

Corporate Political Contributions Policy

Exelon Policy
LE-AC-23
Rev. 5

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1. Policy Statement

Exelon actively participates in the political process to promote sound energy, economic, and environmental policies that address needs of our customers, communities, and other stakeholders and create value for our investors.

2. Policy Intent

- 2.1. This Corporate Political Contributions Policy (the “**Policy**”) is intended to articulate the principles and policies of Exelon Corporation (including its subsidiaries, “**Exelon**” or the “**Company**”) regarding corporate contributions to political candidates, organizations, and activities, including compliance with federal, state, and local political contribution laws, board oversight, and procedural guidance. This Policy is not intended to govern individuals’ political activities and contributions or to address contributions by employee-funded political action committees.

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3. Terms and Definitions

3.1. Governmental Unit

3.1.1 any federal, state, county, or municipal governmental body and any other unit of state or local government (such as a park district, school district, judicial district, or library district) and any department, agency, or commission thereof.

3.2. Corporate Governance Committee Chair

3.2.1 the Chair of the Corporate Governance Committee of the Exelon Board of Directors.

3.3. Political Contribution

3.3.1 any gift or other transfer of money or property (including real estate or equipment) by the Company or any provision of services (including the use of property, facilities, or personnel) by the Company to:

3.3.1.1 any candidate or candidates for nomination for election to public office in any Governmental Unit,

3.3.1.2 any entity or association (including a political party, political committee, political action committee, or any entity organized under 26 U.S.C. §527) organized for the purpose of nominating or electing a person to a public office in any Governmental Unit, or obtaining a vote on an issue included in a referendum or ballot measure,

3.3.1.3 any entity organized and operating under 26 U.S.C. §501(c)(4) if the contribution is provided for the purpose of supporting political activities, or

3.3.1.4 any special contribution to a non-profit organization for the purpose of funding political activity (i.e., supporting or opposing a candidate for nomination or election to public office or a referendum) incidental to another primary purpose.

4. Principles and Guidelines

4.1. All Political Contributions shall comply with all applicable laws and regulations related to ethics in government, lobbying, campaign finance, and political contributions.

4.2. Nothing in this Policy should be construed as authorizing Political Contributions by the Company in connection with any election or ballot initiative in any jurisdiction outside the United States.

4.3. Exelon provides financial support to candidates or organizations to promote sound energy, economic, and environmental policies that address needs of our customers, communities, and other stakeholders, create value for our investors, and are aligned Exelon's values. In balancing competing interests, Exelon at times may provide financial support to candidates and organizations who support positions that align with some, but not all, of our business objectives, corporate policies, public policy priorities, and Company values.

4.4. Political Contributions must:

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- 4.4.1 Be made in the interests of the Company and without regard for the private political preferences of individual officers, directors, or employees,
- 4.4.2 Not be given to improperly influence or reward, or in exchange for, an official act, and
- 4.4.3 Not be made or committed under any condition requiring confidentiality or otherwise limiting public disclosure.
- 4.5. All Political Contributions must receive prior written approval from the appropriate corporate officer.
- 4.6. In-kind contributions shall be treated in the same manner for purposes of this Policy as monetary contributions and must be accurately valued.

5. Corporate Contribution Limits and Approval Procedures

- 5.1. All Political Contributions must be pre-approved by the Exelon CEO (or in the case of Political Contributions made by a subsidiary, the CEO of that subsidiary). Approval must be obtained in advance of the contribution or expenditure.
- 5.2. The CEO may authorize Political Contributions in accordance with the limits set forth below. The CEO may delegate his or her authority to any designated officer(s) to approve Political Contributions within the limits of authority specified below. Political Contributions exceeding the limits set forth in the below table are subject to Section 4.3.

Contribution Category	Maximum Total Annual Contribution¹
Contributions to any candidate or candidates for nomination for election to public office in any Governmental Unit	\$10,000 per candidate, and \$250,000 in the aggregate, per calendar year
Contributions to any entity or association (including a political party, political committee, political action committee, or any entity organized under 26 U.S.C. §527) organized for the purpose of nominating or electing a person to a public office in any Governmental Unit, or obtaining a vote on an issue included in a referendum or ballot measure	\$150,000 per entity, and \$250,000 in the aggregate, per calendar year
Nondeductible contributions to any entity organized and operating under 26 U.S.C. §501(c)(4). (Contributions to such	\$150,000 per entity, and \$250,000 in the aggregate, per calendar year

¹ The Maximum Total Annual Contribution amounts reflected are Exelon-wide; contributions by multiple Exelon business units or operating companies to the same candidate or organization may not total more than these amounts during a calendar year. The aggregate contribution limit reflects the total of all contributions by Exelon business units or operating companies to organizations in a category in the accompanying chart, per calendar year.

