



# Alliant Energy Green Bond Framework

Updated December 2023





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Alliant Energy Corporation (NASDAQ: LNT) is a Midwest U.S. energy company headquartered in Madison, Wisconsin, with annual revenues of approximately \$4 billion. Our company is primarily engaged in electric generation and the distribution of electricity and natural gas. We serve approximately 995,000 electric and 425,000 natural gas customers through our two public utility subsidiaries, Interstate Power and Light Company (IPL) and Wisconsin Power and Light Company (WPL). Alliant Energy has approximately 3,100 employees.

**IPL:** is a public utility engaged principally in the generation and distribution of electricity and the distribution and transportation of natural gas to retail customers in select markets in Iowa. IPL provides utility services to incorporated communities as directed by the Iowa Utilities Board and utilizes non-exclusive franchises, which cover the use of public right-of-ways for utility facilities in incorporated communities for a maximum term of 25 years. At December 31, 2022, IPL supplied electric and natural gas service to approximately 500,000 and 225,000 retail customers, respectively, in Iowa. IPL also sells electricity to wholesale customers in Minnesota, Illinois and Iowa. IPL is also engaged in the generation and distribution of steam for two customers in Cedar Rapids, Iowa.

**WPL:** is a public utility engaged principally in the generation and distribution of electricity and the distribution and transportation of natural gas to retail customers in select markets in Wisconsin. WPL operates in municipalities pursuant to permits of indefinite duration and state statutes authorizing utility operation in areas annexed by a municipality. At December 31, 2022, WPL supplied electric and natural gas service to approximately 495,000 and 200,000 retail customers, respectively. WPL also sells electricity to wholesale customers in Wisconsin.

### Our Mission, Purpose and Strategy

Alliant Energy's mission is to deliver affordable energy solutions and exceptional service that its customers and communities count on – affordably, safely, reliably, and sustainably. This mission aligns with our purpose – to serve customers and build stronger communities – which guides us through the ever-changing dynamics of the economy and the energy industry.

Alliant Energy takes its responsibility as a corporate citizen seriously and remains a careful steward of the environment and supports the communities in its service territories. Alliant Energy's mission and purpose is supported by a strategy focused on meeting the evolving expectations of customers while providing an attractive return for investors, and pursuing emerging technologies and safe, sustainable methods of energy production.

We recognize the importance that sustainability management has on our operations, including oversight of environmental, social and governance (ESG) matters. These matters are represented by our Values. Alliant Energy's [Clean Energy Blueprint](#) and strategic plan guides our long-term transition to successfully provide for customers' future energy needs.

### Our Clean Energy Vision

Alliant Energy is advancing clean energy and recognizes the importance of using resources responsibly in its Clean Energy Vision goals. These goals align with our Value to **Act for**

**tomorrow** – we use resources wisely, care for the environment and continuously improve ourselves and our company. To accomplish this, our company is finding innovative ways to address environmental challenges, operate more efficiently and provide flexible energy resources. Our updated greenhouse gas goals reflect our company's role in supporting the transition to a low-carbon economy.

## Our Clean Energy Vision Goals

Successful execution of our strategy will enable us to achieve our clean energy initiatives.

### By 2030

- Reduce greenhouse gas emissions<sup>1</sup> from our utility operations by 50% from 2005 levels
- Reduce our electric utility water supply by 75% from 2005 levels
- Electrify 100% of our company-owned light-duty fleet vehicles

### By 2040

- Eliminate all coal from our generation fleet
- Reduce greenhouse gas emissions<sup>1</sup> from our utility operations by 80% from 2005 levels

### By 2050

- Aspire to achieve net-zero greenhouse gas emissions<sup>1</sup> from our utility operations

We will continue to review and update our [Sustainable Energy Plan](#) and Clean Energy Vision based on future economic developments, evolving energy technologies and emerging trends in the communities we serve.

