NRG Energy Inc.

First Quarter 2024 Earnings Presentation

May 7, 2024

Safe Harbor

Forward-Looking Statements

In addition to historical information, the information presented in this presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks and uncertainties and can typically be identified by terminology such as "may," "should," "could," "objective," "projection," "forecast," "goal," "guidance," "outlook," "expect," "intend," "seek," "plan," "think," "anticipate," "estimate," "predict," "target," "potential" or "continue" or the negative of these terms or other comparable terminology. Such forward-looking statements include, but are not limited to, statements about the Company's future revenues, income, indebtedness, capital structure, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions.

Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to be correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated herein include, among others, general economic conditions, hazards customary in the power industry, weather conditions and extreme weather events, competition in wholesale power, gas and smart home markets, the volatility of energy and fuel prices, failure of customers or counterparties to perform under contracts, changes in the wholesale power and gas markets, changes in government or market regulations, the condition of capital markets generally and NRG's ability to access capital markets, NRG's ability to execute its supply strategy, risks related to data privacy, cyberterrorism and inadequate cybersecurity, the loss of data, unanticipated outages at NRG's generation facilities, NRG's ability to achieve its net debt targets, adverse results in current and future litigation, complaints, product liability claims and/or adverse publicity, failure to identify, execute or successfully implement acquisitions or asset sales, risks of the smart home and security industry, including risks of and publicity surrounding the sales, subscriber origination and retention process, the impact of changes in consumer spending patterns, consumer preferences, geopolitical tensions, demographic trends, supply chain disruptions, NRG's ability to implement value enhancing improvements to plant operations and companywide processes, NRG's ability to achieve or maintain investment grade credit metrics, NRG's ability to proceed with projects under development or the inability to complete the construction of such projects on schedule or within budget, the inability to maintain or create successful partnering relationships, NRG's ability to operate its business efficiently, NRG's ability to retain customers, the ability to successfully integrate businesses of acquired companies, including Vivint Smart Home, NRG's ability to realize anticipated benefits of transactions (including expected cost savings and other synergies) or the risk that anticipated benefits may take longer to realize than expected, NRG's ability to execute its capital allocation plan. Achieving investment grade credit metrics is not an indication of or guarantee that the Company will receive investment grade credit ratings. Debt and share repurchases may be made from time to time subject to market conditions and other factors, including as permitted by United States securities laws. Furthermore, any common stock dividend is subject to available capital and market conditions.

NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA and free cash flow before growth investments guidance are estimates as of May 07, 2024. These estimates are based on assumptions NRG believed to be reasonable as of that date. NRG disclaims any current intention to update such guidance, except as required by law. The foregoing review of factors that could cause NRG's actual results to differ materially from those contemplated in the forward-looking statements included in this presentation should be considered in connection with information regarding risks and uncertainties that may affect NRG's future results included in NRG's filings with the Securities and Exchange Commission at www.sec.gov. For a more detailed discussion of these factors, see the information under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in NRG's most recent Annual Report on Form 10-K, and in subsequent SEC filings. NRG's forward-looking statements speak only as of the date of this communication or as of the date they are made.

Agenda

Business Review

Dr. Larry Coben
Chair and Interim President & CEO

Financial Review

Bruce Chung
CFO

Closing Remarks

Dr. Larry Coben
Chair and Interim President & CEO

Q&A

Management

3 Key Messages

First Quarter Results Exceeded Expectations; Reaffirming 2024 Financial Guidance

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Electrification Trends Increasingly Signal a Step-Change in Competitive Power Demand Outlook

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NRG is Positioned to Capitalize on Tightening Supply / Demand Across Our Platform

Value Proposition

1. Leading Competitive Consumer Platform for Homes and Businesses, Serving ~8 Million Residential Customers and Second Largest Provider for Businesses

2. Advanced Core Energy Platform with Diversified Supply, and Leading Brands and Capabilities

3. Complementary Smart Home Platform Enhances Consumer Platform with Home and Energy Technology Ecosystem and Diversified Earnings

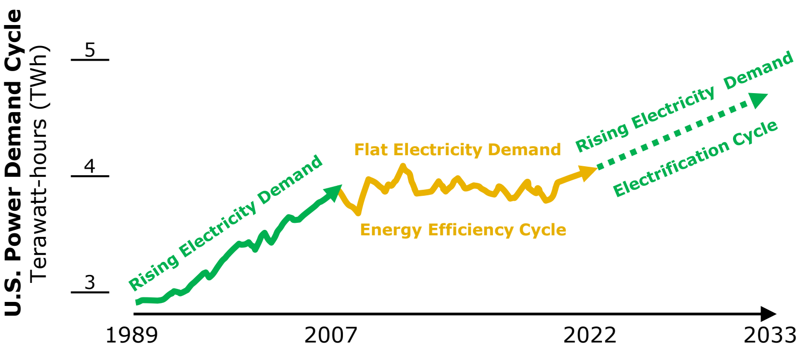
4. Uniquely Positioned to Capitalize on Electrification Trends and Convergence of Energy and Smart Technologies

5. Significant Recurring Excess Cash Flows To Grow Earnings, Return Capital and Maintain Strong Balance Sheet

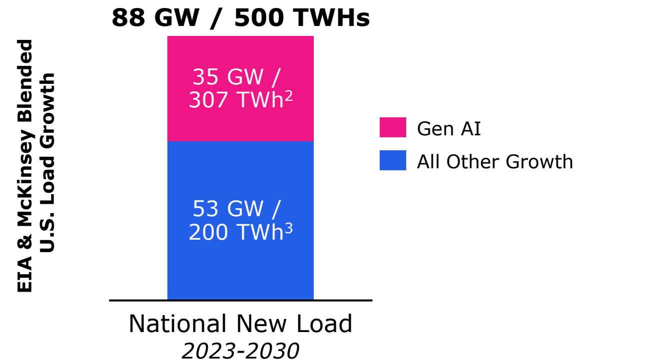
U.S. Entering Power Demand Super Cycle

Clear Signs of Long-Term Step-Change from Multiple Factors

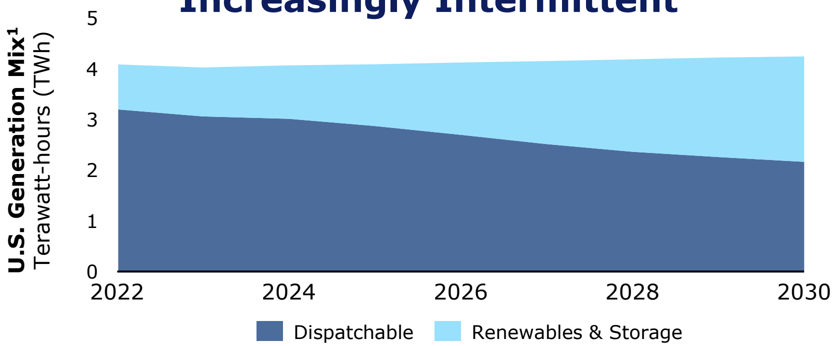
Onset of Power Demand Growth Following Decade of Efficiency…



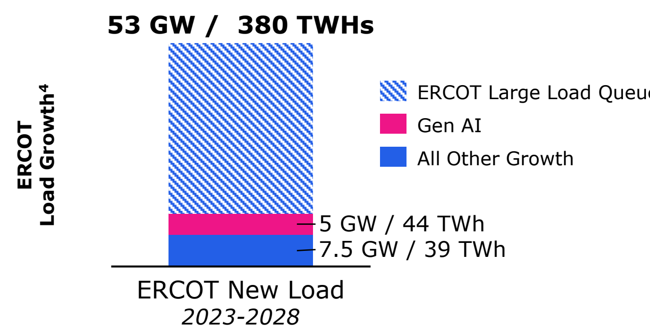
Demand Growth is Collective of Macro Trends, More Than Just Generative AI…



