

Trade Associations Climate Policy Review

AES maintains memberships in trade and other associations which help advance our business objectives. These associations provide a forum for members to share ideas and develop new ways to improve the industry and provide benefits to all of AES' various stakeholders. Our membership in and payments to specific trade associations or other organizations does not mean that we endorse every position or issue that the organizations may support. AES maintains an active role in the trade associations in which we belong so that we may address any significant conflicts between our values and perspectives of the trade associations.

The purpose of this report is to review the climate positions of the major trade associations to which AES belongs and which receive more than \$25,000 annually from AES or an AES subsidiary. We conclude that all of the respective trade associations have policies that align with the Paris Agreement.

American Clean Power (ACP)

ACP is a trade association of companies from across the clean power sector that are powering America's future and providing cost-effective solutions to the climate crisis while creating jobs, spurring massive investment in the U.S. economy, and driving high-tech innovation across the nation. ACP's goal is to make clean energy the dominant electricity source in the United States by uniting the power of solar, wind, storage, and transmission companies along with manufacturers and construction companies, developers and owners/operators, utilities, financial firms, and corporate purchasers in the clean energy value chain. An AES Senior Executive sits on ACP's board and AES is actively involved in several ACP committees.

Shortly after their formation in January 2021, ACP issued a [statement](#) after President Biden committed the U.S. to rejoining the Paris Climate Agreement.

"Climate change is a global threat that requires international collaboration to address, and American Clean Power applauds the Biden-Harris Administration for re-asserting America's place in the Paris Agreement."

Further, ACP issued the report, "[A Majority Renewables Future](#)," in March of 2021 conducted by Wood McKenzie highlighting the role that clean energy policies and programs can have in stimulating investment and creating jobs while helping meet the climate goals of the Paris agreement.

"In addition to reducing harmful air pollutants that can lead to asthma and other respiratory illness, this clean energy deployment will lower emissions from the electric sector by 76 percent below 2005 values, helping meet most of the target set under the Paris Agreement."

Business Roundtable (BRT)

BRT is an association of chief executive officers of America's leading companies working to promote a thriving U.S. economy and expanded opportunity for all Americans through sound public policy. The

CEO of AES is active with BRT leadership and the company has engaged with BRT in the development of its climate policy.

In its September 2020 report, "[Addressing Climate Change](#)," BRT states that addressing climate change and its impacts demands a robust, coordinated effort with a sound policy portfolio. Business Roundtable CEOs called for a well-designed market-based mechanism and other supporting policies to provide certainty and unleash innovation to lift America toward a cleaner, brighter future. Specific to the Paris Agreement, the report states the following:

"Business Roundtable believes that to avoid the worst impacts of climate change, the world must work together to limit global temperature rise this century to well below 2 degrees Celsius above preindustrial levels, consistent with the Paris Agreement."

Edison Electric Institute (EEI)

EEI is the association that represents all U.S. investor-owned electric companies. Its members provide electricity for 220 million Americans and operate in all 50 states and the District of Columbia. EEI's position is that global climate change presents one of the biggest energy and environmental policy challenges this country has ever faced. EEI member companies are committed to addressing the challenge of climate change and have undertaken a wide range of initiatives over the last 30 years to reduce, avoid or sequester GHG emissions. Policies to address climate change should seek to minimize impacts on consumers and avoid harm to U.S. industry and the economy. The CEO of AES is a member of the EEI board and AES is actively involved in several energy and climate related committees.

In January of 2021, EEI issued a [statement](#) stating:

"We support America rejoining the Paris Agreement. U.S. electric companies collectively have reduced their carbon emissions more than every nation in the world since 2010 and have achieved a 33-percent reduction from 2005 levels as of the end of 2019. That is a decade earlier than what was called for in the original U.S. commitment under the Paris Agreement. To achieve meaningful worldwide action on climate change, it is essential that we continue to engage in these global conversations and that we continue to build on the progress we already have made."

Solar Energy Industry Association (SEIA)

Founded in 1974, SEIA is the national trade association for the solar and solar + storage industries. SEIA, along with their members and allies across the energy system, have set an ambitious goal: solar energy will comprise 30% of all U.S. electricity generation by 2030. The Vice President of External Affairs for AES's U.S. renewables business is a member of the SEIA Board and AES is active on several committees.

In January of 2021, SEIA issued the following [statement](#) in support of the Paris Agreement.

"Today President Biden announced plans to re-enter the United States into the Paris Agreement. The Solar Energy Industries Association (SEIA) backed the agreement when it was

signed in 2016 and continues to support this agreement and other global efforts to combat climate change.”

Energy Storage Association (ESA) (to be merged into ACP as of January 2022)

The ESA is the leading national voice that advocates and advances the energy storage industry to realize this goal—resulting in a better world through a more resilient, efficient, sustainable, and affordable electricity grid. Effective January of 2022, ESA will merge into American Clean Power, will continue to accelerate the adoption of zero emitting storage technologies and will incorporate ACP’s supportive position on the Paris Agreement.