

24-Feb-2026

NRG Energy, Inc. (NRG)

Q4 2025 Earnings Call

CORPORATE PARTICIPANTS

Brendan Mulhern

Vice President-Investor Relations, NRG Energy, Inc.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

Robert J. Gaudette

President, NRG Energy, Inc.

Brad Bentley

Executive Vice President & President-NRG Consumer, NRG Energy, Inc.

OTHER PARTICIPANTS

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Julien Dumoulin-Smith

Analyst, Jefferies LLC

Nicholas Campanella

Analyst, Barclays Capital, Inc.

Michael P. Sullivan

Analyst, Wolfe Research LLC

Nicholas Amicucci

Analyst, Evercore ISI

William James Appicelli

Analyst, UBS Securities LLC

Angie Storzynski

Analyst, Seaport Global Securities LLC

Carly Davenport

Analyst, Goldman Sachs & Co. LLC

Andrew Weisel

Analyst, Scotiabank

David Arcaro

Analyst, Morgan Stanley & Co. LLC

MANAGEMENT DISCUSSION SECTION

Operator: Good day and thank you for standing by. Welcome to NRG Energy, Inc. Fourth Quarter and Full Year 2025 Earnings Call. At this time, all participants are in a listen-only mode. After the speakers' presentation, there will be a question-and-answer session. [Operator Instructions] Please be advised that today's conference is being recorded.

I would now like to hand the call over to your first speaker today, Brendan Mulhern, Head of Investor Relations. Please go ahead.

Brendan Mulhern

Vice President-Investor Relations, NRG Energy, Inc.

Thank you. Good morning and welcome to NRG Energy's fourth quarter and full year 2025 earnings call. This morning's call is being broadcast live over the phone and via webcast. The webcast presentation and earnings release can be located in the Investors section of our website at www.nrg.com under Presentations and Webcasts.

Please note that today's discussion may contain forward-looking statements, which are based upon assumptions that we believe to be reasonable as of this date. Actual results may differ materially. We urge everyone to review the Safe Harbor in today's presentation, as well as the risk factors in our SEC filings. We undertake no obligation to update these statements as a result of future events, except as required by law.

In addition, we will refer to both GAAP and non-GAAP financial measures. For information regarding our non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures, please refer to today's presentation and earnings release.

With that, I'll now turn the call over to Larry Coben, NRG's Chair and Chief Executive Officer.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Thank you, Brendan, and good morning, everyone. I'm joined today by Bruce Chung, our CFO; and Rob Gaudette, our President. Other members of our management team are also on the line and available to answer questions.

Let's begin with the key messages on slide 4. We exceeded the midpoint of our raised 2025 guidance, marking the third consecutive year we increased our outlook and delivered above it. We introduced standalone 2026 guidance in November, updated it in February to reflect 11 months of LS Power ownership. And today, we are reaffirming those ranges.

We successfully closed LS Power at the end of January. Integration is well underway and performance is already exceeding our underwriting assumptions. With LS Power now closed, we are rolling forward our long-term outlook. We continue to target at least 14% annual growth in adjusted earnings per share and free cash flow before growth per share, now measured from 2026 through 2030 rather than the previous through 2029. We are maintaining this more than 14% trajectory despite a much higher share price than assumed at the original

announcement. This is achieved through higher earnings from both the LS Power portfolio and our legacy businesses.

Finally, as demand accelerates across our markets, affordability and reliability will define long-term success. New large loads must bring their own power and contract with the generation that supports them. Flexible demand response must scale alongside that. Otherwise, prices will rise and volatility will increase. NRG is well positioned to do both, and thus meet rising demand across our markets.

Let's turn to slide 5. Our 2025 financial and business results. 2025 was a record year of performance at NRG. Full year adjusted EPS was \$8.24 per share and adjusted EBITDA was \$4.087 billion, both above the high end of our raised guidance. Free cash flow before growth totaled \$2.210 billion or \$11.63 per share above the midpoint of our revised outlook.

Turning to our 2025 scoreboard. We delivered against the priorities we outlined at the start of that year. We achieved top decile safety performance for the 10th consecutive year and delivered our 2025 target under our \$750 million organic growth plan. We signed 445 megawatts of long-term data center PPAs at attractive margins. We secured Texas Energy Fund loans for 1.5 gigawatts of new capacity, with all construction on budget and on schedule. We launched our Texas residential VPP, and finished the year at nearly 10 times our original objective. We also announced the LS Power transaction, which we'll cover in more detail on the next slide. In 2025, we returned \$1.6 billion to shareholders through repurchases and dividends, while increasing the dividend by 8% for the sixth consecutive year.

Our momentum has carried forward into 2026. During winter storm Fern, our Texas fleet achieved 97% in the money availability. Our assets were ready when the grid needed them. That performance reflects investments we have made in the plants in recent years and great work by our amazing people.

Turning to slide 6. Beyond 2025 performance, we strengthened our competitive position with the close of the LS Power portfolio. Our generation fleet has doubled to 25 gigawatts. We added 18 natural gas assets, primarily in PJM, with additional positions in ERCOT, NYISO and ISO New England. The combined fleet is now more than 75% natural gas. Together with our existing generation and projects under development, we are naturally long against our residential load in our core markets.

In PJM, several of the newly acquired peaking units provide a potential 1 gigawatt of uprates through conversion to combined cycle configuration. That adds flexibility to support future large load demand.

CPower, a preeminent company in the demand response space, strengthens our capabilities and expands our position in this sector, with both commercial and industrial customers. This transaction was immediately accretive, supports our long-term leverage targets and strengthens our credit profile. Performance is already exceeding our underwriting assumptions driven by stronger capacity and energy prices. In addition, 100% bonus depreciation enhances after-tax returns relative to our original modeling. We have expanded our earnings base and strengthened our competitive position as markets tighten.