…While Power Supply Becomes Increasingly Intermittent



…With Texas Expecting Outsized Growth, Above EIA Forecast



Rising Power Demand From Base Electrification, Onshoring, CHIPS Act, Generative AI and Other Factors Requires an 'All of the Above' Supply Approach

[1] EIA 2023 Annual Energy Outlook; [2] McKinsey & Co., assumes 100% load factor; [3] EIA 2023 Annual Energy Outlook, assumes ~43% load factor; [4] 'ERCOT Large Load Queue' includes all projects with no assumption regarding probability of completion, assumes 85% load factor; 'Gen AI' based on internal estimates, assumes 100% load factor; 'All Other Growth' based on ERCOT historic growth trend

Competitive Markets Are Uniquely Positioned

Large Loads Likely to Prefer Competitive Markets

Speed, Affordability and Resource Availability are Key Attributes for Large Loads; including Data Centers

Data Center Company Priorities	Competitive Markets
Favorable Regulatory Environment (Development, Grid Interconnection)	✓
Ample & Affordable Land	✓
Affordable Power/Energy	✓
Located Near Long-Haul Fiber Networks	✓
Reliable Power & Sufficient Transmission Infrastructure	✓
Water Supplies	✓
Attractive Tax Policies	✓

Texas Stands Out

- Business-friendly policies and culture
- Energy & interconnection policies enable quick interconnection for data centers and power plant development
- Abundance of land close to long-haul fiber networks and energy infrastructure
- >230 data centers currently located in Texas

Competitive Markets Offer Favorable Conditions for Data Center and Other Large Load Growth - with Texas and Portions of PJM Best Positioned

NRG Positioned to Benefit from Tightening Supply & Demand Across Platform

nrg

Value Creation Opportunities Across Entire Platform

Energy & Smart Home

Home Energy & Smart Home Capabilities – ~8 MM Customers

- Home Energy coupled with Smart Home capabilities to maximize customer lifetime value through energy management and other services

✓

Business
Electricity/Natural Gas

#2 Business Power (~100 TWh) and Natural Gas (~1.8 Tcf) Provider

- In discussion with Hyperscalers and other data centers to increase load up to ~3x at existing facilities over next 36 months
- Mature commercial operations and energy management capabilities to achieve customer sustainability targets and stabilize & optimize energy costs
- At-scale natural gas platform to expand margin and increase sales from higher natural gas consumption by power plants and facilitate use of sustainable natural gas solution

✓

Generation

Diverse & Balanced Generation Strategy to Capture Margin Expansion

- Integrated Platform provides unique capabilities to stabilize near-term earnings while capturing medium- to long-term margin expansion opportunities from higher power prices
- Shovel-ready development of 1.5 GWs natural gas generation in Texas

✓

Site Value

Significant Real Estate Ownership from Existing and Retired Power Facilities

- 21 sites / 21k acres for data center, other large load and power supply development
- In early discussions for both in-front and behind-the-meter opportunities
- Dedicated team established to capture existing site value

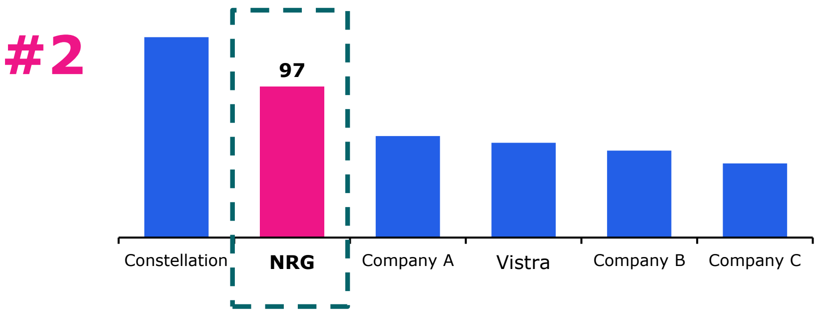
✓

Diverse Opportunities to Create Significant Shareholder Value

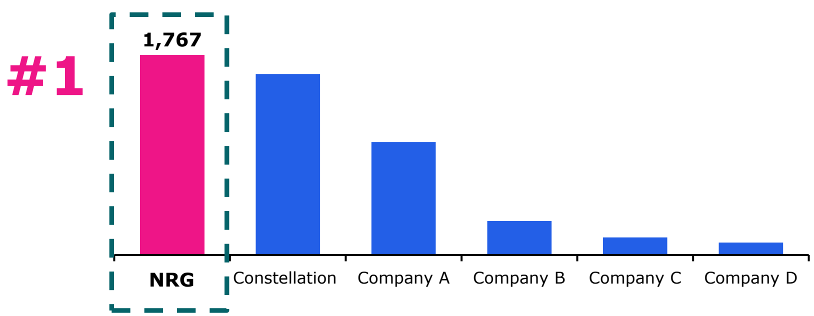
Leading Business Sales & Advisory Platform
To Capture Power & Natural Gas Growth

At-Scale Energy Platform[1]

Business Power Served (TWh)[2]



Business Natural Gas Served (Bcf)[3]



Significant Growth Opportunities

Top-Tier & Leading Capabilities

- Large and trusted provider to Hyperscalers and other large load; notable premium services include:
  - Advisory
  - Demand Response
  - Sustainability Services
- Leading energy risk management & commercial operations to deliver predictable energy costs and desired energy attributes

Early Indications of Data Center Trends …

- Hyperscalers providing large data center capacity ramp schedules for upcoming years
- *Example Case:* In talks with Hyperscalers and other data center operators to increase load up to ~3x at existing facilities over next 36 months

Trusted and At-Scale Platform Positions NRG to Benefit from Margin Expansion and Increased Usage

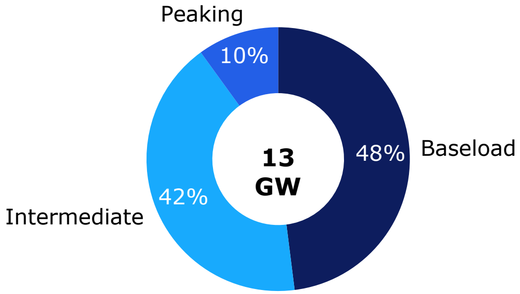
[1] Based on publicly available data for the North America region; [2] 2023 company filings and DNV; [3] 2023 company filings and 2023 ERGC retail market share estimates; NRG and Constellation include wholesale volumes

Generation Fleet Positioned to Capture Value

Generation Profile

- **13 GW** capacity with **~65%** in Texas
- **1.5 GW** Texas Brownfield opportunities (gas peaking & CCGT) in development
- 1.9 GW Renewable PPAs signed, **1.6 GW** online

Owned Generation
(Merit Order by Share)



Diversified Owned Supply

Texas Generation-Only Open Gross Margin Sensitivity

Change in: Around-the-Clock (ATC) Texas Power Prices	Gross Margin Sensitivity
+$5 / MWh	$210 MM
+$10 / MWh	$420 MM
+$20 / MWh	$930 MM
+$30 / MWh	$1,440 MM
+$50 / MWh	$2,610 MM

Base Starting Point Assumptions:

