



**We  
Deliver.**

**Responsibility...**

**Leadership.**

**Sustainability.**

**Safety.**

**Inclusion.**

*2020 Corporate Responsibility Report*

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The information presented in our report is intended to provide an overview of CenterPoint Energy's corporate responsibility efforts and is not meant to be inclusive of all the company's activities. For CenterPoint Energy's 2019 GRI Index, Annual Report, Form 10-K, Proxy Statement and other filings and presentations, please visit [www.CenterPointEnergy.com/Responsibility](http://www.CenterPointEnergy.com/Responsibility).

**Some photos used in this report were taken before COVID-19 social distancing protocols were introduced.**  
Thank you to Richard T. Bye, a retired CenterPoint Energy employee, for providing photos for this report.

## About this Report

### Our 2020 Report

CenterPoint Energy, Inc. (NYSE: CNP) is proud to present our 2020 Corporate Responsibility Report, which focuses on how we deliver responsibility through our commitment to leadership, sustainability, safety and inclusion. This report discusses how we engage with our stakeholders, approach leadership and governance, build strong communities, deliver reliable electricity and natural gas, and invest in a clean energy future.

As our first Corporate Responsibility Report since the merger with Vectren Corporation was completed in early 2019, this document is comprised of information from our combined operations. The report demonstrates our progress on key environmental, social and governance (ESG)-related issues that are integral to our long-term performance. Additionally, the report presents a summary of our ESG practices with supporting examples of how we enact these activities.

CenterPoint Energy's ESG Council, which is led by the Vice President of Environmental and Corporate Responsibility, provided guidance on the development of the report. Formed in 2018 and composed of leadership from CenterPoint Energy's businesses and functions, the ESG Council identifies, evaluates and recommends strategic directions and opportunities that promote ESG objectives in alignment with our company's strategic plan. Along with input from the ESG Council, various business units and work groups provided data for this report based on topics that are important to the company, as well as the programs and initiatives that address these opportunities.

In response to stakeholder feedback, CenterPoint Energy has redesigned and reorganized our Corporate Responsibility Report into a new, enhanced structure with infographics. Our reporting follows the Global Reporting Initiative (GRI) framework and has been prepared in accordance with the GRI Standards: Core option. Our GRI Index is available at [www.CenterPointEnergy.com/Responsibility](http://www.CenterPointEnergy.com/Responsibility). We also disclose information using the Sustainability Accounting Standards Board (SASB) standards in the appendix of this report. To better serve our stakeholders, we have incorporated both the American Gas Association's (AGA) and Edison Electric Institute's (EEI) Version 2 ESG template into our annual sustainability reporting activities.

### Our Key Focus Areas include:

Biodiversity

Cybersecurity and Data Privacy

Diversity and Inclusion

Economic Performance

Energy Efficiency

Environmental Impacts

Ethics and Compliance

Safety During COVID-19



## Dear Fellow Stakeholders,

*A Message from Dave Lesar, President and Chief Executive Officer, and Angila Retherford, Vice President, Environmental and Corporate Responsibility*

### We Deliver... Responsibility

The unprecedented challenges we have all experienced in 2020 have brought many sustainability-related issues to the forefront. As we continue to respond to the COVID-19 pandemic, we remain committed to the safety and well-being of our employees, contractors, customers and communities.

CenterPoint Energy is also dedicated to advancing a diverse and inclusive work environment. Renewed attention to long-standing racial injustices and continued divisions within our country has increased our drive to foster a work environment that is inclusive, diverse, tolerant and respectful for all of our employees.

And, while financial and energy markets have experienced significant volatility, the need for affordable energy and our goals for meaningful carbon emission reductions remain top-of-mind for our customers and communities. We are proud to support the transition to a cleaner energy future.

Despite the challenges we are all facing, we are proud that we have continued to deliver on our commitments as a leading energy delivery company and reliably provide essential energy needs to our communities during these unprecedented times. And, we strive to do so in a safe, sustainable manner.

### About this Report

Our Corporate Responsibility Report focuses on CenterPoint Energy's priorities to drive our long-term ESG performance. This is our first combined sustainability report since the CenterPoint Energy-Vectren merger in early 2019.

We are building on our ESG commitments, as reflected by the actions we have taken recently:

- Through our new carbon policy, our goal is to reduce operational emissions by 70% by 2035 and emissions attributable to natural gas usage in heating appliances and equipment within the residential and commercial sectors by 20-30% by 2040. These reduction goals are based on our 2005 emission levels. We will endeavor to achieve these targets and transition to a cleaner energy future by:
  - Offering customers affordable conservation and energy-efficiency programs
  - Continuing to develop alternative fuels programs
  - Working with suppliers to lower their methane emissions
  - Piloting and supporting research and development

**All of us, Always There. Delivering natural gas and electricity to millions of customers across our communities takes the energy of everyone in a diverse and inclusive environment where we respect, understand and appreciate each other, those we serve and the people around us.**

- We responded immediately to COVID-19, successfully implementing our Pandemic Preparedness and Corporate Response Plans to maintain business continuity. We initiated telework for many departments. We also implemented enhanced safety protocols and provided personal protective equipment gear for our employees to protect both our employees and our customers when it is necessary to enter customers' residences or facilities. Moreover, we provide frequent communications and health and wellness resources to our employees to help protect themselves and their families. And finally, the CenterPoint Energy Foundation contributed \$1.5 million to nonprofit organizations, agencies and causes committed to supporting those who have been disproportionately impacted by COVID-19.
- We are focusing on sustainable, long-term actions that build on our diversity and inclusion vision and position, including:
  - A commitment to advancing diversity and inclusion to support our colleagues, customers, contractors, suppliers and community members, regardless of race, gender, color, sexual orientation, age, religion, or physical or mental disability, so they have an equal opportunity to thrive.
  - The creation of a Diversity and Inclusion Council that provides governance and oversight on diversity and inclusion efforts, promotes company diversity efforts and drives companywide communication.
  - Recruiting strategies to create diverse employee applicant pools reflective of the communities we serve and implement best practices for diversity and inclusion throughout the selection process, including diverse interview panels for placements.
  - Leadership training to help build the awareness and skills needed to effectively lead and develop more inclusive, diverse teams.
  - Developing a strategy to leverage our Foundation's giving pillars of Community Vitality and Education to provide support for diversity and inclusion, as well as a focus on equality.
  - Delivering a new dedicated intranet site to provide up-to-date information for employees about our activities and initiatives in support of diversity and inclusion.

As always, we strive to make a positive difference in our communities through giving and employee volunteerism. We focus our community involvement primarily on community vitality, education and local initiatives. The CenterPoint Energy Foundation supports nonprofit organizations whose programs and services align with our core giving pillars. In 2019, our charitable contributions totaled more than \$12.9 million.

In the following pages you will find further information on the topics listed above, as well as additional key topics including: our dedicated workforce; our support of economic opportunities in the communities we serve; our continuing focus on cybersecurity, data privacy and innovation; and our commitment to environmental sustainability and biodiversity in the regions we serve.

We are greatly energized about the future of CenterPoint Energy and our expanded focus on ESG commitments.

Thank you for your trust and confidence in our company.



**Dave Lesar**  
President and Chief  
Executive Officer



**Angila Retherford**  
Vice President,  
Environmental and  
Corporate Responsibility



## ESG Highlights

### In 2020, CenterPoint Energy announced new carbon policy goals

to reduce our operational emissions by **70% by 2035** and emissions attributable to natural gas usage within the residential and commercial sectors by **20-30% by 2040**.

The reduction targets and goals are based on our 2005 emission levels.

### In response to COVID-19,

we have taken deliberate measures to protect the health and safety of our employees, while continuing our ability to provide safe and reliable service.

**We are providing employees with frequent communications, mental health and wellness resources, tips on working remotely and virtual learning opportunities.**

The CenterPoint Energy Foundation contributed \$1.5 million to nonprofit organizations, agencies and causes committed to supporting those who have been disproportionately impacted by COVID-19.

This amount includes up to **\$500,000 in matching gifts for employee contributions**.

### We are on an important journey to enhance our focus on diversity and inclusion across CenterPoint Energy.

We are committed to advancing diversity and inclusion to support our colleagues, customers, contractors, suppliers and community members, regardless of race, gender, color, sexual orientation, age, religion, or physical or mental disability, so they have an equal opportunity to thrive.

### *Always There*

CenterPoint Energy and our employees are well-known for their community spirit, which we put into action with a \$350,000 donation to Hurricane Laura recovery and relief efforts.

Throughout the natural disaster, CenterPoint Energy fulfilled its brand promise of being *Always There* for our customers and communities.

Coming to the aid of other utilities by protecting the public's safety and restoring service to communities in need is nothing new to CenterPoint Energy's employees.

In 2020, our linemen, contractors and support personnel **helped restore power to our neighbors following Hurricane Isaias, Hurricane Laura and Hurricane Sally**.

### Eliminating Cast-iron Pipes

Prior to the merger with Vectren, CenterPoint Energy reached a significant milestone in 2018 by substantially completing **the elimination of cast-iron pipes in our distribution system**, improving safety, integrity and reliability.

We expect to have all cast iron in our Indiana and Ohio service territories removed by 2023. CenterPoint Energy is also working to replace all unprotected steel mains by year-end 2032.

### CenterPoint Energy's 2019 energy-efficiency incentives resulted in approximately \$23 million in customer savings.

Partnering with customers to offer affordable conservation and energy-efficiency programs is a key element of achieving our carbon reduction goals.

## 2020 Strategy

Looking ahead, we are embarking on a new phase of our journey as a leading energy delivery company. We are executing on a utility-focused strategy that we believe will deliver growth and value creation.

### To support our strategy, we expect to:

Strengthen our utility assets, infrastructure and systems through our robust capital plan.

Exercise disciplined cost management and continue to prudently manage our operations and maintenance expenses companywide.

Build on our merger progress integrating CenterPoint Energy and Vectren and advance our efforts to combine business technology systems and related processes as one company.

Execute our regulatory strategy to maximize value to customers and shareholders.

Expand on our ESG commitments.

Some highlights of our sustainability story include:

Our company culture – and how we do business every day – is focused on our values of safety, integrity, accountability, initiative and respect.



Our Board of Directors is engaged to assess progress on our strategy, review key business risks and guide our corporate plans, including our ESG responsibilities.

We support the transition to a cleaner energy future through our recently published carbon policy, which includes our carbon emissions reduction goals.

Dedication to our communities is shown through volunteerism and corporate contributions, including \$1.5 million for our Foundation’s COVID-19 Relief Fund.



We have a commitment to creating a diverse and inclusive work environment where equality and collaboration thrive.

## About CenterPoint Energy

CenterPoint Energy is a customer-focused energy delivery company. Our performance is driven by our unwavering commitment to safely and reliably deliver electricity and natural gas.

Headquartered in Houston, Texas, CenterPoint Energy is an energy delivery company with electric transmission and distribution, power generation and natural gas distribution operations that serve more than 7 million metered customers in Arkansas, Indiana, Louisiana, Minnesota, Mississippi, Ohio, Oklahoma and Texas.

CenterPoint Energy's competitive energy businesses include energy-related services, energy efficiency and sustainability solutions, and owning and operating intrastate natural gas pipeline systems that help fund utility operations.

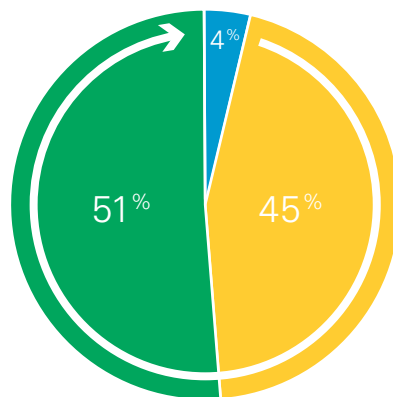
As of June 30, 2020, the company owned approximately \$32 billion in assets. With approximately 9,600 employees, CenterPoint Energy and its predecessor companies have been in business for more than 150 years.

CenterPoint Energy's focus on energy delivery differentiates us from other utilities with a larger concentration on power generation. We are investing in modernizing our natural gas infrastructure and are committed to eliminating cast-iron pipe in all of our territories. We work to safely deliver clean, reliable and affordable energy to our customers.

### *We Deliver... Energy*

Approximately 96%  
of rate base from the  
delivery of natural gas  
and electricity

- Electric Transmission and Distribution (T&D)
- Gas Local Distribution Company (LDC)
- Generation

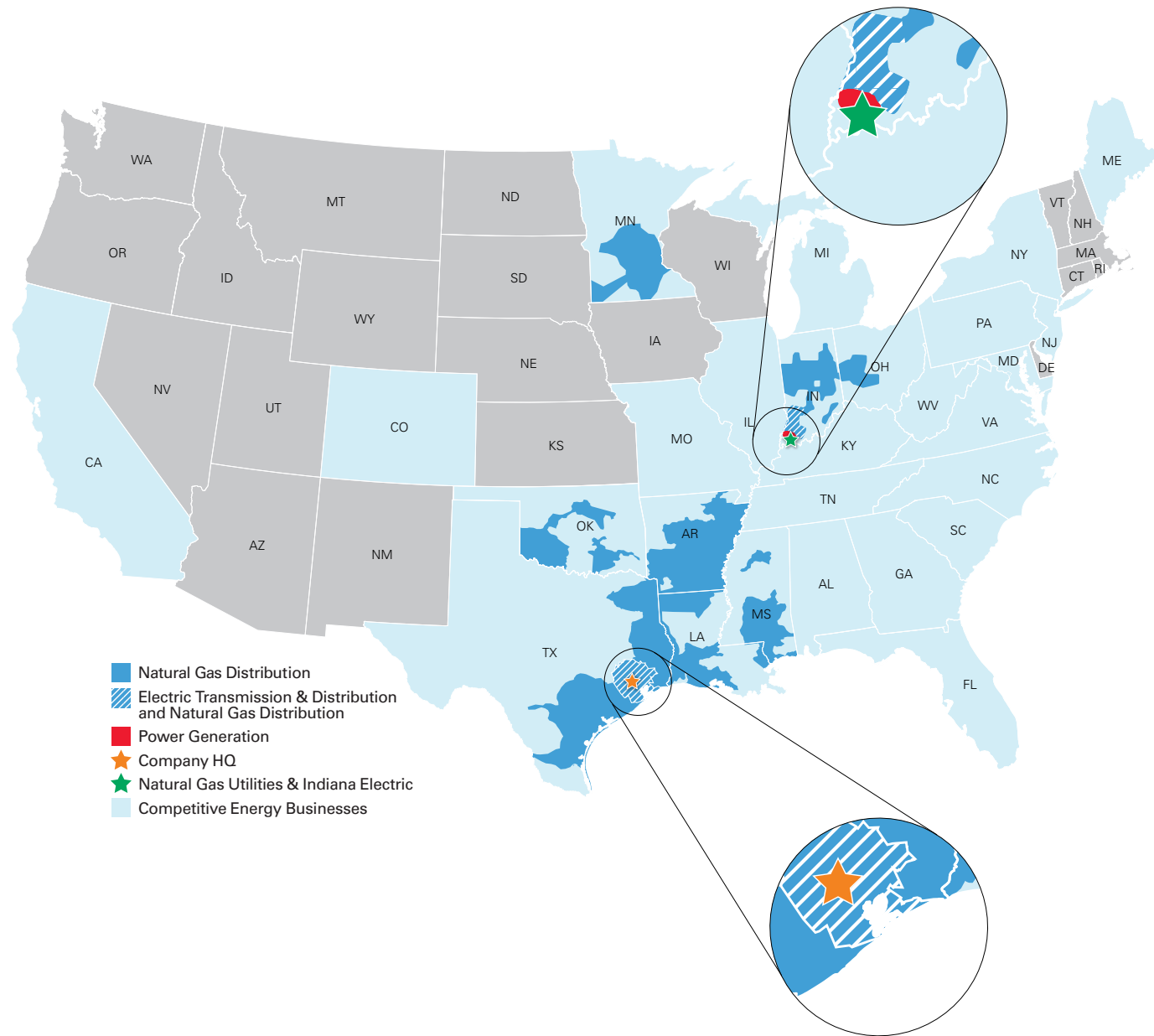


At the heart of our performance are CenterPoint Energy's employees, who are guided by our values of safety, integrity, accountability, initiative and respect every day.



# Our Operations

As of June 30, 2020



# Our Businesses

As of June 30, 2020

## Electric Transmission & Distribution

We maintain the wires, poles and electric infrastructure serving more than 2.5 million metered customers in the greater Houston area and in southwestern Indiana.



## Power Generation

We also own and operate nearly 1,200 megawatts (MW) of electric generation capacity in Indiana. Our employees are committed to the reliable delivery of electricity generated from power plants and renewable energy resources to homes and businesses.

## Natural Gas Distribution

We sell and deliver natural gas to 4.6 million homes and businesses in eight states: Arkansas, Indiana, Louisiana, Minnesota, Mississippi, Ohio, Oklahoma, and Texas, including the high-growth areas of Houston and Minneapolis. We're investing in modernizing our natural gas infrastructure and are committed to eliminating cast-iron pipe in all of our territories.



## Competitive Energy Businesses

Our competitive energy businesses include energy-related services, energy efficiency, sustainability solutions, and owning and operating intrastate natural gas pipeline systems. Our competitive energy businesses' footprint spans more than 20 states.



# Governance

**Good corporate governance and ethical conduct are key priorities.** We believe that corporate governance – including strong ethics and compliance, as well as environmental, social and governance (ESG) programs – are in the best interests of our stakeholders and critical to our long-term success. Our corporate governance and business policies and procedures are designed to help us operate effectively with accountability, integrity and transparency.

## *We Deliver... Leadership*

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# Governance

## A diverse, engaged Board and leadership team

CenterPoint Energy's Board of Directors serves as the company's ultimate decision-making body, except with respect to those matters reserved for shareholders or delegated to management. The Board oversees executive management, long-term business strategy and performance, succession planning, enterprise risk management and ESG responsibilities, among other things. Through oversight, review and counsel, CenterPoint Energy's Board establishes and supports the company's business, organizational and strategic objectives.

Milton Carroll is the Executive Chairman of CenterPoint Energy's Board, and President and Chief Executive Officer Dave Lesar serves as a member. Except for Messrs. Carroll and Lesar, all members of CenterPoint Energy's Board are independent, according to the standards established by the New York Stock Exchange. We continuously strive to enhance the diversity on our Board of Directors and leadership team.

## Executive Succession Planning and Leadership Development

CenterPoint Energy's Board of Directors is actively engaged in succession planning for the position of chief executive officer and other key executive positions. To assist the Board of Directors, our Executive Committee meets on at least a quarterly basis to conduct talent reviews and discuss succession planning and leadership development. These are key corporate priorities for our leadership. The results of these quarterly discussions are reviewed by and discussed with the Compensation Committee at least annually. Based on this feedback, our chief executive officer provides the Board with an assessment of senior executive talent, including readiness for succession and development opportunities. We also believe in the importance of continuing to build a strong pipeline of capable leadership and strive to do just that through our leadership development programs conducted by CNP University.

In connection with the departure of the company's former president and chief executive officer in February 2020, the Board conducted a selection process for a permanent president and chief executive officer. The appointment of Dave Lesar to the position was announced on June 30, 2020.

**Our 10-member Board of Directors represents a broad range of business experience and professional skills.**

**Board composed of 50% women and minorities.**



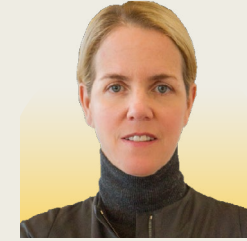
For more about the company's Board of Directors and Executive Committee, including individual biographies, visit the Governance section of [CenterPointEnergy.com](http://CenterPointEnergy.com)

### CenterPoint Energy Board of Directors\*

\*As of June 30, 2020



**Milton Carroll**  
Executive Chairman



**Leslie D. Biddle**



**Earl M. Cummings**



**David J. Lesar**



**Scott J. McLean**



**Martin H. Nesbitt**



**Theodore F. Pound**



**Susan O. Rheney**



**Phillip R. Smith**



**Barry T. Smitherman**

### CenterPoint Energy Executive Committee\*

\*As of Sept. 28, 2020



**David J. Lesar**  
President & Chief Executive Officer



**Jason P. Wells**  
Executive Vice President & Chief Financial Officer



**Scott E. Doyle**  
Executive Vice President, Natural Gas



**Gregory Knight**  
Executive Vice President, Customer Transformation and Business Services



**Kristie L. Colvin**  
Senior Vice President & Chief Accounting Officer



**Lynne Harkel-Rumford**  
Senior Vice President & Chief Human Resources Officer



**Monica Karuturi**  
Senior Vice President and General Counsel



**Kenneth M. Mercado**  
Senior Vice President, Electric Utility



**Jason M. Ryan**  
Senior Vice President, Regulatory Services and Government Affairs

# Governance

## Enterprise Risk Management

**Our Corporate Governance Guidelines specify that the Board has ultimate oversight responsibility for the company's enterprise risk management.**

Quarterly or more often, if needed, the Board participates in reviews on management of the company's risk process, the major risks facing the company and steps taken to mitigate those risks. Management is responsible for developing and implementing CenterPoint Energy's Enterprise Risk Management program. Our Senior Vice President and General Counsel oversees Enterprise Risk Management and Insurance Risk Management, facilitates Risk Oversight Committee meetings, and provides risk assessments for certain business activities. CenterPoint Energy's Risk Oversight Committee is composed of senior executives from across the company, and monitors and oversees compliance with the risk control policies.

Members of executive management, in conjunction with the operational or functional management teams, also participate in ongoing risk assessments and risk-mitigation planning.

## Board Committees

The Board's standing committees help the Board carry out its responsibility for risk oversight by focusing on the following specific key areas of risk:

Board Committee	Risk Oversight Responsibilities
<b>Audit</b>	Accounting and financial matters, including compliance with legal and regulatory requirements, ethics and compliance and data privacy matters, financial reporting and internal controls systems
<b>Compensation</b>	Compensation policies and practices, and diversity and inclusion initiatives
<b>Finance</b>	Financial affairs of the company and its subsidiaries, including the company's capital structure
<b>Governance</b>	Corporate governance, including board structure, cybersecurity, environmental matters and sustainability

### Board Reviews Include the Following Areas:

-  Safety
-  Environmental, Social and Governance Matters
-  Cybersecurity and Data Privacy
-  Business Operations, Budget and Policy
-  Industry and Economic Developments
-  Litigation and Other Legal Matters
-  Regulatory Developments

## Awards and Recognition

# 2020 Women on Boards Winning Company

# 2020 and 2019 Champion of Diversity

Our Mississippi Magazine/MS Honors

# National Diversity Council's 2019 Top 50



Monica Karuturi, Senior Vice President and General Counsel, named to National Diversity Council's 2019 Top 50 General Counsel list and presented a Magna Stella Award by the Texas General Counsel Forum

# 2020 Best of the Decade

Minority Business News Texas

# Governance

## Corporate Response Plan Team and COVID-19

CenterPoint Energy’s customers are at the center of everything we do. Our company’s top priorities are the health and safety of our employees. In response to COVID-19, we activated our Pandemic Preparedness Plan to manage the health and safety of our customers, employees and communities, while delivering safe, reliable energy and service to homes and businesses. Our Corporate Response Plan Team, which is comprised of senior leaders across our businesses and functions, oversees our deliberate, measured response to the pandemic, including region- and position-specific plans.