We have nearly 1,800 megawatts (MW) of owned and operated regulated wind nameplate capacity. In addition, our company now owns nearly 300 MW of solar generation. Our current plans include development and acquisition of additional renewable energy, including approximately 1,250 MW of solar generation by the end of 2024 plus approximately 250 MW of battery storage by the end of 2025. We are continuing to evaluate additional opportunities to add more renewable generation (repowering of existing wind farms, community solar and other distributed energy resources), battery storage systems and natural gas resources in order to meet reliability standards that ensure sufficient capacity is available to meet our customers' energy needs. We currently expect that approximately 51% of our generation capacity will be provided from renewables by 2030.

From 2023 through 2027, we currently plan to invest approximately \$4 billion to add new owned solar generation, battery storage, and wind repowering projects. Alliant Energy considers "green bond" financing to be a valuable tool to support our capital expenditures and Alliant Energy's broader commitment to the environment and sustainable business practices.

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<sup>1</sup> Measuring performance based on applicable compliance requirements in the U.S. Environmental Protection Agency Mandatory Reporting of Greenhouse Gases Rule (40 CFR part 98; Subparts C, D, and W) including carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O) from our company-owned fossil-fueled electric generating units and distribution of natural gas.

## Sustainable Development Goals

In 2015, the United Nations (UN) adopted [Agenda 2030](#) as a shared vision to achieve peace and prosperity for people and the planet. This plan provides [17 Sustainable Development Goals](#) (SDGs) to guide global efforts. Our company recognizes that businesses can also connect to the SDGs and help to successfully achieve this worldwide vision. Alliant Energy's [SDG map](#) was developed based on a review of the SDG global indicator framework and aligns the SDGs to Our Values. We also share examples that connect our [actions](#) with the UN's SDGs to support a better and more sustainable future.

Further information on our company's [progress](#) achieving our Clean Energy Vision goals and sustainability programs is available online in our [Corporate Responsibility Report](#).

## Alignment with Green Bond Principles

This Green Bond Framework (Framework) addresses the core components of the ***Green Bond Principles 2021 (GBP)*** published by the International Capital Markets Association (ICMA<sup>2</sup>). The GBP are voluntary process guidelines for best practices to encourage transparency and disclosure and to promote integrity in the Green Bond Market.

In accordance with its corporate sustainability strategy, Alliant Energy has designed this Framework under which Alliant Energy or its subsidiaries may issue green bonds.

## Use of Proceeds

An amount equal to or in excess of the net proceeds from a green bond financing, after payment of the underwriting discount will be allocated or disbursed to finance or refinance, in whole or in part, new and/or existing green projects, assets, or activities.

Each related allocation or disbursement will meet the following criteria:

1. The applicable projects are Eligible Projects as defined in the table below.
2. The applicable expenditures have not previously been financed by another green financing issued by Alliant Energy or its subsidiaries or affiliates.
3. The allocation or disbursement is made during the 24 months preceding the issue date of the applicable green bond or within 60 months after the issue date.

Eligible Projects include, but are not limited to, the categories within the table below as identified in the GBP. Alliant Energy reserves the right to amend these Eligible Project Categories, Criteria, and Potential Impact Metrics from time to time. The expected use of proceeds will be defined within each green bond financing document.

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<sup>2</sup> [https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles\\_June-2022-280622.pdf](https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles_June-2022-280622.pdf)

