEG Board of Directors to our shareholders

Stability has been part of PSEG since the company's founding in 1903 and remains central to how we conduct business today for our customers, investors, communities and employees. Over PSEG's 120-year history, our company has become a fixture for those who rely on us to safely deliver the services that power their lives and businesses and keep their homes comfortable.



Dividend per share



I have seen firsthand what our commitment to stability means for the communities we serve. I saw it in the days after 9/11, when our employees immediately went back to work in uncertain times and during the 2003 Northeast blackout when we not only restored power quickly and safely but subsequently rebuilt our transmission system. I saw it during our response to Superstorm Sandy and the subsequent hardening of our grid and during our steadfast delivery of essential services during the pandemic. And I know we will provide that same stability as we execute on our Powering Progress vision for a future where people use less energy, and it's cleaner, safer and delivered more reliably than ever.

With a sharp focus, we maintain our reputation for dependability and predictability while also pursuing growth and adaptability for stakeholders including customers, the communities we serve, employees and you, our investors. We are sticking to the guiding principles of operational excellence, financial strength and making disciplined investments that prioritize consistency for our company. We are continuing to pursue our goal of net-zero emissions by 2030. And, we will continue rolling up our sleeves to deliver the affordable and reliable services customers count on.

This means that PSEG is working to provide sustainable earnings and dividend growth for our shareholders, pursue clean and affordable energy solutions for

our customers, provide career development opportunities to our employees, and bring practical decarbonization pathways to our communities.

PSEG's focus on stability and predictability has led to several strategic decisions over the past two years, including the sale of our 6,750 megawatt (MW) fossil portfolio, the decision to sell our equity stake in the Ocean Wind 1 project, and most recently, our decision to retain our nuclear generating assets following the passage of the Inflation Reduction Act of 2022.

Our efforts are paying off. Even as global challenges like inflation and supply chain disruptions created economic impacts in 2022, PSEG successfully adapted and continued on a stable path. In 2022, we increased our shareholder dividend rate by 5.9% and increased the regulated contribution to consolidated earnings. PSEG is poised to continue investing for growth at PSE&G, our regulated utility that contributes approximately 90% of our consolidated non-GAAP earnings, and to consider potential opportunities to invest in nuclear and low-carbon energy technologies.

Moving forward, our utility efforts will continue the Gas System Modernization Program that updates aged and inefficient cast iron mains with more durable plastic, increasing efficiency and building for the future. Continuing this effort will have multiple benefits including reducing methane leaks, accelerating the timetable of a critical infrastructure replacement and supporting union jobs for our workforce.

This year, we will continue striving for top tier utility performance from PSE&G. We have been recognized for our efforts by achieving the number one rankings in customer satisfaction for both Residential Electric and Natural Gas Service in the East among Large Utilities in the J.D. Power 2022 U.S. Electric Utility Residential Customer Satisfaction Study and 2022 U.S. Gas Utility Residential Customer Satisfaction Study. In addition, PSE&G was honored with the 2022 Edison Award from the Edison Electric Institute, the electric utility industry's highest honor, in recognition of our industry-leading work to protect New Jersey communities and customers from the impacts of extreme weather conditions.

We are doing all of this as we continue our work on environmental stewardship, social responsibility and ethical

corporate governance (ESG), an area where we have been nationally recognized. Our business decisions allow us to pursue ESG and sustainability while enabling growth and consistent and efficient delivery for our customers.

With the global energy conversation's shift to decarbonization, building more sustainable, low-carbon power systems and an increasing push for electrification, this is an inflection point for our industry as a whole—one that we embrace and support. PSEG's focus remains on expanding nuclear and clean energy, making our delivery systems as safe and efficient as possible, and, importantly, on electrifying the transportation sector, the number one source of national greenhouse gas emissions.

At PSEG we are proud to be at the forefront of these changes and encourage others in our sector to take action with the future in mind.

I firmly believe that our combination of attributes – a reliable utility, a generation fleet on the path to a carbon-free future, clean energy growth opportunities, and a commitment to the principles of ESG – provide a compelling investment proposition aligned with the increased focus on sustainability and the decarbonization transition.

I would like to take this opportunity to thank our former Chair, President and CEO Ralph Izzo for his 30 years of service and 15 years of leadership at PSEG. His commitment to building a better future by solidifying our regulated foundation has positioned PSEG to chart the course we are on today.

Thank you to our shareholders for your ongoing loyalty and support as we continue on this journey. We couldn't be more proud of where we are going and will continue to work hard every day to maintain your confidence and trust.

