

**Resolved:** Shareholders request that the Board of Directors conduct an evaluation and issue a report within the next year (at reasonable cost, omitting proprietary information) describing if, and how, Entergy's lobbying activities (direct and through trade and other associations) align with the goal of limiting average global warming to well below 2 degrees Celsius (the Paris Climate Agreement's goal) and how the company plans to mitigate risks presented by any misalignment.

### **Supporting Statement:**

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According to the most recent annual "Emissions Gap Report" issued by the United Nations Environment Programme (November 26, 2019), critical gaps remain between the commitments national governments have made and the actions required to prevent the worst effects of climate change. Companies have an important and constructive role to play in enabling policymakers to close these gaps.

Corporate lobbying activities that are inconsistent with meeting the goals of the Paris Agreement present regulatory, reputational and legal risks to investors. These efforts also present systemic risks to our economies, as delays in implementation of the Paris Agreement increase the physical risks of climate change, pose a systemic risk to economic stability and introduce uncertainty and volatility into our portfolios. We believe that Paris-aligned climate lobbying helps to mitigate these risks and contributes positively to the long-term value of our investment portfolios.

Of particular concern are the trade associations and other politically active organizations that speak for business but, unfortunately, too often present forceful obstacles to progress in addressing the climate crisis.

As investors, we view fulfillment of the Paris Agreement's agreed goal—to hold the increase in the global average temperature to "well below" 2°C above preindustrial levels, and to pursue efforts to limit the temperature increase to 1.5°C—as an imperative. We are convinced that unabated climate change will have a devastating impact on the value of our portfolio. We see future "business as usual" scenarios of 3-4°C or greater as both unacceptable and uninvestable.

In 2020, a group of faith- and values-based investors wrote to Entergy, seeking information on how the company is managing this critical governance issue. Insufficient information is presently available to help investors understand whether Entergy works to ensure that its lobbying activities, directly, in the company's name, and indirectly, through trade associations, align with the Paris Agreement's goals, and whether Entergy takes any action to address any misalignments it has found.

Thus, we urge the Board and management to assess Entergy's climate-related lobbying and report to shareholders.