



Overview

NRG Energy is a leading energy and home services company powered by people and our passion for a smarter, cleaner, and more connected future. We have long recognized the urgency of climate change and have worked to harness market-driven solutions to help address the challenge. We also believe in the importance of providing greater transparency on our approach to managing climate-related impacts across our business and operations.

NRG primarily operates in competitive markets, and public policy can significantly affect our business and industry. Accordingly, NRG, like most businesses, belongs to organizations and trade associations that may engage in lobbying activities. We annually review our membership in such organizations and our corporate political contributions, as disclosed in our Public Policy Engagement & Corporate Political Contributions report. Starting in 2021, NRG also conducted an analysis of these organizations' climate positions. This report discloses affiliations in membership organizations, trade associations, and social welfare organizations, and their positions on climate policy. We include organizations: (1) to which NRG paid annual dues in 2023 of \$25,000 or more; and (2) which were registered to lobby at a state or federal level, or which did, in fact, engage in such lobbying. For these organizations, we evaluated their climate-related policy position, to the extent they had one.

Our Climate Change Principles

We reference key tenets of our [Climate Change Principles](#), first published in 2018, below. NRG's efforts to combat climate change are aligned with our vision to provide energy and home services that unleash innovative solutions to create a smarter, cleaner, and more connected future that enhances people's lives and delivers value to our stakeholders. To that end, we are committed to:

- Providing sustainable energy products and solutions that help our customers meet their needs and expectations, including meeting their sustainability goals
- Advocating for residential customer choice to facilitate demand for lower carbon energy products and services
- Advancing resilience through assessing and planning for potential climate change impacts to our business
- Ensuring our Board of Directors remains well-versed in leading climate competencies and governance practices
- Engaging proactively with investors and other key stakeholders on topics such as governance or disclosure expectations
- Reporting our impact and progress using leading disclosure frameworks and standards
- Supporting policies on climate change that align with the current ambitions of the Paris Agreement

Approach

To ensure that the trade associations we financially supported in 2023 align with NRG's Climate Change Principles, which in turn include alignment with the ambitions of the Paris Agreement as noted above, we followed the process below:

- Determined the scope of the review through cross-functional discussions among NRG's Legal, Government Affairs, Regulatory Affairs, Sustainability, and Investor Relations teams.



- Reviewed NRG’s internal records and held discussions with senior management to compile a list of membership organizations, trade associations, and social welfare organizations to which we paid annual dues in 2023 of \$25,000 or more; and which were registered to lobby at the state or federal levels or who did, in fact, engage in such lobbying.
- For the resulting list, reviewed current policy statements and publicly available information such as reports, websites, policy submissions, or other media sources to determine each trade association’s climate position.¹
- Compared each trade association’s climate positions against NRG’s Climate Change Principles to determine whether sufficient alignment exists.
- Decisions on alignment were made by the same internal multi-department team including representatives of Legal, Regulatory, and Governmental Affairs, Investor Relations, and Sustainability.
- Reviewed output of this process with members of our executive team and the Board’s Governance and Nominating Committee, which has oversight responsibility for sustainability at NRG.

The views and conclusions in this review are those of NRG and, where written climate policy positions were not publicly available, we made reasonable interpretations and judgments to arrive at our conclusions.

Review of Memberships / Trade Associations

Review Methodology

Explicitly Aligned: The association’s climate positions align with, or are more ambitious than, the objectives of the Paris Agreement as evidenced by written, publicly available materials.

Implicitly Aligned: The association’s climate positions can reasonably be judged as broadly aligned with the current objectives of the Paris Agreement based on the organization’s written, publicly available materials, but the organization has not explicitly stated that it supports the Paris Agreement.

No Position: The association does not engage in political activities concerning climate issues and has made no statements with regard to the Paris Agreement.

Explicitly or Implicitly Not Aligned: Based on its written, publicly available materials, the organization’s climate positions can reasonably be judged as broadly not aligned with the objectives of the Paris Agreement.

Below, we provide our assessment, against the above four categories, of the climate positions of each organization that engaged in lobbying activities on behalf of NRG in 2023. The summary table indicates the distribution of our assessments against these categories.

Number of Lobbying Organizations by Assessment Category			
Explicitly Aligned	Implicitly Aligned	No Position	Explicitly or Implicitly Not Aligned
6	12	7	0

¹ Note that after we assessed an organization’s climate position, we did not do a detailed assessment of the nature of its specific climate-related activities.



