

# 2020

• C L E A R W A Y •

ESG REPORT



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## MESSAGE FROM OUR CEOs

2020 was a year unlike any other in our lifetimes. Our world, our country, and our values were tested repeatedly and on multiple fronts. The Clearway team rose to meet many of these challenges, as an organization and as individuals – and we ended the year more resolved than ever to fulfill our essential purpose as a company.

We view that purpose in a number of dimensions, but first and foremost it is to ensure that our actions today will benefit future generations. We're motivated to effect positive change, and we're committed to doing the work necessary to achieve our goals. As we continue to build on our efforts, we're pleased to share this report of what we've accomplished during the past year in service of this mission and to summarize some key highlights.

First, with respect to our role in protecting the environment...

For many of our employees and the communities we serve, 2020 was a year when climate change was no longer an abstract concept, but rather became part of daily life. Our people, our customers, and our neighbors experienced firsthand the reality of a changing climate in the form of severe storms, floods, and wildfires.

We drew from these experiences a renewed determination to help reduce the climate impacts of electricity generation by expanding our fleet of clean, renewable energy assets, and to continue our support for educating the next generation of Americans about the monumental challenge of climate change and the imperative to address it.

Clearway is one of a number of enterprises that are committed to delivering solutions to this challenge. We have one of the lowest-carbon fleets in America – in 2020, 83% of the electricity we generated came from emission-free resources. Our renewables fleet is one of the largest in the nation, and our thermal and conventional assets are some of the most efficient. As we ramp up the growth of our renewable portfolio, our carbon intensity will continue to fall.

We believe that deal structures like our 2020 Lighthouse transaction – which efficiently assembled capital from a range of sources to finance a diverse and reliable 1.6-gigawatt portfolio – represent the approach necessary to transition to a clean energy future. The numbers speak for themselves: This single transaction, in which ownership of seven renewable energy assets is shared between Clearway Energy, Inc. and Hannon Armstrong Sustainable Infrastructure Capital, Inc., equates to a 12% increase in Clearway's existing renewable fleet and a 0.1% increase in the nation's current carbon-free generation capacity. We aim to do more.

Successfully delivering low-carbon generation at scale requires us to expand and manage our fleet in a way that considers our environmental impacts beyond reduced carbon emissions alone. For this reason we develop, construct, and operate our facilities in ways that prioritize conservation and minimize our environmental footprint. Furthermore, we're also leading industry initiatives to develop best practices regarding the upstream and downstream impacts of the technology we use, from the materials that go into solar panels and batteries, to the materials that can be reclaimed at the end of a wind or solar asset's life.



**Craig Cornelius**

Chief Executive Officer  
Clearway Energy Group LLC



Second, with respect to social issues...

As the intensity and urgency of calls for social justice increased during 2020, the full extent of our aspirations as a company became clear, and the importance of fulfilling them felt more compelling than ever. In response to that calling, our employees led the way in creating our diversity, equity, and inclusion program under the auspices of our newly formed Equity, Partnership and Inclusion Council (EPIC).

The EPIC program stands on three pillars – Our People, Our Product & Customers, and Our Purchasing – and we were inspired by how many of our employees stepped up to identify innovations and changes to our business practices that position Clearway to do our part in rebalancing social equities through our policies and practices.

Among these, perhaps the most significant innovation was the creation of employee inclusion groups and encounter-based sessions where employees learn about one another's backgrounds. The Clearway community has come together through these forums, which give us new perspective on ways we can support each other and be a force for positive social change.

The EPIC program will continue to expand and take shape in 2021 and beyond, but we believe the craftsmanship and attention to detail that went into designing and refining it speak to the commitment and dedication of all involved.

Lastly, with respect to the importance we place on good governance...

The critical connections among environmental, social, and governance (ESG) considerations are central to every decision Clearway makes as a company, and this focus is reinforced throughout all levels of the enterprise. Clearway Energy, Inc.'s Corporate Governance, Conflicts and Nominating Committee has taken an active role in reviewing emerging ESG trends and developing the company's strategies, activities, policies, and communications regarding ESG matters. Additionally, in 2020 Clearway Energy, Inc.'s Board of Directors adopted a formal Board Diversity Policy, driven by the view that the Board should include members with diverse backgrounds, skills, and experience.

This is our second report on our ESG performance, and although we acknowledge that the pursuit of a more sustainable and just world is an ongoing journey, we believe that what Clearway has accomplished thus far is noteworthy. This report is a testament to the hard work of the Clearway team over the past year – we are both humbled by their actions, and proud to share this information with you.



**Craig Cornelius**  
Chief Executive Officer  
Clearway Energy Group LLC



**Christopher Sotos**  
Chief Executive Officer  
Clearway Energy, Inc.



**Christopher Sotos**  
Chief Executive Officer  
Clearway Energy, Inc.



## MESSAGE FROM OUR ESG PROGRAM LEAD



**Ray Kelly**

Senior Director, Environmental

Clearway was introduced to investors in 2018, when it was formed as a result of the sale of NRG Energy, Inc.'s renewables platform to Global Infrastructure Partners (GIP). While still a young enterprise, a focus on ESG topics has been a high priority for Clearway since Day 1.

In 2019, our first full year as a standalone company, we were still in the process of establishing the basic programs and procedures necessary to run the organization – but we demonstrated our commitment to sustainability by issuing our first report. In 2020, the Clearway enterprise deepened this commitment by releasing additional climate risk disclosures and amending the Corporate Governance, Conflicts and Nominating Committee charter for the Clearway Energy, Inc. Board of Directors to add a provision noting the Committee's responsibility for reviewing and addressing ESG issues. Further, Clearway is establishing an enterprise-wide ESG committee, which I am privileged to lead.

Clearway is committed to creating a more sustainable world for future generations, and we feel it is our responsibility and our duty to operate in a way that promotes and helps achieve this. We seek not only to power the world with clean energy, but also to harness the power of our people to effect real and lasting change.

Our ESG strategy is based on environmental stewardship, positive societal impact, and good governance. Using this framework as a guide, the ESG committee will work to ensure that Clearway's activities protect, conserve, and enhance biodiversity and natural resources, reduce greenhouse gas emissions, enhance the wellbeing of our employees, promote social awareness, and create positive impacts within the communities where we live and operate.

## About This Report

This report describes the environmental, social, and governance aspects of the activities of Clearway Energy Group LLC and our public affiliate Clearway Energy, Inc. (collectively, "Clearway") for fiscal year 2020 (January 1 – December 31, 2020). Topics related to Clearway's portfolio are primarily focused on the renewable energy assets we own and operate. This report differs from Clearway Energy Group LLC's 2019 report in that it includes additional information that pertains to Clearway Energy, Inc.; where specified, selected information pertains solely to either Clearway Energy Group LLC or to Clearway Energy, Inc.

This is our second annual report, and while it references GRI disclosures, it is not in accordance with the GRI reporting standards. No external assurance has been sought specifically for this report. We have no restatements to disclose. Additional resources related to our ESG reporting may be found at [www.clearwayenergygroup.com/sustainability](http://www.clearwayenergygroup.com/sustainability). In keeping with our commitment to communicate openly with our stakeholders, we welcome your feedback. Please send your comments to:

Zadie Oleksiw  
Director, Communications  
[zadie.oleksiw@clearwayenergy.com](mailto:zadie.oleksiw@clearwayenergy.com)



## About Clearway

### OUR COMPANY STRUCTURE

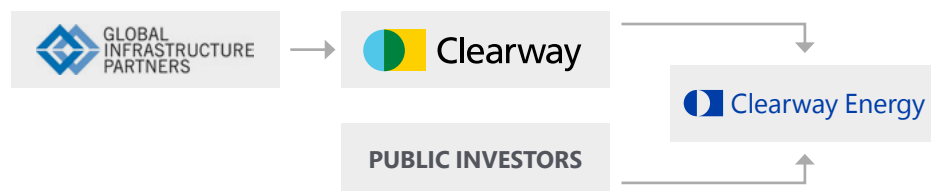


Clearway is leading the transition to a world powered by clean energy. A full-scope development and operations platform, we participate in every stage of the lifecycle of our projects – from origination and development, through construction and financing, to long-term ownership, management, and operations. In everything we do, we strive to create an enduring platform for our customers, counterparties, partners, and stakeholders.

Clearway Energy Group LLC and our public affiliate Clearway Energy, Inc. own and operate over 7.5 gigawatts (GW) of renewable and conventional energy assets, as well as several district energy systems across the country. As we develop our 10 GW pipeline of new renewable energy projects nationwide, Clearway's 5 GW of wind, solar, and energy storage assets – one of the largest renewable fleets in the country – is estimated to offset the equivalent of nearly 8.8 million metric tons of carbon emissions for our customers annually.

Clearway Energy Group LLC is owned by Global Infrastructure Partners III (GIP). Global Infrastructure Management, LLC is an independent fund manager that invests in infrastructure assets in the energy and transport sectors, and Global Infrastructure Partners III is its third equity fund. Through GIP's ownership, Clearway Energy Group LLC has a controlling interest in, and serves as the supporting sponsor of, Clearway Energy, Inc.

Clearway Energy, Inc.'s Class C and Class A common stock are traded on the New York Stock Exchange under the symbols CWEN and CWEN.A, respectively.



### Clean Energy Snapshot\*

**Clearway's 5 GW of wind and solar** deliver benefits equivalent to:



**8.8 million metric tons of CO<sub>2</sub>** avoided for our customers



**1.9 million cars** taken off the road each year



**1.3 million homes** powered by clean energy each year

\*Based on the U.S. EPA Greenhouse Gas Equivalencies Calculator



## Our Vision, Mission, And Values

### Clearway's Commitment

Our strength depends on our promise to each other to live by our values and operating principles as we go about the tasks of fulfilling our mission and acting as stewards for our stakeholders. That promise is reflected in our companies' Codes of Conduct, which apply to all Clearway employees as well as in our Supplier Codes of Conduct. Our commitments include:

- An ethical business culture that includes working collaboratively with a spirit of trust
- Compliance with applicable laws and regulations, as well as with our Codes of Conduct
- A safe, fair, and respectful workplace
- A positive work environment free of harassment, bullying, and intimidation
- Decisions that are made in the best interests of Clearway, without personal conflicts or bias
- Confidence that reports of all kinds, made in good faith, will be taken seriously and investigated appropriately, and that those reporting will not face retaliation

### OUR VISION

Clearway's vision is a world powered by clean energy. Our employees work every day to make that vision a reality by operating wind, solar, energy storage sites, and district energy systems in more than 25 states and Puerto Rico and developing new clean energy projects across many more. Together with our customers, affiliates, and partners, we are leading the way to a clean energy future.

### OUR MISSION

Our mission is to produce clean, reliable, competitively priced renewable energy. We strive to do right by our customers, our communities, our environment, and our people, and we are dedicated to operating a sustainable company that makes all these things – and more – possible.

### OUR VALUES



**Quality:** We focus on near-, medium-, and long-term impacts and outcomes when developing our projects, our partnerships, our people, and our business.



**Respect:** We value diverse backgrounds and perspectives, work to see things through new lenses, and communicate thoughtfully.



**Possibility:** We seek to realize the potential in our people, our partners, and our projects.

## CLEARWAY'S 2020 ESG SNAPSHOT



This year we launched our **Equity, Partnership and Inclusion Council (EPIC)**, which focuses on our diversity, equity, and inclusion strategy and charting the company's course toward progress in these areas.



Clearway donated almost **\$1 million** to nonprofits in the communities where we live and operate.



Safety information and trainings are communicated to all employees on a regular basis. In our annual employee engagement survey, **our highest scores were in the category of safety.**



In 2020, the renewable energy sites owned and operated by Clearway contributed **\$35.4 million** in property taxes and **\$12.6 million** in landowner payments to their host communities.

### OUR ESG GOALS

#### EMISSIONS

By 2035, 90% of the electricity we generate will be **carbon-free**.

#### DIVERSITY EQUITY & INCLUSION

By 2022, we will establish all our planned **employee inclusion groups** and adopt board-approved measures to deliver progress on our three key pillars of **people, products & customers, and purchasing.**

#### SUPPLY CHAIN

By 2022, we will establish a **Sustainable Procurement Policy** that will be applicable to all our major equipment and service providers.

#### COMMUNITY

By 2025, **100%** of our renewable energy sites ≥50 MW in size will have **community engagement plans** and participate in our Adopt-a-School program.

#### GOVERNANCE

The boards of Clearway Energy Group LLC and Clearway Energy, Inc. are committed to **active oversight of our ESG-related matters**, including reviewing the status and performance of our ESG initiatives at least semi-annually.

**In 2020, 83% of the electricity we generated came from EMISSION-FREE RESOURCES**

### OUR 2020 RENEWABLE ENERGY FOOTPRINT

<b>5 GW</b> Under Ownership & In Operation	<b>5 GW</b> Under Asset Management	<b>3.6 GW</b> Under Self-Operations
<b>10 GW</b> In Development & Construction	<b>\$9.3 B</b> Capital Raised (Cumulative)	

### Delivering Clean Energy

In 2020, we built more than 1.1 GW of wind and solar.