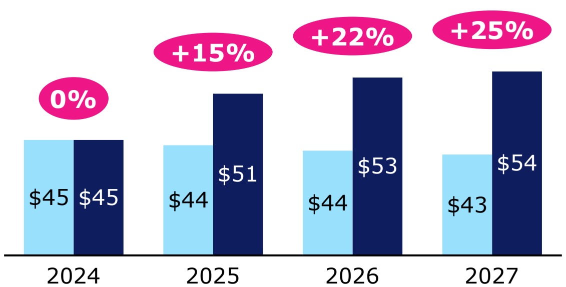
- Texas ATC Power Price: $45 / MWh (Houston / North Blend)
- Natural Gas Price: $3.75 / MMBtu
- Current Fleet: 30 TWh Economic / 35 TWh Uneconomic
- Weather-Normal, among other simplifying assumptions

Diversified Supply Strategy Provides Near-Term Stability While Positioned to Capture Medium- to Long-Term Margin Expansion From Higher Power Prices

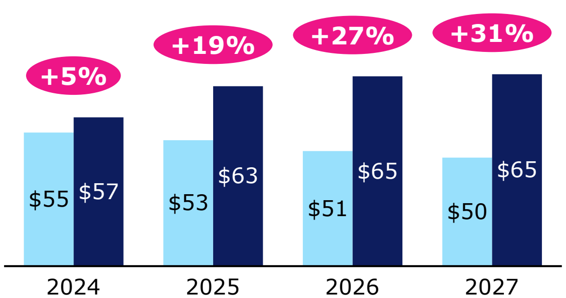
Texas Generation Sensitivity
Significant Upside Opportunity in Rising Price Environment

Power Prices Starting to Reflect Future Demand

Texas Around-the-Clock



Texas On-Peak



Illustrative Mark-to-Market for Texas Generation-Only Portfolio

	Year 1	Year 2	Year 3	Open
2024 Texas Base Gross Margin	$1,550 MM	→	→	$1,550
% Hedge (as of 3/31/24)	95-100%	~50%	<25%	0%
ATC Power Price in '24 Guidance	$45/MWh	→	→	$45/MWh
Implied GM @ Below ATC Price				
$40/MWh	$1,530	$1,460	$1,420	$1,380
$44/MWh	$1,540	$1,530	$1,520	$1,510
2024 Base Guidance - $45/MWh	$1,550	$1,550	$1,550	$1,550
$46/MWh	$1,570	$1,590	$1,590	$1,600
$50/MWh	$1,610	$1,680	$1,720	$1,760
Forward Curve Today - $55/MWh	$1,680	$1,820	$1,900	$1,970
$65/MWh	$1,900	$2,180	$2,330	$2,480
$75/MWh	$2,110	$2,540	$2,760	$2,990
$95/MWh	$2,700	$3,410	$3,780	$4,160

Base Earnings Assumptions:

- 2024 Texas Base Generation Margin $1,550 MM (see 2024 guidance slide #25)
- Current Fleet: 30 TWh Economic / 35 TWh Uneconomic
- Power Prices: Around-the-Clock Blend of Houston and North
- Natural Gas Price: $3.75 / MMBtu
- Weather-Normal, among other simplifying assumptions

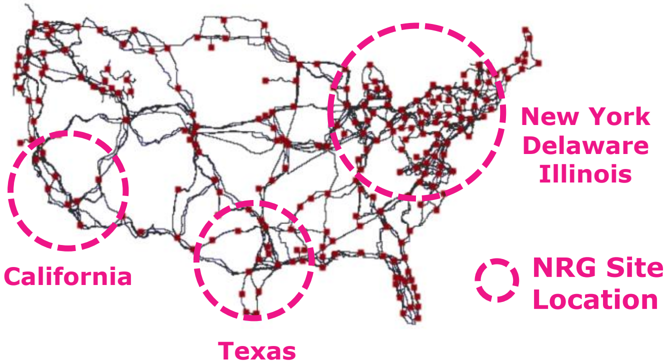
Exploring Value of NRG's Real Estate Portfolio

Sites Available for Development

Location*	Sites	Acreage
Texas	6	~17,000
East/West	15	~4,000
Total	**21**	**~21,000**

**Portfolio comprised of current and retired power plant sites*

U.S. Long-Haul Fiber Optic Cables



Exploring Site Values

NRG Power Development Opportunities

- Shovel-ready development of 1.5 GWs natural gas generation in Texas[1]

Third-Party Lease, Sale and/or Partnerships

- Large Loads: developing strategy for data centers and other large loads
- Power Generation: opportunities include additional natural gas, renewables and energy storage
- Colocation includes both in-front-of-the meter and behind-the-meter strategies

Established Dedicated Team to Maximize Existing Real Estate Value

21 Sites / 21k Acres Real Estate Portfolio Provides Opportunity to Create Significant Shareholder Value

[1] See slide 20 for development project details

Financial Review

Business Highlights & Results

1Q Business Highlights

Financial and Operational Results

- Top decile safety performance
- 31% increase in Adjusted EBITDA

Disciplined Capital Allocation

- 8% increase in dividend; mid-point of 7-9% target
- $950 MM ASR program completed in March
- $825 MM repurchase program, currently underway
- Reaffirming 2024 capital allocation commitments

Optimize and Grow from Core

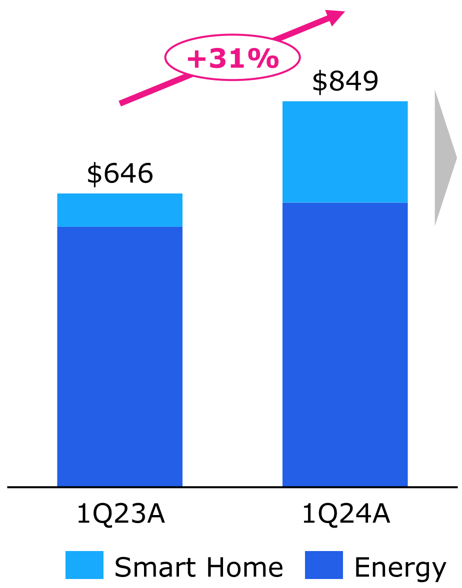
- 1.5 GW new Texas generation, advanced sites
- 1.6 GW renewable PPA in-service, from 1.1 GWs
- Positioning for Electrification Trends

2023-2025 Investor Day Growth Plan - On Track

- $300 MM consumer platform growth - on track
- $250 MM cost reductions – on track
- 15-20% FCFbG per share CAGR – on track

($ millions)

Adjusted EBITDA



Drivers:

+ Smart Home full-quarter contribution[1], and customer & margin growth
+ Energy East/West customer & margin growth
– Energy Texas mild-weather reduced margin / hedge realization