Turning to slide 7, let's discuss our near and long term outlook. Beginning with 2026, we are reaffirming the guidance ranges introduced in early February following the close of LS Power. Recall that the LS contribution reflects 11 months of ownership, not a full year. In 2026, we will deliver these results embedded in our outlook and integrate the LS Power portfolio. We are also targeting at least one 1-gigawatt-plus signed long-term data center power contract under our bring your own power approach.

Turning to the longer-term framework, we are rolling forward our outlook and continue to target at least 14% annual growth in adjusted EPS through 2030. This extends the prior five-year framework, which ended in 2029, and reflects our expanded earnings base.

Consistent with our prior methodology, the outlook assumes flat power and capacity prices across the planning horizon. Detailed assumptions in Texas and PJM price sensitivities are included in the appendix. The plan also now incorporates all three Texas Energy Fund projects rather than one. The first remains on track for June 2026 completion, and the additional two are expected online by mid-2028 and these represent incremental value relative to the prior outlook. The plan also reflects the portion of the 445 megawatts of previously announced signed data center contracts that are expected to be online during this period.

I must emphasize that the outlook does not assume any additional data center contracts or higher power or capacity prices. Let me repeat that, the outlook does not assume any additional data center contracts or higher power or capacity prices.

So beyond what is embedded in this plan, of course, we see significant opportunities to contract new large load natural gas generation under long-term agreements with high-quality counterparties. We have the ability today to support more than 6 gigs of long-term power agreements to serve large data center demand. At that level, it represents the potential to add more than \$2.5 billion of recurring annual adjusted EBITDA on contracts of up to 20 years. These projects would provide stable contract-backed cash flows. Discussions are ongoing. So stay tuned.

Turning to slide 8, I want to discuss our approach to affordability, which has two primary components. First, bring your own power. New large loads should contract directly for the generation that supports them. Data centers must pay for their required capacity additions. Cost and volatility should not be shifted to existing customers.

Second, demand response. Flexible demand is an essential complement to our approach. Demand response, including virtual power plants, provides dispatchable capacity when the system is tight. It lowers peak costs and strengthens reliability, without adding structural cost to the system.

We are executing on this model today. We have more than 6 gigs of natural gas generation capacity reserved for customer-backed large load projects, including 5.4 gigs through our GEV and Kiewit venture and 1 gig of uprate potential within the recently acquired LS portfolio. We are also developing new generation through the Texas Energy Fund to support grid reliability.

On the residential side, we are building a 1-gig virtual power plant in Texas and preparing to extend that model into PJM. On the commercial and industrial side, CPower now anchors one of the leading demand response platforms in the country. We built all of these platforms early in anticipation of where markets were heading and what politicians and customers are now saying. It is operating today. As demand expands, this model supports significant growth, without compromising affordability or reliability.

With that, let me turn it over to Bruce for the financial review.

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

Thank you, Larry. Starting with slide 10, I am pleased to share that NRG delivered exceptional full year financial results in 2025. We achieved earnings at or above the high end of our raised financial guidance ranges, including record level performance across several key metrics.

Our 2025 adjusted EPS was \$8.24 and adjusted EBITDA was \$4.087 billion, representing an increase of 21% and 8%, respectively, over the prior year. We delivered \$1.606 billion of adjusted net income and \$2.21 billion of free cash flow before growth. Our robust financial performance in 2025 marks the third year in a row where excellent execution across our businesses continues to demonstrate the durability of our integrated platform.

Moving on for a brief discussion of segment results. Our Texas segment delivered full year adjusted EBITDA of \$1.877 billion, driven by margin expansion and excellent commercial optimization throughout the year, as well as favorable weather that benefited our home energy volumes.

The East segment contributed full year adjusted EBITDA of \$981 million, reflecting a slight decline from the prior year, primarily driven by higher regional retail power supply and planned maintenance costs, and the retirement of the Indian River facility. These impacts were partially offset by strong capacity revenues at our plants, winter weather driving natural gas margin expansion, and continued commercial optimization in both power and gas.

Our West and Other segment provided full year adjusted EBITDA of \$137 million, a modest decline from the prior year, driven by the absence of earnings from the sale of our Airtron business in September 2024 and the lease expiration at the Cottonwood facility in May 2025. These were partially offset by higher retail power margins in the West.

The Smart Home business generated full year adjusted EBITDA of \$1.092 billion driven by record new customer adds and impressive retention rates, in addition to expanded net service margins.

Free cash flow before growth for 2025 was \$2.21 billion, exceeding 2024 results by \$148 million or 7% year-over-year growth. This year-over-year increase is primarily driven by the strong adjusted EBITDA results, lower interest payments due to the Vivint ringfence removal, and receipt of the remaining insurance proceeds from our W.A. Parish Unit 8 claims.

Turning to slide 11, we are reaffirming the 2026 financial guidance announced earlier this month, which includes 11 months of earnings from our recently acquired generation assets and CPower. Midpoints for our reaffirmed guidance ranges are as follows: adjusted EBITDA is \$5.575 billion, adjusted net income is \$1.9 billion, adjusted EPS is \$8.90 per share, and free cash flow before growth is \$3.05 billion.

As you can see on the waterfall charts at the bottom portion of the slide, we have made moderate adjustments to the pro forma guidance previously shared on the third quarter call. The updated adjusted EBITDA and free cash flow before growth disclosures now capture improved pricing and capacity values in addition to a pre-closing adjustment for January 2026 financial performance for the LS Power assets. You can find more details on the energy and capacity price assumptions we use in the appendix of this presentation.