Utility-scale Solar	192 MW
Community Solar	26 MW
Wind	579 MW
Repowered Wind	321 MW
<b>Total</b>	<b>1,118 MW</b>

### ACCELERATING THE SHIFT TO ZERO-CARBON ELECTRICITY

Our 2020 Lighthouse transaction represented a nearly **\$3 billion** investment in carbon-free power and involved the sale of a 1.6 GW portfolio of wind and solar projects combined with 1,580 MWh of energy storage.

#### Key metrics include:

- **7 renewable energy projects** located in 4 states
- Annually, clean energy benefits equivalent to
  - powering **640,000 U.S. homes**
  - taking **820,000 cars off the road**
- The projects will create an estimated
  - **2,500** construction and operations jobs
  - **\$464 million** in landowner, state, and local tax payments over their operational lifespans



## Responding To 2020's Challenges

### THE COVID-19 PANDEMIC

For our nation and the world, 2020 was a year defined and shaped by a devastating public health crisis. Countless lives have been impacted by the COVID-19 pandemic, and entire sectors have had to recalibrate the way they do business.

The health, safety, and well-being of our colleagues and communities will always remain our top priority. As the uncertainty surrounding the novel coronavirus grew, we took several steps to prepare and protect employee safety and business continuity.

Early in 2020, we formed a task force comprised of team members from a range of functions that include executive leadership, operations, human resources, and safety. They met daily to determine, implement, and communicate the policies and measures we took as a company.

The task force immediately established COVID-19 mitigation and response procedures. We implemented new safety protocols to protect our onsite essential workers, including supplying PPE, implementing staggered shift schedules, providing extra vehicles to minimize close contact, closing our sites to all but essential visitors, and implementing stringent new safety protocols for individuals who did visit.

In addition to social distancing and enhanced cleaning procedures, onsite contract workers were required to submit COVID safety plans in alignment with CDC guidance. We also closed our corporate offices and provided office-based employees with the equipment and technology solutions necessary to perform their jobs from home.

Central to these efforts were our company communications across a number of channels. We created an employee resource COVID-specific intranet site that includes current work resources, policies, health and wellness information, guidelines, and more. We host and continuously evolve virtual meetings for employees to hear from and speak directly with the leadership team and to remain connected.

We also took many measures to give employees the time and flexibility needed in case they or their loved ones became exposed to the virus. We implemented the [Families First Coronavirus Response Act](#) and extended the Emergency Sick Leave (ESL) and Emergency Family Medical Leave (EFMLA) provisions of the Act to all employees. While the Act expired in 2020, Clearway will continue offering ESL and EFMLA benefits into 2021.



## COVID-19 Response Highlights

**Identifying essential workers** and instituting new procedures to maintain onsite health and safety and implementing remote work for all remaining employees.

**Establishing enhanced site safety protocols** that include social distancing, enhanced cleaning procedures, and PPE supplies. All onsite contractors are also required to submit COVID-19 safety plans that align with CDC guidance.

**Supporting our employees**, particularly those in rural locations with limited healthcare infrastructure and testing, with access to a third-party occupational health provider with a COVID-19 hotline they could call to speak with medical professionals and access guidance. This third-party provider was an innovative approach that helped us with case management and contact tracing in the event of exposure. In 2020, nearly 13% of our employees across the U.S. used the service to get answers and guidance.

**Changing our paid time off (PTO) policy for 2020.** Recognizing that many employees may have had to cancel vacation plans or may not have been able to use their PTO for other reasons, we adopted a special policy to pay employees for up to 40 hours of "lost" PTO. Employees who purchased PTO in 2020 were also refunded contributions associated with any unused balances.

**Assessing the safety of our office spaces**, including their ventilation systems and the buildings' COVID response plans, to ensure they align with CDC guidelines and our own requirements once we reopen offices. We have prepared plans for office reopening that include occupancy limits, physical distancing, enhanced cleaning procedures, and other protocols to ensure a safe environment.

**Between April 27 and May 3, 2020, we conducted an employee survey** regarding Clearway's COVID-19 response and planning efforts. 70% of our employees responded and we received high marks ( $\geq 90\%$ ) for business continuity, leadership, communication, and our attention to employees' wellbeing and health.

*"I appreciate the care leadership has demonstrated in their response to the crisis. They have shown an abundance of caution in protecting employees, empathy for individual circumstances, genuine care for overall employee wellbeing, proactive planning in constantly evolving circumstances, and a desire to be as transparent as possible in their communications."*

—Survey respondent.

## A Closer Look

### Expanding Community Solar Access During COVID-19

Clearway Community Solar offers access to local clean energy choices and bill savings for households, businesses, municipalities, and others. We operate 59 community solar projects with more than 20,000 residential customers and are developing more than 50 new projects across Illinois, New York, Massachusetts, and Minnesota.

The COVID-19 pandemic brought unexpected challenges to our community solar door-to-door sales activities when in-person solicitations were restricted in markets where we have new projects coming online. The community solar team adapted in several ways.

Prior to the onset of the pandemic, we had begun developing an [online customer enrollment portal](#). When in-person sales were restricted, we ramped up efforts to complete the enrollment portal and were able to deploy it within weeks. In addition to making community solar subscriptions available to more potential customers through this self-service option, the enrollment portal also helped enable the expansion of in-market partnerships.

We also expanded our suite of community solar communication materials to address frequently asked questions and common customer service inquiries, and we utilized webinars and virtual presentations to support both new enrollments and existing customers. In places where it became possible to resume door-to-door sales, we introduced COVID-specific [safety protocols](#) for our community solar field agents and in-market vendors, as well as daily safety screenings and safety protocol-focused training.

The successful implementation of these creative approaches and safety protocols resulted in Clearway Community Solar's sales teams delivering solid performance in a challenging year while ensuring their own safety as well as that of prospective customers.



**We advocate** for racial and social justice at Clearway, in our industry, and in our nation.

**We create** safe spaces and robust resources for employees to examine, listen, share, and put into action what we are learning.

**We commit** our time and resources in a thoughtful, transparent, and sustainable manner.

**We adapt** our approach to acknowledge our gaps and meet people where they are.

**We embody** our DEI program by turning action into impact in all facets of our business.

## A Closer Look

### Clearway's Equity, Partnership and Inclusion Council (EPIC)

Diversity of perspective, background, and experience are highly valued at Clearway, and our commitment to inclusivity and belonging is integral to who we are as a company. In 2020, we launched our Equity, Partnership and Inclusion Council (EPIC). The Council focuses on our diversity, equity, and inclusion strategy and charting the company's course toward progress in these areas. The Council is sponsored by the CEOs of Clearway Energy Group LLC and Clearway Energy, Inc., led by two co-chairs, and comprised of individuals from various levels, roles, and disciplines across the company.

### BUILDING AN EPIC VISION OF DEI AT CLEARWAY

The EPIC Planning Team reports to the Council and is made up of colleagues who are passionate about having a direct impact on diversity, equity and inclusion in the workplace and beyond. The Team focuses on how Clearway addresses DEI in three key business areas:

- 1. Our People** – how we recruit, retain, engage, and train our employees
- 2. Our Products & Customers** – how we can better partner with and understand the needs of underserved markets, as well as diversify our customer base
- 3. Our Purchasing** – how we establish and maintain non-discriminatory practices in our purchasing as we lay the groundwork for a full-fledged supplier diversity program and endeavor to set ourselves apart as a leader within the industry around supplier diversity



EPIC's work in these areas will be guided by input from several employee-led inclusion groups formed around common communities and shared experiences. In 2020, our Black Inclusion Group and our Allies Inclusion Group were created, and in early 2021 we will launch Latinx, LGBTQIA+, Pan-Asian, Women, and Veterans inclusion groups.

EPIC hosts regular educational events to encourage discovery and dialogue on a range of topics. All employees, contractors, and subcontractors are welcome to participate. These events begin with a Clearway employee sharing information about their life experiences and background to help introduce the topic and speaker. This helps increase understanding and empathy and offers attendees the opportunity to gain a fuller appreciation of one another that extends beyond knowledge gained in standard workplace interactions.

Following this, an external speaker and subject matter expert provides insights on a selected topic, and employees have the opportunity to engage in dialogue through multiple channels. We survey attendees after each event to get feedback and ideas for future discussion topics and suggestions for improvement.





## Corporate Citizenship

The communities where we live and operate our sites are one of our most important stakeholder groups, and we undertake a wide range of efforts and programs to help them thrive.

When the economic and social impacts of the COVID-19 pandemic began to emerge early in 2020, one of the first questions our employees asked was what the Clearway team could do collectively to help. Many cited Clearway's stability as a company as further reason to provide relief where we could, and across the business our employees took the initiative to reallocate resources and tighten budgets to free up funds that could be used for charitable purposes.

Thanks to these efforts and the generosity of our employees, by the end of 2020 Clearway had donated nearly \$1 million to nonprofit organizations in the communities where we live and operate. Team members across the company stepped up to identify and recommend local organizations that were working to combat food insecurity by providing meals and support to those in need, supporting education, assisting elderly and youth populations, creating job training and job assistance resources for veterans, and providing many other much-needed services.

This company-wide participation made it possible for Clearway to scale its impact and contribute to scores of organizations across the country. We were proud of our employees' desire to help others during this crisis and the work they did to make this happen.

## CLEARWAY COMMUNITY SOLAR'S SCHOLARSHIP CONTEST

In 2020, Clearway Community Solar held its second annual scholarship contest for college students. Participants were asked to write an essay on the following topic:

*The climate crisis is among the most critical existential threats facing humankind. But today, we are also facing a new global crisis: the COVID-19 pandemic. Are there similarities in the threat of these two crises? How has the urgency of combating the climate change crisis been impacted by the COVID-19 crisis?*

The first-place winner received \$5,000 for use toward college expenses. Two candidates tied for second place, and each received \$2,500. [Click here](#) to learn more about the winners and read their essays!

## In 2020 Clearway donated

almost \$1 million  
to nonprofit  
organizations in  
the communities  
where we live and  
operate.

In 2020, the  
renewable energy  
sites owned  
and operated  
by Clearway  
**contributed  
\$35.4 million  
in property  
taxes and  
\$12.6 million  
in landowner  
payments**  
to their host  
communities.





# 2020 Community Outreach Highlights

## Partnering to Support Local COVID-19 Relief Efforts

In May 2020, Clearway partnered with [East Bay Community Energy \(EBCE\)](#) to create a community benefit fund to support COVID-19 relief efforts in Alameda County, California. \$250,000 in grants was allocated to more than two dozen community-based organizations and also enabled the purchase of personal protective equipment for area frontline workers and at-risk community members.

In 2019, EBCE signed a power purchase agreement for a portion of Clearway's 192 megawatt (MW) Rosamond Central solar energy project, and EBCE and Clearway also established a community benefit fund to invest in Alameda County. The fund was deployed in early 2020 to meet the urgent need for support.

## Feeding the Hungry

[Feeding America](#) is the largest hunger-relief organization in the United States. Through a network of 200 food banks and 60,000 food pantries and meal programs, the organization provides meals to more than 40 million people each year, in addition to supporting several other programs focused on reducing hunger. In 2020, Clearway Community Solar contributed \$23,000 to Feeding America as part of a customer incentive program. Community solar subscribers who elected to enroll in our automatic payment program received a bill credit, and we donated \$50-\$100 per customer to Feeding America on their behalf.

## From Intern to Wind Tech

The Northeast Community College in Norfolk, Nebraska offers a wind energy program that requires students to do an internship during the last semester of classes. In 2019, Clearway's Laredo Ridge wind farm began hosting interns from the college as part of our Adopt-a-School program. Brandon Miller was the first student to intern at Laredo Ridge, which is near his hometown of St. Edward, and had the opportunity to gain

hands-on experience operating and maintaining a wind farm. He apparently liked the experience, because after completing his internship and earning his diploma he applied for an open position at the site. Today, Brandon is a Wind Technician II at Laredo Ridge, where he leads crews performing day-to-day maintenance and repair work. Brandon is excited to be able to help supply clean, renewable energy to the community in which he grew up.



Brandon Miller

## Clearway's Adopt-a-School Program

In 2020, we formally launched our Adopt-a-School program, which is designed to help young people in the communities that host our wind and solar sites learn about renewable energy. Operations and maintenance staff from every utility-scale wind and solar site we own and operate will partner with local schools to organize and participate in a series of educational activities.

Although school closures due to the COVID-19 pandemic prevented us from achieving a full rollout of our Adopt-a-School program in 2020, we were able to adopt 20 schools. In total, 14 Clearway sites contributed nearly \$16,000 and approximately 80 hours to the program, which reached 159 educators and 1,547 students. We look forward to completing the program's rollout in 2021.



