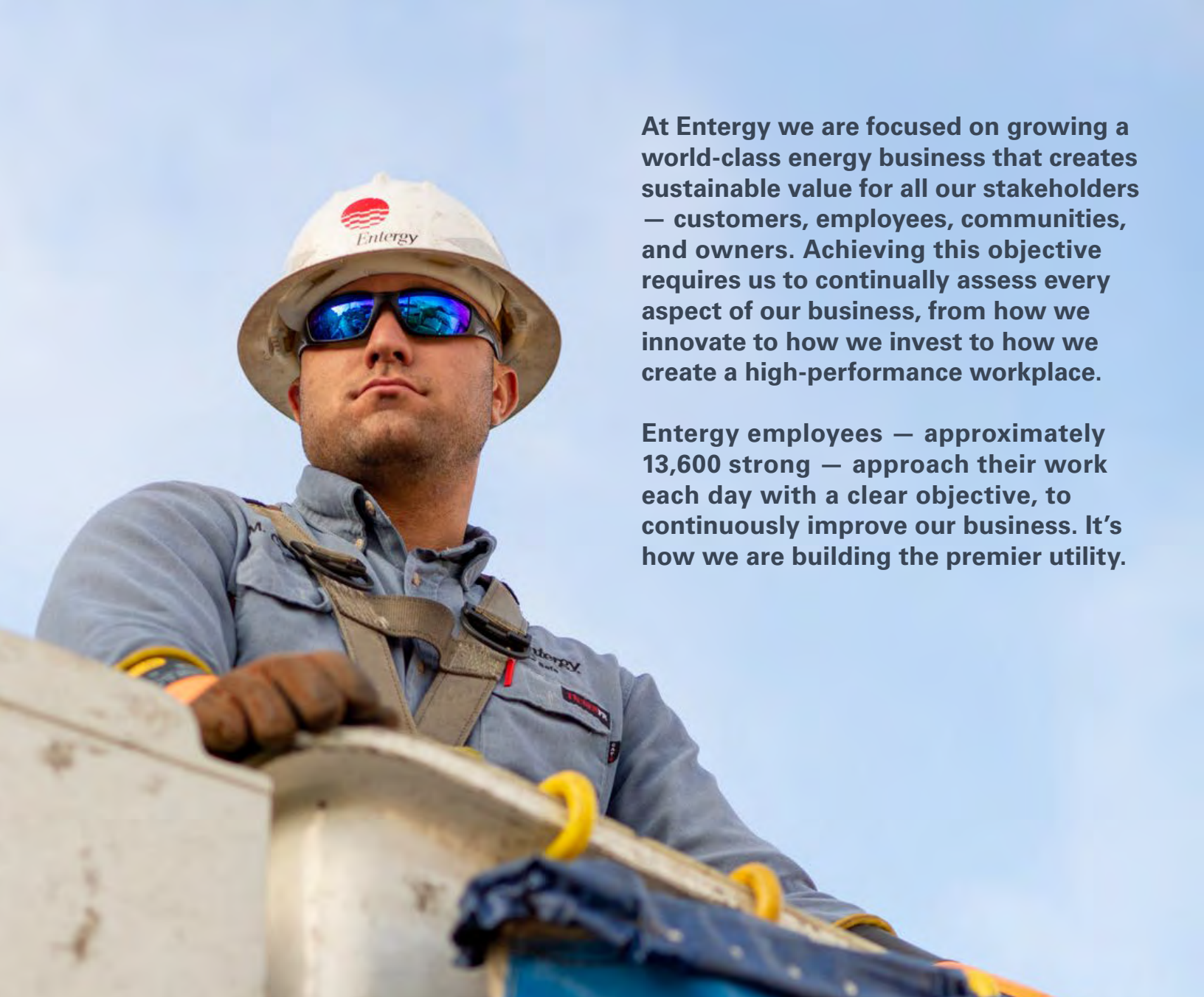


Entergy

Building The Premier Utility.

2019 INTEGRATED REPORT





At Entergy we are focused on growing a world-class energy business that creates sustainable value for all our stakeholders — customers, employees, communities, and owners. Achieving this objective requires us to continually assess every aspect of our business, from how we innovate to how we invest to how we create a high-performance workplace.

Entergy employees — approximately 13,600 strong — approach their work each day with a clear objective, to continuously improve our business. It's how we are building the premier utility.

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ICONS TO NOTE

In this report, the following icons indicate examples of economic, environmental, and social performance that demonstrate the progress we've made on our journey.



ECONOMIC



ENVIRONMENTAL



SOCIAL



Today, we are a simpler and stronger company for the benefit of all our stakeholders. Our operating and financial positions are strong, and our track record is consistent. We are delivering sustainable value for our stakeholders, and as we continue to build the premier utility, we have an unprecedented opportunity to do even better.

Leo Denault,
Chairman of the Board and
Chief Executive Officer

What does it take to be the best — to be the premier utility?

It takes a powerful purpose with a bright vision, a clear strategy, and an engaged and resilient workforce. It requires a genuine dedication to sustainability and a strong desire always to be better in a rapidly changing world.

Years ago, Entergy set out on a path to grow a world-class energy business that creates sustainable value for our four key stakeholders — customers, employees, communities, and owners. Our mission supports our vision — *We Power Life* — which is the driving force that advances both our short- and long-term strategic plans and aspirations.

We have a clear strategy — to strengthen and grow the utility while managing the risks to our business — and we have successfully executed on that strategy. Through years of hard work, discipline, and innovation, combined with difficult and necessary decisions, we have made significant progress.

With a robust customer-centric investment plan, we have grown our business while maintaining electricity rates that are among the lowest in the country, benefiting our customers and contributing to strong economic development and industrial growth across our region. The growth of our business is supported by a visible, executable utility investment plan, and we see no shortage of investment opportunities to benefit our customers and support our growth.

We've managed business risks through (1) the planned and orderly exit from our merchant business, (2) the creation of a world-class capital project management organization that delivers our projects on time and on budget, and (3) building constructive relationships with our regulators that have enabled the development of progressive regulatory mechanisms. Ninety percent of our capital plan over the next three years requires no further regulatory approval to execute and 90 percent is expected to be recovered through timely, progressive regulatory mechanisms.



Engaging with customers on a new level requires a new mindset. By building on our interactions and understanding the outcomes customers want from their power consumption, we can develop new customer solutions that match those outcomes — and make their lives better.

Our strong financial results and returns to our owners have validated the choices we have made. We realized top-decile total shareholder return of 44 percent in 2019 as compared to our peer companies in the Philadelphia Utility Index. Over the three-year period 2017 through 2019, we delivered top-quartile total shareholder returns of 85 percent.

Our leadership in sustainability and environmental stewardship has been a hallmark of who we are for nearly two decades. In 2002, our board of directors adopted a visionary statement



Top-Decile Performance

44%

2019 Total Shareholder Return



committing us to “develop and conduct our business in a responsible manner that is environmentally, socially, and economically sustainable.” While Entergy already operates one of the cleanest large-scale power generation fleets in the country, in 2019 we further intensified our efforts to address climate risks by setting a new commitment to reduce our carbon emission rate to 50 percent below year-2000 levels by 2030. Our leadership was

nationally recognized in 2019 by the Dow Jones Sustainability Index for the 18th consecutive year, by The Civic 50 for being among the top 50 community-minded companies in the U.S. for the fourth consecutive year, and by the U.S. Chamber of Commerce Foundation Corporate Citizenship Center's Corporate Citizenship Hall of Fame.

Today, we are a simpler and stronger company for the benefit of all our stakeholders. Our operating and financial positions are strong, and our track record is consistent. We are delivering sustainable value for our stakeholders, and as we continue to build the premier utility, we have an unprecedented opportunity to do even better.

The emergence of new technologies and data analytics is bringing promising change and new growth opportunities beyond traditional generating equipment, substations, poles and wires, vehicles, and tools. Our customers expect far more from us than keeping their lights on. In fact, reliable power at the flip of a switch is just the beginning of our relationship with customers.

In the past, utilities were expected to keep the grid running. Today, we want to go beyond that by helping customers achieve their aspirations. Instead of simply providing an input — electricity or gas service — to a customer's home or business, we're working to understand the outcomes they need and desire in their personal lives, in their manufacturing plants, and in their retail businesses: a warm house on a cold day, efficient industrial processes, environmentally sustainable energy, and more. Engaging with customers on a new level requires a new mindset. By building on our interactions and understanding the outcomes customers want from their power consumption, we can develop new customer solutions that match those outcomes — and make their lives better.

To help us realize this customer-centric growth opportunity, we launched KeyString Labs, an innovation center that focuses on three key functions: engaging with our stakeholders, including our most impoverished customers, to understand their expectations; evaluating new technologies and devices that enable distributed energy resources like residential and utility-scale solar, battery storage, backup generators, microgrids, and electric vehicle infrastructure; and developing scalable and innovative customer solutions that we can pilot and ultimately deploy across our service area. These include:

- Customer-sited generation available to the customer during power outages, and available to the utility in other times of need,
- Beneficial electrification / shore power services that extend the grid to marine vessels in port,
- Shared solar power solutions that make clean energy participation easy for customers,
- Targeted microgrids through application of modular alternative technologies, and
- Centralized solutions for demand-side management.

Furthermore, we're on a continuous journey to optimize our business. With no shortage of customer-centric investment opportunities, we're actively identifying ways to create headroom to make more investments while managing the impact on customers' bills. We are working smarter and more efficiently by improving processes, products, and services and using advanced technologies such as automation to improve our business. These efforts will benefit customers through additional investments that will result in higher levels of service and reliability without significantly affecting





their bills. That’s our objective, to allow our customers to achieve their most ambitious dreams at the lowest possible cost.

Finally, as we continue to build the premier utility, we’re focused on strengthening our employee culture in the areas of diversity, inclusion, and belonging. We are committed to developing and retaining a workforce that reflects the rich diversity of the communities we have the privilege to serve. The diversity of employee ideas, backgrounds, perspectives, abilities, skills, and knowledge enables us to more effectively create innovative business and customer solutions. To ensure that we fully realize the potential of our diverse workforce, we are also focused on creating and nurturing a culture of belonging, with the goal of assuring that all employees feel valued, heard, and respected. A powerful and dynamic culture retains top talent, provides an environment for more engaged employees, and empowers our workforce to enthusiastically deliver on customer-centric opportunities and continuous improvement efforts expected of the premier utility, creating additional sustainable value for all our stakeholders.

At Entergy, every day is a new opportunity to do even better than we did the day before. It’s a way of doing business that has driven us to continuously raise the bar on performance and unleash our imaginations to dream bigger. It’s an outlook that has positioned Entergy as a forward-thinking company that has decisively embraced a broader role in our efforts to maximize value for our stakeholders while contributing to the greater good.

We Power Life when we bring our whole selves to work each day and ensure safe, reliable energy is delivered to our customers. *We Power Life* when we partner with communities to make them stronger and more resilient. *We Power Life* for current and future generations when we lead in sustainability and environmental stewardship.

Entergy is well positioned for continued value creation that benefits our stakeholders without leaving any of them behind. With a successful transition from a hybrid to a pure-play utility largely behind us, we are taking the business to the next level by identifying customer-focused investment opportunities, investing in people and culture, and maximizing prospective growth through continuous improvement and innovation.

We are well on our way to being the best — the premier utility. Thank you for your continued commitment and engagement with us on this journey.

Leo P. Denault
Chairman of the Board and
Chief Executive Officer

March 27, 2020

Energy Values





OUR LEADERSHIP

Board of Directors

(as of March 27, 2020)



PHILIP L. FREDERICKSON
Former Executive Vice President, ConocoPhillips
Horseshoe Bay, Texas
An Entergy director since 2015.
Age 63



LEO P. DENAULT
Chairman of the Board and Chief Executive Officer, Entergy Corporation
New Orleans, Louisiana
Chairman and Chief Executive Officer since 2013.
Age 60



M. ELISE HYLAND
Former Senior Vice President, EQT Corporation and Senior Vice President and Chief Operating Officer, EQT Midstream Services, LLC
Pittsburgh, Pennsylvania
An Entergy director since 2019.
Age 60



KAREN A. PUCKETT
Former President and Chief Executive Officer, Harte Hanks, Inc.
Houston, Texas
An Entergy director since 2015.
Age 59



STUART L. LEVENICK
Lead director
Former Group President and Executive Office Member, Caterpillar Inc.
Naples, Florida
An Entergy director since 2005.
Age 67



JOHN R. BURBANK
Former President, Corporate Development and Strategy, Nielsen Holdings plc
Groton, Connecticut
An Entergy director since 2018.
Age 56



KIRKLAND H. DONALD
Former President and Chief Executive Officer, Systems Planning and Analysis, Inc.
Mount Pleasant, South Carolina
An Entergy director since 2013.
Age 66



BLANCHE LAMBERT LINCOLN
Founder and Principal, Lincoln Policy Group
Arlington, Virginia
An Entergy director since 2011.
Age 59



ALEXIS M. HERMAN
Chair and Chief Executive Officer, New Ventures, LLC
McLean, Virginia
An Entergy director since 2003.
Age 72











PATRICK J. CONDON
Retired Audit Partner, Deloitte & Touche LLP
Frankfort, Illinois
An Entergy director since 2015.
Age 71

Board Composition

Our board of directors provides oversight with respect to our overall performance, strategic direction, and key corporate policies. It approves major initiatives, advises on key financial and business objectives, and monitors progress with respect to these matters.

Our board includes a diverse group of leaders in their respective fields. We believe their varied backgrounds, skills, and experiences contribute to an effective and well-balanced board that is able to provide valuable insight to, and effective oversight of, our senior executive team. Each of the following key qualifications is well-represented on our board.

KEY QUALIFICATION	WHY IT'S IMPORTANT
 Technology and transformation	Our industry is undergoing transformational change as a result of advances in technology and changing customer expectations about the products and services they want and need to power their lives. This creates opportunities for companies whose leadership is able to understand those changes and what they mean for their customers and other stakeholders. Directors with experience managing consumer-facing businesses and operations that have been impacted by transformational change can provide the board with critical insights and perspectives on these issues and challenges.
 Executive experience	Directors who hold or have held significant leadership positions within large organizations provide the company with unique insights. These individuals generally possess extraordinary leadership qualities as well as the ability to identify and develop those qualities in others. Their experiences developing talent and solving problems in large, complex organizations prepare them well for the responsibilities of board service.
 Finance and accounting	Accurate financial reporting and robust auditing are critical to our success. We seek to have at least one director who qualifies as an audit committee financial expert, and we expect all of our directors to be literate in finance and financial reporting processes.
 Government / legal / public policy	Our businesses are heavily regulated and are directly affected by governmental actions. As such, we seek to have directors with experience in government, law, and public policy to provide insight and understanding of effective strategies in these areas.
 Operations	As a capital-intensive company, we seek to have directors with deep experience in a significant operations role with a large business to develop, implement, and assess our capital plan and our business strategy.
 Regulated utility / nuclear	Due to the complexity of our business, we believe it is important to have directors with experience in the utility industry or in nuclear power operations to enable the board to provide effective oversight of our operations.
 Risk management	Managing risk in a rapidly changing environment is critical to our success. Directors should have a sound understanding of the most significant risks facing the company and the experience and leadership to provide effective oversight of risk-management processes.
 Other public boards	Directors who have served on other public company boards are able to draw on lessons learned on their other boards as they seek to develop and implement best practices for the company.



We believe that our current leadership structure, under which the board is led by a combined chairman and CEO and a strong independent lead director, with independent directors chairing each of the board committees, is most suitable for Entergy at this time because it provides the optimal balance between independent oversight of management and efficient, unified leadership. Given his deep involvement in the business and the industry, we believe Mr. Denault is uniquely positioned to determine the issues and topics that should be on the board's agenda, subject to the lead director's review and concurrence. At the same time, we believe that having an otherwise entirely independent board of directors, led by an independent lead director, provides ample assurance that the board will not be unduly dominated or influenced by management and will always act independently and in the best interests of our shareholders.

Our board's and management team's commitment to understanding the interests and perspectives of our shareholders is a key component of our corporate governance strategy. We approach shareholder engagement as an integrated, year-round process involving senior management, our investor relations team, our corporate governance team, our human resources team, and our corporate sustainability group. The perspectives provided by our shareholders informed our decision making and helped to guide our actions in continuing to enhance our environmental, social, and governance disclosures, and our disclosures related to our board of directors, and was an important consideration in our decision to prepare and publish our 2019 climate report and scenario analysis.

Board Committees

During 2019, our board held 20 meetings. Members of the board attended on average approximately 97 percent of the total number of meetings of the board and the committees on which

they served. The board's six standing committees (and their meeting frequency in 2019) are: audit (9), corporate governance (9), personnel (9), finance (8), nuclear (5), and executive (5).

NAME	AUDIT	CORPORATE GOVERNANCE	PERSONNEL	FINANCE	NUCLEAR	EXECUTIVE
John R. Burbank			●	●		
Patrick J. Condon	(c)				●	
Leo P. Denault						(c)
Kirkland H. Donald				●	(c)	
Philip L. Frederickson	●			(c)		●
Alexis M. Herman		●	●			
M. Elise Hyland	●			●		
Stuart L. Levenick		●			●	●
Blanche L. Lincoln		(c)	●			
Karen A. Puckett	●		(c)			

(c) Chair

Board Composition



63
average age



7 years
average tenure



4 of 10
directors diverse
by gender



Entergy Corporation Executive Officers

(as of March 27, 2020)



PAUL D. HINNENKAMP
Executive Vice President and Chief Operating Officer
Joined Entergy in 2001. Became Executive Vice President and Chief Operating Officer in 2017 after serving as Senior Vice President and Chief Operating Officer. Age 58



LEO P. DENAULT
Chairman and Chief Executive Officer
Joined Entergy in 1999. Became Chairman and Chief Executive Officer in 2013 after serving as Executive Vice President and Chief Financial Officer. Age 60



KATHRYN A. COLLINS
Senior Vice President and Chief Human Resources Officer
Joined Entergy in 2020. Former Chief Human Resources Officer for Arcosa. Age 56



MARCUS V. BROWN
Executive Vice President and General Counsel
Joined Entergy in 1995. Became Executive Vice President and General Counsel in 2013 after serving as Senior Vice President and General Counsel. Age 58



A. CHRISTOPHER BAKKEN III
Executive Vice President and Chief Nuclear Officer
Joined Entergy in 2016. Former Project Director, Hinkley Point C of EDF Energy. Age 59



RODERICK K. WEST
Group President, Utility Operations
Joined Entergy in 1999. Became Group President, Utility Operations in 2017 after serving as Executive Vice President and Chief Administrative Officer. Age 51



JULIE E. HARBERT
Senior Vice President, Corporate Business Services
Joined Entergy in 2017. Became Senior Vice President, Corporate Business Services in 2019 after serving as Vice President, Shared Services. Age 46



KIMBERLY A. FONTAN
Senior Vice President and Chief Accounting Officer
Joined Entergy in 1996. Became Senior Vice President and Chief Accounting Officer in 2019 after serving as Vice President of System Planning. Age 47



ANDREW S. MARSH
Executive Vice President and Chief Financial Officer
Joined Entergy in 1998. Became Executive Vice President and Chief Financial Officer in 2013 after serving as Vice President of System Planning. Age 48



PETER S. NORGEOT, JR.
Senior Vice President, Transformation
Joined Entergy in 2014. Became Senior Vice President, Transformation in 2018 after serving as Senior Vice President, Power Generation. Age 55



OUR
COMPANY



VISION, MISSION, AND STAKEHOLDER OBJECTIVES

We Power Life. This is our vision. It goes much further than powering the grid. Together, we are on a journey with our stakeholders to improve lives, build businesses, and create prosperity. When we say, “*We Power Life,*” we are talking about the human power that comes from working together to create opportunities, strengthen communities, and proactively find solutions to the challenges of today and tomorrow. To achieve our goals, we work to understand our customers, leverage the strengths of our employees, and pursue operational excellence to ultimately become a more innovative and agile company.

We exist to grow a world-class energy business that creates sustainable value for our four key stakeholders — our customers, our employees, our communities, and our owners.

- **For our customers,** we create value by delivering top-quartile customer experience. We work directly with customers to anticipate their needs and exceed their expectations while also keeping rates reasonable.

- **For our employees,** we create value by advocating for our employees to live safe, all day, every day. We strive to earn top-quartile organizational health scores. We provide a rewarding, engaging, diverse, and inclusive work environment with fair compensation and benefits while also providing opportunities for career advancement.
- **For our communities,** we create value by achieving top-decile corporate social responsibility performance. We are active in economic development, philanthropy, volunteerism, and advocacy, and we operate our business safely and in a socially and environmentally responsible way.
- **For our owners,** we create value by delivering top-quartile total shareholder returns. We are relentless in our pursuit of opportunities to optimize our business.

BUSINESS STRATEGY

Our strategy to achieve our stakeholder objectives has two key aspects.

- First, we invest in the utility for the benefit of our customers, which supports steady, predictable growth in earnings and dividends.
- Second, we manage risks by ensuring our utility investments are customer-centric, supported by progressive regulatory constructs, and executed with disciplined project management.

OPERATIONS

Entergy Corporation is an integrated energy company engaged primarily in electric power production and retail distribution operations. Entergy owns and operates power plants with approximately 30,000 megawatts of electric generating capacity, including nearly 9,000 megawatts of nuclear power. Entergy delivers electricity to 2.9 million utility customers in Arkansas, Louisiana, Mississippi, and Texas.

Entergy has annual revenues of \$11 billion and approximately 13,600 employees.

UTILITY

Entergy's utility business provides electric retail and wholesale power to customers in four states through five utility operating companies: Entergy Arkansas, LLC; Entergy Louisiana, LLC; Entergy Mississippi, LLC; Entergy New Orleans, LLC; and Entergy Texas, Inc. Entergy also delivers natural gas services to 200,000 customers in New Orleans and parts of Baton Rouge, Louisiana, through two of our utility operating companies.

WHOLESALE GENERATION

We are winding down our wholesale generation business, which provides power to wholesale customers primarily from our two remaining nuclear facilities located in the northern United States. Entergy also provides services to Cooper Nuclear Station in Brownville, Nebraska.

Our risk-mitigation strategy for the last several years has included the planned, orderly exit from our merchant business. We have announced the closure and sale of all of our merchant nuclear assets, completing our plan to exit by 2022. To date, we have completed sales of FitzPatrick Nuclear Power Plant (2017), Vermont Yankee Nuclear Power Plant (2019), and Pilgrim Nuclear Power Station (2019). We have agreements for the sale of our two remaining nuclear assets, Indian Point Energy Center and Palisades Nuclear Generating Station, with targets to complete those transactions in 2021 and 2022, respectively.



BUILDING THE PREMIER UTILITY

We have worked over the last few years to meet stakeholder expectations by delivering on our business strategy. We have achieved significant milestones that demonstrate our continued progress toward realizing our mission. At the same time, our industry is changing and Entergy is entering an exciting period of growth opportunities as we prepare for the future. To take the next step on our journey, we are building the premier utility, a utility that delivers sustainable value to all its stakeholders as measured by strong net promoter scores, high levels of service, superior and affordable products and services, highly skilled and engaged employees, and industry-leading financial performance. We are focusing our sights on three key priorities — customer centricity, continuous improvement, and creating a culture of belonging for our employees.

Customer Centricity

The emergence of new technologies and data analytics is bringing promising new opportunities beyond traditional generating equipment, substations, poles, and wires. Our customers expect far more from us than keeping their lights on. In fact, reliable power at the flip of a switch is just the beginning of our relationship with customers.

In the past, utilities were expected to keep the grid running. Today, we want to go beyond that by helping customers achieve their aspirations. Instead of simply providing an input — electricity or gas service — to a customer’s home or business, we’re working to understand the outcomes they need and want. Engaging with customers on a new level requires a new mindset. By building on our interactions and understanding the outcomes customers need and desire from their power consumption, we can develop new

customer solutions that achieve those outcomes — and make their lives better.

Continuous Improvement

We’re on a journey to continuously optimize our business. With no shortage of customer-centric investment opportunities, we’re actively identifying ways to create headroom to make more investments while mitigating the impact on customers’ bills. We are working smarter and more efficiently by improving processes and using advanced technologies such as automation to improve our business. These efforts will enable us to invest more, which will result in even higher levels of service and reliability without significantly affecting customers’ bills. That’s our objective, for our customers to achieve their most ambitious dreams at the lowest possible cost while consuming fewer resources.

A Culture of Belonging

We’re focused on strengthening our culture in the areas of diversity, inclusion, and belonging. We are committed to developing and retaining a workforce that reflects the rich diversity of the communities we serve. The diversity of employee ideas, backgrounds, perspectives, abilities, skills, and knowledge enables us to more effectively create innovative business and customer solutions. To ensure that we fully realize the potential of our diverse workforce, we are also focused on creating and nurturing a culture of belonging, with the goal of assuring that all employees feel valued, heard, and respected. A powerful and dynamic culture retains top talent, provides an environment for more engaged employees, and empowers our workforce to deliver on customer-centric opportunities and continuous improvement to create further sustainable value for all our stakeholders.