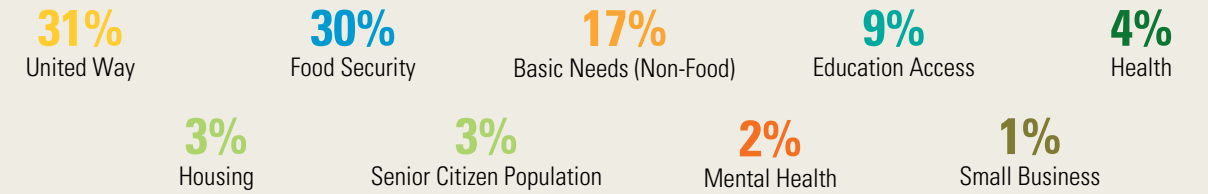
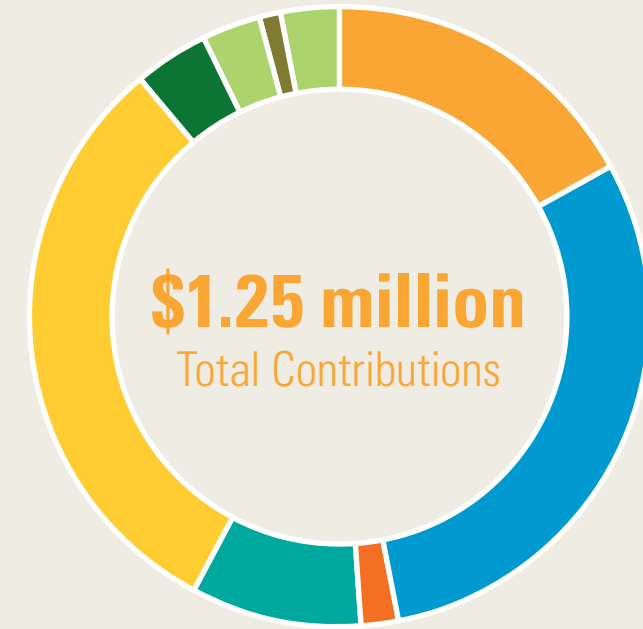
- When appropriate, employees have flexible work options and have been provided with health and wellness resources, as well as from our benefits providers.
- At the onset of COVID-19, our Human Resources team collaborated with leadership and consulted with employees to modify and implement many processes, while making efforts to protect the health and safety of employees. Many of these modifications are ongoing, as the pandemic remains a dynamic situation.
- Since March, our work crews have been equipped with the proper personal protective equipment and guidelines to safely respond to service calls while following social distancing protocols.
- Through the CenterPoint Energy Foundation, the company contributed \$1.5 million, including up to \$500,000 in matching gifts for employee contributions, to nonprofit organizations, agencies and causes that are committed to supporting those who have been disproportionately impacted by COVID-19.

### COVID-19 Relief Fund At-A-Glance

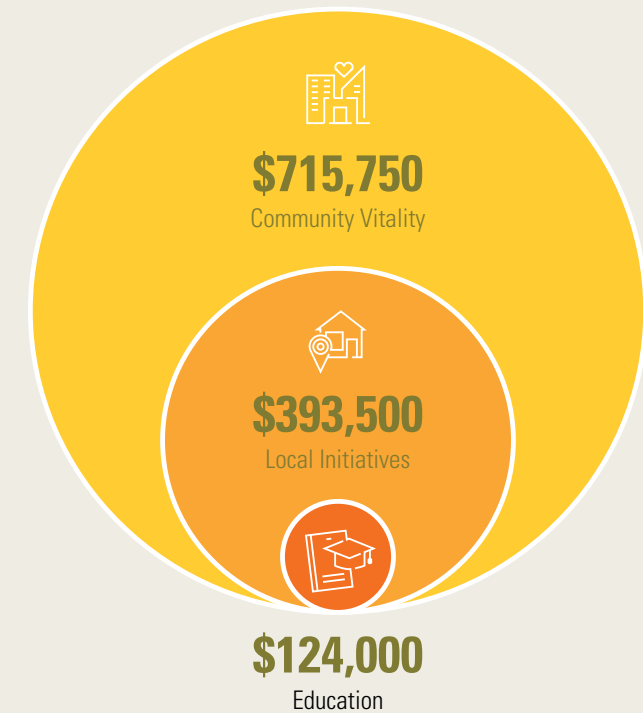


*During the COVID-19 pandemic, our essential services are more important than ever.*

### COVID-19 Fund Relief By Category



### COVID-19 Fund Relief By Giving Pillar



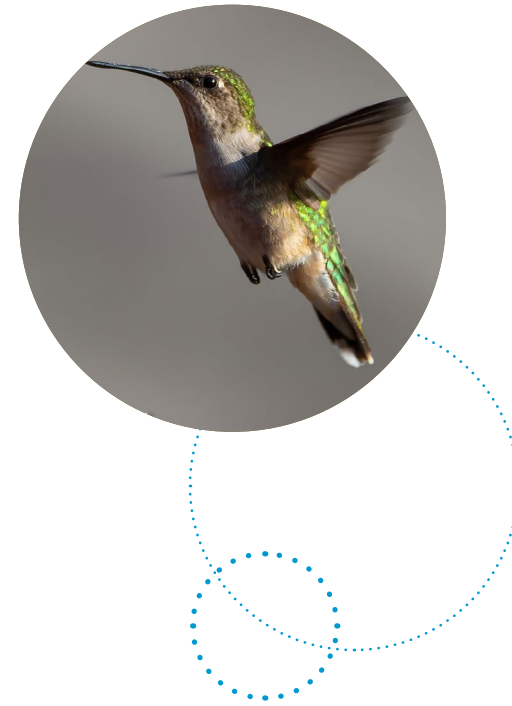
# Governance

## ESG Commitment and Oversight

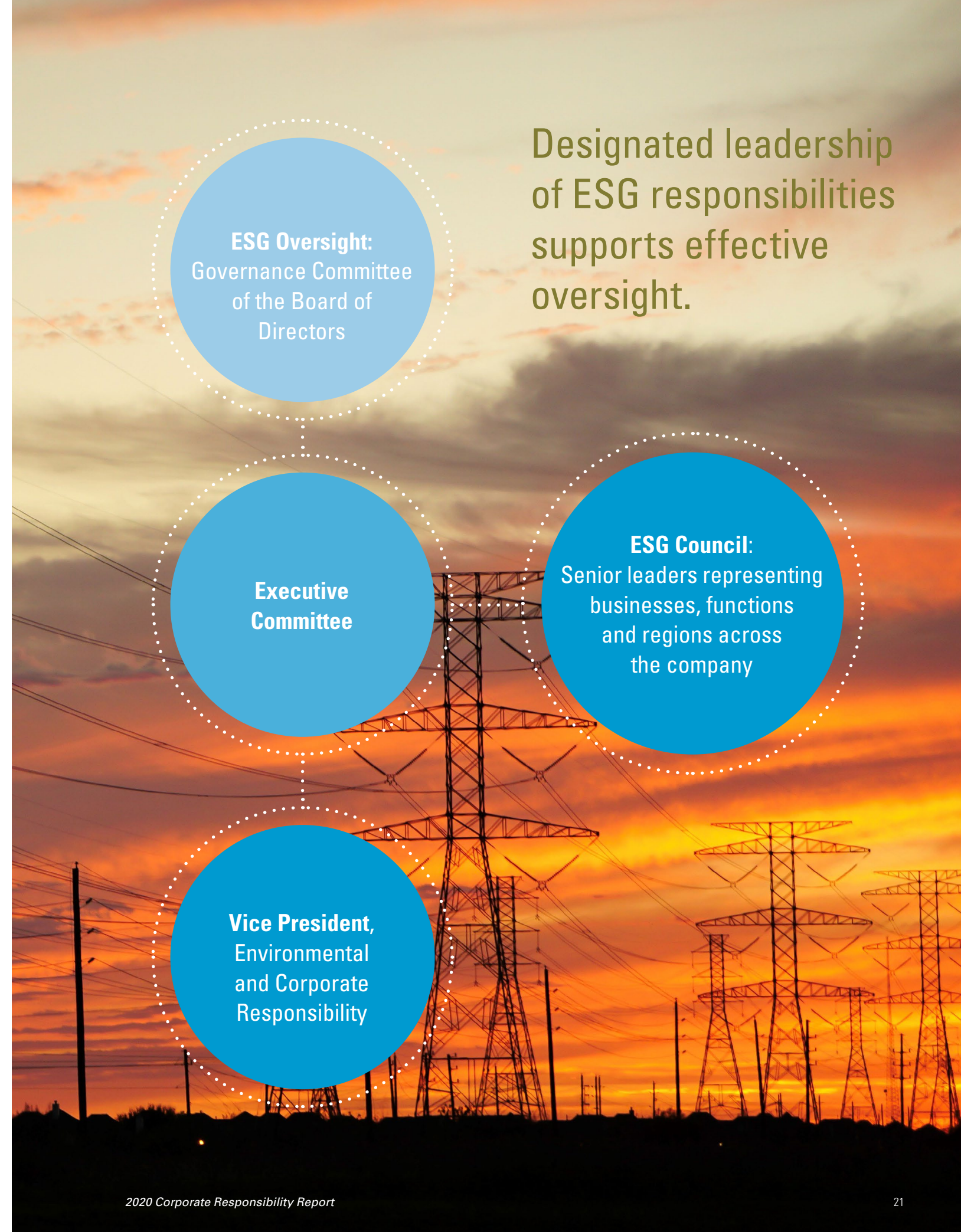
**CenterPoint Energy recognizes that key ESG-related issues are integral to our performance. We established an ESG Council to identify, evaluate and recommend strategic directions and opportunities that promote ESG objectives aligned with our vision and long-term strategic plan.**

The ESG Council includes senior leadership representation from businesses and functions across the company – including Electric and Natural Gas Operations, Power Generation, Safety, Human Resources and Finance, along with regional leaders. The council is led by the Vice President of Environmental and Corporate Responsibility, who provides regular reports on environmental compliance and sustainability and other related matters to the Governance Committee of the Board of Directors.

The Governance Committee is responsible for assessing the company's sustainability strategy and initiatives. Senior management executes the company's ESG strategy, which includes our commitment to a clean energy future by working with partners, customers, employees and other stakeholders to reduce carbon emissions across our operations and throughout the supply chain.



**We recognize the importance of balancing the benefits of available, affordable energy with environmental and social considerations, including climate change.**



Designated leadership of ESG responsibilities supports effective oversight.

**ESG Oversight:**  
Governance Committee  
of the Board of  
Directors

**Executive  
Committee**

**ESG Council:**  
Senior leaders representing  
businesses, functions  
and regions across  
the company

**Vice President,  
Environmental  
and Corporate  
Responsibility**

## Governance

### Committed to a Clean Energy Future: Carbon Policy

In 2020, CenterPoint Energy announced new carbon policy goals to reduce our operational emissions by 70% by 2035 and emissions attributable to natural gas usage within the residential and commercial sectors by 20-30% by 2040. The reduction targets and goals are based on our 2005 emission levels.

#### **Guided by our carbon policy, we are committed to meeting these goals by:**

.....  
*Partnering with customers to offer affordable conservation and energy-efficiency programs.*

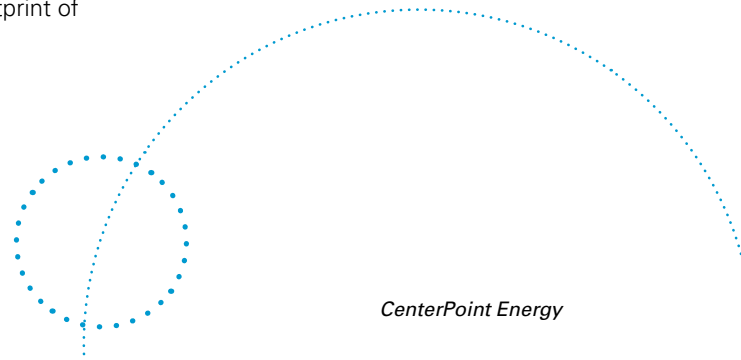
.....  
*Continuing to develop alternative fuels programs.*

.....  
*Collaborating with suppliers to lower their methane emissions.*

.....  
*Piloting and supporting innovation.*

Because our commitment addresses our own multi-state operational emissions, along with the end-point emissions of our customers, our carbon reduction goals set us apart from our peers.

The policy expands on the company's track record in environmental stewardship. We have completed considerable investments in infrastructure modernization and innovative technologies, thereby reducing the cost and carbon footprint of our energy use and operations.



**CenterPoint Energy**  
is committed to  
a clean energy future

**NEW GOALS  
TO REDUCE  
CARBON EMISSIONS**  
from 2005 levels

<b>70%</b> REDUCTION FROM OUR OPERATIONS by 2035	<b>20-30%</b> REDUCTION FROM CUSTOMER USAGE by 2040
---	--

# Governance

## Living Our Values: Ethics and Compliance Policies

**Our Ethics and Compliance Code is applicable to all directors, officers and employees, and builds on our strong company culture and tradition of doing business the right way, without exception.**

The Ethics and Compliance Code explains many rules that apply to our business, including: having a values-driven culture; being accountable for our actions; protecting company assets and information; avoiding conflicts of interest; treating customers and competitors with respect; creating a workplace that values employee contributions; complying with company policies, including anti-corruption; providing a safe and healthy work environment; being responsible corporate citizens; and leading with integrity.

CenterPoint Energy also has a Code of Ethics for our chief executive officer and senior financial officers, and an Ethics and Compliance Code of Conduct for consultants, contractors, suppliers and vendors, making clear to those specific groups our expectations of them as leaders and suppliers, respectively.

## Reporting or Raising Concerns

**Employees are encouraged to talk with their supervisors openly about business ethics and compliance concerns, but confidential and anonymous resources are also available.**

Our Concerns Helpline is an important part of safeguarding our strong ethics and compliance culture. Employees, customers, contractors and vendors can reach the Helpline at 888-888-3155 or online at [reportlineweb.com/CenterPointEnergy](http://reportlineweb.com/CenterPointEnergy). Available 24-hours-a-day, seven-days-a-week, the Helpline supports multiple languages and allows individuals to remain anonymous. As noted within our Ethics and Compliance Code, and in support of maintaining a speak-up culture, CenterPoint Energy does not tolerate retaliation.

**100% of active employees and Board members received training on our Code of Conduct in 2019.**



**Respect** is how we treat our fellow employees, customers and neighbors. We always strive to be courteous, considerate and show appreciation for diverse perspectives, experiences and backgrounds.



**Safety** is our top priority for our employees, contractors, systems and the public. Regardless of business unit or work location, our *Safety Forward* approach supports a strong safety culture.



**Integrity** is doing what is right for our customers, communities, shareholders, business partners and each other. We are committed to following our company's policies, procedures and the law.



**Initiative** means we are prepared to speak up, take bold and innovative action, and address opportunities and problems as soon as they arise. We don't wait for others to show us the way; we lead.



**Accountability** means that we accept personal responsibility for our actions and decisions. When we say we'll do something, we follow through and stay true to our word.

# Governance

## Proactively Protecting Information

CenterPoint Energy has a dedicated Data Privacy Office to address existing and emerging laws, regulations, trends, expectations and best practices. Led by the company's Chief Ethics and Compliance and Data Privacy Officer, our data privacy team addresses the collection, storage, usage, disclosure and destruction of data for specific business purposes. We take proactive steps for the data to remain private and protected against unauthorized access or modification.

In support of protections required by law, as well as internal and external confidentiality obligations, the company abides by internal data privacy principles and related policies and processes. All employees, contractors and third-party business partners have a responsibility to handle sensitive, private and confidential information carefully and to protect the private and personal nature of the information we maintain. We follow the commitments in our online privacy policy.

CenterPoint Energy's Cybersecurity Operations Center (CSOC) is the hub of our companywide cybersecurity program. CSOC personnel analyze threat information from external sources, monitor network activity and respond to users who receive questionable emails. A robust Cybersecurity Awareness Program helps employees and contractors across the company identify vulnerabilities and minimize risks.

Oversight of the company's data privacy strategy is the responsibility of the Board of Directors, President and Chief Executive Officer, and General Counsel. As a part of our governance processes, updates are reviewed regularly. The strategies and roadmaps are presented to the Governance Committee and, subsequently, to our Board of Directors.



## Our Commitment

We are committed to managing the security of our infrastructure and protecting the privacy of the information we maintain.



CenterPoint Energy's Cybersecurity Operations Center is the hub of our companywide cybersecurity program.

## ZERO

We did not receive any reportable information security breaches in 2019.

## Governance

### Our Vision for Diversity and Inclusion

**CenterPoint Energy's vision for diversity and inclusion is guided by our values.**

Delivering electricity and natural gas to millions of customers across our communities takes the energy of everyone in a diverse and inclusive environment where we respect, understand and appreciate each other, those we serve and the people around us.

Our Board's Compensation Committee oversees the company's diversity and inclusion initiatives, in addition to compensation policies and practices. Our leadership and employees share in implementing this companywide commitment by treating each other, our customers and our stakeholders with respect and fairness, and by promoting inclusion in their business interactions.



### Focusing on Sustainable, Long-term Actions to Support Diversity and Inclusion

We were inspired as members of our communities spoke out against inequality and injustices. Over the past months, we've had discussions with employees about the tragic events happening in our communities and the impact they have had on our hearts, our minds, our identities, and our families and friends. Our responsibility is creating an environment that safely promotes a sense of belonging for everyone.

Our executives sent a message to all employees that expressed our sadness and outrage at these injustices, while also pledging that the company will always stand with and support our Black colleagues in speaking out and opposing all acts of racism, intolerance and bigotry.

As the first step in creating a more inclusive and diverse culture, all leaders attended a 90-minute training designed to equip them with the knowledge, skills and tools for working with and leading diverse teams and for creating a more inclusive work environment.

We're on a journey of recognizing and celebrating our differences as we create a diverse and inclusive environment where equality, tolerance and collaboration thrive. Diversity and inclusion, while important to our overall society, has also been proven to increase the value and success of companies that take into consideration the various perspectives that are offered.

**We Deliver...  
Inclusion  
CenterPoint  
Energy is on a  
quest. A quest  
to learn better.  
To listen better.  
To do better.  
Every day.**



CenterPoint Energy's Headquarters in Houston during the week of George Floyd's funeral.

### We have defined three key elements of diversity:

#### **Workforce Diversity and Inclusion**

We are committed to creating an inclusive work environment where business results are achieved through the skills, abilities and talents of our diverse workforce.

#### **Supplier Diversity**

We recognize the economic importance of diverse suppliers, such as minority-owned, women-owned, veteran-owned, and all categories of small business concerns, to the community. We are committed to developing strong working relationships with diverse suppliers and using innovative approaches designed to continually improve business opportunities.

#### **Community Relations**

We believe that we have a responsibility to invest in the communities we serve. Through our outreach efforts, we lend support to educational, civic, social and environmental initiatives that enhance the quality of life for our customers and the community as a whole.



## Governance

***We actively engage with stakeholders to build trust, strengthen relationships and make an impact in our service territory.*** Our major stakeholders include individuals and groups who impact – or are impacted by – our company and business operations. They include customers, communities, employees, investors, suppliers and regulators, among other stakeholders. Feedback from these stakeholders helps to inform our business plans and strategies.