Students and thank-you notes from Bloomfield Elementary, near Clearway's Elkhorn Ridge Wind Farm in Nebraska.

# 2020 Community Outreach Highlights

## Educating the Next Generation of Clean Energy Leaders

[Kamehameha Schools](#) (KS) is a private charitable educational trust endowed by the will of Hawaiian princess Bernice Pauahi Bishop (1831-1884), the great-granddaughter and last direct descendant of King Kamehameha I. KS' mission is to improve the capabilities and well-being of Hawaiians through education, which they achieve by operating an educational system serving over 6,900 students of Hawaiian ancestry at K-12 campuses on Oahu, Maui and Hawaii island, and at 30 preschool sites statewide.

KS owns significant land holdings across Hawaii. Clearway's 49 MW Kawaihoa Solar site is located on land owned by KS and, as part of that agreement, in 2018 Clearway entered into a 10-year collaboration with [Blue Planet Foundation](#), a non-profit organization working to transition Hawaii to 100% clean energy, to provide educational programming to KS students. Program activities include:

- Development of a clean energy curriculum for local schools, covering pre-K through 12th grade. Although the first classes held in early 2020 were in-person, the curriculum was quickly adapted to a remote learning format. The curriculum includes educational content and games that help students of all ages learn about solar energy and Hawaii's energy systems.
- An annual summer internship for Hawaiian high school graduates to help them prepare for careers in clean energy. The students are selected by KS, and we host them at our Kawaihoa Solar site to provide hands-on job experience in engineering, development, and operations. Clearway hosted the first group of interns during the summer of 2019 but did not host any interns in 2020 due to the pandemic.
- Sponsoring Blue Planet's annual [Student Energy Summit](#), a multi-day event that educates and motivates middle and high school students to find clean energy solutions to issues within their own communities. The 2020 Summit topic was "Road to Recovery." Held in a hybrid-virtual format, it centered around the topic of working together toward a clean energy future.

## A Closer Look

### Powering Local Economies in West Virginia



West Virginia's diverse topography includes farmland, rolling hills, national forests, and rugged mountains that benefit from a strong, steady wind resource, particularly in the northeastern part of the state. In 2020, we began pre-construction activities for the 115 MW Black Rock Wind Farm, which straddles Grant and Mineral counties in the state's northeast corner and is scheduled to reach commercial operations in 2021. Our 55 MW Pinnacle Wind Farm – which is just a few miles away on the same ridge but located exclusively in Mineral County – is slated for a separate modernization project in 2021.

Combined, these activities represent a nearly \$300 million capital investment in the two counties. Much of this project funding will be directly injected into West Virginia's economy through expenditures on local goods and services, including construction materials (concrete, rebar, gravel), construction equipment, site security, road maintenance, trucking, vehicle fueling and repair, groceries, office supplies, hardware, restaurants and lodging, as well as real estate, legal, forestry, environmental, and engineering design services.

During the construction phase, the Black Rock Wind Farm is expected to create at least 200 union jobs, generating \$52 million in direct spending on local payroll and services. Once operational, the site will create 6-10 locally based, permanent operations and maintenance jobs and will routinely procure services from area businesses.

**Clearway donated 8,000 masks to Mineral County Emergency Management for use in the community.**



Origination & Business Development



Project Development



Engineering & Procurement



Construction Management



Project Finance



Commercial Operations

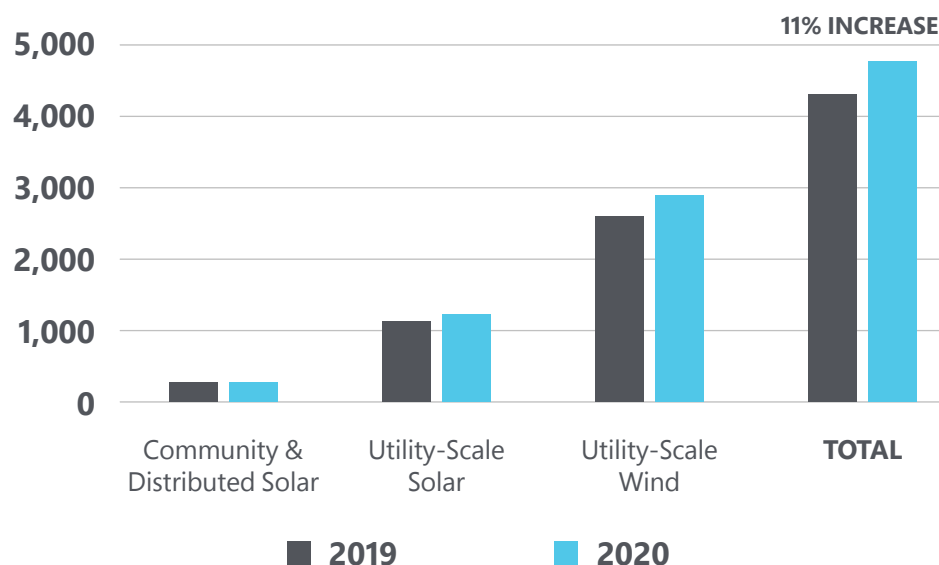


## Our Business Activities

The Clearway enterprise is a full-scope renewable energy development and operations platform with 5 GW of wind, solar, and energy storage under ownership and more than 10 GW of renewable energy under development as of December 31, 2020. We actively participate in every stage of the lifecycle of our projects – from origination and development, through construction and financing, to commercial operation and long-term ownership. Clearway strives to create an enduring platform for our customers, counterparties, partners, affiliates, and stakeholders.

## A 5 GIGAWATT RENEWABLE FLEET

### Renewable Portfolio Growth (MW) in 2020

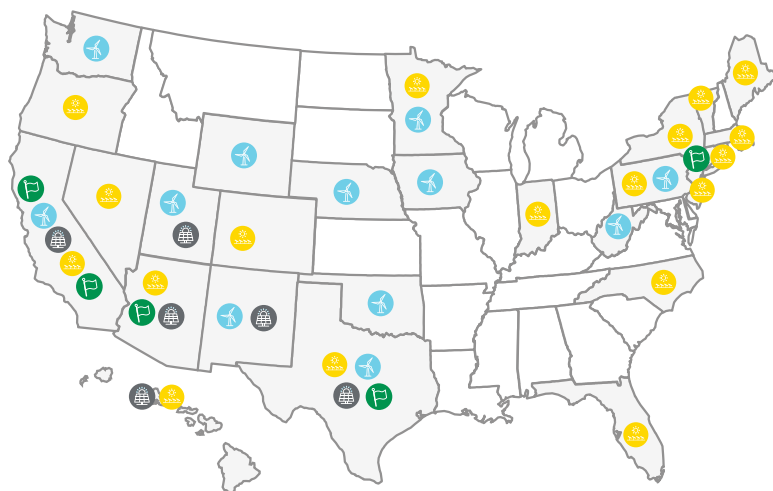




## ABOUT CLEARWAY

Clearway is one of the largest renewable energy companies in the United States.

### Clearway's Renewable Portfolio



3.2 GW Wind



300 MW Community  
& Distributed Solar

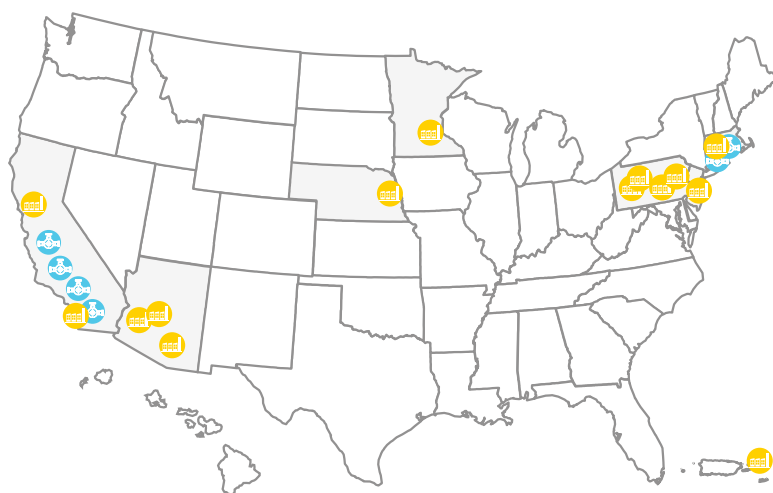


1.3 GW Solar



5 Main Offices

### Clearway's Conventional and Thermal Portfolio



Conventional



Thermal\*

\* To better reflect its value as a comprehensive energy solutions provider and to the communities it serves, as of 2021, Clearway Energy, Inc.'s thermal portfolio has been rebranded as [Clearway Community Energy](#).

## Our 2020 Renewable Energy Footprint

# 5 GW

Under Ownership &  
In Operation

# 5 GW

Under Asset  
Management

# 3.6 GW

Under  
Self-Operations

# 10 GW

In Development &  
Construction

# \$9.3 B

Capital Raised  
(Cumulative)

## 2020 Development Highlights

**4.7 GW of wind and wind repowering projects** under development across eleven states, including 460 MW of projects that commenced construction in 2020 and are expected to begin operations in 2021.

**3.7 GW of utility-scale solar projects** under development in nine states. In 2020, our development team was successful in securing discretionary land use permit applications for more than 842 MW of utility-scale solar projects.

**1.5 GW of battery energy storage** under development in California, Hawaii, Massachusetts, and Texas, including new solar-plus-storage projects, standalone storage projects, and battery retrofits for sites in our existing solar fleet.

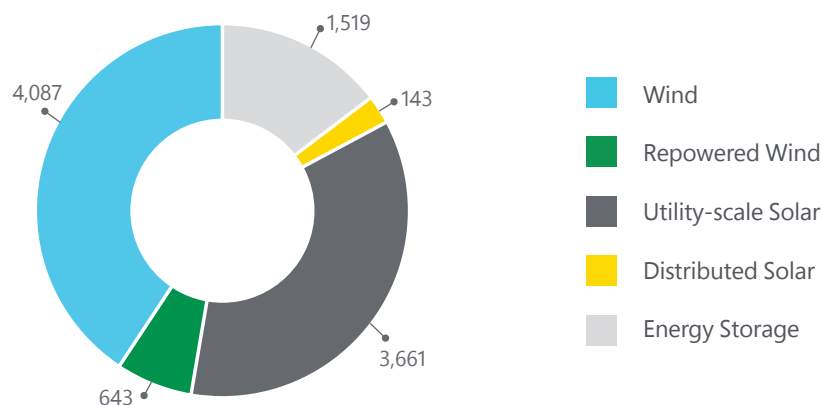
**150 MW of community solar projects** under development sites in Illinois, Massachusetts, Minnesota, and New York, including 98 MW of projects that commenced construction in 2020.

## A ROBUST DEVELOPMENT PIPELINE

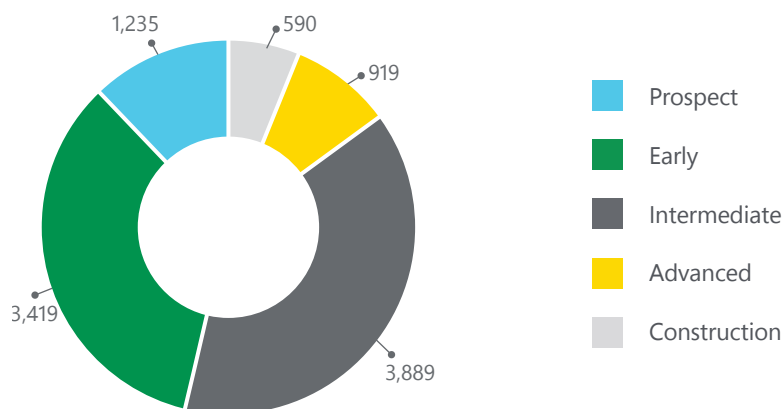
Comprised of experienced project developers and subject matter experts in transmission and market strategy, land use permitting, and real estate transactions, Clearway Energy Group's development team works closely with property owners, local governments, utilities, state and federal environmental agencies, technical consultants, and other stakeholders to ensure our projects are responsibly sited and developed. We ended 2020 with a development pipeline of more than 10 GW that includes over 100 projects in more than 20 states.

### Clearway Energy Group's 10 GW Development Pipeline

By Project Type (MW)



By Project Stage (MW)



## EXPANDING OUR PORTFOLIO

In 2020, we expanded our renewable energy fleet by more than a gigawatt by achieving commercial operation on 192 MW of new utility-scale solar and 579 MW of new wind sites, in addition to repowering 321 MW of wind sites.

We also brought 26 MW of community solar online, and we entered the storage market by completing 12 solar-plus-storage sites in Massachusetts totaling 30 MWh of battery storage.

### Delivering Clean Energy

In 2020, we built more than 1.1 GW of wind and solar sites, quadrupling the amount we built in 2019.