Sincerely,



Ralph A. LaRossa
Chair of the Board, President and Chief Executive Officer

Public Service Enterprise Group
February 21, 2023



Business *Update*

PSEG powers the lives of over 2.3 million electric customers and 1.9 million gas customers in New Jersey, and over one million electric customers in Long Island. We know that the work we do directly impacts the daily lives of people in the communities we serve.

Our company strives to build a clean energy future, powered by a diverse, dedicated and highly skilled workforce. As always, our business approach focuses on operational excellence, financial strength and disciplined investment.

By sticking to our principles and adapting to meet the challenges of the future, we believe that we can deliver long-term value to our communities, our employees, and all our stakeholders.

2022 Performance

In 2022, PSEG continued to make progress on its business objectives and goals, working to improve the sustainability and predictability of our business, while also continuing to expand on the reliability and efficiency efforts that customers and other stakeholders have come to expect and value.

2022 marked the 18th consecutive year that PSEG delivered results within or above our original non-GAAP operating earnings guidance.

PSEG also continued to minimize risk and volatility and help meet the company's goal of net-zero carbon emissions by 2030, with the completion of the sale of our 6,750 MW fossil portfolio in February 2022.

Additionally, future results will benefit from continued efforts to control operation and maintenance costs, including the New Jersey Board of Public Utilities' (NJBPU) recent approval of an order authorizing PSE&G to modify its method for pension accounting for ratemaking purposes, which will mitigate variability of PSE&G's pension expense for calendar year 2023 and beyond.

Operational Excellence

PSEG strives for operational excellence because we believe that when we get the job done for our customers, it creates trust that bolsters the company's reputation and leads to better outcomes for our stakeholders.

In 2022, PSE&G Ranked #1 in Customer Satisfaction for both Residential Electric and Natural Gas Service in the East among Large Utilities in the J.D. Power 2022 U.S. Electric Utility Residential Customer Satisfaction Study and 2022 U.S. Gas Utility Residential Customer Satisfaction Study. And, for the 21st consecutive year, PSE&G received the ReliabilityOne® Award for Outstanding Reliability Performance in the Mid-Atlantic Metropolitan Service Area from PA Consulting, an



industry benchmarking group. We also received the 2022 Edison Award from the Edison Electric Institute, the electric utility industry's highest honor.

Financial Strength

Over our 120-year history, PSEG has maintained financial strength while pursuing service excellence for our customers. The current strategic focus of the company will allow us to provide predictable growth in earnings, dividends and cash flow from a visible pipeline of predominantly regulated capital investments.

Last year we improved our business mix, selling our fossil generation fleet, adapting to federal legislation that helped stabilize results of our nuclear fleet, and recently deciding to sell our equity stake in the Ocean Wind 1 project, resulting in more financial flexibility.

Our work in 2022 has created a strong financial position that has once again supported the growth in our dividend. In February 2023, we raised our indicative annual dividend rate to \$2.28 per share, up 5.6% over 2022. This is the 116th consecutive year our company has provided a dividend and the 19th dividend increase in the past 20 years.

We have established an earnings growth rate expectation of 5% to 7% through 2027. Our financial strength enables us to fund our current capital investment program through 2027 without the need to issue new equity.

Disciplined Investment

The global discussion around energy is changing and our investments are evolving to adapt strategically to build a sustainable growth platform and prepare for the future.

PSEG's updated capital spending program advances decarbonization and infrastructure modernization. For the five-year period ending December 31, 2027, PSE&G's capital spending program is estimated to be in the range of \$15.5 billion to \$18 billion.

Opportunities for regulated investments include a potential new phase of the Gas System Modernization Program that would meaningfully accelerate the replacement of aging cast iron gas pipes to increase reliability and reduce emissions.



PSE&G also recently entered a new phase of the Clean Energy Future initiative, led by our landmark energy efficiency plan. In September 2022, we filed with the NJBPU for a \$320 million short-term extension of the program, anticipated to be resolved in 2023.

In June 2022, the NJBPU approved PSE&G's Infrastructure Advancement Program (IAP), which will help modernize PSE&G's distribution systems to provide customers with improved reliability, including during extreme weather. The IAP includes "Last Mile" investments that will begin preparing the grid for the transition to electric vehicles (EVs) and enable a greater blend of renewable energy resources while increasing the reliability of the state's electric grid down to the street and neighborhood level. PSEG will invest \$511 million over four years, helping to stimulate the New Jersey economy by creating hundreds of jobs.