Entergy by the Numbers — 2019



\$10.9 BILLION
GAAP revenues

\$1.2 BILLION
GAAP net income

\$51.7 BILLION
Total assets



25,904 MW
Total owned and leased generating capacity

16,000 CIRCUIT MILES
Interconnected high-voltage transmission lines

2.9 MILLION
Utility retail electric customers

105,000 CIRCUIT MILES
Distribution lines



129,121 GWh
Utility billed retail electric energy sales

28,088 GWh
EWC billed electric energy sales



13,635 EMPLOYEES
at year-end

Total owned and leased generating capability by fuel source in MW:



8,330 CCGT/CT



8,087 NUCLEAR



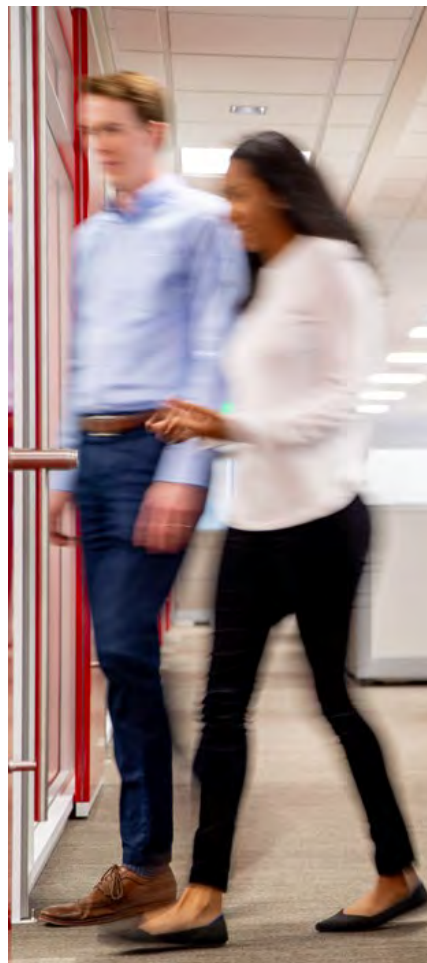
7,011 LEGACY GAS



2,401 COAL



75 HYDRO/SOLAR



Awards and Recognition

Dow Jones Sustainability North America Index

Entergy was named to the Dow Jones Sustainability North America Index. We earned perfect scores in the areas of climate strategy, corporate citizenship and philanthropy, materiality, policy influence, and water-related risks. Entergy is the only U.S. company in the electric utility sector to be included on the index for 18 consecutive years.

Edison Electric Institute — Emergency Assistance Award and Emergency Recovery Award

The Edison Electric Institute presented Entergy Corporation with its Emergency Assistance Award after a severe windstorm impacted Dallas in June 2019. Entergy also received EEI’s Emergency Recovery Award for our outstanding power restoration efforts after Hurricane Barry hit Louisiana in July 2019. EEI has awarded Entergy with a national storm-response award for 22 consecutive years in recognition of our recovery and mutual-assistance work. We’re the only utility in the nation to have earned EEI recognition every year since the launch of the Emergency Response Award program.

J.D. Power — Top Performing Utility for Business Customer Satisfaction

Entergy Texas took home the top spot in J.D. Power’s Electric Utility Business Customer Satisfaction Study in the South midsize category. The study recognizes regional electric utilities that are setting the standard for customer experience.

<p>Site Selection Magazine — Top Utilities In Economic Development</p>	<p>For 12 years running, Site Selection magazine has named Entergy Corporation as one of the nation's top utilities in economic development. The award is due in large part to the vital role Entergy played in supporting projects that resulted in nearly \$13.4 billion of capital investment and the creation of more than 4,750 new jobs in the states in which we operate in 2018.</p>
<p>Arbor Day Foundation — Tree Line USA Utility</p>	<p>The Arbor Day Foundation named Entergy a 2019 Tree Line USA utility in honor of our commitment to proper tree pruning, planting, and care. The Foundation measures utility performance in several areas, including adherence to industry tree-care standards, annual worker training, and participation in public education and conservation programs.</p>
<p>Smart Energy Consumer Collaborative — Best Practice Award</p>	<p>For our efforts in continuing to make considerable investments in developing a smarter energy ecosystem, Entergy was named a 2019 Best Practices Award winner by the Smart Energy Consumer Collaborative.</p>
<p>Women's Business Enterprise National Council — America's Top Corporations for Women's Business Enterprises</p>	<p>For a fourth consecutive year, Entergy was named to the list of America's Top Corporations for Women's Business Enterprises by the Women's Business Enterprise National Council. The honor recognizes Entergy's commitment to provide sustainable value for our stakeholders by empowering communities through economic growth and job creation.</p>
<p>ERG & Council Honors Award™</p>	<p>Entergy's employee resource groups were recognized as one of the Association of ERGs & Councils' top 25 U.S. employee and business resource groups and diversity councils for 2019. The ERG & Council Honors Award recognizes and honors outstanding contributions and achievements of the best employee and business resource groups and diversity councils in the country. To qualify, resource groups and diversity councils must demonstrate significant contributions and achievements in four areas: demonstrated results, demonstrated management commitment, measurement and accountability, and communication and education.</p>
<p>Disability Equality Index — Best Place To Work For Disability Inclusion Honor</p>	<p>Entergy scored 100 on the 2019 Disability Equality Index, classifying the company as one of the best places to work for people with disabilities. The DEI, a joint initiative of the American Association of People with Disabilities and Disability: IN, is the country's most comprehensive disability inclusion assessment tool. It scores businesses on their disability inclusion policies and practices in five categories: culture and leadership, enterprise access, employment practices, community engagement, and supplier diversity.</p>
<p>U.S. Department of Labor — Hire Vets Medallion Program Platinum Award</p>	<p>The U.S. Department of Labor awarded Entergy with its 2019 HIRE Vets Medallion Program Platinum Award—the highest level of recognition for employers committed to veteran careers. It is given to companies who demonstrate the importance of prioritizing and encouraging successful veteran hiring and retention.</p>
<p>U.S. Department of Defense's Employer Support of the Guard and Reserve — Pro Patria Award</p>	<p>Entergy won the 2019 Pro Patria Award from the U.S. Department of Defense's Employer Support of the Guard and Reserve for promoting supportive work environments for members of the National Guard and Reserve. Among 2,400 nominees, Entergy was also named a semifinalist for the 2019 Secretary of Defense Employer Support Freedom Award, the highest recognition given by the Department of Defense's Employer Support of the Guard and Reserve.</p>

Human Rights
Campaign Foundation —
Corporate Equality Index

Entergy earned an 85 percent rating on the 2019 Corporate Equality Index released by the Human Rights Campaign Foundation, placing Entergy in the top 20 of energy and utility companies that participated in the survey. The annual survey rates U.S. corporations on their non-discrimination policies on sexual orientation and gender identity and serves as the national benchmarking tool on corporate policies and practices pertinent to lesbian, gay, bisexual, and transgender employees.

U.S. Chamber of Commerce
Foundation Corporate
Citizenship Center —
Corporate Citizenship Hall of Fame

The U.S. Chamber of Commerce Foundation Corporate Citizenship Center recognized Entergy Corporation as an inaugural member of the Corporate Citizenship Hall of Fame at the 2019 Citizens Awards. It marked the 20th anniversary of the annual awards program, which recognizes the most innovative and impactful corporate citizenship initiatives raising the bar on social responsibility and spearheading the transformation to a strong, healthy, and sustainable future.

Points of Light —
The Civic 50

Points of Light, the world's largest organization dedicated to volunteer service, named Entergy Corporation a recipient of The Civic 50 award for a fourth consecutive year. Entergy is one of only two utilities recognized by The Civic 50 as one of the top 50 most community-minded companies in the United States. The award serves as the national standard for superior corporate citizenship and showcases how effectively Entergy uses our time, skills, and resources to impact our communities.

Forbes —
Best-In-State Employers

Entergy was named to the inaugural Forbes list of America's Best Employers by State 2019. Forbes ranked Entergy the number two employer in Louisiana and the top-ranking Louisiana company with its headquarters located in Louisiana.

The Times-Picayune —
Top Workplaces

Entergy was again recognized as one of the best places to work in the greater New Orleans area. The Times-Picayune named Entergy a 2019 Top Workplace based on the results of an employee feedback survey that measured several workplace attributes, including alignment, execution, and connection. Top Workplaces recognition is based on one simple belief, that the most successful companies are the ones that employees believe in.

Louisiana Community and
Technical College
System Foundation —
Statewide Impact Award

The Louisiana Community and Technical College System Foundation recognized Entergy Louisiana with the Statewide Impact Award for its support of the lineman certification programs at Delgado Community College and Fletcher Technical Community College. Entergy Louisiana was one of four companies honored statewide for its workforce development initiatives.

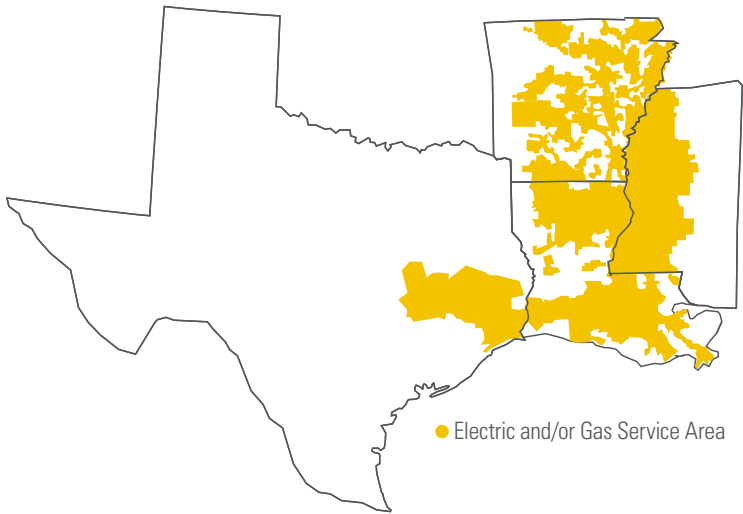
Newsweek — America's Most
Responsible Companies

Newsweek's first-ever list of America's Most Responsible Companies notes 300 top performers, including Entergy Corporation. Entergy scored among the top 6 percent and ranked third in the utilities category on social scoring. On governance scoring, the company scored top-quartile performance in the utilities category, coming in third.



OUR
UTILITY

Utility Operating Company Leadership



Laura R. Landreaux
President and CEO,
Entergy Arkansas since 2018

E-AR 2019 Highlights

715,000
customers

\$2.3 billion
operating revenue

\$11.2 billion
total assets



Phillip R. May
President and CEO,
Entergy Louisiana since 2013

E-LA 2019 Highlights

1,091,000
customers

\$4.3 billion
operating revenue

\$21.5 billion
total assets



Haley R. Fisackerly
President and CEO,
Entergy Mississippi since 2008

E-MS 2019 Highlights

451,000
customers

\$1.3 billion
operating revenue

\$4.7 billion
total assets



David D. Ellis
President and CEO,
Entergy New Orleans since 2018

E-NO 2019 Highlights

205,000
customers

\$0.7 billion
operating revenue

\$1.7 billion
total assets



Sallie T. Rainer
President and CEO,
Entergy Texas since 2012

E-TX 2019 Highlights

461,000
customers

\$1.5 billion
operating revenue

\$5.1 billion
total assets

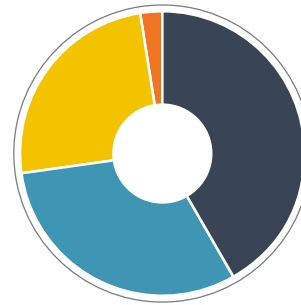
OUR UTILITY BUSINESS

Our utility operating companies provide power at some of the lowest rates in the country to retail customers in Arkansas, Louisiana, Mississippi, and Texas. We also deliver natural gas to customers in New Orleans and parts of Baton Rouge, Louisiana.



Electric Retail Sales by Jurisdiction
(in GWh)

- Entergy Louisiana: 62,764
- Entergy Arkansas: 31,204
- Entergy Texas: 20,823
- Entergy Mississippi: 15,012
- Entergy New Orleans: 7,782



Electric Retail Sales by Customer Class
(in GWh billed)

- Industrial: 48,483
- Residential: 36,094
- Commercial: 28,755
- Governmental: 2,579

In 2019, as we provided power and natural gas safely, reliably, and efficiently to our customers, we also made significant investments to benefit our customers in generation, transmission, distribution, and customer solutions.

GENERATION

In 2002, we established our portfolio transformation strategy to better meet customers' needs by replacing older, less efficient generation with cleaner, more efficient resources. Investments in efficient, dispatchable generation sources result in benefits within and beyond Entergy's utility service area and allow further integration of additional intermittent renewable generation where the resources are available and cost-effective.

Our resource decisions are informed by many factors such as the age of assets, prospective environmental regulations, energy

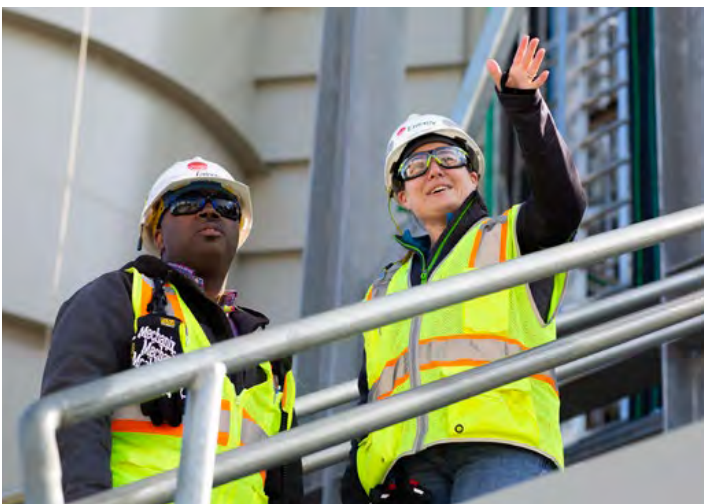
efficiency and demand-side management, and evolving customer preferences and expectations. Since establishing this strategy, we have replaced roughly 30 percent of our generation resources with cleaner, more efficient resources.

In 2012, we recognized that our portfolio transformation strategy would require us to build large capital projects. We formed an organization of dedicated and highly specialized people to successfully deliver these large capital projects — safely, on schedule, and on budget. In building that organization, we benchmarked project management organization best practices across all industries. In 2014, we unveiled a comprehensive project management organization that manages large projects from concept to operation. This team includes 100 talented employees with strengths in project planning, management, and delivery. Guided by that team, we completed numerous major generation projects on schedule and on budget — or better.

2019 Portfolio Transformation Highlights

In 2019, we continued to advance our portfolio transformation strategy by enhancing our infrastructure with a mix of efficient natural gas and renewable resources.

- In May 2019, Entergy Louisiana completed construction of J. Wayne Leonard Power Station, a 943-MW combined-cycle gas turbine in Montz, Louisiana.
- In October 2019, Entergy Mississippi acquired Choctaw Generating Station, a 2003 810-MW CCGT in French Camp, Mississippi.
- Entergy Louisiana continued construction of Lake Charles Power Station, a 994-MW CCGT with an estimated in-service date of mid-2020.



- In February 2019, Entergy New Orleans began construction on New Orleans Power Station, a 128-MW unit composed of natural gas-powered reciprocating internal combustion engines. The facility has an estimated in-service date of 2020.
- In Louisiana, construction continued on Washington Parish Energy Center, a 361-MW simple-cycle combustion turbine in Bogalusa, Louisiana. The project is expected to be in service in 2020, at which time Entergy Louisiana will acquire the facility.
- Entergy Texas began construction of Montgomery County Power Station, a 993-MW CCGT located next to the company's existing Lewis Creek power units. The facility has an estimated in-service date of 2021.
- Entergy New Orleans continued construction on 5 MW of distributed-scale solar resources through its commercial rooftop solar program. The program leases commercial building rooftops to install utility-owned solar that will capture the power of the sun and put clean energy directly onto the electric distribution grid for the benefit of all customers. Installations are expected to be completed in 2020.
- Entergy New Orleans began a pilot project for company-owned residential rooftop solar, completing 64 of 100 installations in 2019.
- In Arkansas, construction continued on Chicot Solar Project, a 100-MW solar photovoltaic installation near Lake Village, Arkansas. It is currently under construction and is expected to be completed in 2020. Entergy Arkansas has a power purchase agreement for the output from the facility.
- In Louisiana, construction began on Capital Region Solar, a 50-MW facility located in West Baton Rouge Parish. A 20-year power purchase agreement for the output from this facility was selected from a request for proposals for renewable resources.
- Entergy New Orleans received approval for three solar projects totaling 90 MW from its renewables request for proposals. These projects are in process.
- Entergy Mississippi plans to partner with Recurrent Energy on a new 100-MW solar energy farm in Sunflower County. The proposal is before the Mississippi Public Service Commission.
- Entergy Arkansas announced plans for a 100-MW solar energy facility in White County near Searcy. This project, pending approval by the Arkansas Public Service Commission, will be the largest utility-owned solar facility in the state and the first to feature battery storage. The project is expected to be in service in 2021.



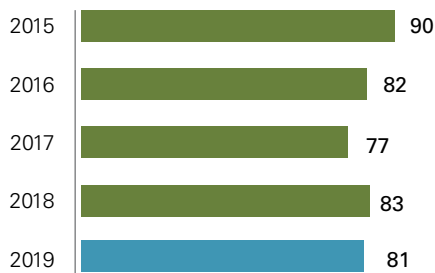
Looking ahead, we currently expect to add 7,000 to 8,000 megawatts of new generation from 2022 through 2030 as we continue to deactivate older legacy units. These investments would continue to modernize infrastructure, serve load growth, and help us achieve stated environmental commitments. We anticipate that up to half of this new generation could be renewables, primarily solar, with the balance being highly efficient gas generation. The specifics may change as technology and economics continue to evolve. We are committed to work with regulators and other stakeholders to determine the best strategy to meet customer needs for reliability and affordable bills, while achieving the company's sustainability goals.

Our Energy Mix

As a result of our portfolio transformation strategy and our power-purchasing decisions, natural gas represents 38 percent of our generation capacity to serve our utility customer demand. Our new-build natural gas-powered units, in operation or under construction, represent roughly 4,000 MW of highly efficient generation. These efficient new units improve system reliability, reduce environmental impacts, and reduce costs for our customers by using less fuel. These units also have lower maintenance costs, produce significantly fewer emissions than older generation, and require less water.



Utility Nuclear Fleet Capability Factor



Capability factor: Percentage of the maximum energy a plant is capable of supplying to the grid, limited only by factors within control of plant management.

Plant performance based on 18/24-month operating cycle.

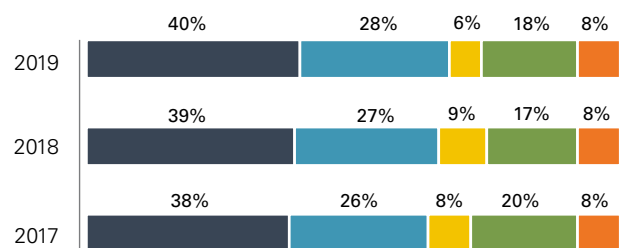
diversity; reduced fuel price volatility; and positive economic impact on local communities. Investing in our utility nuclear generation assets to maximize their output and ensure safe, reliable operation preserves the long-term benefits of the plants and is an important part of our environmental commitment to deliver low-emission energy to our customers. The utility operates five nuclear units: Arkansas Nuclear One units 1 and 2, Grand Gulf Nuclear Station, River Bend Station, and Waterford 3 Steam Electric Station. The Nuclear Regulatory Commission has renewed the operating licenses for all nuclear units in Entergy’s utility fleet to beyond 2030.

The utility has limited coal resources, totaling 10 percent of owned and leased generation capacity, which produced only 6 percent of our utility’s 2019 energy mix. We have definitive plans to retire the majority of our coal-powered capacity no later than the end of 2030. We are also evaluating options for the remaining coal capacity.

We are also investing in owned and contracted carbon-free renewable generation. In 2019, renewable resources (solar, wind renewable energy credits, hydro, biomass, landfill gas, and waste heat) supplied approximately 2.8 million MWh, or approximately 2 percent of total electric demand, to our utility customers. While still a small portion of our utility generation, as technology and economics continue to improve, we are pursuing additional utility-scale renewable opportunities as well as potential applications for distributed energy resources. We currently have nearly 2,000 megawatts of renewable projects in various stages of development or planning.

Nuclear generation remains a key component of our clean generation portfolio. Our nuclear assets provide significant benefits to our stakeholders through low-cost, reliable, and virtually emission-free baseload power generation; valuable fuel

Generation Sources Used to Meet Utility Demand



- Natural gas
- Nuclear
- Coal
- MISO purchases
- Other purchased power

TRANSMISSION

Our utility generation assets are operated within MISO, a regional transmission organization. In cooperation with stakeholders, MISO manages approximately 72,000 miles of high-voltage transmission and 192,000 MW of power-generating resources across its footprint. MISO's real-time and day-ahead energy markets use centralized economic dispatch and security-constrained unit commitment to optimize all resources within the region based on bids, offers, and schedules provided by market participants. Regional commitment and dispatch result in a more efficient use of the electrical system, which lowers costs for customers and creates significant benefits.

As part of MISO, the utility realizes significant benefits—and we pass any resulting savings along to customers. From 2014 through 2018, it is estimated that Entergy's customers saved approximately \$1.3 billion on electric bills as a result of MISO membership. As part of a large pool of resources, Entergy can maintain reliability with less generation capacity than if the company were on its own. Also, because MISO dispatches from a large pool of generation to serve the needs of all customers in its footprint, the dispatch is more efficient, resulting in a lower delivered cost of energy and long-term benefits for customers. In addition, operating within MISO enhances reliability by informing all market participants of the state of grid conditions, market operations, and other key system information. MISO mitigates congestion, in significant part, through price signals, allowing for timelier and more efficient congestion management. Participation in MISO provides a wealth of useful information to transmission planners about new transmission facilities and upgrades that are likely to provide economic savings. MISO also provides mechanisms to allocate costs of new facilities and upgrades to those who benefit from them.

In 2019, we invested approximately \$1 billion in transmission capital projects to connect generation assets; support economic development by serving new customers; and enhance system reliability, efficiency, and resiliency.

- Entergy Texas completed a new \$65 million, 25-mile, 230-kV transmission line that enhances the current transmission infrastructure with more modern and efficient technology to better serve the region.
- Entergy Texas also energized Phase I of the Western Region economic transmission project. This initial phase, which involved rebuilding 25 miles of an existing 138-kV line, provides economic benefits, reduces congestion, and provides operational flexibility.
- Entergy Louisiana completed two projects in May: The Ninemile to Baratavia project, which involved rebuilding 15 miles of an existing 115-kV line to strengthen service reliability, was completed at a cost of \$55 million. The Fancy Point 500/230-kV autotransformer project, which was completed at a cost of \$65 million, reduces congestion on the transmission system and strengthens reliability.
- Entergy Louisiana also completed the \$100 million Southwest Louisiana 69-kV Reliability Improvement Project, which covered approximately 900 square miles and included construction of new transmission lines as well as rebuilding many existing lines.
- In Mississippi, a 500 / 230-kV autotransformer upgrade project was completed. Funded by multiple parties, it reduces congestion and provides operational flexibility to the transmission system in central Mississippi.
- Entergy Arkansas completed a \$23 million, 500/115-kV autotransformer upgrade project to strengthen service reliability for customers in the Little Rock area.



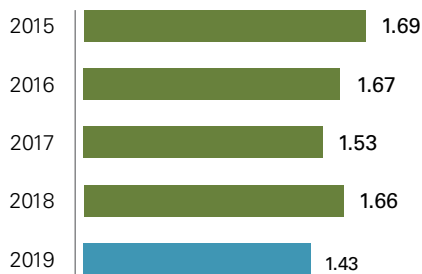
DISTRIBUTION

Energy’s distribution network includes approximately 105,000 miles of distribution lines across the utility’s 94,000-square-mile service area. We focus on executing customer-centric priority investments to improve customer outcomes, with a goal to improve reliability and power quality and deliver on our customer value promise.

Grid Modernization

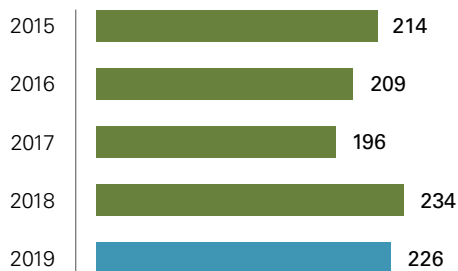
Our investments in grid modernization target improved reliability and provide state-of-the-art tools and technology to improve efficiencies and reduce operating costs. These investments help prevent or mitigate system damage due to weather events and lay the foundation for incorporating newer technologies and customer solutions, including distributed energy resources and energy storage. We continually look for cost-effective ways to reduce the likelihood of customer service interruption and reduce the time it takes to restore service that has been interrupted.

Outage Frequency



System average interruption frequency index:
Average number per customer per year,
excluding the impact of major storm activity.

Outage Duration



System average interruption duration index:
Average minutes per customer per year,
excluding the impact of major storm activity.