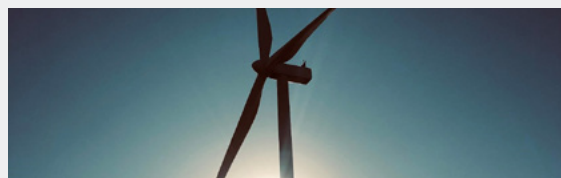
Technology	2019	2020
Utility-scale solar	110 MW	192 MW
Community solar	39 MW	26 MW
Wind	--	579 MW
Repowered wind	122 MW	321 MW
<b>Total</b>	<b>271 MW</b>	<b>1,118 MW</b>

## Utility-Scale Solar



**Rosamond Central Solar**  
192 MW, California

## Utility-Scale Wind



**Mesquite Star Wind**  
419 MW, Texas



**Rattlesnake Flat Wind**  
160 MW, Washington

## Wind Repowers



**Wildorado Wind**  
161 MW, Texas



**Langford Wind**  
160 MW, Texas



## 2020 Portfolio Highlights

### Rosamond Central [video](#)

At the end of 2020, we achieved commercial operations at the 192 MW Rosamond Central solar site located in Kern County, California. Rosamond Central is contracted under power purchase agreements with East Bay Community Energy and Clean Power Alliance, both community choice aggregators providing a diverse range of power options to regional customers, and the City of Palo Alto Utilities, which has administered Palo Alto's electric power system for 120 years. Comprised of approximately 609,000 individual solar panels, the site created more than 600 jobs during construction and will sustain several permanent

operations and maintenance jobs. Rosamond Central also represents a \$5 million investment in Kern County through tax revenue to support area public services and will generate enough clean energy to power more than 71,000 homes each year. In 2020, Clearway partnered with East Bay Community Energy to distribute \$250,000 in grants to more than two dozen community-based organizations in Alameda County providing emergency relief and to purchase personal protective equipment for area frontline workers and at-risk community members during the pandemic.



## 2020 Portfolio Highlights

### Mesquite Star Wind [video](#)

In June 2020, we commenced operation of the Mesquite Star wind farm. Located in one of the windiest corridors of West Texas, Mesquite Star is a 419 MW site in Fisher County, Texas, that is expected to generate enough clean energy to power 130,000 homes annually. The site has also had a positive impact on the local economy, creating more than 300 jobs during construction, more than a dozen ongoing operations and maintenance jobs, and generating millions of dollars in local investments.

Mesquite Star is contracted under an aggregation of five long-term virtual power purchase agreements with corporate and institutional customers, enabling each of them to help achieve their sustainability goals and meet their carbon-reduction targets:

- **Ecolab** will offset 100% of its U.S. electricity demand in North America and achieve a 25% reduction in global GHG emissions with its 100 MW virtual power purchase agreement, an important step in Ecolab's journey to halve its carbon emissions by 2030.
- **Lowe's** has a goal of reducing its emissions by 40% by 2030. Lowe's purchased 100 MW of Mesquite Star's capacity, enough clean energy to power the equivalent of all 143 Lowe's stores in Texas.
- **Cisco's** portion of the project will provide approximately 40% of the electricity annually at Cisco's data centers in the cities of Richardson and Allen, Texas, and reduce Cisco's Scope 2 GHG emissions in Texas by more than 18,000 metric tons per year.
- **Intuit's** participation in the project enabled the company to hit its goal of sourcing 100% of its electricity from renewables 10 years early, spurring its sustainability team to set a new climate goal.
- **Brown University** has a goal of getting to net zero carbon emissions by 2040. Its contracted portion of Mesquite Star will offset about 30% of campus electricity use, cutting net campus emissions by 15%.



#### Helping Our Customers Meet Their Sustainability Goals

As organizations around the world have committed to making their operations more sustainable, demand for renewable energy among corporate and institutional buyers has grown. In the U.S. corporate buyers of renewable energy have emerged as a defining market force, procuring more than 30 GW cumulatively between 2015 and 2020, and almost 11 GW in 2020 alone.

In 2020, the number of companies committing to take climate action by setting science-based targets surpassed 1,000 worldwide, and more than 280 companies globally have committed to powering their operations with 100% renewable energy. In the U.S. they're joined by over 170 cities, more than ten counties and eight states that have set similar goals for their communities.

We're proud to count many of these buyers among our customers, and to play a role in helping them achieve their sustainability targets. As of 2020, we've signed over 140 agreements totaling more than 1,300 MW with businesses, corporations, educational institutions, and governments across the country.

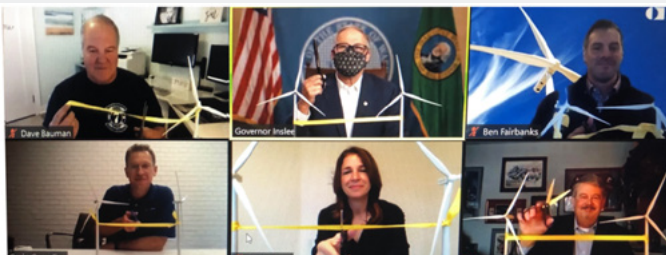
In 2020 alone, we signed more than 650 MW of new renewable contracts with corporations, universities, and municipalities. This represents an increase of more than 500% compared to similar contracts signed in 2019, and points to an important trend that we believe will continue to benefit our business for many years to come.

## 2020 Portfolio Highlights

### Rattlesnake Flat Wind [video](#)

In December 2020, Clearway expanded its clean energy footprint into Washington State with Rattlesnake Flat, a 160 MW wind farm in Adams County that will generate enough electricity to power 38,000 homes. The 57-turbine site created 250 union jobs during the construction phase and will sustain 10 permanent operations and maintenance jobs. During construction, Rattlesnake Flat contributed \$12 million to the local economy through wages and local expenditures, and a further \$350,000 will be invested each year during operations in the form of landowner payments, local expenditures, and other area investments. In addition, the site will contribute \$1.5 million in property tax revenue in its first year of operation, followed by an average of approximately \$700,000 each year for the next 30 years.

Rattlesnake Flat is contracted with Avista Corporation under a 20-year power purchase agreement. The site was constructed with additional measures in place to keep workers safe and healthy amid the COVID-19 pandemic, and Clearway donated funds to local food banks and community organizations providing relief to those in need, including a \$20,000 joint donation with Avista as part of the site's virtual ribbon-cutting ceremony. Rattlesnake Flat was the first to benefit from the 100% sales tax exemption provided under Washington State's Clean Energy Transition Act, legislation that requires that 100% of electricity sold in the Evergreen State come from clean energy sources by 2045.



The December 15, 2020 ribbon-cutting ceremony for the Rattlesnake Flat wind farm was a virtual event. Leadership from Clearway and Avista were joined by Washington State Governor Jay Inslee, Commissioner of Public Lands Hilary Franz, Adams County Commissioner John Marshall, and Adams County Development Council Chair David Baumann, as well as Siemens Gamesa Renewable Energy CEO Shannon Sturgil.





## 2020 Portfolio Highlights

### Wildorado Wind Repower

In early 2020, we completed our second repowering project in Texas. The 161 MW Wildorado wind farm is located in Oldham County and was originally constructed in 2007. Repowering Wildorado with more modern turbine equipment extended the site's life, increased its production, and lowered operations and maintenance costs. The project created nearly 100 jobs during construction and generated hundreds of thousands of dollars in local spending. The 198 old blades removed during the repowering will be recycled in the first quarter of 2021. The blades will be crushed and shipped to cement kilns where they will replace coal as a fuel source. Wildorado generates enough clean energy each year to power 57,000 Texas homes, and is contracted with Xcel Energy.



### Langford Wind Repower [video](#)

In early December 2020, we completed the repowering of the Langford wind farm, our third repowered wind project in Texas, increasing its nameplate capacity by 10 MW to 160 MW. Located in the town of Christoval, Langford will now produce enough clean energy to power nearly 75,000 Texas homes. Langford originally achieved commercial operations in 2009, and the repowering will increase its operational life by more than 10 years. The Langford repowering created more than 200 jobs during construction and will support several permanent onsite operational positions. Construction activities also drove more than \$700,000 in spending at local businesses and helped raise an additional \$48,000 in food drive contributions.



## 2020 Portfolio Highlights

### Community Solar

Clearway has become a market leader in community solar with 300 MW of community solar and distributed solar projects nationwide serving more than 20,000 customers.



#### Massachusetts

Massachusetts' SMART program is designed to incentivize solar paired with battery storage to boost grid reliability and climate resiliency. In 2020, we brought 9 projects online, adding 24 MW paired with 30 MWh of storage. This brought the total community solar capacity we've installed in the state to 90 MW, making Clearway one of the largest operators of community solar in the Commonwealth.

The towns of Stoneham, Winchester, and Natick subscribed to Clearway's new community solar projects, all paired with energy storage. Combined, these subscriptions will generate enough renewable energy each year to offset carbon emissions from burning 12 million pounds of coal.

The towns are among the first customers to subscribe to Clearway's Cranberry Lane portfolio of community solar farms, which includes eight projects delivering a robust investment of over \$120 million in Massachusetts' electricity infrastructure.

Community solar subscriptions will help the Commonwealth achieve its renewable portfolio standard of 35% by 2030, as well as its target of 1,000 MWh of energy storage by the end of 2025. The projects also advance the clean energy workforce and economic impact, driving millions of dollars of investment in the state.

#### Illinois

In 2020, we expanded into Illinois by starting construction on a 40 MW portfolio comprised of 19 projects that will be located throughout the state, a significant economic investment that will create more than 70 jobs during construction as well as permanent positions once the sites are operational. The clean power generated will be the equivalent of removing 12,000 cars from the road each year, planting over 70,000 acres of forest in the U.S., or offsetting emissions from burning 60 million pounds of coal.

Fifteen of these projects totaling 30 MW were under construction by year end and are expected to be online in 2021, when they will serve more than 11,000 residential and commercial subscribers in the ComEd and Ameren service territories.

Customers subscribed to these projects through the Illinois Shines Community Solar Program, which was designed as part of the Future Energy Jobs Act. Notable commercial subscribers include OSF HealthCare, the Village of Fox River Grove, and Northwestern University, Clearway's single largest community solar customer in the state. Community solar will support Illinois' goal of supplying 25% of overall electric sales with cost-effective renewable energy resources by 2025.

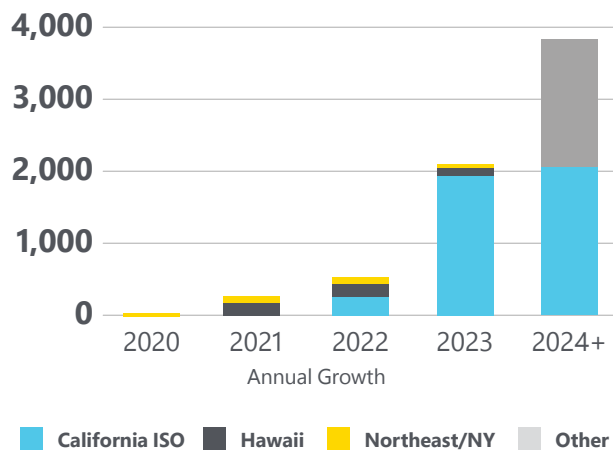


## CLEARWAY ENTERS THE SOLAR-PLUS-STORAGE MARKET

2020 marks Clearway's entry into the energy storage market with 26 MW of solar-plus-storage projects completed in Massachusetts. Adding batteries to renewable energy sites greatly enhances their contribution to the electrical grid by helping to mitigate intermittency, making it possible to time-shift energy generation to help meet peak demand and reducing strain on the electric system during times of high demand and low power production. Our development pipeline includes more than 1.5 GW of new energy storage projects across the country that total more than 6,500 MWh cumulatively.

