

# Climate Policy Priorities and Advocacy

## *Our Guiding Principles*

Entergy's view that climate change poses a significant risk to our region, our business, our society, and our planet has not changed since we adopted our first carbon dioxide emissions reduction goal in 2001.

We applaud the Biden Administration for quickly re-entering the Paris Climate Agreement and will continue to make the Agreement's goal the minimum standard for our own decarbonization strategy. At the same time, we also support the adoption of effective adaptation and resiliency strategies for more vulnerable areas. Entergy has developed guiding principles that we believe should drive national and international climate change policies. These principles were first published in our 2007 sustainability report.

Today, the company's position on carbon mitigation policy is guided by the following principles:

- Climate change presents a risk to our corporate assets and to our customers, employees, communities, and owners.
- Optimally, greenhouse gas control mechanisms should be economy-wide and send a stable, predictable price signal to stimulate investment in efficient, low-carbon technologies and to take advantage of the potential net emission reductions from the electrification of other sectors of the economy.
- As a society, we need to employ advanced technologies to electrify the more carbon-intensive transportation, commercial, and industrial sectors of the economy, even as the electricity sector continues to work to further decarbonize the generation fleet.
- We need to act across the entire global economy to seek balance between CO<sub>2</sub> emission sources and sinks and to increase the resilience of both our natural and built environments.
- We support efforts to engage our stakeholders and partners in the communities we serve to evaluate and deploy adaptation efforts, resiliency investments, and natural sequestration opportunities.
- We support built-in, permanent protection for low-income customers in any greenhouse gas control mechanism.

## *How We Engage*

For nearly two decades, Entergy has advocated for national action on climate issues based on similar principles. Entergy has engaged policymakers directly and through collaborative groups and trade associations. We also have engaged with communities within our utility service area on strategies for adaptation and resiliency.

We are committed to participating constructively in the political and legislative process, as we believe such participation is essential to our company's long-term success. We lobby in support

of our strategic priorities, including our climate policy priorities, through internal and external lobbyists, and we belong to trade associations that engage in lobbying. Our senior executives also advocate for climate policies that align with our strategic priorities, both within associations and organizations to which we belong and directly with key policymakers.

Entergy's Board has adopted a Public Policy and Advocacy Policy that outline our principles governing political and lobbying activities, including our policy prohibiting corporate contributions directly to federal, state, or local candidates. Annually, we publish an Advocacy and Political Contributions Report listing our contributions to political and social welfare organizations and the portion of dues paid to trade associations that are used for lobbying activities where dues equal or exceed \$50,000. The report also explains where detailed information concerning our lobbying activities, as well as the activities of our employee political action committees, may be found. See our [Corporate Governance webpage](#) for these documents.

Although we belong to trade associations, our most important actions to influence climate policy are undertaken by us directly, through our own lobbying activities, or through collaborative groups or organizations focused on climate change or environmental issues. We typically participate in trade associations for reasons that extend beyond their lobbying and advocacy activities, and we do not agree with all the positions taken by those trade associations to which we belong. However, within those trade associations we advocate for climate policies that align with our strategic priorities. This may take a variety of forms, depending on the degree of our involvement in the organization, ranging from responding to surveys on climate policy to participating on key committees and/or in the organization's leadership. We also consider the advocacy positions taken by trade associations on climate policy and other issues when deciding whether to join or to continue our membership.

### *Governance and Oversight*

Entergy's Board of Directors plays an important role in our public policy engagement and political participation. The Corporate Governance Committee of the Board is apprised of key public policy issues that may affect Entergy's business and is responsible for ensuring alignment of the company's policy advocacy efforts with Entergy's policies and values. At least annually, our Corporate Governance Committee reviews the report on our political contributions and payments to trade associations that use a portion of the dues for lobbying activity before it is published and receives an update on our lobbying activities.

Within Entergy management, the company's federal lobbying activities are overseen by Entergy's Senior Vice President — Federal Policy, Regulatory and Governmental Affairs, who also approves the participation or the engagement of individuals and/or entities that perform any federal lobbying activities on our behalf. At the state and local level, these activities must be approved by the applicable subsidiary's vice president of external or governmental affairs. All lobbyists engaged by Entergy are carefully vetted and selected by the senior governmental affairs officer in the appropriate entity. As part of their contractual agreement, external lobbyists also must agree to fully comply with all laws and regulations as they apply in the political jurisdiction where they are engaged.