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Engaging with  
Our Stakeholders

Stakeholder	Key Topics	How We Engage
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Community impact</li> <li>• Community engagement</li> <li>• Environmental compliance</li> <li>• Environmental stewardship</li> <li>• Customer health and safety</li> <li>• Effluents and waste</li> <li>• Advocacy</li> <li>• Economic Development</li> </ul>	<ul style="list-style-type: none"> <li>• CenterPoint Energy Foundation</li> <li>• Online grant applications</li> <li>• Community events and sponsorships</li> <li>• Employee volunteerism</li> <li>• Community partnerships to revitalize low-income neighborhoods</li> <li>• Low-income energy assistance</li> <li>• City and county council meeting presentations</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Electricity and natural gas emissions</li> <li>• Effluents and waste</li> <li>• Environmental compliance</li> <li>• Non-discrimination</li> <li>• Anti-corruption</li> <li>• Customer health and safety</li> <li>• Customer satisfaction</li> <li>• Customer privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Community partnerships to revitalize lower-income neighborhoods</li> <li>• Low-income energy assistance</li> <li>• City and county council meeting presentations</li> <li>• Call center</li> <li>• CenterPoint Energy website</li> <li>• Customer Service online webchat</li> <li>• Social media, TV, radio, email and marketing campaigns</li> <li>• Mobile application to report outages and make payments</li> <li>• Speaker's Bureau (presentations to local clubs and agencies on energy efficiency and understanding billing)</li> <li>• Bill inserts/onserts</li> <li>• Customer surveys and focus groups</li> <li>• Energy efficiency/demand-side management initiatives</li> <li>• Trade shows and large business customer forums</li> <li>• Business and commercial account managers</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Economic performance</li> <li>• Environmental compliance</li> <li>• Employee recruitment, turnover, benefits and retention</li> <li>• Employee health and safety</li> <li>• Training and development</li> <li>• Diversity and inclusion</li> <li>• Non-discrimination</li> <li>• Employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership meetings</li> <li>• Employee meetings, video-streams and webcasts</li> <li>• Training and skills development, including leadership development and knowledge transfer programs</li> <li>• Informal, ongoing meetings, such as floor meetings, location visits and conversations with leaders</li> <li>• Employee engagement surveys</li> <li>• Professional networking and affinity groups</li> <li>• Workforce recruiting program</li> <li>• Helpline for grievances or concerns</li> <li>• Health and wellness programs and initiatives</li> <li>• Retiree communications</li> <li>• Labor and management joint engagement on key topics, such as safety</li> </ul>

Stakeholder	Key Topics	How We Engage
<b>Government</b>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Indirect economic impacts</li> <li>Energy consumption and conservation</li> <li>Emissions</li> <li>Compliance</li> <li>Occupational health and safety</li> <li>Diversity and Equal Opportunity</li> <li>Public policy</li> <li>Customer health and safety</li> <li>Customer privacy</li> </ul>	<ul style="list-style-type: none"> <li>Participate in the regulatory process with various federal, state and local governmental agencies on requirements and processes</li> <li>Workshops</li> <li>Industry and trade associations</li> <li>Legislative sessions</li> <li>Collaboration on community investment projects</li> <li>Comments on proposed rules</li> <li>Regulatory filings and hearings</li> <li>State and federal government affairs staff</li> <li>Corporate lobbying efforts</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Energy consumption and conservation</li> <li>Carbon reduction</li> <li>Emissions</li> <li>Environmental compliance</li> <li>Community engagement</li> <li>Customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly earnings conference calls</li> <li>Meetings and presentations</li> <li>Industry conferences</li> <li>Public disclosures</li> <li>Annual meeting of shareholders</li> <li>Website</li> <li>Governance outreach</li> <li>Shareholder services online and by phone</li> <li>Annual Report</li> <li>Investor Relations staff</li> </ul>
<b>Non-Governmental Agencies</b>	<ul style="list-style-type: none"> <li>Indirect economic impacts</li> <li>Energy consumption and conservation</li> <li>Compliance</li> <li>Customer satisfaction</li> <li>Customer privacy</li> </ul>	<ul style="list-style-type: none"> <li>Local-level consultations and meetings</li> <li>Website and communications</li> <li>Industry associations</li> <li>Collaboration on community development projects</li> <li>Impact assessments</li> <li>Sustainability reporting</li> <li>Annual reporting</li> <li>Stakeholder discussions</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Economic impacts</li> <li>Compliance</li> <li>Supplier engagement</li> <li>Community investment</li> <li>Diversity and Equal Opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Formal supplier diversity program and events</li> <li>Supplier Diversity Advisory Council mentoring and scholarship program</li> <li>Supplier Diversity Month – employees and vendors</li> <li>Participation in minority and women supplier development councils</li> <li>Recognition breakfast</li> <li>Engagement with diverse business organizations</li> <li>Request for proposals</li> <li>Periodic meetings with suppliers to review Key Performance Indicators</li> <li>Industry trade show participation</li> <li>Fair dealing</li> <li>Timely payments</li> <li>Competitive bidding processes</li> <li>Supplier Code of Conduct</li> <li>Ethics Helpline</li> </ul>



## Political Engagement

Since local, state and federal elected officials and regulators have a significant impact on our business and industry, CenterPoint Energy believes participation in the public policy process is essential to our operations.

### CenterPoint Energy and its employees participate in the public policy process in several ways, including:

.....  
 Outreach to government officials to educate them on key issues related to the company's business  
 .....

Employee participation in company or industry Political Action Committees (PACs )  
 .....

Membership in trade associations that help advance the company's business interests

The company has decision-making and oversight processes in place so that our political activities and contributions meet legal and ethical guidelines. Our political engagement activities, including contributions, employee PAC memberships, trade association memberships and federal lobbying, are disclosed annually.

### CenterPoint Energy is a member of several trade associations that provide business, technical and industry benefits to the company.

These associations may engage in advocacy activities or lobby with respect to issues that are important to the company.



In 2019, Christine Keck, Director of Federal Government Affairs, and Christe Singleton, Vice President of Regional Operations, Louisiana/Mississippi, engaged with Capitol Hill and completed a Washington, D.C., blitz focused on pipeline safety re-authorization legislation.

# CenterPoint Energy Responds to COVID-19

*The world may have changed with COVID-19, but our commitments remain. By continuing to work and live by our values of safety, integrity, accountability, initiative and respect, we promise to be Always There for our employees and the communities we serve.*

CenterPoint Energy has a 150-year history of managing our business and delivering essential energy through weather emergencies and market changes. Despite the unprecedented impacts of COVID-19, how we have responded and adapted represents our company's effectiveness in managing our ESG commitments.

**We prepared for and responded immediately to COVID-19**, implementing our Pandemic Preparedness and Corporate Response Plans for business continuity. Our Corporate Response Plan Team, including senior leadership representation across the company and members of our Enterprise Risk Management team, partnered with internal groups across the company to respond to quickly changing conditions.



**We have taken deliberate measures to protect the health and safety of our employees, implementing new protocols, while continuing to provide safe and reliable service:**

- Initiating telework for some departments.
- Implementing safety protocols and providing protective gear for employees who must enter customers' residences or facilities and reinforcing social distancing guidelines.
- Physically separating members of critical operations groups to minimize potential virus spread.
- Suspending all non-essential business travel.
- Providing frequent communications, mental health and wellness resources, tips on working remotely and virtual learning opportunities to employees.
- Implementing a process to address confirmed cases of COVID-19, including quarantine, communication and facility cleaning.
- Enacting a detailed back-to-workplace transition for offices to open using a measured approach with leadership direction; extensive guidelines and resources were prepared for employees and leaders.

**CenterPoint Energy delivers energy, service and value to our customers, who are at the center of everything we do:**

- Our work crews are responding to service calls and following social distancing guidelines to keep everyone safe.
- We suspended service disconnections to maintain uninterrupted energy service.
- We have programs available to help our customers who need payment assistance.
- We are sharing energy use resources with our small business customers. With more people staying home, we want to support awareness of energy tips and programs to reduce usage.
- We maintain ongoing communication with our customers, as well as vendors and suppliers.

**As always, we remain committed to our communities and those who need help the most:**

- The CenterPoint Energy Foundation contributed \$1.5 million to 193 nonprofit organizations, agencies and causes committed to supporting those who have been disproportionately impacted by COVID-19. This amount includes up to \$500,000 in matching gifts for employee contributions.
- To continue supporting annual community events, we have transitioned to virtual events, including a UNCF Virtual Walk/Run/Bike for Education and a virtual United Way campaign.
- With in-person volunteer activities being cancelled, we encourage employees to explore virtual volunteer opportunities with our community partners during this challenging time.

**Spotlight on Employee Groups**

- Our Contact Center agents have a critical role in supporting our customers' energy needs. They support electric, natural gas and Home Service Plus customers across our territory, providing a reassuring voice during this uncertain time.
- Our field operations teams are our front line for keeping the power on and natural gas flowing during a time when our customers need it most. They are among the many unsung heroes of this unprecedented pandemic.
- Gas Control employees in Houston, Evansville and Minneapolis work 24-hours-a-day, seven-days-a-week to monitor and manage CenterPoint Energy's distribution systems and supply interconnections with more than 50 upstream pipelines.
- Our Government Affairs team established a process with local government for CenterPoint Energy employees to obtain COVID-19 testing, regardless of symptoms, so essential employees could safely return to work.
- Energy Systems Group is serving our customers, whether working remotely or onsite at Department of Defense and civilian agencies, hospitals, schools and municipalities across the country.
- At the onset of COVID-19, our Human Resources Business Partners collaborated with leadership and employee groups to modify and implement many processes for business continuity while protecting employee health and safety.
- Strategic Sourcing has pursued non-traditional avenues for obtaining Personal Protective Equipment for our employees. Due to high demand, access through regular suppliers was limited. For example, a district director connected the group to Texas Tail Distillery in Galveston. Within hours of reaching out, the distillery was filling hand sanitizer and cleaning solution bottles for CenterPoint Energy, providing the company with more than 700 gallons.

## Our Vision for Diversity and Inclusion

### All of us, Always There

**Delivering natural gas and electricity to millions of customers across our communities takes the energy of everyone in a diverse and inclusive environment where we respect, understand and appreciate each other, those we serve and the people around us.**

#### Delivering on Our Diversity and Inclusion: Positioning Statement

At CenterPoint Energy, we are committed to advancing diversity and inclusion to support our colleagues, customers, contractors, suppliers and community members, regardless of race, gender, color, sexual orientation, age, religion, or physical or mental disability, so they have an equal opportunity to thrive.

Diversity and inclusion are core to who we are, what we do and how we do it. We believe that diversity and inclusion are critical components of our long-term business strategy, serving as cornerstones of our service, performance and growth.

We strive to find ways, big and small, to appreciate the value in our differences. It is through the energy of many where we unlock the potential of our company and workforce while, at the same time, supporting our quest to learn better, listen better and do better every day. This is a time for focused and sustained action to achieve real progress and real results. We are pursuing several initiatives that we believe will have a meaningful and sustained impact on diversity and inclusion at CenterPoint Energy. They include:

- **Companywide Diversity and Inclusion Council.** We have formed a council to provide governance and oversight on diversity and inclusion efforts, promote company diversity activities and drive companywide communication. Our Senior Vice President and Chief Human Resources Officer and our Senior Vice President and General Counsel serve as executive sponsors.

- **Recruiting.** Our Talent Acquisition team is at the forefront of our efforts to create a workforce reflective of the communities we serve. We strive to develop diverse applicant pools for all our positions and support best practices for diversity in our recruitment and selection. This includes using diverse interview panels for candidate interviews. We also recruit and hire veterans and individuals with disabilities.
- **Leadership Training.** We are delivering new, required training for all leaders to help equip them with the knowledge, skills and tools for working with and leading diverse teams, as well as creating a more inclusive work environment.
- **CenterPoint Energy Foundation.** We are implementing a strategy to leverage our Foundation's giving pillars of Community Vitality and Education to provide support for diversity and inclusion, as well as a focus on equity.
- **Employee Engagement.** We created a dedicated employee intranet site to provide resources and information about our diversity and inclusion activities and initiatives.

***We are on an important journey to enhance our focus on diversity and inclusion across CenterPoint Energy. I look forward to building on our progress and momentum as we work together and strive to find ways, big and small, to appreciate the value in our differences.***

*Kimberly Blasingame, Director, Human Resources and Diversity and Inclusion*

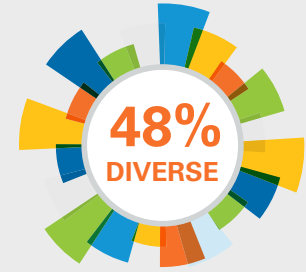
**CenterPoint Energy Continues to Outpace Diversity Trends in the Utility Industry**  
As of August 2020



Utility Industry Nationwide Trend



CenterPoint Energy Current Workforce



2020 CenterPoint Energy New Hires



***We Deliver... Inclusion***

***CenterPoint Energy is on a quest. A quest to learn better. To listen better. To do better. Every day.***

#### Some of the organizations we partner with include:

- Asian Business Student Association
- Collegiate Association for Women in Construction
- Hispanic Business Student Association
- National Association of Black Accountants
- National Society of Black Engineers
- Society of Hispanic Professional Engineers
- Society of Women in Engineering
- Women in Engineering Programs

#### Spotlight on Supplier Diversity

CenterPoint Energy recognizes the economic importance of Diverse Business Enterprises, such as minority-owned, women-owned, veteran-owned and all categories of small business concerns, to the community.

We are committed to developing strong working relationships with diverse suppliers and using innovative approaches designed to continually improve business opportunities by applying the following principles:

- Seek qualified diverse suppliers that can provide competitive and high-quality commodities and services for all applicable sourceable opportunities.
- Establish clear expectations and criteria requiring our major suppliers to support our supplier diversity spend goals.
- Seek opportunities to assist in the development and competitiveness of diverse suppliers through instruction, mentoring, capacity building and outreach activities.

***Our Supplier Diversity activities are guided by our internal Supplier Diversity policy statement.***

#### 2019 Supplier Diversity Spend

- **\$270 million** or 11% of direct annual spend with Diverse Business Enterprises throughout our footprint.
- An additional **\$18.5 million** in purchased fuel with diverse businesses.

# Hurricane Laura: Response, Restoration and Relief Efforts

*The strongest hurricane on record in the state of Louisiana, as measured by maximum sustained winds, Hurricane Laura made landfall as a Category 4 storm in Cameron, La., on Aug. 27, 2020.*

Throughout the natural disaster, CenterPoint Energy fulfilled its brand promise of being *Always There* for our customers and communities. Before the storm, customers were given safety and readiness tips.

Following landfall and when conditions were safe to do so, our Natural Gas Operations teams began assessments in Orange and Beaumont, Texas, and Lake Charles, La., to confirm the natural gas systems were not damaged. Crews then made outstanding progress in restoring service to our natural gas customers affected by Hurricane Laura.

In an effort to prevent damages to our system from the ongoing electric restoration work, our line locating crews diligently worked to mark our underground facilities. Because of these mitigation measures, we experienced fewer than 15 post-storm below ground damages.

A second wave of natural gas crews from our Arkansas and Texas service territories arrived to continue the support for the Lake Charles area, allowing local crews to begin returning to their normal shifts.

*In the midst of a natural disaster, our employees reinforced CenterPoint Energy's reputation for helping those in need.*

## Relief Efforts

CenterPoint Energy and our employees are well-known for their community spirit, which we put into action with a \$350,000 donation to Hurricane Laura recovery and relief efforts. To support CenterPoint Energy employees who were significantly impacted by the storm, we activated the CenterPoint Energy Employees 1st Fund with CenterPoint Energy Foundation matching \$2 for every \$1 that employees contributed, up to \$200,000. Our HR Storm Assistance Hotline promptly opened for employee and first responder needs, including help with roof tarps or tree removal. Continues on page 41.

The CenterPoint Energy Foundation contributed funds to the following nonprofit organizations that focused on Hurricane Laura relief and recovery efforts:

- Louisiana: Lake Charles area**
  - American Red Cross of Lake Charles
  - United Way of Southwest Louisiana
  - United Way of Acadiana
  - The Salvation Army of Lake Charles
- Louisiana: Shreveport/Ruston area**
  - United Way of Northeast Louisiana
  - Rolling Hills Ministries
- Texas: Beaumont/Orange County**
  - American Red Cross of Beaumont
  - The Salvation Army of Beaumont





## Hurricane Laura: Response, Restoration and Relief Efforts

continued from page 38.

### Mutual Assistance

CenterPoint Energy is part of electric utility mutual assistance programs that provide access to thousands of linemen and tree trimmers from around the country to lend a hand during widespread power outage emergencies. Coming to the aid of other utilities is nothing new to CenterPoint Energy employees. Over the years, crews have responded and restored power to hundreds of thousands of customers throughout the country who have been left in the dark following hurricanes, ice storms, tornadoes and severe thunderstorms.

### Emergency Operating Plan and Drills

CenterPoint Energy maintains an Emergency Operating Plan (EOP) to restore service to customers as safely, quickly and efficiently as possible. To prepare for major weather events, we conduct a Hurricane Response Exercise to test our response plans, preparedness and recovery processes. Everyone with an EOP role receives annual training on their specific response procedures.

Our Community Relations team partnered with relief organizations, including the American Red Cross, Salvation Army and United Way, on food distribution in Lake Charles and a supply drive in Houston to support our neighbors in need.

CenterPoint Energy deployed nearly 400 linemen, contractors and support personnel from Houston and Evansville, Ind., to assist with power restoration efforts in southwest Louisiana due to Hurricane Laura's extensive damage. In response to COVID-19, CenterPoint Energy took the necessary steps to protect the safety and well-being of customers, employees, contractors and communities. Lake Charles crews received an electrostatic sprayer, and they have been using it to clean facilities and equipment at the staging site to prevent the spread of COVID-19.

***"Since the hurricane did not affect our electric service territory, we were able to quickly and efficiently deploy critical resources from Houston and Evansville to provide support to our electric utility neighbors to the east."*** Kenny Mercado, CenterPoint Energy's Senior Vice President, Electric Utility

### Restoration

While conditions remain challenging for Lake Charles and surrounding areas, each new day brings improvements. With the help of CenterPoint Energy and other assisting companies, Entergy was able to restore all its electric customers in Arkansas, Mississippi and Texas in record time. On Sept. 4, Louisiana outages fell below 100,000 for the first time since the hurricane struck.

Electric and Natural Gas crews have continued restoration activities with a focus on safety, and we have performed work in Lake Charles without incidents. Our employees and contractors continue to make excellent progress and help those in need.

***CenterPoint Energy would like to thank our employees and contractors for their excellent work and willingness to help those in need. We are proud to be a part of this effort and see firsthand how we are making a difference in people's lives.***

# Communities

**Driving continued impact in our communities.** CenterPoint Energy actively engages our stakeholders – including customers, communities, employees and suppliers – to build trust, strengthen relationships and make a positive impact across our footprint. We are focused on making a difference for the people in the communities we serve, whether maintaining safety practices, serving as a catalyst in helping create thriving communities, or developing our current and future workforce.

## ***We Deliver... Strong Communities***

### Communities Contents:

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CenterPoint Energy Foundation COVID-19 Relief Fund Making Lasting Impact in Our Communities p. 51

Diversity, Inclusion and Equity Incorporated into Giving Pillars p. 52

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We Deliver... Customer Satisfaction p. 61

We Deliver... Supplier Diversity Initiatives p. 64



## Communities

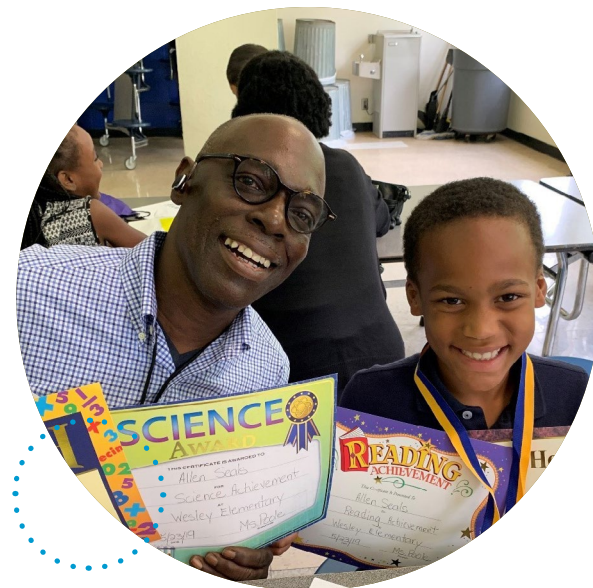
### We Deliver... Community Investments and Partnerships

*For as long as we've been in business, our commitment to making a positive difference in the lives of others has shaped not only what we do, but also how we do it.*

Our companywide community relations strategy focuses on three pillars: **community vitality, education and local initiatives**. The CenterPoint Energy Foundation provides support to nonprofit organizations whose programs and services align with our core giving pillars. We also provide opportunities for employees to participate in company-organized volunteer efforts and encourage them to contribute their time and talents to causes they care about. We also match, dollar for dollar, contributions they make to the charitable organization of their choice through Easy Match, a program we introduced in 2019.

We believe community vitality, education and local initiatives are inextricably linked and critical to the sustainability of our communities. We also rely on our employees, elected officials, community and civic leaders, neighbors and others in these communities to assess areas of need. That is why we focus our charitable investments, volunteerism and other community-based activities on the nonprofit organizations and causes in these giving areas.

Employee volunteerism is also an important part of CenterPoint Energy's commitment to our communities and employee engagement strategy. Through building relationships with each other and the communities we serve, volunteer activities help employees develop career and leadership skills.



**\$12,986,481**  
total  
contributions  
in 2019

### 2019 Highlights



133,254 hours of volunteer time donated by employees



607 nonprofit organizations supported by employees serving on their Boards



708 employees served on the Board of a nonprofit organization



\$433,215 in employee donations matched through our matching gift program



\$110,000 in volunteer grants given on behalf of employees and retirees who volunteered 40+ hours for the same nonprofit



\$10,000 donated to nonprofits selected by our Volunteers of the Year and United Way Leadership Giver drawing winners



# Communities

**Community Vitality:** We invest in affordable housing and sustainable community development, public spaces and the environment to help communities thrive.

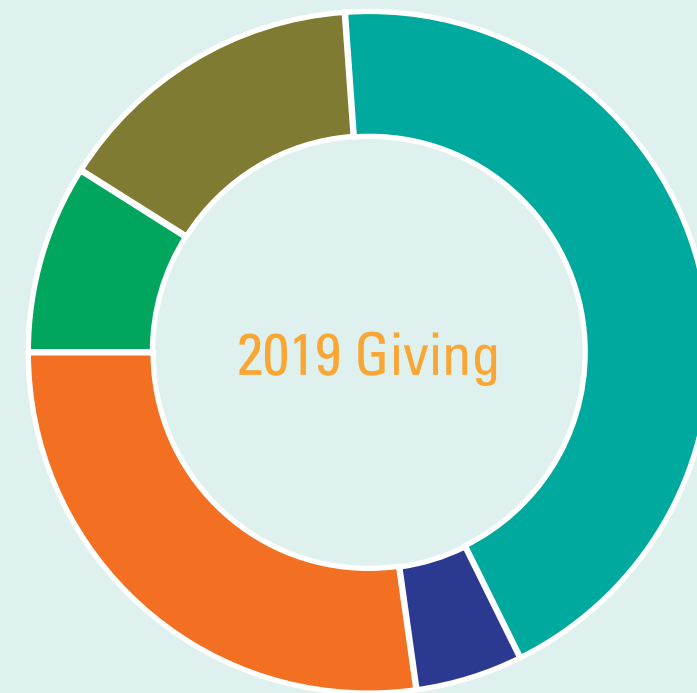
- To support economic, social and health outcomes for families, the CenterPoint Energy Foundation contributed more than \$2 million for affordable housing programs and partners in 2019. In Evansville, we led the formation of the **Jacobsville Workforce Housing Partnership**, a collaboration of nonprofit housing program partners, including Habitat for Humanity of Evansville, HOPE of Evansville and Catholic Charities. Eight single family homes with a collective value of approximately \$700,000 were constructed, along with the completion of many home repair projects.

CenterPoint Energy employees joined the mayor of Evansville and various community organizations to kick off the Jacobsville Workforce Housing Partnership, supporting housing and community development in the Jacobsville neighborhood.



- Seeking to be a catalyst in creating thriving communities, CenterPoint Energy forged a deep partnership with Habitat for Humanity, a nonprofit organization that helps families build and improve places to call home. In 2019, the CenterPoint Energy Foundation contributed more than \$580,000 to Habitat for Humanity affiliates throughout Indiana and Ohio to fund new home builds and critical home repairs. Our employees also volunteer with the organization across our service territory.
- For seven years, CenterPoint Energy has partnered with the Arbor Day Foundation, Texas Forest Service and Trees for Houston to distribute 2,000 tall-maturing shade trees at the annual **Energy Saving Trees** giveaway.
- CenterPoint Energy's **Right Tree Right Place program**, which focuses on planting small-maturing vegetation under our facilities, partnered with Monarch Gateway to distribute 900 seed packets to the Girl Scouts of San Jacinto Council. The seeds will be used to create Houston-area home and school gardens of pollinator plants for monarch butterflies.