Advanced Energy Management Alliance – Implicitly Aligned

The Advanced Energy Management Alliance (AEMA) advocates for efficient, cost-effective, environmentally sustainable energy policies. Its primary focus is on the domestic energy grid and distributed energy solutions rather than the implementation of international agreements, so for this reason we assess it as Implicitly Aligned.

Advanced Energy United – Explicitly Aligned

Advanced Energy United (AEU), formerly Advanced Energy Economy, is a trade association of energy producers and is on the record as a strong advocate of clean energy innovation in accordance with the Paris Agreement. For this reason, we assess it as Explicitly Aligned.

Allegheny Conference – Implicitly Aligned

The Allegheny Conference is a business association focused on improving economic development in the Greater Pittsburgh region. The Conference supports investments in more efficient and cleaner energy technology to address, among other concerns, the factors that contribute to climate change. For this reason, we assess it as Implicitly Aligned.

Alliance for Energy Choice – No Position

The Alliance for Energy Choice is an Ohio state legislative trade association advocating for competitive electric and natural gas markets. For this reason, we assess it as having No Position.

American Council on Renewable Energy – Explicitly Aligned

The American Council on Renewable Energy (ACORE) represents a broad cross-section of the renewable energy industry and has been a long-time supporter of U.S. implementation of the Paris Agreement protocols. For this reason, we assess it as Explicitly Aligned.

Association of Electric Companies of Texas – Implicitly Aligned

The Association of Electric Companies of Texas (AECT) is comprised of Texas electricity companies. Its primary focus is on maintaining an efficient, reliable, and environmentally- friendly Texas energy grid. For this reason, we assess it as Implicitly Aligned.

Business Council for Sustainable Energy (BCSE)– Explicitly Aligned

The Business Council for Sustainable Energy is a clean energy trade association representing a broad portfolio of energy efficiency, natural gas, and renewable energy industries, as well as energy storage, sustainable transportation, and emerging decarbonization technology providers. BCSE works on a bipartisan basis in support of a range of energy and environmental issues, including climate change, infrastructure, and global market development. For this reason, we assess it as Explicitly Aligned.

Clean Energy Buyers Alliance – Explicitly Aligned

The Clean Energy Buyers Alliance is comprised of some of the largest companies in the United States, including not just energy providers, but also energy buyers and providers of related services. CEBA supports energy initiatives consistent with the implementation of the Paris Agreement, and for this reason, we assess it as Explicitly Aligned.

Coalition for Renewable Natural Gas – Implicitly Aligned

The Coalition for Renewable Natural Gas is comprised of members advocating for the sustainable development, deployment, and utilization of renewable natural gas so that present and future generations have access to domestic, renewable, clean fuel and energy. For this reason, we assess it as Implicitly Aligned.



Electric Power Supply Association – Implicitly Aligned

The Electric Power Supply Association (EPSA) is comprised of some of the largest energy producers in the United States. While EPSA is committed to the reduction of carbon dioxide and other harmful emissions, it has not made a specific commitment to the implementation of the Paris Agreement, and for this reason, we assess it as Implicitly Aligned.

Greater Houston Partnership – Explicitly Aligned

The Greater Houston Partnership (GHP) is a business association focused on improving the business climate in the Greater Houston region. GHP supports the reduction of GHG emissions in line with the Paris Agreement and hopes Houston will be a leader of the associated energy transition. For this reason, we assess it as Explicitly Aligned.

Illinois Competitive Energy Association – No Position

The Illinois Competitive Energy Association (ICEA) is a trade group focused on competition in Illinois' retail electricity and natural gas markets. Given its relatively narrow focus on state-level matters, we assess it as having No Position.

Illinois Energy Association – No Position

The Illinois Energy Association represents competitive electric and natural gas utilities and power generators. Given its relatively narrow focus on state-level matters, we assess it as having No Position.

Illinois Manufacturers Association – Implicitly Aligned

The Illinois Manufacturers Association (IMA) represents Illinois manufacturers that create life-saving products, build infrastructure, feed the world, power our homes and businesses, develop pioneering technology and communication, and provide for national defense. This includes sustainable manufacturing practices, and for this reason, we view it as Implicitly Aligned.

Independent Power Producers of New York – Explicitly Aligned

The Independent Power Producers of New York (IPPNY) represents New York's competitive power supply industry. IPPNY supports a state-wide commitment to a zero-emission energy system by 2040, well before the Paris Agreement's ambition of achieving net zero by 2050, and for this reason, we assess it as Explicitly Aligned.

Marcellus Shale Coalition – Implicitly Aligned

The Marcellus Shale Coalition represents the interests of participants in the natural gas industry as it relates to the Marcellus and Utica Shale plays. The Marcellus Shale Coalition supports the reduction of GHG emissions by increased reliance on natural gas rather than more carbon-intensive fuel sources, and for this reason, we assess it as Implicitly Aligned.