Advanced Meter Infrastructure and Grid Modernization

In 2019 we began installing advanced meters and recently reached the milestone of our 1 millionth meter installation. Our goal is to provide advanced meters to all of our customers by the end of 2021. These meters will provide significant benefits, from faster outage restoration to enhanced customer service and cost savings. Additionally, with these meters we will have more tools to help our customers manage their energy usage and lower their bills. Additionally, Energy’s utilities plan to use advanced meters to offer new products and services to our customers, such as prepaid service. Advanced meters also lay the foundation for the next generation of grid technologies for customers. We are evaluating broader grid modernization initiatives, engaging with our stakeholders, and bringing forward proposals for innovation. We are also exploring technologies to improve grid reliability and resiliency through automation and grid hardening, as well as technologies and devices that enable distributed energy resources and microgrids. Our goal is to enhance our infrastructure, deploy new technologies and advanced analytics, and develop tailored solutions that anticipate customers’ expectations while managing the required investments to maintain high reliability and reasonable rates.



ECONOMIC



We have several grid modernization projects in various stages of development:

- Advanced metering infrastructure
- Enterprise asset management systems
- Workforce management systems
- Customer relationship management systems
- New and improved customer engagement portal
- Distribution automation
- Distribution and outage management systems
- Geospatial information systems

We are in the process of deploying advanced meters to all customers and are one third of the way through installation of 3 million advanced meters across our service area. These new meters will allow us to identify outages more quickly and, in some instances, spot problems before they occur. This is a foundational technology that will open doors to many other technological opportunities.

Our new distribution and outage management systems will detect outages faster, improve outage communications, recommend switching for service restoration, and improve visualization of the power system.

We are investing in distribution automation by deploying more smart devices on our distribution grid to report near-real-time health status and configuration of the grid to further improve restoration times and minimize customer impacts from outage conditions.

Gas Distribution

Our gas distribution business delivers natural gas to about 200,000 retail customers in New Orleans and Baton Rouge, Louisiana. Working with other gas utilities and research partners at the Gas Technology Institute, we continue to explore, support, and influence the development of new technologies to improve the safety and reliability of our gas distribution system. We are installing advanced meters to benefit our gas customers in 2020.

We also continue gas infrastructure replacement programs in both New Orleans and Baton Rouge to modernize the system by accelerating the replacement of certain vintage piping materials.

The LPSC-approved program for Baton Rouge commenced in 2015 and is scheduled to continue through 2024, replacing approximately 11 miles of pipe annually at a total program cost of approximately \$48 million. In 2019, we replaced approximately 12 miles of vintage polyethylene pipe in Baton Rouge at a total cost of approximately \$5 million.

Accelerated infrastructure replacement also continues in New Orleans. In 2019, we completed the replacement of 26 miles of certain vintage piping materials at a cost of approximately \$14 million. We are currently seeking regulatory approval to replace all remaining low-pressure, vintage piping in New Orleans with modern, high-pressure polyethylene pipe. Benefits of high-pressure technology include enhanced safety, improved reliability, and increased storm hardening by preventing the potential for water infiltration. If approved, our replacement program will allow us to continue accelerated infrastructure replacement in New Orleans through 2027, with a total program cost from 2019 through 2027 of approximately \$100 million.

CUSTOMER SOLUTIONS

The emergence of new technologies and data analytics is bringing promising new opportunities beyond traditional generating equipment, substations, poles and wires, vehicles, and tools. Our customers expect far more from us than keeping their lights on. In fact, reliable power at the flip of a switch is just the beginning of our relationship with customers. Instead of simply providing an input — electricity or gas service — to a customer's home or business, we're working to understand the outcomes they need and desire in their personal lives and in their manufacturing plants and retail businesses. By building on our interactions and understanding the outcomes customers need and desire from their power consumption, we are developing new customer solutions that match their outcomes — and make their lives better.

Innovation

In 2019 we formed KeyString Labs, an employee-led innovation center that engages with our stakeholders to understand their expectations and develop scalable and innovative customer solutions that we can pilot and ultimately deploy across our service area.

For example, we've developed a customer-sited back-up generation solution for commercial and small industrial customers called Power Through. The generators will be owned by Entergy and would allow those businesses to operate as usual during widespread outages. Retail businesses would be able to provide services to the general public during significant weather events. In other times, Entergy could deploy the resource for the benefit of all our customers, resulting in a win-win solution. It provides an economic alternative to businesses to remain open when our communities need them most, and it provides us, the utility, an added resource when the broader system needs it.

We commissioned our first 1 MW generator at a grocery store in Texas. The resource is available to the grocery store in the event it loses power, and it's available to the utility at other times, and both parties share the cost, which makes it more economic for everyone. Entergy Texas has already utilized the resource, providing cost-effective and efficient power to the grid.

We have line of sight on additional projects. In December we received approval from the Mississippi Public Service Commission to deploy 20 generators in the state. We are actively working with our regulatory teams to introduce Power Through in all our jurisdictions.



KeyString Labs is also working on beneficial electrification, which allows customers to realize efficiencies and environmental benefits by relying on Entergy grid power instead of fossil fuels. Electrification of marine vessels while in port is one example of a carbon-reduction strategy that yields a business opportunity for Entergy. The initiative allows marine vessels to plug into the land-based electrical power grid while at berth. Today, marine vessels at berth typically rely on diesel auxiliary engines to generate electrical power for on-board services and equipment, including communication, lighting, and ventilation. The use of diesel auxiliary engines results in significant air emissions. The use of auxiliary engines also creates vibration/noise pollution in port areas, while also causing wear-and-tear on ship-side equipment. Converting marine vessels to electrical power while at berth significantly reduces localized emissions and potentially lowers operating costs for vessel owners. We partnered with our customers to study the economic and environmental potential for shore power, as well as to identify and address potential barriers for implementation. Per vessel, shore power is expected to result in significant reductions of net emissions, estimated at as much as:

- 98% reduction in NO_x,
- 48% reduction in SO_x, and
- 42% reduction in CO₂.

Our first shore-power installation went into service in early 2020. We believe we have more opportunities for shore-power projects as we have 37 ports in our service area, seven of which are among the 20 largest in the United States.

Other projects currently in various stages of development include:

- Shared solar power solution that makes clean-energy participation easy
- Residential rooftop solar program
- Beneficial electrification of industrial and commercial operations
- Targeted microgrid for lowest reasonable cost solution
- Energy-efficiency service
- Centralized solution for demand-side management offerings

Beneficial Electrification

Electrification of marine vessels while in port is one example of a carbon-reduction strategy that yields a business opportunity for Entergy. We are currently working on a shore-power initiative that will allow marine vessels to plug into the land-based electrical power grid while at berth. Converting marine vessels to electrical power while at berth significantly reduces environmental impacts and potentially lowers operating costs for vessel owners. In 2020, our first shore-power project went into service and is expected to result in significant reductions of localized emissions.



ECONOMIC/ENVIRONMENTAL

REGULATION

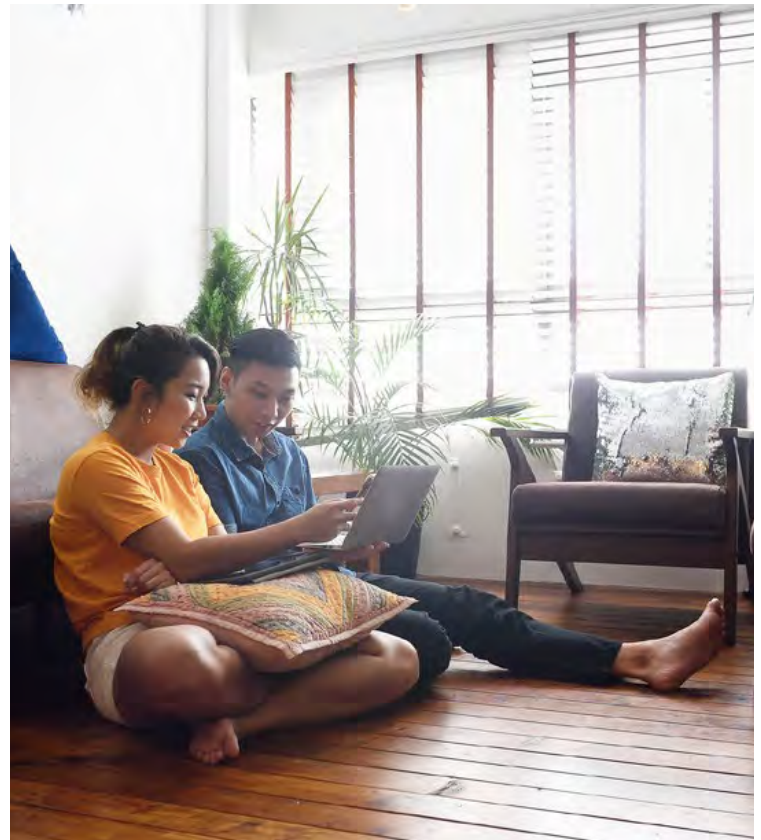
Over the past several years, we have built constructive relationships with government regulators that have enabled the development of progressive regulatory mechanisms. Entergy's stakeholders are the beneficiaries, as the ability to recover costs at the same time customers begin to receive the benefits of major investments enables us to deliver on commitments. Regulators recognize that mechanisms such as formula rate plans are efficient, less costly for customers, and help facilitate the benefits valued by customers. Significant regulatory advances in the past few years include:

- Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans have formula rate plans with forward-looking test year features. Entergy Mississippi and Entergy New Orleans use known and measurable changes to recover planned costs, and Entergy Arkansas adopted a full forward test year.
- Entergy Louisiana, which for many years has had a formula rate plan with a mechanism for timely recovery of generation investments, received approval for a similar rider to recover transmission investments. In addition, Entergy Louisiana received approval to recover investment in advanced meters through a customer charge.
- In Texas, we now have two riders for more timely recovery of distribution and transmission investments. Over the past two years, the approval processes for rate changes through these riders have become timelier. Entergy Texas also received approval for a customer charge to begin recovering advanced meter infrastructure investments in January 2019. In May 2019, new legislation empowered the Public Utility Commission of Texas to establish a similar rider for generation investments, an important milestone that helps us earn closer to the allowed return.

As a result of collaborative, transparent efforts with regulators, 90 percent of our 2019–2022 capital plan is expected to be recovered through timely, progressive regulatory mechanisms. This clear line of sight to execution of the capital plan, on time and on budget, combined with progressive recovery mechanisms that ensure timely recovery of these investments, support our ability to provide steady, predictable growth in earnings and dividends.

FOCUS ON OUR CUSTOMER

Thinking about the customer in everything we do is critical to achieving our goals. We work hard every day to provide resources and solutions our customers need in a way that balances operability, affordability, and sustainability.



Low Rates

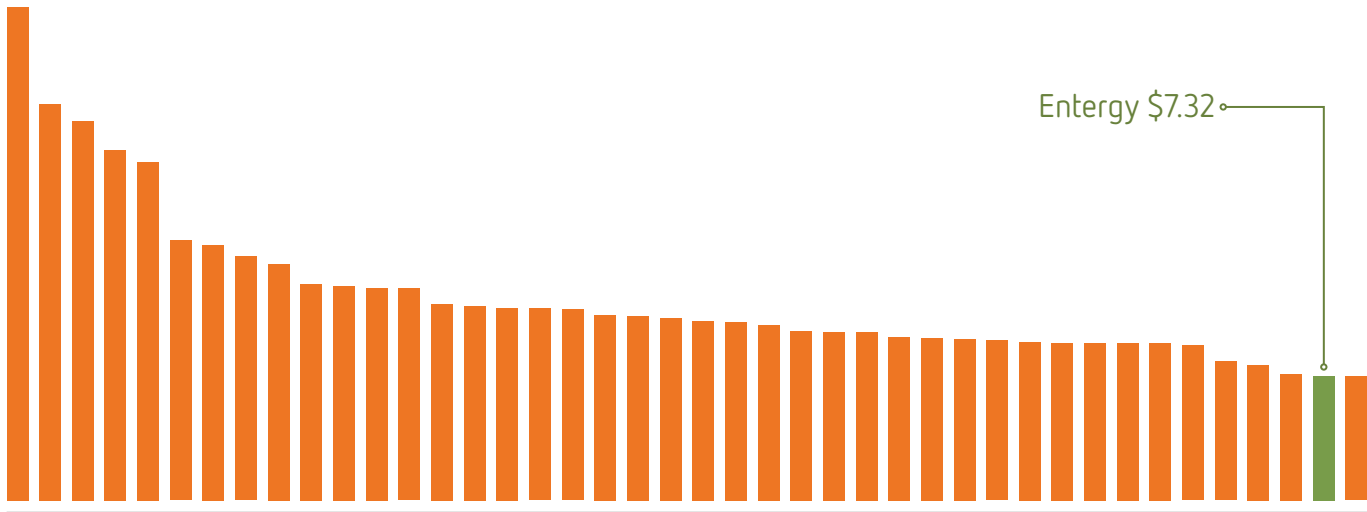
According to a 2019 study by S&P Global Market Intelligence, Entergy utilities once again had among the lowest average retail rates in the U.S. We believe having competitive rates creates several advantages for Entergy and our stakeholders. Low rates attract economic development to our region, which helps our communities prosper. In addition, having a low-rate position gives Entergy more flexibility to innovate, deploy new technologies, and develop tailored customer solutions.

We strive to maintain our rate advantage through:

- production cost efficiency (including fuel),
- other operation and maintenance efficiencies,
- capital investments that drive productivity improvements,
- energy efficiency,
- industrial growth, and
- customer partnerships.

Low Customer Rates

(2018 average retail price by parent company, ¢ per kWh)



Source: S&P Global Market Intelligence Regulated Retail Price of Electricity published 6/12/19

Energy Efficiency and Demand-Side Management

Energy efficiency and demand-side management programs are effective ways to partner with customers to help them manage usage and costs while providing societal benefits. The objectives of these offerings are to reduce the overall cost of meeting energy resource needs, to provide customers with attractive options to reduce their energy consumption, to educate customers about the value of energy efficiency, and to support low-income and sustainability initiatives. Since 2002, our utilities have invested more than \$600 million to deliver nearly 900 megawatts of peak load reduction and 2.7 million megawatt hours of cumulative energy savings.

We help our customers improve their energy efficiency through customer education and outreach, technology improvements, and customer incentive programs. We currently have more than 45 energy efficiency and demand-side management offerings with a stated goal of 990 MW of peak load reduction through 2031.

- For residential customers, energy efficiency offerings include air conditioning and heat pump system tune ups, no-cost energy assessments to identify qualifying EE improvement

projects and install cost-effective energy-saving equipment, advanced thermostat rebates, weatherization measures, do-it-yourself videos, online advisors, and online energy audits. We promote these tools through monthly customer e-newsletters with a circulation of approximately 2.4 million. We provide a variety of online resources focused on energy efficiency and bill savings, such as the [Circuit](#) webpage, which had more than 425,000 user visits in 2019.

- For our large commercial and industrial customers, we also provide custom program support to identify efficiency opportunities and analyze associated costs and savings for projects such as retro-commissioning, process improvements, and other system-level projects involving unique equipment, as well as energy efficient lighting and smart energy systems.

Advanced meters also provide energy-saving tools, including an enhanced customer engagement portal where customers can access data for increased transparency on their energy usage. The portal also helps customers project and manage their monthly bills, get personalized savings tips, and set alerts.

Energy Efficiency

Entergy Arkansas manages a nationally recognized portfolio of energy-efficiency and demand-response options, spending an average of \$64 million per year from 2015 to 2019 to help customers of all types reduce their energy usage and environmental impact. These efforts save customers approximately 269,000 MWh per year and defer or avoid the need for more expensive generation sources, helping to keep Entergy Arkansas' rates among the lowest in the country. The Arkansas Public Service Commission oversees the activities of the Arkansas utilities and sets electricity savings targets.



ECONOMIC/SOCIAL

We recognize that our customers increasingly seek more control of their energy decisions and more renewable energy solutions. As of Dec. 31, 2019, our utilities had approximately 21,000 customers with self-generation equipment, virtually all of which are rooftop solar photovoltaic systems. Over the years, we have made numerous process improvements and added dedicated resources so that customers who choose to self-generate have access to clear and timely information and resources. We also continue to engage and work with our regulators and stakeholders on policy matters as well as possible avenues to expand renewable energy alternatives and meet our customers' individual energy needs. See the Customer Centricity section of this report for more details.

We facilitate customer-owned distributed generation and provide relevant technical standards, policies, application forms, and related information online, including online tools and interfaces for our customers. We also work directly with customers who have questions on how to safely connect to the grid. Further, we actively engage with customers who are interested in distributed energy

resources to understand their underlying objectives and to explore utility-led solutions. Such solutions are being pursued in a manner that provides the desired benefits for the customer while also providing broader system benefits. We will continue to work with our customers, regulators, and other stakeholders on potential opportunities.

Our operating companies now spend more than \$90 million annually on demand-side management efforts (both energy efficiency and demand response), which represents more than a 10-fold increase from just 10 years ago. There is now a wide variety of offerings available to customers in each of our jurisdictions; these offerings help lower usage and thus customer bills, as well as provide peak load savings.

Online Resources

Our customers are benefiting from online, self-service tools. Self-serve transactions via web, text message, and interactive voice response now represent nearly 53 percent of our customers' transactions. In 2019, we met our goal of approximately 950,000 customers opting for paper-free electronic billing, meeting customers' needs, reducing environmental impact, and creating more than \$5.5 million in annual savings versus mailing paper bills. These savings benefit our customers.

We are updating our customer web and mobile app experiences. In 2019 we implemented the first phase of our customer digital initiative, which will improve customer engagement through increased use of digital channels including myAccount online and an interactive voice response unit. These tools enable us to gather more relevant and accurate usage data and real-time feedback from customers. Future phases will develop value-added services to further enhance our customers' experience.

We offer several billing and payment options in certain jurisdictions to increase choice and convenience for customers, including levelized billing, flex pay, renewable offerings, and community solar. When AMI deployment is complete, we also plan to offer pre-pay options to our customers.

- Levelized billing enables customers to budget and plan for their electricity bills by setting a customer's bill for 12 months based on their usage during the prior 12 months.
- Flex pay allows customers in arrears to make payments toward their current bills while paying toward an overdue balance, thereby avoiding service disconnection.



STAKEHOLDER ENGAGEMENT

We engage with our stakeholders to better understand their needs. Aligning our objectives with the needs of our customers, employees, communities, and owners helps us make better business decisions. Through regular communications, we share our strategies and plans, gather feedback, and gain support to help us achieve our goals. We communicate face-to-face at stakeholder events and through numerous other channels including e-newsletters, social media, and bill inserts.

We work to understand and address the needs and concerns of our stakeholders when we propose and implement generation, transmission, and distribution projects. Through outreach efforts, we ensure that policymakers and other stakeholders know and understand our perspectives and objectives.

We also work closely with the Nuclear Regulatory Commission to ensure continued safe and secure operation of our nuclear fleet. Our nuclear plants and employees maintain a strong presence in local communities by engaging with local companies and suppliers and through charitable contributions and volunteerism. We engage with stakeholders on an ongoing basis in areas such as public safety and emergency preparedness.

Each year we conduct a shareholder outreach program to explain our approach to corporate governance and other areas of interest. We gather shareholder insights and feedback on matters of mutual interest, and we discuss topics such as company performance, executive compensation, emerging corporate governance practices, climate strategy, other environmental and social issues, and sustainability oversight and performance. In 2019, we met with shareholders owning 47 percent of our outstanding shares, resulting in meaningful discussions. Shareholder perspectives inform our decision making, help guide our actions, and enhance our disclosures.

We also use social media to complement our stakeholder engagement. We utilize certain media, including blogs and social networks, to share and discuss company news, products, and initiatives. Specifically, we have a presence on Facebook, Twitter, LinkedIn, Instagram, and YouTube.



OUR WORKPLACE



A Pathway to the Workplace of Tomorrow

Our people and our culture are critical to Entergy’s success. They make it possible to implement our strategy and achieve our stakeholder objectives. That’s why acquiring, retaining, and developing the talent we need to meet today’s business needs and to prepare for the workplace of tomorrow are important components of our human resources strategy. We focus on a holistic approach that includes:

- our workforce mission,
- safety and wellness,
- Organizational health,
- talent management, and
- competitive compensation and benefits.

WORKFORCE MISSION

Simply put, our human resources mission is to enable Entergy’s people to deliver on our business strategy while making the company a great place to work. At the end of 2019, our workforce was approximately 13,600 employees.

Our people approach extends across employee lifecycle practices, from talent attraction, recruitment, onboarding, and retention to separation.

Organizational Objectives

- Relentless focus on safety, inside and outside the business
- Recruitment, development, and retention of top talent by ensuring their professional growth, personal goals, and the company’s objectives are all achieved
- A culture focused on diversity, inclusion, and belonging; continuous learning; and development
- Empowered employees who work more productively through innovation and efficiency improvements that deliver exceptional customer experiences
- Employees who take ownership in the business and drive creative, collaborative, and innovative customer solutions to reach their personal, professional, and financial goals.



SOCIAL

Employee Lifecycle With Entergy

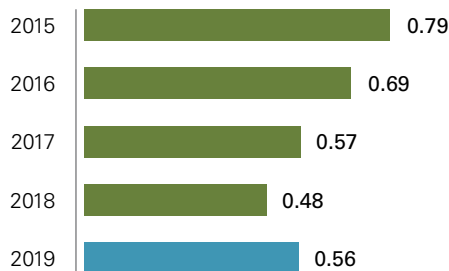


SAFETY AND WELLNESS

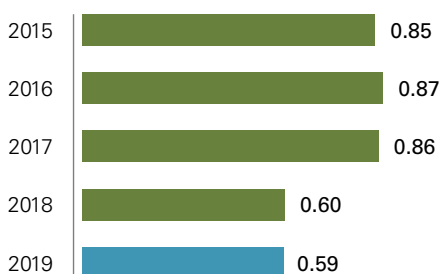
At Entergy, our safety objective is: Everyone Safe. All Day. Every Day. In addition to protecting our people’s well-being, strong operational safety and top-tier safety practices are fundamental drivers of our business performance. In fact, to be recognized as the premier utility, a relentless focus on safety is key. Accordingly, we continuously evaluate our approach to safety and make ongoing improvements as we strive for top-decile safety performance.

Entergy employees achieved a total recordable incident rate of 0.56 in 2019 compared to 0.48 in 2018 and 0.57 in 2017. There were no employee fatalities and though still in top-quartile, Entergy’s 2019 employee safety performance ranking moved out of our stated top-decile goal.

Employee Year-Ending Total Recordable Incident Rate



Contractor Year-Ending Total Recordable Incident Rate



Recordable incident rate: Number of recordable incidents per 100 full-time equivalents. Recordable incidents include fatalities, lost-time accidents, restricted-duty accidents, and medical attentions.

Healthy Lifestyles

Entergy continually encourages our employees to adopt healthy personal lifestyles through a range of programs. We encourage employees to support local communities through Heart and Health grants for active participation in walks, runs, and rides. In 2019, our employees secured \$24,000 in these grants with nearly 300 employees participating in 24 health and wellness events across Entergy’s geographic footprint in partnership with a wide variety of nonprofit organizations.



SOCIAL

Entergy contractors achieved a total recordable incident rate of 0.59 in 2019 compared to 0.60 in 2018 and 0.86 in 2017. It is important to note that while our overall contractor recordable rate continued to decline over the last few years, our serious injury and fatality rate increased. In 2019, there were three contractor fatalities including two associated with electrical contact. We are deeply saddened and very concerned by these events. This is not acceptable and, given the urgent and compelling need to significantly improve the safety performance of our contractors, we are implementing an enterprise-wide strategy focused on eliminating serious injuries and fatalities in both our employee and contracted workforce. Part of the strategy includes revitalizing our human performance program, primarily the hazard recognition and mitigation plan, as well as partnering with the industry and Edison Electric Institute on various initiatives designed to reduce serious injuries and fatalities. Additionally, with our continuous improvement efforts, we are updating several existing safety programs.

From an organizational perspective, Entergy appointed a new leader to specifically focus on and deliver excellence in contractor safety. This leader has been tasked with engaging and aligning Entergy’s various functions to execute Entergy’s contractor safety strategy and will work to implement a consistent approach in all aspects of contractor management, governance, and oversight as it relates to safety.



In addition to serious injuries and fatalities and the contractor actions outlined above, we also reviewed and refined our corrective action program, or CAP, to standardize across the enterprise our approach for reporting incidents, assigning accountability, taking corrective action, and monitoring results. Our CAP will enable us to leverage learnings in order to sustain improvements.

Through our Close Call/Good Catch program, Entergy employees identified and logged more than 8,300 hazardous conditions with a high-impact rating in 2019, a year-over-year increase of approximately 26 percent.

Entergy also continues its advanced field oversight program to prevent injuries and to better align role clarity, technical competency, and leadership capability. The goal of our Influencing Leader Structure Program is to improve the effectiveness of our field leaders by increasing field presence, performing more coaching and mentoring of front-line workers, and capturing data to improve work behaviors. Since launching the program in 2017, field observations by front-line supervision have increased along with the field presence of managers conducting paired observations.

There is nothing more important than working safely and going home every day. The team is disappointed in our 2019 safety results, but we are fully committed to raising safety awareness, reducing identified risks for our employees and contractors, and continuing to work together as part of one team — employee and vendor partners — to drive the needed improvement in this area.