CenterPoint Energy was named a **2020 Tree Line USA** company for the 14th consecutive year by the Arbor Day Foundation, for our commitment to proper tree pruning, planting and caring throughout our service area.



- 44% Community and Economic Development
- 27% Education
- 15% Health and Human Services
- 9% Safety and Memberships
- 5% Environment



# Communities

## Spotlight on Workforce Development

**Education:** We advance the capabilities of our communities through literacy, science, technology, engineering, mathematics and workforce development in partnership with educators, school districts and nonprofits.

Career and technical education (CTE) is the practice of teaching specific career skills to students and equipping them with tangible skills, including industry-backed certifications, sought by potential employers. Certifications can help students stand out in a crowded pool of applicants and start their career in the right direction.

To help set up the next generation of young professionals for success, CenterPoint Energy has partnered with four Houston-area school districts to provide real-world experience through comprehensive training visits, instructional materials and field trips. We have forged relationships among educators, community partners and company representatives from our Operations, Safety and Human Resources organizations. We also provide funding to the four school districts.

- Our CenterPoint Energy River facility hosted a worksite tour for students from South High School in Minneapolis in partnership with AchieveMpls, a local nonprofit focused on career and college readiness. We work with organizations like AchieveMpls and Junior Achievement so students can discover a potential career path, while helping our company connect to our future workforce.
- CenterPoint Energy supports workforce development programs that include on-the-job experience for at-risk students. During our nine-year partnership with Genesys Works, we have contributed more than \$1 million, including philanthropic donations and wages for student hours worked. Our Vice President of Information Technology also serves as a Genesys Works Board member.



9 years with the Genesys Works program



66 total interns



- For 2019's National Engineers Week, Carnegie Vanguard High School's Women in Science and Engineering Club spent a day with CenterPoint Energy's female engineers at the University of Houston. The students participated in multiple hands-on STEM (science, technology, engineering and mathematics) activities to learn more about electricity, project management, teamwork, engineering and other technology-based careers. **100% of attendees said they prefer hands-on learning opportunities like these.**

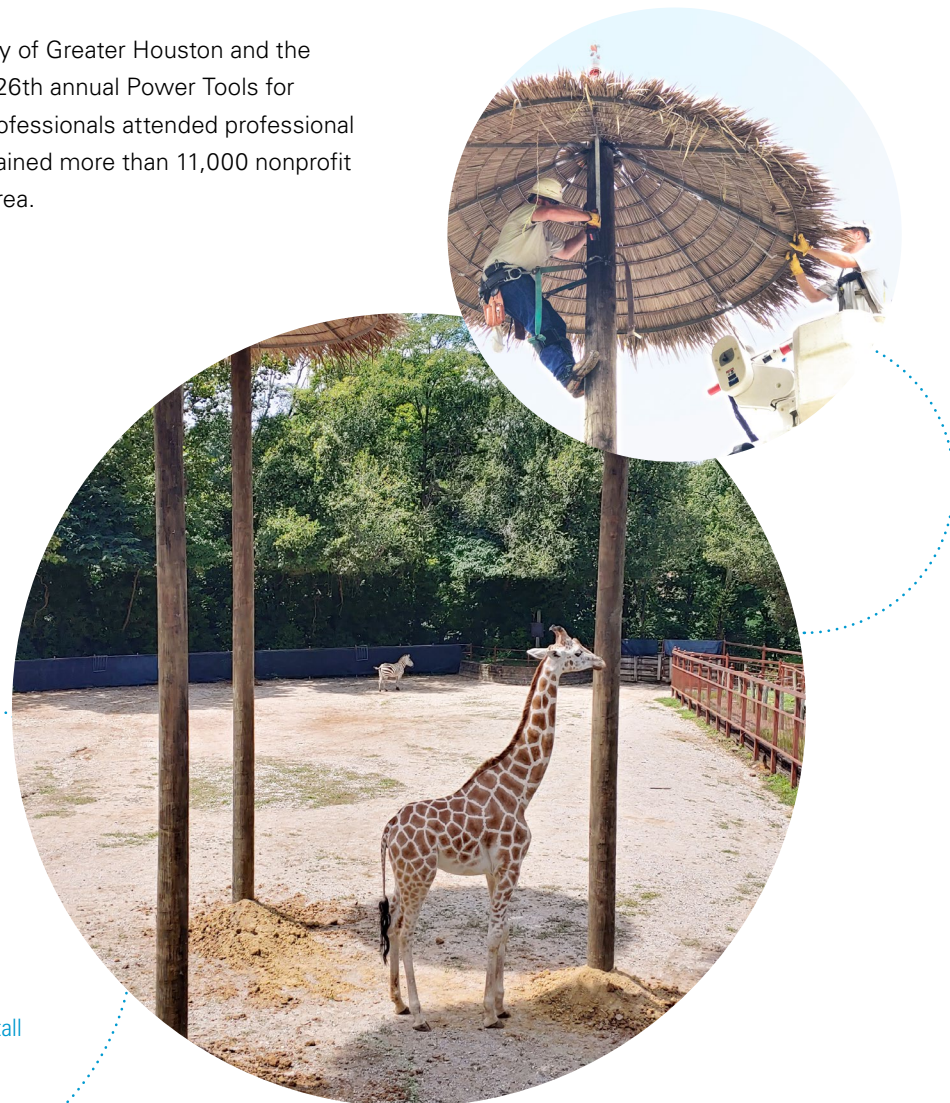
CenterPoint Energy actively partners with literacy agencies, such as the Adult Education Center, Literacy Texas, the Barbara Bush Literacy Foundation and the Literacy Council of Fort Bend, to help as many people as possible learn basic literacy skills so that they can fully participate in society.

**The Adult Education Center honored CenterPoint Energy with the Corporate Leader award for its continued efforts to increase the Texas literacy rate.**

# Communities

**Local Initiatives:** We use local and regional approaches to emphasize involvement where we have a business, community and employee presence, to align with key priorities.

- CenterPoint Energy employees in Evansville raised more than \$31,500 during the 2019 Real Men Wear Pink campaign, which benefits the American Cancer Society. The team led the state of Indiana this year and was one of the top 25 campaigns in the country.
- Our company was honored as the top corporate team by the March of Dimes at the Greater Houston March for Babies Celebration after raising more than \$360,000 in the 2019 campaign. The event brought together sponsors, volunteers and family teams.
- CenterPoint Energy partnered with United Way of Greater Houston and the University of Houston Downtown to host the 26th annual Power Tools for Nonprofits, where more than 700 nonprofit professionals attended professional development sessions. The conference has trained more than 11,000 nonprofit professionals and volunteers in the Houston area.

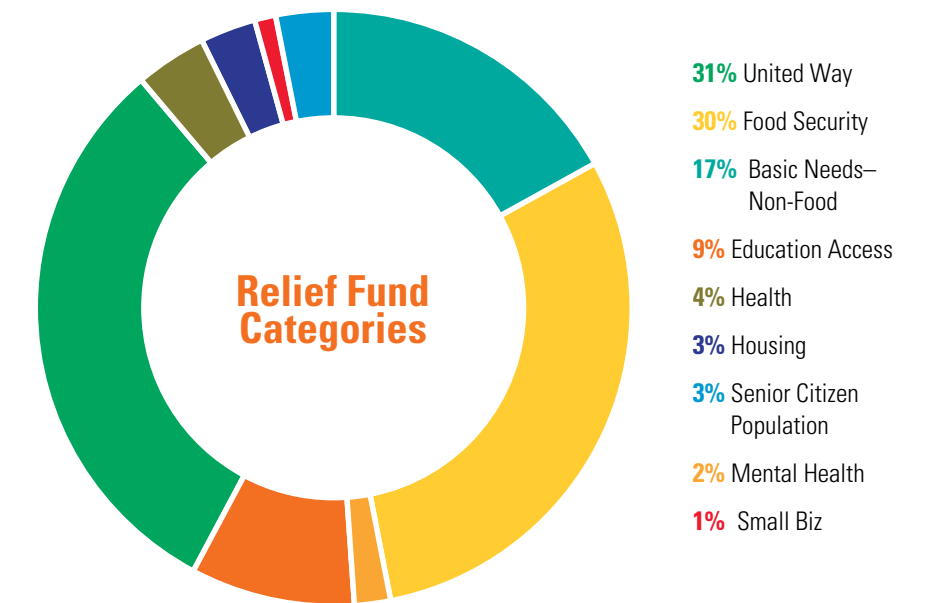


A team of Electric Operations employees recently completed a service project installing palm tree canopies for the giraffes who live at the Mesker Park Zoo in Evansville. The poles were 30 feet high and the crew had to install them five feet in the ground.

**193**  
Total Number  
of Approved  
Organizations

## CenterPoint Energy Foundation COVID-19 Relief Fund Making Lasting Impact in Our Communities

As COVID-19 continues to impact our stakeholders, we want to assist the most vulnerable of our population who are experiencing significant challenges. In April 2020, CenterPoint Energy announced that, through the CenterPoint Energy Foundation, \$1.5 million was being contributed to nonprofit organizations, agencies and causes that are committed to supporting those who have been disproportionately impacted by COVID-19.



The CenterPoint Energy COVID-19 Relief Fund included \$1 million in direct contributions. Also included was up to \$500,000 in matching gifts for employees' contributions to qualified nonprofits across our utility footprint that are working to assist individuals during the COVID-19 crisis. Employee donations received a match of \$1.50 for every \$1 donated to qualified nonprofits.

Our employees pivoted from providing hands-on help to assisting organizations who needed to have more digital support. On #GivingTuesdayNow, a global day of giving in response to the unprecedented need caused by COVID-19, we shared a virtual thank you from our nonprofit partners who wanted to send their appreciation to our employees.

# Communities

## Diversity, Inclusion and Equity Incorporated into Giving Pillars

We evaluate our current programs and identify trends so that our investments will be appropriate today and sustainable for the future. To that end, in 2020 we adjusted our giving pillar goals to include components related to diversity, inclusion and equity.

Following the George Floyd tragedy in Minneapolis and the demonstrations that resulted, there was a call for near-term relief. Our Minnesota Government Affairs, Community Relations and Gas Operations teams developed a local response strategy to provide immediate relief. We contributed \$5,000 each to four organizations that are working to help people of color-owned businesses recover: WeLoveLakeStreet, West Broadway Business and Area Coalition, Association for Black Economic Power Pimento Relief Fund and Migizi.

We have made adjustments to our giving pillar goals to include components related to diversity, inclusion and equity. For example, we expect to:

.....  
 Continue to partner with workforce development organizations that are preparing students for college or careers, with an emphasis on diversity, inclusion, and equity within programs and classes.  
 .....

.....  
 Expand community partnerships with organizations providing affordable housing and housing resources for people of color and under-resourced communities.  
 .....

.....  
 Work to provide a portion of funding to organizations led by people of color, not just serving people of color.  
 .....

.....  
 Seek additional partners and ways to increase impact across our footprint with larger, key relationships.

We also plan to conduct training within Community Relations on the issues of unconscious bias, grantmaking and building partnerships with diverse organizations.

## 50+ Diverse Organizations have CenterPoint Energy Board involvement.

### Rebuild Program to Help Minneapolis Community at a Challenging Time

In August 2020, CenterPoint Energy announced the launch of a new program to help Minneapolis-area businesses and property owners recovering and rebuilding from property damage that occurred during the civil unrest this year. The Rebuild program will offer CenterPoint Energy customers triple the standard rebate amount for the purchase and installation of qualifying natural gas equipment, such as high-efficiency heating systems, water heaters and food service equipment. Learn more at [CenterPointEnergy.com/REBUILD](https://CenterPointEnergy.com/REBUILD)



**The Midwest Energy Association Energetic Women honored Jim Francis, Vice President of Safety and Technical Training, with the 2019 Maverick award for promoting, connecting and strengthening female leaders, and advocating for their professional advancement.**

## All CenterPoint Energy employees receive training on CenterPoint Energy's Ethics and Compliance Code of Conduct annually.

## We Deliver... An Engaged and Inspired Workforce

CenterPoint Energy places a high priority on sustaining a strong culture of ethics, providing professional development opportunities and fostering mutual respect at all levels.

CenterPoint Energy's goal is to create a work environment in which every employee is engaged, aligned with our vision and values and understands how they contribute to the company's long-term performance. In order to achieve this goal, we strive to connect with our employees in meaningful ways. Employee pulse surveys help us gain deeper insights into employee engagement levels and specific topic areas from previous surveys. Recent surveys have focused on diversity and inclusion, career development, innovation and collaboration. These surveys help us identify strengths and opportunities for improvement.

### Training and Education

To support a motivated and skilled workforce, CenterPoint Energy invests in employee and career development. To help meet this objective, the Learning and Organizational Development team provides opportunities for employees across the company to develop skills and competencies to operate our business safely, meet customer expectations and identify opportunities for innovation.

CNP University is CenterPoint Energy's corporate university made up of six colleges that represent formal learning and training operations designed to meet employees' needs. Resources focus on professional development, including leadership, business excellence and personal effectiveness, and include instructor-led training, web-based courses, on-demand express learning and virtual events.

### 2019 Training

#### CNP University

- Total online courses completed: 199,359
- Total hours of online courses completed: 99,649\*

#### College of Professional Development

*Instructor/virtual instructor-led training:*

- Total participants: 3,301
- Total hours completed: 19,734.5\*

*\*Each course averages approximately 30 minutes or 0.5 hours*

# Communities

## Leadership Development Programs

Our leadership talent pipeline is a critical contributor to our efforts to build a diverse workforce and inclusive work environment that is reflective of the available workforce. We are intentional about building awareness and understanding of the competitive advantages a diverse leadership team offers and have placed a focus on diversity and inclusion in leadership development programs and talent reviews.

Our flagship leadership development programs include:

**Leadership Academy** – Targeted to current, high-potential leaders to broaden their networks and advance their business acumen.

**Learning to Lead** – A program tailored for high-potential individual contributors.

**Leadership Essentials** – Designed to assist new leaders in their transition into leadership and set them up for success during their first year of leading others.



In 2019, the gender and ethnicity representation in our three leadership development programs exceeded the percentages of U.S. Utility Available Workforce for gender and ethnicity.

PROGRAM	MALE	FEMALE	RACIAL DIVERSITY	US UTILITY AVAILABLE WORKFORCE	
				FEMALE	RACIAL DIVERSITY
Leadership Academy	66%	34%	26%	22%	19%
Learning To Lead	56%	44%	39%	33%	28%
Leadership Essentials	71%	29%	32%	22%	19%

As the first step in creating a more diverse culture, all leaders attend a **90-minute training designed to equip them with the knowledge, skills and tools for working with and leading diverse teams**, while creating a more inclusive work environment.

**1,000+** veterans and active reserve service members are employees at CenterPoint Energy.

**U.S. Veterans Magazine named CenterPoint Energy as one of its Top Veteran-friendly Companies in 2019 and 2020.**

Despite COVID-19, CenterPoint Energy was pleased to continue its 2020 summer internship program, providing virtual real-world experience, training and mentoring to 42 interns.

## Diversity and Inclusion

CenterPoint Energy is committed to being a great place to work. We value the different perspectives, experiences and backgrounds our people possess, as we work together with a unified purpose. We work to maintain an open and inclusive work environment where business results are achieved through the skills, abilities and talents of our diverse workforce.

RACE/ETHNICITY	NUMBER	% OF TOTAL HEADCOUNT
White/Caucasian	6,115	64.9%
Black/African American	1,590	16.9%
Hispanic/Latino	1,297	13.8%
Asian	303	3.2%
American Indian/Alaskan Native	30	0.3%
Native Hawaiian or Pacific Islander	4	0.0%
Two or more races	90	1.0%
<b>Total</b>	<b>9,429</b>	<b>100.0%</b>

Workforce diversity data and statistics are based on source information from CenterPoint Energy's Equal Employment Opportunity EEO-1 reports.

## Recruiting

Our Talent Acquisition team is at the forefront of our efforts to create a workforce reflective of the communities we serve. We support best practices for promoting diversity through our recruitment and selection processes, and we actively recruit and hire veterans and individuals with disabilities. We use diverse interview panels for candidate interviews to represent diversity when we interview prospective new hires for opportunities across every function and region in our company.

Our College Recruiting program partners with a wide array of student organizations at many of the schools throughout our footprint. These partnerships provide opportunities for us to engage with a diverse mix of students as they plan their professional careers. We offer internships, co-ops and entry-level job opportunities in all areas of the company.

Some of the organizations we partner with include:

- Asian Business Student Association
- Collegiate Association for Women in Construction
- Hispanic Business Student Association
- Houston Bar Association's Diversity and Inclusion Committee
- National Association of Black Accountants
- National Society of Black Engineers
- Society of Hispanic Professional Engineers
- Society of Women in Engineering
- Women in Engineering Programs

# Communities

## Health and Wellness

CenterPoint Energy is committed to providing health and wellness initiatives to our employees. As a responsible employer, we provide a robust, comprehensive benefits package that is competitive for our industry. We offer retirement and savings plans, in addition to benefits such as medical, dental, vision, life, disability, accident and sick leave coverage. Visit the Careers section on CenterPointEnergy.com for more details.

Our Employee Assistance Program provides mental health, consulting, legal, financial and other services.

The company supports the use of various work schedules to increase employee flexibility and reduce commuting costs, while also maintaining and enhancing productivity. Employees who can work remotely have been encouraged to do so during COVID-19.

We assist with public transportation commuting costs through subsidized bus passes or reimbursement for certain carpool expenses.

Our Education Assistance Program helps employees finish a degree or embark on a new one by providing reimbursement for tuition and required fees toward a degree from a state or federally accredited school.

Dependents of CenterPoint Energy employees can apply for scholarships to help cover education costs.

Our wellness program rewards employees for making healthy choices and reaching personal health goals.

## Supporting Employees through COVID-19

*At CenterPoint Energy, the health and well-being of our employees are our top priorities. This commitment took on new meaning in the face of COVID-19.*

We were prepared to respond to a pandemic impacting our service territory, collaborating with other groups and departments to confirm our readiness for what could be ahead. In March 2020, we promptly activated our Pandemic Preparedness Plan, scheduled COVID-19 Incident Command System sessions and engaged our Corporate Response Plan Team, while staying closely connected to updates from the World Health Organization and Centers for Disease Control. We also worked closely with all regulatory agencies, government entities and emergency management organizations.

Our Safety and Human Resources departments collaborated with leaders companywide to finalize our company's response at various escalation levels. Other focus areas included reviewing and updating departmental business continuity plans, coordinating with Facilities Management to increase cleaning in high-traffic areas, working with Supply Chain to secure material availability, and continuing to work with leaders so there were no significant disruptions or impacts on our operations regarding critical personnel who manage our systems.

Communications and Human Resources personnel partnered to communicate how COVID-19 is impacting our workforce and posted daily dashboard updates. Consistent with our pandemic plan, for each confirmed case we immediately took all necessary steps and actions to protect our employees and contain the spread of the virus at the affected site.

## Helping Employees Adapt

To support physical and mental health and wellness, we regularly communicate self-care and stress management resources, leadership video messages on personal well-being, resources for employees using company benefits providers and Employee Assistance Program services.

For employees who are working remotely during the pandemic, CNP University launched new resources, including a Working Virtually course.

Leaders and employee resource groups are collaborating through virtual meetings, learning opportunities and networking events.

**The need to share timely and critical information to our workforce has remained a priority.**

In preparation for when conditions improve, a number of internal groups, including our Safety, Facilities Management and Corporate Security organizations, as well as our Corporate Response Plan Team (CRPT), have developed a phased return-to-workplace approach for employees working remotely. A key step in this process was a series of workshops with our businesses and corporate functions to assess transition issues, risks and opportunities.

Offices are gradually reopening using a deliberate, measured approach with leadership direction, putting our workforce's safety and well-being first. Leaders continue to assess their situations with their team members as they develop plans for the transition that may include staggered start times, alternating schedules or some team members continuing to work remotely. In preparation, various employee resources have been created and shared, including a return-to-workplace playbook with measures, processes and protocols; a return-to-workplace video showing facility enhancements; an employee self-screening checklist to follow daily; and a guide for leaders. A significant percentage of our workforce continues to work in the field and at our critical locations every day to safely and reliably serve millions of customers across our footprint.

CenterPoint Energy implemented additional measures to protect the safety and health of customers, employees and contractors, as well as to prevent the spread of COVID-19. These safety measures include:

- Equipping employees with additional personal protective equipment (PPE);
- Directing field employees to attempt to resolve service issues without entering homes or businesses;
- Following social distancing guidelines and wearing PPE if entering customers' homes, businesses and property to provide service;
- Implementing a telework approach for employees who can perform their job responsibilities from home or a remote location;
- Increasing cleaning and disinfecting frequency of facilities and vehicles;
- Leveraging technology to minimize face-to-face contact and meetings; and
- Emphasizing good hygiene, including washing and sanitizing hands.

## We Deliver... Workplace and Public Safety

### **CenterPoint Energy is committed to the protection of our employees, contractors, systems and communities.**

Our goal is to maintain a safe work environment and deliver electricity and natural gas safely to the communities we serve. To achieve our goal, CenterPoint Energy is guided by the following principles:

- **Compliance:** We are committed to complying with applicable safety laws and regulations. Employees are expected to adhere to and abide by all company policies, procedures and guidelines for working and operating our systems in a safe manner. We also expect contractors who perform work for the company to do so safely, in compliance with applicable laws and regulations.
- **Accountability:** Safety is the responsibility of all employees and is a condition of employment. While management sets clear expectations and provides support and training, employees are accountable for understanding and incorporating safety responsibilities into their daily work activities. Employees are also accountable for reporting incidents, injuries and unsafe practices or conditions so they can be promptly addressed. Employees understand that we will perform our duties in a safe manner.
- **Continuous Improvement:** CenterPoint Energy strives to continuously improve our safety performance and culture. We embrace training, innovation and technology that will enhance our performance. We continue to identify opportunities to improve and learn from incidents, near-misses, inspection programs and observations submitted by the public or employees.
- **Customer and Community Focus:** We will continue to develop and maintain effective safety programs that educate and inform customers and the public in the communities where we operate.



**A comprehensive risk management approach is used within CenterPoint Energy's Safety Management System (SMS) for identification of work-related hazards.**

**If an employee feels a situation is not safe, he or she has the authority to stop work at any time until the situation has been addressed.**

**In response to COVID-19, tailboards, tailgates and safety meetings are being held remotely using technology.**

### **10 years of working without a lost-time injury.**

Gas Operations employees in the Mineola office in the North Texas District recently celebrated more than 10 years of working without a lost-time injury. Since 2009, the team has exceeded the existing safety milestone and kept their goal of maintaining an injury-free record. The office also celebrated more than 2.6 million miles driven since a preventable accident.

### **Workplace Safety**

CenterPoint Energy emphasizes a commitment to safety across our operations. Safety is one of our core values and reflects our dedication to providing a workplace where safety is considered everyone's responsibility. We have a variety of safety programs to encourage employee participation.

In 2019, CenterPoint Energy ranked in the second quartile for Days Away, Restricted or Transferred (DART) rate and the first quartile for Preventable Vehicle Collisions (PVC) rate when compared to peers based on data from the American Gas Association (AGA) and Edison Electric Institute. We ended 2019 with an employee safety participation rate of 60.5% and an 18% increase in leadership safety participation.

### **Safety Actions Underway**

Safety manager collaboration with leadership at top incident locations on safety action plans to address improvement opportunities.

Ongoing leadership safety engagement webinars reiterate importance of employee interaction during the COVID-19 pandemic.

Established a structured employee safety onboarding and development plan through our learning and development platform, offering safety and technical training courses focused on driving, worker safety, safety culture and more.

### **2019 Employee Safety Statistics**

The number and rate of high-consequence work-related injuries: 93 DART cases with 1.03 DART rate.

The number and rate of recordable work-related injuries: 154 Occupational Safety and Health Administration (OSHA) recordable cases with 1.70 OSHA rate.

The main types of work-related injury: Sprains or strains.

The number of hours worked: 18,075,962.

### **Health and Safety Management System**

CenterPoint Energy's Occupational Health and SMS applies to employees who operate our natural gas and electric systems, support our corporate functions and are part of our subsidiary operations. CenterPoint Energy's SMS was implemented as a voluntarily program and modeled after guidelines for development of Pipeline Safety Management Systems and Occupational OSHA guidance. This SMS model is a best practice within the industry and highly rated by peer benchmarking groups, such as the AGA. CenterPoint Energy has voluntarily extended its SMS to include Electric Operations, where implementation is ongoing.

Our behavior-based safety program allows employees to conduct safety observations to identify and correct unsafe behaviors and conditions while remaining anonymous, if they choose. This program provides valuable feedback and actionable information, and our employees are the driving force behind it. A major element of the program are core teams comprised of employees with support from sponsoring managers and Employee Safety Leaders. The teams use data from safety observations and incidents to create action plans that improve safety performance within their respective departments, offices, districts and regions.

Departments are encouraged to start safety committees to discuss improvement opportunities and communicate safety information through meetings. Monthly safety meeting kits are developed by employees to cover topics specific to the time of year, relevant issues or current safety performance.

# Communities

## Training

CenterPoint Energy prevents and mitigates health and safety impacts for our employees through appropriate skills training and education based on roles. Employees across the organization receive safety training upon hire and refresher training, as required. Employees are enrolled in computer-based training and instructor-led courses based on their level of hazard exposure. A third-party vendor provides a trainer who assists with ergonomic assessments, hands-on training, educational resources and early mitigation of discomfort for personal or work-related medical issues.

## Annual Contractor Safety Summit

Contractors who perform field operations work on behalf of CenterPoint Energy participated in the 2019 Contractor Safety Summit, where leaders discussed how to implement risk-reducing measures to promote a culture of safety. Attendees attended breakout sessions segmented for Electric and Gas Operations that spotlighted lessons learned, safety training, environmental compliance and best practices in vegetation management. The 2020 Contractor Safety Summit was held virtually.

## Public Safety

To support our safety commitment, CenterPoint Energy has a public safety program and awareness campaign to provide our customers and other stakeholders with information about potential hazards and how to respond to them. This includes education about staying away from power lines, how trees and vegetation affect electric safety, and natural gas safety.

## 811 and Safe Digging

Because third-party damage is the number-one cause of pipeline incidents for CenterPoint Energy, we partner with the Common Ground Alliance to raise awareness of 811, the national "Call Before You Dig" number. Each year on August 11, CenterPoint Energy conducts an outreach campaign promoting 811 as the resource for marking utility lines before digging.

## Community Safety Grants

CenterPoint Energy's Community Safety Grant program provides an opportunity to partner with communities on a shared commitment to safety. The program offers matching grants up to \$2,500 for eligible safety and emergency response equipment. To date, CenterPoint Energy has funded 1,053 projects and awarded more than \$2 million in grants to local police, fire and other organizations.

Through the program, we help cities leverage local resources to purchase safety equipment, offer training or provide financial support for safety-related projects. This support maintains our connections with emergency officials and helps them keep our neighbors and communities safe.

### 2019 Grant Totals

- \$169,366 total funds awarded
- 86 grants awarded to entities in six states



## Minnesota Community Safety Fairs

Each year during National Fire Prevention Week, CenterPoint Energy participates in community safety fairs and fire department open house events throughout our Minnesota service territory. Employees staff booths and share important natural gas safety messages, activity booklets, and promotional materials highlighting our Safe and Smart safety for students. In 2019, we supported 20 events and reached nearly 11,000 customers.

## We Deliver... Customer Satisfaction

**CenterPoint Energy is committed to putting the customer in the center of everything we do.**

Customer Service delivers on CenterPoint Energy's brand promise of being *Always There* to support our customers.

Our Customer Service organization takes pride in the ability to consistently provide reliable, value-added service to customers. CenterPoint Energy is regularly recognized as being one of the nation's customer service leaders within our industry. Our innovative, customer-centric solutions leverage both state-of-the-art technology and more than 800 employees and contractors who embody our values. We strive to make CenterPoint Energy easy to do business with by providing the information our customers want, when and how they want it.

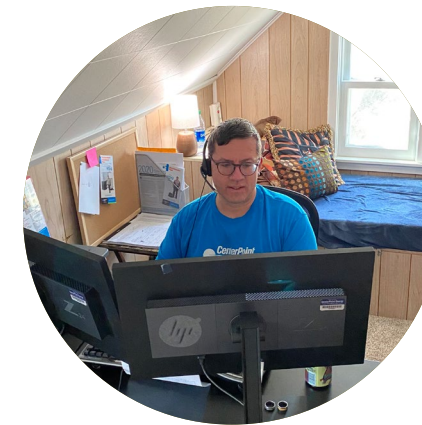
We continually endeavor to support our customers' needs and exceed their expectations. Whether delivering service through our Contact Centers, processing and making payment arrangements, in Credit and Collections, or settling or recouping damages through our Claims team, we put the customer at the center of everything we do.

**Power Alert Service alerts notify you, friends and family of an outage at your home or business, its restoration progress and when the electricity comes back on.**

**Outage Tracker shows real-time electric outages in our service area.**

**The My Account self-service web tool allows customers to manage their natural gas service account and view electric usage online.**

As consumer expectations increase and technology evolves, so do the wants and needs of our customers. Mobile devices, such as smartphones and tablets, are also increasing consumers' ability to control and make real-time decisions about services they need and value. It becomes imperative that CenterPoint Energy provides its customers the innovative, personalized experiences they want while we continue to broaden our understanding of their expectations. CustomerOne is an example of how we are investing in technology to support system reliability and resiliency, as well as enhance monitoring and control. We are also working with our customers to employ technologies to meet energy efficiency and renewable resource goals, demand management objectives, and service and voltage reliability specifications.



Eric Herr-Madsen, Customer Information Representative in Minneapolis.

**"Our goal is to provide an exceptional customer experience through focused technology investments centered around customers' preferences for interaction and information,"** said Scott Doyle, Executive Vice President, Natural Gas.



# Communities

## 2019 Customer Service Awards

For the third year in a row, CenterPoint Energy topped the South region in Customer Satisfaction – Large Segment, in the J.D. Power 2019 Gas Utility Residential Satisfaction Study. In the 2019 study, the South Large Segment average was 765. CenterPoint Energy’s overall customer satisfaction index score in the region was 773.

Cogent Energy Reports, which surveys customers across the deregulated Texas electricity market on their transmission-distribution service providers, ranked CenterPoint Energy best-in-class in brand trust, product experience and operational satisfaction.

CenterPoint Energy also achieved the residential customer satisfaction highest ranking among energy utilities, according to the American Customer Satisfaction Index (ACSI) Energy Utilities Report 2018-2019.

## Responding to COVID-19

### Commitments to safe, reliable energy delivery and customer service

In response to COVID-19, CenterPoint Energy implemented additional measures to protect the safety and health of customers, employees and contractors, as well as to prevent the spread of COVID-19, including:

- Continuing to implement comprehensive plans and processes to help provide safe, reliable energy delivery to electricity and natural gas customers.
- Supporting customers who may need payment assistance, arrangements or extensions during the pandemic.
- Temporarily suspending natural gas service disconnections for nonpayment.
- Implementing additional measures, including: equipping employees with hand sanitizer in their vehicles, as well as latex gloves and shoe covers; directing field employees to attempt to resolve service issues without entering homes or businesses; following social distancing guidelines and wearing protective equipment if entering customers’ homes and businesses to provide service; and increasing cleaning and disinfecting frequency of facilities and vehicles.

Our field employees continue to be *Always There* to provide safe and reliable natural gas and electricity to our customers. Taking extra precautions when necessary, our employees are essential in providing energy to residential, commercial and industrial customers.



Our operations teams are our front line for **keeping the power on and natural gas flowing** during a time when our customers need it most.

At the onset of COVID-19, we developed safety precautions for employees who are required to visit homes. These precautions include asking a few key questions related to COVID-19. Our employees are asked to look after each other, stop work when necessary, and not report to work when even mildly ill.

## Contact Center’s Commitment to Service During COVID-19

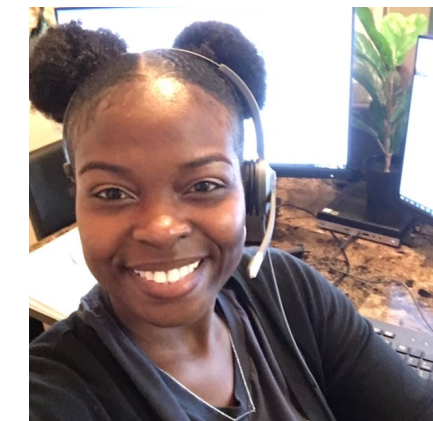
Just as our field employees continue to be out on the front lines providing safe and reliable electricity and natural gas to our customers, our Contact Center agents also have a critical role in supporting our customers’ energy needs. They support electric, natural gas and Home Service Plus customers across our eight-state territory. Our agents are a reassuring voice and have been equipped to work from home to reduce risk.



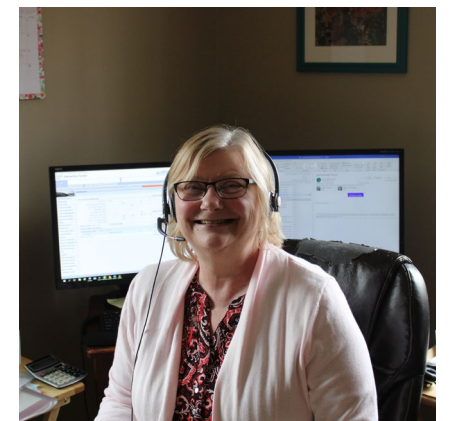
Andrea McClure, New Service Center Representative in Evansville.



Delvin Simmons, Customer Information Representative in Minneapolis.



Johnetta Hardy, Tele Sales and Service Representative in Houston.



Julie Jackson, Senior Customer Information Representative in Mankato.

## We Deliver... Supplier Diversity Initiatives

### **CenterPoint Energy views its suppliers as strategic partners in our company's success.**

CenterPoint Energy's Strategic Sourcing, Warehousing and Materials Management departments maintain our supply chain processes for goods and services. The Procurement, Materials and Logistics organization oversees our robust supplier diversity program.

Our Code of Conduct for Consultants, Contractors, Suppliers and Vendors explains our expectations for our service providers – to conduct themselves in a manner consistent with our core values. Our Supply Chain group partners with business units to develop strategic relationships that provide the best value to the company. Sourcing decisions are based on the total cost of ownership, which includes quantitative and qualitative considerations. Our collaborative, comprehensive approach supports our goal that supplier agreements look beyond price and are reflections of CenterPoint Energy's values.

In 2019, CenterPoint Energy contracted with more than 3,000 suppliers who provided goods and services companywide. The estimated monetary value of payments was in excess of \$2.4 billion for nearly 19 sourceable categories.

### **Supplier Diversity**

CenterPoint Energy recognizes the economic importance of Diverse Business Enterprises, such as minority-owned, women-owned, veteran-owned and all categories of small business concerns, to the community.

We are committed to developing strong working relationships with diverse suppliers and using innovative approaches designed to continually improve business opportunities by applying the following principles:

.....  
 Seek qualified diverse suppliers that can provide competitive and high-quality commodities and services for all applicable sourceable opportunities.  
 .....

.....  
 Establish clear expectations and criteria requiring our major suppliers support our supplier diversity's spend goals.  
 .....

.....  
 Seek opportunities to assist in the development and competitiveness of diverse suppliers through instruction, mentoring, capacity building and outreach activities.  
 .....

**In 2019, we spent in excess of \$270 million or 11% of our direct annual spending with diverse business enterprises throughout our eight-state footprint. An additional \$18.5 million was used to purchase fuel from diverse businesses.**

**We have developed our relationships with advocacy partners to participate in more than 20 outreach events and serve on regional boards and committees, including:**

.....  
**Houston Minority Supplier Development Council**  
 .....

**Edison Electric Institute Supplier Diversity Committee**  
 .....

**Southern Gas Association Supplier Diversity Task Force**  
 .....

**Mid-States Minority Supplier Development Council**  
 .....

**Indiana Energy Association Supplier Diversity Development Committee**  
 .....

### **2019 Supplier Diversity Awards**

- Our Mississippi Magazine/MS Honors – Champion of Diversity
- Women's Business Enterprise National Council Summit & Salute – America's Top Corporation of the Year
- Subcontractors USA/Texas Journal – Supplier Diversity Champion
- Subcontractors USA/Texas Journal – Outstanding Commitment to Diversity in Business
- Houston Minority Supplier Development Council – Rigel Award
- Houston Minority Supplier Development Council – Middle Market Engagement
- Mid-States Minority Supplier Development Council – Corporate Minority Business Enterprise Spend Award
- Women's Business Enterprise Alliance Houston – Outstanding Spend Award

### **2019 Supplier Diversity Highlights**

- Implemented CenterPoint Energy Supplier Diversity Champions, a volunteer role comprised of a diverse group of colleagues whose purpose is to strengthen and broaden the awareness and objectives of supplier diversity across the company.
- Representation on the Energy Utility Diversity Group in accordance with Minnesota Session Laws, 2019, First Special Session, which directed the Minnesota Public Utilities Commission to convene a stakeholder group to examine challenges and opportunities for Minnesota's energy utilities, including attracting a diverse workforce with the skills needed to advance the industry and increasing supplier diversity in energy utilities.
- Executive participation as a judge in the Women's Business Enterprise National Council (WBENC) Pitch Competition and participation in the Ernst & Young Chief Procurement Officer Summit at the WBENC 2019 Summit & Salute.

### **Responding to COVID-19**

Our Strategic Sourcing department has worked diligently to procure essential supplies and equipment necessary to protect employees and keep daily operations on track. The availability of some of the supplies we use at home and work were impacted by the pandemic. Team members in Strategic Sourcing and Supplier Diversity have taken inventive approaches to finding protective masks, including contacting local companies in the Evansville area that had sewing capabilities and enlisting many of them to create face coverings.

# Operations

***We know that reliable energy is essential.*** It is up to CenterPoint Energy to keep the lights on and to provide clean natural gas for our customers' homes and businesses. As a leading energy delivery company, CenterPoint Energy embraces our responsibility to safely and reliably meet the needs of our customers who count on us every day.

## **Electric Transmission & Distribution and Power Generation**

CenterPoint Energy maintains the wires, poles and electric infrastructure serving 2.5 million metered customers in the greater Houston area and 145,000 customers in Indiana. The company also owns and operates nearly 1,300 MW of power generation capacity in Indiana. Our employees are committed to the reliable delivery of electricity generated from power plants and renewable energy resources to homes and businesses.

## **Natural Gas Distribution**

We sell and deliver natural gas to 4.6 million homes and businesses in eight states: Arkansas, Indiana, Louisiana, Minnesota, Mississippi, Ohio, Oklahoma and Texas, including the high-growth areas of Houston and Minneapolis. We are investing in modernizing our natural gas infrastructure and are committed to eliminating cast-iron pipe in all of our territories.

## ***We Deliver... Safe, Reliable Electricity and Natural Gas***

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## Enhancing Our Emergency Response Fleet

Following Hurricane Harvey, CenterPoint Energy developed mobile command units with advanced technology and communication components to effectively support restoration efforts during natural disasters and other emergencies. The response fleets include a mobile command vehicle for electric operations, a trailer for gas operations, a community response van and three Fold Out Rigid Temporary Shelters (FORTS). All vehicles are equipped with communications and situational awareness technology to support mobilized teams in remote locations.



Pictured, clockwise, from left: Gas Operations Mobile Command Trailer, Electric Operations Mobile Command Vehicle, FORTS system and community outreach van.



### Responding to Hurricane Laura

Activating our EOP means it's time to step up and serve. In many ways, utilities take on the role of a first responder by protecting the public's safety and restoring service to communities in need.

After Hurricane Laura made landfall, and when it was safe to do so, we began assessing our natural gas distribution systems in southwest Louisiana. Our Electric and Natural Gas crews engaged in restoration activities with a focus on safety and performed work in Lake Charles without incidents.

CenterPoint Energy deployed nearly 400 linemen, contractors and support personnel from Houston and Evansville to assist with Entergy's power restoration efforts in Louisiana due to Hurricane Laura's extensive damage. We subsequently sent a second wave of resources to support this effort. Mutual assistance crews from Electric Operations in Houston and Indiana also helped Entergy restore power in Orange, Texas, replacing downed poles, wires and transformers, among other vital work.

Safety representatives worked with our Natural Gas and Electric Operations crews to support our commitment to working safely during the EOP. In response to COVID-19, we continued to take the necessary steps to protect the safety and well-being of customers, employees, contractors and communities.

We used advanced technology like the Picarro Surveyor, which is a thousand times more sensitive in detecting natural gas leaks, to survey the company's natural gas system in impacted areas. This technology helped crews quickly address emergencies and assess damage.

CenterPoint Energy mutual assistance crews gather at a staging site to provide help to Entergy during the Hurricane Laura restoration.

### Supporting Neighbors Through Mutual Assistance

CenterPoint Energy is part of electric utility mutual assistance programs that provide access to thousands of linemen and tree trimmers from around the country to lend a hand during widespread power outage emergencies. Coming to the aid of other utilities is nothing new to our employees. Over the years, crews have responded and restored power to hundreds of thousands of customers throughout the country who have been left in the dark following hurricanes, ice storms, tornadoes and severe thunderstorms.

In addition to our Hurricane Laura response, we supported recovery efforts for additional hurricanes:

**Hurricane Isaias:** On Aug. 6, 2020, more than 70 CenterPoint Energy linemen, contractors and support personnel departed for the East Coast to assist Philadelphia Electric Company with power outage restoration resulting from Hurricane Isaias. We also sent more than 60 contractors from our electric business in Indiana to assist other northeast utilities. Our crews from Houston embarked on a three-day trip covering 1,500 miles, working 12- to 16-hour days restoring power.

**Hurricane Sally:** Hurricane Sally made landfall on Sept. 16 on the Gulf Coast as a Category 2 storm, with sustained winds of 100 miles per hour. On Sept. 18, 2020, CenterPoint Energy sent 70 linemen and support staff to Pensacola, Fla., to help with power restoration efforts after Hurricane Sally. After getting settled, the crews started working 16-hour shifts.



# Operations

## Investing in System Safety and Reliability

**The reliability of our systems not only highlights the operational expertise of our teams, but also underscores the importance and the need for investments to keep our systems resilient.**

In 2019, we invested \$2 billion of capital for upgrades to our electric and natural gas systems. Our investments included ongoing execution of our Indiana and Ohio natural gas infrastructure plan, which involves the replacement of cast-iron distribution pipelines, as well as improvements to transmission and other distribution system assets throughout our service territory. The program is enhancing customer and community safety, while reducing methane emissions. We have completed considerable investments in infrastructure modernization and innovative technologies, therefore reducing the cost and carbon footprint of our energy use and operations. Our cast-iron replacement program in CenterPoint Energy's legacy territory was completed in 2018. We are proud to support the transition to a cleaner energy future.

CenterPoint Energy will strengthen our utility assets, infrastructure and systems through a capital plan totaling approximately \$13 billion over the next five years. We will also allocate capital to enhance safety, reliability, resiliency and customer service needs.

[Learn more in our Clean Energy Future section.](#)

**Nearly 1.4 million customers were enrolled in Power Alert Service.**

As of July 1, 2020

## Developing Hardened Electric Grids

### Electric Operations in Houston Service Area

In Houston, known as the energy capital of the world, CenterPoint Energy continues to extend the benefits of our transformative smart grid to improve safety, operational efficiency, reliability, environmental performance and the customer experience. Since 2009, CenterPoint Energy has deployed advanced meters to virtually all of our customers, automated 95 substations, installed nearly 1,000 intelligent grid switching devices, and enabled real-time grid monitoring and control.

.....  
**299 million + outage minutes saved**

.....  
**23.6% reliability improvement**

.....  
**17,214 tons of CO<sub>2</sub> emissions avoided**

.....  
\*As of July 1, 2020

### Advanced Metering System

CenterPoint Energy performs approximately 3 million electronic service orders in Houston annually with a 99.8% average success rate. Prior to Advanced Metering System automation, each of these service orders required a truck roll. This automation has saved the company more than 1.9 million gallons of fuel and avoided more than 17,000 tons of CO<sub>2</sub> emissions.

### Power Alert Service

Power Alert Service serves registered electric customers in the Houston area with texts, emails or phone calls. The free tool notifies customers about power interruptions at or near their address and keeps them informed about estimated restoration times throughout the outage event. CenterPoint Energy is preparing to launch Power Alert Service to customers in Southwest Indiana.

Part of our Evansville grid modernization plan includes technology that improves system reliability and resiliency, virtually eliminates estimated bills, enables quicker service and provides faster electric outage identification.

.....  
**The EPRI award honors individuals who have an innovative vision to enhance quality of life by making electric power safe, reliable, affordable and environmentally aware.**



Alireza Mehr, Control Systems Architect, with EPRI award.