Reaffirming 2024 Financial Guidance

$3,300 - $3,550 MM Adjusted EBITDA

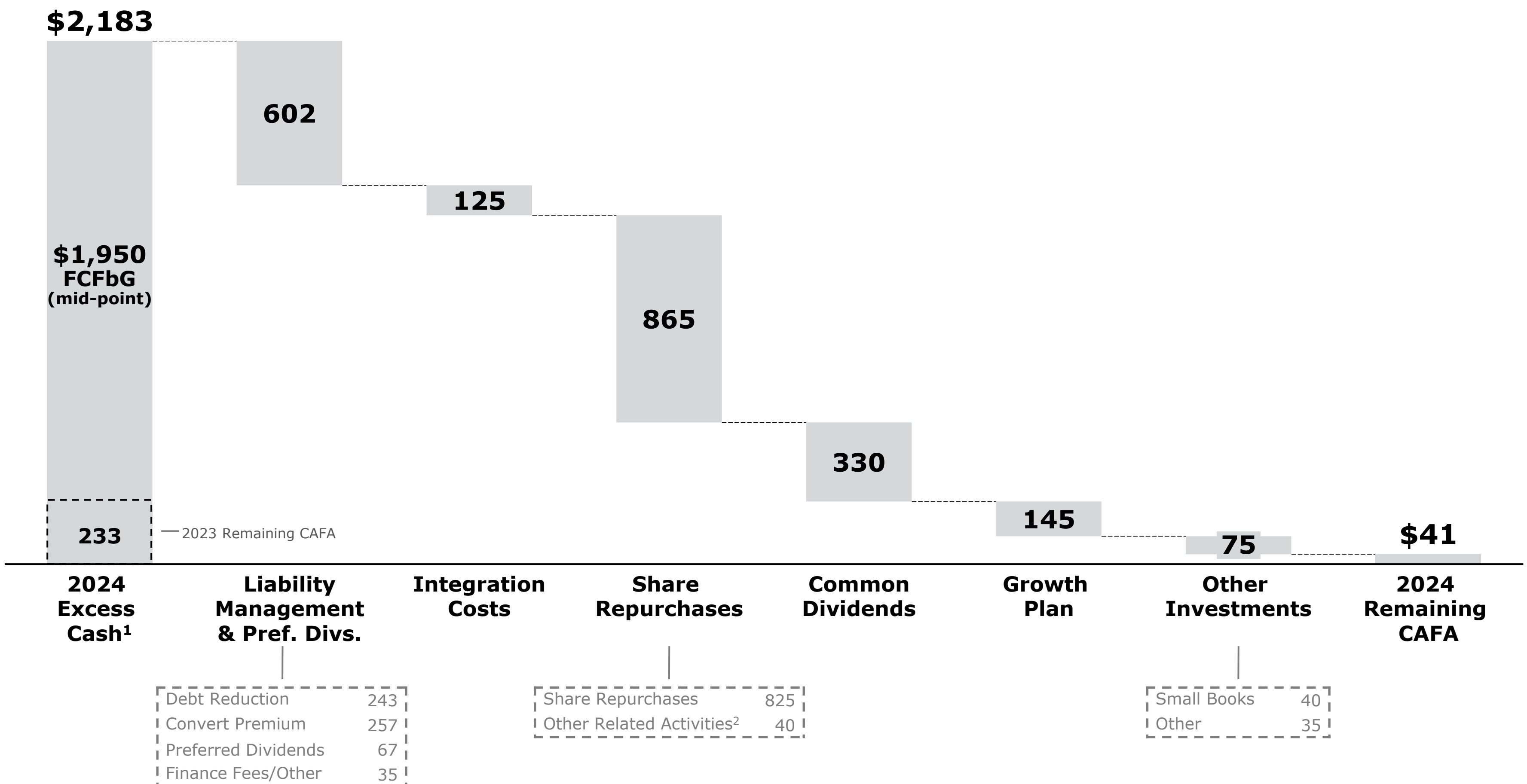
$1,825 - $2,075 MM FCFbG

Strong First Quarter 2024 Financial and Operational Results
Reaffirming 2024 Financial Guidance

[1] Vivint Smart Home Acquired in March 2023

2024 Capital Allocation

($ millions)



Reaffirming 2024 Capital Allocation

[1] Excludes $750 MM Minimum Cash reserved for liquidity purposes [2] Other Related Activities includes: 1% 'Federal Excise Tax' on share repurchases executed in prior year (~$10 MM) and shares repurchased in lieu of tax withholdings where the company in lieu of issuing shares related to certain stock-based compensation settles employee tax obligations in cash (~$30 MM)

Closing Remarks

2024 Priorities

- ☐ **Deliver Financial, Operational, Safety, and ESG Objectives**

- ☐ **Deliver on Cost Initiatives**
  - ☐ $250 MM 2023-2025 program: $68 MM incremental in 2024 ($105 MM ’23-24) – On Track

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- ☐ **Optimize and Grow from Core**
  - ☐ $300 MM 2023-2025 growth plan: incremental $99 MM in 2024 ($200 MM ’23-24) – On Track
  - ☐ Optimize maintenance spend to maintain cycle-appropriate In-the-Money Fleet Availability
  - ☐ Increase renewable and dispatchable supply
    - ☑ PPA Strategy: 1.9 GW renewable pipeline, increased to 1.6 GW in-service, from 1.1 GW
    - ☐ Development: 1.5 GW dispatchable capacity shovel-ready
    - ☐ Virtual Power Plant (VPP) energy management
  - ☐ Portfolio / business / real estate / site optimizations

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- ☐ **Disciplined Capital Allocation Plan**
  - ☐ $500 MM Liability Management – to achieve target investment grade metrics in 2025
  - ☐ $825 MM share repurchases ($2 Bn ’23-24 of $2.7 Bn authorization)
  - ☑ 7-9% annual dividend growth – grew 8% to $1.63/share (5th consecutive annual increase)

Appendix

Committed to Sustainability

Progress Highlights[1]

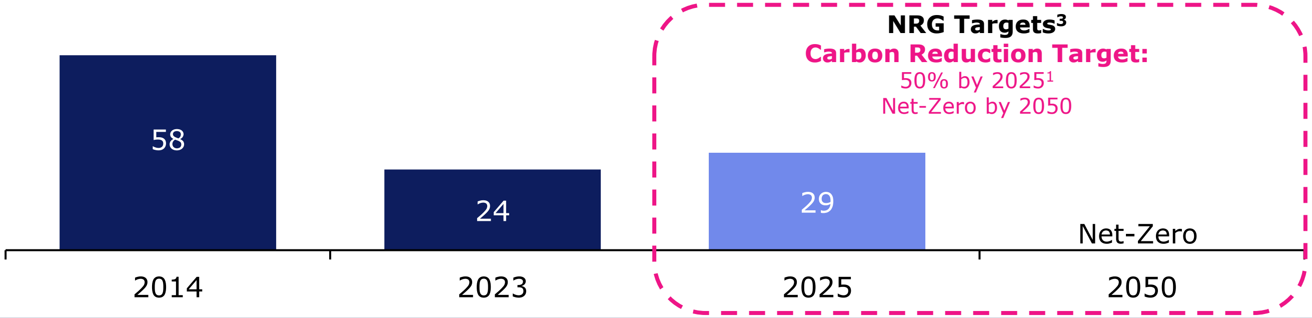
58%
Reduction in CO_2e emissions (2023)

63%
Reduction in SO_2 emissions (2022)

40%
Reduction in NO_x emissions (2022)

59%
Reduction in water withdrawal (2022)

US CO_2e Emissions (MMtCO²e)[2]



Social & Governance Leadership:

- Diversity, Equity, and Inclusion - one of the company's five core values
- 54% gender and ethnic Board of Directors diversity[4]
- Independent Board: 92%
- Consistent top decile safety performance
- 31,100 employee volunteer hours through positiveNRG

Environmental Leadership:

- A- score on both CDP Climate Change and Water Security reports in 2023
- 1st power company to report per SASB standards; 7th year reporting
- 1st company in North America – in any sector – to issue a sustainability-linked bond
- 13 years of sustainability reporting

[1] From 2014 base year [2] Data as of 12/31/2023; [3] NRG's goals includes scope 1, 2, and 3 (employee business travel) CO_2e emissions; [4] As of March 2024

Texas Development Portfolio
Evaluating Viability of Projects

Power Market Review – Texas

- Texas has approved legislation to incentivize new dispatchable generation resources
- NRG well positioned having previously initiated development work on multiple brownfield opportunities
- Proposed projects are shovel-ready to meet the supply needs of our Texas retail business

Potential Benefits from Texas Legislation

- Low-interest rate (3%) loans from the Texas Energy Fund - Senate Bill 93
- Completion Bonus Grants of $80-120k per MW based on COD - Senate Bill 93
- Property tax abatements with local school districts - House Bill 5

