



SUPPLY CHAIN SOCIAL RESPONSIBILITY (SCSR) STRATEGY

Entergy's mission is to grow a world-class energy business that creates sustainable value for our owners, customers, employees and communities. Our Supply Chain Social Responsibility program is one way that we execute on our commitment to our four key stakeholders, especially the communities we serve.



Supply Chain Social Responsibility Vision and Mission

Vision: Become a world class utility industry supply chain organization enabling the company to be the premier utility that consistently operates with social, environmental and economic responsibility.

Mission: To engage, encourage and enable our suppliers to progress towards the company's vision through a common code of conduct, collaborative efforts and shared tools and practices.

Key Objectives:

- Support Entergy's journey toward becoming the premier utility by implementing a SCSR Strategy, focused on engagement, partnerships and governance/reporting. The strategy will require engagement both internally and externally.
- Apply innovative solutions for SCSR processes, including supplier diversity, local supply/local content, sustainability & volunteering metrics and tools
- Produce a range of solutions to problems, anticipating changes in the business environment, and making data driven decisions
- Ensures SCSR delivery; by way of plan, strategy, source and perform, through strong partnership with Category Management teams

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Strategy

- SCSR is embedded in SC Strategy and is in alignment with the Enterprise Sustainability Strategy approved by the Board of Directors in 2018
- SCSR is integral to ensuring that Entergy is engaged with its full value chain
- Embed and apply SCSR activities, actions and deliverables across all 3rd Party spend - and is in support of Entergy SCSR targets
- SCSR is a requirement for all Suppliers
 - Compliance to the Supplier Code of Conduct is the baseline

Supplier Engagement

- Ensure contracting strategy includes bid slates that have sustainability RFx questions and ensure bid evaluations include weighted criteria for sustainability questions
- Embed Sustainability in Supplier Code of Conduct, with sustainability expectations around suppliers tier 2 vendors
- Include sustainability discussions in QBRs with strategic suppliers
- Encourage suppliers to share sustainability best practices (annual showcase)
- Supplier Sustainability practices recognized in Success stories
- Key suppliers participate in annual Supplier Survey Process

Internal, External and Community Partnerships

- Key interfaces internal stakeholders & partners such as Supplier Diversity, Local Supplier/Local Content, Sustainability, and Volunteerism - and industry organizations, such as regulatory and supplier diversity and development agencies, community agencies, suppliers and industry organizations
- Partner with Sustainability and Environmental Policy and Corporate Social Responsibility
 - Sustainability Working Group
 - Environmental Lead Team
 - CSR-Volunteerism
 - Engage Suppliers in our communities as a partner
- Electric Utility Industry Sustainable Supply Chain Alliance
- EPRI, EEI

Governance & Reporting

- Sustainability KPIs in alignment with Corporate Strategy KPIs and United Nation Sustainability Development Goal Framework (UNSDGs)
- Sustainability Risks and KPIs integrated into VMOS program
- Measure performance through:
 - Objective comparison with EUISCA utilities peer group
 - Annual DJSI performance reporting
 - Annual EEI performance reporting
 - Enterprise Environmental Management System support and reporting
- Develop external Supply Chain sustainability website

How we...	...on sustainability issues (environmental, social and economic/governance)
...engage...	<ul style="list-style-type: none"> • Internal – SEP • Internal – CSR • External – Regulatory Agencies • External – Suppliers • External – SC Sustainability Website
...encourage...	<ul style="list-style-type: none"> • EUISSCA participation • EPRI technical research • EEI participation • KPI/metrics collection and benchmarking • Mapping supplier services to UNSDGs • Share how supplier services impact Entergy's performance on DJSI, CDP, etc.
...enable...	<ul style="list-style-type: none"> • RFX processes and questions • Supplier Code of Conduct • QBRs • Supplier Sustainability Showcase • Sustainability Success Stories and Case Studies • Supplier Survey