### Electric Operations in Evansville Service Area

A grid modernization plan is underway in Evansville to provide considerable upgrades to support the safety and reliability of our system. According to a study conducted by Indiana University, the improvements will have significant benefits for the economy, including an economic impact of nearly \$650 million over the 7-year period, the generation of \$20 million in state and local government tax revenue effects through 2023, and the creation of approximately 1,000 jobs at the peak of the plan.

We have continued to expand the use of smart meter technology to more than 99% of our Indiana electric customers. As has been our practice in the Houston service area, smart meters in Indiana enable us to automate service orders and meter readings, while reducing field visits and related vehicle carbon emissions.

### Award Recognizes Projects that Promote Safety and Modernization

Four Houston employees were awarded the 2019 Electric Power Research Institute (EPRI) Power Delivery and Utilization Technology Transfer award for developing innovative projects that promote safety and modernization.

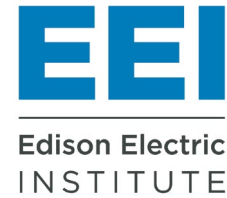
The award recognized the Testing and Validation of Advanced Approaches for Detecting Live Downed Conductors project that better and more quickly identifies potential threats in the distribution system, such as downed conductors, open jumpers and other hazardous conditions.

# Operations

## Participating in Industry and Environmental Advocacy

Our executives serve on boards of directors and committees of industry associations, including the American Gas Association, Edison Electric Institute, Electric Power Research Institute and the Southern Gas Association. In addition, we have representation within regional organizations, such as the Minnesota Safety Council and the Texas Natural Gas Vehicle Alliance.

Our leadership members and employees also serve on boards of directors of key nonprofit conservation organizations, including the Galveston Bay Foundation and Gulf Coast Bird Observatory. CenterPoint Energy employees also volunteer for other habitat conservation organizations, including the Galveston Bay Estuary Program, Trees for Houston, Gulf Coast Bird Observatory, Katy Prairie Conservancy and Houston Audubon Society, all of which are heavily engaged in habitat conservation projects.



## Enhancing Natural Gas Reliability During Peak Demand

In 2019, CenterPoint Energy completed the first propane-air peak shaving facility in Texas. The facility, known as the Bluebonnet Point Reserve, is located on the north side of Houston and is used to supplement gas supply to CenterPoint Energy's natural gas distribution system, enhancing reliability for customers during periods of peak demand.

The peak shaving facility works by storing liquid propane in 60,000-gallon underground steel tanks. When additional supply is needed to meet peak demand, liquid propane is vaporized, blended with compressed air and injected into our natural gas distribution system at a ratio that is compatible with natural gas appliances, providing a seamless experience for CenterPoint Energy customers.



Bluebonnet Point Reserve will provide propane and air mixed with natural gas during peak demand periods.

**The Bluebonnet Point Reserve facility reduces our dependency on third-party pipelines while increasing our natural gas supply diversity.**



Top: Intelis gas meters were installed in Evansville at Post House, a mixed-use building incorporating modern, integrated electric and natural gas energy resources. Bottom: Chickasha and Duncan, Okla., employees met with representatives from the City of Chickasha Public Works Department to highlight the "call before you dig" message.

## Pioneering Intelis Ultrasonic Natural Gas Meters

CenterPoint Energy recently installed the first Intelis ultrasonic natural gas meters in the United States. The innovative meters use ultrasonic measurement technology and enhance safety for customers, employees and the community. Intelis meters are more accurate than traditional meters. They are also smaller and contain a safety shutoff device that can close automatically in high-flow conditions.

## Promoting Safety Through 811 and Call Before You Dig

CenterPoint Energy partners with the Common Ground Alliance every Aug. 11, which serves as a reminder to call the national "Call Before You Dig" number, 811, at least two working days prior to any digging project. In addition, we work with the Common Ground Alliance to promote April as National Safe Digging Month and encourage customers to follow safe digging practices.



Not digging properly is the cause of many underground utility damages. One call to 811 before digging can prevent injuries, property damage, service disruption and possible costly fines for damaged infrastructure. When homeowners or contractors call 811, the One Call Center automatically notifies local utilities that mark the approximate locations of underground utility lines with flags and spray paint, enabling the resident to dig safely.

*Learn more about our safety commitments and practices in our Communities section.*

# Operations

## Committed to Our Environment

Guided by our environmental policy and led by the company's Vice President of Environmental and Corporate Responsibility, environmental stewardship is an integral part of CenterPoint Energy's overall corporate responsibility approach. We have a long history of conducting our businesses in a safe, reliable and environmentally responsible manner.

Our Environmental Affairs organization oversees administration of corporate environmental compliance programs. Departmental activities include regulatory interpretation, permitting, report submittal, protocol development and general corporate environmental compliance. Environmental Affairs is also involved in remediation of historically contaminated sites and emergency spill response. Environmental regulations are continually changing and require continuous review to determine applicability to our facilities. Environmental Affairs also partners with operational business units to provide environmental training and updates in a variety of ways, including targeted employee training initiatives across our footprint and project collaboration.

## Reducing Carbon Emissions

Through CenterPoint Energy's new carbon policy, our goal is to reduce operational emissions by 70% by 2035 and emissions attributable to natural gas usage in heating appliances and equipment within the residential and commercial sectors by 20-30% by 2040. These reduction goals are based on our 2005 emission levels.

As a leading energy partner, we will continue to invest in and utilize innovative technologies to reduce emissions and expand alternative fuel programs. We will also continue our infrastructure modernization projects, as well as research and development projects to reduce emissions, including carbon capture technology, the piloting of renewable natural gas, and improved methods for identifying and eliminating methane leaks.

[Learn more in our Clean Energy Future section.](#)

***While CenterPoint Energy proactively manages its environmental risk, the company also engages governmental and nongovernmental organization partners in voluntary environmental enhancement and education efforts.***



## Protecting Our Resources

### Water and Effluents

CenterPoint Energy recognizes water-related issues are a growing global concern, and we are committed to using water in a responsible manner and minimizing impact on local water supplies. We understand that water is a fundamental, shared resource. CenterPoint Energy employs industry best practices for conserving and managing our water supply. We continually evaluate and monitor our systems and processes so that the water we return to local waterways is safe and meets the discharge limits contained in our Clean Water Act permits.

### Waste and Recycling

CenterPoint Energy's waste is derived primarily from maintenance and replacement of electric transmission and natural gas infrastructure, as well as from our offices. We manage all operational controls, policies and procedures as part of our commitment to compliance. In addition, we maintain a robust environmental audit program on all solid waste disposal vendors.

All hazardous and regulated waste is tracked for proper management. To reduce the amount of hazardous waste generated, we continuously strive to find suitable nonhazardous alternatives to solvents and other products that are needed to conduct our operations.

Investment Recovery is our customer-oriented service group dedicated to obtaining maximum value for the disposition of surplus assets and scrap material. The group promotes a recycling program that identifies a responsible way to reuse company assets or recycle them in a responsible manner.

.....  
We seek commercial opportunities to recycle and reuse waste products wherever possible, and we have a robust recycling program in place across all of our business units.

.....  
Natural Gas Distribution Operations collects unused, expired natural gas pipeline for plastic recycling.

.....  
Our F. B. Culley power plant has recycled nearly 100% of the synthetic gypsum it has produced since 1996.

.....  
Additional waste streams diverted from the landfill, such as paper, aluminum, plastic, cardboards, lamps, electronic waste, scrap metal, oil and wood debris, are recycled, reused or donated.

# Operations

## Promoting Biodiversity

***Our conservation initiatives include habitat restoration projects, endangered species conservation efforts, and native wildlife rescue and release efforts.***

Access to land for electric transmission facilities and pipeline rights-of-way is critical for our operations. Our business minimizes its impact on areas of biological or cultural sensitivity during the construction or operation of these facilities and rights-of-way. These facilities are carefully constructed at the minimum width necessary to avoid wetlands and are carefully stabilized at stream crossings to prevent disruption of stream flow and erosion. The company:

- Assesses proposed locations for electric transmission facilities and pipeline routes and identifies sensitive areas, including protected species and habitats;
- Avoids environmentally or culturally sensitive areas when practical and when alternative locations or routes are feasible;
- Minimizes project footprints and ecological impacts to facilities;
- Mitigates impacts through restoration and careful vegetation management of pipeline rights-of-way, avoiding active bird nests during the breeding season;
- Monitors and works collaboratively with regulatory agencies in the management of affected listed species and ecosystems; and
- Partners with federal and state regulatory agencies and nonprofit conservation groups to support biodiversity conservation efforts beyond our operational footprint.

Our **Electric Operations**’ facilities and construction activities typically consist of narrow linear power lines and substations, as well as service centers with relatively small footprints. We work diligently to minimize project footprints and ecological impacts.

Our **Natural Gas Operations** business reviews projects during the design phase using an Environmental Review Worksheet to assess potential impacts to air, water and land. Based on the review, it may be necessary to survey habitats for the presence or absence of species that are threatened, protected or endangered. In these cases, we coordinate with state and federal agencies prior to initiating construction.

CenterPoint Energy operates in a service territory with a rich diversity of habitats that support an abundance of wildlife, including more than 300 species of birds. We have developed a robust avian protection program, taking great care to prevent harm to birds.



***Eggs from nests on our equipment are carefully relocated to the Wildlife Center of Texas, where they are incubated, raised and released back into the wild at locations that will support their survival. Our employees volunteer at the center, which relies on volunteerism to care for injured animals.***

## Avian Protection Program – Electric and Natural Gas Operations

CenterPoint Energy has incorporated avian protection measures into our powerline and right-of-way management programs for nest management, bird protections and collision mitigation measures. We conduct pre-nesting surveys prior to clearing during new line construction projects and annually train vegetation management crews to survey for bird nests prior to conducting tree trimming on existing rights-of-way.

Since 2010, Electric Operations has installed avian protection materials on more than 4,000 distribution and transmission structures throughout our Houston service territory. We work to develop practical products to protect the avian population and collaborate with industry groups to share our experiences. Our Natural Gas Operations business recognizes the need to protect migratory birds and eagles while operating our pipeline distribution system. The business has established Migratory Bird Conservation Guidance, a set of engineering and operations procedures to minimize potential impacts to migratory birds and eagles.

As part of our avian protection program, we have forged strong collaborative partnerships with federal and state wildlife agencies, local nonprofit conservation organizations and the public. The program has received extensive positive media coverage and recognition. Nest management activities are conducted under permit from the U.S. Fish and Wildlife Service (USFWS).

### How We Are Protecting and Restoring Habitats:

.....  
In 2019, we contributed \$600,000 to the Texas Parks & Wildlife Department’s Endangered Species Conservation Program to offset potential impacts from a transmission line construction project to Navasota Ladies Tresses, an endangered species of orchid.

.....  
Our volunteers planted a half-hectare of intertidal marsh at Virginia Point Preserve, a state-recognized Texas Coastal Preserve area in which the company operates multiple electric power lines.

.....  
We work with Monarch Gateway, a conservation non-governmental organization dedicated to monarch butterfly conservation, to create seven hectares of monarch and pollinator habitats within a company electric transmission corridor.

.....  
Two federally listed endangered species visit – or reside in – our electric service territories in Texas and Indiana. During facility construction and maintenance activities, we work closely with the USFWS to avoid potential impacts or mitigate impacts, if they are impossible to avoid.



# Operations

## Innovative Project Promotes Ecological Health

The Stone Lake Substation and Habitat Conservation Pilot Project has been approved for a wildlife and open space designation based on a wildlife management plan the company created using guidelines from the Texas Parks and Wildlife Department.

The project is supported by a multidisciplinary stakeholder team, including Vegetation Management, High Voltage Operations, Transmission Services, Land and Field Services, and Environmental Services. The group focused on the Stone Lake Substation, a 22-acre piece of land acquired for substation development.

Conservation methods include:

- Prescribed seasonal mowing to manage invasive species
- Active native grass and flower seeding to support pollinators
- Surface water management
- Habitat creation

This initiative will serve as a model for future projects. Through this innovative strategy, CenterPoint Energy will achieve tax savings, while also contributing to the ecological health of our service territory and demonstrating our corporate citizenship.



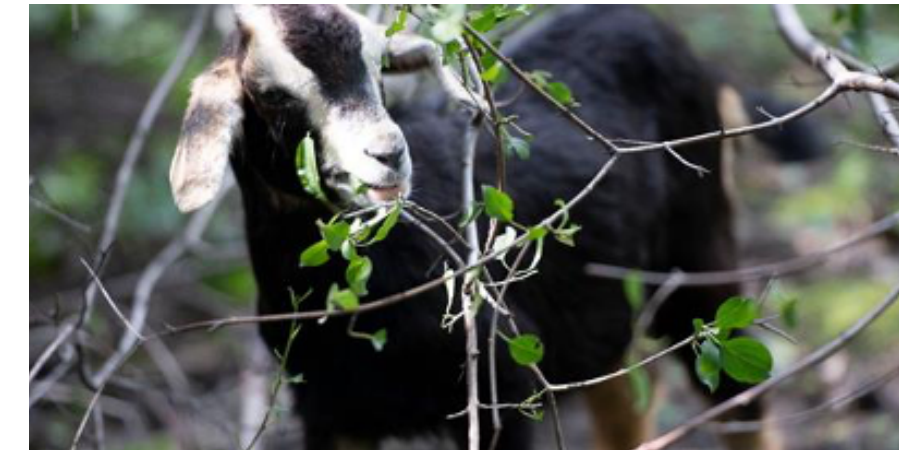
Substation Operations will develop half of the site in the next year. The remainder of the property will be reserved for long-term habitat management and used as a pollinator and wildlife habitat.



## Goats Aid CenterPoint Energy Restoration Project

Since 2001, CenterPoint Energy has been working on a long-term prairie restoration project at the Dakota Station Peak Shaving facility, located along the Minnesota River Valley in Burnsville, Minn. On much of this property, non-native invasive plants, such as buckthorn and other shrubs, trees and weeds, have taken over the natural plants, grasses and wildflowers indigenous to the area.

We have partnered with volunteers, nonprofit organizations, contractors and a company called Prairie Restorations to remove certain trees, shrubs and plants via cutting, burning, spraying, planting, seed collecting and propagation. Recently, CenterPoint Energy has been using a new resource in the fight against invasive plants and shrubs ... goats.



Goat Dispatch, a company located in Faribault, Minn., was hired in 2019 to develop a site-specific grazing plan, utilizing grazing goats to control terrestrial invasive species. As of December 2019, the goats have made significant progress – not only do they eat the buckthorn leaves, they also eat the bark. When the bark is chewed off the buckthorn shrubs, it weakens the plant and eventually kills it. The University of Minnesota discovered that goats are very effective at destroying buckthorn seeds when they eat the fruits and pose very little dispersal risk.

# Clean Energy Future

**CenterPoint Energy is a trusted energy partner for our communities and customers, and we are committed to doing our part to transition toward a cleaner energy future.** Our focus on energy delivery differentiates us from other utilities that have a larger concentration on power generation. Only approximately 4% of our rate base relates to generation.

To reduce emissions, CenterPoint Energy continues to invest in infrastructure modernization, as well as research and development projects. At the same time, the company remains committed to support the communities where we operate with our climate action goals, focusing on driving lower emissions across the natural gas value chain support our continued role in the transition of the nation's power generation fleet to meet lower carbon emission goals.

We look forward to bringing new, innovative technologies to the emissions-reduction effort, while maintaining affordability, reliability and quality of life.

## We Deliver... A Clean Energy Future

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# Clean Energy Future

## Emissions Reductions

### CenterPoint Energy's Carbon Policy Commits to Reductions in Emissions

In early 2020, CenterPoint Energy announced a carbon policy and goals to reduce its operational emissions by 70% by 2035 and emissions attributable to natural gas usage in heating, appliances and equipment within the residential and commercial sectors by 20-30% by 2040. The company's reduction goals are based on its 2005 emissions.

CenterPoint Energy will work with partners, customers, employees and other stakeholders across its service territory to achieve its reduction goals.

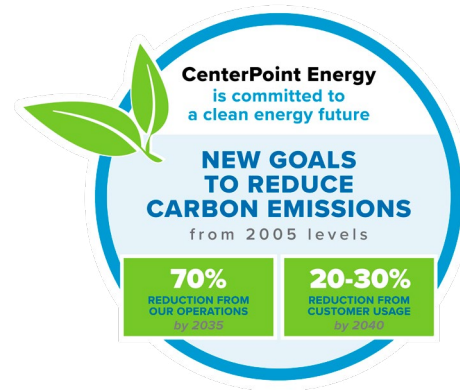
To achieve our reduction goals, CenterPoint Energy will focus on four areas:

- Partnering with customers to offer **affordable conservation and energy-efficiency programs**;
- Continuing to develop **alternative fuel programs**;
- Collaborating with our suppliers to **lower their methane emissions**; and
- Piloting and supporting **innovation**.

To reduce emissions, CenterPoint Energy has invested in research and development projects as well as infrastructure modernization, such as carbon capture technology, the piloting of renewable natural gas, and improved methods for identifying and eliminating methane leaks. **These technologies span the lifecycle of natural gas and other energy production, from extraction to consumer use and beyond.** CenterPoint Energy's commitment also includes providing more consumer choice for alternative transportation fuels and expanding electric vehicle infrastructure in Indiana and Texas.

CenterPoint Energy's carbon goals are a starting point and will be updated on a regular basis as we define the pathway to further reductions through technology and innovation.

**CenterPoint Energy is among the first energy delivery companies to make an emissions-reduction commitment across a multi-state footprint.**



**"By investing in new projects that lead to good-paying, green jobs, CenterPoint Energy is helping to support local communities, while showing how energy companies can be a partner in building America's clean energy future."**

*Angila Retherford, Vice President of Environmental and Corporate Responsibility*

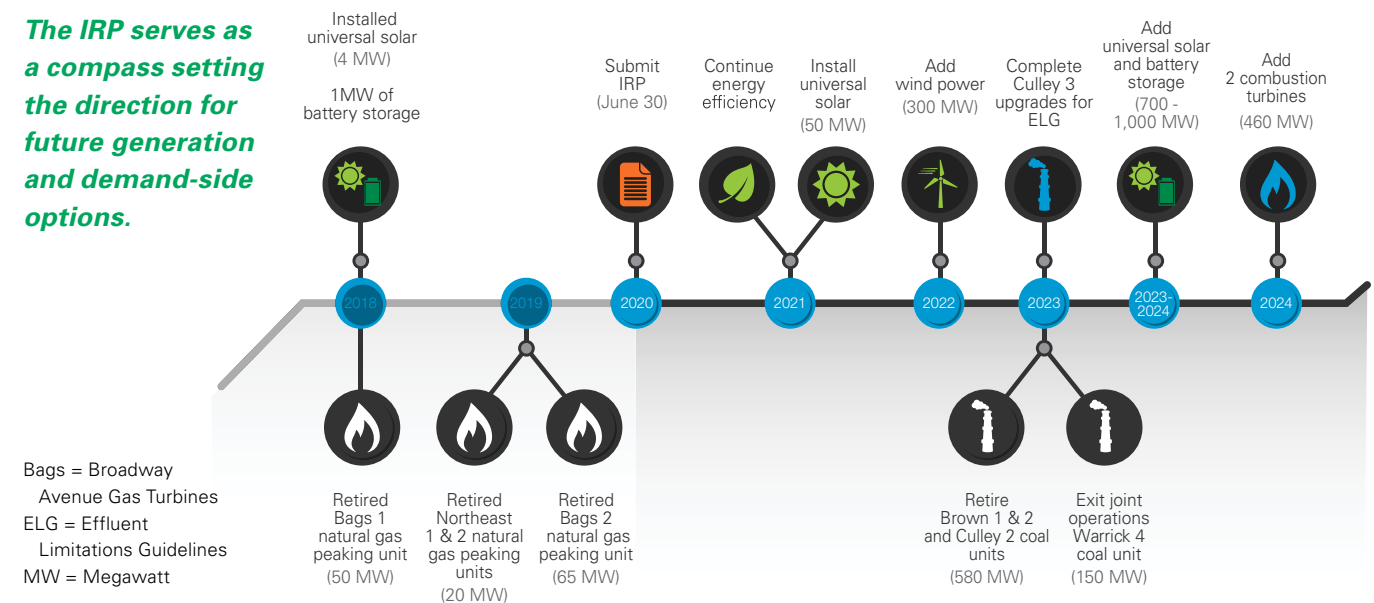
## Looking Toward Renewables

During our final Integrated Resource Plan (IRP) public stakeholder meeting, CenterPoint Energy presented a preferred portfolio to diversify its electric generation fleet in the coming years.

The IRP provides for reliability and mitigates risk, while **expecting to save electric customers an estimated \$320 million over the 20-year planning period.** Nearly two-thirds of the energy included in the new plan would be generated from renewable resources, reducing reliance on carbon fuels and **lowering carbon emissions by nearly 75% from 2005 levels.** The IRP would retire older coal generation units with significant renewables, including a large percentage of universal solar.

"The IRP considers a broad range of conditions and variables to determine a preferred fuel mix, which allows CenterPoint Energy to meet future electric energy demand safely and reliably," said Kenny Mercado, Senior Vice President, Electric Utility. "We are finalizing our generation plan, taking into consideration cost, COVID-19 impacts, efficiency and reliability, while recognizing the need for flexibility given ever-advancing technology in a rapidly evolving industry."

**The IRP serves as a compass setting the direction for future generation and demand-side options.**



Key IRP points:

Retiring or exiting agreements involving 730 MW of coal generation, thereby avoiding investments estimated at \$700 million to comply with strict environmental regulations.

Adding 700-1,000 MW of solar – some connected to battery energy storage – and 300 MW of wind renewable resources, which would allow electric customers access to solar and wind-powered energy at significantly lower costs and reduce carbon emissions by nearly 75%.

Adding 460 MW of natural gas combustion turbines, designed to back up the renewable resources that supply the majority of customers' energy needs.

We will be pursuing a much larger percentage of renewable energy as well as continuing to offer energy-efficiency programs to provide customers with options to use energy wisely.

We are incredibly sensitive to customer impacts, and, with stakeholder input, we feel this planning process has produced a cost-effective plan that moves us toward a future built on cleaner generation.

# Clean Energy Future

## Investing in Solar Solutions

In 2019, CenterPoint Energy received approval from the Indiana Utility Regulatory Commission (IURC) to build a 50 MW universal solar array in eastern Spencer County as part of the company's long-term electric generation transition plan. The solar farm will be located near Troy, Ind., on approximately 300 acres and will consist of about 150,000 solar panels. The approval marks a step in the company's carbon reduction plan goals.