Eligible Project Category	Criteria	Potential Impact Metrics	UN SDG Alignment
Renewable energy	<ul style="list-style-type: none"> <li>• <b>Generation.</b> Construction, development, operation, acquisition, and research and development (R&amp;D) related to wind and solar power production</li> <li>• <b>Power Purchase Agreements.</b> Purchase of renewable energy from wind and solar power facilities, pursuant to long-term power purchase agreements entered into prior to the commencement, or in the case of repowering facilities, the re-commencement of commercial operation of the renewable facility</li> <li>• <b>Electric distribution system interconnections.</b> Construction, engineering, and maintenance of infrastructure to facilitate renewable energy generation and integrate it into the grid reliably</li> <li>• <b>Storage.</b> Development, construction, maintenance, R&amp;D, and acquisition of new battery storage capacity, or purchases of battery storage capacity or services under long-term capacity agreements entered into prior to commercial operation of the facility</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity (ex., nameplate, generating) in MW</li> <li>• Annual renewable energy generation in megawatt-hours (MWh) or kilowatt-hours (kWh)</li> <li>• Annual estimated avoided greenhouse gases emissions in metric tons of CO<sub>2</sub>-equivalent (MT CO<sub>2</sub>e)</li> <li>• Investment in renewable energy generation (\$) and related infrastructure</li> <li>• Investment in energy storage (\$)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Goal 7.</b> Ensure access to affordable, reliable, sustainable and modern energy for all</li> <li>• <b>Goal 9.</b> Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</li> <li>• <b>Goal 11.</b> Make cities inclusive, safe, resilient and sustainable</li> <li>• <b>Goal 13.</b> Take urgent action to combat climate change and its impacts</li> </ul> <div data-bbox="1095 920 1253 1072">  <p>7 AFFORDABLE AND CLEAN ENERGY</p> </div> <div data-bbox="1095 1127 1253 1279">  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> </div> <div data-bbox="1095 1334 1253 1486">  <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> </div> <div data-bbox="1095 1541 1253 1693">  <p>13 CLIMATE ACTION</p> </div>

To illustrate examples of what may constitute Eligible Projects, the following projects convey the characteristics and attributes of IPL's or WPL's prior investments resulting from wind and solar installations.

1. The Upland Prairie wind farm is located in both Clay and Dickinson Counties in Iowa with a nameplate capacity of 299 MW.
2. The Whispering Willow North wind farm is located in Franklin County, Iowa with a nameplate capacity of 201 MW.
3. The Kossuth wind farm is located in Kossuth County, Iowa with a nameplate capacity of 152 MW.
4. The Wood County solar facility is located in Wood County, Wisconsin with a nameplate capacity of 150 MW.

Alliant Energy will not knowingly allocate or disburse proceeds from any issuance of green bond financing to the following:

- Costs, expenditures, expenses or other funding for which allocations or disbursements have been made under any other green financing issued by Alliant Energy or its subsidiaries or affiliates.
- Activities related to the exploration, production, or transportation of fossil fuels, except for those activities that are included in the Eligible Project categories.
- Consumption of fossil fuels for the purpose of power generation.
- Nuclear energy power generation.

## **Process for Project Evaluation and Selection**

Alliant Energy has established a Green Bond Financing Committee (Committee) to oversee the implementation of this Framework. The Committee is comprised of members from the Treasury, Accounting, Finance, Environmental Services and Corporate Sustainability departments, and is chaired by the Treasurer or Assistant Treasurer.

The Committee is responsible for evaluating and selecting Eligible Projects from time to time and for reviewing the list of previously determined Eligible Projects against eligibility and exclusionary criteria. The Committee will ultimately approve the selection of projects to be allocated or disbursed funding from green bond financings.

## **Management of Proceeds**

An amount equal to or in excess of the net proceeds from any green bond financing, after payment of the underwriting discount will be allocated or disbursed and managed by Alliant Energy's Treasury Department. Actual spend on Eligible Projects will be tracked by Treasury. Pending allocation or disbursement, net proceeds will be managed in accordance with Alliant Energy's standard liquidity practices.

Payment of principal and interest on any financing will be made from general funds and will not be directly linked to the performance of any Eligible Projects.

## **Reporting**

Within one year of the issue date of each green bond and annually until the allocation or disbursement of an amount equal to or in excess of the net proceeds of such green bonds, Alliant Energy will provide the following information on its [corporate green bond website](#).