### Clearway's Battery Storage Development Pipeline

MWhs by Region and Targeted Year of Operation



## 2020 Solar-Plus-Storage Highlights

### Massachusetts

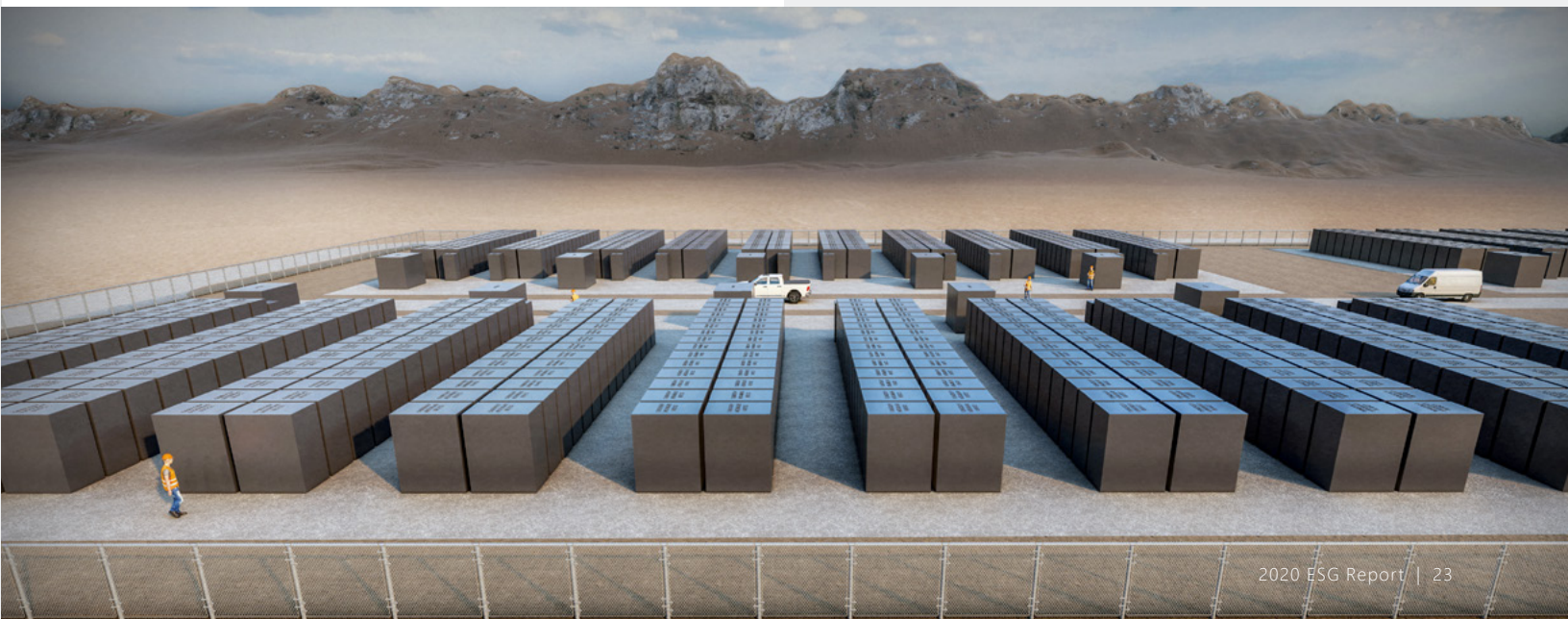
We completed the development of 9 solar-plus-storage sites totaling 24 MW of solar and 30 MWh of storage in Massachusetts as part of the state's [SMART](#) program.

### Hawaii

In 2020 we advanced two solar-plus-storage sites in Hawaii that will provide 300 MWh of energy storage as part of the second phase of Clearway's utility-scale solar projects in Hawaii contracted with Hawaiian Electric. Construction on these projects will begin in 2021.

### California

In 2020, we received approval to construct one of the largest solar-plus-storage projects in California and were awarded a contract with PG&E for 61 MW of energy storage capacity. Known as the Daggett complex, the site will include 482 MW of solar paired with 450 MWh of storage. Daggett will create significant local economic benefits, including 500 construction jobs, an estimated \$18.5 million in additional property tax revenue, and \$210 million in local spending during construction.





## 2020 O&M Highlights

**Delivering exceptional contract availability, including achieving 100% availability at 29 sites on a single day in September, 2020.**

**Responding to the COVID-19 pandemic by establishing a backup control center in Phoenix** and assigning separate teams to work at each location. Under normal circumstances, all of our utility-scale sites are run by our control center in our Scottsdale offices. We created a separate backup control center to reduce contact between employees and provided redundancy to ensure business continuity in case a team member became ill. Advanced air filtration systems were installed at both control centers, and employees observed safety protocols by maintaining social distancing and wearing masks.

**Boosting clean energy production with self-performance O&M.** Although a small number of our sites are under legacy third-party O&M contracts, in 2020 we self-performed O&M on approximately 90% of the renewable assets we manage for Clearway Energy, Inc., and this percentage will continue to rise in future years as we bring new sites online. This focus on self-performing O&M has yielded significant benefits, including reducing O&M costs and increasing fleetwide average availability.

**Increasing the value generated by our solar panels** by using forward-looking estimates to optimize cleaning schedules based on actual soiling and potential revenue. This was particularly effective at sites that benefit from time-of-day pricing, and it allowed us to ensure that our solar sites were able to maximize their clean energy production when it mattered most.

## INDUSTRY-LEADING ASSET MANAGEMENT, OPERATIONS & MAINTENANCE

Clearway's 350-person operations and maintenance (O&M) team is a core factor in our success as an independent owner and operator of renewable energy sites. The O&M team is tasked with ensuring that Clearway's wind, solar, and energy storage assets safely and cost-effectively generate as much clean energy as possible. Our in-house experts begin adding value early in the process of transitioning projects from construction to operations by implementing robust testing protocols as well as stringent safety and performance requirements during commissioning. During the operational lifespan of our sites, our experienced and conscientious team delivers superior environmental and safety performance as they work to maximize production.

### Maximizing Clean Energy Production

We want our renewable energy assets to generate as much clean power as possible for as long as possible. Our approach to O&M seeks to boost availability and extend the life of our sites with preemptive maintenance.

Closely monitoring the performance of our fleet enables us to identify problems, conduct root cause analyses, and find ways to avoid or reduce similar issues in the future. We work to minimize "lost energy," which is electricity that theoretically could have been generated based on weather conditions but wasn't produced for a variety of reasons. While external factors like curtailment are beyond our control, we analyze issues that we can address, like excessive vibration or extreme temperatures that could lead to component failures or reduced equipment performance.

Maintenance on our wind sites is scheduled at times when low wind speeds ensure the work won't impact availability or result in production losses. We use drones to inspect the condition of wind turbine blades and identify degradation that requires corrective maintenance, as well as to survey our solar sites for hot spots or failed panels.

## OPERATIONAL EXCELLENCE

**Clearway is a world-class asset owner-operator of renewable generation with 5 GW under ownership and asset management and 3.6 GW under self-operation.**

### Asset Management

- 5 GW under asset management
- 350 projects, 7 RTOs

### Operations Center

Our in-house team manages all contractual arrangements for Clearway's portfolio of operating projects. As an owner and operator, Clearway has a track record of maximizing the value of our projects.

### Onsite Monitoring

State-of-the-art 24/7 operations center with cutting-edge monitoring and analytics at Clearway's office in Scottsdale, AZ.

### Operations & Maintenance

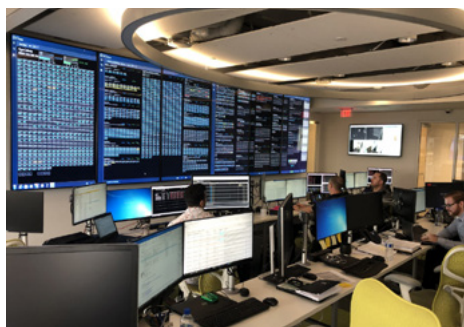
- 3.6 GW under self-operation
- Includes >1,200 solar inverters, >1,100 wind turbines

### Wind O&M

Clearway hires best-in-class technical operators in-house to serve our operating assets and to optimize fleet performance.

### Solar O&M

Clearway's team includes experts in corrective and predictive maintenance, plant design, interconnection, regulatory compliance, and performance analytics.



Smoke from the 2020 fire season reduced the sun's intensity at our solar sites in Utah and California, resulting in minor production losses. Dust and ash from the fires also resulted in unusual levels of soiling on the solar panels at our California Valley Solar Ranch (CVSR) site, making it necessary to perform a second, additional cleaning. We switched to dry panel cleaning at CVSR in 2019, a decision that saved 750,000 gallons of water in 2020.



## 2020 Financing Highlights



### Utility-Scale Wind & Solar

In 2020, Clearway Energy Group closed on financing to support 10 utility-scale projects across its portfolio. This included 749 MW of solar, 1,355 MW of wind, and 395 MW of storage projects located in Washington, California, Texas, Hawaii, and West Virginia, in addition to 321 MW of repowered wind in Texas. This financing represented more than \$2 billion in committed funds from over 20 different counterparties.



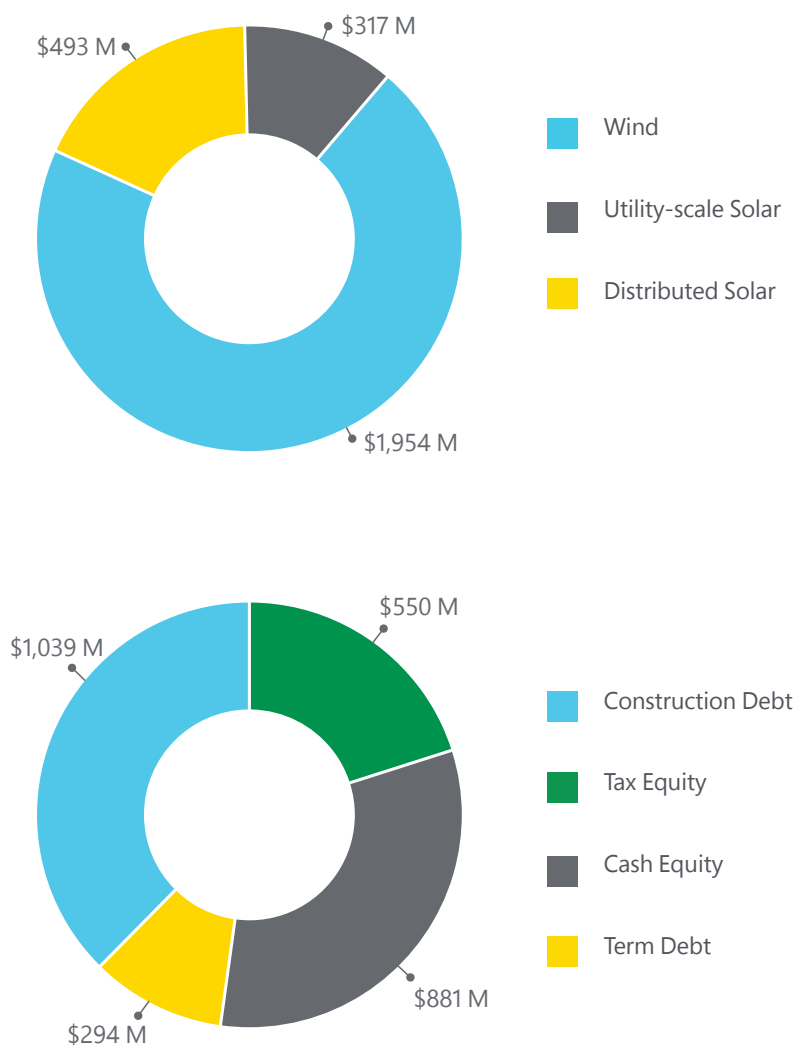
### Community Solar

In 2020, we also closed financing on two Community Solar Funds. Community Solar Fund 5 is comprised of 21 projects totaling 76 MW across Illinois, Massachusetts, Minnesota, and New York, most of which were placed in service in 2020. Community Solar Fund 6 is comprised of 19 projects totaling 66 MW that will serve commercial and industrial customers and around 5,000 residential customers across Illinois, Massachusetts, and New York. The majority of these projects will be placed in service in 2021.

## FINANCING A CLEAN ENERGY FUTURE

Clearway's renewable development growth will be fueled by more than \$2.7 billion in committed capital raised in 2020 to support our development and construction pipeline. Our capital markets team has extensive experience, working with over 25 tax equity investors and lenders, allowing us to fully finance each project we develop.

### \$2.7 Billion in Capital Raised in 2020





## A Closer Look

# The Lighthouse Portfolio

## Accelerating the Shift to Zero-Carbon Electricity

In December 2020, Clearway Energy Group announced the sale of a 1.6 GW portfolio of wind and solar projects – combined with 1,580 MWh of energy storage – to our public affiliate Clearway Energy, Inc. and Hannon Armstrong Sustainable Infrastructure Capital, Inc.

The transaction began to take shape in early 2020 as remote communications were quickly becoming the norm due to the COVID-19 pandemic. Inspired by one of the original forms of long-distance communication, we named it the “Lighthouse” portfolio.

Comprised of seven renewable energy projects located in four states, the portfolio represents a nearly \$3 billion investment in carbon-free power. The transaction was our largest to date, as well as our most geographically and technologically diverse. Together, the projects – some of which are already operational – will generate enough affordable, clean energy to power the equivalent of 640,000 U.S. homes each year, while avoiding carbon emissions equivalent to taking 820,000 cars off the road.

The projects’ economic benefits are equally significant. This portfolio will create an estimated 2,500 construction and operations jobs and contribute an estimated \$464 million in landowner, state, and local tax payments over the projects’ operational lifespans, illustrating the tremendous opportunities created by investments in renewable energy.

Our hope is that the pathbreaking size and structure of the Lighthouse portfolio will serve as a beacon that leads the renewable energy industry toward financing the deployment of wind, solar, and energy storage at the scale and speed necessary to address climate change. Various targets have been proposed for reducing greenhouse gas emissions from the U.S. power sector, and they all rely on increasing the percentage of electricity delivered by clean renewable energy.