## Greening Our Fleet

CenterPoint Energy announced a goal to replace 100% of its current electric operations light-duty fleet vehicles, such as cars, vans and sport utility vehicles, with electric vehicles in Houston and Evansville by 2030. The company has a plan to replace 50% of current electric operations light-duty fleet vehicles by 2025 and complete the replacement by 2030. In addition, 5% of electric operations heavy-duty vehicles are expected to be replaced by 2025 and 10% by 2030. As the market evolves, emission reduction goals for all classes of vehicles will be re-evaluated.

CenterPoint Energy's fleet electrification plan aligns with the City of Houston's Climate Action Plan goal to electrify 100% of non-emergency light-duty fleet vehicles by 2030.

## Mitigating SF6 Emissions

Sulfur hexafluoride (SF6), a greenhouse gas (GHG), is an insulating gas used in high-voltage electric transmission and distribution switchgear equipment. Since 1999, CenterPoint Energy's electric operations business has been actively involved in SF6 emission reduction efforts through our participation in the U.S. Environmental Protection Agency (EPA) SF6 Emissions Reduction Partnership for Electric Power Systems. We have lowered our rate through a strong leak-detection strategy, a tracking procedure for natural gas inventory, employee training and SF6-containing equipment.

**Fleet electrification goals are part of our ongoing commitment to providing access to affordable, reliable, sustainable energy, while leveraging innovative technology to continue reducing emissions and transition the communities we serve to a clean energy future.**



## Climate Modeling for 2° and 1.5° Scenarios

With its plan for a clean energy future, CenterPoint Energy is taking action to reduce its own carbon emissions consistent with the international community's goal of preventing global temperatures from rising more than 2° Celsius by the year 2100. We use forward-looking scenario analyses to support our IRP efforts for new power generation to the IURC. These scenarios also assess the feasibility of reducing emissions 70% by 2035, while providing CenterPoint Energy with achievable pathways for meeting carbon reduction targets that are aligned with a multitude of pathways that the scientific community has identified as capable of limiting global warming to less than 2° Celsius above pre-industrial levels.

The actions being taken today as part of our electric generation transition plan are expected to meet both the short-and long-term targets set by the Intergovernmental Panel on Climate Change (IPCC) to limit global temperature increases to 2° Celsius by 2100, as well as the alternative short-term target aimed at limiting global warming to 1.5° Celsius. CenterPoint Energy will continue to assess steps to achieve the IPCC's target of limiting global warming to 1.5° Celsius.

### Scope 1 GHG emission results from the direct operations of CenterPoint Energy assets.

Source	2017 (metric tons CO2e)	2018 (metric tons CO2e)	2019 (metric tons CO2e)
Electric Generation	4,757,971	5,467,178	5,255,628
Natural Gas LDC Operations	632,225	605,074	540,975
Electric Transmission and Distribution Equipment (SF6)	12,389	1,053	3,625
Fleet**	51,263	76,872	68,171

\* 2017-2019 CenterPoint Energy natural gas LDC emissions totals include assets in Indiana and Ohio acquired by CenterPoint Energy in 2019

\*\* 2017-2019 Fleet emissions are specific to CenterPoint Energy Houston



The EPA Natural Gas STAR Program provides a framework for partner companies with U.S. oil and natural gas operations to implement methane-reducing technologies and practices, as well as to document their voluntary emission reduction activities. CenterPoint Energy joined the program in 1997 and submits its reports annually.

# Clean Energy Future

## Investing in New Technologies

### ZEVAC Air-Powered Tool Moves Gas and Reduces Emissions

CenterPoint Energy is employing innovative, environmentally responsible technology called ZEVAC® (Zero Emission Vacuum and Compressor) to transfer natural gas between two pipelines, saving the company natural gas along the way. ZEVAC uses compressed air to suction the process vessel or pipeline segment and move gas into an adjacent pipeline without emitting methane into the atmosphere. This tool helps eliminate emissions, waste, noise and hazards, all of which benefit our employees and the community.

After piloting the technology in Minnesota on a limited scale, CenterPoint Energy purchased two ZEVAC units for broader use across its pipeline distribution system in the state. By regularly using the technology to reduce the need to vent or flare gas, CenterPoint Energy expects to achieve significant emission reductions in Minnesota.

#### ZEVAC Pilot Projects

- Burnsville: During replacement of a 2.1-mile stretch of 24-inch steel pipe, ZEVAC units helped CenterPoint Energy avoid the vented release of gas representing about 61 metric tons of CO<sub>2</sub> equivalent.
- Minneapolis: About 5 miles of 20-inch steel pipe was isolated for replacement. By depressurizing the isolated pipe and transferring the natural gas into another pipe, ZEVAC units avoided the vented release of gas representing about 22.4 metric tons of CO<sub>2</sub> equivalent.
- Coon Rapids: During inspection of more than 3 miles of 24-inch-diameter pipe, ZEVAC units avoided the vented release of gas representing almost 67 metric tons of CO<sub>2</sub> equivalent.



### Proactively Reducing Emissions through Advanced Leak Detection

CenterPoint Energy has the world's largest fleet of state-of-the-art Picarro Surveyor™ leak survey technology, which is far more sensitive and faster at locating methane leaks than traditional methods. Vehicles equipped with the Picarro technology efficiently survey CenterPoint Energy's pipeline system at street level, enabling the company to quickly identify and respond to leaks. It can also discern among pipeline natural gas, naturally occurring biogas and vehicle exhaust, reducing the chance of false positives.



### Tapping Minnesota-made Renewable Natural Gas

To promote the production of made-in-Minnesota renewable natural gas (RNG) and supply the increasing demand for this clean energy resource, CenterPoint Energy is seeking to open its Minnesota pipeline system to natural gas created from organic materials, such as agricultural manure, landfill waste, wastewater and commercial food waste. We have submitted an "interconnection" proposal to the Minnesota Public Utilities Commission that would allow the utility to accept Minnesota-produced RNG into our distribution system. RNG suppliers will pay for the interconnection service, with no cost to our customers.

CenterPoint Energy is committed to pursuing clean energy innovations like RNG, which has significant potential to reduce GHG emissions while using our existing natural gas distribution system. By adding RNG to our system, we can diversify our gas supply while also benefiting local economies, especially in rural areas.

CenterPoint Energy also recently proposed the Natural Gas Innovation Act to the Minnesota Legislature. The act would allow a natural gas utility to submit an alternative resource plan to the Public Utilities Commission to offer its customers alternative fuels, such as RNG, as well as new energy-efficiency and carbon-capture technologies to reduce or avoid GHG emissions from natural gas use.

# Clean Energy Future

## Investing in Sustainable Infrastructure

### Eliminating Cast-iron Pipe

Prior to the merger with Vectren, CenterPoint Energy reached a significant milestone in 2018 by substantially completing the elimination of cast-iron pipes in our distribution system. The company expects to have all cast iron in its Indiana and Ohio service territories removed by 2023. Our proactive program to replace cast iron is expected to improve the safety, integrity and reliability of our system. CenterPoint Energy is also working to replace all unprotected steel mains by year-end 2032. We replaced cast-iron pipes with polyethylene and steel pipes that were coated with epoxy to resist leaking, corrosion and breaking.

CenterPoint Energy's natural gas operations business joined the EPA Natural Gas Methane Challenge Program as a founding partner in 2016. Partner companies have voluntarily committed to replacing or rehabilitating cast-iron and unprotected steel natural gas distribution mains, as well as reducing methane emissions from natural gas pipeline blowdowns. Reducing methane emissions lowers operational risk, increases efficiency and improves air quality.

### Making and Using Renewable Hydrogen

CenterPoint Energy announced plans to construct a 1 MW hydrogen facility in Minneapolis in 2021. This facility will inject renewable hydrogen into the company's natural gas distribution system, reducing the need for some fossil gas. The company proposes two additional slightly larger hydrogen pilots in 2022 and 2023.

### Energy Systems Group

Energy Systems Group, a wholly owned subsidiary of CenterPoint Energy, is a leading energy services provider that specializes in energy efficiency, sustainability and infrastructure modernization solutions in the government, education, healthcare, commercial and industrial sectors.

## Spotlight on Energy Systems Group



**Promoting resilience, renewable energy and sustainability at Eglin Air Force Base in Valparaiso, Fla.** Eglin Air Force Base (AFB) is one of the largest installations in the military and the focal point for all Air Force armaments. Energy Systems Group implemented more than \$80 million of energy and infrastructure modernization improvements to support the base's critical missions.

Our improvements included a wide range of efficiency, resiliency and renewable energy measures for 160 buildings with a footprint of more than 5 million square feet. Energy Systems Group installed a 3.5 MW combined heat and power system to provide power and chilled water during normal operations. In case of power loss, it can operate as a microgrid to provide emergency power. A 3.35 MW solar photovoltaic array was also installed.

**Eglin AFB will reduce GHG emissions by more than 600,000 metric tons of carbon dioxide.**

Our projects at Eglin AFB have garnered top industry awards, including the Department of Energy Federal Energy Management Program Award, which recognizes outstanding contributions in energy and water cost savings, optimized energy and water use, and advanced and distributed energy technologies.

## Working with Partners, Customers, Employees and Other Stakeholders on Reduction Goals

CenterPoint Energy continues to offer customers energy-efficiency programs and is investing in renewable forms of energy on both the natural gas and electric sides of the business. We will also partner with natural gas suppliers to take meaningful steps to lower methane emissions across the natural gas value chain.

### Improving Air Quality

In early 2020, EVolve Houston, a Texas nonprofit organization dedicated to improving air quality and reducing GHG emissions through electrified transportation, announced its goals, which calls for Houston to become carbon neutral by 2050. Leaders of the founding organization, including CenterPoint Energy, attended and spoke on their commitment to reducing the carbon footprint and promoting cleaner air.

EVolve Houston is committed to increasing reliance on electrified regional transportation and concentrates on increasing awareness, affordability and availability of such vehicles. Focusing on these actions would help the city achieve the goals in its Climate Action Plan.

### Collaborating Locally

CenterPoint Energy is a proud sponsor of the Houston Climate Action Plan. This initiative is a science-based, community-driven strategy for the city of Houston to reduce GHG emissions and lead a global energy transition. CenterPoint Energy also helped fund the Houston Advanced Research Center and C40 Cities, a climate leadership group that provided technical support for the development of the plan.

CenterPoint Energy is also collaborating with the City of Evansville on the creation and implementation of its Climate Action Plan. By 2050, Evansville plans to be a regional leader in addressing climate change and a zero-waste community powered by renewable energy.

**CenterPoint Energy is committed to leading by example and promoting clean air in our communities. Since 2011, we have continued to offset our carbon footprint and promote cleaner air by replacing fossil-fueled vehicles and equipment with alternative power choices.**



# Clean Energy Future

## Offering Innovative Energy-efficiency Programs

**Partnering with customers to offer affordable conservation and energy-efficiency programs is a key element of achieving our carbon reduction goals.**

CenterPoint Energy provides our customers with greater choice and control over their energy consumption. We are encouraging innovative products and services that give customers greater insights into how they use energy. We also promote the installation of energy-efficiency measures. CenterPoint Energy's electric business has more than 20 energy-efficiency programs that benefit customers across all rate classes, including commercial, residential and low-income sites. The programs target builders, developers, cities, commercial and industrial facilities, homeowners, renters and schools.

### High-Efficiency Homes

CenterPoint Energy's High Efficiency Homes promotes the construction and certification of high-efficiency homes that achieve the ENERGY STAR label, as well as other high-performance homes. This voluntary program provides financial incentives and other assistance to homebuilders who commit to construct energy-efficient homes in our electric service territory.

In 2019:

- 11,669 ENERGY STAR homes incentivized
- 13.99 MWs of electricity load reduced
- 28,956 MW hours of electricity consumption reduced



The CenterPoint Energy High Efficiency Homes® program partners with local builders who build and certify high-performance and ENERGY STAR® homes.

### Helping Communities Rebuild

CenterPoint Energy launched a new program to help Minneapolis area businesses and property owners recovering and rebuilding from property damage that occurred during the civil unrest in 2020. The Rebuild program will offer CenterPoint Energy customers triple the standard rebate amount for the purchase and installation of qualifying natural gas equipment, such as high-efficiency heating systems, water heaters and food service equipment. More than 50 total rebates are available. For customers who need extra help identifying energy efficiency opportunities, CenterPoint Energy is also offering no-cost energy analysis and advisory services.

"The Rebuild program reflects CenterPoint Energy's dedication to supporting our communities while helping our customers save money and maximize efficiency, both now and in the future," said Brad Tutunjian, Vice President of Minnesota Regional Operations.

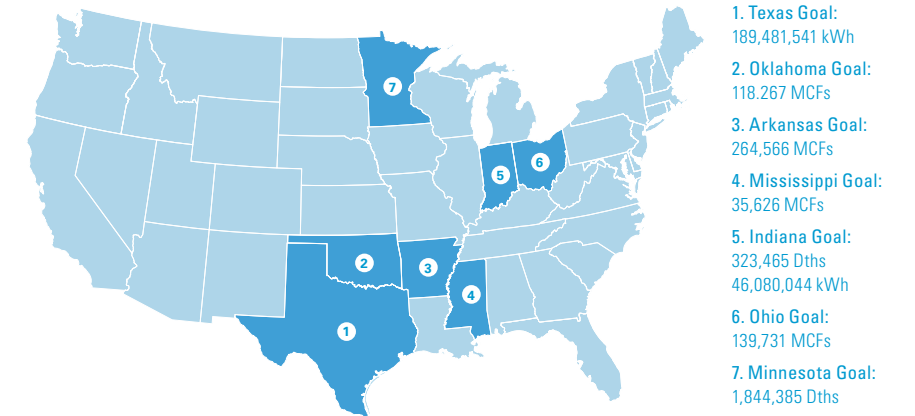
**2020 Energy Efficiency Goals:**  
\$23 million anticipated in 2020

**2019 Energy Savings:**  
2,933,848 thousand cubic feet/deca-therm (MCF/dth) and 260,265,415 Kilowatt hours (kWh)  
**2019 Incentives:**  
Approximately \$23 million

**The Minnesota Conservation Improvement Program had a record year in 2019, saving more than 2 billion cubic feet of natural gas.**

## Conservation Improvement Program

### 2020 CIP Savings Goals by State



Rebates from our Conservation Improvement Program (CIP) encourage residential and business natural gas customers in Arkansas, Minnesota, Mississippi and Oklahoma to choose energy-efficient equipment, as well as our energy-saving programs. In 2019, our customers saved more than 2.4 billion cubic feet of natural gas. This is equivalent to the average natural gas used in more than 26,500\* residential homes, removing more than 21,000\* cars from the roadways and reducing 128,000\* metric tons of CO<sub>2</sub>.

### Piloting Energy-Efficiency Technologies

Clean O<sub>2</sub> Technology saves up to 20% in energy costs by increasing hot water efficiency and carbon capture and conversion units reduce up to 20% of CO<sub>2</sub> emissions. CenterPoint Energy is piloting this technology for potential future CIP rebates. Pilot participants, including schools, hotels, assisted living and nursing homes, warehouses, multifamily housing and a water treatment facility, receive equipment and installation at no cost. Participants can choose to keep the equipment after the one-year pilot.

Clean O<sub>2</sub> Technology Customer Benefits:

- \$600 to \$1,000 per year in energy savings
- \$2,000 to \$2,500 per year in profit sharing
- Free preventative maintenance

\*Value calculated using:  
<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

# Clean Energy Future

## Partnering with Customers and Organizations on Energy Efficiency

### Addressing School Energy Costs

Through the Schools Conserving Resources (SCORE) energy-efficiency program, CenterPoint Energy worked closely with Galveston Independent School District to incentivize a districtwide LED lighting retrofit at 19 campuses, resulting in reduced electricity consumption by 2,842,695 kW hours – the equivalent of emissions from 434 passenger vehicles driven for one year.\* Private and public schools and higher education facilities are eligible to participate in the program.

### Modernizing Facilities

Evansville Regional Airport (EVV) has had traffic growth at a 35% increase in the last four years. To reflect the region's economic growth and advance sustainability efforts, the airport's terminal underwent significant remodeling for the first time since its construction in 1988.

Through the CenterPoint Energy Business Custom program and Energy Design Assistance program, EVV was able to make efficiency upgrades at a more affordable cost. LED lighting with motion sensors was installed throughout the interior, reducing the amount of lighting power required. New exterior LED lighting and an advanced control system was installed, allowing the lighting to dim when no traffic is detected. New high-efficiency condensing boilers and kitchen equipment were also installed.

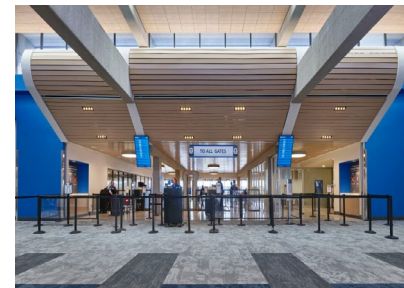
Evansville-Vanderburgh Airport Authority captured **\$56,582** in incentives with an estimated **annual cost savings of \$59,959**.

### Helping Small Businesses Run Efficiently

CenterPoint Energy's Commercial and Industrial Solutions Program awarded Anthony Timberland's Malvern Plant, a family-owned mill in southern Arkansas that produces and ships pine lumber around the country, a **\$62,300 rebate** for steam trap upgrades for their natural gas boiler. Estimated **annual cost savings are \$95,070**.

During a natural gas audit of the mill, the CenterPoint Energy team discovered that several traps had leaks or were not working properly. The team identified and implemented energy-efficient upgrades to help decrease the amount of steam needed for the natural gas boiler, improve condensate return and reduce the amount of feedwater.

\*Value calculated using:  
<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>



Evansville Regional Airport Renovation



Anthony Timberland Malvern Plant

## Awards and Highlights

### ENERGY STAR honored CenterPoint Energy with the Partner of the Year Sustained Excellence award

for the 14th consecutive year in recognition of its commitment to helping customers save energy and reduce costs. CenterPoint Energy has won the award more times than any other utility in the country. This partnership promotes energy efficiency by educating customers on how to save energy and reduce costs.



CenterPoint Energy and T.J. Noland, Regional Sales Manager, were honored with the 2019 Horizon Award at Natural Gas Vehicles for America's 2019 Industry Summit and Annual Meeting. The award recognizes contributions to advance natural gas as a transportation fuel.

Natural gas vehicles provide long-term fuel price stability and cost savings, while enhancing the air we breathe and reducing carbon emissions.



The American Council for an Energy-Efficient Economy (ACEEE) identified Home Energy Squad — a CenterPoint Energy and Xcel Energy joint program — as one of the country's 53 most exemplary energy-efficiency offerings. ACEEE selected the Exemplary Program Awardees based on their effectiveness and innovation in helping customers achieve greater levels of energy efficiency.



## CenterPoint Energy 2019 Sustainability Accounting Standards Board (SASB) Table

*The Sustainability Accounting Standards Board (SASB) has established industry-specific disclosure standards across environmental, social and governance (ESG) topics that facilitate communication between companies and investors in order to simplify company-to-company comparisons.*

CenterPoint Energy's responses to the applicable industry-specific disclosures for the SASB Infrastructure Sectors of Electric Utilities and Power Generators, and Gas Utilities and Distributors are outlined in the tables below.

The following tables contain those topics we have identified as key issues. As we continue to assess our ESG data, we may choose to include additional SASB metrics in future reports. Unless otherwise stated, data relates only to the sector of our business indicated in the following chart headings.