And as we continue to pursue decarbonization, we look forward to exploring new electrification and EV infrastructure opportunities to combat the number one source of greenhouse gas emissions in the state: transportation. In January 2023, PSE&G's electric transportation team was recognized with EVgo's inaugural Connect the Watts™ "National EV Charging Hero" award for their work installing EV infrastructure in the region, a testament to our commitment to our work in the EV space.

We also know that investments in nuclear energy are investments in a carbon-free energy generation source that can help New Jersey and federal policymakers in pursuit of clean energy goals. PSEG's nuclear plants provide over 85% of New Jersey's carbon-free electricity. In April 2021, PSEG Power's Salem 1, Salem 2 and Hope

Creek nuclear plants were awarded zero emission credits (ZECs) for the three-year eligibility period starting in June 2022 at the same \$10 per megawatt hour received during the previous ZEC period. In August 2022, the federal Inflation Reduction Act was signed into law, expanding incentives promoting carbon-free generation.

In January 2023, PSEG decided to sell our 25% stake in Ocean Wind 1, shifting our focus in offshore wind to transmission-only projects. This will allow the Ocean Wind 1 project to move forward at a lower cost to ratepayers while allowing PSEG to stay involved in a support role, reducing PSEG's risk related to the project and supporting predictability.

In 2023, we expect to file proposals for our Energy Strong and energy efficiency investments, along with the distribution base rate case.





POWERING *Progress*

At PSEG, we are preparing for what is yet to come and doing right for people and for communities, while also ensuring our business outlook stays strong and commitment to reliability does not waver. We remain dedicated to the values of environmental stewardship, social responsibility and ethical governance.

Our Mission and Vision

In February 2022, PSEG launched its new mission statement:

- Be a positive force in a changing world by providing infrastructure to access safe, affordable, reliable and cleaner energy;
- Work toward a carbon-free economy;
- Empower the lives of our customers, our communities, our workforce and other stakeholders;
- Embrace diversity and inclusion, and promote equitable and ethical behavior.

This mission will guide us as we develop our business strategy and pursue our Powering Progress vision for a future where people use less energy and it is cleaner, safer and delivered more reliably than ever.

Environmental Stewardship and Sustainability

Our business strategy considers not only how climate change might impact PSEG operations and investors, but also how its effects may impact the communities we live in, and how we can help manage the resulting risks and uncertainties.

PSEG continues to improve customers' infrastructure, providing enhanced reliability – including during extreme weather – while helping New Jersey achieve its clean energy goals.

PSEG remains committed to the goal of net-zero carbon emissions by 2030 and in late 2021 signed on to the Business Ambition for 1.5°C campaign led by the Science Based Targets initiative, the U.N. Global Compact and the We Mean Business Coalition.



PSEG has been named to the Dow Jones Sustainability North America Index for 15 consecutive years, named to the JUST 100 as one of America's Most JUST Companies, and has been listed among America's Most Responsible Companies for 2022 by Newsweek.

Diversity, Equity and Inclusion (DEI) and Governance

At PSEG, we know that we need talented and dedicated people, who can work as part of our team and leverage their unique backgrounds, experiences and skills to help solve our customers' problems. We also recognize the value in reflecting and representing the communities where we live and work. We strive to attract, develop, and retain a high performing, diverse workforce and to continue building on our strong culture of inclusion.

As part of our efforts to foster a diverse, equitable and inclusive workplace, PSE&G has partnered with the New Jersey Department of Labor & Workforce Development to sponsor the Clean Energy Jobs Program, an initiative designed to place up to 2,000 people from underrepresented communities into jobs supporting New Jersey's clean energy goals.

For our efforts in DEI, we have been recognized as one of America's Best Employers for Diversity by Forbes and in the 2022 Bloomberg Gender Equality Index.

We continue to prioritize corporate governance and ethical behavior, through the oversight of our Board of Directors, guided by our Corporate Governance Principles and our Standards of Conduct.

Social Responsibility

The PSEG Foundation supports strategic partnerships and activities, charitable giving and in-kind donations, and a robust employee-giving program. As part of the commitment to social value, the PSEG Foundation announced its new strategic pillars of environmental sustainability, social justice, equity and economic empowerment in April 2022.

Over the past five years, the PSEG Foundation has awarded more than \$40 million in grants through various programs including strategic partnerships, the Neighborhood Partners Program (NPP) and a robust employee-matching gift and volunteer grant program to help organizations that support thousands of individuals and families across the region. In 2022, over \$8 million



was awarded to organizations in alignment with the PSEG Foundation's strategic giving priorities. The NPP, which provides support to grassroots, community-based organizations in areas focused on addressing the inequities and inequalities in marginalized communities throughout PSEG's service and operating territory, received the largest amount of applications since the start of the program in 2014.

