NRG Energy Inc

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

This is an updated questionnaire. The previous version contained incorrect values in some section 1.16 responses. Corrected values now appear in red boxes.

04/08/2025, 05:30 pm

Contents

C3. Disclosure of risks and opportunities 42

C4. Governance 81

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:
☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:
☑ USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:
☑ Publicly traded organization

(1.3.3) Description of organization

NRG Energy, Inc., or NRG or the Company, sits at the intersection of energy and home services. NRG is a leading energy and home services company fueled by market-leading brands, proprietary technologies and complementary sales channels. Across the United States (U.S.) and Canada, NRG delivers innovative, sustainable solutions, predominately under brand names such as NRG, Reliant, Direct Energy, Green Mountain Energy and Vivint, while also advocating for competitive energy markets and customer choice. The Company has a customer base that includes approximately 8 million residential consumers in addition to commercial, industrial, and wholesale customers, supported by approximately 13 GW of generation as of December 31, 2023. NRG was incorporated as a Delaware corporation on May 29, 1992. Certain matters discussed in this survey are forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, that are subject to risks and uncertainties. SAFE HARBOR: The information presented in this report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks and uncertainties and can typically be identified by terminology such as "may," "should," "could," "objective," "projection," "forecast," "goal," "guidance," "outlook," "expect," "intend," "seek," "plan," "think," "anticipate," "estimate," "predict," "target," "potential" or "continue" or the negative of these terms or other comparable terminology. Such forward-looking statements include, but are not limited to, statements about NRG's future revenues, income, indebtedness, capital structure, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions. Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to be

correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated herein include, among others, general economic conditions, hazards customary in the power industry, weather conditions and extreme weather events, competition in wholesale power, gas and smart home markets, the volatility of energy and fuel prices, failure of customers or counterparties to perform under contracts, changes in the wholesale power and gas markets, changes in government or market regulations, the condition of capital markets generally and NRG's ability to access capital markets, NRG's ability to execute its supply strategy, risks related to data privacy, cyberterrorism and inadequate cybersecurity, the loss of data, unanticipated outages at NRG's generation facilities, NRG's ability to achieve its net debt targets, adverse results in current and future litigation, complaints, product liability claims and/or adverse publicity, failure to identify, execute or successfully implement acquisitions or asset sales, risks of the smart home and security industry, including risks of and publicity surrounding the sales, subscriber origination and retention process, the impact of changes in consumer spending patterns, consumer preferences, geopolitical tensions, demographic trends, supply chain disruptions, NRG's ability to implement value enhancing improvements to plant operations and companywide processes, NRG's ability to achieve or maintain investment grade credit metrics, NRG's ability to proceed with projects under development or the inability to complete the construction of such projects on schedule or within budget, the inability to maintain or create successful partnering relationships, NRG's ability to operate its business efficiently, NRG's ability to retain customers, the ability to successfully integrate businesses of acquired companies, including Vivint Smart Home, NRG's ability to realize anticipated benefits of transactions (including expected cost savings and other synergies) or the risk that anticipated benefits may take longer to realize than expected, NRG's ability to execute its capital allocation plan. NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The foregoing review of factors that could cause NRG's actual results to differ materially from those contemplated in the forward-looking statements included in this report should be considered in connection with information regarding risks and uncertainties that may affect NRG's future results included in NRG's filings with the Securities and Exchange Commission at www.sec.gov.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:
☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:
☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☑ 1 year

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☑ 1 year

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☑ 1 year

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

28823000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

US6293775085

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

629377508

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

NRG

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

793422213

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Australia

☑ Canada

☑ United States of America

(1.8) Are you able to provide geolocation data for your facilities?

(1.8.1) Are you able to provide geolocation data for your facilities?

Select from:

☑ No, not currently but we intend to provide it within the next two years

(1.8.2) Comment

Our generation plant locations are listed annually in our Form 10-K which can be found at: https://investors.nrg.com/financial-information/sec-filings.
[Fixed row]

(1.16) In which part of the electric utilities value chain does your organization operate?

Electric utilities value chain

☑ Electricity generation

(1.16.1) For your electricity generation activities, provide details of your nameplate capacity and electricity generation specifics for each technology employed.

Coal - Hard

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ Yes

(1.16.1.2) Nameplate capacity (MW)

6727

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

16903

(1.16.1.5) Comment

Actual capacity can vary depending on factors including weather conditions, operational conditions, and other factors. Additionally, ERCOT and PJM require periodic demonstration of capability, and the capacity may vary individually and in the aggregate from time to time.

Lignite

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

N/A

Oil

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

455

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

3

(1.16.1.5) Comment

Actual capacity can vary depending on factors including weather conditions, operational conditions, and other factors. Additionally, ERCOT and PJM require periodic demonstration of capability, and the capacity may vary individually and in the aggregate from time to time.

Gas

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

5712

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

13917

(1.16.1.5) Comment

Actual capacity can vary depending on factors including weather conditions, operational conditions, and other factors. Additionally, ERCOT and PJM require periodic demonstration of capability, and the capacity may vary individually and in the aggregate from time to time. While operating part of the year as NRG, the following occurred: Gregory was sold in 2023 and Joliet and Astoria gas were retired in 2023

Sustainable biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Other biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Waste (non-biomass)

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

N/A

Nuclear

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ Yes

(1.16.1.2) Nameplate capacity (MW)

1132

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

7868

(1.16.1.5) Comment

Actual capacity can vary depending on factors including weather conditions, operational conditions, and other factors. Additionally, ERCOT and PJM require periodic demonstration of capability, and the capacity may vary individually and in the aggregate from time to time. While operating part of the year as NRG, the following occured: South Texas Project Nuclear equity was sold on 11/3/2023.

Fossil-fuel plants fitted with carbon capture and storage

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Geothermal

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Hydropower

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Wind

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Solar

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

216

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

4

(1.16.1.5) Comment

Actual capacity can vary depending on factors including weather conditions, operational conditions, and other factors. Additionally, ERCOT and PJM require periodic demonstration of capability, and the capacity may vary individually and in the aggregate from time to time.

Marine

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Other renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

0

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

0

(1.16.1.5) Comment

Renewable quantities have been captured in their respective sections.

Other non-renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Total

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

13112

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

38695

(1.16.1.5) Comment

Actual capacity can vary depending on factors including weather conditions, operational conditions, and other factors. Additionally, ERCOT and PJM require periodic demonstration of capability, and the capacity may vary individually and in the aggregate from time to time. While operating part of 2023 as NRG, the following occurred: South Texas Project Nuclear equity was sold, Gregory was sold, and Joliet and Astoria gas were retired in 2023.
[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.7) Description of mapping process and coverage

In FY23, NRG conducted an assessment to identify and prioritize NRG's most significant environmental, social and governance (ESG) impacts. A key step was to map NRG's value chain and determine how NRG's business activities may impact or be impacted by environmental, social and governance topics, including both upstream and downstream of our operations. NRG leveraged desktop research, direct and indirect stakeholder feedback, and engaged directly with cross-functional teams to identify, review and prioritize ESG impacts and opportunities throughout our value chain.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	Select from: ☑ No, and we do not plan to within the next two years	*Select from:* ☑ Judged to be unimportant or not relevant	*Plastics are not materially used or produced as part of our business activities.*

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Sustainability is a philosophy that underpins and facilitates value creation across NRG's business for its stakeholders. It is an integral piece of NRG's strategy and ties directly to business success, reduced risks and enhanced reputation. Short-, medium-, and long-term climate-related risks and opportunities are outlined in NRG's 2020 TCFD report and risks are evaluated as we update the Risk Factors in NRG's 10-K every year. Climate-related opportunities and risks include regulatory, commercial, financial, transition, and physical. The Board has responsibility for overall oversight of the Company and of its performance within defined risk tolerance parameters. Such parameters are considered in the Board's review and approval of NRG's annual (i.e. short-term) business plan, budget and annual incentive plan. The Finance and Risk Management Committee of the Board has oversight of risk assessment of material ESG sustainability risks such as climate change and they review new and emerging risks at least annually.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Sustainability is a philosophy that underpins and facilitates value creation across NRG's business for its stakeholders. It is an integral piece of NRG's strategy and ties directly to business success, reduced risks and enhanced reputation. NRG systematically evaluates both opportunities and risks associated with climate change on an ongoing basis, considering short-term, medium-term, and long-term horizons, as well as their potential impact on the NRG business. Short-, medium-, and long-term climate-related risks and opportunities are outlined in NRG's 2020 TCFD report and risks are evaluated as we update the Risk Factors in NRG's 10-K every year. Climate-related opportunities and risks include regulatory, commercial, financial, transition, and physical. The Board has responsibility for overall oversight of the Company and of its performance within defined risk tolerance parameters. Such parameters are considered in the Board's review and approval of NRG's annual (i.e. short-term) business plan, budget and annual incentive plan. The Finance and Risk Management Committee of the Board has oversight of risk assessment of material ESG sustainability risks such as climate change and they review new and emerging risks at least annually.

Long-term

(2.1.1) From (years)

3

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Sustainability is a philosophy that underpins and facilitates value creation across NRG's business for its stakeholders. It is an integral piece of NRG's strategy and ties directly to business success, reduced risks and enhanced reputation. NRG systematically evaluates both opportunities and risks associated with climate change on an ongoing basis, considering short-term, medium-term, and long-term horizons, as well as their potential impact on the NRG business. Short-, medium-, and long-term climate-related risks and opportunities are outlined in NRG's 2020 TCFD report and risks are evaluated as we update the Risk Factors in NRG's 10-K every year. Climate-related opportunities and risks include regulatory, commercial, financial, transition, and physical. The Board has responsibility for overall oversight of the Company and of its performance within defined risk tolerance parameters. Such parameters are considered in the Board's review and approval of NRG's annual (i.e. short-term) business plan, budget and annual incentive plan. The Finance and Risk Management Committee of the Board has oversight of risk assessment of material ESG sustainability risks such as climate change and they review new and emerging risks at least annually.

[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Not location specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

Other

☑ Desk-based research

☑ External consultants

☑ Internal company methods

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Other acute physical risk, please specify :Increased severity and frequency of extreme weather events such as hurricanes and floods

Policy

☑ Other policy, please specify **:**Enhanced emissions-reporting obligations

Market

☑ Changing customer behavior

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Climate-related issues are integrated in multi-disciplinary, company-wide opportunity and risk identification, assessment, and management processes. NRG systematically evaluates both opportunities and risks associated with climate change on an ongoing basis, considering short-term, medium-term, and long-term horizons, as well as their potential impact on NRG's business. Climate-related opportunities and risks include regulatory, commercial, financial, transition, and physical. The Board has responsibility for overall oversight of the Company and of its performance within defined risk tolerance parameters. Such parameters are considered in the Board's review and approval of NRG's annual (i.e. short-term) business plan, budget and annual incentive plan. The Finance and Risk Management Committee of the Board has oversight of risk assessment of material ESG sustainability risks such as climate change and they review new and emerging risks at least annually. NRG's Enterprise Risk Management process enables leadership to address uncertainty, to enhance or preserve enterprise value, and to facilitate the mitigation of risk while pursuing opportunity. NRG's strategy addresses long-, medium-, and short-term risks and opportunities and aims to reduce the company's own greenhouse gas (GHG) risks and those of its customers.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Not location specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ WRI Aqueduct

Other

☑ Desk-based research

☑ Internal company methods

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Pollution incident

Chronic physical

☑ Increased severity of extreme weather events

☑ Water availability at a basin/catchment level

☑ Water stress

☑ Water quality at a basin/catchment level

Policy

☑ Other policy, please specify :Enhanced water compliance-reporting obligations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

The availability of a secure and economic supply of water is essential for the continued operation of NRG's generation plants. NRG monitors water risk carefully. Individual plant operators report to NRG management any changes in water consumption and withdrawal levels above 20%. Moreover, if it is determined that a water supply risk exists that could impact projected generation levels at any plant within the subsequent two-year time frame, risk mitigation efforts are identified and economically evaluated for implementation. Risk identification and assessment process applies to both direct operations and supply chain. NRG uses the measures, metrics and indicators for water risk assessment leveraging the management and professional judgment from the following perspectives: Financial impact 1) Corporate earnings 2) Capital expenditure on technologies to reduce water consumption and withdrawal Plant operation 1) Operation disruption due to water shortage 2) Increase in costs of water usage 3) Value chain risk Environmental impact 1) Water availability 2) Water quality of river basins 3) Regulations that impact supply and/or management of water Water risks, for the purposes of this disclosure, are considered to have substantive financial impact to NRG's business if they could impact a significant proportion of the company's gross margin from power generation in a given region. An example is the risk of water shortage in the Brazos

River and its potential to interrupt operations at the WA Parish plant, which is one of the biggest in our Texas fleets. If it is determined that a water supply risk exists that could impact projected generation levels within any plant within the subsequent two-year time frame, risk mitigation efforts are identified and economically evaluated for implementation. NRG SVP, Plant Operations reviews modelling scenarios generated for water risk determination. Plant level NRG Water usage analysis is reviewed annually. NRG water usage analysis is reviewed by the senior leaders of NRG Operations, Engineering and Commercial Operations.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

NRG takes an integrated governance approach to overseeing environmental and sustainability issues. Our full Board has ultimate responsibility for climate risk oversight as a component of NRG's business strategy. Board committees conduct more in-depth reviews of specific sustainability issues, with our Board's Governance and Nominating (G&N) Committee is formally responsible for our sustainability policies and programs. By formalizing our governance structure for climate and other sustainability-related issues, we help enable the Board and its committees to ensure that all material risks to the company are mitigated. We integrate environmental considerations into our strategic decisions as part of our commitment to operating sustainably and complying with all applicable environmental requirements. Our Environment-Over Production policy sets a clear understanding among NRG employees that environmental compliance takes precedence in the company's operational decision-making. Recognizing the potential impact of our operations on the local natural ecosystem, we strive to support and protect biological diversity in the areas where we operate. All active NRG plants have a site-specific Biodiversity Plan that outlines practices to limit the local impact of operations. Annually, each plant chooses, designs, and implements one econrgSM project, and this work contributes to the plant's environmental key performance indicators (EKPIs) score. Our econrgSM projects span multiple program areas including biodiversity, climate change, and resource reduction, reuse, and recycling. Water usage, scarcity, quality, and the effects of these factors on biodiversity are important site-specific considerations for us. In addition to our conservation efforts, NRG's water usage is affected by variables such as weather, plant capacity utilization, and plant retirements.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:
☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

(2.3.3) Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

NRG defines substantive financial or strategic impact on the business as a significant matter, such as from climate-related transition developments and/or physical events, that at a corporate level adversely affect NRG's businesses and impact NRG's results of operations, financial condition, cash flows, and/or reputation. NRG operates power plants that provide an essential service to customers and any risk of disrupting that service would be substantive, implying a very low impact threshold. The availability of a secure and economic supply of water is essential for the continued operation of NRG's generation plants. NRG monitors water risk carefully. Individual plant operators report to NRG management any changes in water consumption and withdrawal levels above 20%. Moreover, if it is determined that a water supply risk exists that could impact projected generation levels at any plant within the subsequent two-year time frame, risk mitigation efforts are identified and economically evaluated for implementation.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we do not have a list/geospatial map of priority locations

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Other, please specify :NRG does not have a specific, universally-applicable threshold identified which would cause us to take a particular action because the definition of “substantive” is context-dependent and will vary by business segment, brand, geography, and operation

(2.4.7) Application of definition

NRG defines substantive financial or strategic impact on the business as a significant matter, such as from climate-related transition developments and/or physical events, that at a corporate level adversely affect NRG's businesses and impact NRG's results of operations, financial condition, cash flows, and/or reputation. For example, NRG operates power plants that provide an essential service to customers and any risk of disrupting that service would be substantive, implying a very low impact threshold. For example, hazards customary to the power production industry include the potential for unusual weather conditions, which could affect fuel pricing and availability, NRG's route to market or access to customers, i.e., transmission and distribution lines, or critical plant assets. In addition, the availability of a secure and economic supply of water is essential for the continued operation of NRG's generation plants.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Other, please specify :NRG does not have a specific, universally-applicable threshold identified which would cause us to take a particular action because the definition of “substantive” is context-dependent and will vary by business segment, brand, geography, and operation

(2.4.7) Application of definition

NRG defines substantive financial or strategic impact on the business as a significant matter, such as from climate-related transition developments and/or physical events, that at a corporate level adversely affect NRG's businesses and impact NRG's results of operations, financial condition, cash flows, and/or reputation.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

NRG evaluates water risk at all generating stations in our direct operations. A comprehensive company-wide risk assessment approach is taken because water risk is linked with other risks, such as air emissions. Each generating facility is unique and NRG's approach identifies and addresses water risks for each location. Risks are identified, evaluated, and responded to by managing plant operations. NRG identifies and classifies potential water pollutants according to regulatory requirements. We obtain all required permits and report results of water discharges to regulatory agencies monthly. We have 35 wastewater discharge permits in the U.S. NRG relies on regulatory agencies such as the U.S. Environmental Protection Agency (EPA) and state environmental agencies to evaluate potential water-related impacts on ecosystems and human health caused by potential pollutants and set appropriate standards. NRG has trained Environmental, Health & Safety (EH&S) staff to be well-versed on these standards to ensure compliance with our permits and regulatory requirements. Water-related impacts include potential adverse wildlife, plant life, and human health impacts of wastewater permit exceedances. Per our Environment-Over Production policy, NRG strives to meet or exceed applicable environmental laws. Should a wastewater permit exceedance occur, we determine the root cause and correct it.