Improving workforce wellness benefits our employees and helps Entergy better control health-care costs. Our HealthStrides long-term health-care strategy has yielded savings for both employees and the company by holding medical plan cost increases to less than the national average. Factors that have helped slow the increase in costs include intentional consumerism by employees in making health-care choices, vendor improvements, and greater participation in preventive health care and Entergy's ENSHAPE wellness program. We believe Exercise + Nutrition + Safety = Healthy and Productive Employees.

ORGANIZATIONAL HEALTH

Our focus on organizational health fosters an engaged and productive culture that positions Entergy to deliver sustainable value to stakeholders. A healthy organization is one that:

- Communicates a clear mission, vision, and objectives that are supported and understood by all employees.
- Fully engages the workforce so that everyone understands how they contribute to the company's success.
- Adapts quickly to changing needs of the business.
- Leverages the power of diversity to identify new and better ways to create value for our stakeholders and improve business results.

Our focus on organizational health starts with creating a common understanding around how we can work together more effectively on a daily basis and better engage with our customers and our communities. We routinely communicate our perspective to employees through quarterly employee huddles and town hall meetings with leaders, as well as through written communications to employees and leaders. Our new employee orientation program, employee and leadership development programs, and performance management processes also build common alignment around the core set of behaviors all employees must exhibit to drive Entergy’s success.

We measure how we are doing through an annual organizational health survey coordinated by an external third party. The survey invites employees to weigh in on a series of indicators that reflect our progress. The indicators assess organizational health for nine outcomes: direction, leadership, culture and climate, accountability, coordination and control, capabilities, motivation, innovation and learning, and external orientation. Underlying the nine outcomes are survey questions on 37 management practices. The survey also includes Entergy-specific questions for leadership practices, safety, diversity and inclusion, and ethics and compliance. Since initially administering the survey in 2014, we improved from an initial score of 49 (fourth quartile) to a score of 66 (second quartile) in 2019. In addition to significantly improved scores, employee participation rose from 66 percent in 2014 to 90 percent in 2019. While these represent substantial improvements, we remain committed to achieving our goal of top-quartile results and continue taking action to improve organizational health.

Organizational Health Index Score



Organizational Health Index Survey Employee Participation



Volunteerism

Our employee surveys indicate that employees who participate in corporate volunteer programs are more engaged in the workplace. We encourage employee volunteerism through our Community Connectors program, through which Entergy employees earn grants for their favorite nonprofit organizations by volunteering 20 hours of their time. Our paid time off volunteer benefit introduced in 2016 allows eligible employees to take up to 16 hours a year of paid time off during regular working hours to support company-approved activities at qualified nonprofit organizations. In 2019, employees and retirees logged close to 115,000 hours of volunteer service valued at approximately \$3.75 million.



We believe healthy organizations value and use the full power of employees’ experiences and perspectives and actively work to create avenues to do so. Entergy’s employee resource groups are pathways through which employees can engage in the business, network, and grow and develop together. ERGs are employee-led groups that provide opportunities to connect with others who share similar interests and backgrounds. Our eight ERGs — Generational, Pride, Shift, Veterans, Multicultural, Women’s, Leadership, and Administrative — have nearly 2,400 members. ERG input informs decisions on recruiting, onboarding, retention, work/life balance, technology, policies, and employee and leadership learning and development.

Employee and Retiree Volunteerism
(hours in thousands)



Powerful Leaders

In 2019, nearly 200 of Entergy’s female leaders gathered for the second Entergy Women’s Leadership Forum focused on engaging powerful leaders in a changing world. Women in manager roles and above participated in panel discussions, addressed professional development opportunities, and heard insights on the business from executive leaders.

The event was hosted by Entergy’s Women’s Leadership Advisory Council, a network of senior female leaders who promote the empowerment and advancement of women within Entergy. The council also hosted a series of regional huddles over the summer to strengthen the support network for women at Entergy and collectively discuss strategies to enable a more collaborative and supportive environment.



SOCIAL

In an evolving business environment, a culture focused on diversity, inclusion, and belonging matters and drives foundational engagement. We are committed to developing and retaining a workforce that reflects the rich diversity of the communities we serve. The diversity of employee ideas, backgrounds, perspectives, abilities, skills, and knowledge enables us to more effectively create innovative business and customer solutions. To ensure that we fully realize the potential of our diverse workforce, we are also focused on creating and nurturing a culture of belonging, with the goal of assuring that all employees feel valued, heard, and respected.

We believe employees will increasingly embrace their roles as we reinforce our commitment to a workplace that is diverse and inclusive with a culture of belonging. Accordingly, in 2019 Entergy embarked on a three-year phased approach to enhance inclusion for individuals and teams; drive operational effectiveness and innovation; and sustain diversity, inclusion, and belonging in our culture. This approach will encompass a range of initiatives, including enterprise-wide alignment and action plans, customized initiatives for field employees, initiatives for diverse groups, standing up a resource center, and establishing enhanced policies. Measurement and accountability will follow to sustain initiatives.



TALENT MANAGEMENT

People are our most valuable resource. We recognize that recruiting, developing, and retaining top talent require a clear vision, organizational alignment, and hard work. That’s why in 2019 we introduced a new talent management model focused on workforce strategy, talent development, and organizational effectiveness as the three foundational organizational focus areas to create a positive and differentiating experience throughout our employee lifecycle.

Workforce Strategy

The foundational building block of our talent management program is workforce planning to determine the anticipated demand for positions and skills. In 2019, we piloted a more integrated approach to workforce planning with our transmission business unit. This approach combined an attrition forecast, hiring projections, and a deep dive into business objectives to create business-specific strategies. Creating specific staffing and talent sourcing plans with near- and long-term actions followed.

Our workforce-development and talent-attraction programs matured in 2019. We built new relationships with strategic partners through our dedicated college diversity and military recruiters. Company representatives attended more than 100 recruiting events and made contact with nearly 4,000 potential candidates.

We continued to build partnerships with local colleges and universities. In one instance, we created an externship program that enabled four university professors to spend the summer working at an Entergy nuclear plant. They're using their experiences to enhance engineering and technical curricula. We also further expanded our development efforts into high schools. We partnered with the State of Mississippi and two school districts to create a new Energy Career Academy, with enrollments beginning in 2020.

In 2019, we expanded our workforce consortia initiatives through our partnership with other members of the Arkansas Energy Workforce Consortium. We broke ground on a line worker training pole yard for the new Certified Line Workers Training Program next to the University of Arkansas–Pulaski Tech Business and Industry Center. Combined with the Louisiana programs at Fletcher Technical Community College in Schriever and at Delgado Community College in New Orleans, we are training and hiring for a workforce that is in demand.

In recognition of our intentional focus on workforce development and military and diversity recruiting, Entergy received the 2019 HIRE Vets Medallion Program Platinum Award from the U.S. Department of Labor and the 2019 Statewide Impact Award from the Louisiana Community and Technical College System Foundation.

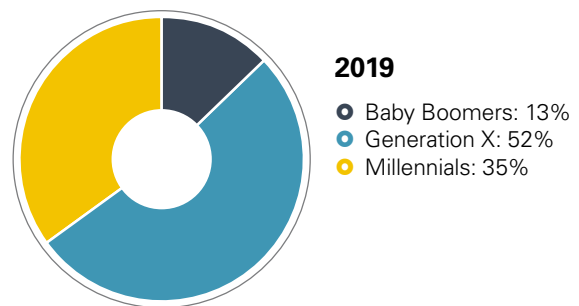
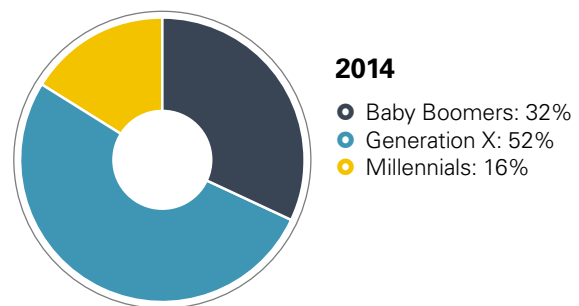
Our most important talent pipeline is our internship program, and 2019 was a record year. Our summer internship class consisted of an all-time high 248 interns working in departments across the company. Improvements to the intern experience in 2019 included increased cross-functional intern engagements, new resources for hiring managers, and a refreshed JumpStart program — our signature event that brought 177 interns together in New Orleans to network, meet senior executives, and learn how to be successful in today's corporate environment.

All the planning, developing, and attracting we undertake means little if we can't hire top talent. To increase our effectiveness in this area, we reorganized our talent acquisition team in 2019 to create full-service teams aligned to specific business units. Not only do we expect to improve the efficiency of our recruiting processes, but we also believe that aligning recruiters to specific business units increases the recruiters' strategic acumen and improves the quality of candidates.

As outlined in 2018 benchmarking research from the Electric Power Research Institute, Entergy is a leader among our peer utilities in successfully attracting and retaining a vibrant workforce. As our experienced workforce approaches retirement age, we have successfully recruited skilled employees who can deliver on evolving business objectives. This secures our workforce of tomorrow.

Talent Development

Once individuals become employees, they begin their Entergy careers by participating in our new employee orientation program. In addition to learning about our culture and networking with other new employees, participants meet with senior leaders from across the organization and visit several Entergy locations in the New Orleans area to gain hands-on insights into our business operations. One key enhancement in 2019 was the addition of a community-service project in which new employees partnered with a local food bank to sort and pack meal kits.



Professional development is the responsibility of every employee at Entergy. All employees are encouraged to create individual development plans to outline their development goals, performance opportunities, and career interests. Nearly 9,400 employees and 95 percent of supervisors had IDPs at the end of 2019. Entergy also continues to use our Grow Your Career framework, which conveys in four simple steps a path for employees desiring to invest and advance in their professions. We believe our ability to offer employees a diversity of job opportunities throughout their careers is an advantage. It's not unusual for a corporate employee to pursue an operations role, or vice versa.

Entergy also offers a full suite of learning support programs to employees, including an educational reimbursement program, a partnership with Cappella University for those who wish to pursue advanced degrees, and access to eCornell and New Horizons learning platforms for online classes. In addition, a full roster of classroom training is available at Entergy locations. In 2019, Human Resources Training delivered more than 22,000 student hours of content to employees across the company.

A key focus in 2019 was improving the employee learning experience with enhanced internal, web-based training. This included launching a new learning management system with updated capabilities. The learning management system enabled

us to retire 16 separate legacy learning systems and consolidated roughly half of our training onto a single platform. A project to onboard the balance is underway in 2020. Another important step forward in improving the employee experience was organizing our learning content into a new enterprise employee curriculum with eight defined learning series and clear ties to organizational objectives.

We also invest in our leaders through targeted leadership development programs and processes. Programs are linked by a common language and set of leadership concepts and approaches that are tailored to different leadership levels. In 2019, more than 430 employees participated in our leadership programs, which included a heightened focus on front-line leaders who are key to driving employee engagement. We also launched a new approach to onboarding supervisors, including a one-stop shop intranet portal with practical training on systems and processes that managers must use. In addition, we launched a redesigned version of our Foundational Leadership Program for front-line leaders that increases the amount of practice time on core leadership skills and introduces pre- and post-assessments to gauge proficiency.





Organizational Effectiveness

The final focus area within the talent management model is organizational effectiveness, which is aimed at aligning and enhancing team and individual performance with business objectives, effectively deploying talent through succession planning, and managing workforce and organizational transitions. In 2019, we focused on increasing the effectiveness of our talent management processes while reducing administrative burden. For example, we changed our talent evaluation and succession planning processes to enhance the quality of leadership team conversations through new, simple-to-read talent cards summarizing employee strengths, opportunities, and career aspirations. We integrated talent assessment and succession planning conversations to strengthen the tie between development actions and preparing for the next career move.

Our nuclear organization introduced new career maps for all leadership positions, a new tool to measure the effectiveness of individual development plans, and increased succession planning to twice a year. We also completed our first group of 16 and launched a second group of 29 high-potential leaders through the Vision, Ownership, Leadership, and Transformation development program. As a result of these efforts in 2019, 80 percent of leadership hires in nuclear came from internal succession slates, an improvement from approximately 70 percent in 2018.

As demand increases for some skills and jobs and decreases for others, we will naturally experience some disruption to the

workforce. To prepare, Entergy envisioned a new model for providing coordinated, consistent workforce redeployment and reskilling support. Launching in 2020, the EnAble Workforce Transition Center will serve as an in-house resource center for business leaders, HR professionals, and employees managing organizational transitions. The goal is to ensure fair treatment of all employees, enable timely decisions, and accelerate our transformation through reskilling programs.

COMPETITIVE COMPENSATION AND BENEFITS

Our competitive total rewards programs are vital in recruiting and retaining the most talented and engaged employees and are aligned with their needs and employment lifecycles. In addition to compensation and benefits, we reinforce high levels of individual and company performance through annual bonus and rewards and recognition programs for eligible employees, beyond annual merit pay increases. Our comprehensive benefits package gives eligible employees access to a defined contribution savings plan with company matching and numerous investment options. Retirement plans allow employees to plan for their futures. Health and wellness benefits include medical, dental, and vision coverage options, as well as employee assistance, wellness, and work-life balance programs. In early 2020, Entergy also introduced a new paid parental leave policy for new parent births, adoptions, or foster placement.

Our Workforce



2019 ENTERGY WORKFORCE BY GENDER

21% | **79%**
Female | Male

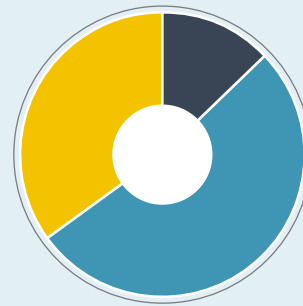
2019 U.S. BUREAU OF LABOR STATISTICS AVERAGE FOR U.S. UTILITIES

20% | **80%**
Female | Male

2019 ENTERGY MANAGEMENT WORKFORCE BY GENDER

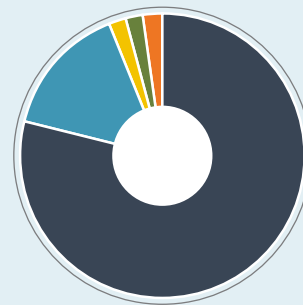
19% | **81%**
Female | Male

Based on EEO-1 classification



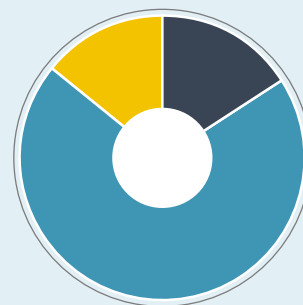
2019 Entergy Workforce by Generation

- Baby Boomers: 13% born 1943 to 1960
- Generation X: 52% born 1961 to 1981
- Millennials: 35% born 1982 and after



2019 Entergy Workforce by Ethnicity

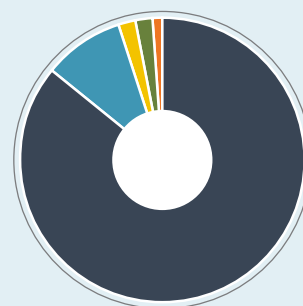
- Caucasian: 79%
- African American: 15%
- Hispanic: 2%
- Asian: 2%
- Other: 2%



2019 Entergy Management Workforce by Generation

- Baby Boomers: 16% born 1943 to 1960
- Generation X: 70% born 1961 to 1981
- Millennials: 14% born 1982 and after

Based on EEO-1 classification



2019 Entergy Management Workforce by Ethnicity

- Caucasian: 86%
- African American: 9%
- Hispanic: 2%
- Asian: 2%
- Other: 1%

Based on EEO-1 classification



ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

While Entergy’s operations and initiatives influence all 17 of the United Nations Sustainable Development Goals aimed at improving life on Earth, we are significantly impacting these priorities:



Helping find lasting solutions for customers in need in the communities we serve, which include some of the highest poverty regions in the U.S.



Ensuring all families – particularly low-income working families – have access to high-quality, early-childhood education programs and addressing future workforce needs by supporting school robotics and STEM activities.



Addressing water availability while also managing flood risk, minimizing our water use, and ensuring our compliance with state and local regulations.



Transforming our electric generating portfolio to better protect the environment through cleaner resources while keeping costs to customers low.



Providing employees a safe, rewarding, engaging, diverse, and inclusive work environment; fair compensation and benefits; and opportunities to advance careers; and encouraging economic growth in our service area through reliability and affordability.



Investing in infrastructure that enhances system reliability, efficiency, and resiliency and discovering and developing new products and services for customers.



Partnering with our regulators to manage waste responsibly for the benefit of the environment and our communities.



Taking action to meet our climate goal to produce by 2030 50% fewer greenhouse gas emissions per unit of electricity than we did in 2000 and partnering with our customers to lower their emissions.



Being a good steward of the land, wildlife, and natural resources in our care, including action to maintain, enhance, or conserve biodiversity.



Helping provide equal access to justice for all, and eliminating discrimination by valuing and embracing diversity as a strategic competitive advantage.



Partnering with our stakeholders to accomplish our objectives and achieve net benefits for all.

OUR LONG-TERM COMMITMENT TO SUSTAINABILITY

Energy’s leadership in sustainability and environmental stewardship has been a hallmark of who we are for nearly two decades. It is a critical part of our future too. In 2002, Energy’s board of directors adopted a visionary sustainability and environmental [statement](#) to “develop and conduct our business in a responsible manner that is environmentally, socially, and economically sustainable.”

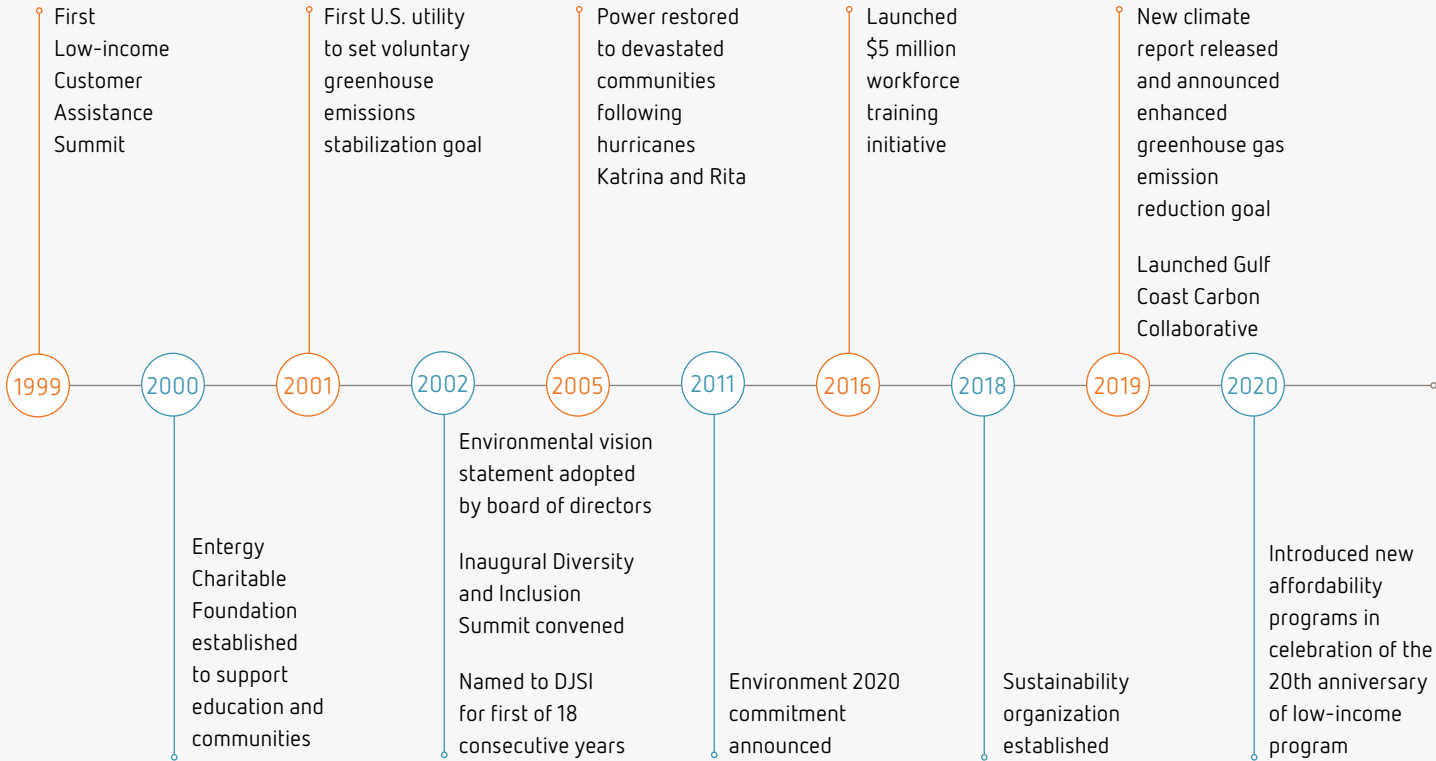
As validation of our long-term commitment to sustainability, in 2019 Energy was once again named to the Dow Jones Sustainability Index. We are the only U.S. electric utility to be included on the DJSI for 18 consecutive years. We earned perfect scores in climate strategy, corporate citizenship and philanthropy, water-related risks, materiality, and policy influence. We demonstrate our leadership through our daily actions, such as our climate

Energy’s Sustainability Mission

Energy’s sustainability mission is to create sustainable value for our customers, employees, owners, and the communities we serve through the use of sustainable business practices that integrate environmental, social, and economic objectives and concerns.

strategy, environmental stewardship, attracting and developing talent, continuous performance improvement, and initiatives that strengthen communities. Strong corporate governance ensures continued transparency, accountability, successful execution on our strategy, and alignment with the company’s mission.

Sustainability – A History of Action



The corporate governance committee of Entergy’s board of directors has responsibility for oversight of the company’s overall sustainability strategy, policies, and practices. They meet this responsibility by assuring that recognized sustainability risks are being addressed by the full board or an appropriate board committee.

BOARD COMMITTEE	PRIMARY SUSTAINABILITY OVERSIGHT RESPONSIBILITY
Corporate governance	Overall corporate sustainability strategy; corporate social responsibility; corporate governance issues; governmental, regulatory, public policy, and public relations matters; public advocacy activities; shareholder concerns
Personnel	Executive compensation policy, employee and human resources issues, employee training and development, talent management, employee and contractor safety, diversity and inclusion, supplier diversity
Audit	Environmental compliance and auditing and environmental policies, ethics and compliance, market and credit risks, cybersecurity risks, financial reporting processes and risks, other strategic risks, and general risk oversight
Finance	Financial stability and major capital investments
Nuclear	Safety risks unique to the nuclear fleet and sustainability of our nuclear plants



Within Entergy’s senior management, our executive vice president and general counsel has primary responsibility for our overall sustainability performance and for ensuring the sustainability of business practices across the company. Other members of the office of the chief executive—the chief financial officer; group president, utility operations; and chief nuclear officer—are also responsible for internal coordination of our sustainability performance and ensuring that sustainability is integrated into the company’s business model.

A dedicated sustainability and environmental policy group establishes a sustainability mission and strategy for the company with goals that align with our operational objectives, [industry priorities](#), and [global actions](#). To effectively implement the mission and strategy, the organization established a working group of representatives from across the company that provides coordination and support on developing strategic priorities and action plans in the key areas of sustainability, including climate strategy, supply chain management, human resources, and corporate social responsibility.

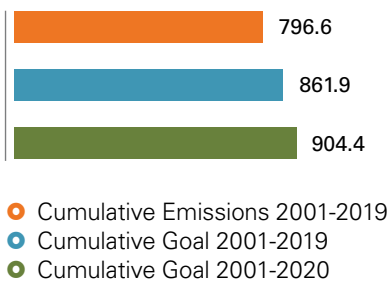
ENVIRONMENTAL

At Entergy, our environmental strategy and our business strategy are inextricably linked. We see environmental stewardship and decarbonization not as a choice, but as a responsibility and an opportunity. Recognizing the challenges posed by climate change, Entergy has focused on the issue as a sustainability priority for almost two decades. Under the leadership of our board, we have worked to ensure that our concern about climate change translates into action:

- We start with our own environmental footprint: As the first U.S. utility to voluntarily set a greenhouse gas emissions goal in 2001, we have been a leader in limiting emissions from our operations. Today we operate one of the cleanest large-scale power generation fleets in the country.
- We look beyond ourselves to have a greater impact: Because of the large concentration of existing industrial activity and strong industrial growth in the regions we serve, we are uniquely positioned to partner with customers in other industries such as manufacturing, ports, and transportation to help them reduce their own emissions by electrifying their energy needs and operations.
- We pioneer sustainability solutions in our industry: We are a thought leader in our industry, advancing constructive discussions to understand the risks associated with changing environmental conditions, and partnering with regulators and key stakeholders on policy and incentive options that address climate change.

Utilities have a critical role to play in delivering the clean-energy solutions that are essential in lowering greenhouse gas emissions and we see an opportunity to innovate and invest to improve the world around us. Our environmental strategy and initiatives align with the objectives of six primary impact areas of the UNSDGs.

