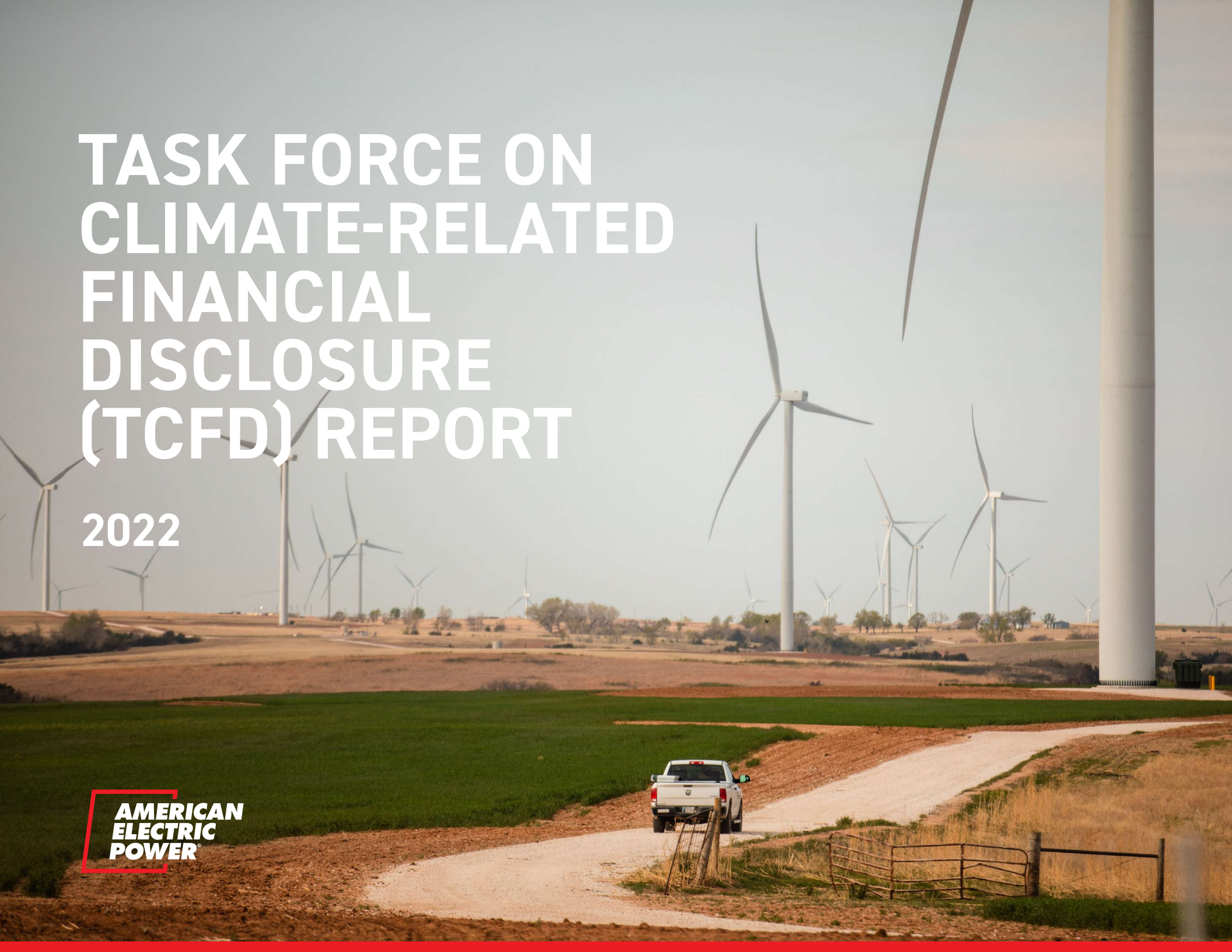


TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD) REPORT

2022

**AMERICAN
ELECTRIC
POWER**



2022 TCFD Report

For more than two decades, climate change has been a key issue for AEP and our stakeholders. To gain a deeper understanding of the transition, physical risks associated with certain climate variables, and the economic and social toll it presents, AEP initiated a comprehensive climate scenario analysis. The year-long effort identified potential pathways forward to achieving our goal of net-zero carbon emissions by 2050, as well as physical risks to which we may need to adapt. Published in 2021, AEP's [Climate Impact Analysis Report: Powering Forward to Net-Zero](#), is aligned with the Task Force for Climate-related Financial Disclosure (TCFD) voluntary reporting framework and is a comprehensive view of our business and the potential risks and opportunities created by climate change, as well as strategies for managing them.

The mapping report below serves as AEP's 2022 update to the TCFD framework and utilizes AEP's Climate Impact Analysis Report along with our [2022 Corporate Sustainability Report](#) and other supplemental reports to provide decision-useful information to investors about climate risks, opportunities, and governance.

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Recommendation	Recommended Disclosure	AEP's Response
Governance		
Disclose the organization's governance around climate-related risks and opportunities	a) Describe the board's oversight of climate-related risks and opportunities.	<p>Climate Impact Analysis Report: Powering Forward to Net-Zero</p> <ul style="list-style-type: none"> - Message from the Chairman: pg. 3-4 - Executive Summary: pg. 5-8 - Climate Governance: pg. 11-12 - Managing and Mitigating Risk: pg. 15-19 <p>2022 Corporate Sustainability Report:</p> <ul style="list-style-type: none"> - AEP's Strategy for the Future - Decarbonization Strategy - Risk Management <p>2022 Annual Proxy Report</p>
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>Climate Impact Analysis Report: Powering Forward to Net-Zero</p> <ul style="list-style-type: none"> - Managing and Mitigating Risk: pg. 15-19 - Physical Risks and Opportunities: pg. 47-74 <p>2022 Corporate Sustainability Report:</p> <ul style="list-style-type: none"> - Decarbonization Strategy - AEP's Strategy for the Future - Risk Management
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Climate Impact Analysis Report: Powering Forward to Net-Zero</p> <ul style="list-style-type: none"> - Transition Scenario Analysis (Overview): pg. 5-6 - Climate Transition Analysis: pg. 22-34

Risk Management		
Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	<p>Climate Impact Analysis Report: Powering Forward to Net-Zero</p> <ul style="list-style-type: none"> - Message from the Chairman: pg. 3-4 - Executive Summary: pg. 5-8 - Climate Governance: pg. 11-12 - Managing and Mitigating Risk: pg. 15-19 - Physical Risks and Opportunities: pg. 47-73 <p>2022 Corporate Sustainability Report:</p> <ul style="list-style-type: none"> - AEP's Strategy for the Future - Decarbonization Strategy - Risk Management
	b) Describe the organization's processes for managing climate-related risks.	
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets		
Disclose the metrics and target used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>2022 Corporate Sustainability Report:</p> <ul style="list-style-type: none"> - Emissions - Decarbonization Strategy - ESG Data Center: Environment, Emissions - ESG Reports: 2021 CDP Climate Report
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<p>2022 Corporate Sustainability Report:</p> <ul style="list-style-type: none"> - Decarbonization Strategy - Emissions <p>Climate Impact Analysis Report: Powering Forward to Net-Zero</p> <ul style="list-style-type: none"> - Metrics and Targets: pg. 20-21 <p>Our goal is to reduce AEP's carbon footprint from directly owned generation (scope 1) 80% by 2030 compared to 2000 levels and to achieve net-zero emissions by 2050 (scopes 1 and 2).</p>