Moving to slide 12 for updates to our capital allocation for 2026. Starting at the left of the waterfall and moving right, our total cash for allocation has increased to \$3.05 billion. This includes \$2.1 billion from the legacy company free cash flow before growth midpoint, together with \$950 million representing free cash flow before growth to be contributed by the recently acquired assets from LS Power, pro-rated to 11 months.

As part of our ongoing commitment to a strong balance sheet, we expect to execute approximately \$1 billion towards debt payments throughout the year. As part of the integration for the acquired assets, we expect to spend \$123 million of one-time costs to ensure that the assets are appropriately incorporated into our operating and

commercial portfolio. We remain committed to our robust return of capital program and plan to return at least \$1.4 billion of capital to shareholders in the form of share repurchases and common dividends.

Finally, we are allocating the remaining capital to continued investments in our core portfolio, with \$310 million allocated towards growth initiatives. This primarily consists of spend for our new generation build in Texas, including Texas Energy Fund proceeds, and continued investment in our consumer platform.

Turning to slide 13, we are reaffirming our long-term adjusted EPS and FCFbG per share CAGR of 14%-plus, while also rolling forward, the long-term outlook from 2029 to 2030. As described when we first disclosed the acquisition of assets from LS Power, we have a highly visible path to achieving more than 14% growth in our adjusted EPS and free cash flow before growth per share metrics over the next five years, underpinned by solid business expansion and disciplined capital allocation.

Starting on the left side of the page with adjusted EPS, we move from the original 2025 midpoint of \$7.25 to our 2026 updated midpoint of \$8.90. This step-up reflected strong underlying business performance, contributions from the LS Power portfolio, and the ongoing benefit of our share repurchase program. Looking ahead, we are forecasting adjusted EPS of greater than \$14 per share by 2030, underpinned by existing growth programs in our core business operations and our robust return of capital program.

Shifting to the chart on the right, our free cash flow before growth is similarly increasing on a per share basis. Starting with the original 2025 guidance midpoint of \$11.20, we have increased the midpoint to \$14.50 for 2026. By 2030, we expect a further increase to greater than \$22 per share, again delivering compounded annual growth of more than 14%. The core drivers for this per share increase are similar to those for our EPS growth and reflect the strong cash generation capabilities of our platform and a disciplined capital allocation framework.

It is worth highlighting that our long-term outlook holds energy and capacity prices flat through the period. Our energy price assumptions reflect market prices at the end of December 2025, and our PJM capacity price assumptions reflect pricing at the \$325 per megawatt day cap for the next two capacity auctions to be held in June and December 2026. Most importantly, this long-term outlook does not include any upside from rising power prices, new data center deals, or the 1-gigawatt CT to CCGT conversion opportunities we have with the acquired LS portfolio.

We have provided more details on the assumptions in our long-term outlook in the appendix of the presentation. We have also provided updated power price sensitivity slides, so that you can appropriately model the meaningful gearing our portfolio has to rising power prices.

Wrapping up this slide, we believe our long-term outlook represents a de-risked and outsized opportunity to enjoy above market earnings and free cash flow per share growth, while with meaningful upside levers. I look forward to updating you on our progress in achieving this long-term outlook on future earnings calls.

Finally, on slide 14, we are refreshing our view of long-term capital allocation. On the left-hand side of the slide, we have updated our 2026 to 2029 view of capital allocation, so that you can have an apples-to-apples comparison. Our current forecast represents an impressive 55% increase in capital available for allocation and a 32% increase in share repurchases from our original guidance in 3Q 2024. Furthermore, the current plan allocates 85% of cash available after debt reduction to return of capital compared to 80% in the original plan.

Moving to the right side of the slide, we have rolled forward our plan to include 2030 cash available for allocation, bringing the total to \$18.3 billion of total capital available through 2030. Including the additional years' earnings for

2030, we are increasing our return of capital program to a total of \$13.2 billion, comprised of \$11 billion in share repurchases and \$2.2 billion of common dividends. This represents an increase of \$5.3 billion and \$800 million for share repurchases and dividends, respectively, relative to the original plan shown in the far left bar of the chart. Forecasted amounts for growth/unallocated capital for the period increased modestly by \$400 million, with most of that increase in the unallocated bucket.

The combination of an improved earnings profile and planned debt reduction of \$2.9 billion over this five-year period will ensure that we achieve our targeted credit metric of 3 times net debt-to-EBITDA.

Our long-term capital allocation strategy is consistent with our long-stated principles, which prioritize a strong balance sheet and robust return of capital. The significant free cash flow we generate over this period affords a meaningful amount of flexibility to put capital to work accretively. Share repurchases will always remain a strategic component of our annual capital allocation plan.

While we've shown much of the capital over the period devoted to share repurchases, we recognize that there may be other very accretive uses of that capital beyond share repurchases, particularly the development of power plants supporting data centers under contracts of up to 20 years. And we will evaluate those opportunities with discipline. But rest assured that, any and all of those situations will be measured against our stated hurdle rates of 12% to 15% pre-tax unlevered IRR and the implied return of buying back our stock.

In closing, NRG delivered record financial and operational execution through 2025, reflecting the resilience of our platform and the continued momentum across our core businesses. As we look ahead, the 2026 outlook and capital allocation priorities I have outlined highlight the durability of our strategy and our commitment to disciplined growth, prudent liability management, and long-term value creation.

With the successful close of the assets acquired from LS Power, we have strengthened and expanded our portfolio. Integration is well underway, and the addition of these assets into our combined portfolio positions us well for continued growth and execution of our strategic and capital allocation priorities.

With that, I'll turn it back to you, Larry.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Thank you, Bruce. Let me close with our priorities for 2026. Demand is accelerating, led by data centers. Our priority is to serve that growth under a bring your own power framework, securing long-term power agreements that support the new generation required to meet it. We will complete TH Wharton. We will integrate LS Power. We will continue building our virtual power plant platform.