In 2022, New Jersey Institute of Technology named PSEG and the PSEG Foundation an Outstanding Corporate Partner for support of efforts to expand access to STEM degrees and careers for first-generation students and those from historically underrepresented communities.

In May, Sustainable Jersey announced thirty-five New Jersey municipalities, schools and school districts selected to receive a Sustainable Jersey grant funded by the PSEG Foundation. Seven \$20,000 grants, thirteen \$10,000 grants and fifteen \$2,000 grants were distributed to recipients across fifteen New Jersey counties.

PSEG's philanthropic efforts expand beyond the PSEG Foundation's support and include multiple corporate initiatives. In 2022, over \$4 million was donated through PSEG's Corporate Social Responsibility philanthropic investments and over the past five years, corporate philanthropic giving exceeded \$15 million in funding to support local nonprofits.

PSEG leadership and employees have also contributed thousands of volunteer hours as coaches, workshop leaders, intern supervisors, Board and Trustee members and more. Additionally, as part of PSEG's and the PSEG Foundation's commitment to volunteerism over 6,000 employees volunteered with numerous organizations to support Earth Day and various other initiatives including food, clothing, blood, gift and school supply drives, as well as mentoring, park clean-ups and tree planting.



AWARDS *and Recognition*

The JUST 100, America's Most JUST Companies 2022

– *JUST Capital and CNBC*

First in Customer Satisfaction for both Residential Electric and Natural Gas Service in the East among Large Utilities

– *J.D. Power 2022 Studies*

America's Most Responsible Companies 2022

– *Newsweek*

Dow Jones Sustainability North America Index – 15th consecutive year

– *Dow Jones*

2022 Drive Electric Award – Utility Award

– *Plug in America*

ReliabilityOne® Award for Outstanding Reliability Performance in the Mid-Atlantic Metropolitan Service Area

– *PA Consulting*

2022 Edison Award

– *The Edison Electric Institute*

National Energy Equity Award for Clean Energy Jobs Program

– *Smart Energy Consumer Collaborative*

100 Best Corporate Citizens of 2022

– *3BL Media*

America's Best Employers for Diversity 2022

– *Forbes*

America's Best Large Employers 2022

– *Forbes*

Stockholder Information



BOARD OF DIRECTORS

RALPH A. LAROSSA is the Chair of the Board, President and Chief Executive Officer of PSEG.

SUSAN TOMASKY is PSEG's Lead Director and retired President, AEP Transmission of American Electric Power Corporation, Columbus, OH.

WILLIE A. DEESE is the retired Executive Vice President of Merck & Co., Inc., and President, Merck Manufacturing Division, Rahway, NJ, which develops, manufactures and distributes pharmaceuticals.

JAMIE M. GENTOSO, P.E. is the President of Holcim Building Envelope, Global Head of Solutions & Products Business Unit, Holcim, a multinational company that manufactures building materials.

BARRY H. OSTROWSKY is the retired President and Chief Executive Officer of RWJBarnabas Health, West Orange, NJ, a comprehensive integrated health care delivery system of hospitals, programs and services.

VALERIE A. SMITH is the President of Swarthmore College, Swarthmore, PA, a college that provides a liberal arts education.

SCOTT G. STEPHENSON is the retired Chairman of the Board, President and Chief Executive Officer of Verisk Analytics, Inc., Jersey City, NJ, a data analytics and risk assessment company.

LAURA A. SUGG is the retired President of the Australasia Division of ConocoPhillips Corporation, Houston, TX, a leading worldwide oil and gas exploration and development company.

JOHN P. SURMA is the retired Chairman and Chief Executive Officer of United States Steel Corporation, Pittsburgh, PA, a leading global integrated steel producer.

ALFRED W. ZOLLAR is Executive Advisor, Siris Capital Group, LLC and the retired General Manager – Tivoli Software Division of International Business Machines Corporation, Armonk, NY, a worldwide information technology and consulting company.

STOCK EXCHANGE LISTINGS

New York (PSEG Common Stock) Trading Symbol: **PEG**

ANNUAL MEETING

Please note that the annual meeting of stockholders of Public Service Enterprise Group (PSEG) Incorporated will be held on **Tuesday, April 18, 2023, at 1 p.m. ET via virtual webcast.** Prior registration is required at: register.proxypush.com/peg

STOCKHOLDER SERVICES

Please include your shareholder account number in any inquiry you may have about stock transfer, dividends, dividend reinvestment, direct deposit, missing or lost certificates, change of address requests, or for any other account specific request.