[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.2) Description of water pollutant and potential impacts

this row should be deleted

(2.5.1.5) Please explain

this row should be deleted

Row 2

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

The water pollutant being discussed in this section is Metals, Total Suspended Solids (TSS), Oil, and Grease. NRG monitors for metals in discharge at several generation stations, as well as TSS, and oil and grease. The scale and magnitude of the potential impact would depend on the size of the spill or unpermitted discharge and the location of the impact. Relatively small volumes of these materials onsite make impacts less substantive. We operate within the limits of wastewater discharge permits. Those limits are dictated, developed, and prepared by the states based on their rigorous analysis and monitoring.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

(2.5.1.5) Please explain

NRG's system maintenance and operations procedures are designed to ensure compliance with effluent quality standards at every facility. NRG has in place comprehensive spill prevention plans at every generation facility. Spill Prevention Countermeasure and Control Plans and Stormwater Pollution Prevention Plans at every facility include requirements such as secondary containment procedures for materials; emergency responder procedures; and emergency equipment ready for deployment such as booms and absorbents to prevent hydrocarbons reaching any body of water. NRG requires these measures at every facility regardless of local regulation. Operations are assessed each month through our EKPIs, which measures a number of leading and lagging parameters such as NOVs, reportable spills and compliance with laws. To continuously improve environmental performance, we use an Environmental Management Information System (EMIS). This system provides us the tools and transparency to efficiently track our generation fleet's environmental performance. We use EMIS and root cause applications to report incidents, analyze root causes and ensure completion of corrective actions. Our goal for 2023 was to have all of our plants meet their plant-specific targets. We are happy to report that during 2023, 93% of our generation fleet met or exceeded their respective targets.

Row 3

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

The water pollutant being discussed in this section is coal combustion residuals (CCRs). An unpermitted discharge from a coal combustion residual impoundment could cause groundwater contamination or water body contamination. The scale and magnitude of the potential impact would depend on the size of the spill or unpermitted discharge and the location of the impact, ranging from minimal to substantive. We operate within the limits of our permits. Those limits are dictated, developed, and prepared by the states based on their rigorous analysis and monitoring.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

(2.5.1.5) Please explain

NRG's system maintenance and operations procedures are designed to ensure compliance with effluent quality standards at every facility. Spill Prevention Countermeasure and Control Plans and Stormwater Pollution Prevention Plans at every generation facility include requirements such as secondary containment procedures for materials; emergency responder procedures; and emergency equipment ready for deployment. NRG requires these measures at every facility regardless of local regulation. Operations are assessed each month through our environmental EKPIs, which measures a number of leading and lagging parameters such as notices of violation NOVs, reportable spills and compliance with laws. Additionally, NRG follows EPA CCR regulations which require impoundments that meet the criteria of 40 CFR 257.73 to have a third-party professional engineer conduct a hazard potential classification assessment. Success is measured by number of impoundments subject to the rule found to be of satisfactory (the highest rating available) structural integrity. 6 out of 11 impoundments subject to the rule were found to be of satisfactory structural integrity in 2023. To continuously improve environmental performance, we use an EMIS. This system provides us the tools and transparency to efficiently track our generation fleet's environmental performance and analyze root causes and ensure the completion of corrective actions.

Row 4

(2.5.1.1) Water pollutant category

Select from:

☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

In the case of a spill or unpermitted discharge, hydrocarbons (such as oil) present at generation facilities could cause groundwater contamination or water body contamination. The scale and magnitude of the potential impact would depend on the size of the spill or unpermitted discharge, the location of the impact, as well as the type of hydrocarbon, ranging from minimal to substantive. We operate within the limits of wastewater discharge permits. Those limits are dictated, developed, and prepared by the states based on their rigorous analysis and monitoring.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

☑ Beyond compliance with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

(2.5.1.5) Please explain

NRG's system maintenance and operations procedures are designed to ensure compliance with effluent quality standards at every facility. NRG has in place comprehensive spill prevention plans at every generation facility. Spill Prevention Countermeasure and Control Plans and Stormwater Pollution Prevention Plans at every facility include requirements such as secondary containment procedures for materials; emergency responder procedures; and emergency equipment ready for deployment such as booms and absorbents to prevent hydrocarbons reaching any body of water. NRG requires these measures at every facility regardless of local regulation. Operations are assessed each month through our EKPIs, which measures a number of leading and lagging parameters such as NOVs, reportable spills and compliance with laws. For 2023, 93% of our generation fleet met or exceeded their respective targets. To continuously improve environmental performance, we use an EMIS. This system provides us the tools and transparency to efficiently track our generation fleet's environmental performance. We use EMIS and root cause applications to report incidents, analyze root causes and ensure completion of corrective actions.

Row 5

(2.5.1.1) Water pollutant category

Select from:

☑ Other physical pollutants

(2.5.1.2) Description of water pollutant and potential impacts

The water pollutant being discussed in this section is thermal pollution. Water is drawn into our facilities for cooling purposes, is warmed in the process of cooling the equipment, and is then discharged. The delta-T between intake and discharge temperatures is subject to regulatory monitor and permit due to potential ecological impacts of warmed water. The potential impacts of thermal pollution include damage to water ecosystems and the loss of biodiversity by death of aquatic plants, insects, fish, and amphibians as a consequence of thermal shock. The scale and magnitude of the potential impact on ecosystems and human health is relatively low as water temperature is able to be controlled using various methods, including reducing the amount of power a facility is generating (derating) in order to maintain discharge temperatures within the limits. We operate within the limits of our permits. Those limits are dictated, developed, and prepared by the states based on their rigorous analysis and monitoring.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Other, please specify **:**Derating in order to reduce temperature.

(2.5.1.5) Please explain

NRG's system maintenance and operations procedures are designed to ensure compliance with thermal water discharge standards at every facility. In accordance with local permit criteria water temperature is controlled using various methods, including reducing the amount of power a facility is generating (derating) in order to maintain discharge temperatures within the limits. Operations are assessed each month through our EKPIs, which measures a number of leading and lagging parameters such as NOVs, reportable spills and compliance with laws. To continuously improve environmental performance, we use an EMIS. This system provides us the tools and transparency to efficiently track our generation fleet's environmental performance. We use EMIS and root cause applications to report incidents, analyze root causes and ensure completion of corrective actions. Our goal for 2023 was to have all of our plants meet their plant-specific targets. We are happy to report that during 2023, 93% of our generation fleet met or exceeded their respective targets.

Row 6

(2.5.1.1) Water pollutant category

Select from:

☑ Other physical pollutants

(2.5.1.2) Description of water pollutant and potential impacts

The water pollutant being discussed in this section is contaminated cooling water. In case of a release, chemicals used in cooling tower blowdown could cause groundwater contamination or water body contamination. The scale and magnitude of the potential impact would depend on the size of the spill or unpermitted discharge and the location of the impact, ranging from minimal to substantive. We operate within the limits of our permits. Those limits are dictated, developed, and prepared by the states based on their rigorous analysis and monitoring.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

(2.5.1.5) Please explain

NRG's system maintenance and operations procedures are designed to ensure compliance with effluent quality standards at every facility. NRG has in place comprehensive spill prevention plans at every generation facility. Spill Prevention Countermeasure and Control Plans and Stormwater Pollution Prevention Plans at every facility include requirements such as secondary containment procedures for materials; emergency responder procedures; and emergency equipment ready for deployment such as booms and absorbents to prevent hydrocarbons reaching any body of water. NRG requires these measures at every facility regardless of local regulation. Operations are assessed each month through our EKPIs, which measures a number of leading and lagging parameters such as NOVs, reportable spills and compliance with laws. Our goal for 2023 was to have all of our plants meet their plant-specific targets. We are happy to report that during 2023, 93% of our generation fleet met or exceeded their respective targets. To continuously improve environmental performance, we use an EMIS. This system provides us the tools and transparency to efficiently track our generation fleet's environmental performance. We use EMIS and root cause applications to report incidents, analyze root causes and ensure completion of corrective actions.

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Plastics have little substantive effect on NRG's operations which is primarily in power generation.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical
☑ Other acute physical risk, please specify **:**Frequency and intensity of weather-related events overall

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ United States of America

(3.1.1.9) Organization-specific description of risk

The contribution of climate change to the frequency or intensity of weather-related events could affect NRG's operations and planning process. (2023 10-K, p. 33)

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The potential physical effects of climate change, such as increased frequency and severity of storms, floods and other climatic events, could disrupt NRG's operations and supply chain, and cause it to incur significant costs in preparing for or responding to these effects. These or other changes in climate could lead to increased operating costs or capital expenses.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Ensure operations are prepared for extreme weather.

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Due to the competitive nature of the business, NRG cannot quantify the financial effect of the risk.

(3.1.1.29) Description of response

To address climate risks, NRG enhances infrastructure resilience and conducts robust risk assessments. The true strength of our generation fleet lies in the diversity of our sources and their geographic alignment with retail customers. We integrate climate risk into long-term strategic planning and engage stakeholders to bolster collaborative resilience strategies. This approach not only protects our operations but also reinforces NRG's commitment to sustainability and leadership in the energy sector.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Other chronic physical risk, please specify :Water scarcity

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Brazos River

(3.1.1.9) Organization-specific description of risk

NRG has 2 stations on the Brazos River, Limestone Generating Station and WA Parish Generating Station, that are exposed to water risk. These two generating stations have a combined capacity of 5,292 MW, representing 40% of NRG's total rated capacity for 2023. This is one of the main reasons why the Brazos River is important to NRG operations. The Limestone Generating Station relies on the Brazos River as the source of its cooling water. Increased seasonal water stress in the region could lead to decreases in water availability, which, as explained earlier, would carry a substantial financial impact. Secondly, any suspensions of our operations could impact our ability to meet our contractual agreements with customers leading to loss of business and possibly decreased customer retention. In addition, Brazos River also has many stakeholders that depend on water. The water in the Brazos River is 100% accounted for through water rights. Drought conditions have the potential to make water unavailable for stakeholders. As mentioned earlier, the lack of water availability at these generating stations could lead to interruptions in our direct operations. This impact is current and is modelled to 2060. This risk was identified using internal company methods. NRG Commercial Operations Managers and internal forecasting resources manage risk associated with water availability.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unlikely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effects of water risk on NRG's cash flows can be summarized as follows: in the short term (1-3 years), operational disruptions at the Limestone Generating Station due to drought could lead to lost revenue and increased costs, while contractual penalties may arise from failure to meet obligations.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with regulators/policy makers

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Due to the competitive landscape of the energy sector, NRG is unable to precisely quantify the financial impact of water risk on its operations. The company's generating stations in the Gulf Coast Region face costs associated with securing firm water rights, as well as an annual fee for the watermaster, which is shared among all customers utilizing the Brazos River. This includes expenses for one full-time equivalent (FTE) and the overall cost of the water itself.

(3.1.1.29) Description of response

Our response strategy to this risk has been to engage with regulators. Specifically, NRG has secured "firm" water supplies through contracts with the Brazos River Authority (BRA) for 150,000 acre - feet per year through state-issued permits; issued in 1926. The BRA controls more than 750,000 acre-ft of water stored in 11 large reservoirs across the Brazos River Basin. "Firm" water is the amount of water that has been modelled by the Texas Commission on Environmental Quality (TCEQ) as being available on a year-to-year basis through the 9 year "drought of record" in the Brazos River Basin. NRG was one of several parties that successfully petitioned for implementation of a watermaster program in the Brazos River Basin, a TCEQ program that regulates diverters in accordance with state water law during periods of water shortage. NRG first petitioned for the implementation of a watermaster program in the Brazos River Basin during 2013 and the Final Order from TCEQ was received in April 2014. The time scale of implementation for this response strategy was approximately one year, based on the permitting process.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

☑ United States of America

(3.1.1.9) Organization-specific description of risk

The Company provides power and natural gas to the business-to-business markets in North America, as well as retail services, including demand response, commodity sales, energy efficiency and energy management solutions to Business customers. The Company is an integrated provider of supply and distributed energy resources and focuses on distributed products and services as businesses seek greater reliability, cleaner power and other benefits that they cannot obtain from the grid. These solutions include system power, distributed generation, renewable and low-carbon products, carbon management and specialty services, backup generation, storage and distributed solar, demand response, and energy efficiency and advisory services. (2023 10K, p. 8-9) NRG sells a variety of products to residential and small commercial customers, including retail electricity and energy management carbon offsets, back-up power stations, portable power, portable solar and portable lighting. NRG's financial performance may be impacted by price fluctuations in the retail and wholesale power and natural gas markets, as well as fluctuations in coal and oil markets and other market factors that are beyond the Company's control including changes in law, including judicial decisions, environmental regulations and environmental legislation; and federal, state and provincial power regulations. (2023 10-K, p 23)

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption to sales

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Due to the competitive nature of the business, NRG cannot quantify the financial effect of the risk.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Diversification

☑ Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Due to the competitive nature of the business, NRG cannot quantify the financial effect of the risk.

(3.1.1.29) Description of response

To effectuate the Company's strategy, NRG is focused on: (i) serving the energy needs of end-use residential, commercial and industrial, and wholesale counterparties in competitive markets and optimizing on additional revenue opportunities through its multiple brands and channels; (ii) offering a variety of energy products and services, including renewable energy solutions and smart home products and services that are differentiated by innovative features, premium service, integrated platforms, sustainability and loyalty/affinity programs; (iii) excellence in operating performance of its assets; (iv) achieving the optimal mix of supply to serve its customer load requirements through a diversified supply strategy; and (v) engaging in disciplined and transparent capital allocation.(2023 10K, p 7)

Climate change

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

☑ Other reputation risk, please specify :Failure to achieve goals could result in negative impact

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Australia

☑ Canada

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Failure to achieve the Company's emissions targets could result in a negative impact on access to and cost of capital, changing investor sentiment regarding investment in the Company or reputation harm. (10-K, p. 33)

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Brand damage

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:
☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Due to the competitive nature of the business, NRG cannot quantify the financial effect of the risk.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:
☑ No

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets
☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Due to the competitive nature of the business, NRG cannot quantify the financial effect of the risk.

(3.1.1.29) Description of response

Failure to achieve the Company's emissions targets could result in a negative impact on access to and cost of capital, changing investor sentiment regarding investment in the Company or reputation harm. (10K, p. 33)

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk5

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Other chronic physical risk, please specify **:**Water impacts in the natural gas supply chain

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Brazos River

(3.1.1.9) Organization-specific description of risk

NRG has identified natural gas as a key focus area in our supply chain. A recent supply chain materiality assessment showed our most prominent spend categories are associated with fuels (supply and transport), and spending data analyzed in the assessment suggested that NRG should prioritize risk reduction in natural gas due to the shifting asset base. Natural gas, which makes up approximately 44% of our nameplate capacity, is an increasingly important fuel to keep power affordable and to add flexible fast-start capacity that allows faster scaling of renewables on the grid, and as a result it will be vital to NRG's supply chain for years to come. Water plays an instrumental role in natural gas production, particularly at wells that use hydraulic fracturing. The hydraulic fracturing process involves injecting water with chemical additives underground at high pressure. Hydraulic fracturing can impact local water supplies. Adverse impacts to water supply in the natural gas supply chain pose a risk to NRG as these could result in disruptions in natural gas production and therefore the supply of natural gas to our natural gas power plants, resulting in lower production, loss of revenue, and loss of profit.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unlikely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the medium term (3-5 years), the anticipated effects of water-related risks in NRG's natural gas supply chain could potentially impact cash flows. Disruptions in natural gas production due to adverse effects on local water supplies may lead to reduced availability of fuel for NRG's power plants, resulting in lower electricity generation capacity. This could translate to decreased revenue from power sales and potential contractual penalties for failing to meet obligations. Additionally, if NRG needs to source natural gas from alternative suppliers or invest in more water-efficient extraction methods, it may incur higher operational costs, further straining cash flows. Overall, these water-related challenges could hinder NRG's financial performance and profitability in the medium term.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with suppliers

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Due to the competitive nature of the business, NRG cannot quantify the financial effect of the risk. The cost of the response to this risk includes staffing for developing NRG's approach to responsible natural gas sourcing and membership fees for the Natural Gas Supply Collaborative (NGSC) in 2023.

(3.1.1.29) Description of response

NRG's primary response to water risk in natural gas production is to promote wastewater management procedures among suppliers through engagement. As part of the Natural Gas Supply Collaborative (NGSC), which includes 12 companies representing over 13% of the U.S. gas market, NRG encourages responsible practices and transparency in environmental performance, as detailed in the October 2017 report, "Environmental and Social Performance Indicators for Natural Gas Production." This Collaborative marks the first instance of major corporate consumers collectively articulating sustainability priorities. Each year, the NGSC benchmarks the 30 largest U.S. natural gas producers on various environmental indicators, including water use and testing strategies. NRG utilizes these benchmarks to shape requests for proposals and contract negotiations while also developing lower-impact products that reflect suppliers' efforts to reduce carbon, methane, and water intensity. This ongoing initiative began over six years ago when NRG became a founding member of the NGSC and continues to evolve.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk6

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Introduction of regulatory standards for previously unregulated contaminants

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Brazos River

(3.1.1.9) Organization-specific description of risk

NRG is subject to numerous environmental laws in the ownership and operation of power plants. Federal and state environmental laws have become more stringent over time. Future laws may require the addition of environmental controls or impose restrictions on the Company's operations including unit retirements. A number of regulations that affect the Company have been and continue to be revised by the EPA, such as the revised Effluent Limitations Guidelines (ELG). The ELG update introduces stricter requirements for wastewater management from flue gas desulfurization, fly ash, bottom ash, and mercury control, necessitating significant operational adjustments. NRG aims to meet these guidelines by phasing out coal combustion at its non-Texas units by the end of 2028 and implementing necessary controls at its Texas plants by the end of 2025. However, in 2023 the EPA proposed revisions to the ELG and sought comments, which the EPA is analyzing. The financial implications of upgrading facilities to align with these new standards could potentially strain operational and financial resources. Furthermore, any delays or difficulties in achieving compliance may lead to penalties, complicating the company's operational and financial outlook.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Fines, penalties or enforcement orders

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unlikely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the short term, the anticipated risks from evolving EPA regulations may result in increased compliance costs and operational disruptions, which could affect overall financial performance. Additionally, immediate investments maybe required for upgrading facilities and may complicate planning.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Greater compliance with regulatory requirements

(3.1.1.27) Cost of response to risk

66000000

(3.1.1.28) Explanation of cost calculation

NRG estimates that environmental capital expenditures from 2024 through 2028 required to comply with environmental laws will be approximately 66 million. The largest component is the cost of complying with ELG at the Company's coal units in Texas.