Execution and capital discipline remain our lodestar. We will deliver the financial results embedded in our guidance, return at least \$1.4 billion to shareholders, grow the dividend consistent with our framework, and maintain balance sheet strength.

As I approach the conclusion of my time as CEO, I want to thank all of our 18,000 employees for their incredible work and commitment, our customers for their trust, and our shareholders for their support. Over the past 27 months, the NRG team has reshaped the portfolio, strengthened the balance sheet, and positioned NRG to compete and keep winning in a changing power market.

We enter 2026 strong, disciplined and well prepared for this next phase of growth. I look forward to continuing as an advisor and long-term shareholder and to watching this incredible team build on the foundation in the years ahead. This is only the beginning, and the best is yet to come. Thank you all for everything you have done.

Operator, we're now ready to open the line for questions.

QUESTION AND ANSWER SECTION

Operator: Thank you. At this time, we will conduct the question-and-answer session. [Operator Instructions] First question comes from the line of Shar Pourreza with Wells Fargo Securities. Go ahead, your line is open.

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Hey, guys. Good morning.

Q

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Good morning, Shar. How are you?

A

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

All right, Larry. Big congrats to you and Rob. So, terrific transition and best of luck to both of you in your Phase 2. Maybe just starting off on the...

Q

[indiscernible] (00:26:56)

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Well, I totally forgot, Bruce. Is Bruce still there? The CEOs are doing such a good job, we forget the CFO sometimes. But Bruce, we still love you, apologies, and congrats on your Phase 1, Bruce. Maybe just starting off on the expectations now that the LS deal is closed. Larry, can you just expand on commercially contracting the combined portfolio comment you made? I mean, \$2.5 billion in EBITDA is sizable. I just want to get a sense on timing and structure, including how we should think about which party would be taking on the gas risk in these deals or risk share passed on to the counterparties. Just a little bit of a sense on the structures. Thanks.

Q

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Yeah. Look, Shar, I think a little bit obviously depend on the hyperscalers, but I think we're looking at blocks in excess of 1 gig. I think we're looking at contracts of minimum 10 and frequently 20 years with investment-rated entities that can actually support the kind of credit required to make this happen.

A

We're looking at a significant fixed price component in that. And so, I think you can start seeing these things come on. You can do the math. We've given you the margin. We've given you the capacity number. So you can kind of figure out when it comes, I think the first power, assuming we get to the place we need to get could be on by the end – late 2029 and then, ratably, probably 1 gig a year, maybe more for each year after that.

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Q

Got it. Okay. And then just the fuel risk. Larry, now this is a question we get from a lot of investors is who actually takes on the gas risk?

Robert J. Gaudette

President, NRG Energy, Inc.

A

So, hey, it's Rob.

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Q

Hey, Rob.

Robert J. Gaudette

President, NRG Energy, Inc.

A

The contract that's in the structure that the hyperscalers seem to be okay with is a very heavy capacity payment like Larry talked about, and then a variable component where it turns into basically a heat rate for the hyperscaler. They take the gas risk. If they want to offload the gas risk, I have a gas platform where I can help them do that.

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Q

Got it. Okay. Perfect. And then just in terms of PJM and the regulatory process, do you guys see FERC, PJM directive opening opportunities for NRG to bring new generation to that market? Would you focus on the 1 gigawatt of uprates that you noted in the slides or is there opportunity to beyond that, similar to what you're doing in Texas under the TEF? I guess, how attractive is that reserve auction? Thanks.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

I mean, I think it's attractive, Shar, but I think our focus in PJM, at least initially, will be the 1 gig of uprates. It's just faster and quicker to market and the demand is there for Texas. If somebody were to come to us and say that they wanted it in PJM, obviously, we have the flexibility to do that. But I think that, we would focus in PJM on the 1 gig of uprates and probably the other 5.4 outside of PJM.

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Q

Got it. This is perfect. Appreciate it, guys. And Larry, big congrats and Rob, just do me a favor as you take the spot, just make sure you continue to work Bruce really hard like Larry did. Thanks, guys.

Robert J. Gaudette

President, NRG Energy, Inc.

A

Understood.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Thank you, Shar.

Shahriar Pourreza

Analyst, Wells Fargo Securities LLC

Thank you, guys.

Q

Operator: One moment for our next question, please. The next question comes from the line of Julien Dumoulin-Smith with Jefferies LLC. Go ahead, your line is open.

Julien Dumoulin-Smith

Analyst, Jefferies LLC

Hey, good morning, team. Larry, Rob, congratulations, and Bruce, I swear we will never forget you.

Q

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

I said that's why I liked you better.

A

Julien Dumoulin-Smith

Analyst, Jefferies LLC

There we go. See you later today. No. With that said, let me come back to a couple of things, right? So, first off, on the capital allocation, the 14% here, just to break that down a little bit further here. How much latitude do you have in that, in as much as you're not reflecting – I don't believe the CapEx for the data center, I mean, presumably you could be foregoing buybacks in the near and medium term sense to invest in a longer-term sense in presumably 2030 and beyond if you start to pivot into the data center. So maybe just talk about the latitude that exists within that commitment through 2030 against the buyback numbers. And how you could see that shift as you allocate capital? Again, if I understand it right, the first data center here under your targets with GEV and Kiewit would be a 2029 in service anyway. So, conceivably, you'd get some of those cash flows on a run rate basis in 2030. But again, obviously, as you continue to scale the strategy, you need to roll forward that target. So, Rob, when are you doing an Analyst Day pro forma with all these data centers is really the other way to ask that? But I'll pass it to you, guys.

Q

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

Hey, Julien, just on the buyback question, I mean, I think as we think about the variability in that buyback number, it's probably more on the back end as opposed to the front end. The \$1 billion that we're sort of thinking about over the next couple of years is probably pretty set in stone, frankly, from our perspective. And we see ample opportunity to be able to fund these projects, while still keeping at least \$1 billion buyback program in place.