STOCKHOLDER SERVICES

ON THE INTERNET
Please visit the EQ Shareowner Services site: www.shareowneronline.com. The EQ Shareowner Online website offers online access and transaction processing to shareholders.

HOW TO CONTACT SHAREOWNER SERVICES

Toll free: **800-242-0813**
(weekdays, 8 a.m. – 8 p.m. ET)
Web: www.shareowneronline.com

MAILING ADDRESS

EQ Shareowner Services
P.O. Box 64874, St. Paul, MN 55164-0874

SECURITY ANALYSTS AND INSTITUTIONAL INVESTORS

For information contact: Vice President – Investor Relations: **973-430-6565**

TRANSFER AGENT

The transfer agent for the Common Stock is: Equiniti Trust Company, Shareowner Services
P.O. Box 64874, St. Paul, MN 55164-0874

ENTERPRISE DIRECT

PSEG offers Enterprise Direct, a stock purchase and dividend reinvestment plan. For

more information, including a plan prospectus and an enrollment form, call EQ Shareowner Services with your current mailing address.

DIVIDENDS

Dividends on the common stock of PSEG, as declared by the Board of Directors, are generally payable on the last business day of March, June, September and December of each year.

DIRECT DEPOSIT OF DIVIDENDS

Your quarterly common stock dividend payments can be deposited electronically to your personal checking or savings account. More information, including instructions and a downloadable form, is available on the EQ Shareowner Services website www.shareowneronline.com or by contacting EQ Shareowner Services by phone. It's a free service.

DEPOSIT OF CERTIFICATES

To eliminate the risk and cost of loss, shareholders can deposit their certificates with EQ Shareowner Services, or take advantage of DRS, a convenient service for holding and tracking your shares and still receive a paid dividend. For more information, contact EQ Shareowner Services on the web or by phone.

GO GREEN WITH ELECTRONIC DELIVERY

Sign up to receive future proxy statements and related documents (Annual Report and Form 10-K) by electronic delivery. It will help PSEG fulfill its commitment to reduce our environmental impact. Log on to the appropriate site listed below, depending on the nature of your ownership:

If you are a stockholder of record, please go to www.proxyconsent.com/peg

For shares held in the ESPP, go to <https://enroll.icsdelivery.com/peg>

For shares held in Employees Benefit Plans, go to www.proxyconsent.com/peg

If your shares are held by a bank or broker, go to <https://enroll.icsdelivery.com/peg>

Forward-Looking Statements – The statements contained in this report that are not purely historical are "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated. Such statements are based on management's beliefs as well as assumptions made by and information currently available to management. When used herein, the words "anticipate," "intend," "estimate," "believe," "expect," "plan," "should," "hypothetical," "potential," "forecast," "project" variations of such words and similar expressions are intended to identify forward-looking statements. Such statements are based on management's beliefs as well as assumptions made by and information currently available to management. Factors that may cause actual results to differ materially from those contemplated in any forward-looking statements made by us herein are discussed in our Annual Report on Form 10-K and subsequent reports on Form 10-Q and Form 8-K filed with the Securities and Exchange Commission (SEC), and available on our website: <https://investor.pseg.com>. All of the forward-looking statements made in this report are qualified by these cautionary statements and we cannot assure you that the results or developments anticipated by management will be realized or even if realized, will have the expected consequences to, or effects on, us or our business, prospects, financial condition, results of operations or cash flows. Readers are cautioned not to place undue reliance on these forward-looking statements in making any investment decision. Forward-looking statements made in this report apply only as of the date hereof. While we may elect to update forward-looking statements from time to time, we specifically disclaim any obligation to do so, even in light of new information or future events, unless otherwise required by applicable securities laws. Information on our website should not be deemed incorporated into, or as a part of, this report.

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

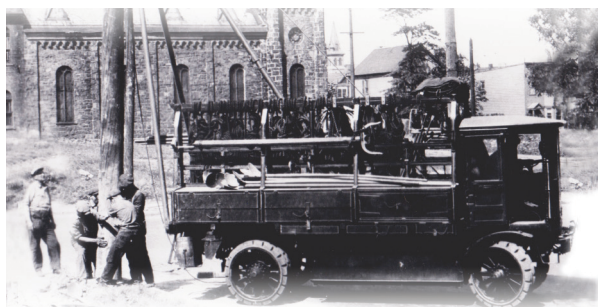
T O C K S



PUBLIC SERVICE ENTERPRISE GROUP INC.

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pseg.com



Battery-powered line trucks were a familiar sight on urban streets in the 1920s.