1. Brief project descriptions and the amounts allocated or disbursed to the Eligible Projects during the reporting period;
2. Qualitative performance indicators and, where feasible, quantitative estimated performance measures, as outlined in this Framework, including disclosure of the key underlying methodology and/or assumptions used in the quantitative determination; and
3. The outstanding amount of net proceeds yet to be allocated or disbursed to Eligible Projects at the end of the reporting period, if applicable.

Alliant Energy will also provide on its website:

1. A report with an assertion by management regarding the amounts allocated or disbursed for Eligible Projects during the reporting period; and
2. The attestation report described below in this Framework under "External Examination"

Alliant Energy will publish additional information regarding the green bonds on its corporate website as it deems appropriate.

### **External Examination**

An independent accountant who has been appointed by Alliant Energy's Audit Committee of the Board of Directors, will provide an attestation report in respect of the independent accountant's examination of management's assertion regarding the allocation or disbursement of proceeds to Eligible Projects conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

## **Disclaimer**

This Green Bond Framework (Framework) includes forward-looking statements. These statements can be identified because they include words such as "may," "expects," "expected," "plans," "will," "outlook," "estimate," "target," "goal," "potential," "projected," "projection," or other words or expressions of similar import. Similarly, statements that describe future plans or strategies, our clean energy vision, transitioning our energy resources, planned resource additions, and future emissions reductions are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, the statements. Actual results could be materially affected by the following factors, among others: regulatory approvals; federal and state regulatory or governmental actions, including the impact of legislation, and regulatory agency orders; unanticipated construction issues, delays or expenditures; the ability to complete construction of renewable generation and storage projects by planned in-service dates and within the cost targets set by regulators due to cost increases of and access to materials, equipment and commodities, which could result from tariffs, duties or other assessments, such as any additional tariffs resulting from U.S. Department of Commerce investigations into and any decisions made regarding the sourcing of solar project materials and equipment from certain countries, labor issues or supply shortages, the ability to successfully resolve warranty issues or contract disputes, the ability to achieve the expected level of tax benefits based on tax guidelines, project costs and the level of electricity output generated by qualifying generating facilities, and the ability to efficiently utilize the renewable generation and storage project tax benefits for the benefit of customers; disruptions to ongoing operations and the supply of materials, services, equipment and commodities needed to construct solar generation and battery storage projects, which may result from geopolitical issues, supplier manufacturing constraints, labor issues or transportation issues, and thus affect the ability to meet capacity requirements and result in increased capacity expense; the future development of technologies related to electrification, and the ability to reliably store and manage electricity; changes to the Midcontinent Independent System Operator, Inc. (MISO) resource adequacy process establishing capacity planning reserve margin and capacity accreditation requirements that may impact how and when new and existing generating facilities, including Alliant Energy's additional solar generation, may be accredited with energy capacity, and may require Alliant Energy to adjust its current resource plans, to add resources to meet the requirements of MISO's process, or procure capacity in the market whereby such costs might not be recovered in rates; breakdown or failure of equipment and technology to perform as expected; political conditions in Alliant Energy's service territories; changes to Alliant Energy's access to capital markets; direct or indirect effects resulting from the ongoing novel coronavirus (COVID-19) pandemic and the spread of variant strains; economic conditions in Alliant Energy's service territory; inflation and higher interest rates; and other risk factors discussed in Alliant Energy's most recent Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC), including the section therein titled "Risk Factors," and its other filings with the SEC. All statements included herein are made as of the publication date hereof and Alliant Energy undertakes no obligation to publicly update such statements to reflect subsequent events or circumstances.

This Framework represents current Alliant Energy policy and intent, is subject to change and is not intended to, nor can it be relied on to, create legal relations, rights or obligations. This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Alliant Energy or its subsidiaries and, accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Alliant

Energy or its subsidiaries as to the fairness, accuracy, reasonableness or completeness of such information.

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