(3.1.1.29) Description of response

Our strategy includes prudent financial planning, engaging with regulators, and exploring innovative technologies to minimize costs. We aim to diversify our business to manage risks effectively. Transparency with stakeholders and community engagement are central to our approach as we fulfill our environmental responsibilities while maintaining sustainable operations.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.7) Explanation of financial figures

NRG's businesses are subject to physical, market and economic risks relating to potential effects of climate change, and policies at the national, regional and state levels to regulate GHG emissions and mitigate climate change which could adversely impact NRG's results of operations, financial condition and cash flows. (2023 10K, p. 33)

Water

(3.1.2.1) Financial metric

Select from:
☑ CAPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.6) Amount of CAPEX in the reporting year deployed towards risks related to this environmental issue

0

(3.1.2.7) Explanation of financial figures

NRG's businesses are subject to physical, market, and economic risks relating to potential effects of climate change, which can lead to water scarcity, and policies at the national, regional, and state levels to regulate water resources. These factors could adversely impact NRG's results of operations, financial condition, and cash flows.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

United States of America

☑ Brazos River

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

☑ Downstream value chain

☑ Upstream value chain

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization’s total facilities within direct operations exposed to water-related risk in this river basin

Select from:
☑ 1-25%

(3.2.5) Number of facilities within downstream value chain exposed to water-related risk in this river basin

2

(3.2.6) Number of facilities in upstream value chain exposed to water-related risk in this river basin

2

(3.2.8) % organization’s annual electricity generation that could be affected by these facilities

Select from:
☑ 26-50%

(3.2.10) % organization’s total global revenue that could be affected

Select from:
☑ 21-30%

(3.2.11) Please explain

NRG has 2 stations on the Brazos River, Limestone Generating Station and WA Parish Generating Station that are exposed to water risk. Together, Limestone and WA parish annual gross margins represent a significant amount of NRG’s annual economic gross margin of 7,072 million, as reported in the company’s 2023 Form 10-K. The Brazos River has many stakeholders that depend on water. Drought conditions have the potential to make water unavailable for stakeholders.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☑ No	*In 2023, NRG did not face any fines or penalties for water-related regulatory violations.*

[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:
☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply
☑ California CaT - ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

California CaT - ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

100

(3.5.2.2) % of Scope 2 emissions covered by the ETS

100

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

0

(3.5.2.6) Allowances purchased

50000

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

27621

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

3486

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

We purchase needed allowances to ensure we have enough.
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

NRG's strategy is to ensure we have sufficient emissions allowances as required by regulation. California has a CO2 cap-and-trade program governed by California Assembly Bill 32 (AB32). This program applies to electric generating units greater than 25 MW. The impact of this program on NRG depends on the cost of the *allowances and our ability to pass these costs through to customers. In 2023 in the California AB32 market, we were not allocated any allowances, so we purchased 50,000 to comply with the rule.*

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp6

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

NRG has entered into Renewable Power Purchase Agreements totaling approximately 1.9 GW with third-party project developers and other counterparties of which approximately 1.1 GW are operational.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The Company's strategy is to procure mid to long-term renewable generation through power purchase agreements. AThe average tenure of these agreements is eleven years. The Company expects to continue evaluating and executing similar agreements that support the needs of the business.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

Due to the competitive nature of the business, NRG does not release this information.

(3.6.1.26) Strategy to realize opportunity

The Company's strategy is to procure mid to long-term renewable generation through power purchase agreements. AThe average tenure of these agreements is eleven years. The Company expects to continue evaluating and executing similar agreements that support the needs of the business.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Increased efficiency of production and/or distribution processes

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Other, please specify **:**Illinois River

(3.6.1.8) Organization specific description

Climate change may impact the availability of secure and economical water supplies essential for NRG's generation plants. To address this, NRG identified an opportunity to improve water efficiency at its Joliet, Illinois plant, particularly by reducing water use while the plant is idling and maintaining readiness. Internal and third-party water audits facilitated this identification, and ongoing evaluations aim to quantify the financial impact of current water use versus potential solutions. In 2019, NRG submitted a permit application to the Illinois Environmental Protection Agency to implement changes that would reduce water usage. The application is still under review, and the implementation timeline, which began over four years ago, continues as the company awaits the draft permit. The expected outcome of this initiative is lower operational costs.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the short term (1-3 years), the anticipated effect of the water efficiency initiative at NRG's Joliet plant on cash flows is likely to be positive. Although the permit application process is still ongoing, the identification of opportunities to reduce water usage while the plant is idling suggests that operational costs could decrease significantly once implemented. While exact financial impacts are still being evaluated, any reduction in water expenses during idle periods will contribute to lower overall operational costs, improving cash flow. However, until the permit is granted and changes are made, the full financial benefits may not be realized immediately. Overall, this initiative represents a proactive step toward enhancing financial performance in response to climate-related challenges.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

Many variables may be involved in the increased water use at the plant, including a repowering to natural gas, changes in idling durations, and changes in net capacity factor. As a result, the financial impact of potential solutions is complex to calculate and will be evaluated later in the project once these variables have been adequately analyzed.

(3.6.1.26) Strategy to realize opportunity

The strategy to realize the opportunity for improving water efficiency at NRG's Joliet plant involved several key steps. Initially, the company conducted internal and third-party water audits to identify areas for improvement in water usage during idle periods. Recognizing the potential to reduce water consumption while the plant was online but not generating electricity, NRG continued to evaluate the financial impact of current water use versus potential solutions. In 2019, a permit application was submitted to the Illinois Environmental Protection Agency to implement operational changes aimed at reducing water usage. The company engaged with regulators to facilitate the permit process and ensure compliance. With the implementation timeline established over four years ago, NRG awaits approval for the draft permit. Once granted, the company planned to monitor operational costs to assess the effectiveness of the water conservation measures, ultimately aiming to enhance efficiency and reduce costs in response to climate change challenges.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

In March 2023, NRG completed the acquisition of Vivint Smart Home, which is a leading smart home platform that provides subscribers with technology, products and services to create a smarter, greener, safer home. A smart home has multiple devices integrated into a single expandable platform that incorporates artificial intelligence and machine-learning in its operating system allowing customers to interact with and manage their home from anywhere via the Vivint app on their smart device. Vivint Smart Home enables a customized solution for the home using integrated smart cameras (indoor, outdoor and doorbell), locks, lights, thermostats, garage door control and a host of other safety and security sensors.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

On March 10, 2023, the Company completed the acquisition of Vivint Smart Home. The Company paid 12 per share, or 2.6 billion in cash. From the March 2023 acquisition to December 2023, Smart Home has exceeded performance targets with increased average monthly recurring revenue, products sold per subscriber, and *subscriber count. Over the same time period, the adjusted EBITDA for the year was 753 million, with subscriber growth of 6% over 2022 and expanded monthly recurring service margin.*

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The Company believes its ability to offer related or adjacent products and services that leverage the existing smart home platform, as well as energy services, can extend the average subscriber lifetime and increase the lifetime value of subscribers. Vivint Smart Home's cloud-based home platform currently manages more than 30 million in-home devices as of December 31, 2023. The average subscriber on Vivint Smart Home's cloud-based home platform engages with the smart home app approximately 16 times per day and has approximately 15 devices in its home. Through the addition of Vivint Smart Home, NRG identified opportunities to improve gross margin, customer retention and customer lifetime value.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

753000000

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

0

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

0

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

0

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

0

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

0

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

0

(3.6.1.23) Explanation of financial effect figures

Vivint Smart Home Adjusted EBITDA from the acquisition in March through December 31, 2023.

(3.6.1.24) Cost to realize opportunity

2600000000

(3.6.1.25) Explanation of cost calculation

Cost to realize opportunity is estimated at purchase cost of 2.6B.

(3.6.1.26) Strategy to realize opportunity

The Company believes its ability to offer related or adjacent products and services that leverage the existing smart home platform, as well as energy services, can extend the average subscriber lifetime and increase the lifetime value of subscribers. Vivint Smart Home's cloud-based home platform currently manages more than 30 million inhome devices as of December, 31, 2023. The average subscriber on Vivint Smart Home's cloud-based home platform engages with the smart home app approximately 16 times per day and has approximately 15 devices in its home. Through the addition of Vivint Smart Home, NRG identified opportunities to improve gross margin, customer retention and customer lifetime value.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Participation in carbon market

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

☑ United States of America

(3.6.1.8) Organization specific description

NRG sells a variety of products to residential and small commercial customers in the United States and Canada, including carbon offsets and Renewable Energy Certificates.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of selling carbon offsets and RECs on NRG's financial performance and cash flows is positive across all time frames. In the short term, increased customer awareness and demand are expected to generate immediate revenue and improve cash flow. In the medium term, NRG's reputation as a trusted provider will enhance customer retention and acquisition, leading to a more stable revenue stream. In the long term, as the market shifts toward renewable energy and regulatory support for carbon reduction grows, NRG stands to capture a larger market share, driving sustained revenue growth and ensuring long-term cash flow stability.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We cannot disclose the costs associated with offering carbon offsets and Renewable Energy Certificates due to their proprietary nature. These costs involve various sensitive factors that are critical to our competitive positioning. Sharing this information could compromise our strategy, and the fluctuating nature of these costs makes precise calculations difficult.

(3.6.1.26) Strategy to realize opportunity

To realize the opportunity in selling carbon offsets and Renewable Energy Certificates, our strategy focuses on enhancing product offerings and expanding market reach. We will leverage partnerships and invest in marketing to raise awareness among residential and small commercial customers. By positioning ourselves as a trusted provider of sustainable solutions, we aim to drive customer engagement and foster long-term growth in this segment.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp4

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of carbon capture and storage

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

The Petra Nova Carbon Capture Storage facility, a CCS that was developed by NRG in concert with Department of Energy, now owned by JX Nippon, but still operated by NRG, is taking a slipstream of flue gas (about 37% of the total stream) from the W A Parish coal plant Unit 8 and captures 90% of its carbon dioxide from that slipstream during operation.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Unlikely (0–33%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the short, medium, and long term, operational efficiencies and potential revenue from carbon credits can enhance cash flow.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We cannot disclose the costs associated with the Petra Nova Carbon Capture Storage facility due to the proprietary and sensitive nature of this information.

(3.6.1.26) Strategy to realize opportunity

To realize the opportunity presented by the Petra Nova Carbon Capture Storage facility, our strategy emphasizes improving operational efficiency. By leveraging our expertise and collaborating with stakeholders, we aim to strengthen our position in sustainable energy solutions and drive growth.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp5

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of renewable energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

Ivanpah Solar Electric Generation Station, a 391 MW solar thermal plant located in California's Mohave Desert in which NRG owns 54.5% interest (2023 10K, p. 4), is currently in operation in the California market.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Unlikely (0–33%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the short term, the facility generates immediate revenue through power sales in the California market, enhancing cash flow as demand for renewable energy rises. In the medium term, California's commitment to renewable energy and supportive policies are likely to drive stable revenue growth and improved cash flow through long-term power purchase agreements and potential incentives. In the long term, as the shift to clean energy accelerates, Ivanpah is well-positioned to capitalize on growing market demand, leading to sustained revenue growth, increased profitability, and robust cash flow stability, thereby reinforcing NRG's commitment to sustainability and innovation in energy.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We cannot disclose the costs associated with the Ivanpah Solar Electric Generation Station due to their proprietary and competitively sensitive nature. These costs involve various factors, including construction, operational, and regulatory expenses. Sharing this information could compromise our competitive positioning in the renewable energy market. As such, detailed calculations remain confidential.

(3.6.1.26) Strategy to realize opportunity

To realize the opportunity presented by the Ivanpah Solar Electric Generation Station, our strategy focuses on enhancing operational efficiency and maximizing energy output. We will invest in innovative technologies and seek partnerships to expand our market reach. By leveraging our expertise in renewable energy, we aim to strengthen our position in the sector and drive long-term growth.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Other, please specify **:**For competitive reasons, NRG does not release the metric aligned with opportunities for this environmental issue.

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

0

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ Less than 1%

(3.6.2.4) Explanation of financial figures

For competitive reasons, NRG does not release the metric aligned with opportunities for this environmental issue.

Water

(3.6.2.1) Financial metric

Select from:

☑ Other, please specify **:**For competitive reasons, NRG does not release the metric aligned with opportunities for this environmental issue.

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

0

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

For competitive reasons, NRG does not release the metric aligned with opportunities for this environmental issue.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:
☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:
☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply
☑ Executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:
☑ No
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue	Primary reason for no board-level oversight of this environmental issue	Explain why your organization does not have board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Water	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Biodiversity	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)	*This issue is addressed as needed as strategic issues arise.*

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Chief Executive Officer (CEO)

☑ Chief Sustainability Officer (CSO)

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

☑ Monitoring progress towards corporate targets

☑ Reviewing and guiding annual budgets

☑ Approving and/or overseeing employee incentives

(4.1.2.7) Please explain

The NRG Board has overall oversight of ESG risks and opportunities, and integration of ESG risks and opportunities into the Company's long-term strategy. This includes an annual sustainability update and review of sustainability reporting. Certain responsibilities are delegated to board committees for more in-depth review and analysis. Since 2016, our Board's G&N Committee officially oversees corporate sustainability. The Committee reviews NRG's strategies and efforts to manage its environmental, economic, and social impacts, including, but not limited to, NRG's environmental, climate change and sustainability policies and programs. As of 2018, Sustainability became an annual agenda item at the full Board meeting and is reviewed separately by the G&N Committee, in addition to being part of general review of projects and transactions. The charter for the Governance and Nominating Committee is publicly available: https://investors.nrg.com/static-files/e22cd433-73fb-47c6-82f9-90d22fb6bf27 The Finance and Risk Management (FARM) Committee of the NRG Board has responsibility for overall risk oversight which includes understanding the material risks of the business and what steps management is taking or should be taking to manage those risks, as well as understanding and determining the appropriate risk exposure for the company. This includes considerations of energy products and services, and climate-change related risks. The FARM charter is publicly available: https://investors.nrg.com/static-files/db4463de-0d40-440c-9075-33c7fd23b1e2 The Board reviews and approves the annual business plan, budget and long-term plan, strategic initiatives, acquisitions and divestitures, and capital allocation plan. the Board may incorporate climate-related issues into relevant strategic decisions, particularly those related to physical generating assets and customer preferences. The CSO presents key strategic priorities to the full G&N Committee and full Board during scheduled meetings throughout the fiscal year. For example, NRG's science-based targets are monitored and proposals to make significant changes to the goals are presented to the Board for approval.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions’ accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions’ accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

☑ Reviewing and guiding annual budgets

(4.1.2.7) Please explain

NRG water resources, compliance, and regulatory issues are discussed with the Board. The Governance & Nominating Committee (which hears briefings from the Chief Sustainability Officer at least twice annually) handles water issues including the nature, ambition, and timescale of goals; the assessment of environmental water risks; and the overall direction of the company’s water strategy as formulated by Sustainability, Environmental, and Regulatory staff. This Board committee’s risk oversight focus areas include: “Strategies and efforts to manage the company’s environmental, economic and social impacts, including, environmental, climate

change and sustainability policies and programs," which include water. Other committees and the Board as a whole also deal with water issues as relevant. In October 2021, NRG informed its regulators that it intends to comply with the 2020 ELG for Steam Electric Generating Facilities. This amended rule imposed more stringent requirements for wastewater streams from flue gas desulfurization (FGD), fly ash, bottom ash, and flue gas mercury control. NRG stated it would comply with the 2020 ELG Rule by ceasing combustion of coal by the end of 2028 at its domestic coal units outside of Texas and by installing appropriate controls by the end of 2025 at its two plants that have coal-fired units in Texas. On March 29, 2023, the EPA proposed revisions to the ELG and sought comments, which the EPA is analyzing. Our Board's decision to adopt this long-term outlook equips us to satisfy future water quality-related environmental compliance requirements. NRG's future efforts will continue to focus on water stewardship.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Integrating knowledge of environmental issues into board nominating process

Water

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Integrating knowledge of environmental issues into board nominating process
[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

Chair, President and Chief Executive Officer has overall responsibility for the company's climate change-related issues and management, including creating and approving emissions reduction goals. The CEO reviews all sustainability-related strategies, goals, targets, and metrics, which are then reviewed by the Company's

G&N Committee and the full Board of Directors. The CEO is directly involved with creating and approving NRG's emissions reductions goals. For example, in 2019, the CEO proposed, and the Board approved, the decision to accelerate NRG's emissions reduction goals to be in line with a 1.5 Celsius degree trajectory. The CEO manages the annual budgets for all activities including climate mitigation.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Strategy and financial planning

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ Quarterly

(4.3.1.6) Please explain

Chair, President and Chief Executive Officer has overall responsibility for the company's water-related issues and management, including spending on any water issues.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level
☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities
☑ Assessing environmental dependencies, impacts, risks, and opportunities
☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement
☑ Managing engagement in landscapes and/or jurisdictions
☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets
☑ Monitoring compliance with corporate environmental policies and/or commitments

Strategy and financial planning
☑ Developing a business strategy which considers environmental issues
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

Chair, President and Chief Executive Officer has overall responsibility for the company's biodiversity-related issues and management, including spending on any biodiversity and nature-related issues.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

15

(4.5.3) Please explain

We incorporate an ESG metric into the company's annual cash incentive plan, linking our executive compensation program directly to our ESG commitments and objectives. The ESG metric includes: • Customer satisfaction • EKPIs • Update internal Scope 3 GHG inventory for current year data • Diversity recruiting practices • Employee well-being For Named Executive Officers (NEOs), the ESG metric has a 15% weight in the determination of annual cash incentive plan funding.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

15

(4.5.3) Please explain

We incorporate an ESG metric into the company's annual cash incentive plan, linking our executive compensation program directly to our ESG commitments and objectives. The ESG metric includes: • Customer satisfaction • EKPIs • Update internal Scope 3 GHG inventory for current year data • Diversity recruiting practices • Employee well-being For NEOs, the ESG metric has a 15% weight in the determination of annual cash incentive plan funding. The EKPIs takes into consideration water related issues.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Emission reduction

☑ Other emission reduction-related metrics, please specify :Completing a comprehensive NRG Scope 3 GHG inventory and communicating results internally to appropriate leaders.