So I don't think there's really any risk on that. And then it's really more about how do we think about the cash flows in the out years, particularly after we've de-levered and how that can be redeployed in some of these very potentially lucrative projects.

A

Julien Dumoulin-Smith

Analyst, Jefferies LLC

Any sense on returns, though, maybe that's the other backhanded way to ask this, is like how are you thinking about what the uprate and/or new data center counterparty in Texas would look like here?

Q

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

A

Yeah. Look, I mean, we've always been very consistent about and transparent about what our hurdle rate is. It's 12% to 15% pre-tax unlevered. And every project and every dollar devoted to a project is going to be held against that standard.

Julien Dumoulin-Smith

Analyst, Jefferies LLC

Q

Got it. Excellent. I appreciate it. And then just if I can keep going slightly further here. As you think about then this roll out of VPP, I mean, when would you expand that? I mean, it seems like you're doing very well against it. I mean, I'm curious on how you think about the economics contributing to the story here. Just in brief, and I saw the targets in the longer term.

Brad Bentley

Executive Vice President & President-NRG Consumer, NRG Energy, Inc.

A

Yeah. This is Brad speaking. We've been really pleased with the results in Texas, so we continue to scale in Texas, and then we are looking to launch a VPP like program in the east here early second quarter. That coupled with our relationships with GoodLeap and Sunrun, we continue to scale batteries up. So, we feel really good about what we've learned so far and well ahead of our targets, as Larry had mentioned, and pacing well against the 300 megawatt number we gave you for 2027.

Julien Dumoulin-Smith

Analyst, Jefferies LLC

Q

All right. Fair enough. Still, I'm asking, what do we get a robust Analyst Day? But you don't necessarily to commit today. All right.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

More to come.

Julien Dumoulin-Smith

Analyst, Jefferies LLC

Q

I know.

[indiscernible] (00:34:28)

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Every day with us Julien is a robust day.

Julien Dumoulin-Smith

Analyst, Jefferies LLC

Q

Love it. Okay. Deal, Larry. Deal. Talk to you guys soon.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Thanks, Julien.

A

Operator: One moment for our next question. The next question comes from the line of Nicholas Campanella with Barclays. Go ahead, your line is open.

Nicholas Campanella

Analyst, Barclays Capital, Inc.

Good morning. Congrats to Larry and Rob here. Appreciate the time.

Q

Robert J. Gaudette

President, NRG Energy, Inc.

Good morning. How are you?

A

Nicholas Campanella

Analyst, Barclays Capital, Inc.

Hey, I'm good. I'm good. Staying warm.

Q

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Before you ask your question, would you also congratulate Bruce, please?

A

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

I'm feeling really hurt these days.

A

Nicholas Campanella

Analyst, Barclays Capital, Inc.

And congrats to Bruce. Congrats to Bruce.

Q

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

Thank you to Nicholas. It sounded very thoughtful.

A

Nicholas Campanella

Analyst, Barclays Capital, Inc.

Yeah. Look, good questions so far. I just wanted to follow up on Shar's comments and just what's kind of underpinning the \$2.5 billion. I think in prior decks, you had this target price for signings above \$80 per megawatt hour. Just what are your updated thoughts on where that figure is now and what's really kind of underpinning the \$2.5 billion here?

Q

Robert J. Gaudette

President, NRG Energy, Inc.

A

Hey, good morning, it's Rob. So the \$80 – we adjusted our targets to an \$80-plus kind of range and as we've talked about and we've mentioned that, if you're going to build 1.2 gigawatts of GEV turbines, that number is going to be on the high end.

So, as you're thinking about how you get in there, think north of the \$90 to \$95 range where we were back in our original guidance. It's on the top end. It's got to pay for the equipment. It's got to pay for our return. And we're not going to do a deal unless it does.

Nicholas Campanella

Analyst, Barclays Capital, Inc.

Q

Hey, that's helpful. Thank you. And then maybe just understand the share repurchases, if they were going to be affected at all from new build. It sounds like it's more in the back end of the plan. But I guess, you have a strategic advantage on cost and securing these turbines early. I assume they're going to be projects financed. So, just what would your kind of targeted equity contribution be? Would it be in the 20% to 30% range? And maybe that's just one way to understand how that could pressure the buybacks. Thanks.

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

A

Yeah. Nick, from our perspective, project financing, sometimes it can be great, other times it can be not so great. And I think in this particular instance, we really see value in simplicity. We see value in transparency. And so, I don't think you should assume that project financing is the way that we would go. I think we would probably err on the side of corporate style balance sheet financing. And on that basis, that means you should be thinking about the capitalization for these projects consistent with what our corporate capitalization would be, which is like that 3 times leverage level.

Nicholas Campanella

Analyst, Barclays Capital, Inc.

Q

3 times leverage. All right. Thank you very much. I appreciate it.

Operator: One moment for our next question. The next question comes from the line of Michael Sullivan with Wolfe. Go ahead, your line is open.

Michael P. Sullivan

Analyst, Wolfe Research LLC

Q

Hey, good morning.

[indiscernible] (00:37:55)

Michael P. Sullivan

Analyst, Wolfe Research LLC

Q

Hey, guys. I was just hoping maybe we could refresh a little on what the key components of the organic growth beyond 2026. I know you've kind of laid that out in bits and pieces over the last year or so. But can you maybe just frame that up between like the TEF, the VPP, some of the other things? What are kind of the core drivers and then how much of it is the buyback? I know that's become smaller as your stock's done well.

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

A

So in terms of the components that are driving the underlying earnings growth for the business, Mike, first, it's the \$750 million growth program that we had announced back in 2023. We are well on the path towards achieving that. We feel very confident that we're going to be able to get there.