	Cedar Bayou 5	TH Wharton	Greens Bayou 6
Type	Combined Cycle	Simple Cycle	Simple Cycle
Capacity (MW)	689	415	443
Heat Rate (Btu/kWh)	6,500	10,500	9,200
Technology	Mitsubishi M501JAC	Siemens SGT6-5000F	GE 7HA.03
Target COD[1]	Late 2027	Mid 2026	Mid 2028

[1] Target commercial operation dates assume Texas Energy Fund loan proceeds will be available by end of Q3 2024

Mature Risk Strategy
Managing Through-Cycle Stability

1 Forecast & Price

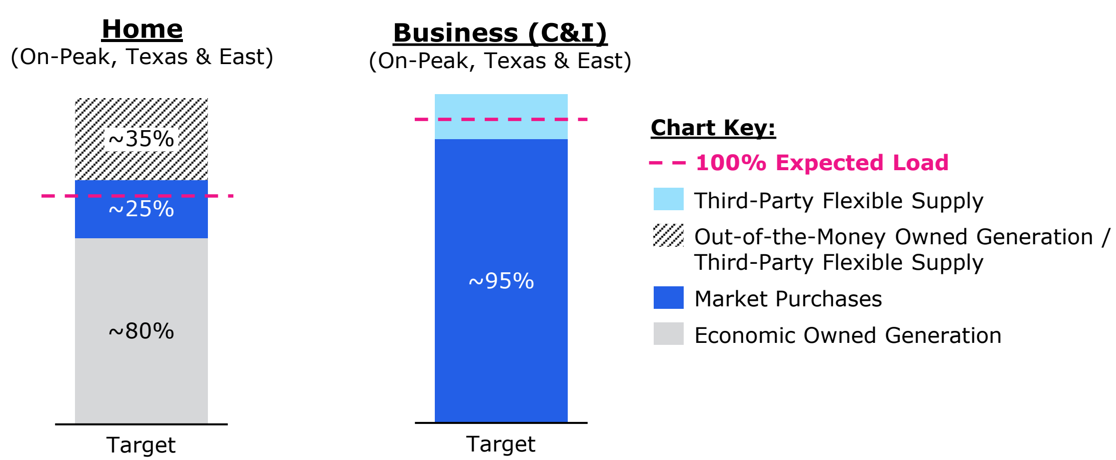
- Proprietary forecasting program models expected load and variability
- Data analytics form actionable insights into macro and micro usage patterns and trends
- Pricing model reflects insights from customer data/usage

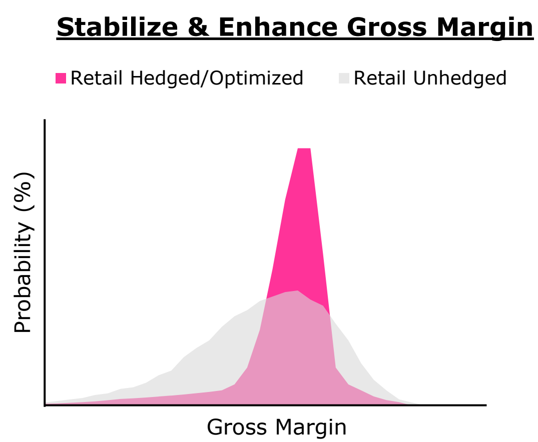
2 Retail Sale & Hedge

- Fully hedge priced load to firm gross margin
- Partially hedge expected future unpriced load (month-to-month) to mitigate bill shock
- Unique products require tailored hedging solutions to flex with usage variability

3 Optimize

- Enhance hedge profile to incorporate additional data (i.e. weather)
- Optimize hedge profile to reflect commercial market intelligence to achieve enhanced returns and lower supply costs



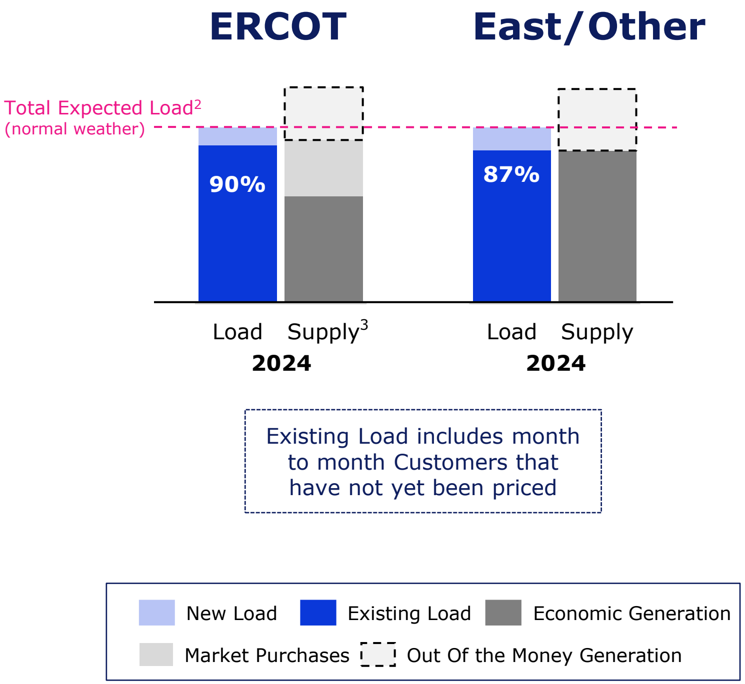


At Signing, Day 0: Hedge to Expected Load

Day 1 thru Delivery Day: Optimize

Home Integrated Retail Supply Procurement

Net Home Position[1]
(Avg. On-Peak MWh)



Supply Position Highlights

- ✓ Balance net generation and market purchases against priced load
- ✓ Manage current financial exposure while planning for physical delivery
- ✓ Maintains flexibility to adjust portfolio as priced load volumes increase
- ✓ Commercial & industrial load hedged with market purchases at execution

[1] Portfolio positions as of March 29, 2024, inclusive of energy-only component; [2] Total Expected Load is a forecast of total fixed price load at delivery; [3] Existing load is signed contracts and expected renewals with pricing flexibility

Corporate Credit Profile

($ millions)

	2024 Guidance
Corporate Debt[1]	**$10,940**
$500 MM Liability Management Program	(243)
Minimum Cash Balance	(750)
Corporate Net Debt	**9,947**
Adjusted EBITDA (midpoint)	**$3,425**
Amortization of Customer Fulfillment Costs and Other[2]	130
Corporate Adjusted EBITDA	**3,555**
Net Debt to Corporate Adjusted EBITDA Ratio	**~2.80x**

	Investment Grade Metrics
Net Debt / Adjusted EBITDA	**2.50 – 2.75x**
Adjusted CFO/ Net Debt	**27.5 – 32.5%**

Expected 2024 Sources & Uses	
Sources	
2024 Liability Management	$500
New NRG Term Loan B	$875
Uses	
2024 Maturity	($600)
Convert Partial Principal Paydown	($343)
Convert In-the-Money Premium	($257)
Debt Reduction, To be Executed in 2H	($175)
Total	
Effective Debt Paydown	($243)
Convert In-the-Money Premium	($257)
Total 2024 Liability Management	**($500)**

Target Investment Grade Metrics by Year-End 2025

[1] Balance at 12/31/2023; [2] Non-Cash Amortization of customer fulfillment costs, which are included in the calculation of Adjusted EBITDA, is the Income Statement recognition of capitalized contract costs related to the sale and installation of equipment necessary for a customer to receive the Vivint Smart Home service

Debt Maturity Schedule
Balance as of 04/30/24

($ millions)