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entities are nondeductible if they are used for lobbying or political activity)	
Special contributions to any non-profit organization to fund political activity incidental to another primary purpose	\$10,000 per entity, , and \$100,000 in the aggregate, per calendar year

- 5.3. The following types of Political Contributions are prohibited unless approved in advance by both the Exelon CEO and the Chair of the Corporate Governance Committee:
- 5.3.1 contributions in excess of the limits set forth in Section 4.2; and
 - 5.3.2 contributions to a direct advertising campaign, including any direct issue advertising, that seeks votes for or against a candidate for nomination or election to a public office or support of or opposition to a political party.
- 5.4. Questions of interpretation under these guidelines may be resolved by the Executive Vice President, Compliance, Audit & Risk, or by his or her designee(s).

6. Trade Associations

- 6.1. Exelon is a member of various trade associations that advocate for solutions on behalf of our industry, and we provide financial support to policy development organizations whose purpose is to develop policy position papers or model legislation, among other civic activities. We may not align with or support every public position each of these broad-based groups takes. When we disagree with a position, we employ a range of approaches to make our voice heard. We believe our dissenting voice has greater impact when we participate as a member of these organizations offering a balance of perspective.
- 6.2. Annual dues paid to trade associations organized under 26 U.S.C. §501(c)(6) of the Internal Revenue Code will be publicly disclosed pursuant to Section 6 if the dues exceed over \$10,000, or if Exelon or any subsidiary or organization owned or controlled by Exelon has a board seat on the trade organization.

7. Reporting and Disclosure

- 7.1. All Political Contributions and other corporate contributions specified in Sections 6.2, 6.3, and 6.4 shall be disclosed semi-annually on the corporate website in the Semi-Annual Report of Corporate Political Giving and Other Contributions (the “**Political Contribution Report**”). The Office of Corporate Governance is responsible for collecting this information and preparing each semi-annual Political Contribution Report.

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- 7.2. All trade associations organized under 26 U.S.C. §501(c)(6) of the Internal Revenue Code that receive total payments of \$10,000 or more from Exelon in any calendar year, or on which Exelon or any subsidiary or organization owned or controlled by Exelon has a board seat, will be asked to report the portion of dues or payments received from Exelon that are used for expenditures or contributions that, if made directly by Exelon, would not be deductible under §162(e)(1)(B) of the Internal Revenue Code. Exelon will disclose such information in each semi-annual Political Contribution Report.
- 7.3. Political Contribution Reports shall include all contributions made to entities organized and operating under 26 U.S.C. §501(c)(4).
- 7.4. 6.4 Political Contribution Reports shall include non-profit organizations that received a matching contribution in excess of \$5,000 from the Exelon Foundation as part of Exelon's matching gift program as the result of a contribution from a senior executive.

8. Oversight

- 8.1. The Exelon Corporate Governance Committee shall be responsible for:
 - 8.1.1 overseeing the Company's compliance with policies and procedures related to corporate political spending, and
 - 8.1.2 at least annually, reviewing a report outlining strategic priorities for Political Contributions and the Company's procedures for making Political Contributions.
- 8.2. Prior to disclosure on the website, the Exelon Corporate Governance Committee shall review each semi-annual Political Contribution Report prepared in accordance with Section 5.
- 8.3. Senior members of Exelon's Government, Regulatory Affairs, and Public Policy team shall oversee a process for considering whether the positions of candidates and organizations to which the Company contributes, taken in their entirety, conflict significantly with the Company's business objectives, corporate policies, public policy priorities, or values, in a manner that calls into question the appropriateness of the Company's continued support. This process shall be reviewed at least annually with the Exelon Corporate Governance Committee.

9. Political Action Committees

- 9.1. Consistent with U.S. federal and state laws, Exelon has established several political action committees (PACs). Each of the PACs identified below is funded through voluntary employee contributions and receives limited administrative support Exelon. These PACs allow eligible employees a direct means to participate in shaping sound public policy and voicing views on issues related to our businesses and are governed by their own bylaws.

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9.1.1 Exelon has two federally registered PACs which may make contributions at the federal, state, and local level.

PAC Name	FEC ID Number
Exelon Corporation PAC	C00141218
Exelon Corporation - Pepco Holdings Inc. PAC ²	C00385849

9.1.2 Exelon has four additional PACs which may only make contributions at the state and local level:

PAC Name	Contributions permitted in:
Atlantic City Electric Company PAC	New Jersey
Baltimore Gas and Electric Company PAC	Maryland
Commonwealth Edison Company PAC	Illinois
PECO Energy Company PAC	Pennsylvania

10. Applicability

10.1. Other Political Activities of Employees

10.1.1 While Exelon officers, directors, and employees may participate as individual citizens in the political process, decisions to do so are entirely personal and voluntary. Employees engaging in political activities are expected to do so as private citizens on their own time and must make clear that their views and actions are their own and not those of the Company.

10.1.2 Employees shall not coerce or pressure others to make contributions to any political candidate, party, advocacy group, political action committee, or political entity, or to support or oppose any political candidate or election. Employees shall not use Company letterhead or e-mail for any personal political activities. Exelon leaders shall not solicit employees for political contributions other than solicitations for voluntary contributions to Exelon-affiliated political action committees, to voluntarily participate in events sponsored by the company or its affiliated political action committees, or solicitations to corporate officers pursuant to a corporate voluntary contributions program.

10.1.3 Employees shall not be reimbursed for personal political contributions or expenses, either directly or indirectly.

11. Development History

² The PHI PAC is federally registered for administrative purposes only. It does not make contributions at the federal level.

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Revision 3		Date: 4/26/2023
Writer	Click here to enter text.	
Reviewer(s)/Approver(s)	David Glockner, M. Lavinson, K. Smith, C. Culver, Corporate Governance Committee	
Reason Written	Click here to enter text.	

Revision 4		Date: 7/17/2023
Writer		
Reviewer(s)/Approver(s)	David Glocker, Jane Park	
Reason Written/Revised	Click here to enter text.	

Revision 5		Date: 10/25/2024
Writer	T. Huie	
Reviewer(s)/Approver(s)	D. Glocker, C. Honorable, C. Butler, Executive Committee	

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Revision 5	Date: 10/25/2024
Reason Written/Revised	<ul style="list-style-type: none"> •Changed “Type of Contribution” to “Contribution Category” so we can use the term “category” later and it will be clear what we mean. •§ 527s: changed per entity limit to \$150,000. The bulk of our § 527 contributions are to national party committees/governors’ conferences. These are done across OpCos and can add up to sizable totals. For example, according to the disclosures on our web site we gave a total of \$130K in 2023 to the Democratic Governors Association (a § 527 organization). That doesn’t seem like it should require special approval from Calvin and the Board Governance chair. We propose raising the maximum per entity limit to \$150K to recognize the reality of the large party/governors conference contributions, but do not propose raising the annual aggregate limit. This structure – maintaining a per entity limit of \$150,000 and an aggregate limit of \$250,000 – ensures additional oversight if our contributions get heavily weighted toward one entity or the total grows large. •§ 501(c)(4)s: Changed per entity limit to \$150,000 for consistency with § 527s. Added language making it clear limits apply to nondeductible contributions. Nondeductible contributions are for political purposes, and the change makes clear that the limits don’t cover contributions to groups like volunteer fire departments that are organized under § 501(c)(4). We already track nondeductible contributions for disclosure purposes, so this doesn’t add any burden. •“Special contributions”: changed to \$10K per entity and \$100K aggregate per calendar year. These contributions should be rare (this is meant as a catch-all category for contributions that don’t fit into traditional giving categories), and as a result they should receive a reasonable level of scrutiny. •Added comma between “aggregate” and “per” in each section to make clear that “per calendar year” applies to both individual entity and aggregate limits. •Changed definition of “Maximum Total Contribution” to make it clearer. •Eliminated section 4.3(c) as it is inconsistent with other language in the policy.