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In 2022, NRG began incorporating an ESG metric into its annual cash incentive plan, directly linking our executive compensation program to our ESG commitments and objectives. In 2023, NRG continued to integrate an ESG metric into its annual cash incentive plan, further solidifying the connection between executive compensation and our commitment to environmental, social, and governance objectives. Items included in the 2023 ESG metric are customer satisfaction, the Environmental Performance Index (EPI), and various employee recruitment, development, and well-being-related indicators. The ESG metric has a 15% weight in the determination of annual cash incentive plan funding. The EPI is based on existing EKPIs and the update of the Scope 3 GHG emission inventory for current year data (GHG measure), each weighted 50%. The EPI is calculated based on a hierarchy of measurable achievement, designated as threshold, target, and maximum levels of achievement. The GHG measure is set as incomplete, developed, or break-out and communicate results internally by emission owner. The AIP award performance criteria is applicable to all active NEOs (other than our Interim CEO, who was not eligible for an AIP award), and all AIP-eligible employees.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

NRG's climate transition strategy levers include decarbonization of our existing business lines through retiring fossil fuel generation assets when they reach end of life, divestment of select high emissions assets, and diversification into low emissions businesses such as by providing our customers with renewable electricity. Developing carbon intensity measures, as required to achieve part of our ESG incentive, allows NRG to better track (1) the climate impact over time of power generation asset retirements and divestitures and (2) the impact of providing more renewable electricity to our customers over time. For several years, NRG has been pursuing a strategy to secure renewable electricity on behalf of its customers through medium- and long-term renewable power purchase agreements (PPAs).

Quantifying the carbon intensity of our electricity sales, inclusive of these renewable PPAs, allows us to track the climate impact of this strategy. Our ESG incentive is backed by the prospect of monetary reward (or, conversely, the forfeiture of monetary reward in the event of failure).

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Achievement of environmental targets

Pollution

☑ Reduction of water pollution incidents

☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In 2022, NRG began incorporating an ESG metric into its annual cash incentive plan, directly linking our executive compensation program to our ESG commitments and objectives. In 2023, NRG continued to integrate an ESG metric into its annual cash incentive plan, further solidifying the connection between executive *compensation and our commitment to environmental, social, and governance objectives. Items included in the 2023 ESG metric are customer satisfaction, the EPI, and various employee recruitment, development, and well-being-related indicators. The ESG metric has a 15% weight in the determination of annual cash incentive plan funding. The EPI is based on existing EKPIs and the update of the GHG measure, each weighted 50%. The EPI is calculated based on the achievement of threshold (37.5), target (27.0), and maximum (19.5) EKPI events. The GHG measure is set as incomplete, developed, or break-out and communicate results internally by emission owner. The AIP award performance criteria is applicable to all active NEOs (other than our Interim CEO, who was not eligible for an AIP award), and all AIP-eligible employees.*

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

NRG Energy's compensation framework is essential for achieving its environmental targets and commitments, as it directly ties EKPIs to employee rewards. These metrics encompass environmental incidents such as reportable spills, permit deviations, and NOVs. By incentivizing performance in these critical areas, the compensation structure encourages employees to actively prioritize and engage with environmental goals. This alignment fosters a culture where every team member contributes to the company's sustainability objectives, driving meaningful progress and accountability in fulfilling NRG's environmental commitments.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Facility/Unit/Site management

☑ Other facility/unit/site manager, please specify :All operations employees

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Emission reduction

☑ Implementation of an emissions reduction initiative

(4.5.1.4) Incentive plan the incentives are linked to

Select from:
☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Compensation of NRG's power plant personnel is, in part, based on EKPI scores. Factors that affect the EKPI are performance, environmental reporting, and the econrg projects that can reduce GHGs in the community or plant. The EKPI score takes into account the accuracy of continuous emissions monitoring systems (CEMS) and whether a plant has complied with regulatory requirements such as the EPA's Mandatory Greenhouse Gas Reporting Rule (40 CFR Part 98).

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

This incentive provides a powerful and continuous reminder to our Plant Operations team – which is directly responsible for our Scope 1 emissions and other environmental impacts including air emissions, water use, and waste – about the importance of environmental and climate stewardship at NRG. The incentive is backed by the prospect of monetary reward (or, conversely, the forfeiture of monetary reward in the event of failure).
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

1. Reducing our climate impacts by integrating environmental considerations into business operations and strategy, operating more efficiently and using cleaner technologies that are cost effective. Additionally, clear policy signals can help drive private sector actions and investments that accelerate the transition to a low-carbon economy. To that end, NRG supports policies on climate change that aligns with the ambition of the Paris Agreement, as stated in our publicly available Climate Change Principles: https://www.nrg.com/assets/documents/sustainability/2022_climate_change_principles.pdf 2. Promote stewardship of, and conserve the biodiversity at, our facilities and communities 3. Our operations are in line with water goal SDG 6 as stated in our 2023 Sustainability Report which is attached elsewhere in CDP and publicly available: https://www.nrg.com/assets/documents/sustainability/2023-nrg-sustainability-report.pdf

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

Water-specific commitments

☑ Commitment to control/reduce/eliminate water pollution

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

NRG-Environmental-Policy-Statement.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Science-Based Targets Initiative (SBTi)

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ Other, please specify :Gulf Coast Carbon Collaborative, EV100

(4.10.3) Describe your organization’s role within each framework or initiative

EV100: In 2021, NRG announced participation in the Climate Group EV100 initiative and set a goal to electrify 100% of our light-duty vehicles by 2030. SBTi: NRG is proud to be the first power company in North America to have had our climate goals validated by SBTi as 1.5C-aligned, the most ambitious designation available when our goals were validated in March 2021. Today, our 2025 climate goal is characterized as 1.5C-aligned. TCFD: NRG has a longstanding commitment to sustainability transparency and disclosure. We follow the leading globally accepted frameworks and standards to provide decision-useful information to our stakeholders. We published our inaugural TCFD report in December 2021 and are currently working on an update that will address the TCFD recommendations for two major acquisitions we have subsequently made. Gulf Coast Carbon Collaborative (GCCC): NRG is a founding member of the GCCC, which is part of the U.S. Business Council for Sustainable Development (USBCSD), which in turn is part of the World Business Council for Sustainable Development (WBCSD). The GCCC convenes working groups on the energy transition, nature-based solutions, CCUS, and hydrogen. It is a cross-industry group designed to mobilize the collective energy and motivation of businesses in the Gulf Coast to create measurable, long-term impact in reducing carbon emissions in the region while enhancing economic vitality.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

NRG Political Contribution Policy.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:
☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

NRG participates in the political process to advance our long-term strategy and the interests of our stockholders, employees, customers, and stakeholders. Dedicated to transparency, we appreciate the need to disclose our political and policy-related activity and do so annually through our Public Policy Engagement and Corporate Political Contributions report. The report lists all membership organizations, trade associations, and social welfare organizations to which NRG paid annual dues in 2023 of 25,000 or more, and which were registered to lobby at the state or federal levels and who did, in fact, engage in such lobbying, as well as the total amount paid to such organizations in 2023. The report also lists all political contributions the company made in 2023. We share more details about our engagement with third parties in our Industry Association Climate Review report and our Climate Change Principles, both publicly available on our website or through our annual sustainability report.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

US: Proposed Federal Acquisition Regulation: Disclosure of Greenhouse Gas Emissions and Climate-Related Emissions and Climate-Related Financial Risk

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Other

☑ Other, please specify :SBTi

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ United States of America

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization’s proposed alternative approach to the policy, law, or regulation

NRG supports the FAR rule with the following exception: we do not support the inclusion of the SBTi validation requirement. The other requirements in the FAR are sufficient to achieve its goals.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Ad-hoc meetings

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

NRG has Scope 1, 2, and 3 goals: a 50% reduction in Scope 1, 2, and 3 business travel by 2025 and net zero in the same components by 2050, using a 2014 baseline. NRG has achieved a 58% reduction in CO2e since 2014 as of the end of 2023. The measure of NRG's success is the action we have taken to reduce CO2e including how we are helping our customers with their decarbonization strategies. NRG engaged with SBTi for many years, obtaining validated targets. The US government should only depend upon transparent validation schemes over which it may reasonably have a chance to comment just as it does in a normal regulatory context.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Another global environmental treaty or policy goal, please specify **:**Our net zero by 2050 target

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Underway - previous year attached

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Other, please specify

(4.12.1.6) Page/section reference

pp. 16-21, long-term still applies to current year, we are currently doing preliminary work which will be completed in 2025.

(4.12.1.7) Attach the relevant publication

(4.12.1.8) Comment

Long term efforts include: 1. On the retail side of its business, NRG is expanding its data and analytics capabilities and technology-enabled products and services to allow its customers to choose and consume energy products and services that best meet their needs, including their needs for low carbon energy 2. We are committed to operating in an environmentally responsible manner and in compliance with all applicable environmental requirements. Our Environment-Over-Production policy sets a clear directive that environmental compliance takes precedence over production at NRG. Every employee is empowered to take necessary steps to always maintain environmental compliance. 3. Both acute and chronic physical risks and are always considered in assessments by NRG's Financial Risk Management Committee. Monitoring of acute physical risks occurs on an ongoing basis. The frequency of reporting varies depending on the materiality and type of risk. Internally, the Financial Risk Management Committee meets quarterly to review existing risks and approve mitigation initiatives.

Row 2

(4.12.1.1) Publication

Select from:

☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Water accounting figures

☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Value chain engagement
☑ Water pollution indicators
☑ Content of environmental policies

(4.12.1.6) Page/section reference

These topics are comprehensively addressed throughout the entire report.

(4.12.1.7) Attach the relevant publication

2023-nrg-sustainability-report.pdf

(4.12.1.8) Comment

Report Link: https://www.nrg.com/assets/documents/sustainability/2023-nrg-sustainability-report.pdf
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Other, please specify **:**We completed a scenario analysis in 2020 and will be completing another in 2025 including our acquisitions.

(5.1.4) Explain why your organization has not used scenario analysis

We have had acquisitions that need to be included and have completed a double materiality assessment in 2024 that will help inform this work.

Water

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Every three years or less frequently

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ Customized publicly available climate physical scenario, please specify

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Other local ecosystem asset interactions, dependencies and impacts driving forces, please specify

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

In 2020-2021, NRG conducted a TCFD climate scenario analysis. The analysis examines the fuel mix and associated GHG intensity of NRG electricity sales under an EIA carbon fee scenario over 2026-2050. • Analysis scope: legacy NRG (i.e., does not include Direct Energy, acquired January 2021) • Analysis focus: NRG total electricity sold • Note: this metric is more expansive than NRG electricity generated and aligns with NRG's increasing strategic focus on energy retail rather than primarily on electricity generation as in the past • NRG electricity sold NRG retail sales other market sales • NRG electricity sold is supplied by (1) NRG electricity generation (2) NRG renewable and non-renewable electricity PPAs (3) market purchases of electricity when NRG's retail load (demand for electricity by NRG's customers) exceeds the sum of NRG electricity generation and NRG electricity PPAs • NRG retail load assumed to grow at 1.2% per annum, 2026-2050 Data sources: • 2014, 2019, and 2020: NRG actuals • Excludes divestitures of power plants over 2014-2020 • Includes electricity generation and retail load in ERCOT, PJM, NYISO, ISO-NE, and MISO regions, as well as generation in CAISO • Adjusted per the methodology described below • 2025: NRG 2020 budget, adjusted per the methodology described below • 2026-2050: NRG and EIA scenario data Carbon price: • EIA 15 carbon fee case • 15 per metric ton of CO2e starting in 2021 • Carbon price rises at 5% per annum in real terms through 2050 • 2050 carbon price is 128.27 in nominal terms and 61.70 in real terms • NRG scenario analysis applies carbon price over 2026-2050 • In 2026, carbon price is 22.78 per metric ton of CO2e in nominal terms and 19.10 in real terms Methodology to calculate fuel mix and GHG intensity: • NRG market purchases of electricity are allocated to fuel types based on annual Independent System Operator (ISO) generation by fuel type, excluding NRG electricity generation • ISO market fuel mix is based on EIA 15 per metric ton of CO2e carbon fee case • For 2014-2025, renewable electricity credits (RECs) retired on behalf of NRG customers are overlaid on the above resulting total electricity sales by fuel type, converting fossil fuel types (coal, natural gas) to the renewable fuel type on a pro-rata basis • From 2026, RECs are assumed no longer to be needed given sufficient renewables in NRG's portfolio

(5.1.1.11) Rationale for choice of scenario

In 2020-2021, NRG Energy conducted a TCFD climate scenario analysis to evaluate the impact of an EIA carbon fee scenario on its electricity sales from 2026 to 2050. This analysis focused on NRG's total electricity sold, encompassing retail sales and market transactions, reflecting the company's shift toward energy retail. A key insight from this analysis is that less carbon-intensive energy sources, such as renewables, typically require significantly less water compared to fossil fuels. By applying a carbon price that starts at 15 per metric ton of CO2e and rises annually, NRG can strategically shift its fuel mix toward these lower-carbon sources, thus *reducing not only greenhouse gas emissions but also the water intensity of its electricity supply. This dual benefit aligns with TCFD principles, enhancing NRG's risk management and transparency while supporting sustainability goals in an increasingly resource-constrained environment.*

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ Bespoke physical climate scenario

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0ºC and above

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030
☑ 2040
☑ 2050
☑ 2060
☑ 2070
☑ 2080
☑ 2090

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Other local ecosystem asset interactions, dependencies and impacts driving forces, please specify

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

NRG worked with a third-party to conduct a physical climate scenario risk assessment for all of our assets. We are in the process of analyzing the extensive datasets provided to gain valuable insights.

(5.1.1.11) Rationale for choice of scenario

NA
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Carbon has been recognized as a portfolio risk, as detailed in our TCFD climate scenario analysis. Moreover, we have financial obligations under RGGI and CA AB32, along with the increasing probability of carbon taxes being implemented. Beyond this, physical risks include sea level rise and extreme weather events which can affect the productivity of our power generating assets as well as customer demand. Increased severity of extreme weather events could disrupt NRG's operations and supply chain and cause them to incur significant costs in preparing for, or responding to, these effects. These or other changes in weather patterns could lead to increased operating costs, capital expenses, or commodity purchase costs. Several of our generation assets are in Texas, where recent severe weather events have affected the productivity of power generating plants. Large amounts of water withdrawals are required for our fossil fuel generation assets in Texas. The increased severity of extreme weather events in this region could lead to reduced water availability in these areas. Our transition-risk based climate scenario guides our low carbon transition. We plan to reduce our dependence on large quantities of water withdrawals by diversifying our current generation fleet and divesting or retiring uneconomic carbon-intensive power generating assets, which require large water withdrawals to operate. Additionally, NRG monitors water risk actively and carefully and works with local entities on water quality and safety.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

	Transition plan	Primary reason for not having a climate transition plan that aligns with a 1.5°C world	Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world
	Select from: ☑ No, but we are developing a climate transition plan within the next two years	*Select from:* ☑ Other, please specify :Mergers and Acquisitions	*We have a prior transition plan that we are currently updating after recent divestments and acquisitions.*

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Extreme weather events can cause volatility in energy markets and prolonged customer outages, which lead to lost revenue and increase the likelihood of late bill payments that can impact cash flow. NRG's strategy with respect to products and services is to meet the need of its customers by providing a variety of energy products and services. To mitigate the short-term risks of extreme weather events and other risks on our customers, NRG develops various products and services that are offered throughout NRG's brands. When considering possible solutions, NRG analyzes how a customer uses electricity and develops a tailored, optimized plan for staying fully operational. Our expertise is leading customers to greater levels of cost stability and resilience, expanding their view of what sustainability can mean in the process. In this way, we're bringing real-world value to businesses and communities, by showing them how to combat extreme climate events with reassurance and forward energy planning. As part of our strategy to provide customers with sustainable products and services, NRG had secured 1.9 GW of renewable PPAs as of December 31, 2023. In addition to renewable energy subscription plans, NRG also provides other sustainable products and services including certified carbon offsets and renewable electricity credits, certified natural gas, renewable natural gas, microgrids, energy storage and resilience solutions, demand-side solutions, and sustainability concierge and advisory services.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Supply chain impacts, including ones related to climate, are important because NRG's costs, results of operations, financial condition and cash flows could be adversely impacted by disruption of its upstream fuel supplies, which may be driven by both physical climate risks and ongoing transition climate risks. NRG relies on natural gas and coal to fuel a majority of its power generation facilities. Delivery of these fuels to the facilities is dependent upon the continuing financial viability of contractual counter parties as well as upon the infrastructure (including rail lines, rail cars, barge facilities, roadways, riverways and natural gas pipelines) available to serve each generation facility. As a result, NRG is subject to the risks of disruptions or curtailments in the production of power at its generation facilities if no fuel is available at any price, or if a counter party fails to perform, or if there is a disruption in the fuel delivery infrastructure. To mitigate this risk, NRG continually monitors its fuel supplies and may decide to pre-purchase fuel and diversify its fuel mix and supplier base. Disruption can occur during extreme cold weather events on the Eastern or Gulf Coast of the U.S. where ice creates safety hazards for unloading barges and sustained cold necessitates operations to close. When the ice melts, the river rises and currents are too swift, further hampering deliveries. The impact of these water risks on barge delivery is evaluated daily, with contingency plans developed as needed. NRG assets located along the Eastern or Gulf coast of the U.S. that rely on barge fuel delivery may be impacted if there is a disruption. So, decisions may be made to find alternate land-based transportation to avoid shortages.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Deployment of climate-related technologies and innovations is important to our strategy because failure to do so may impair the value of NRG's power plants or retail products. Climate-related technologies include more efficient technologies to produce power, such as wind, photovoltaic (solar) cells, energy storage, and improvements in traditional technologies and equipment, such as more efficient gas turbines. Advances in these or other technologies could reduce the costs of power production to a level below what NRG has currently forecasted, which could adversely affect its cash flows, results of operations or competitive position. NRG may also potentially be affected by emerging technologies that may over time affect change the energy industry overall with the inclusion of distributed generation and clean technology. Some emerging technologies like distributed renewable energy technologies, broad consumer adoption of electric vehicles, and energy storage devices could affect the price of energy. These emerging technologies may affect the financial viability of utility counterparties and could have significant impacts on wholesale market prices, which could ultimately have a material adverse effect on NRG's financial condition, results of operations and cash flows. We have established relationships with a variety of organizations that are helping us make progress toward our goals. These organizations include the following: Climate Group EV100, Greentown Labs (founding sponsor, Houston Expansion), the US Business Council on Sustainable Development (founding member, Gulf Coast Carbon Collaborative, Rice University Carbon Hub, the Rice University Baker Institute Center for Energy Studies (Working Group on CCUS and Hydrogen), the Rice Alliance for Technology and Entrepreneurship (founding supporter, the Rice Alliance Clean Energy Accelerator, Evolve Houston (founding member),the University of Houston and Southern States Energy Board, and Carbon-to-Value (founding member).