Recourse Debt	Principal
6.625% Senior Notes, due 2027	$375
5.75% Senior Notes, due 2028	$821
5.25% Senior Notes, due 2029	$733
3.375% Senior Notes, due 2029	$500
3.625% Senior Notes, due 2031	$1,030
3.875% Senior Notes, due 2032	$480
2.75% Convertible Senior Notes, due 2048[1]	$232
3.75% Senior Secured First Lien Notes, due 2024	$600
2.00% Senior Secured First Lien Notes, due 2025	$500
2.45% Senior Secured First Lien Notes, due 2027	$900
4.45% Senior Secured First Lien Notes, due 2029	$500
7.00% Senior Secured First Lien Notes, due 2033	$740
Senior Secured Term Loan B, due 2031	$875
Tax-Exempt Bonds	$466
Recourse Debt	**$8,752[2]**

Non-Recourse Debt	Principal
6.75% Vivint Senior Secured Notes, due 2027	$600
5.75% Vivint Senior Notes, due 2029	$800
Vivint Senior Secured Term Loan B, due 2028	$1,316
Non-recourse Debt	**$2,716**

NRG Energy, Inc. Credit Rating		
S&P	**Moody's**	**Fitch**
BB **Positive**	**Ba1** **Stable**	**BB+** **Stable**

Key Actions Taken Since 12/31/2023

- Reduced 2.75% Convertible Note principle to $232 MM, from $575 MM
- Issued $875 MM Term Loan B, to be leverage-neutral with borrowings to used for partial convertible note paydown and June 2024 maturity
- Repriced Vivint-Level Term Loan B, securing favorable pricing

Uniform Maturity Schedule with No Near-Term Maturity Walls

[1] Notes will become convertible upon certain events including, among others, during the 6-month periods following 12/1/2024 or if the stock exceeds 130% of the conversion price for at least 20 of 30 consecutive trading days; As of the ex-dividend date of April 30, 2024, the Convertible Senior Notes were convertible at a price of $41.32, which is equivalent to a conversion rate of approximately 24.1998 shares of common stock per $1,000 principal amount.; see page 27 of 10Q for Note 7 – Long-term Debt and Finance Leases; [2] Does not include $20 MM Finance Leases and Revolving Credit Facility of $0 MM as of 4/30/2024

Energy Modeling Aid
Applying 2024 Metrics

	2024E	
	Texas	East/West/ Other (EWO[2])
Operational Statistics		
Retail Energy Sales[1]:		
Home Power Expected Load (TWh)	~40	~17
Business Power Expected Load (TWh)	~40	~60
Total Power Expected Load (TWh)	**~80**	**~77**
Total Natural Gas Expected Sales (MDths)	**0**	**~1,900**
Generation Statistics:		
Expected Owned Economic Generation Sales (TWh)	~30	~10
Expected Owned Uneconomic Generation Open (TWh)[1]	~35	~20
Financial Summary		
Economic Gross Margin ($ MM)	$3,385-$3,505	$2,265-$2,345
OPEX / Other ($ MM)	~$1,720	~$1,455
Adj EBITDA ($ MM)	**$1,665-$1,785**	**$810-$890**
Economic Gross Margin Mix		
Retail Energy	~55%	~85%
Generation	~45%	~15%

Additional Commentary

Home Load served primarily by owned generation and supplemented with third-party hedges

Business (C&I) Load served exclusively by third-party hedges: Load 60% fixed priced / 40% indexed

Uneconomic generation provides near-term insurance and long-term optimization opportunities

[1] Weather normalized volumes; [2] Includes Services

Energy KPIs and Modeling Data

2024A Quarterly KPIs

Home & Business

Operational KPIs[1]	1Q23		1Q24	
	Texas	**EWO[2]**	**Texas**	**EWO[2]**
Home Power Load (TWh)	8	4	8	4
Business Power Load (TWh)	9	13	9	15
Total Power Load (TWh)	**17**	**17**	**17**	**19**
Total Natural Gas Sales (MDths)	**--**	**581**	**--**	**583**
Total Owned Generation (TWh)	**5**	**2**	**4**	**2**

Financial Summary ($ MM)	1Q23		1Q24	
	Texas	**EWO**	**Texas**	**EWO**
Economic Gross Margin ($MM)	$667	$673	$625	$762
OpEx / Other ($MM)	($413)	($354)	($406)	($355)
Adj EBITDA ($MM)	**$254**	**$319**	**$219**	**$407**

Economic Gross Margin Mix	Texas	EWO	Texas	EWO
Retail	57%	86%	60%	85%
Generation	43%	14%	40%	15%

[1] Volumes not weather normalized; [2] EWO: East/West/Other; includes Services

Smart Home KPIs and Modeling Data

2024A Quarterly KPIs

Key Metrics[1]	1Q23	1Q24	Change
Portfolio			
Subscribers (MM)[2]	1.94	2.04	+6%
Customer Lifetime (years)[2]	~9	~9	--
Retention (%)[3]	89.1%	89.1%	--
Bad Debt as % of revenue[4]	~2%	~3%	+1%
Per Subscriber			
Monthly Rec. Revenue per Subscriber	$71.74	$75.52	+5%
Monthly Rec. Service Revenue per Subscriber	$47.33	$48.39	+2%
Monthly Rec. Net Service Cost per Subscriber	$8.72	$8.02	-8%
Monthly Rec. Service Margin per Subscriber	$38.62	$40.37	+5%
Gross Acquisition Cost per New Subscriber[3]	$2,396	$2,578	+8%
Net Acquisition Cost per New Subscriber[3]	$744	$913	+23%
Product Interactions per Day	~16	~16	--

Optimized Pricing in Key Sales Channel Drives ~$400 Improvement in Customer Lifetime Value

- Updated pricing generates increased Monthly Recurring Service Revenue per Subscriber while keeping the customer's total monthly payment the same
- Estimated financial impacts per new subscriber across blended Smart Home business:
  - $5 increase in Monthly Recurring Service Margin per Subscriber
  - $200 increase in Net Acquisition Cost per New Subscriber (including decrease in point-of-sale revenue and finance fee savings)
  - No change to best-in-class 9-year customer life or 2-year payback

[1] See slide 36 for Smart Home performance metric definitions; [2] As of period end; [3] Last twelve months as of period end; [4] 1Q24 bad debt was impacted by a one-time accounting adjustment; net of this adjustment, bad debt would have been ~2% for the quarter

Growth & Cost Initiative Scorecard

($ millions)

Scorecard

As of 12/31/2023	2023 Realized	2023 Target	2024 Target	2025 Run-Rate
Growth Plan:				
FCFbG Growth *(recurring)*	$101	$75 *Orig. $30*	$200	$300
Cost-to-Achieve *(one-time)*	$129	$105	$145	$475 *Cumulative*
Cost Initiatives[1]:				
FCFbG Growth *(recurring)*	$37	$35	$105	$250
Cost-to-Achieve[2] *(one-time)*	$48	$50	$125	$258 *Cumulative*
Total Recurring FCFbG Growth	**$138**	**$110**	**$305**	**$550** ***'25 Run-Rate***

Reaffirming Full Plan Targets

[1] Includes $100 MM Vivint Smart Home cost program and $150 MM NRG cost program; see slide 16 of June 22 Investor Day presentation for details; [2] CTA is cash based and excludes $20MM in equity comp, commissions, and depreciation

Appendix: Reg. G Schedules

Reg. G

($ millions)

Appendix Table A-1: 2024 Guidance

The following table summarizes the calculation of Adjusted EBITDA providing a reconciliation to Net Income

	2024 Guidance
Net Income[1]	**$750 - $1,000**
Interest expense, net	640
Income tax	345
Depreciation and amortization	1,075
ARO expense	25
Amortization of customer acquisition costs[2]	215
Stock-based compensation[3]	100
Acquisition and divestiture integration and transaction costs	55
Other[4]	95
Adjusted EBITDA	**$3,300 - $3,550**

