

## **American Electric Power Company, Inc.**

### **Statement on Political Involvement and Lobbying-Related Activities**

AEP actively participates in the political process to advance our long-term business interests and the interests of our customers, employees, shareholders and other stakeholders. AEP also lobbies and works for what we believe is in the best interests of our communities and the nation. AEP maintains an office in Washington, D.C. to address issues involving federal legislation and regulation. Each of our utility subsidiaries has lobbyists who work in their respective state capitals. AEP and its subsidiaries devote substantial attention and resources to interaction with government officials as public policy is debated and laws and regulations are developed. AEP participates and engages in lobbying activities that impact the electric utility industry, including environmental and tax issues.

#### **Corporate Governance Processes**

AEP and its subsidiaries have put in place decision-making and oversight processes for these governmental relations activities to ensure that they are conducted in accordance with all applicable laws and regulations. Senior management plays an important role in these governance processes.

#### **Lobbying**

The Company has engaged registered lobbyists, both federal and state, to support its legislative and regulatory activities. These lobbyists are carefully selected. The federal lobbyists are engaged only with the approval of our Senior Vice President-Governmental Affairs in our Washington office and our CEO. The state lobbyists are engaged only with the approval of the President and Chief Operating Officer of the respective utility subsidiary. Contracts with lobbyists and other governmental affairs consultants include provisions specifically requiring compliance with applicable legal requirements and restrictions.

Management provides regular updates on lobbying activities to the CEO or to the President of the applicable utility subsidiary. When appropriate, management also discusses Company lobbying activities with the AEP Board of Directors as part of its oversight responsibilities. In addition, the AEP Board of Directors' Committee on Directors and Corporate Governance monitors and oversees the preparation of the Company's annual Sustainability Report, which includes a section on political and lobbying activities.

AEP and its subsidiaries and their lobbyists are required to file lobbying reports with the Congress and with state agencies on a regular basis disclosing information about their lobbying activities. The Congressional reports -- which include information on the issues lobbied, the agencies contacted and the expenditures made -- are available for public review on the websites of the U.S. House ([www.house.gov](http://www.house.gov)) and the U.S. Senate

([www.senate.gov](http://www.senate.gov)), and we also have links to those reports for the last two years on our website. State reports are made available for review by the state agencies.

### **Trade Associations and Coalitions**

AEP belongs to or participates in many state, local and national organizations, including the Edison Electric Institute, the Business Roundtable and the National Association of Manufacturers. AEP does this for a variety of reasons, including staying current on issues, learning business best practices from our peers, and strengthening our relationships with our customers, many of whom are also members. Depending on their activities, these organizations also can be subject to lobbyist registration and disclosure reporting obligations, with reports made available to the public by the federal and state agencies overseeing lobbyist activities.

If the Company makes yearly payments of \$25,000 or more to a trade association and if the trade association informs AEP that a portion of its dues was used by the trade association for lobbying, AEP discloses the name of the trade association and the dollar amount used for lobbying.

### **Legal Compliance**

AEP's employees and consultants comply with the many federal, state and local laws that are applicable to their governmental relations activities. These legal requirements and restrictions relate primarily to lobbyist registration and reporting and to expenditures made in connection with governmental relations activities.

Under AEP's Principles of Business Conduct, employees responsible for contacts with state and federal agencies and other levels of government must be totally familiar with, and fully abide by, any specific standards adopted by the various agencies or other government bodies. In addition, these employees must comply fully with all lobbyist registration and reporting requirements, as prescribed by applicable law.