And if you recall, about half of that was from just regular way organic growth in the Smart Home business, underpinned by like 6% net subscriber growth. And as you saw, we delivered 9% this past year. So, the team is executing very well in that regard. And the other half is really from related growth investments in both the C&I business and the retail energy business. So, again, we feel very confident about that \$750 million.

The other levers that are embedded in the plan right now are all three TEF plants. Remember in the past, we did not have all three TEF plants in the plan, but we now have those, the last of which comes online in 2028. And then, finally, we have the 400-and-change of megawatts of the smaller data center deals that we had previously announced also embedded in the plan.

If you think about what that means in terms of how that shapes our growth in that 14%-plus, we talked about when we announced the LS transaction that it was about an 80/20 split of organic growth versus share repurchases driving that growth rate and it's pretty much the same as we sit here today.

Michael P. Sullivan

Analyst, Wolfe Research LLC

Q

Okay. That's very helpful and appreciate you laying that out, Bruce. And then just in terms of the uprate opportunities at the LS assets and PJM, any sense of timing there just in terms of what you're going to do, particularly with the RBA going on in the background, but also the value of kind of speed and what you could do there, just a sense of timing would be great.

Robert J. Gaudette

President, NRG Energy, Inc.

A

Hey, Sully. It's Rob. So, we already have engineers at every plant running around and assessing not just the thousand megawatts of uprates that we mentioned when we did the transaction. We're obviously looking at that, but we're also running around given the RBA and the need for additionality or bringing more power to the markets, we're running around to see if there's 25 megawatt or 50 megawatt clips that we can add on to the back of other assets. So, we're out there looking. Expect to hear from us later when we actually have some math. But given the timing of the RBA and kind of how that plays out, we're working very hard to know what we can bring to serve that market and serve our customers.

And data centers want to get built up there, too. So we'll be looking for opportunities to monetize that through hyperscalers.

Michael P. Sullivan

Analyst, Wolfe Research LLC

Q

Okay. Thank you very much, Rob. Appreciate it.

Robert J. Gaudette

President, NRG Energy, Inc.

A

Sure.

Operator: One moment for our next question. The next question comes from the line of Nick Amicucci with Evercore ISI. Go ahead, your line is open.

Nicholas Amicucci

Analyst, Evercore ISI

Hey, good morning, guys. Larry, Rob...

Q

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Good morning.

A

Nicholas Amicucci

Analyst, Evercore ISI

...you guys got enough questions. So I'll just keep it with Bruce. Bruce, congratulations on...

Q

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

Thanks, Nick.

A

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

You're now his new favorite.

A

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

Absolutely. I got all the time in the world for you.

A

Nicholas Amicucci

Analyst, Evercore ISI

Perfect. That's what I was going for. I got three quarters worth of questions I got to ask. So just kind of considering, I mean, it's another kind of strong print, strong guidance you've now kind of beaten and raised three straight times. Just anything that we could kind of pinpoint, like really what's gone well, what kind of exceeded the expectations just over the recent past?

Q

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

I mean, with a slight amount of humility, Nick, I'll say it's just we have a great team and we have great employees and we just execute really well. I mean, that's really what it boils down to is just execution, execution, execution. We took our lumps in years past. We learned a lot from those. We made a lot of significant operational changes. And that is really what's bearing fruit for us.

A

I mean, bear in mind, too, that when we budget and we put out guidance, we plan for weather normalized. And depending on what happens with weather, that can also influence the results. And for us, we've had situations where the weather has been favorable for us and we've been able to take advantage of that.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Nick, I would only add to that, we've created a culture where our employees are always looking to improve, bringing improvements to the table, and sharing them in ways probably we've never done before. We are really one NRG across all of our businesses and that kind of collaboration just we keep finding new ways to do everything we do better and more profitably.

Nicholas Amicucci

Analyst, Evercore ISI

Q

Great. That makes a ton of sense. And then I just wanted to kind of triangulate a little bit, too. So just with the VPP opportunity and now having kind of the RTC+B initiative in ERCOT in Texas kind of up and running now for about two to three months. I mean, is there incremental kind of upside for you guys in particular, just given the amount of data points, whether it be through Vivint or just incremental kind of touch points and able to arbitrage that? Should we be viewing that as kind of an incremental type of opportunity for you guys?

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Yeah, I mean, it's early days, but we look at this as an enormous opportunity and one that nobody is as well positioned to capture as we are and when I said at the end of my remarks that the best is yet to come, that's one of the things that I think is yet to come. But I think it's an extraordinary opportunity that we're just really beginning to quantify and understand.

Nicholas Amicucci

Analyst, Evercore ISI

Q

Great. Great. I'll pass it on, but congrats again, Bruce.

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

A

Thanks, Nick.

Operator: Thank you. One moment for our next question. The next question comes from Bill Appicelli with UBS. Go ahead, your line is open.

William James Appicelli

Analyst, UBS Securities LLC

Q

Hi. Good morning and congrats to everybody in the room.

[indiscernible] (00:45:18)

William James Appicelli

Analyst, UBS Securities LLC

Q

Just a question around how you guys are evaluating the credit worthiness of the counterparties on some of these data center deals. Are you guys exclusively targeting Tier 1 hyperscalers or how are you thinking about evaluating that risk?

Robert J. Gaudette

President, NRG Energy, Inc.

A

Yes, we are – in fact, I would say that we're targeting even inside of the universe of hyperscalers. We watch all the same credit reports you do.

William James Appicelli

Analyst, UBS Securities LLC

Q

Okay. And then, I guess on the retail channel, you guys – you rolled in the 400-and-change of megawatts. I think you talked about maybe potentially an incremental 500 megawatts within that channel. Is that still an opportunity for you?