[1] For purposes of guidance, fair value adjustments related to derivatives are assumed to be zero; [2] Amortization of customer acquisition costs is the income statement recognition of capitalized costs related to commissions and other costs related to securing new customers. NRG amortization of customer acquisition costs, excluding Vivint, is expected to be $135 MM in 2024 and Vivint is expected to be $80 MM in 2024; [3] NRG stock-based compensation, excluding Vivint, is expected to be $40 MM in 2024. Vivint is expected to be $60 MM in 2024; [4] Includes adjustments for sale of assets, adjustments to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates, deactivation costs, other non-recurring expenses, and does not include the adjustment for Loss on debt extinguishment which was $58 MM as of March 31, 2024

Reg. G

($ millions)

Appendix Table A-2: 2024 Guidance

The following table summarizes the calculation of FCFbG providing a reconciliation to Cash provided by operating activities

	2024 Guidance
Adjusted EBITDA	**$3,300 - $3,550**
Interest payments, net	(600)
Income tax	(160)
Net deferred revenue[1]	190
Amortization of customer fulfillment costs[2]	130
Gross capitalized contract costs[3]	(830)
Working capital/other assets and liabilities[4]	(205)
Cash provided by operating activities[5]	**$1,825 - $2,075**
Acquisition and other costs[4]	124
Adjusted Cash provided by operating activities	**$1,949 - $2,199**
Maintenance capital expenditures, net[6]	(240) - (260)
Environmental capital expenditures	(20) - (30)
Cost of acquisition	145
Free Cash Flow before Growth Investments (FCFbG)	**$1,825 - $2,075**

[1] The cash impact of net deferred revenue is the net change in the balance sheet from capitalizing proceeds received from installation and equipment and then recognizing those proceeds as revenue on a straight-line basis over the expected period of benefit; [2] Amortization of customer fulfillment costs, which are included in the calculation of Adjusted EBITDA, are the income statement recognition of capitalized contract costs related to the sale and installation of equipment necessary for a customer to receive the Vivint Smart Home service; [3] Gross capitalized contract costs represent the costs directly related and incremental to the origination of new contracts, modification of existing contracts or to the fulfillment of the related subscriber contracts; these costs include installed products, commissions, other compensation, and cost of installation of new or upgraded customer contracts; these costs are amortized on a straight-line basis over the expected period of benefit; [4] Working capital/other assets and liabilities includes payments for Acquisition and divestiture integration and transition costs, which is adjusted in Acquisition and other costs; [5] Excludes fair value adjustments related to derivatives and changes in collateral deposits in support of risk management activities; [6] Includes W.A. Parish Unit 8 expected insurance recoveries related to property, plant and equipment

Reg. G

($ millions)

Appendix Table A-3: Three months ended 3/31/24 and 3/31/23 Adjusted EBITDA Reconciliation by Operating Segment

The following table summarizes the calculation of Adjusted EBITDA and provides a reconciliation to Net Income:

	Three Months ended 3/31/24						Three Months ended 3/31/23					
	Texas	East	West/ Services/ Other	Vivint Smart Home	Corp/Elim	Total	Texas	East	West/ Services/ Other	Vivint Smart Home	Corp/Elim	Total
Net Income/(Loss)	**$ 349**	**$ 581**	**$ (60)**	**$ 7**	**$ (366)**	**$ 511**	**$ 284**	**$ (1,402)**	**$ (304)**	**$ (39)**	**$ 126**	**$ (1,335)**
Plus:												
Interest expense, net	-	-	5	38	91	134	-	(6)	6	26	106	132
Income tax	-	(1)	(15)	2	198	184	-	-	(47)	-	(289)	(336)
Loss on debt extinguishment	-	-	-	-	58	58	-	-	-	-	-	-
Depreciation and amortization	67	23	24	144	10	268	75	30	24	52	9	190
ARO expense	1	3	-	-	-	4	2	3	1	-	-	6
Contract and emission credit amortization, net	-	72	1	-	-	73	1	115	3	-	-	119
EBITDA	**417**	**678**	**(45)**	**191**	**(9)**	**1,232**	**362**	**(1,260)**	**(317)**	**39**	**(48)**	**(1,224)**
Stock-based compensation[1]	7	4	1	15	-	27	6	2	1	4	-	13
Amortization of customer acquisition costs[2]	15	16	1	15	-	47	14	11	1	-	-	26
Adjustment to reflect NRG share of adjusted EBITDA in unconsolidated affiliates	-	-	-	-	-	-	-	-	4	-	-	4
Acquisition and divestiture integration and transaction costs[3]	-	-	-	6	4	10	-	-	-	30	42	72
Cost to achieve[4]	-	-	-	-	9	9	-	-	-	-	-	-
Deactivation costs	-	5	1	-	-	6	-	4	3	-	-	7
Loss/(gain) on sale of assets	4	-	-	-	-	4	-	(199)	-	-	-	(199)
Other and non-recurring charges	1	(1)	1	(4)	(11)	(14)	1	1	2	-	(1)	3
Mark-to-market (MtM) (gain)/loss on economic hedges	(225)	(351)	104	-	-	(472)	(129)	1,755	318	-	-	1,944
Adjusted EBITDA	**$ 219**	**$ 351**	**$ 63**	**$ 223**	**$ (7)**	**$ 849**	**$ 254**	**$ 314**	**$ 12**	**$ 73**	**$ (7)**	**$ 646**

[1] 2024 excludes stock-based compensation of $2 MM reflected in cost to achieve and $1 MM reflected in acquisition and divestiture integration and transaction costs; 2023 excludes stock-based compensation of $20 MM reflected in acquisition and divestiture integration and transaction costs; [2] Amortization of customer acquisition costs, which are excluded from the calculation of Adjusted EBITDA, is the income statement recognition of capitalized costs related to commissions and other costs related to securing the new customer; [3] 2024 includes stock-based compensation of $1 MM; 2023 includes stock-based compensation of $20 MM; [4] 2024 includes stock-based compensation of $2 MM

($ millions)

Appendix Table A-4: Three months ended 3/31/24 and 3/31/23 Free Cash Flow before Growth

The following table summarizes the calculation of FCFbG and provides a reconciliation to Cash provided/(used) by operating activities

	Three Months ended 3/31/24	Three Months ended 3/31/23
Adjusted EBITDA	**849**	**646**
Interest payments, net	(191)	(91)
Income tax	(8)	4
Net deferred revenue[1]	(64)	(2)
Amortization of customer fulfillment costs[2]	21	0
Gross capitalized contract costs[3]	(169)	(56)
Collateral / working capital / other assets and liabilities	(171)	(2,099)
Cash provided/(used) by operating activities	**267**	**(1,598)**
Net receipts from settlement of acquired derivatives that include financing elements	8	336
Acquisition and divestiture integration and transaction costs[4]	17	56
Astoria fees	-	3
Encina site improvement	-	3
Adjustment for change in collateral	(289)	1,412
Nuclear decommissioning trust liability	-	12
Effect of exchange rate changes on cash and cash equivalents	(2)	3
Adjusted Cash provided by operating activities	**1**	**227**
Maintenance capital expenditures, net[5]	(52)	(41)
Environmental capital expenditures	(2)	-
Cost of acquisition	13	17
Free Cash Flow before Growth Investments (FCFbG)	**(40)**	**203**

[1] The cash impact of net deferred revenue is the net change in the balance sheet from capitalizing proceeds received from installation and equipment sales and then recognizing those proceeds as revenue on a straight-line basis over the expected period of benefit; [2] Amortization of customer fulfillment costs, which are included in the calculation of Adjusted EBITDA, are the income statement recognition of capitalized contract costs related to the sale and installation of equipment necessary for a customer to receive the Vivint Smart Home service; [3] Gross capitalized contract costs represent the costs directly related and incremental to the origination of new contracts, modification of existing contracts or to the fulfillment of the related subscriber contracts; these costs include installed products, commissions, other compensation, and cost of installation of new or upgraded customer contracts; these costs are amortized on a straight-line basis over the expected period of benefit; [4] Three months ended 3/31/24 includes $8 MM Cost to achieve expenses, excludes $2 MM and $16 MM non-cash stock-based compensation for three months ended 3/31/24 and three months ended 3/31/23, respectively; [5] Three Months ended 3/31/24 includes W.A. Parish Unit 8 insurance recoveries related to property, plant and equipment of $3 MM; Three Months ended 3/31/23 includes W.A. Parish Unit 8 and Limestone Unit 1 insurance recoveries related to property, plant and equipment of $71 MM

Reg. G

EBITDA and Adjusted EBITDA are non-GAAP financial measures. These measurements are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that NRG's future results will be unaffected by unusual or non-recurring items.