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As we help to drive the energy transition through increasingly more sustainable products and solutions, our goal is to provide more clean energy choices to our customers and help reduce overall environmental and social impacts associated with the use of our products. This includes: • Providing sustainable energy solutions to customers, optimizing our generation on an ongoing basis • Reducing the carbon footprint of our operations • Leveraging cleaner energy technologies such as battery storage and the incorporation of renewables • Supporting the advancement of our employees through initiatives spanning health, safety, personal and professional growth, and DE&I

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

	Describe how environmental risks and/or opportunities have affected these financial planning elements
Row 1	

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☑ No, but we plan to in the next two years

[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:

☑ Yes

(5.5.2) Comment

NRG provided research dollars to startups through the Carbon to Value Program (C2V Initiative), a multiyear collaboration between Urban Future Lab, Greentown Labs, and Fraunhofer USA, supported by NYSERDA, and the Carbontech Leadership Council (CLC). The CLC consists of corporates including NRG, governments, and carbon technology experts. During 2023, it was year 3 of the program. We participated in the selection process to determine finalists from an initial large set of applications, a round 2 that selected the cohort of 12 finalists that did a live pitch which we reviewed live, then we picked the top 8 participants to join the C2V Year 3 Cohort. NRG mentored a startup that was performing carbon sequestration, the judge was the lead mentor that assisted in obtaining a nondisclosure agreement and then drew in experts from the company that could give them a tour of the Petra Nova CCS facility and the coal plant that supplied the slipstream of CO2 that needed to be used at Petra Nova. The lead mentor and experts provided continuous feedback over a few months of participation that led to a final presentation by the startup for a C2V audience. It was a wonderful opportunity to participate in R&D of new low-carbon technology.

[Fixed row]

(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Row 1

(5.5.7.1) Technology area

Select from:

☑ Carbon capture, utilization, and storage (CCUS)

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Applied research and development

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

0

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

NRG provided research dollars to startups through the Carbon to Value Program (C2V Initiative), a multiyear collaboration between Urban Furture Lab, Greentown Labs, and Fraunhofer USA, supported by NYSERDA, and the Carbontech Leadership Council. The Carbontech Leadership Council consists of corporates including NRG, governments, and carbontech experts. During 2023, it was year 3 of the program. We participated in the selection process to determine finalists from an initial large set of applications, a round 2 that selected the cohort of 12 finalists that did a live pitch which we reviewed live, then we picked the top 8 participants to join the C2V Year 3 Cohort. NRG mentored a startup that was performing carbon sequestration, the judge was the lead mentor that assisted in obtaining a nondisclosure agreement and then drew in experts from the company that could give them a tour of the Petra Nova CCS facility and the coal plant that supplied the slipstream of CO2 that needed to be used at Petra Nova. The lead mentor and experts provided continuous feedback over a few months of participation that led to a final presentation by the startup for a C2V audience. It was a wonderful opportunity to participate in R&D of new low-carbon technology.

[Add row]

(5.7) Break down, by source, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

Coal – hard

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Lignite

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Oil

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Gas

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Sustainable biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Other biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Waste (non-biomass)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Nuclear

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Geothermal

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Hydropower

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Wind

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Solar

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Marine

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Fossil-fuel plants fitted with CCS

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Other renewable (e.g. renewable hydrogen)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.

Other non-renewable (e.g. non-renewable hydrogen)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

For competitive reasons, we do not release this information publicly.
[Fixed row]

(5.7.1) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Row 1

(5.7.1.1) Products and services

Select from:
☑ Other, please specify **:**For competitive reasons, we do not release this information publicly.

(5.7.1.2) Description of product/service

N/A

(5.7.1.3) CAPEX planned for product/service

0

(5.7.1.4) Percentage of total CAPEX planned for products and services

0

(5.7.1.5) End year of CAPEX plan

2024
[Add row]

(5.9) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

0

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

0

(5.9.3) Water-related OPEX (+/- % change)

0

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

0

(5.9.5) Please explain

For competitive reasons, we do not release this information publicly.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Primary reason for not pricing environmental externalities	Explain why your organization does not price environmental externalities
	Select from: ☑ No, but we plan to in the next two years	*Select from:* ☑ Other, please specify :Considering which is best application of internal price	*Evaluating which is best application of internal price*

[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

In 2023, NRG evaluated the suppliers within the NRG corporate procurement system with which we conducted business during the fiscal year. Our analysis of environmental impact included calculating the Scope 3 emissions of the suppliers based upon our procurement activities. Our analysis allowed us to highlight the high emitting categories as well as the high emitting suppliers.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ Unknown

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ No, we do not currently assess the dependencies and/or impacts of our suppliers, but we plan to do so within the next two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Procurement spend

(5.11.2.4) Please explain

Our supply chain initiatives include evaluating risks and opportunities in our purchased goods and services, enhancing the ways we select suppliers, developing strong manufacturing standards and internal policies, and promoting environmental disclosure practices for those with whom we do business. In 2023, we continued advancing transparency and disclosure by participating in the world-leading CDP Supply Chain engagement program. Once a year, we ask our top suppliers (who make up 90% of our spend) to disclose information about their water- related risks and performance in the CDP Questionnaire.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Procurement spend

(5.11.2.4) Please explain

Our supply chain initiatives include evaluating risks and opportunities in our purchased goods and services, enhancing the ways we select suppliers, developing strong manufacturing standards and internal policies, and promoting environmental disclosure practices for those with whom we do business. In 2023, we continued advancing transparency and disclosure by participating in the world-leading CDP Supply Chain engagement program. Once a year, we ask our top suppliers (who make up 90% of our spend) to disclose information about their water- related risks and performance in the CDP Questionnaire.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:
☑ No, but we plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:
☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

In accordance with NRG's Supplier Code of Conduct, we expect our suppliers to adhere to, and ideally surpass, all relevant environmental laws and regulations. Furthermore, as outlined in our Human Rights & Social Responsibility Standards for Manufacturers Policy, we require all new subcontractors and suppliers to undergo an audit as soon as practicable following their engagement with NRG. Upon receiving a “favorable” or “acceptable” audit result—determined through careful evaluation of any identified issues—a facility will be scheduled for its next audit approximately three years later. This timeline may be adjusted if significant changes occur at the facility, if there are shifts in management, or if credible reports of issues arise that necessitate an earlier review. If non-compliance with our standards is identified, manufacturers must undertake corrective actions. These actions should focus on identifying root causes and implementing management systems to prevent future occurrences. NRG reserves the right to suspend any agreements with the manufacturer until corrective measures are successfully implemented or to terminate the relationship entirely if necessary.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ No, but we plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

In accordance with NRG's Supplier Code of Conduct, we expect our suppliers to adhere to, and ideally surpass, all relevant environmental laws and regulations. Furthermore, as outlined in our Human Rights & Social Responsibility Standards for Manufacturers Policy, we require all new subcontractors and suppliers to undergo an audit as soon as practicable following their engagement with NRG. Upon receiving a "favorable" or "acceptable" audit result—determined through careful evaluation of any identified issues—a facility will be scheduled for its next audit approximately three years later. This timeline may be adjusted if significant changes occur at the facility, if there are shifts in management, or if credible reports of issues arise that necessitate an earlier review. If non-compliance with our standards is identified, manufacturers must undertake corrective actions. These actions should focus on identifying root causes and implementing management systems to prevent future occurrences. NRG reserves the right to suspend any agreements with the manufacturer until corrective measures are successfully implemented or to terminate the relationship entirely if necessary.

[Fixed row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Other, please specify **:**CDP Supply chain program

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect climate transition plan information at least annually from suppliers

☑ Collect environmental risk and opportunity information at least annually from suppliers

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In 2023, we continued to enhance transparency and disclosure through our participation in the CDP Supply Chain engagement program, a crucial initiative for NRG that aligns with our vision for a sustainable energy future. This year marks our seventh year in the program, where we actively encourage our top 90% of suppliers by spend to report their climate-related information via the CDP Questionnaire. Our goal with this engagement is to foster greater accountability and proactive climate action among our suppliers. We aim to see improved climate management practices and sustainability efforts as a direct result of this collaboration. Success will be evaluated based on the quality of responses we receive from suppliers in the CDP Climate Change Questionnaire, reflecting their commitment to addressing climate challenges.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Other, please specify :CDP Supply chain program

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect WASH information at least annually from suppliers

☑ Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)

☑ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In 2023, we continued advancing transparency and disclosure by participating in the CDP Supply Chain engagement program. This initiative supports NRG's vision to create a sustainable energy future. 2023 marks NRG's seventh year participating in CDP's Supply Chain Engagement program. As members of this program, we ask all suppliers that comprise the top 90% of our total spend to participate and report their water- and climate-related information in the CDP Questionnaire. A desired outcome of this engagement activity is that we hope to see more responsible water management and stewardship from suppliers. Success of this engagement will be measured by the quality of responses from the suppliers that we requested to submit CDP Water Security Questionnaires.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

A core part of our strategy is to provide solutions for our customers and help to lead the transition to a more sustainable future. Our goals are to provide more clean energy choices in more locations, closer to our customers, and to understand and help reduce the overall environmental and societal impacts associated with their energy use. We offer sustainable products and services to large commercial and industrial customers, small businesses, and residential customers. We engage with our customers through a variety of methods and channels, from our website, email, phone, and social media posts as well as speaking at conferences, authoring white papers, and offering consulting services. The products and services NRG offers includes NRG products and services are highlighted in our sustainability report (p. 13 & 14) and include programs such as demand response, solar buy back, EV charging, smart thermostats, renewable energy, and energy storage and resilience solutions, etc. NRG also participates in pilot programs to learn through the experience with customers. In 2023, we piloted programs with the Texas aggregated distributed energy resource (ADER), an EV charging proof-of concept, free smart thermostat installation. NRG's ongoing engagement with our customers provides insights into how we might innovate to better serve our customers' needs, expand our offerings, and enhance our business.

(5.11.9.6) Effect of engagement and measures of success

Engagement and measurement of success involve collecting and summarizing customer testimonials and case studies that highlight their experiences with our products and services, particularly our sustainable offerings. In the Customers chapter of our 2023 Sustainability Report, we present a detailed list and descriptions of our sustainable products and services tailored for both residential (pages 11-12) and business customers (pages 46-49). In 2020, the Compensation Committee of NRG's Board added Net Promoter Score (NPS) as a key performance indicator governing annual incentive compensation for Named Executive Officers (see page 64, footnote (5)(a) of the 2023 Proxy Statement. NPS measures the overall satisfaction of a customer with NRG's products and services as well as a customer's loyalty to NRG's brand, as determined through a customer survey. The NPS is an index ranging from negative 100 to positive 100. To calculate the NPS, detractors (those that assign a score 6 or less out of 10) are subtracted from promoters (those that assign a score of 10 or 9). For example, if 50% of respondents to the survey are promoters and 10% are detractors, the NPS is 40%. The Company uses an external company to assess NPS scores, thereby ensuring objective
[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

(5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

Select from:

☑ No, and we do not plan to within the next two years

(5.13.2) Primary reason for not implementing environmental initiatives

Select from:
☑ Not an immediate strategic priority

(5.13.3) Explain why your organization has not implemented any environmental initiatives

NRG is currently not focusing on CDP Supply Chain member engagement initiatives. Our resources are primarily allocated to high-impact projects that align closely with our business objectives, reflecting our current strategic priorities. We recognize the importance of supply chain engagement and are committed to assessing these opportunities as part of our long-term strategy, ensuring they align with our evolving goals and stakeholder expectations. As we move forward, we remain open to exploring these initiatives when the timing and capacity allow for meaningful engagement.
[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Equity share

(6.1.2) Provide the rationale for the choice of consolidation approach

NRG employs a hybrid of operational control and equity share approach to account for its greenhouse gas emissions. The hybrid approach means that emissions from sources that are owned or controlled by NRG as of December 31, 2023 are fully accounted for by the Company. Emissions from all jointly owned electric generating facilities located in North America are allocated based on the Company's equity share of ownership as of December 31, 2023. Acquisitions and dispositions during the reporting year have been evaluated for inclusion or exclusion in the organizational boundary based on the guidance outlined in the World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard-Revised Edition.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Equity share

(6.1.2) Provide the rationale for the choice of consolidation approach

NRG uses an equity share approach to account for water withdrawals across its generation facilities, attributing water use in proportion to our ownership stake in each facility. This method offers a precise and transparent reflection of our environmental impact, enabling us to effectively manage and report our water usage based on our actual share of operations.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**N/A

(6.1.2) Provide the rationale for the choice of consolidation approach

N/A

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**N/A

(6.1.2) Provide the rationale for the choice of consolidation approach

N/A
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply

☑ Yes, a divestment

☑ Yes, other structural change, please specify :Retirement

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

In 2023, NRG retired 15 gas units, including 12 gas turbines at Astoria and units 6, 7, and 8 at Joliet. Additionally, the company divested its interests in the Gregory facility and the South Texas Project. NRG retired or divested 3,298 MW in 2023.

(7.1.1.3) Details of structural change(s), including completion dates

In 2023, NRG retired the Astoria and Joliet facilities. The Gregory facility was sold on October 1, 2023, and NRG's ownership stake in the South Texas Project was sold on November 1, 2023. NRG retired or divested 3,298 MW in 2023.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☑ No

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 2, location-based

☑ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol.

(7.1.3.4) Past years' recalculation

Select from:

☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ US EPA Mandatory Greenhouse Gas Reporting Rule

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure	*N/A*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ Yes

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

The NRG 2023 GHG inventory focused on direct emissions from fossil fuel consumption at electric generating facilities, purchased electricity, and business travel. Tolling agreements are currently excluded from the organizational boundary. Hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF6), and nitrogen trifluoride (NF3) emissions have been omitted as they are not material sources of greenhouse gases for the Company. Scope 1 emissions represent GHG emissions that occur from fuel combustion in boilers, turbines, and engines used to generate wholesale electric power at facilities within our organizational boundary. GHG emissions from combustion of fossil fuels used for other activities or equipment, such as auxiliary boilers, starter engines, generators, company fleet vehicles, and office and warehouse facility emissions are not included in Scope 1 inventory at this time as the associated emissions are immaterial. Scope 2 emissions exclude GHG emissions from purchased electricity in Australia. Scope 3 Business Travel emissions include business-related travel activities with a travel start date within the reporting year and booked through NRG's third-party travel agency. Travel booked outside the travel agency is excluded, and, as such, taxi, ride-share services, and business travel in employee-owned vehicles are not included in the calculation. The impact of the travel booked outside the travel agency is immaterial.