Cumulative CO₂ Emissions From Entergy-Owned Plants and Controllable Purchases
(million tons)

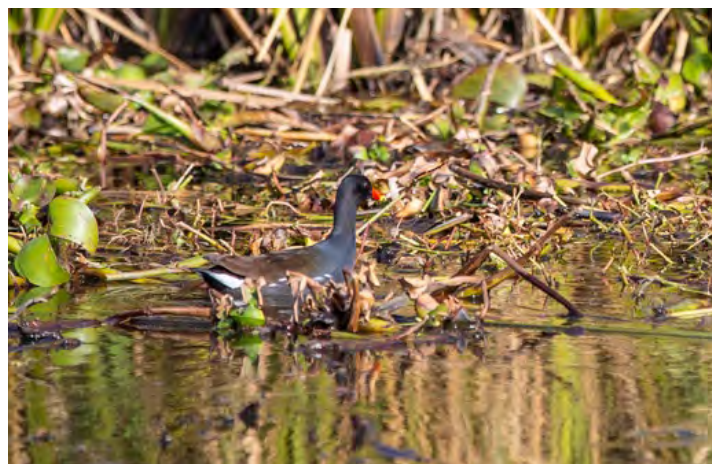


Measuring and Reporting Our Progress

Measuring progress: Entergy uses benchmarking and interaction with internal and external experts and trade groups to refine our suite of sustainability metrics and to ensure data integrity and proper management. For example, we recently completed a preliminary comparison of Entergy’s public information to the Sustainability Accounting Standards Board recommendations. Although some gaps remain, our public reporting is largely aligned with the SASB standards. Closure of these gaps, where appropriate, is a goal for 2020.

Public reporting: Public reporting of environmental, social, and governance metrics has become increasingly important to investors and customers, many of whom have established their own sustainability goals. In addition to providing full disclosure of financially material information in our Securities and Exchange Commission reporting, Entergy collects ESG metrics and supporting narratives and makes these available through annual disclosures like this report, and in our Performance Data Table, the Statistical Report and Investor Guide, the EEI ESG and American Gas Association templates, the Global Reporting Index mapping, and special communications such as our March 2019 climate report, “Climate Scenario Analysis and Evaluation of Risks and Opportunities.” The report is aligned with the recommendations of the Task Force on Climate-related Financial Disclosures.

We’re also helping forge the way toward sustainability solutions in our industry for the future as a leading partner with, among others, the Electric Power Research Institute, Electric Utility Industry Sustainable Supply Chain Alliance, and the Center for Climate and Energy Solutions, one of the nation’s leading think tanks on energy and environmental issues.





Taking Action Against Climate Change

In 2001, we were the first U.S. utility to commit voluntarily to cap CO₂ emissions. We extended this commitment twice, including a voluntary pledge to maintain our CO₂ emissions at 20 percent below year-2000 levels through the year 2020. Through 2019, our cumulative CO₂ emissions were approximately 8 percent below our target. We expect our planned investments in portfolio transformation and grid modernization will continue to increase our overall efficiency and reduce our environmental impact. For example:

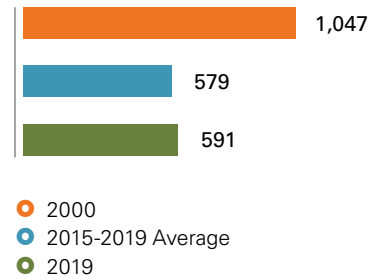
- Highly efficient new combined-cycle power stations such as the J. Wayne Leonard Power Station, Lake Charles Power Station, and Montgomery County Power Station produce significantly fewer carbon emissions per MWh than the facilities they replace.
- Nuclear generation is also an important source of clean, reliable baseload power for our utility customers. Prudently investing to preserve these valuable, virtually non-emitting resources for our stakeholders is an important part of our strategy.
- Our planned investments in new technologies to modernize our grid, such as advanced meters, will further improve efficiency, reliability, and energy conservation.
- We are actively working to expand our use of renewables, including both utility-scale and distributed-energy resources. These will allow us to reduce emissions as the economics, performance, and reliability of these resources improve. We currently have nearly 2,000 megawatts of renewable projects in various stages of planning or development.
- Our coal generation resources are limited, producing only 6 percent of our utility’s 2019 energy mix. We will retire the majority of our coal plants no later than the end of 2030. We are evaluating options for the remainder.

In 2019 we released our [Climate Scenario Analysis and Evaluation of Risks and Opportunities](#) to:

- build on Entergy’s long history of discussing and managing climate change risk;
- use scenario planning to analyze potential impacts on—and opportunities for—Entergy and the regional economies in which we operate; and
- inform and engage stakeholders on Entergy’s current and ongoing processes for managing climate risk and evaluating future opportunities.

These are just a few of the many investments and commitments we are making to ensure our business is well-positioned for the future. For further information, visit entergy.com/environment.

Average CO₂ Emissions Rate From Entergy-Owned Plants (pounds per MWh)



Intensifying Our Actions

Entergy’s climate report sets forth the next decade of action toward a new greenhouse gas emissions reduction goal. By 2030, Entergy will produce 50 percent fewer carbon emissions per MWh of electricity generated than we did in 2000. The report is aligned with the Task Force for Climate-related Financial Disclosures, of which Entergy is a supporter.

Climate Risk and Business Planning

Climate risk and the risk of carbon regulation have informed our business planning for nearly two decades. Entergy has long advocated for market-based solutions to climate risk in the form of support for federal legislation that would incentivize lower carbon emissions on an economy-wide basis and actions at all levels of government that would mitigate climate risk. For Entergy, many of these actions focused on coastal wetlands restoration. Entergy was a founding contributor to the Center for Climate and Energy Solutions. Entergy continues to serve on the board of this group whose mission is to advocate in a nonpartisan manner for market-based climate solutions.



ENVIRONMENTAL/ECONOMIC



Clean Air Equals Healthy Communities

Entergy is one of the country's cleanest large-scale generators of electricity. Here is how we perform according to the [2019 Benchmarking Air Emissions Report](#).

Entergy Rank in the 2019 Benchmarking Air Emissions Report

(based on 2017 data)

	OF TOP 100	OF 20 PEERS*
Power production	6 th	5 th
Lowest CO ₂ emission rate ranking	29 th	4 th
Production of virtually zero-emitting energy	6 th	4 th

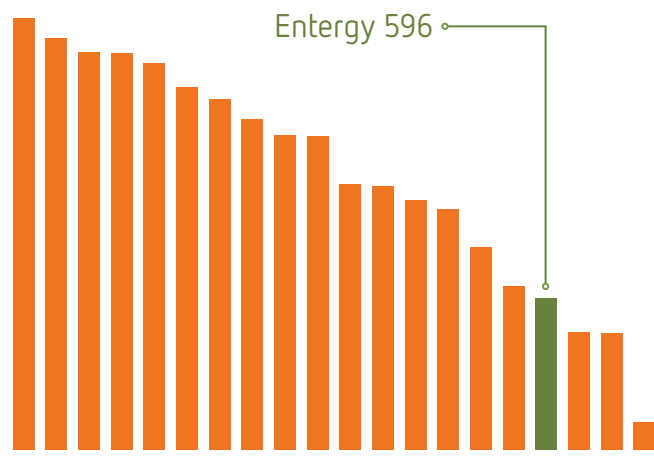
*The top 20 privately owned and investor-owned U.S. power producers

Like carbon, we are setting goals for traditional air emissions based on our current planning assumptions for the utility.

Entergy's investments in our generation portfolio transformation and nuclear improvements have greatly reduced both absolute air emissions and emission rates. Since 2000, the utility has added more than 7,500 MW of clean, highly efficient combined-cycle gas turbine generation and deactivated more than 6,800 MW of older, less efficient gas or oil units.

CO₂ Emission Rates of Top 20 Privately/ Investor-Owned Power Producers

(lbs / MWh)



Source: MJ Bradley, Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States, published June 2019



Since 2000, while our annual electric generation grew by more than 25 percent, our investments in clean energy capacity have resulted in:

- 73% reduction in absolute NO_x emissions and 78% reduction in NO_x emission rates,
- 71% reduction in SO₂ emissions and 77% reduction SO₂ emission rates,
- 92% reduction in mercury emissions and 94% reduction in mercury emission rates, and
- 29% reduction in absolute CO₂ emissions and 44% reduction in CO₂ emission rates.



Partnering With Customers and Other Sectors

At Entergy we recognize that no one sector can tackle the challenges of climate change alone. An economy-wide effort involving all sectors is required. We have a large concentration of existing industrial activity and growth in the regions we serve. This uniquely positions us to partner with customers in other industries such as manufacturing facilities, port operations, and transportation technology to help them reduce their own emissions through beneficial electrification.



Edison Chouest Offshore vessels in Port Fourchon, LA

This is a practical and pragmatic way to help customers meet their environmental goals and reduce societal carbon emissions as the emission rate from the electric generating sector often is lower than that of many transportation and industrial emitters. This is especially true as the electric generating sector’s emission rate continues to decline.

Entergy partnered with the U.S. Business Council on Sustainable Development to launch the Gulf Coast Carbon Collaborative, a first-of-its-kind industry initiative focused on cross-sector solutions to reduce greenhouse gas emissions. In December, approximately 60 Gulf Coast industry representatives from the automotive, power, pharmaceutical, manufacturing, chemical, refining, and transportation sectors met in New Orleans to share and scale decarbonization strategies. Potential actions include modernizing equipment, switching to electricity and other low- and zero-carbon fuels, and using both nature and technology to capture and store carbon.

Through Entergy’s Electric Technology Program, known as eTech, we partner with customers to promote the adoption of electric-powered alternatives to many applications that traditionally require fossil fuels. These efforts provide direct customer support by dedicated field representatives to Entergy customers who purchase and install select electric equipment. Electric-powered technologies offer several key benefits to end-users over existing technologies, including reduced maintenance, lower fuel consumption, increased workplace safety and efficiency, less noise, and cleaner and healthier work environments.

Many studies highlight that transportation electrification will be critical to achieving long-term greenhouse gas reduction goals. Entergy has taken the following actions to support the use of electric vehicles:

- We provide incentives to customers to purchase electric vehicles and charging infrastructure as part of our eTech program.
- We presented grants to 16 colleges and universities in our region to help fund the installation of 17 240-volt electric vehicle charging stations.

- We established the Power Drive program to purchase electric vehicles and install charging infrastructure at Entergy facilities.
- We presented a grant to Tulane University to help fund the purchase of electric shuttle vehicles, allowing the university to retire several internal combustion vehicles.



Green Fleet Strategy

Our Green Fleet Strategy, aimed at reducing the environmental impact of our company vehicles by using more efficient options, set a goal of achieving a 20% reduction in greenhouse gas emissions from 2008 levels by 2020. We achieved that target ahead of schedule in 2015. Over the past 12 years, the corresponding goal of a 20% reduction in our fleet fuel consumption has also been achieved, and the positive impact on the environment is equal to eliminating 2,857 vehicles from our local streets and highways.



ENVIRONMENTAL/ECONOMIC

In addition, Entergy New Orleans has two initiatives to increase the use of electric vehicles in New Orleans. Entergy New Orleans will construct, own, and operate electric vehicle chargers on customer-owned property, with customers paying for the chargers over time. Entergy New Orleans will also invest up to \$500,000 to construct utility-owned and operated electric vehicle chargers for public use at city-owned locations, including libraries, parks, and schools. Each of these initiatives will accelerate the adoption of electric vehicles, which is consistent with the city’s climate and transportation modernization efforts.



Water Use Reduction and Conservation

Water is essential to life but can be a risk during extreme weather events. Entergy addresses water availability while also managing flood issues. We look for opportunities to reduce water use in our operations while evaluating water availability and ensuring compliance with state and local permits and requirements. Fleet modernization minimizes our impact on water as newer plants use significantly less water than our legacy units. We also evaluate water risks from flooding as sea-level rises, coastal erosion, and subsidence in our coastal service area impact our region. Details of our water management activities are available [here](#).

Water Conservation

The Lewis Creek Power Plant in Willis, Texas, is the only Entergy power plant that operates in a water-stressed area. By working with the water conservation district to optimize water use and leveraging best practices that help us use water wisely, Lewis Creek was able to exceed its water conservation goal of 30 percent water withdrawal by 2016, a goal that now has become a permitting requirement. Across our operations, Entergy’s water peer group monitors water issues. We protect water resources by maintaining a compliance rate with state and federal permit requirements of at least 99 percent from year to year.



ENVIRONMENTAL

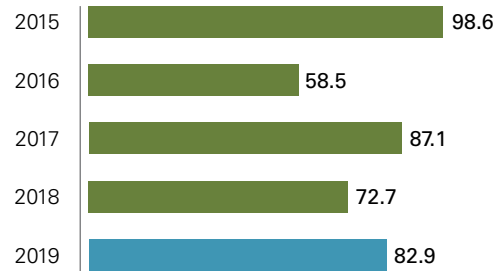


Waste Minimization and Management

Entergy’s operations can result in waste materials. To address waste management and minimization, Entergy maintains a standard that outlines our basic philosophy and expectations. We reduce waste by repurposing or recycling unused or obsolete material such as scrap wire and metal, as discussed further in the Supply Chain section of this report. Entergy managed nearly 83 percent of our coal ash for beneficial use in 2019, which is significantly higher than the industry average. Coal ash is an excellent construction material that can be used as fill for stabilization projects, as road beds, and to replace Portland cement.

We will continue our actions to ensure that we not only minimize waste but also maximize the value recovered from end-of-life or unneeded assets.

Percent of Coal Combustion By-product Managed for Beneficial Use



Biodiversity and Habitat Preservation and Restoration

Entergy’s goal is to fully comply with all environmental regulations including those that govern wildlife conservation, as stated in our [Commitment to Biodiversity](#). We aim to be a good steward of the land, wildlife, and natural resources in our care. We strive not only to eliminate negative impacts from our operations on biodiversity but also to promote a net positive impact where possible. By complying with local, state, and federal regulations, incorporating best management practices, and promoting stewardship through public partnerships, we are committed to maintaining, enhancing, and conserving biodiversity in the areas we serve.

We actively participate in avian monitoring programs such as those for eagles. We have an avian and wildlife protection standard and an avian protection plan that promote compliance with wildlife conservation and avian protection laws. Protecting wildlife from potential impacts with our facilities, such as wires and substations, also improves reliability for our customers by avoiding potential outages caused by birds and other animals.

Threats and impacts to biodiversity are identified as part of the investment approval process before we undertake major construction projects or acquisitions. Risk identification and management



processes are required to avoid, minimize, or mitigate such risks as needed to complete construction, commissioning, and transition to operation. Each business function’s environmental leadership team works closely with Entergy project managers to ensure biodiversity issues are managed appropriately. Every time an expansion or permit change is required, operations are re-assessed for their impact on biodiversity as warranted.

Entergy will continue working to enhance our natural environment. Preserving, restoring, and improving natural systems, as well as sustainably managing the natural assets we own, provides water management, biodiversity, and carbon sequestration benefits. We continue proactive efforts through our biodiversity peer group, a team of environmental professionals focused on protecting wildlife and enhancing the natural environment.

One of many reforestation projects the company supports, Entergy maintains a Sustainable Forestry Program to increase, mainly through tree planting, eco-diverse environments within the approximately 25,000 acres of timber land associated with our utilities’ sites and facilities. Since 1996, through this program, Entergy has:

- planted over 4.1 million trees,
- addressed ecologically sensitive areas,
- created wildlife habitat, and
- participated in native species conversion.

Enhancing Defense Against Storm Surge and Rising Sea Levels

Pointe-aux-Chenes in south Louisiana is a last line of defense protecting more than 200,000 residents against storm surge and rising sea levels. To strengthen and rebuild this natural buffer, Entergy partnered with Restore the Earth Foundation to help plant 5,000 acres of bald cypress trees in the area, with Entergy funding 225 acres planted to date. In 2019, a grant from Entergy’s Environmental Initiatives Fund further enhanced the project by funding a retrofit of flood control pumps into an innovative system that, when not needed for pumping out flood water during significant weather events, will return vital nutrients from the Mississippi River to nearby Bayou Terrebonne.



ENVIRONMENTAL/SOCIAL

Groundbreaking Marine Scientific Study

In 2019, Entergy donated to New York’s Stony Brook University School of Marine and Atmospheric Sciences an extraordinary scientific collection of archived fish and water data amassed over five decades as part of Entergy’s commitment to protect the environment of the Hudson River. The collection provides scientists a unique retrospective on the ecological health of the estuary. Entergy accompanied the donation with seed capital to advance Stony Brook’s goal of groundbreaking scientific study of the collection.



ENVIRONMENTAL/SOCIAL



Environmental Compliance

Environmental compliance is a basic tenet of our sustainability strategy, and our environmental management system drives compliance and continuous improvement. We continuously evaluate environmental risks and opportunities and focus compliance management and continuous improvement efforts on our entire value chain. Our environmental management system details company objectives for all sites and includes policy and strategy, identification of compliance requirements, a risk assessment, and clear objectives, programs, and procedures in addition to training and an annual senior management review. We validate our EMS and our environmental performance through annual third-party audits and provide transparency through performance reporting.

SOCIAL

Entergy has established a legacy of corporate citizenship that has endured for well over a century. As a company, our success is inextricably tied to the success of the communities we serve. Our commitment to do more to improve the quality of life and sustainability of the communities we serve is integral in our journey to build the premier utility.

Our corporate social responsibility strategies focus on delivering business and social impacts through a combination of philanthropy, volunteerism, and advocacy. Working with our community partners, our social initiatives delivered more than \$100 million in benefits to our communities in 2019. And each year our employees contribute more than 100,000 volunteer service hours to a variety of charitable causes.

This year Entergy is celebrating 20 years of our low-income customer service initiative. In 1999, we revised our customer service policies, placing greater emphasis on our customers’ fundamental needs, and launched our low-income customer initiative.

Since that time, we established numerous programs and initiatives to help place low income customers on the path to economic self-sufficiency. These include the Entergy Charitable Foundation grant program, the Power to Care customer bill payment assistance program, the Beat the Heat fan distribution, and an initiative to help customers claim their earned income tax credit refunds during tax season.

As a result, we have helped power the lives of hundreds of thousands of people, not only by keeping their power on and gas flowing, but also by placing them on the path to economic

20 Years of Helping Our Low-Income Customers

- \$55 million donated to Power to Care, 220,000 customers assisted
- \$258 million earned income tax credit refunds to customers
- 60,000 free fans distributed to customers
- 2.5 million customer bills paid through financial assistance



SOCIAL/ECONOMIC



self-sufficiency. These programs have helped our customers reduce debt, increase their assets, improve their credit ratings, become homeowners, and access opportunities for education and job training.

Although we've accomplished much over the past 20 years, our fight to reduce the burden of poverty in our region isn't over. We are renewing our commitment to low-income customers by introducing more extensive poverty solution programs and continuing to collaborate with advocacy partners to serve more of our most vulnerable customers.

In 2019, we earned national recognition for our efforts to improve education and workforce development, eradicate poverty, and protect the environment.

 **No Poverty**

Our focus on poverty is rooted in the economic reality of the communities we serve. Approximately 25 percent of Entergy's 2.9 million residential customers live at or below the poverty line. Entergy has focused on breaking the cycle of poverty as a major corporate cause since 1999 by funding critical social safety net services and helping individuals and families achieve economic self-sufficiency.

Entergy Super Tax Day is our signature poverty-relief program. Throughout tax season and during annual Super Tax Day events,

Supporting United Way

Entergy's contributions to the United Way since 2000 exceed \$42 million. Employee contributions are matched by the company dollar for dollar, less a 4 percent administration fee.



SOCIAL

employees staff Volunteer Income Tax Assistance sites throughout our service area and help qualifying customers receive earned income tax credits — one of the nation's most effective means of lifting low-income individuals and families out of poverty. Since 2009, we have helped nearly 150,000 individuals and families work toward financial stability by filing for and receiving \$258 million in EITC refunds. The economic impact of these credits to our local communities is \$400 million.

Energy employees support a variety of nonprofits in their communities that work to meet the basic needs of our most vulnerable citizens. Last year, our employees fought hunger by volunteering at food banks, provided critical social safety net services through the United Way, helped weatherize homes for low-income elderly and disabled customers, and provided free legal assistance to customers in need.



Quality Education

Education has been at the heart of Energy’s charitable giving for two decades. We believe a high-quality education provides the resources and opportunities that people need to achieve their full potential and positively contribute to society. In 2019, Energy shareholders contributed nearly \$6 million to support educational programs in Arkansas, Louisiana, Mississippi, and Texas.

Through funding and advocacy for early-childhood education, we aspire to ensure that all families—particularly low-income working families—have access to high-quality, affordable childcare and education. In 2019, Energy teamed up with community partners to successfully advocate for \$54 million in increased local, state, and federal funding to expand child-care and early-education options for working families. We’re also addressing future workforce needs by supporting robotics and STEM activities in schools, which help create a talent pipeline to benefit Energy and other industries across our region.



2019 Philanthropy Invested More Than \$17 Million

- \$6.7** Education and workforce development
- \$4.0** Poverty solutions / social services
- \$3.2** Community improvement and enrichment
- \$1.1** Arts and culture
- \$1.0** Healthy families
- \$0.9** Environmental
- \$0.3** Disaster relief and recovery

Energy and our employees made a positive difference in classrooms last year. Support included funding for technology upgrades, sponsorship of anti-bullying campaigns in elementary schools, and volunteer tutoring to enhance literacy and math skills.

Improving College Success

The transition to college is hard for many students, but it can be especially challenging for those from low-income households and for first-generation college students. Through the College Beyond initiative, Energy is helping close the freshman retention gap for students from underserved communities by ensuring they have the resources, counseling, and support services they need to persist and graduate. This school year, the program will serve 150 students. The goal is to double the number of student participants over the next two years.



SOCIAL





Affordable and Clean Energy

We believe all customers should have access to affordable and clean energy, regardless of their financial situation.

Energy's The Power to Care program provides emergency bill-payment assistance to low-income elderly and disabled customers. In 2019, Entergy customers, employees, and shareholders raised more than \$2.6 million through The Power to Care to help more than 12,200 qualifying customers in crisis keep their power flowing across Arkansas, Louisiana, Mississippi, and Texas. In recognition of the 20th anniversary of our low-income program, Entergy shareholders doubled their match to customer contributions from \$500,000 annually to \$1 million annually. Employee contributions are matched dollar-for-dollar with no cap. One hundred percent of donations go directly to support the program.

Our support also makes a difference for customers who rely on the federal Low Income Home Energy Assistance Program. Entergy employees and community partners participate annually in LIHEAP advocacy efforts on Capitol Hill to ensure that funds are allocated to help customers manage heating and cooling costs when they experience unexpected hardships. Each year more than 200,000 customer bills are paid through LIHEAP, but the need always exceeds available funds. Efforts in recent years have resulted in funding increases that have allowed Entergy to serve almost 4,500 additional households annually.



With partners SBP USA and Toyota Corporation, Entergy helped to create Louisiana's first net zero multi-family housing unit. The St. Peter Residential apartments located in the historic Tremé neighborhood of New Orleans provide affordable housing for veteran families. The community is powered by solar panels funded by the Entergy Charitable Foundation with battery storage provided by upcycled hybrid batteries donated by Toyota.





Decent Work and Economic Growth

Energy is working to create a competitive advantage for our communities by partnering with them to build a skilled and capable workforce. Energy’s five-year, \$5 million workforce development initiative is designed to attract new industry and jobs to our communities through investments in workforce readiness programs. Since the initiative’s launch in 2015, 87 companies have located within Energy’s footprint and nearly 10,000 permanent news jobs have been created.

In 2019, Energy teamed up with community partners to launch high school career academies in Little Rock, Arkansas, and Port Gibson and Vicksburg, Mississippi. The purpose of the academies is to ensure that students graduate with skills and certifications that will put them on the path to careers in energy.

To address Energy’s and the region’s workforce needs, we’re providing resources to train line workers and finding creative solutions to prepare future energy industry professionals. Last year, the Louisiana Community and Technical College System Foundation recognized Energy Louisiana with the Statewide Impact Award for its support of line worker certification programs at Delgado Community College and Fletcher Technical Community College. Through Energy Arkansas’ involvement in the Arkansas Energy Workforce Consortium, a pole yard was constructed in Little Rock to support a new certified line worker training program.

We’re also committed to building and retaining a workforce that reflects the rich diversity of the communities we serve. Energy has contributed more than \$7.4 million to historically black colleges and universities in our service area to fund facility and curriculum improvements, technology upgrades, scholarships, and internship and mentoring programs. Energy is a long-time supporter of the United Negro College Fund, and through our Tribal Scholarship Program, Energy partners with the American Indian College Fund to provide annual scholarship support to thousands of American Indian and Alaska Native students.



Mentoring Veterans

Energy and American Corporate Partners work together to connect post-9/11 veterans with corporate professionals as mentors to help veterans realize a better post-service life.



SOCIAL





Climate Action

Entergy is known for taking bold action to protect the environment and mitigate the impact of climate change in our communities. We accomplish our environmental goals primarily through programs that support coastal and wetlands restoration, reforestation, conservation, and storm water management.

In 2019, Entergy’s philanthropic investments included initiatives to help neighbors mitigate street flooding through rain barrels and restoration of urban forests as well as educational initiatives to engage students and citizen scientists to take action on climate change.



Peace, Justice, and Strong Institutions

Strong and healthy communities are the result of engaged and active citizens. Our employees help create sustainable value for our communities through year-round volunteerism and charitable giving. Entergy supports and rewards employees whose volunteer service helps create communities that are healthy, vibrant, prosperous, and inclusive.

In celebration of National Volunteer Month in April, Entergy employees participated in more than 40 planned events across our four-state utility service area, logging 4,280 service hours during the month. This translated into a \$109,000 economic impact to the communities we serve. Throughout 2019, from volunteering in food pantries in Louisiana, serving the homeless in Mississippi, and caring for sheltered animals in Texas, to participating in crafts with hospitalized children in Arkansas, and reducing the environmental impact of Carnival season in New Orleans, Entergy employees powered life throughout communities where they live and work.

Making Mardi Gras More Sustainable

Entergy partnered with Urban Conservancy, Grounds Krewe, ArcGNO, and Republic Services to make Mardi Gras in New Orleans more sustainable. Recycling actions in 2019 resulted in 3.5 tons of beads and other throws collected around the parade routes.



ENVIRONMENTAL / SOCIAL

Our financial and volunteer support last year also helped customers and communities recover from natural disasters. In Texas, Entergy donated \$350,000 to help rebuild communities damaged by Tropical Storm Imelda. When historic flooding impacted dozens of communities along the Arkansas River, we donated \$50,000 to the American Red Cross to provide safe shelter, food, relief supplies, health services, and comfort to people in need.

When Entergy’s legal department hired its first-ever pro bono counsel in mid-2018, the company was the only U.S. corporation with an attorney solely dedicated to this role. Even now, only one other company has added a role for this purpose.



Entergy's pro bono counsel directs the company's legal community-focused initiatives, developing short-term and long-term strategies and implementing the program in collaboration with other departments in the company, including corporate social responsibility, the sustainability and environmental policy group, public affairs, and communications. With this innovative approach, Entergy is leading the industry in investing not just financial resources but also skills-based volunteering to build sustainable communities through social impact.

In 2019, the legal department provided almost 3,800 hours of pro bono legal assistance to low-income community members. These hours represent a community contribution valued at nearly \$930,000. Helping hundreds of people, our employees staffed legal clinics, provided support to community organizations, and handled individuals' needs including adoptions, divorces, veterans' issues, and more. In 2019, our lawyers helped conduct policy-based research, addressing systemic issues related to poverty and workforce development, such as driver's license suspensions for failure to pay income tax and other non-moving violations. The department also launched, for the first time, a signature project called "Power to Serve." In collaboration with Entergy's corporate social responsibility organization, legal department employees have (1) trained Entergy employees to be effective nonprofit board members, (2) paired employees with strategic partner nonprofits that need board members, and (3) given pro bono legal advice to company-funded nonprofit partners, helping with employment issues, litigation, and governance.

GOVERNANCE

We operate our business with transparency, accountability and integrity. Strong governance enables us to deliver on our commitments and to create sustainable value for our stakeholders.

Material Issues

On an ongoing basis, we analyze material economic, environmental, and social issues that impact our ability to create value for our stakeholders. We use stakeholder input to help identify our most critical material issues and guide our strategies.

We engage in a variety of informal and formal communications with our key stakeholders and other important groups, including owners, lenders, and other members of the financial community, regulators, suppliers, nongovernmental and nonprofit organizations, and professionals in industry, government, labor, and education. More detail on the process we use to determine material issues is available on the [Entergy sustainability webpage](#).

Material economic issues are identified by monitoring developments in energy demand; energy supply, including generation technologies and fuels; industry and general business regulation; and economic conditions. Local, state, regional, national, and global economic conditions all impact our business, and we monitor them accordingly.



Our material economic issues for 2019 were:

ISSUE	WHY IT MATTERS
Financial performance	Generating strong, competitive financial returns for our owners affords us access to capital needed to invest in our business; to provide safe, affordable, reliable, and increasingly clean power for our customers; to compensate our employees; and to invest in our communities.
Customer satisfaction	Meeting customers' expectations for affordability, reliability, enhanced products and services, and other needs such as outage communications and storm restoration is a key component of our mission. Customer satisfaction can also affect approved rates of return and other regulations.
Energy reliability	Meeting customers' expectations for service to be available on demand requires ability to invest in our system, up-to-date technologies, and robust supply solutions.
Energy affordability	Maintaining affordable retail power prices supports economic development and attracts new businesses to our service areas. Low rates are particularly important in the states served by Entergy utilities, where average customer usage is high and many customers live in poverty.
Energy efficiency	Offering energy-efficiency programs helps customers manage their bills and supports environmental goals. Energy efficiency can also free up capital for other productive investment that enhance our customer experience. Our ability to respond to the reduced customer usage from energy efficiency, to secure fair cost-recovery mechanisms, affects our financial performance.
Economic development	Promoting economic development generates energy demand growth and helps strengthen our communities; maintain rate stability; fund investments to modernize our operations, increase efficiency, enhance reliability, and serve new demand; and earn authorized returns.
Fuel diversity	Balancing fuel diversity and other resource attributes supports price stability, energy affordability, and reliability. Nuclear energy plays an important role in fuel diversity.
Security	Maintaining continuous and reliable business operations depends on our ability to maintain the safety and security of all Entergy assets and operations.
Cybersecurity	Entergy's complex, interconnected network of generation, transmission, distribution, and control and communication technologies is a crucial part of the national critical infrastructure. Protecting this infrastructure — by remaining vigilant against cyberattacks and safeguarding the privacy and confidentiality of sensitive stakeholder data — is a top priority for Entergy.
Regulatory policies	Complying with existing regulations and advocating for the development of constructive new regulations impact numerous operational and investment decisions, continued operation of nuclear plants, and our financial results.
Commodity price risk	Delivering on financial performance objectives is impacted by our ability to accurately identify and quantify underlying commodity price risk in our business and mitigate it through effective hedging programs and strategies.

We identify material environmental issues by monitoring developments in environmental legislation, regulation, case law, agency guidance, industry trends, best management practices, and other actions. In addition, peer groups for air, water, waste, and biodiversity facilitate the identification and sharing of information on material issues.

Our material environmental issues for 2019 were:

ISSUE	WHY IT MATTERS
Climate change risk	Identifying and mitigating climate change financial and physical risks influence operational and investment decisions and help improve the resiliency of customers and communities. These risks include increased operational costs due to carbon regulation; increased weather-driven volatility of business results; and potential physical impacts to our facilities, our customers, and our communities.
Conventional air emissions	Meeting or exceeding compliance with evolving federal and state regulation of air pollutants informs our business decisions regarding generation dispatch and design and the location, retirement, purchase, operation, and construction of electric generating units. The benefits of replacing our legacy units with clean technology include improved system reliability, increased environmental efficiency, and reduced costs for our customers by using less fuel and improving fleet efficiency.
Greenhouse gas emissions	Reducing greenhouse gas emission intensity helps us reduce the risk of climate change impacts to our assets and our communities. This activity also defines our leadership role in industry-wide decarbonization efforts. Net reduction in carbon emissions can result from additional beneficial electrification of industry sectors served by our system.
Water issues	Risks to water supply issues are mitigated by using water-saving technologies, monitoring available supplies, and minimizing our water withdrawal in water-stressed areas. We also recycle water in some of our cooling systems and operate one air-cooled combined-cycle gas unit. Water quality is protected through robust permitting and compliance programs.
Waste management	A robust waste management and minimization process plays a key role in reducing risks to human health and the environment. Waste-related risks are mitigated by program elements that support source reduction, recycling, and repurposing. This includes recovering the value of obsolete parts and equipment through investment recovery sales and recycling ash for beneficial use. All of these efforts result in diversion of waste from landfills and the reduction of liability for hazardous substance management and disposal.
Habitat and biodiversity	Having a goal to fully comply with all environmental regulations, including those that govern wildlife conservation, reduces environmental risks, including threats and impacts to biodiversity. Our investment review process identifies potential biodiversity risks as well as plans to avoid, minimize, or mitigate any risks identified for construction, commissioning, and/or operation. We view this as our responsibility as strong environmental stewards.





Material social issues are identified by monitoring trends and developments such as those among our employees, owners, regulators, communities, and markets, as well as from our own activities in operations, financial, legal, compliance, and supply chain.

Our material social issues for 2019 were:

ISSUE	WHY IT MATTERS
Safety and health	Ensuring strong operational and workforce safety practices are fundamental to our business.
Human resource management	Relying on an aligned, engaged, and capable employee culture is fundamental to meeting our objectives. Diverse cultural backgrounds and perspectives of employees and supply chain partners provide us with a strategic advantage.
Local communities	Sustaining business growth depends on healthy and vibrant communities. Our support of local communities through employment, tax base, financial investment, and community outreach is reciprocated by community support for ongoing company operations. Community engagement in areas such as emergency planning is especially important where we have nuclear generating facilities.

Material economic, environmental, and social issues are integrated into Entergy’s enterprise risk management processes. Our ERM processes identify, monitor, and mitigate risks that have the potential to impact Entergy’s ability to meet our objectives. More information on our ERM processes is available in the Risk Management section of this report.

Opportunities and Risks

Sustainability of our business depends on our ability to:

- Deliver value as measured by strong net promoter scores, consistently positive customer interactions, high levels of service, reliability, superior and affordable products and services, highly skilled and engaged employees, strong corporate brand recognition, and industry-leading financial performance.
- Maintain the safety and security of all Entergy assets, employees, and operations.
- Maintain a reputation of excellence among our stakeholders.

To preserve these abilities, Entergy proactively manages risk using a hierarchy that ties directly to Entergy’s mission of creating sustainable value for our key stakeholders—customers, employees, communities, and owners. For each group, we consider expectations and key deliverables that are integral in meeting our sustainability mission. We then identify short- and long-term actions to help us better anticipate and mitigate risks. We map these risks and actions to our stakeholders as illustrated in the following risk-management matrix.



For Our Customers

OPPORTUNITIES AND RISKS	ENERGY’S MANAGEMENT APPROACH
Energy delivery	<ul style="list-style-type: none"> • Utilize reliable and efficient generation, transmission, and distribution resources • Maximize value of existing assets through operational excellence • Explore emerging technologies • Invest in transmission and distribution • Invest in storm hardening • Maintain business continuity planning • Ensure effective emergency preparedness and response policies and procedures are in place
Interaction experience	<ul style="list-style-type: none"> • Consistently deliver positive customer experiences • Improve customer interactions by introducing an upgraded online platform and an interactive telephone voice response system
Value-added benefits	<ul style="list-style-type: none"> • Leverage technologies to better understand customer behavior • Leverage technologies and utilize data analytics to further enhance our customers’ experience • Explore new technologies to provide enhanced products and services • Increase reliance on renewable energy • Maintain productive regulatory relationships
Total cost of use	<ul style="list-style-type: none"> • Continue delivering affordable, efficient, and clean energy solutions while offering affordable retail rates • Invest to modernize our generation fleet by building new, modern, more efficient plants and retiring older, less efficient facilities • Leverage continuous improvement efforts to enable incremental investments that will benefit our customer experience without materially affecting customer bills
Privacy and security of information	<ul style="list-style-type: none"> • Refer to the Cybersecurity Management section in this report

For Our Employees

OPPORTUNITIES AND RISKS	ENERGY'S MANAGEMENT APPROACH
Health and safety	<ul style="list-style-type: none"> • Relentless focus on everyone being safe, all day, every day • Continuously improve our systems, processes, and communications to support employee and contractor safety
Workforce capabilities and organizational health	<ul style="list-style-type: none"> • Foster a culture focused on diversity, inclusion, and belonging • Promote continuous learning and development • Make long-term, fundamental improvements in the way we work to ensure efficient, cost-effective, and sustainable practices • Sustain a work culture that is aligned, adaptable, engaged, and able to get the right things done • Align our approach for training, developing, and promoting employees to support current and future business needs • Develop human resource programs to recruit and retain a workforce that has the knowledge, skills, diversity, and abilities to achieve our strategic imperatives • Recruitment, development, and retention of top talent by ensuring individual's professional growth goals and the company's objectives are all achieved • Invest in education and workforce development, including working with community partners, to support regional workforce readiness • Empower employees to work more productively and implement innovative solutions that deliver exceptional customer experiences • Encourage employees to take ownership in the business • Be the employer of choice for talent acquisition and ongoing employee development

For Our Communities

OPPORTUNITIES AND RISKS	ENERGY'S MANAGEMENT APPROACH
Environmental impact	<ul style="list-style-type: none"> • Deliver industry-leading environmental stewardship while maintaining affordable rates • Implement a comprehensive environmental strategy that includes partnering with communities and customers to take action to meet our voluntary CO₂ emissions commitments • Engage in the regulatory process on environmental issues • Ensure readiness for extreme weather events with industry-leading emergency response capabilities • Advocate for investment in coastal infrastructure and resiliency and actively engage in climate change discussions at federal, state, and local levels
Economic development	<ul style="list-style-type: none"> • Aggressively pursue economic development and customer expansion, which will ultimately help mitigate bill effects by spreading fixed costs over a larger customer base • Support economic growth in our region, which will benefit our customers
Overall quality of life	<ul style="list-style-type: none"> • Support local communities through employment, tax base, financial investments, and community outreach that result in a positive social and economic impact • Take part in community engagement • Maintain effective communications regarding emergency planning in areas where we have nuclear generating facilities

For Our Owners

OPPORTUNITIES AND RISKS	ENERGY'S MANAGEMENT APPROACH
Financial	<ul style="list-style-type: none"> • Realize steady, predictable growth in earnings and dividends while maintaining key cash and credit metrics • Refer to the Financial Performance Management section in this report

Other Influencers of Our Business

OPPORTUNITIES AND RISKS	ENERGY'S MANAGEMENT APPROACH
Preserve constructive relationships with other influencers of our business	<ul style="list-style-type: none"> • Foster constructive relationships with regulators that result in positive customer outcomes • Engage with regulators and stakeholders to understand their goals, to ensure understanding of our objectives, and to obtain input on key issues

Exiting Our Merchant Business

OPPORTUNITIES AND RISKS	ENERGY'S MANAGEMENT APPROACH
Ensure orderly exit of EWC	<ul style="list-style-type: none"> • Maintain safety as a top priority • Manage transition as we exit the merchant business • Support employees and communities through the transition from operating state to sale of the facility post shutdown



Risk Management

As Entergy's business evolves toward a more customer-centric model, we are enhancing our enterprise risk hierarchy to enable aggregation, tracking, and reporting of risks at the enterprise level. We've developed a bottom-up risk identification and assessment model that supports the company's focus on sustainability and analyzes and monitors a full range of economic, environmental, and social risks. As we implement customer solutions through technology and other enhancements and as we manage the orderly exit from our Entergy Wholesale Commodities business, the model will leverage the expertise of the people closest to our discrete risks. Our integrated risk-management framework is designed to ensure that these risks are consistently identified, thoroughly assessed, and effectively managed.

At the same time, we consider the impact of our business on global risks such as those associated with climate change and environmental regulation. This helps ensure we operate according to universally accepted standards for responsible business practices. We report on economic, environmental, and social assessments and actions through investor-led indices such as the Dow Jones Sustainability Index. More detailed information on our sustainability initiatives can be found throughout this report and on our EEI/ESG template, performance data table, and GRI index at entergy.com/sustainability.



Our risk management team routinely submits reports to the audit committee of the board of directors, which has primary responsibility for risk management at Entergy. Reports focus on key topics such as environmental compliance, corporate compliance, significant legal matters, insurance programs, market and credit risks, and cybersecurity risks.

Cybersecurity Management

As we expand and automate our utility infrastructure, our comprehensive and coordinated “three lines of defense” risk management model has evolved to ensure that effective protections and controls are in place and being monitored to secure our part of America’s electric grid. We manage physical and cybersecurity threats as an enterprise risk with a comprehensive strategy that includes close coordination and information sharing with our federal, state, and local partners and our internal risk and control resources. Cyber and physical security risks are regularly reviewed by corporate senior executives and the audit committee of our board of directors. We consider ourselves stewards of the customer, employee, and vendor information that we collect, maintain, and use. We have a corporate obligation to ensure data privacy through a comprehensive data governance program and effective data security controls.

To prevent cyber incidents, we have implemented modern access management controls including a layered multi-factor authentication approach to network and system access and a defense-in-depth security ecosystem that includes advanced threat detection from independent third parties and federal partners, security logging and monitoring, and independent third-party penetration and vulnerability assessments. All employees are required to complete computer-based cybersecurity training modules throughout the year to enhance security and threat awareness, to promote best practices, and to meet regulatory requirements where applicable. Additionally, employees are subject to disciplinary measures for security policy violations and repeat responses to Entergy’s simulated

phishing campaigns. Should an event occur nonetheless, we have a corporate incident response plan that is tested and exercised annually and continuously improved based on lessons learned.

Security is an evolving landscape and Entergy maintains a comprehensive security strategy to keep pace with the changing risk landscape and to make investments to improve enterprise security capabilities. A risk-based methodology is in place to ensure security initiatives address the most significant risks and provide the most value in terms of risk reduction.

We engage with local, state, and federal law enforcement agencies on initiatives to share threat information and participate in a wide range of industry collaborations and classified briefings on cybersecurity. These partnerships include:

- Utilities United Against Scams, a consortium of electric, gas, and water utilities dedicated to combating utility scams by providing a forum to share data and best practices and working together to implement initiatives to inform and protect customers;
- Electricity Information Sharing and Analysis Center, a provider of security services to North American electric utilities;
- Department of Energy Cybersecurity Risk Information Sharing Program;
- Federal Bureau of Investigation Domestic Security Alliance Council, a strategic partnership between the FBI and U.S. private industry that enhances communication and promotes the timely and effective exchange of security and intelligence information; and
- Electricity Subsector Coordinating Council, a provider of the primary security communications channel for the electricity subsector as well as a resource to assist with incident preparedness.

Financial Performance Management

Our overarching goal for owners is to deliver top-quartile total shareholder returns. This enables us to attract the capital we need to serve customers and grow our business. We also strive to maintain investment-grade ratings at our utilities and Entergy Corporation. A strong financial and credit position gives us the financial flexibility necessary to respond to unexpected events and changing market conditions. Successful execution on our strategy is driving strong shareholder returns. We outperformed the Philadelphia Utility Index by 17.5 percent in 2019 and by 36.9 percent over the three-year period encompassing 2017 through 2019.

Our overarching financial objective is to produce steady, predictable growth in earnings and dividends. Generating strong financial results supports our sustainability goals by enabling us to provide safe and reliable power to customers over the long term; to attract, retain, and compensate employees; to invest in our communities; and to satisfy our owners.

For our three-year utility capital plan for 2020 through 2022, approximately 90 percent of planned investments are expected to be recovered through timely regulatory mechanisms, and approximately 90 percent is ready for execution from a regulatory approval standpoint. Our project management organization has a strong track record of completing major projects on schedule and on budget, or better.

And we strive to do even more for our customers. We have no shortage of investment opportunity, so we continuously work to improve how the business functions. This enables us to fund incremental investments that further enhance our customers' experience, therefore providing incremental services to customers at a similar bill level.

We have an objective to have a steady, predictable trajectory in dividend growth over time. In 2019, we raised our dividend for the fifth consecutive year.

Our finance organization, led by our chief financial officer and governed by the finance committee of the board of directors, oversees our financial performance using prudent policies, strategies, procedures, and investment processes. We proactively manage our business to ensure compliance with all laws and regulations.

Ethics and Compliance

Our ethics and compliance culture is based on our core value, "Above all, act with integrity." This is more than a culture of compliance, it is a culture of integrity in which our employees are trusted to engage in ethical behavior, even when there are no clearly defined rules.

Our ethics and compliance program includes the Code of Entegrity with overarching guidelines for business ethics and compliance. We also have codes of business conduct for nonemployees and suppliers, as well as policies with specific guidance on complying with applicable laws, regulations, and company policies. We identify risks of noncompliance and then mitigate those risks through preventive and detective measures and corrective actions. Employees regularly receive training and communications to help them understand Entegrity's ethical expectations.

Our practice is to address compliance issues as they arise. The Entegrity Ethics Line is available for all employees. It is managed by a third party and enables anonymous reporting of ethics violations or concerns. The corporate compliance committee, made up of top management from each of Entegrity's business functions, oversees the ethics and compliance program. The vice president of ethics and compliance provides regular reports on the program to the audit committee of the board of directors.

Our Commitment to Human Rights

Entegrity respects the human rights of all individuals. We are committed to the advancement and protection of human rights in all our operations and have summarized our philosophy regarding human rights in our Human Rights Statement. The document reflects the values by which Entegrity strives to operate as a business leader, employer, and corporate citizen. This document is consistent with the general principles for business enterprises set forth in the United Nations' "Guiding Principles on Business and Human Rights" to comply with all applicable laws and to respect human rights. Click [here](#) to read the document.

Entegrity Ethics

At Entegrity, we strive to maintain a positive and productive work environment that recognizes the dignity and worth of each individual. It is our policy to create a workplace where hostile, intimidating, or abusive behavior is not tolerated. We have a strict discrimination and harassment policy in place that we use to define expectations for how we should treat one another at work.

Our policy includes expectations for our employees and contractors regarding appropriate behavior at work and prohibitions against sexual harassment and intimidating and/or abusive behavior in the workplace. It goes beyond what the law requires, as our goal is to stop inappropriate behavior before it becomes a violation of the law. Allegations of inappropriate conduct are taken very seriously and are thoroughly investigated with appropriate disciplinary action taken based on investigation results.



SOCIAL



Supply Chain Management

Entergy purchases approximately \$4.5 billion annually in materials and services. In 2019, we expanded our Supplier Governance Board to focus on additional operating units in the company, including nuclear and utility operations. The expansion ensures we make quality decisions when purchasing materials and contracting for services. In this way, supply chain creates value for our stakeholders.

All suppliers are expected to conduct business in a manner consistent with our supplier code of conduct. Entergy expects our suppliers to provide goods and services in a safe and environmentally conscientious manner. We actively seek suppliers who operate in a fair, honest, and socially responsible manner and share our commitment to protect the environment. We have incentive and non-incentive scorecards that target multiple performance indicators for the company and our key suppliers, including sustainability-related measures. Although specific scorecard measures differ based on services and products provided, standard metrics used to align contractor performance with company objectives include safety, budget, schedule, reliability, and human performance.

2019 was a year of action for Entergy's supply chain organization as an influential member of the Electric Utility Industry Sustainable Supply Chain Alliance. EUISSCA is known as the leader in establishing and promoting sustainability best practices in the electric utility supply chain in North America. Comprising 20 North American electric utilities, the alliance represents a combined spend of \$170 billion. Entergy's chief supply officer joined the alliance's executive committee in 2019 and was elected vice chairman for 2020. Entergy supply chain members have served on several key subcommittees addressing issues such as the social aspects of sustainability, measuring key suppliers' sustainability performance, investment recovery, and embedding

sustainability questions in utility sourcing processes. More than 75 supplier affiliate members work together with participating utilities toward a common mission to improve environmental performance and advance sustainable business practices.

Key Entergy supply chain initiatives in 2019:

- Through our ongoing Print Smart Partnership with Xerox, we reduced our printed paper consumption in 2019 by 6.3 million printed pages. Resulting positive environmental impacts included important reductions of 727 million BTUs; 1.9 million gallons of waste water; 258 tons of wood; and more than 500,000 pounds of greenhouse gas emissions.
- We strengthened our partnership with Xerox through the Print Releaf program. We offset in 2019 approximately 87 million sheets of printed paper the company used in 2018 by replanting the equivalent—almost 10,400 trees—in support of global reforestation projects in Brazil, Dominican Republic, India, Ireland, Madagascar, Mexico, and the U.S. Plantings were accomplished through a grant from Entergy's Environmental Initiatives Fund. This and other company reforestation initiatives support Entergy's work to influence UNSDG 15, which aims to sustainably manage forests and halt the loss of biodiversity around the world.
- Entergy partnered with a sustainable flooring supplier to purchase 30,000 square yards of carbon-neutral flooring for facility upgrades that resulted in a carbon reduction of 274 metric tons.
- Strong demand for fly ash led to a strategic marketing solution that will improve landfill maintenance at Entergy's coal sites. The partnership will increase revenues from fly ash sales from \$13 million to \$38 million over the five-year agreement while supporting stringent environmental compliance. Increased sales of fly ash benefit the environment and our communities by delivering less waste to landfills.

Supply chain manages the enterprise investment recovery program that aims to obtain the best return for assets that Entergy no longer needs. Instead of disposing retired assets in landfills, which is costly, this program facilitates recycling and repurposing retired assets and components, selling surplus assets, and assessing market conditions and trends to assure that Entergy receives the maximum value in investment recovery sales, which will ultimately benefit our customers. In 2019, our sales totaled \$18.8 million. Our cumulative sales over the last five years is \$65 million. In addition, Entergy recycled 14.5 million pounds of metals in our distribution operations business unit, including legacy meters from our grid-modernization project. This effort diverts waste from landfills while securing value for Entergy and our customers. For more on grid modernization, see the Grid Modernization section of this report.

Looking ahead to 2020 and beyond, Entergy is focusing on a sustainability strategy to reduce warehoused inventory as a continuous improvement measure that will ultimately result in fewer assets to sell or recycle. With this in mind, our target for investment recovery sales in 2020 is \$8 million.

Entergy's supplier diversity and development initiative is designed to identify and develop a robust population of safe, competent, and competitive suppliers capable of meeting our procurement needs. Diverse suppliers provide a variety of products and services and support investments across our different business functions. Entergy makes a concerted effort to ensure that diverse suppliers are included in all applicable sourcing opportunities. Each sourcing event is required to contain at least one qualified diverse supplier, if available. In 2019, Entergy spent more than \$667 million with approximately 630 diverse firms and, for the fourth time, was recognized as a top corporation for women-owned businesses by the Women's Business Enterprise National Council. Entergy was recognized as the corporation of the year by the Southern Region Minority Supplier Development Council. Additionally, Entergy received the Advocate of the Year Award from The Women's Business Enterprise National Council. For the year 2020, Entergy has set a diverse spend target of 14 percent of managed spend, which will result in an increase of approximately \$50 million in diverse spend compared to 2019. To support Entergy's economic impact to our local communities, we are also developing a more robust strategy to provide more opportunities for local suppliers.

In January 2020, Entergy implemented the vendor management and risk oversight procedure and program. The objective of the VMOS program is to take a risk-based approach to mitigate key risks in the supply chain and drive vendor performance to meet or exceed expectations through an organized and structured relationship model between the vendor and Entergy. In 2020, our goal is to initiate the VMOS process with 63 of our top vendors.



Advocacy and Political Accountability

We are involved in a number of legislative and regulatory initiatives across a broad spectrum of policy areas that can dramatically affect our operations. We take positions on key economic, environmental, regulatory, and social policy issues affecting our business, such as potential environmental regulations and poverty. We also participate in legislative and regulatory processes through trade organizations.

We encourage employee participation in the political process through the Entergy Corporation Political Action Committee. ENPAC contributions directly support state and federal political candidates, and our procedures ensure corporate political contributions comply with all applicable laws and are reported in a timely manner.

Approximately half of our employees are members of EnPower, Entergy's grassroots advocacy group. EnPower educates members on issues of importance to the company and encourages members to get personally involved, including reaching out to public officials.

Entergy's Stakeholder Engagement Management Program allows us to purposefully plan and execute our interactions with stakeholders on key initiatives. The program ensures that all stakeholders are informed of our business pursuits and that their concerns and positions are heard.

More information on Entergy's advocacy and political accountability can be found in our annual Advocacy and Political Contributions Report on Entergy's [Investor Relations](#) webpage.



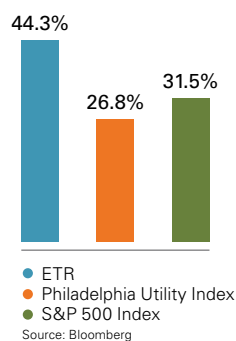
2019 FINANCIAL HIGHLIGHTS

SUMMARY OF 2019 FINANCIAL PERFORMANCE

In 2019, Entergy reported earnings of \$1,241 million, or \$6.30 per share, compared with earnings of \$849 million, or \$4.63 per share in 2018. On an adjusted basis, 2019 earnings were \$1,064 million, or \$5.40 per share, compared with earnings of \$970 million, or \$5.29 per share, in 2018. We also raised our dividend for the fifth consecutive year, a trend we expect to continue, subject as always to board approval. Our 2019 results were the outcome of exceptional performance and have positioned us well to achieve our financial outlooks in the coming years.

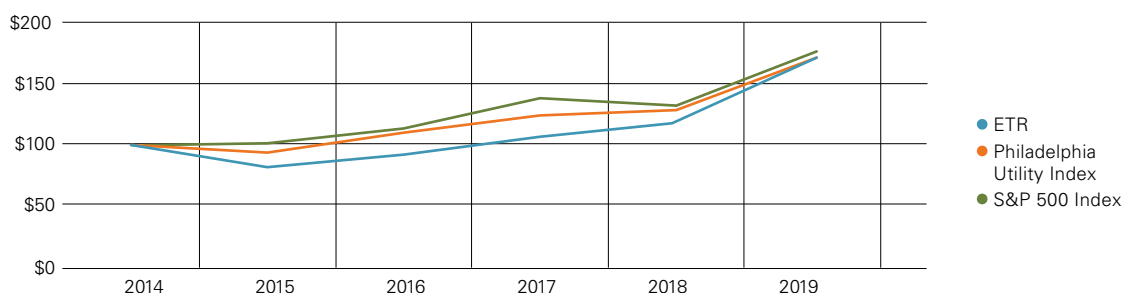
Entergy’s total shareholder return for 2019 was 44.3 percent, which ranked second out of the 20 companies in our peer group, well within of our first-quartile goal. We believe our strategy to build the premier utility — with a focus on innovative customer solutions and a steady, predictable earnings trajectory — positions us well to deliver top-quartile returns for our owners.

2019 Total Shareholder Return



COMPARISON OF FIVE-YEAR CUMULATIVE RETURN

The following graph compares the performance of the common stock of Entergy Corporation with the Philadelphia Utility Index and the S&P 500 Index (each of which includes Entergy Corporation) for the last five years ended Dec. 31.



	2014	2015	2016	2017	2018	2019
ENTERGY CORPORATION	\$100.00	\$ 81.83	\$ 92.08	\$106.71	\$118.02	\$170.34
PHILADELPHIA UTILITY INDEX	\$100.00	\$ 93.75	\$110.05	\$124.16	\$128.53	\$163.00
S&P 500 INDEX	\$100.00	\$101.37	\$113.49	\$138.26	\$132.19	\$173.80

Assumes \$100 invested at the closing price on Dec. 31, 2014, in Entergy Corporation common stock, the Philadelphia Utility Index, and the S&P 500 Index, and reinvestment of all dividends.

Source: Bloomberg

CREDIT RATINGS AS OF MARCH 27, 2020

ENTITY	STANDARD & POOR'S		MOODY'S	
	RATING	OUTLOOK	RATING	OUTLOOK
Entergy Arkansas ¹	A	Stable	A2	Stable
Entergy Louisiana ¹	A	Stable	A2	Stable
Entergy Mississippi ¹	A	Stable	A2	Stable
Entergy New Orleans ¹	A	Stable	Baa2	Stable
Entergy Texas ¹	A	Stable	Baa1	Positive
System Energy Resources ¹	A	Stable	Baa1	Stable
Entergy Corporation ²	BBB+	Stable	Baa2	Stable

¹ Senior secured ratings ² Corporate credit rating

SELECTED FINANCIAL DATA — FIVE-YEAR COMPARISON

	2019	2018	2017	2016	2015
SELECTED FINANCIAL DATA					
In Thousands, Except Percentages and Per Share Amounts					
Operating revenues	\$ 10,878,673	\$ 11,009,452	\$ 11,074,481	\$ 10,845,645	\$ 11,513,251
Net income (loss)	\$ 1,258,244	\$ 862,555	\$ 425,353	\$ (564,503)	\$ (156,734)
Earnings (loss) per share:					
Basic	\$ 6.36	\$ 4.68	\$ 2.29	\$ (3.26)	\$ (0.99)
Diluted	\$ 6.30	\$ 4.63	\$ 2.28	\$ (3.26)	\$ (0.99)
Dividends declared per share	\$ 3.66	\$ 3.58	\$ 3.50	\$ 3.42	\$ 3.34
Return on common equity	13.02%	10.08%	5.12%	(6.73)%	(1.83)%
Book value per share, year-end	\$ 51.34	\$ 46.78	\$ 44.28	\$ 45.12	\$ 51.89
Total assets	\$ 51,723,912	\$ 48,275,066	\$ 46,707,149	\$ 45,904,434	\$ 44,647,681
Long-term obligations ^(a)	\$ 17,351,449	\$ 15,758,083	\$ 14,535,077	\$ 14,695,422	\$ 13,456,742

UTILITY ELECTRIC OPERATING REVENUES

In Millions

Residential	\$ 3,532	\$ 3,566	\$ 3,355	\$ 3,288	\$ 3,518
Commercial	2,476	2,426	2,480	2,362	2,516
Industrial	2,541	2,499	2,584	2,327	2,462
Governmental	228	226	231	217	223
Total billed retail	8,777	8,717	8,650	8,194	8,719
Sales for resale	286	300	253	236	249
Other	367	367	376	437	341
Total	\$ 9,430	\$ 9,384	\$ 9,279	\$ 8,867	\$ 9,309

UTILITY BILLED ELECTRIC ENERGY SALES

In GWh

Residential	36,094	37,107	33,834	35,112	36,068
Commercial	28,755	29,426	28,745	29,197	29,348
Industrial	48,483	48,384	47,769	45,739	44,382
Governmental	2,579	2,581	2,511	2,547	2,514
Total retail	115,911	117,498	112,859	112,595	112,312
Sales for resale	13,210	11,715	11,550	11,054	9,274
Total	129,121	129,213	124,409	123,649	121,586

ENTERGY WHOLESALE COMMODITIES

Operating revenues (In Millions)	\$ 1,295	\$ 1,469	\$ 1,657	\$ 1,850	\$ 2,062
Billed electric energy sales (GWh)	28,088	29,875	30,501	35,881	39,745

(a) Includes long-term debt (excluding currently maturing debt), non-current finance lease obligations, and subsidiary preferred stock without sinking fund that is not presented as equity on the balance sheet.

CONSOLIDATED INCOME STATEMENTS (UNAUDITED)

In Thousands, Except Share Data	For the Years Ended December 31,		
	2019	2018	2017
OPERATING REVENUES			
Electric	\$ 9,429,978	\$ 9,384,111	\$ 9,278,895
Natural gas	153,954	156,436	138,856
Competitive businesses	1,294,741	1,468,905	1,656,730
Total	10,878,673	11,009,452	11,074,481
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	2,029,638	2,147,793	1,991,589
Purchased power	1,192,860	1,658,799	1,427,950
Nuclear refueling outage expenses	204,927	153,826	168,151
Other operation and maintenance	3,272,381	3,346,397	3,306,694
Asset write-offs, impairments, and related charges	290,027	532,321	538,372
Decommissioning	400,802	388,508	405,685
Taxes other than income taxes	643,745	641,952	617,556
Depreciation and amortization	1,480,016	1,369,442	1,389,978
Other regulatory charges (credits) — net	(26,220)	301,049	(131,901)
Total	9,488,176	10,540,087	9,714,074
Operating Income	1,390,497	469,365	1,360,407
OTHER INCOME			
Allowance for equity funds used during construction	144,974	129,602	95,088
Interest and investment income	547,912	63,864	288,197
Miscellaneous — net	(252,539)	(129,754)	(113,426)
Total	440,347	63,712	269,859
INTEREST EXPENSE			
Interest expense	807,382	768,322	707,212
Allowance for borrowed funds used during construction	(64,957)	(60,974)	(44,869)
Total	742,425	707,348	662,343
Income (Loss) Before Income Taxes	1,088,419	(174,271)	967,923
Income taxes	(169,825)	(1,036,826)	542,570
Consolidated Net Income	1,258,244	862,555	425,353
Preferred dividend requirements of subsidiaries	17,018	13,894	13,741
Net Income Attributable to Entergy Corporation	\$ 1,241,226	848,661	\$ 411,612
Earnings per average common share:			
Basic	\$ 6.36	\$ 4.68	\$ 2.29
Diluted	\$ 6.30	\$ 4.63	\$ 2.28
Basic average number of common shares outstanding	195,195,858	181,409,597	179,671,797
Diluted average number of common shares outstanding	196,999,284	183,378,513	180,535,893

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

In Thousands	For the Years Ended December 31,		
	2019	2018	2017
Net Income	\$1,258,244	\$862,555	\$425,353
Other comprehensive income (loss)			
Cash flow hedges net unrealized gain (loss)			
(net of tax expense (benefit) of \$28,516, \$5,830, and (\$22,570))	115,026	22,098	(41,470)
Pension and other postretirement liabilities			
(net of tax expense (benefit) of (\$6,539), \$30,299, and (\$4,057))	(25,150)	90,143	(61,653)
Net unrealized investment gains (losses)			
(net of tax expense of \$14,023, \$6,393, and \$80,069)	27,183	(28,771)	115,311
Foreign currency translation			
(net of tax benefit of \$-, \$-, and \$403)	—	—	(748)
Other comprehensive income	117,059	83,470	11,440
Comprehensive Income	1,375,303	946,025	436,793
Preferred dividend requirements of subsidiaries	17,018	13,894	13,741
Comprehensive Income Attributable to Entergy Corporation	\$1,358,285	\$932,131	\$423,052

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

In Thousands	For the Years Ended December 31,		
	2019	2018	2017
OPERATING ACTIVITIES			
Consolidated Net Income	\$1,258,244	\$ 862,555	\$ 425,353
Adjustments to reconcile consolidated net income to net cash flow provided by operating activities:			
Depreciation, amortization, and decommissioning, including nuclear fuel amortization	2,182,313	2,040,555	2,078,578
Deferred income taxes, investment tax credits, and noncurrent taxes accrued	193,950	(256,848)	529,053
Asset write-offs, impairments, and related charges	226,678	491,739	357,251
Changes in working capital:			
Receivables	(101,227)	98,546	(97,637)
Fuel inventory	(28,173)	45,839	(3,043)
Accounts payable	(71,898)	97,312	101,802
Taxes accrued	(20,784)	39,272	33,853
Interest accrued	937	5,220	742
Deferred fuel costs	172,146	(25,829)	56,290
Other working capital accounts	(3,108)	(164,173)	(4,331)
Changes in provisions for estimated losses	19,914	35,706	(3,279)
Changes in other regulatory assets	(545,559)	189,193	595,504
Changes in other regulatory liabilities	(14,781)	(803,323)	2,915,795
Deferred tax rate change recognized as regulatory liability / asset	—	—	(3,665,498)
Changes in pensions and other postretirement liabilities	187,124	(304,941)	(130,686)
Other	(639,149)	34,424	(566,247)
Net cash flow provided by operating activities	2,816,627	2,385,247	2,623,500
INVESTING ACTIVITIES			
Construction / capital expenditures	(4,197,667)	(3,942,010)	(3,607,532)
Allowance for equity funds used during construction	144,862	130,195	96,000
Nuclear fuel purchases	(128,366)	(302,584)	(377,324)
Payment for purchase of plant or assets	(305,472)	(26,623)	(16,762)
Proceeds from sale of assets	28,932	24,902	100,000
Insurance proceeds received for property damages	7,040	18,270	26,157
Changes in securitization account	3,298	(5,844)	1,323
Payments to storm reserve escrow account	(8,038)	(6,551)	(2,878)
Receipts from storm reserve escrow account	—	—	11,323
Decrease (increase) in other investments	30,319	(54,500)	1,078
Litigation proceeds for reimbursement of spent nuclear fuel storage costs	2,369	59,643	25,493
Proceeds from nuclear decommissioning trust fund sales	4,121,351	6,484,791	3,162,747
Investment in nuclear decommissioning trust funds	(4,208,870)	(6,485,676)	(3,260,674)
Net cash flow used in investing activities	(4,510,242)	(4,105,987)	(3,841,049)

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

In Thousands	For the Years Ended December 31,		
	2019	2018	2017
FINANCING ACTIVITIES			
Proceeds from the issuance of:			
Long-term debt	9,304,396	8,035,536	1,809,390
Preferred stock of subsidiary	33,188	73,330	14,399
Treasury stock	93,862	103,315	80,729
Common stock	607,650	499,272	—
Retirement of long-term debt	(7,619,380)	(6,965,738)	(1,585,681)
Repurchase / redemptions of preferred stock	(50,000)	(53,868)	(20,599)
Changes in credit borrowings and commercial paper — net	4,389	364,031	1,163,296
Other	(7,732)	26,453	(7,731)
Dividends paid:			
Common stock	(711,573)	(647,704)	(628,885)
Preferred stock	(16,438)	(14,185)	(13,940)
Net cash flow provided by financing activities	1,638,362	1,420,442	810,978
Net decrease in cash and cash equivalents	(55,253)	(300,298)	(406,571)
Cash and cash equivalents at beginning of period	480,975	781,273	1,187,844
Cash and cash equivalents at end of period	\$ 425,722	\$ 480,975	\$ 781,273
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest — net of amount capitalized	\$778,209	\$734,845	\$678,371
Income taxes	(\$40,435)	\$19,825	(\$13,375)

CONSOLIDATED BALANCE SHEETS — ASSETS (UNAUDITED)

In Thousands	December 31,	
	2019	2018
CURRENT ASSETS		
Cash and cash equivalents		
Cash	\$ 34,242	\$ 56,690
Temporary cash investments	391,480	424,285
Total cash and cash equivalents	425,722	480,975
Accounts receivable		
Customer	595,509	558,494
Allowance for doubtful accounts	(7,404)	(7,322)
Other	219,870	167,722
Accrued unbilled revenues	400,617	395,511
Total accounts receivable	1,208,592	1,114,405
Deferred fuel costs	—	27,251
Fuel inventory — at average cost	145,476	117,304
Materials and supplies — at average cost	824,989	752,843
Deferred nuclear refueling outage costs	157,568	230,960
Prepayments and other	283,645	234,326
Total	3,045,992	2,958,064
OTHER PROPERTY AND INVESTMENTS		
Decommissioning trust funds	6,404,030	6,920,164
Non-utility property — at cost (less accumulated depreciation)	332,864	304,382
Other	496,452	437,265
Total	7,233,346	7,661,811
PROPERTY, PLANT, AND EQUIPMENT		
Electric	54,271,467	49,831,486
Natural gas	547,110	496,150
Construction work in progress	2,823,291	2,888,639
Nuclear fuel	677,181	861,272
Total property, plant, and equipment	58,319,049	54,077,547
Less — accumulated depreciation and amortization	23,136,356	22,103,101
Property, plant, and equipment — net	35,182,693	31,974,446
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets (includes securitization property of \$239,219 as of December 31, 2019 and \$360,790 as of December 31, 2018)	5,292,055	4,746,496
Deferred fuel costs	239,892	239,496
Goodwill	377,172	377,172
Accumulated deferred income taxes	64,461	54,593
Other	288,301	262,988
Total	6,261,881	5,680,745
Total Assets	\$ 51,723,912	\$ 48,275,066

CONSOLIDATED BALANCE SHEETS — LIABILITIES AND EQUITY (UNAUDITED)

In Thousands	December 31,	
	2019	2018
CURRENT LIABILITIES		
Currently maturing long-term debt	\$ 795,012	\$ 650,009
Notes payable and commercial paper	1,946,727	1,942,339
Accounts payable	1,499,861	1,496,058
Customer deposits	409,171	411,505
Taxes accrued	233,455	254,241
Interest accrued	194,129	193,192
Deferred fuel costs	197,687	52,396
Pension and other postretirement liabilities	66,184	61,240
Current portion of unprotected excess accumulated deferred income taxes	76,457	248,127
Other	201,780	134,437
Total	5,620,463	5,443,544
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	4,401,190	4,107,152
Accumulated deferred investment tax credits	207,113	213,101
Regulatory liability for income taxes-net	1,633,159	1,817,021
Other regulatory liabilities	1,961,005	1,620,254
Decommissioning and asset retirement cost liabilities	6,159,212	6,355,543
Accumulated provisions	534,028	514,107
Pension and other postretirement liabilities	2,798,265	2,616,085
Long-term debt (includes securitization bonds of \$297,981 as of December 31, 2019 and \$423,858 as of December 31, 2018)	17,078,643	15,518,303
Other	852,749	1,006,249
Total	35,625,364	33,767,815
Commitments and contingencies		
Subsidiaries' preferred stock without sinking fund	219,410	219,402
EQUITY		
Common stock, \$.01 par value, authorized 500,000,000 shares; issued 270,035,180 shares in 2019 and 261,587,009 shares in 2018	2,700	2,616
Paid-in capital	6,564,436	5,951,431
Retained earnings	9,257,609	8,721,150
Accumulated other comprehensive loss	(446,920)	(557,173)
Less — treasury stock, at cost (70,886,400 shares in 2019 and 72,530,866 shares in 2018)	5,154,150	5,273,719
Total common shareholders' equity	10,223,675	8,844,305
Subsidiaries' preferred stock without sinking fund	35,000	—
Total	10,258,675	8,844,305
Total liabilities and shareholders' equity	\$ 51,723,912	\$ 48,275,066

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

COMMON SHAREHOLDERS' EQUITY

For the Years Ended December 31, 2019, 2018, and 2017	Subsidiaries' Preferred Stock	Common Stock	Treasury Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2016	\$ —	\$ 2,548	(\$5,498,584)	\$ 5,417,245	\$ 8,195,571	(\$34,971)	\$ 8,081,809
Consolidated net income (a)	13,741	—	—	—	411,612	—	425,353
Other comprehensive income	—	—	—	—	—	11,440	11,440
Common stock issuances related to stock plans	—	—	100,947	16,188	—	—	117,135
Common stock dividends declared	—	—	—	—	(628,885)	—	(628,885)
Subsidiaries' capital stock redemptions	—	—	—	—	(596)	—	(596)
Preferred dividend requirements of subsidiaries (a)	(13,741)	—	—	—	—	—	(13,741)
Balance at December 31, 2017	—	2,548	(5,397,637)	5,433,433	7,977,702	(23,531)	7,992,515
Implementation of accounting standards	—	—	—	—	576,257	(632,617)	(56,360)
Balance at January 1, 2018	—	2,548	(5,397,637)	5,433,433	8,553,959	(656,148)	7,936,155
Consolidated net income (a)	13,894	—	—	—	848,661	—	862,555
Other comprehensive income	—	—	—	—	—	83,470	83,470
Settlement of equity forwards through common stock issuance	—	68	—	499,932	—	—	500,000
Common stock issuance costs	—	—	—	(728)	—	—	(728)
Common stock issuances related to stock plans	—	—	123,918	18,794	—	—	142,712
Common stock dividends declared	—	—	—	—	(647,704)	—	(647,704)
Subsidiaries' capital stock redemptions	—	—	—	—	(1,723)	—	(1,723)
Preferred dividend requirements of subsidiaries (a)	(13,894)	—	—	—	—	—	(13,894)
Reclassification pursuant to ASU 2018-02	—	—	—	—	(32,043)	15,505	(16,538)
Balance at December 31, 2018	—	2,616	(5,273,719)	5,951,431	8,721,150	(557,173)	8,844,305
Implementation of accounting standards	—	—	—	—	6,806	(6,806)	—
Balance at January 1, 2019	—	2,616	(5,273,719)	5,951,431	8,727,956	(563,979)	8,844,305
Consolidated net income (a)	17,018	—	—	—	1,241,226	—	1,258,244
Other comprehensive income	—	—	—	—	—	117,059	117,059
Settlement of equity forwards through common stock issuance	—	84	—	607,566	—	—	607,650
Common stock issuance costs	—	—	—	(7)	—	—	(7)
Common stock issuances related to stock plans	—	—	119,569	5,446	—	—	125,015
Common stock dividends declared	—	—	—	—	(711,573)	—	(711,573)
Subsidiary's preferred stock issuance	35,000	—	—	—	—	—	35,000
Preferred dividend requirements of subsidiaries (a)	(17,018)	—	—	—	—	—	(17,018)
Balance at December 31, 2019	\$ 35,000	\$ 2,700	(\$5,154,150)	\$6,564,436	\$9,257,609	(\$446,920)	\$ 10,258,675

(a) Consolidated net income and preferred dividend requirements of subsidiaries include \$16.5 million for 2019, \$13.9 million for 2018, and \$13.7 million for 2017 of preferred dividends on subsidiaries' preferred stock without sinking fund that is not presented as equity.

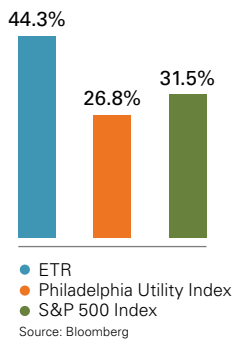


2019 KEY PERFORMANCE INDICATORS

Entergy has always been proactive in providing key performance indicators that inform our investment community and other stakeholders on our sustainability progress. We have enhanced both the organization and number of the KPIs within our performance data table. We also worked with the Edison Electric Institute and member utilities to make additional improvements based on feedback from the investment community. Through that initiative, Entergy will report many relevant sustainability KPIs that are consistent across the sector in terms of content, timing and presentation. The additional information provided on some key KPIs will include both quantitative and qualitative data that describes where we are in each corresponding sustainability area as well as our expected trajectory.

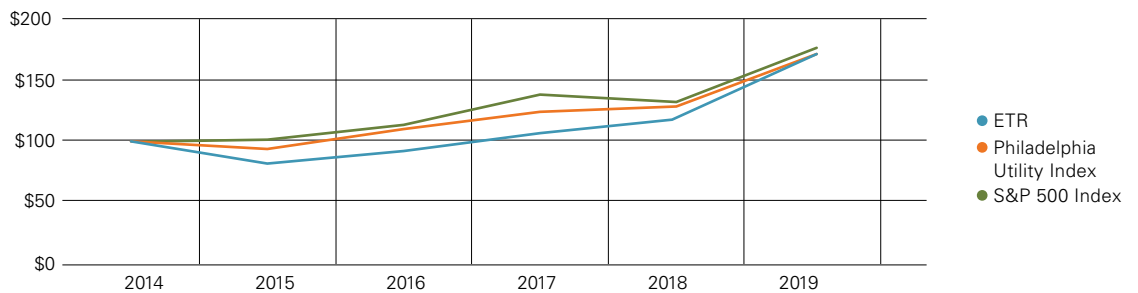
Economic / Operational

2019 Total Shareholder Return



COMPARISON OF FIVE-YEAR CUMULATIVE RETURN

The following graph compares the performance of the common stock of Entergy Corporation with the Philadelphia Utility Index and the S&P 500 Index (each of which includes Entergy Corporation) for the last five years ended Dec. 31.



	2014	2015	2016	2017	2018	2019
ENTERGY CORPORATION	\$100.00	\$ 81.83	\$ 92.08	\$106.71	\$118.02	\$170.34
PHILADELPHIA UTILITY INDEX	\$100.00	\$ 93.75	\$110.05	\$124.16	\$128.53	\$163.00
S&P 500 INDEX	\$100.00	\$101.37	\$113.49	\$138.26	\$132.19	\$173.80

Assumes \$100 invested at the closing price on Dec. 31, 2014, in Entergy Corporation common stock, the Philadelphia Utility Index, and the S&P 500 Index, and reinvestment of all dividends.

Source: Bloomberg

CREDIT RATINGS AS OF MARCH 27, 2020

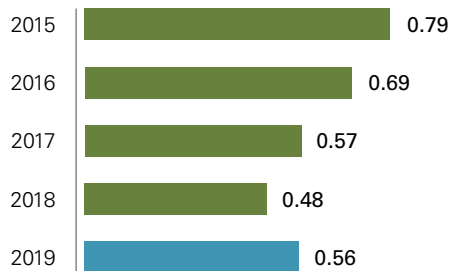
ENTITY	STANDARD & POOR'S		MOODY'S	
	RATING	OUTLOOK	RATING	OUTLOOK
Entergy Arkansas ¹	A	Stable	A2	Stable
Entergy Louisiana ¹	A	Stable	A2	Stable
Entergy Mississippi ¹	A	Stable	A2	Stable
Entergy New Orleans ¹	A	Stable	Baa2	Stable
Entergy Texas ¹	A	Stable	Baa1	Positive
System Energy Resources ¹	A	Stable	Baa1	Stable
Entergy Corporation ²	BBB+	Stable	Baa2	Stable

¹ Senior secured ratings ² Corporate credit rating

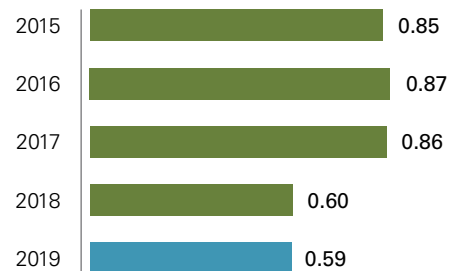
KEY PERFORMANCE INDICATORS

Economic / Operational

Employee Year-Ending Total Recordable Incident Rate

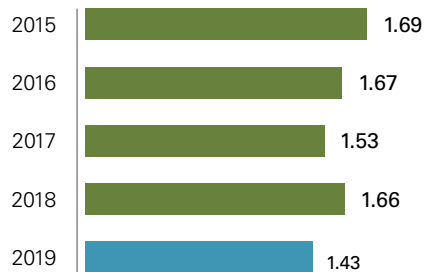


Contractor Year-Ending Total Recordable Incident Rate



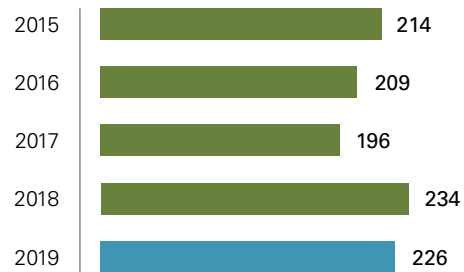
Recordable incident rate: Number of recordable incidents per 100 full-time equivalents. Recordable incidents include fatalities, lost-time accidents, restricted-duty accidents, and medical attentions.

Outage Frequency



System average interruption frequency index: Average number per customer per year, excluding the impact of major storm activity.

Outage Duration



System average interruption duration index: Average minutes per customer per year, excluding the impact of major storm activity.

EWC Nuclear Fleet Capacity Factor



Capacity factor: Normalized percentage of the period that the nuclear plants generate power.

Utility Nuclear Fleet Capability Factor



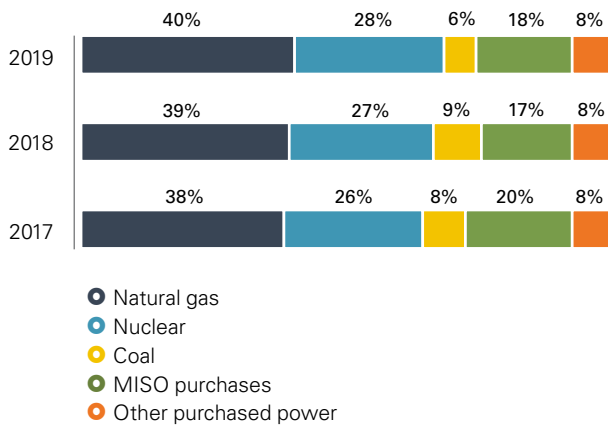
Capability factor: Percentage of the maximum energy a plant is capable of supplying to the grid, limited only by factors within control of plant management.

Plant performance based on 18/24-month operating cycle.

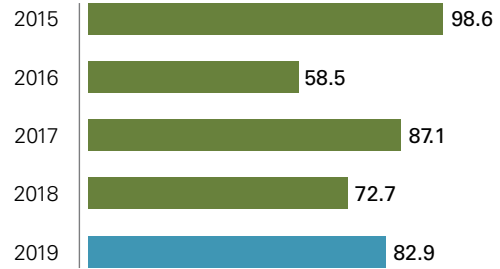
KEY PERFORMANCE INDICATORS

Environmental

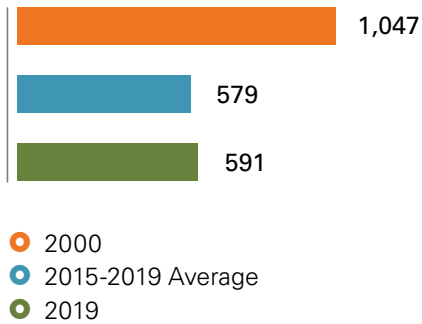
Generation Sources Used to Meet Utility Demand



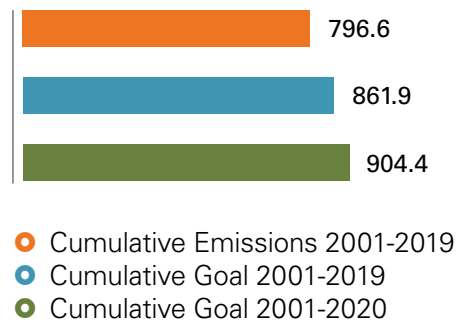
Percent of Coal Combustion By-product Managed for Beneficial Use



Average CO₂ Emissions Rate From Entergy-Owned Plants
(pounds per MWh)



Cumulative CO₂ Emissions From Entergy-Owned Plants and Controllable Purchases
(million tons)



KEY PERFORMANCE INDICATORS

Social



2019 Philanthropy Invested More Than \$17 Million

- \$6.7** Education and workforce development
- \$4.0** Poverty solutions / social services
- \$3.2** Community improvement and enrichment
- \$1.1** Arts and culture
- \$1.0** Healthy families
- \$0.9** Environmental
- \$0.3** Disaster relief and recovery

Organizational Health Index Score



Organizational Health Index Survey Employee Participation



Employee and Retiree Volunteerism (hours in thousands)



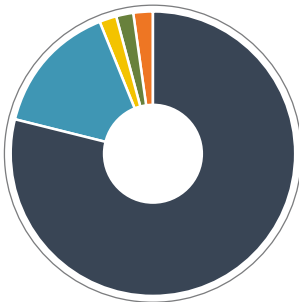
KEY PERFORMANCE INDICATORS

Social



2019 Entergy Workforce by Generation

- Baby Boomers: 13% born 1943 to 1960
- Generation X: 52% born 1961 to 1981
- Millennials: 35% born 1982 and after



2019 Entergy Workforce by Ethnicity

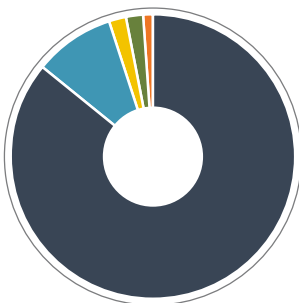
- Caucasian: 79%
- African American: 15%
- Hispanic: 2%
- Asian: 2%
- Other: 2%



2019 Entergy Management Workforce by Generation

- Baby Boomers: 16% born 1943 to 1960
- Generation X: 70% born 1961 to 1981
- Millennials: 14% born 1982 and after

Based on EEO-1 classification



2019 Entergy Management Workforce by Ethnicity

- Caucasian: 86%
- African American: 9%
- Hispanic: 2%
- Asian: 2%
- Other: 1%

Based on EEO-1 classification

2019 ENTERGY WORKFORCE BY GENDER

21% | **79%**
Female | Male

2019 U.S. BUREAU OF LABOR STATISTICS AVERAGE FOR U.S. UTILITIES

20% | **80%**
Female | Male

2019 ENTERGY MANAGEMENT WORKFORCE BY GENDER

19% | **81%**
Female | Male

Based on EEO-1 classification



ABOUT THIS REPORT

OUR REPORTING

This integrated report presents Entergy’s 2019 economic, environmental, and social performance. The report relies upon guidance issued by the Global Reporting Initiative, the world’s most widely used sustainability reporting framework. Our 2019 reporting is in accordance with the GRI standards, including the Electric Utility Sector Supplement. Further detail is provided in the online index and performance data table, found under Environmental, Social and Governance Disclosures, available at <https://www.entergy.com/sustainability/esg/>. We continue to review our reporting and disclosures and make improvements as appropriate to offer greater transparency on Entergy’s performance to our stakeholders. For example, we partner with the Edison Electric Institute on a reporting template that helps EEI member companies provide more uniform, consistent metrics and supporting information for investors. The template can be found under Environmental, Social and Governance Disclosures, available at <https://www.entergy.com/sustainability/esg/>.

This report includes 2019 data from Entergy’s primary business segments, which operate entirely within the United States.

Assurance of financial data in this report comes from our internal controls over financial reporting, which Entergy management assesses annually using criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework. Deloitte & Touche LLP has issued an attestation report on the effectiveness of Entergy’s internal control over financial reporting as of Dec. 31, 2019.

Our 2019 greenhouse gas inventory is reported in accordance with international standards (ISO 14064-1) and was verified by an independent third party in accordance with international standards (ISO 14064-3) in early 2020. The GHG inventory is available at americancarbonregistry.org and [entergy.com/environment](https://www.entergy.com/environment).

We invite you to engage with us by visiting [entergy.com/integratedcontact](https://www.entergy.com/integratedcontact). We welcome your feedback and suggestions to help us continue to improve our reporting.

SUPPORTING UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

[The Sustainable Development Goals](#), adopted by all United Nations Member States in 2015, are the blueprint to achieve a better and more sustainable future for all. Entergy Corporation’s strategies and initiatives align with these goals, especially:





FORWARD-LOOKING
INFORMATION AND
REGULATION G COMPLIANCE

FORWARD-LOOKING INFORMATION

In this combined report and from time to time, Entergy Corporation and the Registrant Subsidiaries each makes statements as a registrant concerning its expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. Such statements are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “may,” “will,” “could,” “project,” “believe,” “anticipate,” “intend,” “expect,” “estimate,” “continue,” “potential,” “plan,” “predict,” “forecast,” and other similar words or expressions are intended to identify forward-looking statements but are not the only means to identify these statements. Although each of these registrants believes that these forward-looking statements and the underlying assumptions are reasonable, it cannot provide assurance that they will prove correct. Any forward-looking statement is based on information current as of the date of this combined report and speaks only as of the date on which such statement is made. Except to the extent required by the federal securities laws, these registrants undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Forward-looking statements involve a number of risks and uncertainties. There are factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including (a) those factors discussed or incorporated by reference in Item 1A. Risk Factors contained in the Form 10-K for the year ended Dec. 31, 2019, (b) those factors discussed or incorporated by reference in Management’s Financial Discussion and Analysis contained in the Form 10-K for the year ended Dec. 31, 2019, and (c) the following factors (in addition to others described elsewhere in this combined report and in subsequent securities filings):

- resolution of pending and future rate cases, formula rate proceedings and related negotiations, including various performance-based rate discussions, Entergy’s utility supply plan, and recovery of fuel and purchased power costs;
- continuing long-term risks and uncertainties associated with the termination of the System Agreement in 2016, including the potential absence of federal authority to resolve certain issues among the Utility operating companies and their retail regulators;
- regulatory and operating challenges and uncertainties and economic risks associated with the Utility operating companies’ participation in MISO, including the benefits of continued MISO participation, the effect of current or projected MISO market rules and market and system conditions in the MISO markets, the allocation of MISO system transmission upgrade costs, the MISO-wide base rate of return on equity allowed or any MISO-related charges and credits required by the FERC, and the effect of planning decisions that MISO makes with respect to future transmission investments by the Utility operating companies;
- changes in utility regulation, including with respect to retail and wholesale competition, the ability to recover net utility assets and other potential stranded costs, and the application of more stringent return on equity criteria, transmission reliability requirements or market power criteria by the FERC or the U.S. Department of Justice;
- changes in the regulation or regulatory oversight of Entergy’s nuclear generating facilities and nuclear materials and fuel, including with respect to the planned or actual shutdown and sale of each of the nuclear generating facilities owned or operated by Entergy Wholesale Commodities, and the effects of new or existing safety or environmental concerns regarding nuclear power plants and nuclear fuel;
- resolution of pending or future applications, and related regulatory proceedings and litigation, for license modifications or other authorizations required of nuclear generating facilities and the effect of public and political opposition on these applications, regulatory proceedings, and litigation;
- the performance of and deliverability of power from Entergy’s generation resources, including the capacity factors at Entergy’s nuclear generating facilities;
- increases in costs and capital expenditures that could result from changing regulatory requirements, emerging operating and industry issues, and the commitment of substantial human and capital resources required for the safe and reliable operation and maintenance of Entergy’s nuclear generating facilities;
- Entergy’s ability to develop and execute on a point of view regarding future prices of electricity, natural gas, and other energy-related commodities;
- prices for power generated by Entergy’s merchant generating facilities and the ability to hedge, meet credit support requirements for hedges, sell power forward or otherwise reduce the market price risk associated with those facilities, including the Entergy Wholesale Commodities nuclear plants, especially in light of the planned shutdown and sale of each of these nuclear plants;
- the prices and availability of fuel and power Entergy must purchase for its Utility customers, and Entergy’s ability to meet credit support requirements for fuel and power supply contracts;
- volatility and changes in markets and prices for electricity, natural gas, oil, uranium, emissions allowances, and other energy-related commodities, and the effect of those changes on Entergy and its customers;
- changes in law resulting from federal or state energy legislation or legislation subjecting energy derivatives used in hedging and risk management transactions to governmental regulation;
- changes in environmental laws and regulations, agency positions or associated litigation, including requirements for reduced emissions of sulfur dioxide, nitrogen oxide, greenhouse gases, mercury, particulate matter and other regulated air emissions, heat and other regulated discharges to water, requirements for waste management and disposal and for the remediation of contaminated sites, wetlands protection and permitting, and changes in costs of compliance with environmental laws and regulations;

- changes in laws and regulations, agency positions, or associated litigation related to protected species and associated critical habitat designations;
- the effects of changes in federal, state, or local laws and regulations, and other governmental actions or policies, including changes in monetary, fiscal, tax, environmental, trade/tariff, domestic purchase requirements, or energy policies;
- the effects of full or partial shutdowns of the federal government or delays in obtaining government or regulatory actions or decisions;
- uncertainty regarding the establishment of interim or permanent sites for spent nuclear fuel and nuclear waste storage and disposal and the level of spent fuel and nuclear waste disposal fees charged by the U.S. government or other providers related to such sites;
- variations in weather and the occurrence of hurricanes and other storms and disasters, including uncertainties associated with efforts to remediate the effects of hurricanes, ice storms, or other weather events and the recovery of costs associated with restoration, including accessing funded storm reserves, federal and local cost recovery mechanisms, securitization, and insurance, as well as any related unplanned outages;
- the risk that an incident at any nuclear generation facility in the U.S. could lead to the assessment of significant retrospective assessments and/or retrospective insurance premiums as a result of Entergy's participation in a secondary financial protection system, a utility industry mutual insurance company, and industry self-insurance programs;
- effects of climate change, including the potential for increases in extreme weather events and sea levels or coastal land and wetland loss;
- changes in the quality and availability of water supplies and the related regulation of water use and diversion;
- Entergy's ability to manage its capital projects, including completion of projects timely and within budget and to obtain the anticipated performance or other benefits, and its operation and maintenance costs;
- Entergy's ability to purchase and sell assets at attractive prices and on other attractive terms;
- the economic climate, and particularly economic conditions in Entergy's Utility service area and the northern United States and events and circumstances that could influence economic conditions in those areas, including power prices, oil and gas prices, and the risk that anticipated load growth may not materialize;
- federal income tax reform, including the Tax Cuts and Jobs Act and its intended and unintended consequences on financial results and future cash flows;
- the effects of Entergy's strategies to reduce tax payments, especially in light of federal income tax reform;
- changes in the financial markets and regulatory requirements for the issuance of securities, particularly as they affect access to capital and Entergy's ability to refinance existing securities, execute share repurchase programs, and fund investments and acquisitions;
- actions of rating agencies, including changes in the ratings of debt and preferred stock, changes in general corporate ratings, and changes in the rating agencies' ratings criteria;
- changes in inflation and interest rates;
- the effects of litigation and government investigations or proceedings;
- changes in technology, including (i) Entergy's ability to implement new or emerging technologies, (ii) the impact of changes relating to new, developing, or alternative sources of generation such as distributed energy and energy storage, renewable energy, energy efficiency, demand side management and other measures that reduce load and government policies incentivizing development of the foregoing, and (iii) competition from other companies offering products and services to Entergy's customers based on new or emerging technologies or alternative sources of generation;
- the effects of threatened or actual terrorism, cyber-attacks or data security breaches, natural or man-made electromagnetic pulses that affect transmission or generation infrastructure, accidents, such as a nuclear accident or a natural gas pipeline explosion, and war or a catastrophic event, such as the COVID-19 or other pandemic, including economic and societal disruptions, increased costs, impacts on residential, commercial or industrial customers and supply chain delays or disruptions;
- Entergy's ability to attract and retain talented management, directors, and employees with specialized skills;
- Entergy's ability to attract, retain and manage an appropriately qualified workforce;
- changes in accounting standards and corporate governance;
- declines in the market prices of marketable securities and resulting funding requirements and the effects on benefits costs for Entergy's defined benefit pension and other postretirement benefit plans;
- future wage and employee benefit costs, including changes in discount rates and returns on benefit plan assets;
- changes in decommissioning trust fund values or earnings or in the timing of, requirements for, or cost to decommission Entergy's nuclear plant sites and the implementation of decommissioning of such sites following shutdown;
- the decision to cease merchant power generation at all Entergy Wholesale Commodities nuclear power plants by mid-2022, including the implementation of the planned shutdowns and sales of Indian Point 2, Indian Point 3, and Palisades;
- the effectiveness of Entergy's risk management policies and procedures and the ability and willingness of its counterparties to satisfy their financial and performance commitments;
- the potential for the factors listed herein to lead to the impairment of long-lived assets; and
- Entergy and its subsidiaries' ability to successfully execute on their business strategies, including their ability to complete strategic transactions that Entergy may undertake.

REGULATION G COMPLIANCE

This report includes the non-GAAP financial measure of adjusted earnings and adjusted earnings per share. The reconciliation of these measures to the most directly comparable GAAP measures is below.

GAAP to Non-GAAP Reconciliation — Adjusted Earnings and Earnings Per Share

	2019	2018
(\$ in millions, except diluted average common shares outstanding)		
Net income attributable to ETR Corp	1,241	849
Less adjustments:		
Utility		
Customer sharing associated with internal restructuring	—	(40)
Income tax effect on Utility adjustments above	—	10
Income tax benefit from 2012 / 2013 IRS settlement	—	43
Income tax benefit from internal restructuring	—	170
Tax reform	—	38
Reversal of income tax valuation allowance	41	—
Total Utility	41	222
Parent & Other		
Income tax item related to a valuation allowance for interest deductibility	(11)	—
Total Parent & other	(11)	—
EWC	147	(343)
Total adjustments	177	(121)
ETR Adjusted Earnings	1,064	970
Diluted average common shares outstanding (in millions)	197	183
(After-tax, \$ per share) ^(a)		
Net income attributable to ETR Corp	6.30	4.63
Less adjustments:		
Utility		
Customer sharing associated with internal restructuring	—	(0.16)
Income tax benefit from 2012 / 2013 IRS settlement	—	0.23
Income tax benefit from internal restructuring	—	0.93
Tax reform	—	0.21
Reversal of income tax valuation allowance	0.21	—
Total Utility	0.21	1.21
Parent & Other		
Income tax item related to a valuation allowance for interest deductibility	(0.05)	—
Total Parent & other	(0.05)	—
EWC	0.74	(1.87)
Total adjustments	0.90	(0.66)
ETR Adjusted Earnings	5.40	5.29

Calculations may differ due to rounding.

(a) Per share amounts are calculated by dividing the corresponding earnings (loss) by the diluted average number of common shares outstanding for the period.



INVESTOR INFORMATION

SHAREHOLDER MATERIALS

Visit our investor relations website at entergy.com/investor_relations for earnings reports, financial releases, SEC filings, and other investor information, including Entergy's Corporate Governance Guidelines; Board Committee Charters for the audit, corporate governance, and personnel committees; and Entergy's Code of Entegrity and other ethics policies. You can also request and receive information via email. Printed copies of the above are also available without charge by calling 504-576-4846 or writing to:

Entergy Corporation
Investor Relations
P.O. Box 61000
New Orleans, LA 70161

INDIVIDUAL INVESTOR INQUIRIES

Individual shareholders may contact Shareholder Services at 504-576-3074.

INSTITUTIONAL INVESTOR INQUIRIES

Securities analysts and representatives of financial institutions may contact David Borde, Vice President, Investor Relations, at 504-576-5668 or dborde@entergy.com.

SHAREHOLDER ACCOUNT INFORMATION

EQ Shareowner Services is Entergy's transfer agent, registrar, dividend disbursing agent, and dividend reinvestment and stock purchase plan agent. Shareholders of record with questions about lost certificates, lost or missing dividend checks, or notifications of change of address should contact:

EQ Shareowner Services
P.O. Box 64874
St. Paul, MN 55164-0874
Phone: 1-855-854-1360
Online: shareowneronline.com

COMMON STOCK INFORMATION

The company's common stock is listed on the New York and Chicago exchanges under the symbol "ETR." The Entergy share price is reported daily in the financial press under "Entergy" in most listings of New York Stock Exchange securities. Entergy common stock is a component of the following indices: S&P 500, S&P Utilities Index, Philadelphia Utility Index, and the NYSE Composite Index, among others.

As of Jan. 31, 2020, there were 199,726,738 shares of Entergy common stock outstanding. Shareholders of record totaled 23,696 and 283,538 investors held Entergy stock in "street name" through a broker.

CERTIFICATIONS

In May 2019, Entergy's chief executive officer certified to the New York Stock Exchange that he was not aware of any violation of the NYSE corporate governance listing standards. Also, Entergy filed certifications regarding the quality of the company's public disclosure, required by Section 302 of the Sarbanes-Oxley Act of 2002, as exhibits to our Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2019.

DIVIDEND PAYMENTS

All of Entergy's 2019 distributions were non-dividend distributions. The board of directors declares dividends quarterly and sets the record and payment dates. Subject to board discretion, those dates for 2020 are:

Declaration Date	Record Date	Payment Date
February 1	February 14	March 1
April 8	May 7	June 1
July 31	August 13	September 1
October 30	November 12	December 1

QUARTERLY DIVIDEND PAYMENTS (IN CENTS-PER-SHARE):

Quarter	2020	2019	2018	2017	2016
1	93	91	89	87	85
2		91	89	87	85
3		91	89	87	85
4		93	91	89	87

DIVIDEND REINVESTMENT / STOCK PURCHASE

Entergy offers an automatic Dividend Reinvestment and Stock Purchase Plan administered by EQ Shareowner Services. The plan is designed to provide Entergy shareholders and other investors with a convenient and economical method to purchase shares of the company's common stock. The plan also accommodates payments of up to \$10,000 per month for the purchase of Entergy common shares. First-time investors may make an initial minimum purchase of \$250. Contact EQ Shareowner Services by telephone or internet for information and an enrollment form.

DIRECT REGISTRATION SYSTEM

Entergy has elected to participate in a Direct Registration System that provides investors with an alternative method for holding shares. DRS will permit investors to move shares between the company's records and the broker/dealer of their choice.