### Electric Utilities & Power Generators

TOPIC	SASB CODE	ACCOUNTING METRIC	CNP 2019 RESPONSE <small>(as of December 31, 2019)</small>
<b>Greenhouse Gas Emissions &amp; Energy Resource Planning</b>	IF-EU-110a.1	(1) Global Scope 1 emissions	5,259,263 metric tons CO <sub>2</sub> e
	IF-EU-110a.1	(2) Percentage covered under emissions-limiting regulations	0%
	IF-EU-110a.1	(3) Percentage covered under emissions-reporting regulations	100%
	IF-EU-110a.2	Greenhouse gas emissions associated with power deliveries	5,255,638 metric tons CO <sub>2</sub> e
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets	<a href="#">CenterPoint Energy Carbon Policy</a>
	IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards, (2) percentage fulfillment of RPS target	(1) 0 (2) N/A

### Electric Utilities & Power Generators

TOPIC	SASB CODE	ACCOUNTING METRIC	CNP 2019 RESPONSE <small>(as of December 31, 2019)</small>
<b>Air Quality</b>	IF-EU-120a.1	(1) NO <sub>x</sub>	4,530 metric tons
	IF-EU-120a.1	(2) SO <sub>2</sub>	4,643 metric tons
	IF-EU-120a.1	(3) Particulate matter	273.2 metric tons
	IF-EU-120a.1	(4) Lead	0.350 metric tons
	IF-EU-120a.1	(5) Mercury	0.135 metric tons
<b>Water Management</b>	IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	(1) 236,301 thousand cubic meters withdrawn, 0% (2) 8,7467 thousand cubic meters consumed, 0%
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards and regulations	0
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	<a href="#">Water Section of Corporate Responsibility Report</a>
<b>Coal Ash Management</b>	IF-EU-150a.1	Amount of coal combustion residuals generated, percentage recycled	344,129 metric tons, 90.72% recycled
<b>Energy Affordability</b>	IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial and (3) industrial customers	<a href="#">CenterPoint Energy Indiana Electric Rates &amp; Tariffs</a> <a href="#">CenterPoint Energy Houston Electric Rates &amp; Tariffs</a>
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	<a href="#">CenterPoint Energy 10-K</a>
<b>Workforce Health and Safety</b>	IF-EU-320a.1	Total recordable incident rate (TRIR)	1.7 - Relates to the company as a whole.
<b>End Use Efficiency &amp; Demand</b>	IF-EU-420a.1	Percentage of electric utility revenues from rate structures that are decoupled or contain a lost revenue adjustment mechanism	0.43% of total electric revenue
	IF-EU-420a.2	Percentage of electric load served by smart grid technology	99%
	IF-EU-420a.3	Customer electricity savings from efficiency measures	260,265 MWh

## Electric Utilities & Power Generators

TOPIC	SASB CODE	ACCOUNTING METRIC	CNP 2019 RESPONSE <small>(as of December 31, 2019)</small>
<b>Nuclear Safety &amp; Emergency Management</b>	IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	N/A
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	N/A
<b>Grid Resiliency</b>	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI) (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	CenterPoint Energy Houston Electric - SAIDI 227.61, SAIFI 1.7, CAIDI 128.79 CenterPoint Energy Indiana - SAIDI 174, SAIFI 1.37, CAIDI 127
<b>Activity Metrics</b>	IF-EU-000.A	Number of: (1) residential, (2) commercial and industrial customers served	Residential - 2,372,135 Commercial and Industrial - 310,093
	IF-EU-000.C	Length of transmission and distribution lines	4,864 transmission miles, 62,280 distribution miles
	IF-EU-000.D	Total electricity generated and percentage in regulated markets	4,981,193 MWh electricity generated 100% of total electricity is generated in regulated markets

## Gas Utilities & Distributors

TOPIC	SASB CODE	ACCOUNTING METRIC	CNP 2019 RESPONSE <small>(as of December 31, 2019)</small>
<b>Energy Affordability</b>	IF-GU-240a.1	Average retail gas rate for (1) residential, (2) commercial, (3) industrial customers and (4) transportation services only	<a href="#">CenterPoint Energy Rates &amp; Tariffs</a> <a href="#">CenterPoint Energy Rates &amp; Tariffs - Indiana &amp; Ohio</a>
	IF-GU-240a.4	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	<a href="#">CenterPoint Energy 10-K</a>
<b>End-Use Efficiency</b>	IF-GU-420a.1	Percentage of gas utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	19% of total natural gas distribution revenue
	IF-GU-420a.2	Customer gas savings from efficiency measures by market	2,933,848 MCF
<b>Integrity of Gas Delivery Infrastructure</b>	IF-GU-540a.1	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO) and (3) Notices of Probable Violation (NOPV)	(1) 10 reportable pipeline incidents (2) 0 CAOs per 2019 PHMSA Reporting (3) 0 NPOVs per 2019 PHMSA Reporting
	IF-GU-540a.2	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	(1) 0.137% cast iron (2) 1.14% unprotected steel
	IF-GU-540a.3	Percentage of gas transmission pipelines inspected	42% of gas transmission pipelines were inspected in 2019
	IF-GU-540a.4	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	<a href="#">Safety Section of GRI Report</a> <a href="#">Emissions Section of Corporate Responsibility Report</a>
<b>Activity Metrics</b>	IF-GU-000.A	Number of: (1) residential, (2 & 3) commercial and industrial customers served	4,252,361 residential customers 339,749 commercial and industrial customers
	IF-GU-000.B	Amount of natural gas delivered to: (1) residential customers, (2 & 3) commercial customers and industrial customers	188 Bcf throughput to residential customers 292 Bcf throughput to commercial and industrial customers
	IF-GU-000.C	Length of gas transmission and distribution pipelines	76,000 transmission pipeline miles 97,728 distribution pipeline miles

## Electric Company ESG/Sustainability Quantitative Information

**Parent Company:** CenterPoint Energy, Inc.

**Operating Company(s):** CenterPoint Energy, Inc.

**Business Type(s):** Vertically Integrated Electric Utility and Natural Gas

Local Distribution Company

**State(s) of Operation:** Indiana, Texas

Please see our Business section of the 2019 Form 10-K for a map of operations

**Regulatory Environment:** Both

**Report Date:** 9/15/2020



Edison Electric  
INSTITUTE

Ref. No	TITLE	2017	2018	2019	NOTES
<b>Portfolio</b>					
<b>1</b>	<b>Owned Nameplate Generation Capacity at end of year (MW)</b>	1,248	1,252	1,167	Based on CenterPoint Energy Installed Capacity. Pre-2019 generation values in this report reflect Vectren power generation assets prior to their acquisition by CenterPoint Energy.
1.1	Coal	1,000	1,000	1,000	
1.2	Natural Gas	245	245	160	
1.3	Nuclear				
1.4	Petroleum				
1.5	Total Renewable Energy Resources				
1.5.1	Biomass/Biogas	3	3	3	
1.5.2	Geothermal				
1.5.3	Hydroelectric				
1.5.4	Solar				
1.5.5	Wind		4	4	
1.6	Other				
<b>2</b>	<b>Net Generation for the data year (MWh)</b>	4,577,763	5,292,247	4,627,288	Based on CenterPoint Energy Installed Capacity. Pre-2019 generation values in this report reflect Vectren power generation assets prior to their acquisition by CenterPoint Energy.
2.1	Coal	4,538,667	5,238,660	4,587,228	
2.2	Natural Gas	27,426	42,624	21,863	
2.3	Nuclear				

Ref. No	TITLE	2017	2018	2019	NOTES
2.4	Petroleum				
2.5	Total Renewable Energy Resources				
2.5.1	Biomass/Biogas	11,670	10,863	10,724	
2.5.2	Geothermal				
2.5.3	Hydroelectric				
2.5.4	Solar				
2.5.5	Wind			7,473	
2.6	Other				
<b>3</b>	<b>Investing in the Future: Capital Expenditures, Energy Efficiency (EE) and Smart Meters</b>				Please see our 2019 Annual Report Report year 2017, 2018 is CenterPoint Energy prior to acquiring the assets of Vectren, 2019 reflects CenterPoint Energy combined company assets, excluding AFUDC Equity
3.1	Total Annual Capital Expenditures (nominal dollars)	924,000,000	952,000,000	1,651,000,000	
3.2	Incremental Annual Electricity Savings from EE Measures (MWh)	183,439	162,439.61	260,265.415	
3.3	Incremental Annual Investment in Electric EE Programs (nominal dollars)	31,984,467	31,133,805	46,452,020	
3.4	Percent of Total Electric Customers with Smart Meters (at end of year)	99%	99%	99%	
<b>4</b>	<b>Retail Electric Customer Count (at end of year)</b>	2,444,299	2,485,370	2,682,228	
4.1	Commercial	278,179	285,093	310,093	
4.2	Industrial	2,047	2,052		2019 Commercial/Industrial accounts are combined
4.3	Residential	2,164,073	2,198,225	2,372,135	
<b>Emissions</b>					
<b>5</b>	<b>GHG Emissions: Carbon Dioxide (CO<sub>2</sub>) and Carbon Dioxide Equivalent (CO<sub>2</sub>e)</b>	4,757,971	5,467,178	5,255,638	CenterPoint Energy has announced a goal to reduce operational emissions by 70% by 2035. Our reduction goals are based on 2005 emissions. Baseline 2005 emissions for power generation were 7,459,619 metric tons CO <sub>2</sub> e.  CenterPoint Energy is reporting on CO <sub>2</sub> e as reported to the U. S. Environmental Protection Agency, Greenhouse Gas Reporting Program. Pre-2019 generation values in this report reflect Vectren power generation assets prior to their acquisition by CenterPoint Energy.
Note: The alternatives available below are intended to provide flexibility in reporting GHG emissions, and should be used to the extent appropriate for each company.					
5.1	Owned Generation (1) (2) (3)				
5.1.1	Carbon Dioxide (CO <sub>2</sub> )				

Ref. No	TITLE	2017	2018	2019	NOTES
5.1.1.1	Total Owned Generation CO <sub>2</sub> Emissions (MT)				
5.1.1.2	Total Owned Generation CO <sub>2</sub> Emissions Intensity (MT/Net MWh)				
5.1.2	Carbon Dioxide Equivalent (CO <sub>2</sub> e)				
5.1.2.1	Total Owned Generation CO <sub>2</sub> e Emissions (MT)	4,757,971	5,467,178	5,255,638	
5.1.2.2	Total Owned Generation CO <sub>2</sub> e Emissions Intensity (MT/Net MWh)	1.039	1.030	1.140	
5.4	Non-Generation CO <sub>2</sub> e Emissions				
5.4.1	Fugitive CO <sub>2</sub> e emissions of sulfur hexafluoride (MT) (5)	12,389	1,053	3,625	
5.4.2	Fugitive CO <sub>2</sub> e emissions from natural gas distribution (MT) (6)	632,225	605,074	540,975	
<b>6</b>	<b>Nitrogen Oxide (NOx), Sulfur Dioxide (SO<sub>2</sub>), Mercury (Hg)</b>				
6.1	Generation basis for calculation (7)	Fossil	Fossil	Fossil	
6.2	Nitrogen Oxide (NOx)				Pre-2019 generation values in this report reflect Vectren power generation assets prior to their acquisition by CenterPoint Energy.
6.2.1	Total NOx Emissions (MT)	3,546	4,698	4,530	
6.2.2	Total NOx Emissions Intensity (MT/Net MWh)	0.000775	0.000888	0.000979	
6.3	Sulfur Dioxide (SO <sub>2</sub> )				Pre-2019 generation values in this report reflect Vectren power generation assets prior to their acquisition by CenterPoint Energy.
6.3.1	Total SO <sub>2</sub> Emissions (MT)	5,043	5,480	4,643	
6.3.2	Total SO <sub>2</sub> Emissions Intensity (MT/Net MWh)	0.001101	0.000953	0.001003	
6.4	Mercury (Hg)				Pre-2019 generation values in this report reflect Vectren power generation assets prior to their acquisition by CenterPoint Energy.
6.4.1	Total Hg Emissions (kg)	0.000010	0.000003	0.000003	
6.4.2	Total Hg Emissions Intensity (kg/Net MWh)				

Ref. No	TITLE	2017	2018	2019	NOTES
<b>Resources</b>					
<b>7</b>	<b>Human Resources</b>				2017, 2018 represent CenterPoint Energy prior to the acquiring Vectren. 2019 combined company Employee numbers CenterPoint Energy and Vectren.
7.1	Total Number of Employees	7,977	7,977	9,429	
7.2	Total Number on Board of Directors/ Trustees	10	10	10	
7.3	Total Women on Board of Directors/Trustees	2	2	2	
7.4	Total Minorities on Board of Directors/Trustees	2	2	2	
7.5	Employee Safety Metrics				
7.5.1	Recordable Incident Rate	1.01	1.20	1.70	
7.5.2	Lost-time Case Rate	0.45	0.50	0.62	
7.5.3	Days Away, Restricted, and Transfer (DART) Rate	0.45	0.75	1.03	
7.5.4	Work-related Fatalities	0.00	0.00	0.00	
<b>8</b>	<b>Fresh Water Resources</b>				
8.1	Water Withdrawals - Consumptive (Billions of Liters/Net MWh)	0.00000176	0.00000171	0.00000189	
8.2	Water Withdrawals - Non-Consumptive (Billions of Liters/Net MWh)	0.00000631	0.00000605	0.00000492	
<b>9</b>	<b>Waste Products</b>				2017, 2018 Hazardous waste amounts (Hazardous and regulated waste) represent CenterPoint Energy prior to acquiring the assets of Vectren. 2019 Hazardous waste amounts represent the combined company.
9.1	Amount of Hazardous Waste Manifested for Disposal	4,245	4,628	138	
9.2	Percent of Coal Combustion Products Beneficially Used	92%	81%	91%	

## Gas Company ESG/Sustainability Quantitative Information



**Parent Company:** CenterPoint Energy, Inc.  
**Operating Company(s):** CenterPoint Energy, Inc.  
**Business Type(s):** Gas Distribution  
**State(s) of Operation:** Texas, Minnesota, Arkansas, Louisiana, Mississippi, Oklahoma, Indiana and Ohio  
**Regulatory Environment:** Regulated  
**Report Date:** 9/15/2020

Ref. No	TITLE	2017	2018	2019	NOTES
<b>Natural Gas Distribution</b>					
<b>1</b>	<b>Methane emissions and mitigation from distribution mains</b>				2017 and 2018 mains in service represent CenterPoint Energy prior to acquiring the natural gas assets of Vectren in Indiana and Ohio. 2019 is CenterPoint Energy's combined company mains in service including the added Indiana and Ohio territory.
1.1	Number of Gas Distribution Customers	3,469,791	3,506,310	4,600,000	
1.2	Distribution Mains in Service	245	245	160	
1.2.1	Plastic (miles)	42,518	43,625	57,107	
1.2.2	Cathodically Protected Steel - Bare & Coated (miles)	31,860	31,544	39,369	
1.2.3	Unprotected Steel - Bare & Coated (miles)	371	316	1,118	
1.2.4	Cast Iron / Wrought Iron - without upgrades (miles)	71	6	134	

Ref. No	TITLE	2017	2018	2019	NOTES
1.3	Plan/Commitment to Replace/Upgrade Remaining Miles of Distribution Mains (# years to complete)				As part of our efforts to reduce methane emissions, CenterPoint Energy's natural gas operations business joined the EPA Natural Gas Methane Challenge Program as a founding partner in 2016. Partner companies have committed to replacing or rehabilitating cast-iron and unprotected steel natural gas distribution mains.  We reached a significant milestone in 2018 by substantially completing the elimination of cast-iron pipes in CenterPoint Energy's distribution system prior to our 2019 merger with Vectren Corporation. We replaced cast-iron pipes with polyethylene and steel pipes that were coated with epoxy to resist corrosion and breaking.  We are committed to eliminate cast-iron pipe in all our territories. Cast-iron pipe only remains in our Indiana and Ohio territories with all of cast-iron removal expected to complete in 2023.
1.3.1	Unprotected Steel (Bare & Coated) (# years to complete)	59.8	62.8	118.0	
1.3.2	Cast Iron / Wrought Iron (# years to complete)	49.0	70.4	21.0	
<b>2</b>	<b>Distribution CO<sub>2</sub>e Fugitive Emissions</b>				
2.1	CO <sub>2</sub> e Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	632,223	605,074	540,975	Fugitive Emissions numbers for 2017-2019 include the CenterPoint Energy natural gas emissions from local distribution companies plus the historical emissions for the assets acquired from Vectren in 2019.
2.2	CH <sub>4</sub> Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	25,258	24,174	21,684	
2.2.1	CH <sub>4</sub> Fugitive Methane Emissions from Gas Distribution Operations (MMSCF/year)	1,316	1,259	1,129	
2.3	Annual Natural Gas Throughput from Gas Distribution Operations in thousands of standard cubic feet (Mscf/year)	604,484,225	715,762,088	726,681,357	
2.3.1	Annual Methane Gas Throughput from Gas Distribution Operations in millions of standard cubic feet (MMscf/year)	574,260	679,974	690,347	
2.4	Fugitive Methane Emissions Rate (MMscf of Methane Emissions per MMscf of Methane Throughput)	0.00229081	0.001851626	0.001635952	



To See CenterPoint Energy's complete AGA ESG Quantitative Template response, visit our [Corporate Responsibility site](#).

## Cautionary Statement

This report contains statements concerning our expectations, beliefs, plans, objectives, goals, strategies, future operations, events, financial position, earnings, growth, costs, prospects, capital investments or performance or underlying assumptions and other statements that are not historical facts. These statements are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995.

You should not place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied by these statements. You can generally identify our forward-looking statements by the words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “objective,” “plan,” “potential,” “predict,” “projection,” “should,” “target,” “will,” or other similar words. The absence of these words, however, does not mean that the statements are not forward-looking.

We have based our forward-looking statements on our management’s beliefs and assumptions based on information currently available to our management at the time the statements are made. Factors that could affect actual results include, but are not limited to, future financial performance and results of operations, the timing and impact of future regulatory and legislative decisions, weather variations, changes in business plans, financial market conditions and other factors discussed in CenterPoint Energy, Inc.’s Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2019, and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020. We caution you not to place undue reliance on any forward-looking statements and that assumptions, beliefs, expectations, intentions and projections about future events may and often do vary materially from actual results. Accordingly, we cannot assure you that actual results will not differ materially from those expressed or implied by our forward-looking statements.

Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) the performance of Enable Midstream Partners, LP (Enable), the amount of cash distributions CenterPoint Energy receives from Enable, Enable’s ability to redeem the Enable Series A Preferred Units in certain circumstances and the value of CenterPoint Energy’s interest in Enable, and factors that may have a material impact on such performance, cash distributions and value, including factors such as: (A) competitive conditions in the midstream industry, and actions taken by Enable’s customers and competitors, including drilling, production and capital spending decisions of third parties and the extent and timing of the entry of additional competition in the markets served by Enable; (B) the timing and extent of changes in the supply of natural gas and associated commodity prices, particularly prices of natural gas and natural gas liquids (NGLs), the competitive effects of the available pipeline capacity in the regions served by Enable, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable’s interstate pipelines and its commodity risk management activities; (C) economic effects of the recent actions of Saudi Arabia, Russia and other oil-producing countries, which have resulted in a substantial decrease in oil and natural gas prices and the combined impact of these events and COVID-19 on commodity prices; (D) the demand for crude oil, natural gas, NGLs and transportation and storage services; (E) environmental and other governmental regulations, including the availability of drilling permits and the regulation of hydraulic fracturing; (F) recording of goodwill, long-lived asset or other than temporary impairment charges by or related to Enable; (G) the timing of payments from Enable’s customers under existing contracts, including minimum volume commitment payments; (H) changes in tax status; and (I) access to debt and equity capital; (2) The expected benefits of the Merger and integration, including the outcome of shareholder litigation filed against Vectren that could reduce anticipated benefits of the Merger; as well as the ability to successfully integrate the Vectren businesses and to realize anticipated benefits and commercial opportunities; and the development of new opportunities and the performance of projects undertaken by Energy Systems Group, including, among other factors, the level of success in bidding contracts and cancellation and/or reductions in the scope of projects by customers, and obligations related to warranties, guarantees and other contractual and legal obligations; (3) the recording of impairment charges; (4) industrial, commercial and residential growth in CenterPoint Energy’s service territories and changes in market demand, including the demand for CenterPoint Energy’s non-utility products and services and effects of energy efficiency measures and demographic patterns; (5) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment; (6) future economic conditions in regional and national markets and their effect on sales, prices and costs; (7) weather variations and other natural phenomena, including the impact of severe weather events on operations and capital; (8) the COVID-19 pandemic and its effect on CenterPoint Energy’s and Enable’s operations, business and financial condition, the industries and communities they serve, U.S. and world financial markets and supply chains, potential regulatory actions and changes in customer and stakeholder behaviors relating thereto; (9) volatility and a substantial recent decline in the markets for oil and natural gas as a result of the actions of crude-oil exporting nations and the Organization of Petroleum Exporting Countries and reduced worldwide consumption due to the COVID-19

pandemic; (10) state and federal legislative and regulatory actions or developments affecting various aspects of CenterPoint Energy’s and Enable’s businesses, including, among others, energy deregulation or re-regulation, pipeline integrity and safety and changes in regulation and legislation pertaining to trade, health care, finance and actions regarding the rates charged by our regulated businesses; (11) tax legislation, including the effects of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the comprehensive tax reform legislation informally referred to as the Tax Cuts and Jobs Act (which includes but is not limited to any potential changes to tax rates, tax credits and/or interest deductibility) and uncertainties involving state commissions’ and local municipalities’ regulatory requirements and determinations regarding the treatment of excess deferred income taxes and CenterPoint Energy’s rates; (12) CenterPoint Energy’s ability to mitigate weather impacts through normalization or rate mechanisms, and the effectiveness of such mechanisms; (13) actions by credit rating agencies, including any potential downgrades to credit ratings; (14) problems with regulatory approval, legislative actions, construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or cancellation or in cost overruns that cannot be recouped in rates; (15) the availability and prices of raw materials and services and changes in labor for current and future construction projects and operations and maintenance costs, including CenterPoint Energy’s ability to control such costs; (16) local, state and federal legislative and regulatory actions or developments relating to the environment, including, among others, those related to global climate change, air emissions, carbon, waste water discharges and the handling and disposal of coal combustion residuals (CCR) that could impact the continued operation, and/or cost recovery of generation plant costs and related assets; (17) the impact of unplanned facility outages or other closures; (18) any direct or indirect effects on CenterPoint Energy’s or Enable’s facilities, operations and financial condition resulting from terrorism, cyber-attacks, data security breaches or other attempts to disrupt CenterPoint Energy’s businesses or the businesses of third parties, or other catastrophic events such as fires, ice, earthquakes, explosions, leaks, floods, droughts, hurricanes, tornadoes, pandemic health events or other occurrences; (19) CenterPoint Energy’s ability to invest planned capital and the timely recovery of CenterPoint Energy’s investments, including those related to Indiana Electric’s Integrated Resource Plan; (20) CenterPoint Energy’s ability to successfully construct and operate electric generating facilities, including complying with applicable environmental standards and the implementation of a well-balanced energy and resource mix, as appropriate; (21) the sufficiency of CenterPoint Energy’s insurance coverage, including availability, cost, coverage and terms and ability to recover claims; (22) the investment performance of CenterPoint Energy’s pension and postretirement benefit plans; (23) changes in interest rates and their impact on CenterPoint Energy’s costs of borrowing and the valuation of its pension benefit obligation; (24) commercial bank and financial market conditions, CenterPoint Energy’s access to capital, the cost of such capital, and the results of CenterPoint Energy’s financing and refinancing efforts, including availability of funds in the debt capital markets; (25) changes in rates of inflation; (26) inability of various counterparties to meet their obligations to CenterPoint Energy; (27) non-payment for CenterPoint Energy’s services due to financial distress of its customers; (28) the extent and effectiveness of CenterPoint Energy’s and Enable’s risk management and hedging activities, including but not limited to, financial and weather hedges; (29) timely and appropriate regulatory actions, which include actions allowing securitization, for any future hurricanes or natural disasters or other recovery of costs; (30) the ability of retail electric providers (REPs), including REP affiliates of NRG Energy, Inc. and Vistra Energy Corp., to satisfy their obligations to CenterPoint Energy and its subsidiaries; (31) CenterPoint Energy’s or Enable’s potential business strategies and strategic initiatives, including restructurings, joint ventures and acquisitions or dispositions of assets or businesses, which CenterPoint Energy and Enable cannot assure will be completed or will have the anticipated benefits to CenterPoint Energy or Enable; (32) acquisition and merger activities involving CenterPoint Energy or its competitors, including the ability to successfully complete merger, acquisition and divestiture plans; (33) CenterPoint Energy’s or Enable’s ability to recruit, effectively transition and retain management and key employees and maintain good labor relations; (34) the outcome of litigation; (35) changes in technology, particularly with respect to efficient battery storage or the emergence or growth of new, developing or alternative sources of generation; (36) the impact of alternate energy sources on the demand for natural gas; (37) the timing and outcome of any audits, disputes and other proceedings related to taxes; (38) the effective tax rates; (39) the transition to a replacement for the LIBOR benchmark interest rate; (40) the effect of changes in and application of accounting standards and pronouncements; and (41) other factors discussed in CenterPoint Energy’s Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2019, CenterPoint Energy’s Quarterly Report on Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020 and other reports CenterPoint Energy or its subsidiaries may file from time to time with the Securities and Exchange Commission.

This report contains time-sensitive information that is accurate as of Sept. 30, 2020. Some of the information in this report is unaudited and may be subject to change. We undertake no obligation to update the information presented herein, except as required by law.







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