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

☑ Scope 3: Business travel

(7.4.1.3) Relevance of Scope 1 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.4) Relevance of location-based Scope 2 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.5) Relevance of market-based Scope 2 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.8) Estimated percentage of total Scope 1+2 emissions this excluded source represents

0

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

0

(7.4.1.10) Explain why this source is excluded

The emissions from excluded sources are insignificant when compared to NRG's Scope 1 and 2 emissions from US domestic generation. The effort to calculate these emissions on an annual basis is disproportionately large compared to the small amount of additional but immaterial information.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

The emissions from excluded sources are insignificant when compared to NRG's Scope 1 and 2 emissions from electric generation facilities.
[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2014

(7.5.2) Base year emissions (metric tons CO2e)

58474562

(7.5.3) Methodological details

NRG uses a hybrid methodology of operational and financial control to determine facilities within the organizational boundary. GHG inventory from jointly owned generating facilities are allocated based on equity share of plant ownership. Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol. Scope 1 GHG emissions represent GHG emissions that occur from fuel combustion in boilers, turbines, and engines used to generate wholesale electric power at facilities within the organizational boundary. The Scope 1 GHG emissions are measured using methods specified by the EPA within the Code of Federal Regulations.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2014

(7.5.2) Base year emissions (metric tons CO2e)

254000

(7.5.3) Methodological details

NRG uses a hybrid methodology of operational and financial control to determine facilities within the organizational boundary. GHG inventory from jointly owned generating facilities are allocated based on equity share of plant ownership. Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol. Scope 2 GHG emissions represent purchased electricity consumed by the Company and are measured using the WBCSD and WRI GHG Protocol Scope 2 Guidance. The Company's purchased electricity from U.S.-based electricity distribution utilities is multiplied by appropriate regional emission factors, which are sourced from the EPA Center for Corporate Climate Leadership GHG Emissions Factor Hub. The Company's purchased electricity from Canadian-based electricity distribution utilities is multiplied by the Government of Canada's electricity consumption intensity values. A facility's electricity consumption is derived from metered electricity purchases from North American electricity distribution utilities. When utility metering and invoices are not available for plant locations, estimates are made using the facility's historical electricity consumption. If utility metering and invoices are not available for office or warehouse locations, consumption is estimated using the EIA Commercial Buildings Energy Consumption Survey (CBECS), based on location type and facility size. Historical electricity consumption, if available, may be used to refine estimates, particularly when considering seasonality.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2014

(7.5.2) Base year emissions (metric tons CO2e)

254000

(7.5.3) Methodological details

NRG uses a hybrid methodology of operational and financial control to determine facilities within the organizational boundary. GHG inventory from jointly owned generating facilities are allocated based on equity share of plant ownership. Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2014

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

NRG's Business Travel emissions are measured using the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Emissions from business travel includes business-related travel activities with a travel start date within the reporting year and booked through NRG's third-party travel agency. Travel booked outside the travel agency is excluded, and, as such, taxi, ride-share services, and business travel in employee-owned vehicles are not included in the calculation. Conversely, non-employee travel may, on occasion, be booked through the Company's travel agency and included in Business Travel emissions. The impact of the travel booked outside the travel agency and the non-employee travel booked through the travel agency is immaterial. NRG's third-party travel agency provides the total miles of travel by plane, train, and rail. While car rentals are booked through the travel agency, miles driven are provided directly by the rental car agency. For travel originating from the U.S., emission factors are sourced from the GHG Emission Factors Hub, and for travel originating internationally, emission factors are sourced from United Kingdom Department for Environment, Food and Rural Affairs (DEFRA). To refine the emission factors, flights are sorted by distance and car rentals are sorted by car type. Hotel stay emissions are calculated using nights of stay by country and emission factors by country from the Cornell University Hotel Sustainability Benchmarking Index.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

26835867

(7.6.3) Methodological details

NRG uses a hybrid methodology of operational and financial control to determine facilities within the organizational boundary. GHG inventory from jointly owned generating facilities are allocated based on equity share of plant ownership. Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

37417583

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

NRG uses a hybrid methodology of operational and financial control to determine facilities within the organizational boundary. GHG inventory from jointly owned generating facilities are allocated based on equity share of plant ownership. Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

145614

(7.7.4) Methodological details

NRG uses a hybrid methodology of operational and financial control to determine facilities within the organizational boundary. GHG inventory from jointly owned generating facilities are allocated based on equity share of plant ownership. Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

141831

(7.7.3) End date

12/31/2022

(7.7.4) Methodological details

NRG uses a hybrid methodology of operational and financial control to determine facilities within the organizational boundary. GHG inventory from jointly owned generating facilities are allocated based on equity share of plant ownership. Base year emissions are retroactively recalculated following divestiture of emissions-producing generation assets in accordance with GHG protocol.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, not yet calculated

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and will provide updated information in a subsequent reporting cycle.

Capital goods

(7.8.1) Evaluation status

Select from:
☑ Relevant, not yet calculated

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and will provide updated information in a subsequent reporting cycle.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:
☑ Relevant, not yet calculated

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and will provide updated information in a subsequent reporting cycle.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and estimate this category to be not relevant.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and estimate this category to be not relevant.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4681

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

☑ Distance-based method

☑ Other, please specify :Hotel emissions are determined by the Cornell Hotel Sustainability Benchmarking Index.

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

94

(7.8.5) Please explain

Emissions from business travel includes business-related employee travel activities with a travel start date within the reporting year and booked through the Company's third-party travel agency. NRG's third-party travel agency provides the total miles of employee travel by plane, train, and rail. While car rentals are booked through the travel agency, miles driven are provided directly by the rental car agency.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and estimate this category to be not relevant.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

NRG uses an operational and equity boundary, so all leased facilities are in the existing Scope 1 and 2 footprint. There are no additional leased assets and therefore this category is not relevant.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

NRG does not own any transmission or distribution lines or transport or distribute sold products, so this category is not relevant.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

NRG does not sell intermediate products and therefore this category is not relevant.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and will provide updated information in a subsequent reporting cycle.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and estimate this category to be not relevant.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

NRG does not own any transmission or distribution lines or transport or distribute sold products, so this category is not relevant.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

NRG does not have any franchises and therefore this category is not relevant.

Investments

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We are currently in the process of evaluating all North American scope 3 emissions and estimate this category to be not relevant.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any other relevant upstream activities applicable to our operations.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any relevant downstream activities applicable to our operations.
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

0

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

0

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

2432

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

0

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

NRG currently accounts for Scope 3, Category 6 emissions related to Business Travel, which is part of our 2025 climate goal. We are evaluating all relevant U.S. Scope 3 emissions and will provide updates in a subsequent reporting cycle.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.1.4) Attach the statement

2023-3rd-party-assured-greenhouse-gas-emissions-report.pdf

(7.9.1.5) Page/section reference

4

(7.9.1.6) Relevant standard

Select from:
☑ Attestation standards established by AICPA (AT105)

(7.9.1.7) Proportion of reported emissions verified (%)

91
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

2023-3rd-party-assured-greenhouse-gas-emissions-report.pdf

(7.9.2.6) Page/ section reference

4

(7.9.2.7) Relevant standard

Select from:
☑ Attestation standards established by AICPA (AT105)

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Business travel

(7.9.3.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

2023-3rd-party-assured-greenhouse-gas-emissions-report.pdf

(7.9.3.6) Page/section reference

4

(7.9.3.7) Relevant standard

Select from:
☑ Attestation standards established by AICPA (AT105)

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

10577933

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

28

(7.10.1.4) Please explain calculation

*The gross global emissions (Scope 1 and Scope 2 combined) of our company for 2023 are 26,981,481 metric tons of CO2e. For 2022, our gross global emissions were 37,559,414 metric tons of CO2e. This represents a total reduction of 10,577,933 metric tons of CO2e, or a 28% decrease, calculated as follows: (10,577,933 / 37,559,414) * 100 28%. The reduction from 37,559,414 to 26,981,481 metric tons of CO2e is attributed to reductions in fleet-wide annual net generation and an overall market-driven shift away from coal as a primary fuel to natural gas.*

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Location-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

26675508

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

91999

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

67969

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)
[Add row]

(7.15.3) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

Fugitives

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

N/A

Combustion (Electric utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

26675508

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

67969

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

26835867

(7.15.3.5) Comment

N/A

Combustion (Gas utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

N/A

Combustion (Other)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

N/A

Emissions not elsewhere classified

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

N/A
[Fixed row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)
Australia	*2460438*
Canada	*0*
United States of America	*24375429*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By activity

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Combustion*	*26835867*

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Electric utility activities	*26835867*	*N/A*

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based emissions (metric tons CO2e)	Please explain
Consolidated accounting group	*26835867*	*145614*	*N/A*
All other entities	*0*	*0*	*N/A*

[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☑ No

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☑ Yes

(7.28.2) Describe how you plan to develop your capabilities

We are currently developing our scope 3 emissions inventory including the total emissions associated with the production and consumption of the electricity and natural gas we provide to customers. Once completed, we will investigate the practicality of segmenting these total emissions by customer.
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ Don't know

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

115422507

(7.30.1.4) Total (renewable and non-renewable) MWh

115422507

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

337887

(7.30.1.4) Total (renewable and non-renewable) MWh

337887

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

0

Total energy consumption

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

115760394

(7.30.1.4) Total (renewable and non-renewable) MWh

115760394
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ No
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Other biomass

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Coal

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

73437530

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Oil

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

84450

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Gas

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

41900527

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Total fuel

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

115422507

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Australia

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

278

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

278.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

337609

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

337609.00
[Fixed row]

(7.33) Does your electric utility organization have a transmission and distribution business?

Select from:
☑ No

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0009

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

26981481

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

28823000000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

22

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in revenue

☑ Other, please specify :Retirement

(7.45.9) Please explain

The Vivint Smart Home acquisition in 2023 delivered a revenue increase without significant Scope 1 emissions, and this continues to be the primary factor leading to decreased emissions intensity in 2023. NRG has also retired 15 gas units, which will result in fewer emissions in the years to come. (Assets included based on equity ownership as of Dec. 31, 2023)
[Add row]

(7.46) For your electric utility activities, provide a breakdown of your Scope 1 emissions and emissions intensity relating to your total power plant capacity and generation during the reporting year by source.

	Absolute scope 1 emissions (metric tons CO2e)	Emissions intensity based on gross or net electricity generation	Scope 1 emissions intensity (Net generation)
Coal – hard	*19986535*	*Select from:* ☑ Net	*1182.36*
Oil	*17607*	*Select from:* ☑ Net	*5869.00*
Gas	*6831728*	*Select from:* ☑ Net	*5075.58*
Solar	*0*	*Select from:* ☑ Net	*0.00*
Other renewable	*0*	*Select from:* ☑ Net	*0.00*
Total	*26835867*	*Select from:* ☑ Net	*1027.25*

[Fixed row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Other, please specify :Generation Intensity

(7.52.2) Metric value

0.79

(7.52.3) Metric numerator

Annual US Generation in MW

(7.52.4) Metric denominator (intensity metric only)

US CO2e emissions (tonnes)

(7.52.5) % change from previous year

6

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

The decrease is attributed to a reduction in fleet-wide annual electricity generation.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

NRGE-USA-002-OFF _ApprovalLetter.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

02/09/2021

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO_2)

☑ Methane (CH_4)

☑ Nitrous oxide (N_2O)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Location-based

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 6 – Business travel

(7.53.1.11) End date of base year

12/31/2014

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

58474562

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

254000

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

0

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

58728562.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2025

(7.53.1.55) Targeted reduction from base year (%)

50

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

29364281.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

24375429

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

145614

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

4681

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

4681.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

24525724.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

116.48

(7.53.1.80) Target status in reporting year

Select from:

☑ Achieved

(7.53.1.82) Explain target coverage and identify any exclusions

Target coverage includes Scope 1, Scope 2, and Scope 3 category 6. When we set our current climate goals in 2019, our estimated Scope 3 emissions were less than 40% of our total Scope 1, 2, and 3 emissions.

(7.53.1.83) Target objective

Our 2025 climate goal is to reduce greenhouse gas emissions by 50% compared to 2014 levels. This target demonstrates our dedication to sustainability and our commitment to significantly lowering our environmental impact.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

(7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

NRG Energy achieved its 2025 climate goal of reducing greenhouse gas emissions by 50% from 2014 levels through strategic plant retirements. By decommissioning older, less efficient, and higher-emission power plants, NRG significantly reduced its overall emissions footprint. This decrease is attributed to reductions in fleet-wide annual net generation and a market-driven shift away from coal as a primary fuel to natural gas.

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply
☑ Net-zero targets
☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:
☑ Oth 1

(7.54.2.2) Date target was set

11/21/2021

(7.54.2.3) Target coverage

Select from:
☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Low-carbon vehicles
☑ Percentage of battery electric vehicles in company fleet

(7.54.2.7) End date of base year

12/31/2021

(7.54.2.8) Figure or percentage in base year

0

(7.54.2.9) End date of target

12/31/2030

(7.54.2.10) Figure or percentage at end of date of target

1181

(7.54.2.13) Target status in reporting year

Select from:
☑ Underway

(7.54.2.15) Is this target part of an emissions target?

This target helps us achieve our climate goals by focusing on sustainability and promoting environmentally friendly practices. These efforts aim to reduce our overall impact on the environment and help support a cleaner future.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply
☑ EV100

(7.54.2.18) Please explain target coverage and identify any exclusions

The commitment is 100% of vehicles less than 3.5 T and 50% of vehicles 3.5 T to 7.5 T in EV100. The figure of 1,181 represents the number of vehicles we pledged to electrify at the time the goal was established. This number may be adjusted as our business evolves through divestitures or acquisitions, prompting a reevaluation of our baseline figure.

(7.54.2.19) Target objective

To reduce Scope 3.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

NRG joined the Climate Group's EV100 initiative to share best practices with other organizations electrifying their fleets In 2023, we expanded our fleet of electric vehicles by adding 14 all-electric trucks.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

02/09/2021

(7.54.3.3) Target Coverage

Select from:
☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Abs1

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

NRGE-USA-002-OFF _ApprovalLetter.pdf

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

(7.54.3.10) Explain target coverage and identify any exclusions

scope 1, scope 2, and scope 3 business travel

(7.54.3.11) Target objective

NRG Energy's net zero target aims to achieve carbon neutrality across its operations by 2050. The objective of this target is to significantly reduce greenhouse gas emissions to align with global climate goals and to contribute to the transition to a low-carbon economy.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Our planned milestone is a 50% reduction of our 2014 base year emissions by 2025 as discussed in section C4.1a.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

NRG Energy reviews its net zero target by regularly assessing progress through emissions data analysis, adjusting strategies as needed, engaging with stakeholders for feedback, and utilizing third-party verification to ensure accuracy and accountability.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*7*	*`Numeric input*
To be implemented	*2*	*9000*
Implemented	*1*	*2145841*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Other, please specify **:**Renewable Electricity Plans

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

2145841

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ >30 years

(7.55.2.9) Comment

Green Mountain Energy GME celebrated its 26th year of business, making it the nation's longest-serving renewable energy retailer. A carbon-neutral company since 1997, GME provides its customers with only 100% renewable electricity, and these subscriptions have prevented more than 120 billion pounds (amortizes to 2,145,841 million metric tons) of CO2 from entering the Earth's atmosphere.

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Internal incentives/recognition programs

(7.55.3.2) Comment

NRG offers incentives to employees to purchase products that reduce GHG emissions. For example, there is an employee monthly commuter stipend to incentivize using public transportation. Green Mountain Energy has a comprehensive employee engagement program designed to provide employees with options for understanding and taking action to reduce their environmental impact—at work and at home. Program offerings include discounts on renewable energy products, residential solar installations, carbon offsets, and outdoor recreation programs; an employee green team that organizes environmental events and updates internal environmental policies and practices; an incentive-based Green Commuter Program; an office farm food delivery program; and the ability to contribute to environmental non-profits and the Green Mountain EnergyTM Sun ClubTM through paycheck deductions. Please visit the GME website for more detail: http://www.greenmountainenergy.com/our-story/sustainability/employee-sustainability-programs/Additionally, NRG Employees receive a discount when purchasing portable solar products from Goal Zero.Through econrg, we promote ecological stewardship among our plant employees with initiatives aimed at improving environmental awareness and education.

Row 3

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

Goal Zero, an NRG owned company, offers portable solar power products. Low-carbon product development is a key part of Goal Zero's business model. Since 2007, Goal Zero has developed and provided portable equipment to help people all over the world get the power they need.

Row 4

(7.55.3.1) Method

Select from:

☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

NRG is partnering with renewable electricity developers to bring new, additional renewable power to the grid through short- and medium-term power purchase agreements (PPAs). At the end of 2023, we had secured 1.9 GW of renewable power capacity through these PPAs, of which all were online as of July 2024.

Row 5

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

'PowerUPmylife' is a web-based and mobile platform where NRG employees can take actions that reflect sustainable choices at work and at home. The program launched at the end of 2014 and continues to be a place where employees engage in topics ranging from water conservation to NRG-specific activities such as wellness programs available to employees. Employees have taken over 15,000 actions including energy efficiency, waste management, and personal awareness of how to reduce emissions reduction – for example, by unplugging chargers and appliances when not in use, recycling, taking the stairs instead of the elevator, and cooking a meat-free meal.
[Add row]

(7.58) Describe your organization's efforts to reduce methane emissions from your activities.

NRG's Scope 1 methane emissions from our own operations do not have significant methane emissions, the CO2e emissions from methane being only 0.2% of the total CO2e emissions. Methane emissions from Scope 3 are relevant and calculations are in progress with a third-party consultant. NRG engages with natural gas producers in its supply chain to encourage them to disclose and reduce their methane emissions. For example, to encourage responsible natural gas production, NRG joined with 8 companies that comprise 12% of the market for delivered gas in the U.S. as part of the Natural Gas Supply Collaborative (NGSC). In addition, on November 15th, 2023, the U.S. Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (FECM) announced that they have established an international working group to advance comparable and reliable information about GHG emissions and intensity across the natural gas supply chain. This working group will focus on developing a measurement, monitoring, reporting, and verification (MMRV) global framework for methane, carbon dioxide, and other GHG emissions that occur during the production, processing, transmission, liquefaction, transport, and distribution of natural gas. The MMRV working group will collaborate to develop work products such as guidance, tools, and protocols for voluntary use in the natural gas markets in 2024. NRG, as a member of NGSA, is working with the US delegation to the DOE MMRV working group as an active participant to ensure that methane has appropriate climate standards.

(7.73) Are you providing product level data for your organization's goods or services?

Select from:
☑ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:
☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:
☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:
☑ Other, please specify **:**NRG uses EPA eGRID sub-region emissions factors to quantify its customers' avoided emissions from consuming renewable electricity provided by NRG based on where each customer lives.