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Yeah. Look, I think we will still see some of those – I hate to think the 445 megawatts is smaller transactions, but they're smaller than the other ones we've been discussing. And those are ones that won't be targeted to the folks we were just discussing. So, yeah, we still think that's a great channel that we'll continue to pursue and you'll hear more about those going forward. But we're trying to distinguish for these purposes between the large gig-plus hyperscaler deals and the smaller ones of the type that we've already – we announced during the year.

William James Appicelli

Analyst, UBS Securities LLC

Q

Okay. And then just one last one on the \$2.2 billion of growth in unallocated through 2030, can you maybe just unpack a little bit of how much of that is actually unallocated? And so, we can just maybe understand a little bit of – on the back end of this plan, when you start to do announce some of these contracts, how much of that is available to be allocated towards servicing the data center projects versus maybe having to pull in from some of the share repurchase bucket?

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

A

I'd say if you think about the \$2.2 billion, a good chunk of that is devoted to the growth plans that we have, the organic growth plans over the years. I wouldn't necessarily look at that bucket as a significant lever towards being able to contribute to the funding of these data center projects. At the end of the day, it's not like massive dollars that would be able to be redeployed anyway. So, I don't think you should be thinking about it that way.

William James Appicelli

Analyst, UBS Securities LLC

Q

Okay. All right. That's helpful. Thank you.

Operator: Thank you. One moment for the next question. The question comes from the line of Angie Storzynski with Seaport. Go ahead, your line is open.

Angie Storzynski

Analyst, Seaport Global Securities LLC

Q

Thank you, guys. Good morning. So...

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Good morning, Angie. How are you?

A

Angie Storzynski

Analyst, Seaport Global Securities LLC

Very good. Very good. So my main question is about your upcoming gas-fired new build. I think I'm still recovering from the PTSDs associated with gas-fired new builds from the early 2000s and the assumptions that were made back then. I mean, I understand that your contracts will be mainly driven by capacity payments, but I still have only about a 10- to 15-year contract for an asset that has a 40-year useful life. And I'm sure you run the same math that I did. It's not actually so obvious to see that double-digit return over the life of the assets, again, given the short duration of the contract. So how do you address this risk as you embark on the gas-fired new builds?

Q

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

I think there's a few things, Angie. One is length of contract. I think we're looking probably past 10. But if you're looking at the pricing that we're getting and the costs that we're paying, we are not going to do anything that doesn't meet our unlevered hurdle rate that we've announced, full stop. I promise you that. And Rob promises you that and Bruce promises you that. I'm going to promise for everybody else in the room.

A

But I mean, Angie, I lived through that same period that you did. We have zero interest in being in the speculative new capacity build business, zero interest. And so, the math, we work on the math all the time. And people who want power at cost less than that, maybe they'll get it from somebody else, but they won't be getting it from us.

Angie Storzynski

Analyst, Seaport Global Securities LLC

Okay. And those prices that you guys quote for those future contracts, do they incorporate payments for the site? So, for example, that \$90, whatever, \$95-plus number that Rob is referring to, does it incorporate a site lease or is there an incremental payment, for example, for the land itself on top of that? So is \$95 just energy or energy and capacity?

Q

Robert J. Gaudette

President, NRG Energy, Inc.

So, Angie, it's Rob. \$95 is a representation of the bottom end of what the total value looks like from a capacity and variable component. Remember, this is going to be very, very, very heavy capacity. So, it doesn't really translate into a dollar per megawatt hour basis.

A

For each of these transactions that we've looked at, the ones that are on our sites also involve a land transaction, which is not incorporated in the number, right? So the way to think about these is that we are going to get our return and our capital back inside of that 20-year contract. That's how we structure it. That's how we think about it and that's what we're requiring, because we're one of the few people who've got nine turbines that people can go put on the ground and put next to their data center, provide affordability and stay out of regulatory hot water.

Angie Storzynski

Analyst, Seaport Global Securities LLC

Q

Okay. Understood. And then just the last one, the \$2.5 billion of an EBITDA upside that you're showing me, does that directly correspond with that 5.4 gigs in gas-fired new build plus the 1 gigawatt of uprates or is there something else included in that \$2.5 billion of EBITDA?

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

No, it's exactly what you said, Angie. It's roughly 6 gigs.

Angie Storzynski

Analyst, Seaport Global Securities LLC

Q

Awesome. Awesome. I mean, it looks good to me. Thank you. Thanks.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Thank you, Angie.

Angie Storzynski

Analyst, Seaport Global Securities LLC

Q

Congrats to everybody. Thanks.

[indiscernible] (00:52:10)

Operator: Your next question comes from the line of Carly Davenport with Goldman Sachs. Go ahead, your line is open.

Carly Davenport

Analyst, Goldman Sachs & Co. LLC

Q

Hey, good morning. Thanks for taking the questions. Maybe...

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Hi, Carly, how are you?

Carly Davenport

Analyst, Goldman Sachs & Co. LLC

Q

Doing well. Thanks. Hope you are as well. You highlighted in the slides several hundred megawatts of bridge power available beginning in 2028. Can you just talk a little bit about that opportunity in terms of maybe key suppliers, what technologies you're looking at, and just how you view the duration of that opportunity?

Robert J. Gaudette

President, NRG Energy, Inc.

A

Sure. So, you know as well as I do that bridge power that works is a limited resource out there today. I'm not going to go through names, but I can tell you the technology that we look at as most successful is over-engineered reciprocating engines. There's a lot of need for spinning steel on systems. And what bridge power

does is gives an opportunity for a hyperscaler to scale up their capacity as the CCGT is being built, so that they could get on the ground earlier.

And I've mentioned before, but when you think of the hyperscalers that we speak to, their desire for bridge power ranges, some people want it, some people don't, and it's all a matter of where they fit kind of in their data center build plan, and how fast they need generation on the ground.