Natural Gas Supply Association – Implicitly Aligned

The Natural Gas Supply Association (NGSA) represents integrated and independent companies that supply natural gas and solely focuses on producer-marketer issues related to the downstream natural gas industry. NGSA advocates for well-functioning markets that foster a growing, competitive market for natural gas and is dedicated to achieving a cleaner future through strong partnerships with renewables and supporting innovative technologies and market solutions that reduce emissions. For this reason, we assess it as Implicitly Aligned.

Northwest and Intermountain Power Producers Coalition – Implicitly Aligned



The Northwest and Intermountain Power Producers Coalition (NIPPC) represents competitive power participants in the Pacific Northwest and Intermountain region. NIPPC supports adopting policies to decarbonize the power sector and broader economy, and for this reason, we see it as Implicitly Aligned.

PJM Power Providers Group – Implicitly Aligned

The PJM Power Providers Group represents the interests of participants in the PJM power region. The group supports efforts to achieve state carbon reduction objectives, and for this reason, we assess it as Implicitly Aligned.

Retail Energy Advancement League – Implicitly Aligned

Retail Energy Advancement League is a national advocacy organization dedicated to the expansion and modernization of American retail energy markets, to support customer choice and market innovation. For this reason, we assess it as Implicitly Aligned.

Texas Apartment Association – No Position

The Texas Apartment Association represents the interests of participants in Texas' rental housing industry. Given this narrow mission, we assess it as having No Position.

Texas Association of Business – Implicitly Aligned

The Texas Association of Business (TAB) represents Texas companies of every size and industry. TAB advocates to build both economic and sustainable policies that allow businesses to thrive in a free enterprise market while protecting the market which has allowed Texas to both be a leader in clean energy and low power prices. For this reason, we assess it as Implicitly Aligned.

Texas Competitive Power Advocates – No Position

The Texas Competitive Power Advocates (TCPA) represents the interests of Texas power generators and wholesale marketers within the state. TCPA has not taken a public position on the Paris Agreement, and for this reason, we assess it as having No Position.

The Monitoring Association – No Position

The Monitoring Association (TMA) is a trade association representing the professional monitoring industry and is dedicated to the advancement of the professional monitoring industry through education, advocacy, standards, and public safety relationships. Given this narrow mission, we assess it as having No Position.

Utility Solid Waste Activities Group – No Position

The Utility Solid Waste Activities Group (USWAG) counts over 130 utility operating companies, power producers, and energy companies, as well as industry associations, among its members. USWAG concerns itself with policies related exclusively to coal ash and solid waste issues and, therefore, we assess it as having No Position.

How We Resolve Identified Non-Alignment

If we determine that an association or group to which NRG belongs has a position that is explicitly or implicitly not aligned with NRG's Climate Change Principles or the Paris Agreement, then we would engage the leadership of the group to ask it to reconsider its position or to accelerate its path towards implicit or explicit alignment. Should such a situation arise, we would evaluate whether to disassociate from the group or to remain a member while pushing it to support climate policies in line with the Paris Agreement.



We understand that positions taken on any topic by an organization are often a compromise or majority view arrived at through individual decision-making processes, with the potential for widely differing views among its membership. Consequently, although we may share our perspectives and try to persuade others, we do not expect to dictate the positions our associations may take. We would be transparent about the progress we have made within associations or organizations where there may be differences between our policies and their advocacy, and report updates on these dialogues in the annual publication of this report.

Forward-Looking Statements

This Industry Association Climate Review contains certain forward-looking statements that reflect NRG Energy, Inc.'s current views with respect to future events and the financial and operational performance of NRG Energy, Inc. These forward-looking statements are based on NRG Energy, Inc.'s current expectations and projections about future events. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of NRG Energy, Inc. to control or estimate precisely, including changes in the regulatory environment, future market developments, fluctuations in prices, and the impact of climate and other risks. For a list of important factors that could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements, please refer to NRG Energy, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023. NRG disclaims any current intention to update such guidance, except as required by law. The foregoing review of factors that could cause NRG Energy, Inc.'s actual results to differ materially from those contemplated in the forward-looking statements included in this presentation should be considered in connection with information regarding risks and uncertainties that may affect NRG Energy, Inc.'s future results included in NRG Energy, Inc.'s filings with the Securities and Exchange Commission at www.sec.gov. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this document. NRG Energy, Inc. does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this document. The information contained in this Industry Association Climate Review does not purport to be comprehensive and has not been verified by any independent third party.