(7.74.1.3) Type of product(s) or service(s)

Other
☑ Other, please specify **:**Renewable Electricity Plans

(7.74.1.4) Description of product(s) or service(s)

NRG, through its retail brands, provides both residential and commercial & industrial customers with various renewable electricity plan options. For example, Our GME brand is the nation's longest serving company dedicated to providing 100% renewable energy to businesses and residents. Primarily leveraging wind and solar sources, GME brings cleaner, greener energy to customers in Texas and other states allowing customers to choose their electricity provider. Since 1997, GME *electricity plans have enabled business and residential customers to avoid over 100 billion pounds of CO2. Revenue generated from products is proprietary information due to the competitive markets we serve, and as such we are unable to provide specifics.*

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify :EPA eGRID

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Cradle-to-grave

(7.74.1.8) Functional unit used

Providing 100% renewable energy to businesses and residents for savings of 8.7 billion pounds of CO2 in 2021 vs. use of nonrenewable energy

(7.74.1.9) Reference product/service or baseline scenario used

Grid electricity

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Cradle-to-grave

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

4350000

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

We multiplied the EPA eGRID sub-region emission factor for each Green Mountain Energy customer based on their location by their electricity consumption. We then summed these figures across all Green Mountain Energy customers to derive a total for all of Green Mountain Energy. The exact revenues from these low-carbon product lines are proprietary and therefore not available.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0

[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:

☑ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Monitoring frequency and method vary by individual site and permit but are typically measured monthly via a meter or calculated using specific pump rating specifications and hours of operation.

(9.2.4) Please explain

NRG measures and monitors water withdrawal total volumes at its generation plants. Totals are measured, monitored, and recorded at intervals according to the terms of their permits and are recorded at least monthly in NRG systems. The monitored locations comprise 99.9% of NRG's total water withdrawal. NRG has a trained environmental professional assigned to each of the generating stations who tracks withdrawal by source. All generation facilities report the cubic meters in NRG's environmental management information system. Withdrawals at non-reporting locations are calculated by the number of site personnel. This data is used to benchmark, manage water withdrawals, and evaluate water total withdrawal.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

NRG measures and monitors water withdrawal total volumes in millions of gallons that are converted to cubic meters, at its generation plants. Totals by source are measured, monitored, and recorded at intervals according to the terms of their permits. Monitoring frequency and method vary by individual site and permit but are typically measured monthly via a meter or calculated using specific pump rating specifications and hours of operation.

(9.2.4) Please explain

NRG measures and monitors water withdrawal total volumes in millions of gallons that are converted to cubic meters, at its generation plants. Totals by source are measured, monitored, and recorded at intervals according to the terms of their permits. The monitored generating locations comprise 99.9% of NRG's total water withdrawal. NRG has a trained professional assigned to each of the generating stations who tracks withdrawal by source using observed metered data and reports the cubic meters in NRG's environmental management information system. Withdrawals at non-reporting locations are calculated by the number of site personnel. This data is used to benchmark, manage water withdrawals, and evaluate water withdrawal sources.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

NRG measures and monitors water withdrawal quality at select facilities where it is a regulatory requirement. Quality is measured, monitored, and recorded at intervals according to the terms of plant permits, and while means of measurement vary by individual site and permit, is typically measured through sampling and testing on at least a monthly basis. When capacity is available, these tests are analyzed directly in on-site labs. Other samples are sent to external labs for analysis.

(9.2.4) Please explain

NRG measures and monitors water withdrawal quality at select facilities where it is a regulatory requirement. NRG also measures and monitors water withdrawal quality on a voluntary basis at select facilities. NRG holds 35 wastewater discharge permits. The generating locations with wastewater discharge permits comprise 99.9% of NRG's total water withdrawal. NRG has a trained environmental professional assigned to each generating station who tracks withdrawal quality by source using established on-site and off-site sample testing methodologies and reports the data in NRG's environmental management system.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

NRG measures and monitors water discharges total volume in millions of gallons that are converted to cubic meters, at generating operations with wastewater discharge permits. Totals are measured, monitored, and recorded at intervals according to the terms of their permits, and are recorded at least monthly in NRG systems. Water discharge volume metrics are recorded monthly on the Discharge Monitoring Reports based off meters or calculated using methods such as pump curves.

(9.2.4) Please explain

NRG measures and monitors water discharges total volume in millions of gallons that are converted to cubic meters, at generating operations with wastewater discharge permits. Totals are measured, monitored, and recorded at intervals according to the terms of their permits, and are recorded at least monthly in NRG systems. The monitored stations with wastewater discharge permits represent 99.9% of the total water discharged by volume. NRG has staff trained on water accounting and follows the GRI water reporting standards to report observed metered data at each of the generating stations that tracks discharge by volume and reports the cubic meters in NRG's environmental management information system. This data is reported to state agencies as required by each site's wastewater permit.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

NRG measures and monitors water discharges volumes by destination in millions of gallons that are converted to cubic meters, at its generation plants. NRG has a water expert that is trained on water accounting and follows the GRI water reporting standard to report observed metered data, tracks discharge by destination and reports in NRG's environmental management information system.

(9.2.4) Please explain

NRG measures and monitors water discharges volumes by destination in millions of gallons that are converted to cubic meters, at its generation plants. The monitored stations are 99.9% of the total water discharged by destination. NRG has a water expert that is trained on water accounting and follows the GRI water reporting standard to report observed metered data, tracks discharge by destination and reports in NRG's environmental management information system. This data is reported to state agencies as required by each site's wastewater permit. This data is used to benchmark and manage water discharge by destination.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

Totals are measured, monitored, and recorded at intervals according to the terms of plant permits and are recorded at least monthly in NRG systems. Water treatment metrics are recorded monthly and are reported on the Discharge Monitoring Reports based off of meters or calculated using methods such as pump curves.

(9.2.4) Please explain

NRG measures and monitors water discharge - volume by treatment method at generation plants with wastewater discharge permits. The generating stations with wastewater discharge permits represent 99.9% of the total water discharge - volume by treatment method. Data is reported to state agencies as required by each site's wastewater permit. Permit non-compliance incidents are reported and tracked in NRG's environmental management system.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

NRG measures and monitors discharge parameters primarily via effluent quality field measurement instrumentation including pH probes, sample collection and by a third-party lab. Also, plants sample for water quality parameters such as T.S.S, O&G, and heavy metals. The periodicity of sampling is dependent on their permit requirements. All permitted plants record sampling at least monthly.

(9.2.4) Please explain

NRG measures and monitors water discharge quality data, quality by standard effluent parameters, at its generating operations with wastewater discharge permits. Quality is measured, monitored, and recorded at intervals according to the terms of plant permits, and while means of measurement vary by individual site and permit, is typically measured through sampling and testing at a third-party lab on at least a monthly basis. NRG measures and monitors discharge parameters primarily via effluent quality field measurement instrumentation including pH probes, sample collection and by a third-party lab. Also, plants sample for water quality parameters such as T.S.S, O&G, and heavy metals. The periodicity of sampling is dependent on their permit requirements. All permitted plants record sampling at least monthly. At WA Parish for example, for pH, a sample is collected once per week and is tested in the on-site lab within 15 minutes. All permitted plants record sampling at least monthly.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

NRG measures and monitors water discharge quality – emissions to water primarily via effluent quality field measurement instrumentation including pH probes, sample collection and by a third-party lab. Also, plants sample for priority substances such as cadmium, lead, mercury and nickel, and their compounds. The periodicity of sampling is dependent on their permit requirements and whether the facility is subject to Toxics Release Inventory (TRI) reporting.

(9.2.4) Please explain

NRG measures and monitors water discharge quality – emissions to water at its generation plants with wastewater discharge permits that specify this requirement and at generation facilities which are subject to TRI reporting. Water discharge quality is measured, monitored, and recorded at intervals according to the terms of plant permits and federal regulatory requirements such as TRI reporting. The means of measurement vary by individual site and permit, it is typically measured through sampling and testing at a third-party lab on at least a monthly basis. The periodicity of sampling is dependent on their permit requirements. All permitted plants record sampling at least monthly. At WA Parish for example, for pH, a sample is collected once per week and is tested in the on-site lab within 15 minutes. All permitted plants record sampling at least monthly.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

NRG measures and monitors discharge quality temperature based on continuous measurement outfall points using measurement devices such as thermocouples, which send the data to the control room and to NRG Environmental personnel through PI and DCS (Digital Control Systems). At WA Parish, temperature is measured at both outfall 001 and outfall 003. We have a probe submersed in the flow that is sampled and recorded by a local data collection device.

(9.2.4) Please explain

Water discharge quality - temperature is measured, monitored, and recorded at intervals according to the terms of plant permits, and while means of measurement vary by individual site and permit, is typically measured at the outlet site on at least a monthly basis. NRG measures and monitors discharge quality temperature based on continuous measurement outfall points using measurement devices such as thermocouples, which send the data to the control room and to NRG Environmental personnel through PI and DCS (Digital Control Systems). At WA Parish, temperature is measured at both outfall 001 and outfall 003. We have a probe submersed in the flow that is sampled and recorded by a local data collection device. The frequency is once per minute at outfall 001 and once every two minutes at outfall 003. The final temperature for the daily average is flow weighted.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Discharge Monitoring Reports (DMRs) provide the amount of discharged water and are recorded monthly. We monitor withdrawal rough pump curves, meters, municipal water bills, bills of lading. We monitor discharge via measured and calculated flows recorded on our monthly DMRs. A calculation is performed annually based on instantaneous data and compared to DMR discharge to calculate annual consumption.

(9.2.4) Please explain

NRG measures and monitors total volume of water consumption at its generating operations with its wastewater discharge permits. Totals are measured, monitored, and recorded at intervals according to the terms of plant permits, and are recorded at least monthly in NRG systems. DMRs provide the amount of discharged water and are recorded monthly. We monitor withdrawal rough pump curves, meters, municipal water bills, bills of lading. We monitor discharge via measured and calculated flows recorded on our monthly DMRs. A calculation is performed annually based on instantaneous data and compared to DMR discharge to calculate annual consumption. At WA Parish, for flow at outfall 001, the height of flow through a flume is sampled with an ultrasonic device once permit, and the calculated flow is recorded in a local data collector. For flow at outfall 003, we sum the max flow capability of all pumps feeding the stream. We track the pump on/off for each hour.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ 26-50

(9.2.2) Frequency of measurement

Select from:

☑ Other, please specify **:**Not accurately quantifiable per plant operations

(9.2.3) Method of measurement

At some generation stations, such as the one in Limestone, intake and release water is used from cooling towers and other power plant processes from and to the same water body. As a result, those plants use the same water in their cooling process multiple times, but that water is mixed with other water. Thus, amount of recycled/reused process water are not fully quantified due to commingling from other water sources.

(9.2.4) Please explain

NRG indirectly recycles/reuses water but this is currently not measured or monitored. For example, some generation stations, such as the one in Limestone, intake and release water is used from cooling towers and other power plant processes from and to the same water body. As a result, those plants use the same water in their cooling process multiple times, but that water is mixed with other water. Thus, amount of recycled/reused process water are not fully quantified due to commingling from other water sources.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

100% of NRG facilities have WASH services. Sites are inspected by federal regulators in person when randomly selected as part of an Occupational Safety and Health Administration (OSHA) enforcement process, and are informally monitored daily by site management, who report any outages.

(9.2.4) Please explain

NRG measures and monitors all facilities and provides fully functioning WASH services for all workers. NRG operations are primarily in the U.S and OSHA requires WASH services for all workers. The plants use either municipal or onsite water supplies for WASH purposes. Municipal water is measured and monitored per municipality regulations or billing. Sites are inspected by federal regulators in person when randomly selected as part of an OSHA enforcement process, and are informally monitored daily by site management, who report any outages. 100% of NRG facilities have WASH services. Sites are inspected by federal regulators in person when randomly selected as part of an OSHA enforcement process, and are informally monitored daily by site management, who report any outages.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

1553889

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Other, please specify **:**Market conditions and shifting of generation assets

(9.2.2.6) Please explain

Description for ‘’comparison with previous reporting year” and “five-year forecast” thresholds: Deviation /- 5% about the same; Deviation between /- 5-10% higher / lower; Deviation /- 10% much higher / lower. NRG total water withdrawals decreased by 28.8% in 2023. The decrease in total water withdrawals is due to decreased power generation, with plants generating less power during the year, due to a combination of market conditions and operational adjustments. About 94% of the water withdrawn is returned to the water body. Future water volumes are expected to stay the same or decrease slightly over a 1- to 2-year period due to market conditions and shifting of generation asset fuel mix, while following an overall downward trend thereafter.

Total discharges

(9.2.2.1) Volume (megaliters/year)

1461156

(9.2.2.2) Comparison with previous reporting year

Select from:
☑ Much lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:
☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:
☑ Other, please specify **:**Market conditions and shifting of generation assets

(9.2.2.6) Please explain

Description for ‘’comparison with previous reporting year” and “five-year forecast” thresholds: Deviation /- 5% about the same; Deviation between /- 5-10% higher / lower; Deviation /- 10% much higher / lower. NRG total water discharges decreased by 27.8% in 2023. The decrease in total water discharges is due to decreased power generation, with plants generating less power during the year, due to a combination of market conditions and operational adjustments. Future water volumes are expected to stay the same or decrease slightly over a 1- to 2-year period due to market conditions and shifting of generation asset fuel mix, while following an overall downward trend thereafter.

Total consumption

(9.2.2.1) Volume (megaliters/year)

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Other, please specify **:**Market conditions and shifting of generation assets

(9.2.2.6) Please explain

Description for ‘’comparison with previous reporting year” and “five-year forecast” thresholds: Deviation /- 5% about the same; Deviation between /- 5-10% higher / lower; Deviation /- 10% much higher / lower. NRG total water consumption decreased by 41.5% in 2023 due to due to the prevailing market conditions and generation demands. Facility water experts valuate data and calculation methods to ensure data accuracy. Consumption figures are calculated using this formula: water withdrawals - water discharges water consumption. Consumption volumes are expected to remain the same over a 1-to 2-year period due to market conditions and shifting of generation asset fuel mix, while following an overall downward trend thereafter.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

77

(9.2.4.3) Comparison with previous reporting year

Select from:

☑ Much higher

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.4.5) Five-year forecast

Select from:

☑ About the same

(9.2.4.6) Primary reason for forecast

Select from:

☑ Other, please specify **:**Market conditions and shifting of generation assets

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

0.00

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

The proportion of NRG's 2023 water withdrawals from water stressed areas increased from 2022. This is due in part to more NRG relevant U.S. territories being designated as high physical risk zones by WRI Aqueduct. In addition, marked increases were observed in the volumes of water NRG withdraws at two of the facilities included in the WRI Aqueduct analysis due to increased power plant capacity factors. NRG utilizes various tools to assist with Water Risk Assessments. We model water risk using the WRI Aqueduct tool by entering our facilities coordinates to map our facilities by region and water basin, then applying facilities water withdrawal data to arrive at a volume from stressed areas. The datasets analyzed by the Aqueduct tool include Overall Water Risk, Physical Risk Quality, Physical Risk Quantity, Regulatory & Reputational Risk, Baseline Water Stress, Inter-Annual Variability, Seasonal Variability, Flood Occurrence, Drought Severity, Threatened Amphibians and Groundwater Stress. To assess the "% withdrawn from areas with water stress," facilities identified as "High (40-80%)" and "Extremely High (80%)" under Overall Water Risk were summed. Only three facilities were found to be located in a region which has either high or extremely high baseline water stress. WRI Aqueduct data is applied internally to help determine candidates for internal audit and third-party assurance.

[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

476808

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

The primary direct use of freshwater is for the cooling of condensers in the generation of power, with a small amount for steam and WASH (water, sanitation, and hygiene) for workers. NRG fresh surface water withdrawals decreased by 57.5% in 2023. The decrease in freshwater withdrawal is due to decreased generation at high water use plants that utilize freshwater for their operations. Future freshwater volumes withdrawn are expected to stay the same or decrease over a 1- to 2- year period due to market conditions following an overall downward trend thereafter.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

1066778

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

The primary direct use of brackish surface water/seawater is for the cooling of condensers in the generation of power. NRG brackish surface water/seawater withdrawals increased by 2.0% in 2023. The slight increase in brackish surface water/seawater is due to increased generation at high water use plants that utilize *brackish surface water/seawater for their operations. Future brackish water volumes withdrawn are expected to stay the same or decrease over a 1- to 2- year period due to market conditions and then follow an overall downward trend.*

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

NRG does not differentiate between renewable and non-renewable groundwater in our water accounting and is considering new data collection methodologies to be implemented in the future to distinguish between the two. Currently, as a conservative measure, all groundwater for the purposes of this disclosure is reported under nonrenewable groundwater. We anticipate renewable groundwater to make up a portion of our groundwater use in the future, when measurement of this resource is available.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

10303

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

The primary direct use of groundwater is for the cooling of condensers in the generation of power, with a small amount for steam and WASH (water, sanitation, and hygiene) for workers. NRG recorded much lower non-renewable groundwater volumes withdrawn during 2023, compared to 2022. The relative amount of groundwater used is very small as compared to other sources of water. The decrease in nonrenewable groundwater volumes, which was calculated to be a 21.7% decrease since 2022, was due to lower run times at plants that use groundwater. Future volumes are expected to remain the same due to the composition of our generation fleet utilizing this water source.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

NRG does not use produced/processed water at any of our generating assets because it is not generated in onsite processing of raw materials. Future volumes are expected to remain constant.

Third party sources

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

NRG does not use produced/processed water at any of our generating assets because it is not generated in onsite processing of raw materials. Future volumes are expected to remain constant.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

394402

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

Discharges to fresh surface water are relevant to NRG because plants are sited based on available cooling water and the ability to discharge to appropriate locations based on permits. Plants located near rivers will discharge to that destination, and plants near lakes will discharge to that destination. NRG fresh surface water discharges were much lower in 2023 showing a 60.3% decrease from 2022. The decrease in fresh surface water discharge is due to decreased generation at high water use plants that utilize this water source. Future fresh surface water volumes discharged are expected to decrease over a 1-to 2-year period due to plant retirements, following an overall downward trend.

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

1058102

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

Discharges to brackish surface water/seawater are relevant to NRG because plants are sited based on available cooling water and the ability to discharge to appropriate locations, therefore plants located near brackish surface water bodies will discharge to that destination, and plants near the ocean will discharge to that destination, etc. NRG brackish surface water/seawater discharges was slightly higher in 2023 showing a 3.4% increase from 2022. The increase in brackish surface water/seawater discharge is due to increased generation at high water use plants that utilize this water source. Future brackish water volumes withdrawn are expected to decrease over a 1-to 2-year period due to plant retirements, following an overall downward trend.