Corporate and institutional customers are one of the fastest-growing drivers of demand for renewable energy, and their choices are reshaping the industry. Brown University, Cisco, Ecolab, Intuit, Deere & Company, Lowe’s, Toyota, and Whirlpool Corporation have all entered into long-term agreements to sustainably power their operations with renewable energy from projects included in the Lighthouse portfolio. Several investor-owned and municipal utilities, retail suppliers, and community choice aggregators – AEP Energy, City of Palo Alto, Clean Power Alliance, East Bay Community Energy, and Hawaiian Electric – have also contracted with projects included in the portfolio to supply renewable power to their customers.

A transaction the size of Clearway’s 1.6 GW Lighthouse portfolio demonstrates that market forces are aligned to deliver sizeable transactions that support an aggressive trajectory toward achieving meaningful change. We are committed to growing our development portfolio at scale to meet America’s demand for renewable energy and long-term solutions to climate change.







## Our People

Our employees are key partners in the long-term sustainability of our company, and we believe that when an employee succeeds, Clearway does as well. We strive to make our team members feel valued, and to uphold our values of teamwork and integrity in all aspects of our interactions with our workforce.

Clearway Energy Group LLC and Clearway Energy, Inc. share a common human resources team. Together, the two companies have more than 900 employees spread across five U.S. offices and several operating fleet locations. Our team offers a diverse range of experience, including leaders in the solar, wind, and thermal energy industries, engineers, project developers, and investment specialists, as well as experts in environmental issues, permitting, interconnection, transmission, and power plant operations.



## 2020 Workforce Highlights

**Expanding our employee wellness program** by launching an online wellness platform. This platform supports all aspects of health and wellbeing with live and on-demand fitness and meditation classes as well as resources for eating well, stress reduction, and social opportunities for coping, especially during the COVID pandemic. Employees can participate in competitive internal wellness challenges and have fun while caring for their overall wellbeing.

**Launching our charitable contribution matching program**, through which the company matches up to \$150 per year per employee in donations to qualified 501(c)(3) nonprofits. The program is managed through an online platform where employees can create profiles, browse and select organizations, and donate directly, or upload receipts for offline donations and matching.

**Providing our team members with ongoing professional development opportunities, including:**

- Continuing our plant manager development program, which is designed to help new managers, supervisors, or anyone interested in moving to a management role learn skills.
- Adapting many components of the plant manager program to begin building a new management training system for employees in other parts of the business. In addition to mandatory training on items like our Codes of Conduct, we offer recommended training on topics such as how to give and receive effective feedback, how to communicate effectively, and how to improve efficiency by effectively delegating work.

**Creating a “Clearway Connection for Managers” monthly newsletter for leaders** to keep them informed about new developments related to human resources, as well as answer frequently asked questions and provide guidance on leadership best practices. Each edition also includes micro-learning opportunities for managers to improve their effectiveness.

**Conducting a “voice of the employee” interview process** that looked more broadly at effectiveness within the organization, as well as our engagement with key stakeholders such as the board of directors. This process added to our overall listening strategy, which includes our annual employee engagement survey, post-recruitment surveys, exit interviews, and more.

**Launching a new talent acquisition system and expanding our online survey platform** to include candidate surveys. The new talent acquisition system greatly enhances and optimizes both the candidate experience for applicants, as well as the recruiting process for hiring managers and recruiters. Our candidate survey goes to anyone who has had a live touchpoint with someone at Clearway in order to gain continuous feedback on our talent acquisition process.

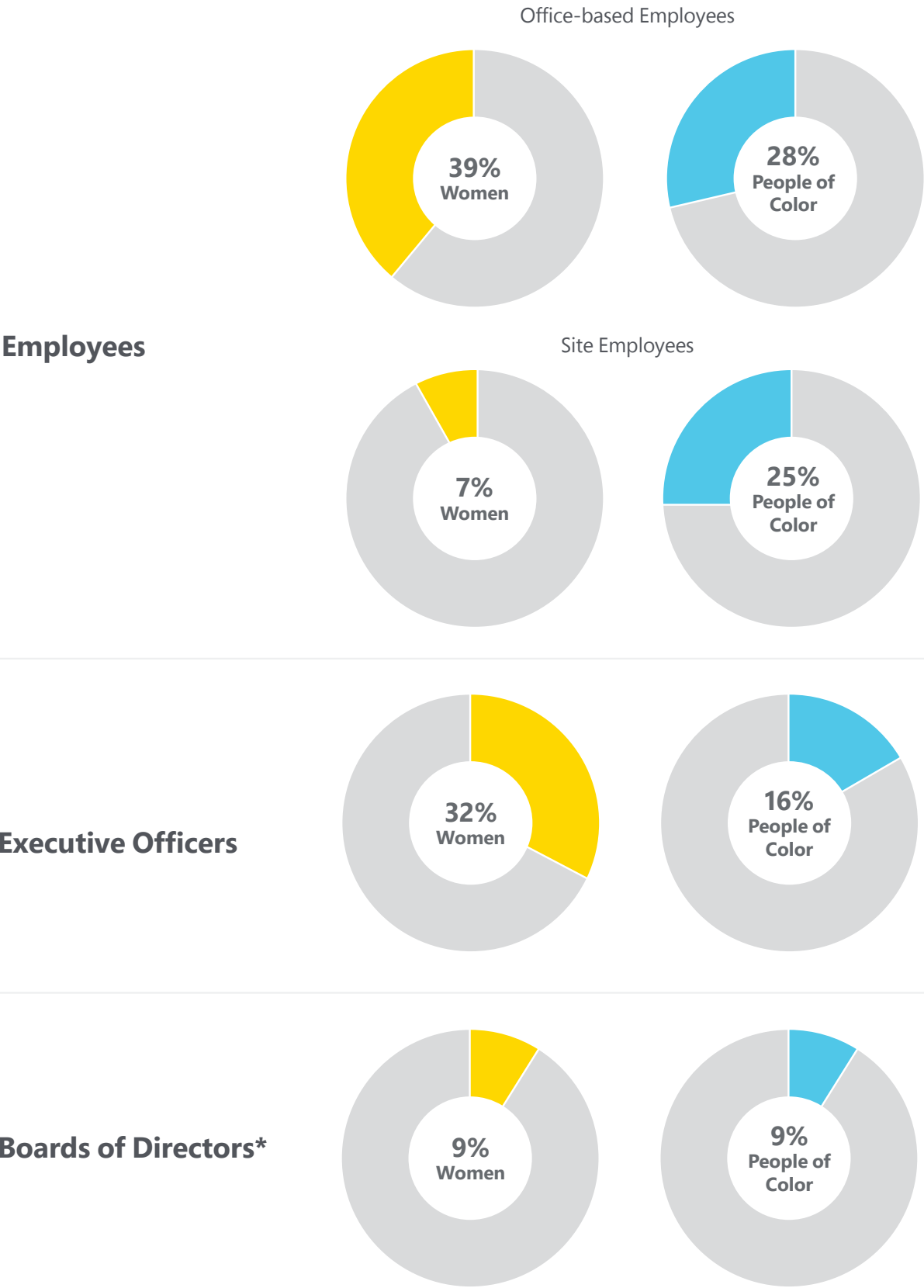
**Designating one workday each month as a “quiet day”** when employees are encouraged not to schedule meetings. This allows employees to focus on what matters most, whether that’s making headway on a strategic initiative or taking a day off without concerns of missing important meetings.





OUR DIVERSITY METRICS

Diversity data for Clearway Energy Group LLC and Clearway Energy, Inc., as of December 31, 2020.



\*Clearway's two governing bodies are made up of 11 individuals, four of whom serve on both boards. The diversity metrics for both boards are the same.



## Health And Safety

At Clearway, our top priority is the health and safety of our workforce and the communities in which we work. We constantly strive to be role models within our industry and encourage our employees to maintain a “safety always” culture. We are committed to maintaining a safe work environment and to creating an inclusive safety culture where safety is everyone’s job.

2020 was our second full year of operations as a standalone company, and once again our employees delivered strong safety performance with injury rates below industry averages. We continuously evaluate our approach to safety and make ongoing improvements to achieve top-decile safety performance.

Key metrics regarding our environmental and safety performance are communicated to and evaluated by our owners on a quarterly basis as well as annually.

### Let’s Talk Safety

Safety information and trainings are regularly communicated to all employees on a regular basis through internally published statistics, a dedicated section of our company SharePoint site, alerts regarding specific issues, and monthly all-hands safety briefings.



## 2020 Health and Safety Highlights

**Proactively handling the COVID-19 pandemic** by establishing a mitigation and response procedure at the onset of the crisis and creating a COVID-19 Task Force that had regular virtual meetings throughout 2020 to discuss general and regional strategies.

**Regular review and updating of our safety standards.** We have approximately 70 safety policies and we systematically review and update a subset of these each year. Major policies pertain to high-risk activities like working at heights and electrical safety standards, as well as activities with significant impacts to the organization like leadership engagement, communication, and employee participation.

**Routine and ongoing safety assessments at each of our sites,** including an annual safety audit. In addition, each of our sites has a unique emergency action plan that is tested annually in coordination with local emergency responders.

**Expanding our root cause analysis and incident investigation training** to deepen our institutional knowledge and encourage site managers to proactively apply lessons learned to new situations so issues can be proactively avoided. In 2020, select managers and front-line employees participated in Management Oversight and Risk Tree (MORT) training to gain skills in identifying, analyzing, and evaluating safety risks and incident investigation techniques.

**Strengthening collaboration and communication between our construction and O&M teams** when working on repowering projects. While both teams prioritize safety and efficiency, their work doesn't normally overlap and they have slightly different practices and cultures. The need to harmonize their approaches was identified as a "lesson learned" from the 2019 repowering of the Elbow Creek wind site. In 2020 we conducted a series of meetings between the teams working on the Wildorado and Langford wind site repowerings and were successful in identifying opportunities to strengthen working relationships and turnover processes.

## OUR SAFETY METRICS

Our safety metrics reflect data for employees and individual contract workers under the direct supervision of Clearway's O&M teams. While we monitor the safety performance of our engineering, procurement and construction (EPC) contractors on an ongoing basis to ensure that they meet our high standards, we do not report their metrics.

### Clearway Energy Group (Renewables O&M Safety Performance)

METRIC	NUMBER		RATE	
	2019	2020	2019	2020
Worker Hours	1,038,319	1,275,740	N/A	N/A
OSHA Recordable Injuries	8	5	1.54	0.78
Fatalities	0	0	0.00	0.00
Lost Time Injuries	2	3	0.39	0.47
Days Away, Restricted Duty and Transfers (DART)	3	3	0.58	0.47
First Aid	23	17	N/A	N/A

### Clearway Energy, Inc. (Thermal O&M Safety Performance)

METRIC	NUMBER		RATE	
	2019	2020	2019	2020
Worker Hours	484,379	585,766	N/A	N/A
OSHA Recordable Injuries	2	3	0.83	1.02
Fatalities	0	0	0	0
Lost Time Injuries	0	0	0	0
Days Away, Restricted Duty and Transfers (DART)	0	1	0	0.34
First Aid	19	20	N/A	N/A

### Clearway Energy, Inc. (Conventional O&M Safety Performance)

METRIC	NUMBER		RATE	
	2019	2020	2019	2020
Worker Hours	179,123	163,837	N/A	N/A
OSHA Recordable Injuries	0	0	0	0
Fatalities	0	0	0	0
Lost Time Injuries	0	0	0	0
Days Away, Restricted Duty and Transfers (DART)	0	0	0	0
First Aid	0	0	N/A	N/A

#### Notes:

1. Metrics for Clearway Energy Group (CEG) reflect CEG operations and maintenance employees and contractors under day-to-day direction from CEG.
2. OSHA Recordable Injuries: The number of work-related injuries requiring more than First Aid treatment.
3. Lost Time Injuries: The number of work-related injuries that resulted in days away from work.
4. Days Away, Restricted Duty and Transfers: The number of work-related injuries that resulted in lost time, work restrictions, or transfers.
- 5.



## Training and Skills Development


In 2020, the COVID-19 pandemic meant Clearway's training team had to quickly adapt its strategy to meet the needs of the business. This included issuing batch training assignments to site staff to make the most of downtime and adjusting live trainings to virtual settings wherever possible, as well as increasing communications and modifying their format to provide critical information to the sites in a timely manner. As a result of these efforts, Clearway's training department has a more robust and flexible program that will be well-positioned to respond to potential disruptions in the future.

In total, our training department issued more than 23,000 learning assignments to more than 900 employees with an 87% completion rate. Approximately 11,500 of these assignments were compliance-related training for site personnel, and these were completed at a rate of 97%, with 26 of our sites achieving 100% completion. The remainder of the assignments were focused on improving employees' abilities in areas ranging from technical skills to leadership.

## High Marks from the People Who Matter Most

Training on environmental health and safety is a part of every new employee's orientation, and **in our first two annual employee engagement surveys (conducted in 2019 and 2020), our highest scores were in the category of safety.**





## Supply Chain

### Making Energy Storage Sustainable

As members of the Energy Storage Association (ESA), we play a leading role in efforts to develop industry best practices regarding the safety and sustainability of batteries.

We are actively involved in the ESA's [Corporate Responsibility Initiative](#) (CRI), and we signed the Corporate Responsibility Pledge in 2019.

We also participate in the CRI Task Force, which works to establish best practices regarding potential operational hazards, end-of-life, and recycling, as well as responsible supply chain practices.

Our mission is to play a leading role in decarbonizing the electricity sector with cost-effective, reliable renewable energy. We procure technology with the mindset of an owner and therefore a focus on longevity, which is critical to improving a site's benefit-to-cost ratio. We work with reputable suppliers and collaborate with our peers to find solutions to industry challenges.

Clearway's approach to our supply chain is guided by our technology road map, a 5-year plan that is maintained by our engineering team and updated quarterly. The road map is informed by quarterly business reviews with our top-tier suppliers and EPCs, as well as by data from our operating fleet.

Major equipment purchases are overseen by our Technology Business Council, which draws on the expertise of leaders across our risk, finance, O&M, engineering, and procurement teams, among others. The Council evaluates new technology and product suppliers based on internal assessment of the product, the supplier's financial strength, independent engineering reports, and third-party testing.

### Recycling Solar Panels

Clearway seeks to minimize the waste associated with the construction of our solar sites by reusing modules wherever possible throughout the project lifecycle and ensuring component extraction prior to disposal. We are also actively engaged in efforts with the Solar Energy Industries Association (SEIA) to advance material extraction processes so that they reach commercial scale 10-15 years from now when the solar panels in use today begin to reach the end of their useful life. Clearway is committed to ensuring that the disposal of solar panels installed at our sites follows procedures that are fully compliant with or exceed national and state requirements.

## 2020 Supply Chain Highlights

**Proactively responding to supply chain impacts resulting from the COVID-19 pandemic** to ensure that our construction schedules and targets could be met. We benefitted from the robust supply chains in the U.S. and Asia but had to negotiate supply terms and delivery windows affected by delays related to COVID-19.

**Close coordination among our external affairs, engineering, and procurement teams**, which has enabled us to successfully navigate a complex and shifting environment shaped by diverse and evolving laws, regulations, and market requirements, as well as a constantly changing technology landscape. This coordination allows us to manage our suppliers, contract partners, and contract specifications in response to changes in the broader market and policy environment.

**Working with a core set of industry stakeholders** to develop a whitepaper on [End-of-Life Management of Lithium-ion Energy Storage Systems](#). This whitepaper provides a summary of the challenges and opportunities associated with sustainable end-of-life management of batteries used in large-scale stationary energy storage.

**Ensuring use of industry-wide best practices** by developing and publishing [Guidelines for End of Life and Recycling of Lithium-Ion Battery Energy Storage Systems](#) with industry partners. These guidelines provide a reference for manufacturers, integrators, developers, financiers, asset owners, and others to inform product development, project planning, execution, and policy related to battery recycling. We used these publications to inform requirements for the procurement of over 2,000 MWhs of energy storage equipment in 2020.

Our participation in both of these efforts occurred through our involvement with the Energy Storage Association's [Corporate Responsibility Initiative](#) (CRI).

**Working with two of the largest stationary energy storage providers** to help them design products that meet all applicable commercial requirements, industry codes, and standards for safe and reliable integration. These collaborations help ensure Clearway is able to deliver the most reliable and efficient battery storage and renewable energy sites in addition to accelerating the adoption of quality industry standards and best practices.

**Confirming that our site systems and components comply with cybersecurity certifications IEC 62443**, a series of standards for cybersecurity management, in response to [Executive Order 13920](#), "Securing the United States Bulk-Power System" which was issued earlier this year. The EO "prohibits Federal agencies and U.S. persons from acquiring, transferring, or installing bulk power system equipment in which any foreign country or foreign national has any interest and the transaction poses an unacceptable risk to national security or the security and safety of American citizens."

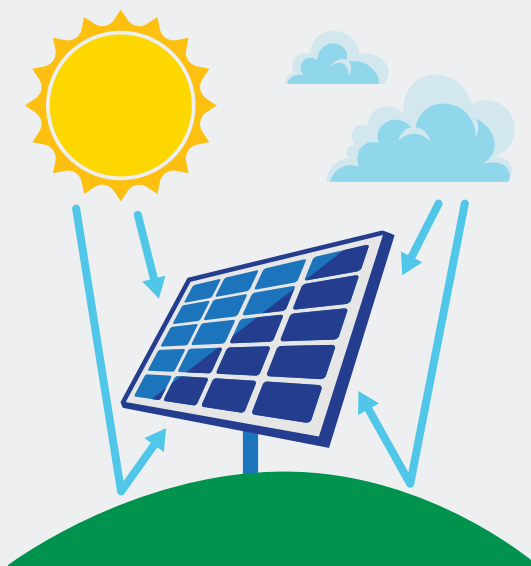
In addition to conducting an internal review of cybersecurity protocols at our sites and their control stations and substations to assess their vulnerability to a foreign cyberattack, we have also ensured that a firewall exists between our battery management systems and site control systems.

**Contributing to Clearway's assessment of enterprise-level risks.** Potential supply chain risks include procuring flawed or defective equipment, issues related to supplier performance and creditworthiness, disruption of sources or supplies, and import tariffs or bans. We have a robust set of mitigants and controls in place to counter the potential consequences of these risks.

**Launching Coupa, our online supplier and payment portal.** The new cloud-based procurement system will improve the efficiency and accuracy with which we manage our suppliers. We are working to implement a supplier diversity program in 2021.

**Completion of our project management manual.** Clearway's Project Management Manual went through two revisions in 2020 to capture important updates to internal personnel, tools, and processes. The Manual provides a consolidated reference guide for all personnel who are directly or indirectly involved in the lifecycle of the solar and wind projects Clearway develops. The Manual articulates the roles, responsibilities, and requirements for project approvals, communication, and hand-offs. In addition, it identifies the tools, systems, and other resources to be used in developing and executing projects in compliance with Clearway's policies and procedures, and all applicable laws and regulations.





## About Bifacial Solar PV

Bifacial PV systems utilize modules that are able to accept light from both the front and rear faces of a solar panel, including light reflected off the ground, diffuse light from the sky, direct sunlight, and light reflected from adjacent rows of panels.

Bifacial solar offers many advantages over traditional solar modules. Because power is produced from both sides of the panels, total energy generation is boosted, sometimes by as much as 10%. This increased production capacity can make it possible to reduce the footprint of a solar array and, when combined with bifacial solar modules' improved durability, can help reduce the effective cost of generated electricity.

## A Closer Look

### Accurately Defining "Low Carbon Solar"

In 2020, our 1.6 GW combined utility-scale and distributed generation solar fleet displaced enough fossil fuel generation to avoid an estimated 2.4 million metric tons of CO<sub>2</sub> for our customers. While the "embedded carbon" emissions associated with the manufacture of solar panels are an important factor, they're only one piece of the equation – many other aspects of a solar site's components and design influence its lifetime carbon footprint.

Factors that contribute to the low carbon signature of our solar sites include:

- The exclusive use of ground-mounted bifacial modules on all projects constructed from 2019 onward. Bifacial modules have a longer lifespan than mono-facial modules and can produce as much as 10% more electricity per installed watt
- Single access trackers, which typically yield 15-30% more kWh per pound of steel and 15-20% more energy per watt than fixed-tilt installations
- Industry-leading resource analysis and project siting that results in highly productive solar sites
- A company-wide commitment to designing, operating, and maintaining our assets for maximum longevity

Our new solar sites are designed to operate for 35-50 years, and their lifespans can be further extended with repowering. We believe that our solar fleet has one of the fastest carbon payback times in the industry, and as panel manufacturing efficiencies continue to improve, this timeframe will become increasingly shorter.



## Environmental Stewardship

Clearway's focus on clean energy production is rooted in a desire to protect and conserve the natural resources around us. Our commitment to environmental stewardship begins with understanding the potential and actual impacts of our projects on animal, bird, and plant species, and preventing or mitigating these impacts when they occur.

Environmental performance at our operational sites is tracked through our environmental management system, which is also used to monitor and report incidents, and ensure we are in compliance with relevant laws and regulations. Material information including key performance indicators (KPIs), metrics, and if applicable, any incidents, violations, inspections by agencies, or the emergence of potential risks is reported to senior management on at least a monthly basis, and in turn to our Board of Directors. In addition, numerous quarterly and annual performance metrics are reported to our owners.

### OUR ENVIRONMENTAL METRICS

#### Clearway Energy, Inc.

METRIC TONS OF CO <sub>2</sub> EMISSIONS – CONVENTIONAL AND THERMAL ASSETS	SCOPE 1	SCOPE 2
2018	1.2 million	0.1 million
2019	1.2 million	0.1 million
2020	1.2 million	0.1 million

#### Clearway Energy Group (Renewable Assets)

	2020 <sup>i</sup>
Fuel consumption (vehicles) <sup>ii</sup>	103,422 gallons
Electricity use (offices and buildings)	12,029 MWh
Water use	1,090,502 gallons <sup>iv</sup>
Hazardous waste	None
Other non-hazardous waste	851,400 pounds
Oil recycled	19,450 gallons 162,213 pounds

<sup>i</sup> Amounts are based on data available and tracked in 2020.

<sup>ii</sup> Fuel type consisted of 80% unleaded and 20% diesel.

<sup>iii</sup> This was the amount used to wash solar panels and does not represent our total usage.

<sup>iv</sup> Water use is tracked at 51% of our sites.

#### Mesquite Star Wind

419 MW, Texas

This site was constructed and achieved commercial operation in 2020. The preconstruction site survey found two potential wetlands, which could contain environmentally sensitive areas or wildlife habitat. To ensure that these areas remained undisturbed during the construction process, they were protected with fences and signs, and will be regularly inspected by Clearway environmental staff.







## Mountain Wind 2

80 MW, Wyoming

In 2019, we installed an [IdentiFlight](#) system at this site. IdentiFlight is an optical, machine-learning technology designed to detect and track eagles and send a signal to temporarily stop individual turbines in the eagle's path, avoiding the need for more extensive curtailment. This highly sophisticated system has been proven to be as effective as trained human observers and is one of many innovative technical solutions developed to protect wildlife while harnessing the power of the wind. Mountain Wind 2's IdentiFlight system was operational throughout most of 2020, and its use enabled us to produce more clean power generation than would have been possible with less targeted curtailment. We plan to install another IdentiFlight system at Mountain Wind 1 in 2021.

## 2020 Environmental Highlights

**Virtual site assessments.** Our environmental team visits each operational site at least once a year to guide site managers through environmental regulatory requirements and identify performance achievements, as well as areas for improvement. In 2020, COVID-19 safety protocols meant these self-assessments – which include visiting areas of the site and looking at specific issues – were conducted virtually.

**Review of our environmental programs.** The environmental programs we implemented in 2018 and 2019, our first full year of operations as a standalone entity, were originally created when our company separated from NRG Energy, Inc. In 2020, having tested these programs for two years in the field, we drew on our experiences to review and adjust them to more closely reflect Clearway's activities.

**Restructuring of our waste management program.** We streamlined our waste management documentation to create a holistic program and added a waste minimization/pollution prevention plan that aligns with the requirements of the State of California and the U.S. Environmental Protection Agency. The plan helps operational site managers reduce waste with guidance on procedures for recycling pallets, cardboard, and other waste materials, including defective solar panels. A key benefit of this new plan is that it has helped us identify materials left over after construction and ensure these materials are removed by the contractors for reuse or recycling, thereby dramatically reducing the amount of excess material that remains on site. In addition, the use of a standardized plan across all of our operational sites helps ensure consistent adherence and promotes best practices.

**Collecting data on office energy use.** Our corporate offices are in buildings shared by other occupants, so we are not able to precisely quantify the amount of electricity we use. However, in 2020 we created a system to estimate usage based on square footage, and we also implemented a program to track electricity consumption by the operations and maintenance buildings at our sites. We look forward to using this information in the future to understand our energy use and identify areas where we can improve our energy conservation.

**Ongoing wildlife incident reporting and awareness training.** All of our field employees are trained in our wildlife incident reporting procedures and receive supplementary species-based awareness training tailored to the site(s) at which they work. They are required to refresh their training annually, and in 2020 we began offering these trainings virtually through our learning management system.



**Ongoing support for wind-wildlife research.** As part of our effort to ensure clean energy production can expand while protecting biodiversity, in 2020 we joined the board of the [American Wind Wildlife Institute](#), and we're also founding members of the [Wind Wildlife Research Fund](#). The Fund is an innovative, industry-led initiative that pools resources to develop science-based solutions to wildlife challenges faced by the wind industry, enabling companies to optimize both wildlife conservation and wind energy production. In 2020, we helped fund another round of [research projects](#) on critical issues and were pleased to see the results of the Fund's first projects published in peer-reviewed journals.



## A Closer Look

# Minimizing Our Impact at Rosamond Central Solar

Located in Kern County, California, the 192 MW Rosamond Central solar site achieved commercial operation in late 2020 and is expected to generate enough clean energy to power 71,000 homes annually. Some parts of the Rosamond site footprint contain habitat suitable for Swainson's hawk and the western burrowing owl, both of which are protected, so when construction began in late 2019, a 560-acre conservation easement was created for these two species.

During the construction phase of any project, we retain biologists to monitor the site for potential new or unexpected impacts to wildlife. After construction had begun at Rosamond Central, the biologists discovered a female San Joaquin kit fox had established a natal den (a den containing newborn pups) within the project footprint. Construction in that area was immediately halted and a protective zone was established around the den. After approximately three weeks, the mother fox moved the pups to a new den outside of the project footprint. A biologist inspected the natal den to ensure it was empty before construction in that protective zone was resumed.

## Water for Wildlife on the Carrizo Plain

Located in southeastern San Luis Obispo County, California, about 100 miles northwest of Los Angeles, the Carrizo Plain is the largest single native grassland remaining in California, and home to many protected or vulnerable species. The Carrizo Plain National Monument is managed by the Bureau of Land Management, and contains the historic Goodwin House, which is managed by the [Carrizo Plain Conservancy](#) (CPC). In 2020, Clearway donated \$12,000 to enable CPC to purchase and install a solar array for the well that supplies water to the Goodwin House. The CPC also intends to restore a non-functioning wildlife water supply from the well as part of the project.




## Whooo's on Critter Patrol?

Clearway Community Solar has several sites nestled in Minnesota farmland, which is home to abundant populations of squirrels, mice, and other small rodents. The solar farms offer convenient structures for nesting, protection from predators, and shelter from Minnesota's cold winters – as well as lots of wiring to gnaw on. The resulting damage to the sites' cabling can cost tens of thousands of dollars annually.

Clearway Community Solar's operations and maintenance team decided to turn to Mother Nature to help keep local rodent populations in check. With guidance from the environmental team, owl nesting boxes and perches were installed at each of the sites in the fall of 2020.

It is hoped that the boxes will attract barred owls and possibly eastern screech owls, and that the perches will attract great horned owls – and that more owls will mean fewer rodents and fewer cables to repair! To monitor owl activity at these nest sites, wildlife cameras were installed to observe each nest and determine whether it becomes occupied.





## Climate Change Strategy

### Clearway's Low-Carbon Portfolio

The vast majority of generation assets owned by the Clearway enterprise are held by Clearway Energy, Inc. (CWEN). In 2020, 83% of the electricity we generated came from emission-free resources, giving CWEN one of the lowest carbon intensities in the U.S. power sector.

Together, Clearway Energy Group LLC and CWEN own and operate 5 GW of renewables and the Clearway enterprise has a 10 GW development pipeline that is expected to continue to add renewable assets to CWEN's portfolio over time, thereby further reducing its carbon intensity.

The majority of CWEN's non-renewable assets consist of efficient peaking gas generation located in California, which is needed by the state's grid operator to complement renewable generation. The sites are contracted under utility power purchase agreements and are dispatched when needed by the California system operator, primarily as capacity and reliability resources. As a result, the electricity produced by these sites represented only a small portion of CWEN's total power generation in 2020.

By ensuring that California can safely and reliably transition to using increasing levels of intermittent renewable sources, these assets are helping to significantly reduce carbon emissions from the electric sector in the Golden State.

Clearway's core purpose as a company is to address the global challenge of climate change by accelerating the world's transition to zero-carbon renewable energy sources like wind and solar. As we work to create a sustainable future, we're mindful that climate change is already occurring and has the potential to significantly impact our future business activities through changes in weather patterns and extreme weather events.

To understand these potential impacts and manage the attendant risks, in 2020 we conducted a [climate scenario analysis](#) for our renewable assets. The analysis examined three scenarios and the associated physical and transitional risks associated with each:

- **Sustainable Futures Scenario** (less than a 1.5 degree increase in global temperatures by 2050)
- **2-Degree Scenario** (a 2 degree increase in global temperatures by 2050)
- **Current Policies Scenario** (business as usual resulting in a 3 degree or greater increase in global temperatures by 2050)



Each of these scenarios paints a different picture of the world in 2050 and allows us to assess our current and future strategies against them. The analysis revealed several projected trends for U.S. weather patterns across all three scenarios, including:

- More extreme weather (droughts, floods, wildfires, and severe storms) and more extreme heat, including warmer winters
- A slight increase in wind speeds overall, with greater increases in the southern U.S. and slight decreases in the eastern U.S.
- Greater variability in solar irradiance
- Reduced precipitation overall, although individual precipitation events may be more intense and deliver more moisture
- More frequent dust storms in the southwestern U.S.
- Longer and more destructive fire seasons in the western U.S.
- An increase in the number and intensity of severe storms including thunderstorms, hailstorms, and derechos (long-lasting, violent windstorms that cover hundreds of miles before dissipating), as well as bigger and more destructive hurricanes


The impacts of climate change will continue to have tremendous societal, environmental, and financial costs for decades to come. Clearway is committed to deploying carbon-free renewable energy generation at a scale that meaningfully reduces our nation's greenhouse gas emissions trajectory. At the same time, we will continue to assess the risks climate change poses to our ability to deliver clean energy solutions today and in the future.

## Managing Our Climate-Related Risk

The CWEN Corporate Governance, Conflicts and Nominating Committee reviews and discusses the company's strategies, activities, and policies regarding ESG and makes recommendations to CWEN's board. This includes evaluating the potential financial impacts climate change, as well as future legislation and regulations, could have on CWEN's existing portfolio. CWEN's board also approves the company's annual budget which entails reviewing potential financial risks related to climate change.







## Industry Leadership

In keeping with our commitment to expand the production and use of renewable energy, we maintain active memberships in several [industry trade associations](#). Where appropriate, we seek to play a leadership role and to leverage these associations' resources to advance initiatives that will make our industry more sustainable.

We also recognize the importance of good public policy to our industry, and we engage in advocacy on issues that are important to us, such as renewable energy and climate change. This includes supporting political candidates at the state and federal level who are working to advance legislation on these issues.

Clearway Energy Group LLC sponsors a non-connected political action committee (PAC) that makes financial contributions to selected candidates, party committees, or other PACs that support issues that directly impact our industry and our company.

The PAC is governed by a board comprised of employees from several departments across the Clearway enterprise, and the board votes on proposed contributions. The PAC operates according to all applicable federal and state laws and is funded entirely by voluntary contributions.

In 2020, Clearway's Political Action Committee and Clearway Energy Group made approximately \$150,000 in political contributions to more than 100 candidates who stood for action on climate. This support helped drive policy outcomes that were critically important to our industry's success, whether at the federal level where we successfully advocated for an extended construction window for wind projects amidst the COVID-19 pandemic, or at the state level where we advocated for a range of laws and regulations that support renewable energy.





## Governance

Accountability, transparency, and good governance are fundamental to the Clearway enterprise. Our purpose, values, and strategies are determined by our leadership, and our officers and employees are committed to our shared mission and operating principles.

Important governance functions like accounting and internal audit are shared across the Clearway enterprise. As such, although Clearway Energy Group is privately owned, our policies, financial controls, and business controls adhere to the same standards (including those required by the Sarbanes-Oxley Act) expected of our publicly traded affiliate Clearway Energy, Inc. Our financial performance and an analysis of enterprise-level risks are regularly reported to the boards of both companies as well as to our owners. Monthly reviews of our company and department-level budgets, variances, and multi-year forecasts are conducted to ensure that we are managing our financial resources wisely.

## Risk Management at Clearway

Risks to the long-term viability of our business include, among others, the availability and price of major project components like wind turbines, solar panels, and batteries, as well as future price trends and technological advances related to those components. The international, national, and state-level policy and regulatory landscape also has the potential to impact our business.

Risks to the viability of specific projects include the ability to interconnect to the regional electric grid, as well as the availability of capacity on the transmission lines used to deliver the electricity produced from our sites to end users.

Clearway's leadership facilitates the effective management of risk through proper organizational structure and reporting relationships; demands for timely and meaningful performance, compliance, and risk reporting; and by integrating themselves into an appropriate governance hierarchy regarding risk issues.

Our robust risk policies serve as the foundation for our risk control infrastructure and provide the framework and controls necessary to ensure the identification, evaluation, quantification, and management of risk associated with achieving our business targets.

## 2020 Governance Highlights



**Refining and updating our risk management system** to document and track risks at the enterprise level. This process involves identifying potential risks across a range of categories and assessing their causes, possible consequences, and appropriate mitigants. In addition, we created and filled a new position of Director of Risk.



**Launching a contract lifecycle management system** to create an organized library of all executed agreements and improve the efficiency of our business activities. In 2021, we will finalize implementation of the system across the company.



**Conducting routine and timely audits of various departments and processes** to evaluate the needs of the business and ensure that we are identifying and managing risks appropriately across the organization.



**Ensuring that our newly launched online customer enrollment portal for community solar was designed with robust safeguards to protect customer privacy** while providing a contactless, convenient enrollment option to customers.



**Regular communication with our employees** regarding Clearway's expectations regarding ethical behavior. We also implemented an internally designed training program on our Codes of Conduct. New employees and subcontractors are required to undergo the training, and employees refresh their acknowledgment of the Codes on an annual basis.





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## Appendix

### FORWARD-LOOKING STATEMENTS

#### Safe Harbor

Clearway Energy Group LLC's and Clearway Energy, Inc.'s (collectively, "Clearway") 2020 ESG report contains forward-looking statements regarding the intentions, beliefs, expectations, or predictions for the future held by the companies' management. Such forward-looking statements are subject to certain risks, uncertainties, and assumptions, and typically can be identified by the use of words such as "will," "expect," "estimate," "anticipate," "forecast," "plan," "believe" and similar terms. Although Clearway believes that the expectations of its management are reasonable, it can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Clearway undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

#### Photos and Credits

Front	The 419 MW Mesquite Star Wind site, Fisher County, TX
4	The 192 MW Rosamond Central Solar site, Kern County, CA
5	The 3 MW Poughkeepsie Solar site, Poughkeepsie, NY
6	The 55.2 MW Pinnacle Wind site, Keyser, WV
8	The 192 MW Rosamond Central Solar site, Kern County, CA
10	The 3 MW Chisago Solar site, Chisago County, MN
11	EPC Food Drive for Kern County, CA Spanish Fork Donation to Tabitha's Way
14	The 947 MW Alta Wind site, Mojave, CA, photo by Daniel Casselman
16	The 114 MW Daggett 1 Battery Storage site, San Bernardino County, CA
22	The 1.28 MW Spencer Road Community Solar site, Spencer, MA
23	The 114 MW Daggett 1 Battery Storage site, San Bernardino County, CA
25	Clearway's Operations Center, Scottsdale, AZ The 161 MW Wildorado Wind site, Vega, TX The 250 MW California Valley Solar Ranch (CVSR), Santa Margarita, CA
26	The 55.2 MW Pinnacle Wind site, Keyser, WV The 1 MW North Adams Solar site, North Adams, MA
27	The 419 MW Mesquite Star Wind site, Fisher County, TX
28	The 192 MW Rosamond Central Solar site, Kern County, CA Grandson of Ann Bennett, site administrator in Fischer County, Texas
29	The 419 MW Mesquite Star Wind site, Fisher County, TX
31	The 192 MW Rosamond Central Solar site, Kern County, CA
33	The 192 MW Rosamond Central Solar site, Kern County, CA
34	The 3 MW Chisago Solar site, Chisago County, MN
36	The 192 MW Rosamond Central Solar site, Kern County, CA
37	The 49 MW Kawaihoa Solar site, Oahu, HI The 419 MW Mesquite Star Wind site, Fisher County, TX
39	The 5 MW Waterford Community Solar site, Northfield, MN, photo by Will Carleton
40	The 947 MW Alta Wind site, Mojave, CA, photo by Daniel Casselman
41	The 192 MW Rosamond Central Solar site, Kern County, CA
42	The 3 MW Chisago Solar site, Chisago County, MN
43	The 290 MW Agua Caliente Solar site, Dateland, AZ
43	The 947 MW Alta Wind site, Mojave, CA, photo by Zadi Oleksiw
44	The 192 MW Rosamond Central Solar site, Kern County, CA, photo by Benjamin Campbell
45	The 3 MW Poughkeepsie Solar site, Poughkeepsie, NY
46	The 160 MW Rattlesnake Flat Solar site, photo by Daniel Casselman
Back	The 290 MW Agua Caliente Solar site, Dateland, AZ, photo by Daniel Casselman





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