So, we have agreements with bridge power providers. So, we have that limited resource that we can offer as part of a package to hyperscalers. And like I said, Carly, some of our hyperscaler clients want it. Some of them are going down a path where their portfolio will just absorb the CCGTs when they come on. So it ranges, but it's a good piece of equipment to have to solve the solution for our customers.

Carly Davenport

Analyst, Goldman Sachs & Co. LLC

Q

Got it. Okay. That's really helpful. Thank you. And then I think you also noted a new battery storage contract in ERCOT, just 1 gigawatt, I think, expected to be online at the end of this year. Can you maybe just talk a bit about that opportunity and how you could see the battery portion sort of scaling over time?

Robert J. Gaudette

President, NRG Energy, Inc.

A

Sure. So it's a series of contracts that make up over 1 gig, batteries in Texas with their PPAs, right, so it's tolls, sorry, so that we have them in our portfolio, we can use them in the portfolio and use it as part of how we serve our retail customers here in Texas. As we use those and as we operate them, that will help define what our strategy is over the long haul.

Batteries provide short-term burst of power, if you need it. It also provides ways for us to shift renewable power between hours. And so, as the customer demand changes or goes up, we'll look to scale that portfolio, if it makes sense.

Carly Davenport

Analyst, Goldman Sachs & Co. LLC

Q

Great. Thank you for all the updates.

Robert J. Gaudette

President, NRG Energy, Inc.

A

Sure.

Operator: One moment. The next question comes from the line of Andrew Weisel with Scotiabank. Go ahead, Andrew, your line is open.

Andrew Weisel

Analyst, Scotiabank

Q

Hey, good morning, everyone. I think I'll take a different approach. I'm going to say congrats to Brendan and the IR team.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Yeah. You win.

A

Andrew Weisel

Analyst, Scotiabank

I'm just kidding. Congrats, everybody.

Q

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

You won.

A

Andrew Weisel

Analyst, Scotiabank

Just a couple of follow-ups. You covered a lot of ground today, but one is you talked pretty positively about the outlook for ERCOT and opportunities for your gigawatts finding homes there. How are you thinking about the batching proposal? Do you worry that might slow things down? I think you've had some pretty positive comments there. But how do you see that impacting the pace of starting contracts in ERCOT?

Q

Robert J. Gaudette

President, NRG Energy, Inc.

I think the batching work that ERCOT is doing is perfect for the market. It is a great step forward to accelerate the process for people to get data centers and large loads interconnected to the grid. It's actually a very thoughtful approach and we're very happy that the PUC and ERCOT are making it happen in that way. It makes a lot more sense than a serial process that just stacks up forever. This is a very good thing for us and all of our customers, as well as those who want to serve them.

A

Andrew Weisel

Analyst, Scotiabank

Accelerate did you say?

Q

Robert J. Gaudette

President, NRG Energy, Inc.

I'm sorry?

A

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

Accelerate.

A

Andrew Weisel

Analyst, Scotiabank

Did you say it'll accelerate it?

Q

Robert J. Gaudette

President, NRG Energy, Inc.

A

Versus serial processes of do – loops and like reevaluating every time somebody put something in, yes, this will accelerate it versus that.

Andrew Weisel

Analyst, Scotiabank

Q

Okay. Great. And then one more. Just to be really explicit, the guidance, you talked about you're targeting 1 gigawatt of an announcement for 2026. Is your goal to announce the gigawatt but the financial impact would be upside, or does the guidance include that gigawatt but not incremental projects? I just want to specify that.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

First of all, it's at least or a minimum of 1 gigawatt. I want to make that really clear and that gigawatt or more than gigawatt is not included in the guidance or in the roll forward outlook.

Andrew Weisel

Analyst, Scotiabank

Q

Okay. Very clear. Thank you so much.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Thank you.

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

A

Thank you, Andrew.

Operator: Thank you. Final question will come from the line of David Arcaro with Morgan Stanley. Go ahead, your line is open.

David Arcaro

Analyst, Morgan Stanley & Co. LLC

Q

Hi. Thanks for squeezing me in. Congratulations, Larry, Rob and Bruce. Let me see.

Bruce Chung

Executive Vice President & Chief Financial Officer, NRG Energy, Inc.

A

Hi, David.

David Arcaro

Analyst, Morgan Stanley & Co. LLC

Q

Just one question from me. I was just wondering, in the PJM market, how has activity in PJM been impacted by the whole backstop auction process and the general policy uncertainty that we've had over the last several months? Has that changed the pace of conversations with data centers and contracting opportunities, just given the policy that's in flux there?

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

There's a lot of conversations. I mean, it's always what we've been talking about for a while ago, it was going to be slower than Texas. It's still going to be slower than Texas. They're making progress going forward. But when you're looking at a 20-year investment, there's a lot to put in place anyway.

So, I think, well, we'd all like it to be somewhat faster. It's still – progress is being made. It's just faster outside of PJM at this moment.

David Arcaro

Analyst, Morgan Stanley & Co. LLC

Q

Okay. Got it. Great. Thanks so much.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

A

Thank you.

Operator: Thank you. This concludes the question-and-answer session. I would now like to turn it back to Larry Coben for closing remarks.

Lawrence Stephen Coben

Chairman & Chief Executive Officer, NRG Energy, Inc.

I want to thank you all again for all of your support. When I arrived, you came on these calls with an open mind and were willing to kind of look at NRG freshly. We made you a lot of promises that we kept, and we really appreciate the challenges that you gave us, the feedback that you gave us, and the support that you've given us over this last time. And I do mean it when I say the best is yet to come. So thank you all very, very much.

Operator: Ladies and gentlemen, thank you for your participation in today's conference. This concludes the program.

Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2026 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.