EBITDA represents net income before interest expense (including loss on debt extinguishment), income taxes, depreciation and amortization, asset retirement obligation expenses, contract amortization consisting of amortization of power and fuel contracts and amortization of emission allowances. EBITDA is presented because NRG considers it an important supplemental measure of its performance and believes debt-holders frequently use EBITDA to analyze operating performance and debt service capacity. EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:

- EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in this industry may calculate EBITDA differently than NRG does, limiting its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to use to invest in the growth of NRG's business. NRG compensates for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only supplementally. See the statements of cash flow included in the financial statements that are a part of this presentation.

Adjusted EBITDA is presented as a further supplemental measure of operating performance. As NRG defines it, Adjusted EBITDA represents EBITDA excluding the impact of stock-based compensation, amortization of customer acquisition costs (primarily amortized commissions), impairment losses, deactivation costs, gains or losses on sales, dispositions or retirements of assets, any mark-to-market gains or losses from forward position of economic hedges, adjustments to exclude the Adjusted EBITDA related to the non-controlling interest, gains or losses on the repurchase, modification or extinguishment of debt, the impact of restructuring and any extraordinary, unusual or non-recurring items plus adjustments to reflect the Adjusted EBITDA from our unconsolidated investments. The reader is encouraged to evaluate each adjustment and the reasons NRG considers it appropriate for supplemental analysis. As an analytical tool, Adjusted EBITDA is subject to all of the limitations applicable to EBITDA. In addition, in evaluating Adjusted EBITDA, the reader should be aware that in the future NRG may incur expenses similar to the adjustments in this presentation.

Management believes Adjusted EBITDA is useful to investors and other users of NRG's financial statements in evaluating its operating performance because it provides an additional tool to compare business performance across companies and across periods and adjusts for items that we do not consider indicative of NRG's future operating performance. This measure is widely used by debt-holders to analyze operating performance and debt service capacity and by equity investors to measure our operating performance without regard to items such as interest expense, taxes, depreciation and amortization, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired. Management uses Adjusted EBITDA as a measure of operating performance to assist in comparing performance from period to period on a consistent basis and to readily view operating trends, as a measure for planning and forecasting overall expectations, and for evaluating actual results against such expectations, and in communications with NRG's Board of Directors, shareholders, creditors, analysts and investors concerning its financial performance.

Reg. G

Adjusted Cash provided by operating activities is a non-GAAP measure NRG provides to show Cash provided/(used) by operating activities with the reclassification of net payments of derivative contracts acquired in business combinations from financing to operating cash flow, as well as the add back of merger, integration, related restructuring costs, changes in the nuclear decommissioning trust liability, and the impact of extraordinary, unusual or non-recurring items. The Company provides the reader with this alternative view of Cash provided/(used) by operating activities because the cash settlement of these derivative contracts materially impact operating revenues and cost of sales, while GAAP requires NRG to treat them as if there was a financing activity associated with the contracts as of the acquisition dates. The Company adds back merger, integration related restructuring costs as they are one time and unique in nature and do not reflect ongoing Cash Flows from Operating Activities and they are fully disclosed to investors. The company excludes changes in the nuclear decommissioning trust liability as these amounts are offset by changes in the decommissioning fund shown in Cash Flows from Investing Activities.

Free Cash Flow before Growth Investments is Adjusted Cash provided by operating activities less maintenance and environmental capital expenditures, net of funding and insurance recoveries related to property, plant and equipment, dividends from preferred instruments treated as debt by ratings agencies, and distributions to non-controlling interests and is used by NRG predominantly as a forecasting tool to estimate cash available for debt reduction and other capital allocation alternatives. The reader is encouraged to evaluate each of these adjustments and the reasons NRG considers them appropriate for supplemental analysis. Because we have mandatory debt service requirements (and other non-discretionary expenditures) investors should not rely on Free Cash Flow before Growth Investments as a measure of cash available for discretionary expenditures.

Free Cash Flow before Growth Investments is utilized by Management in making decisions regarding the allocation of capital. Free Cash Flow before Growth Investments is presented because the Company believes it is a useful tool for assessing the financial performance in the current period. In addition, NRG’s peers evaluate cash available for allocation in a similar manner and accordingly, it is a meaningful indicator for investors to benchmark NRG's performance against its peers. Free Cash Flow before Growth Investments is a performance measure and is not intended to represent Net Income/(Loss), Cash provided/(used) by operating activities (the most directly comparable U.S. GAAP measure), or liquidity and is not necessarily comparable to similarly titled measures reported by other companies.

Smart Home Performance Metrics
Definitions

- ***New Subscribers*** is the aggregate number of net new smart home and security subscribers originated during a given period. This metric excludes new subscribers acquired by a transfer of a service contract from one subscriber to another.
- ***Average Monthly Subscribers*** is the ending subscribers each month of the period divided by the number of months in the period.
- ***Monthly Recurring Revenue per Subscriber*** is average smart home and security monthly recurring revenue recognized during the period divided by Average Monthly Subscribers during the same period. This excludes revenues that are non-recurring which are recognized at the time of sale.
- ***Monthly Recurring Service Revenue per Subscriber*** is the recurring monthly service billings for smart home and security subscribers divided by Average Monthly Subscribers for the same period.
- ***Monthly Recurring Net Service Cost per Subscriber*** is the average monthly service costs incurred during the period (both period and capitalized service costs), including monitoring, customer service, field service, equipment, and other service support costs less total non-recurring smart home services billings for the period net of associated financing fees (estimated), divided by Average Monthly Subscribers for the same period.
- ***Monthly Recurring Service Margin per Subscriber*** is Monthly Recurring Service Revenue per Subscriber for the period less Monthly Recurring Net Service Cost per Subscriber for the same period.
- ***Net Subscriber Acquisition Costs per New Subscriber*** is the net cash cost to create new smart home and security subscribers during a given 12-month period divided by New Subscribers for that period. These costs include commissions, equipment, installation, marketing, sales support and other allocations (general and administrative); less upfront payments received from the sale of equipment associated with the initial installation, and installation fees net of associated financing fees (estimated). Excludes costs and upfront proceeds associated with contract modifications.
- ***Gross Subscriber Acquisition Costs per New Subscriber*** is Net Subscriber Acquisition Costs per New Subscriber plus upfront payments received from the sale of equipment associated with the initial installation, and installation fees net of associated financing fees (estimated). Excludes costs and upfront proceeds associated with contract modifications.
- ***Average Customer Payment – New Customers*** is the total upfront equipment and installation proceeds from new subscribers divided by 60 months (average contract term length) plus the average recurring monthly service billings per new subscriber.