Groundwater

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

0

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Other, please specify **:**Operational activities at the facilities discharging to groundwater sources remained the same as the previous reporting year

(9.2.8.5) Please explain

NRG typically discharges water into the ground relative to other discharge destinations, as plants are typically sited near other destinations better suited for power generation water discharge processing. Regardless, this destination is deemed relevant to NRG because we may have a very small amount of wastewater discharged to the groundwater during the reporting year. The amount of groundwater discharged during 2023 was about the same compared to 2022. Operational activities at the facilities discharging to groundwater sources remained the same, so no material changes to the quantity of groundwater discharged were recorded. Future volumes are expected to remain substantially the same.

Third-party destinations

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

8651

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Much higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

NRG discharges water to third-party destinations when available, as it often creates a revenue stream. NRG discharged a much higher water volume to third party destinations during 2023. WA Parish Generating Station comprises all of NRG's water discharged to others, with approximately 75% going to rice farmers and 25% going to other users for industrial purposes. During 2023, WA Parish Generating Station discharged 23.5% more water to third-party sources. WA Parish discharged most of its water to freshwater sources during 2023. Future volumes are expected to stabilize and remain relatively constant.
[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

17

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Much higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

17 megaliters of water discharged by NRG facilities was treated to the tertiary level. We treat discharge to remove nitrogen and phosphorus, along with other dissolved inorganic substances through coagulation, sedimentation, activated carbon adsorption and ion exchange methods. Discharge volumes were subject to strict water quality controls before being released to receiving water bodies. Water discharge levels and the type of treatments applied are based on the requirements of our discharge permits and their corresponding regulatory limits. NRG complies with all of the regulatory requirements it is subject to. Water treatment metrics are recorded monthly on the Discharge Monitoring Reports, along with measurements at the various discharge outfalls. Change in volume: During 2023, the amount of discharged water treated to the tertiary level by NRG increased by 54.0% This large increase is due to increased generation at high water use plants that are required to treat their discharged water to the tertiary level. Our definition for change: Much higher: 10%, Higher: 5%, About the same: -5%, Much lower: -10%. Anticipated future trend: Discharge volumes treated to tertiary level are expected to remain the same in the upcoming years as no significant alterations are being planned for our operational processes.

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

332

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

332 megaliters of water discharged by NRG facilities was treated to the secondary level. Discharge containing organic compounds is generated at our power generation facilities. We monitor water discharge quality (e.g., pH, BOD, COD, SS, harmful substances, etc.) based on applicable regulations by continuous real time monitoring or third-party sampling analysis at all of our facilities (mostly on a monthly basis). Discharge volumes were subject to strict water quality controls before being released to receiving water bodies. Water discharge levels and the type of treatments applied are based on the requirements of our discharge permits and their corresponding regulatory limits. During 2023, NRG held 35 wastewater discharge permits, some of which require discharged water to be treated to the secondary level. NRG complies with all of the regulatory requirements it is subject to. Change in volume: During 2023, the amount of discharged water treated to the secondary level by NRG decreased by 8.1% This decrease is due to decreased generation at high water use plants that are required to treat their discharged water to the secondary level. Our definition for change: Much higher: 10%, Higher: 5%, About the same: -5%, Much lower: -10%. Anticipated future trend: Discharge volumes treated to secondary level are expected to remain the same in the upcoming years as no significant alterations are being planned for our operational processes.

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

936220

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Much lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

936,220 megaliters of water discharged by NRG facilities was treated to the primary level. This discharged water is treated to the primary level before discharge to local treatment facilities under municipal discharge permits. Primary treatment varies depending on the characteristics of the sub operation's discharge, and may include pH adjustment, flocculation, sedimentation and filtration. Water discharge level and type of treatments are based on the requirements of our discharge permits and their corresponding regulatory limits. During 2023, NRG held 35 wastewater discharge permits, some of which require discharged water to be treated to the primary level. NRG complies with all the regulatory requirements it is subject to. Change in volume: During 2023, the amount of discharged water treated to the primary level by NRG decreased by 17.2% This decrease is due to increased generation at high water use plants that are required to treat their discharged water to the primary level. Our definition for change: Much higher: 10%, Higher: 5%, About the same: -5%, Much lower: -10%. Anticipated future trend: Discharge volumes treated to primary level are expected to remain the same in the upcoming years as no significant alterations are being planned for our operational processes.

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

524573

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Much lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

NRG discharged 524,573 megaliters of water to the natural environment without treatment. Water discharge level and type of treatments are based on the requirements of our discharge permits and their corresponding regulatory limits. Water volumes which do not need to be treated per the discharge permits we comply with are discharged to the natural environment without treatment. During 2023, NRG held 35 wastewater discharge permits, some of which allow water to be discharged to the natural environment without any treatment. NRG complies with all the regulatory requirements it is subject to even when it discharges water to the natural environment without treatment. Change in volume: During 2023, the amount of water discharged to the natural environment without treatment decreased by 41.2% This large decrease is due to decreased generation at high water use plants that are discharge water to the natural environment. Our definition for change: Much higher: 10%, Higher: 5%, About the same: -5%, Much lower: -10%. Anticipated future trend: Discharge volumes are expected to remain the same in the upcoming years as no significant alterations are being planned for our operational processes.

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

14

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Much lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

NRG discharged 14 megaliters of water to a third party without treatment. At our facilities, water that is used for drinking water and sanitation/hygiene services is discharged to a third party without treatment. The third party (municipal sewage treatment plant) applies a conventional secondary treatment, and the treatment plant publicly states compliance with local water regulations. During 2023, NRG held 35 wastewater discharge permits, some of which allow water to be discharged to a third party without treatment. NRG discharges water that is used for drinking water and sanitation/hygiene at its generation facilities in this manner. NRG complies with all the regulatory requirements it is subject to even when it discharges water to a third party without treatment. Change in volume: During 2023, the amount of water discharged to a third party without treatment decreased by 49.1% This large decrease is due to decreased generation at high water use plants that discharge water to a third party. Our definition for change: Much higher: 10%, Higher: 5%, About the same: -5%, Much lower: -10%. Anticipated future trend: Discharge volumes are expected to remain the same in the upcoming years as no significant alterations are being planned for our operational processes.

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

Other discharges are not relevant in this report.
[Fixed row]

(9.2.10) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

(9.2.10.1) Emissions to water in the reporting year (metric tons)

0.07

(9.2.10.2) Categories of substances included

Select all that apply

☑ Priority substances listed under the EU Water Framework Directive

(9.2.10.3) List the specific substances included

The figure includes priority substances listed under the EU Water Framework Directive, specifically Mercury, Lead, Nickel and Cadmium.

(9.2.10.4) Please explain

Power generation facilities considered for this calculation: Indian River, Limestone, Powerton, Vienna, WA Parish, Wakuegan, Will County, Fisk and Joliet.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

2

(9.3.3) % of facilities in direct operations that this represents

Select from:

☑ 1-25

(9.3.4) Please explain

NRG considers 2 facilities to represent exposure to water risks with the potential to have a substantive financial or strategic impact on our business, comprising less than 25 percent of our company wide facilities.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, but we are planning to do so in the next 2 years

(9.3.4) Please explain

At this time, we have not assessed this stage of the value chain for facilities with water-related dependencies. While we recognize its importance, we do not have plans to undertake this assessment in the next two years. However, we remain committed to continuously evaluating our priorities and may revisit this in the future.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:

☑ Facility 2

(9.3.1.2) Facility name (optional)

WA Parish Generating Station

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☑ Brazos River

(9.3.1.8) Latitude

29.4754

(9.3.1.9) Longitude

-95.6322

(9.3.1.10) Located in area with water stress

Select from:
☑ Yes

(9.3.1.11) Primary power generation source for your electricity generation at this facility

Select from:
☑ Coal - hard

(9.3.1.13) Total water withdrawals at this facility (megaliters)

68619.42

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:
☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

65099

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

3521

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

22221.64

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Much higher

(9.3.1.23) Discharges to fresh surface water

13570.88

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

8651

(9.3.1.27) Total water consumption at this facility (megaliters)

46397.78

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Much lower

(9.3.1.29) Please explain

Fresh surface water is withdrawn from the Brazos to Smithers Lake to cool the WA Parish facility. Groundwater is used for WASH and steam. Rain is diverted to Smithers Lake. Fuels are coal and natural gas. Consumption decreased this year due to decreased runtimes. Withdrawal and Discharge are directly measured, and consumption is calculated as Withdrawal - Discharge.

Row 3

(9.3.1.1) Facility reference number

Select from:

☑ Facility 1

(9.3.1.2) Facility name (optional)

Limestone Generating Station

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☑ Brazos River

(9.3.1.8) Latitude

31.4231

(9.3.1.9) Longitude

-96.2526

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.11) Primary power generation source for your electricity generation at this facility

Select from:

☑ Coal - hard

(9.3.1.13) Total water withdrawals at this facility (megaliters)

13911.3

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

13054

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

857

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

0

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:
☑ About the same

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0

(9.3.1.27) Total water consumption at this facility (megaliters)

13911.3

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Much lower

(9.3.1.29) Please explain

The Limestone Generating Station maintains wastewater discharge permit; it did not discharge in 2023. This station has operated as a zero-discharge facility for 13 years. Freshwater is pumped from Lake Limestone to supply water to cooling towers. The decreased amount of water consumed is directly correlated with decreased water withdrawals at the facility. This decrease is due to decreased generation due to market conditions. Withdrawal and Discharge are directly measured. Consumption is calculated as withdrawal minus discharge.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

The review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Total water withdrawals-total volumes include total withdrawals. Municipal water utility is determined from invoices. Surface water and ground water is determined by company owned metering devices, pump operating characteristics with pump operating logs, water balance engineering estimates, rainfall data applied to surface areas with run-off coefficients.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

The review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The review includes total withdrawals from surface water (lakes, rivers or oceans), ground water, rainwater and municipal water utilities. Municipal water utility is determined from invoices.

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

NRG measures and monitors water withdrawal quality at select facilities where it is a regulatory requirement. Quality is measured, monitored, and recorded at intervals according to the terms of plant permits. The facilities listed in Question 9.3.1 do not have a permitting requirement to monitor water withdrawal quality by standard water quality parameters, hence verification of this water quality data is not in place. Currently, NRG is not considering verifying this data within the next two years.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

The review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Total water discharge is the total of all water discharge reported by each facility in its monthly DMR to maintain compliance with wastewater discharge permits and discharges to publicly owned treatment works determined by volumes indicated on water/sewer invoices.

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

The review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Total water discharge is the total of all water discharge reported by each facility in its monthly DMR to maintain compliance with wastewater discharge permits and discharges to publicly owned treatment works determined by volumes indicated on water/sewer invoices.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

All discharges are regulated by state environmental agencies and are regulated by NPDES permits. Permits require water testing to meet EPA and/or Standard Methods. Water testing laboratories are required to be NELAC accredited.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

All discharges are regulated by state environmental agencies and are regulated by wastewater discharge permits. Permits require water testing to meet EPA and/or Standard Methods. Water testing laboratories are required to be NELAC accredited.

Water consumption – total volume

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

The review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The difference between total quantity of water withdrawn and total quantity of water discharged in cubic meters for the year ending December 31, 2023 at the Company's facilities under operational control.
[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:

☑ We do not have this data but we intend to collect it within two years

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

(9.5.1) Revenue (currency)

28823000000

(9.5.2) Total water withdrawal efficiency

18548.94

(9.5.3) Anticipated forward trend

The total water withdrawal efficiency metric is expected to stay the same or increase slightly over a 1-to 2-year period due to shifting generation asset fuel mix and portfolio makeup and will continue to increase in the longer term in line with reduction in once through cooling systems associated with coal generation.
[Fixed row]

(9.7) Do you calculate water intensity for your electricity generation activities?

Select from:
☑ Yes

(9.7.1) Provide the following intensity information associated with your electricity generation activities.

Row 1

(9.7.1.1) Water intensity value (m3/denominator)

0.04

(9.7.1.2) Numerator: water aspect

Select from:
☑ Total water withdrawals

(9.7.1.3) Denominator

Select from:
☑ MWh

(9.7.1.4) Comparison with previous reporting year

Select from:
☑ Lower

(9.7.1.5) Please explain

In 2023, NRG's total water withdrawal intensity per unit of electricity generation was 0.04 megaliters (10,608 gallons) per MWh. During 2022, NRG's total water withdrawal intensity per unit of electricity generation was 0.04 megaliters (11,249 gallons) per MWh. Hence, our water intensity value is lower than the previous reporting year figure (a 5.7% decrease from 2022). The lower water withdrawal intensity is due to lower power generation from higher water withdrawing plants. It had been anticipated that intensity may slightly decrease over the next one to two years based on shifting generation asset fuel mix and portfolio makeup and will decrease in the longer term in line with reduction in once-through cooling systems associated with coal generation. This metric is used internally to support the development of sustainability initiatives related to water, for instance the development of new water targets. In 2023 and beyond, as part of a larger corporate strategy to reduce water withdrawal intensity, NRG will continue to undergo detailed water desktop audits at three high use generation stations to reveal gaps in measurement and reporting quality as well as reasons behind high water use, with the goal of further developing strategies to reduce water withdrawal intensity at the fleet level. Water reduction in our plant operations is an important part of our overall sustainability strategy.
[Add row]

(9.12) Provide any available water intensity values for your organization's products or services.

Row 1

(9.12.1) Product name

Water Intensity of Electricity Generation for Sale to Our Customers

(9.12.2) Water intensity value

0.04

(9.12.3) Numerator: Water aspect

Select from:
☑ Water withdrawn

(9.12.4) Denominator

MWh

(9.12.5) Comment

In 2023, NRG's total water withdrawal intensity per unit of electricity generation was 0.04 megaliters (10,608 gallons) per MWh. During 2022, NRG's total water withdrawal intensity per unit of electricity generation was 0.04 megaliters (11,249 gallons) per MWh. Hence, our water intensity value is lower than the previous reporting year figure (a 5.7% decrease from 2022). The lower water withdrawal intensity is due to lower power generation from higher water withdrawing plants. It had been anticipated that intensity may slightly decrease over the next one to two years based on shifting generation asset fuel mix and portfolio makeup and will decrease in the longer term in line with reduction in once-through cooling systems associated with coal generation.
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

(9.13.1) Products contain hazardous substances

Select from:
☑ No

(9.13.2) Comment

Our products do not contain hazardous substances, as defined by the CDP, which include compounds that are persistent, bioaccumulative, and toxic (PBT); very persistent and very bioaccumulative (vPvB); carcinogenic, mutagenic, and toxic for reproduction (CMR); or endocrine disruptors (ED).
[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:
☑ Yes

(9.14.2) Definition used to classify low water impact

We are aligned with CDP's definition, i.e. products having a lower detrimental impact on water resources, water quality and ecosystems than the market norm.

(9.14.4) Please explain

We offer our residential and business customers numerous types of renewable electricity subscription plans. Electricity from renewable sources is less water intensive than electricity from fossil fuels.
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Water pollution

(9.15.1.1) Target set in this category

Select from:
☑ No, but we plan to within the next two years

(9.15.1.2) Please explain

NRG identifies and classifies potential water pollutants according to regulatory requirements. We obtain all required permits and report results of water discharges to regulatory agencies monthly. We have 35 wastewater discharge permits in the U.S. Operations are assessed each month through our EKPIs, which measures a *number of leading and lagging parameters such as notices of violation (NOVs), reportable spills and compliance with laws. For 2023, 93% of our generation fleet met or exceeded their respective targets. We continue to evaluate whether we can set more ambitious targets in this arena.*

Water withdrawals

(9.15.1.1) Target set in this category

Select from:

☑ Yes

Water, Sanitation, and Hygiene (WASH) services

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

100% of NRG facilities already have WASH services. Sites are inspected by federal regulators in person when randomly selected as part of an OSHA enforcement process, and are informally monitored daily by site management, who report any outages. We continue to evaluate whether we can set even more ambitious targets in this arena.

Other

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

We do not plan to establish any additional water-related targets beyond those already mentioned over the next two years.
[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Reduction in total water withdrawals

(9.15.2.5) End date of base year

12/31/2016

(9.15.2.6) Base year figure

5339

(9.15.2.7) End date of target year

12/31/2030

(9.15.2.8) Target year figure

3203

(9.15.2.9) Reporting year figure

1553.89

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

177

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

Our values above are in million cubic meters. We only account for water from NRG power generation facilities and exclude non-power generating facilities like offices and warehouses. The amount of water consumed at non-generation facilities is immaterial in comparison. In 2023, our withdrawals were 71% less than in 2014. Sold assets as of Dec. 31, 2023, have been removed from the 2014 base year. The primary direct use of this water is cooling of condensers during power generation. We have designed our approach to water management with the understanding that water issues are site-specific.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

We have invested in water-saving technologies, such as cooling towers, which minimize impacts on aquatic life and significantly reduce water consumption at our generating stations. Furthermore, our strategic portfolio changes—including plant retirements, divestments, and the transition from coal to natural gas—significantly decreased our water withdrawal demands, further enhancing our commitment to sustainable practices.

(9.15.2.16) Further details of target

NA
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water management

☑ Species management

☑ Education & awareness

☑ Livelihood, economic & other incentives

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☑ Yes, we use indicators	*Select all that apply* ☑ State and benefit indicators ☑ Pressure indicators

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
		☑ Response indicators

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Other data point in module 7, please specify :Renewable energy products

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☑ Other climate change verification standard, please specify :Green-e certification

(13.1.1.4) Further details of the third-party verification/assurance process

Green Mountain Energy products that are Green-e certified submit to an independent third-party audit and Green-e verification and certification by the Center for Resource Solutions.
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Sustainability Officer (CSO)

(13.3.2) Corresponding job category

Select from:

☑ Chief Sustainability Officer (CSO)
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute