THINK ABOUT OUR VALUES BEFORE MAKING A BUSINESS DECISION

CENTERPOINT ENERGY, INC.

Ethics and Compliance Code

Ethics and Compliance Department
CenterPoint Energy, Inc.

Concerns Helpline
1-888-888-3155

or

https://www.Reportlineweb.com/CenterPointEnergy

This code is not an employment contract between you and CNP, nor does it replace our employment policies and work rules. Employment with CNP is “at will,” which means that you or CNP may terminate your employment, with or without cause and with or without notice. Employees who violate this code are subject to disciplinary action, up to and including termination of employment.
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Welcome

Dear Fellow Employee,

We are proud of our 150-year history as CenterPoint Energy and its predecessor companies. Our longevity and achievements are the result of building a strong, values-driven company. Our core values — Safety, Integrity, Accountability, Initiative and Respect — provide the foundation for our business practices and standards. By living our values every day and maintaining the highest ethical standards, we help ensure our company’s future.

Our Ethics and Compliance Code builds on our strong traditions of doing business the right way. It explains many of the basic rules that apply to our business. Read it. Understand it. Ask questions if you are not sure. The code cannot cover every situation that you may face, however. If you have questions or concerns, seek advice and get the support you need.

As you read our code, keep in mind these important messages:

- We are **always** committed to safety.
- We do not compromise our integrity to meet financial goals and plans.
- We are all accountable for our actions.
- We take the initiative to speak up.
- We respect everyone with whom we work.

You are an important part of our company’s success. By thinking and acting in ways that support our values, we can maintain an ethical culture that we can all be proud of. I appreciate the work you do every day. Your continued commitment to our values, as reflected in our Ethics and Compliance Code, forms the foundation for who we are and how we conduct business. Values-based conduct is simply good business.
Our Values

Safety
We are always committed to safety. We strive to create a culture of safety excellence at all levels of our company. We will perform our duties safely or we won’t do them.

Integrity
We do what is right for our customers, our communities, our shareholders, our partners and each other. Without fail, we follow our values, our rules and policies, and the law.

Accountability
We are straightforward in our actions and truthful in our relationships. When we say we will do something, we follow through and keep our commitments. We accept personal responsibility for our decisions. We are all accountable for making sure our own conduct reflects and supports our values-based culture.

Initiative
We are not afraid to take bold and innovative action. We make hard decisions and tackle tough choices. We speak up. We use our resources and assets wisely.

Respect
We show respect to everyone. How we treat our fellow employees and customers is just as important as the results that we achieve. We are considerate and show appreciation for diverse thinking. Every individual with whom we work deserves our best efforts. We are responsible to our stakeholders and work to earn their trust every day.
Our Values-Driven Culture

Our Ethics and Compliance Code

Our code is a common-sense guide to help make good business decisions. It applies to everyone at CenterPoint Energy (CNP). How we conduct ourselves in our day-to-day business activities defines our business culture.

Each business decision we make and the actions we take reflect our values. Commit to doing your part by thinking about our values before you make a business decision.

Here are some questions to consider before making a business decision:

1. Is it in line with our core values of safety, integrity, accountability, initiative and respect?
2. Is it legal?
3. Am I involving the right people?
4. What would my family, friends, manager or coworkers think?
5. Is the action consistent with our ethical business culture?

If you answered “NO” to these questions or if you were the least bit hesitant, speak up and get answers.

We Speak Up to Get Answers

Most of us face difficult situations where the right course of action is hard to determine. Reading this code and understanding our expectations will help you handle most situations. Sometimes, a law or policy clearly dictates the outcome. More often, a situation will require interpretation to decide a fair and reasonable course of action. If you are unsure, talk with your supervisor. If that is uncomfortable or impractical for any reason, you can seek help from:

- Any member of management
- Human Resources
- Audit Services
- Legal department
- Corporate Security
- Ethics and Compliance department

Concerns Helpline at 1-888-888-3155
or
https://www.Reportlineweb.com/CenterPointEnergy
Our Values-Driven Culture (continued)

Talk With Your Supervisor or Manager

Every supervisor and manager is expected to keep an open door and to provide timely advice on ethical concerns. We encourage you to involve your supervisor or manager. However, we understand that this may not always be comfortable, practical or appropriate.

Talk with Human Resources

Many business conduct issues involve human resources policies and practices. Contact your Human Resources representative if your concern involves employee relations, management practices, compensation, benefits, transfers or promotions. Human Resources and the Ethics and Compliance department work closely to resolve reports of unethical conduct.

Contact the Ethics and Compliance Department

The Ethics and Compliance department is a company-wide resource that can assist you. If you have a question, want to express a concern or report a possible violation of law or our policies, contact the chief ethics and compliance officer at Compliance.Officer@centerpointenergy.com. Often, the Ethics and Compliance department can provide immediate advice. If your issue requires additional review, you will receive updates as to the status of your concern.

We Do Not Tolerate Retaliation

It is CenterPoint Energy’s obligation to protect you from retaliation. Asking questions, making good-faith reports and providing information is encouraged and expected. You will not be punished, treated adversely or lose your job because you asked questions, reported concerns or participated in an investigation. Good faith does not mean you are always right, but it does mean that you sincerely believe you are telling the truth about a situation.

If you believe you have been retaliated against, contact Human Resources or the Ethics and Compliance department. Any form of retaliation by a co-worker or a manager is subject to disciplinary action up to and including termination of employment.
We Are Accountable for Our Actions

We Are the Keepers of Our Ethical Culture

As the keepers of our ethical culture, we create and maintain a work environment where people can count on each other. Employees at all levels can be counted on to keep their commitments. Feedback, respect and trust are always encouraged and help build a culture of accountability.

Employee Accountability

- We read, understand and use our ethics code
- We know the policies and rules that apply to our jobs
- We use available resources wisely
- We complete all required training
- We cooperate with internal investigations

Manager and Supervisor Accountability

Supervisors, managers and senior leaders have additional responsibilities regarding our code. They provide timely advice and guidance. They lead according to our values, this code and our policies — in their words and actions. Managers promote open and honest two-way communication with their employees. Managers and supervisors who have concerns about possible unethical or illegal conduct should inform a more senior manager, Human Resources or the Ethics and Compliance department about the situation.

The more our managers and supervisors talk openly about ethics and compliance, the clearer we will be about what is expected of us. As managers and supervisors,

- We set the tone at the top by acting ethically
- We integrate our values into regular communications
- We ensure that employees receive the required training
- We encourage employees to ask questions and get advice before they act
- We protect our company’s reputation
- We take prompt action to correct problems
We Are Accountable for Our Actions (continued)

We Take All Concerns Seriously

Our reputation, our relationships and our future depend on our commitment to integrity and compliance. Do not assume the way things have always been done is appropriate. If you observe or suspect a violation of the law or our policies, including our code, the best thing you can do is reach out and check with the resources available to you. Never hesitate to get help or to ask questions. Taking advantage of the available resources gives us the opportunity to address any issues or problems.

Our Concerns Helpline is Available
24 Hours a Day
Seven Days a Week
1-888-888-3155
or
https://www.Reportlineweb.com/CenterPointEnergy

Reporting a Concern

Our Concerns Helpline is available to you:

• To make an anonymous report about a suspected violation of our code, the law or a policy.
• To ask a question about ethics, business conduct or compliance.
• To report a suspected violation of this code, the law or a policy.
• To raise a concern when your previous request did not receive a response.
• To report an issue because you are uncomfortable using other channels.
• To alert the company about an issue in which management may be involved or may not be impartial.
• To seek advice before taking action.
We Are Accountable for Our Actions (continued)

What to Expect When You Call the Concerns Helpline

An independent third party listens and asks questions about your concern. You will receive a unique PIN (personal identification number) and date so you can follow up on your call. A report of your call is forwarded to the Ethics and Compliance department for review and action.

All calls to the Concerns Helpline are treated confidentially. Our goal is to answer your questions and handle issues fairly and consistently. We thoroughly investigate every report of improper conduct, and we take appropriate action to resolve each reported issue.

We encourage you to identify yourself. However, we respect your choice if you choose to remain anonymous. The Concerns Helpline does not use Caller ID, recorders or devices that can trace the number from which you are calling.

If you choose to remain anonymous, it is important that you clearly describe the situation and provide enough details, including dates and witnesses’ names, so that your concern is adequately addressed.
We Are Accountable for Our Actions (continued)

Conducting Investigations

The Ethics and Compliance department will coordinate all investigations until your concern is resolved. Investigations are impartial, fair and thorough, and CNP investigates reports about business conduct as promptly and confidentially as possible. We will contact those involved in the situation and listen to their accounts of what happened. All employees have a responsibility to cooperate. During an investigation, never destroy or alter documents, lie or obstruct the collection of information.

Once you have reported a concern:

- It will be taken seriously.
- It will be handled discreetly and professionally.
- If appropriate, you will be told how it was resolved.

We cooperate fully with government investigations. We are also courteous to officials. Notify your supervisor or the general counsel immediately if you learn about a government investigation or request for information. Do not respond without getting legal advice first.

If we find that our standards have been violated, we will take action. This may include disciplinary action, implementing changes or notifying the appropriate government agency. We will also make appropriate changes so that the problem will not recur.

Q: What is the difference if I report my concern in an anonymous letter or through the Web, (https://Reportlineweb.com/CenterPointEnergy) will it be handled differently?

A: The difference between calling the Concerns Helpline and reporting a concern through the Web or an anonymous letter is that the Helpline allows you to communicate with a person who can ask questions and help clarify your thoughts. The Web report is encrypted and sent directly from the third-party vendor to the secured ethics and compliance officer mail box. You can still remain anonymous, if you want to report a concern through the Web reporting system.
We Protect Company Assets and Information

Company Property

We all play an important role in safeguarding CenterPoint Energy’s funds, records, tools, vehicles, equipment, supplies and property. We expect employees to conserve and protect the company assets they use.

CNP has the right to monitor all information contained in our systems or on our property, including computers, telephone records, vehicles, lockers, email, files, business documents and workplaces. Do not expect privacy when using company property, wherever it is located.

Occasional use of company resources such as a photocopier, Internet, voice mail, faxes, computers, telephone service or email for personal use is permissible as long as:

- It does not interfere with your work or CNP’s ability to conduct business
- Management approves your request in advance
- Using our property does not reduce its value
- You are not earning a personal profit from it, and
- Using our property is consistent with our values and this code

Learn more by reading these policies:

- Intellectual Property Policy
- Protection of Confidential Information Policy
- Release of Employee Information Policy
- Use of Computer Resources
We Protect Company Assets and Information \(\textit{continued}\)

**Computers and Technology**

We use computers and technical equipment to handle large amounts of proprietary and sensitive information concerning our employees, vendors and customers. We protect our systems from unauthorized access by outsiders.

CNP has the right to monitor the information in our technology and communications systems. We encourage you to use the Internet to do your job. However, like all company property, it should not be used at work to support a personal business or political venture.

Content that should never be sent or received on our systems:

- Sexually explicit messages, cartoons, images or jokes
- Profanity or obscenity
- Intimidating or offensive material based on race, sex, sexual orientation, color, religion, creed, national origin, age, disability, citizenship, marital status or status as a veteran.
- Personal opinions masquerading as company positions

Remember:

- Safeguard your passwords and follow all directions about computer security.
- Use only properly licensed software and follow the terms of all licenses
We Protect Company Assets and Information (continued)

Confidential Information

You may come across confidential information about our company, employees, customers, business partners or suppliers. Our relationships with these groups are based on trust. Keep all proprietary and private information in confidence.

Company Information

Share confidential information only with those who have a legitimate need to know. The duty to protect confidential information continues even after you leave our employment. We respect other organizations' information and ask that you not reveal confidential information obtained in the course of your prior employment. CNP employees should not be assigned duties that would require them to use a prior employer’s confidential information.

Some examples of CenterPoint Energy’s confidential or proprietary information that must be protected from disclosure include:

- Customer or consumer data
- Financial information
- Business strategies and plans
- Intellectual property
- Organizational charts, salaries and details of personnel-related issues

Employee Information

Employee information is confidential and should only be used for valid business purposes and in compliance with the law. This includes personnel file information, medical records, Social Security numbers, home addresses and telephone numbers. We respect the confidentiality of our employees’ personal information. Access to personal data is limited to those who are authorized and have a clear business need to know.
We Protect Company Assets and Information (continued)

Intellectual Property

Our intellectual property includes trademarks, copyrights, trade secrets, technical and business knowledge and expertise. Our intellectual property is among our most valuable assets.

Some examples of CNP's intellectual property include:

- Market research data, notebooks and results
- Software development processes
- Business analyses and plans
- Plant layouts, engineering designs and blueprints
- Technical drawings and plans
- Marketing strategies

Each of us is responsible for protecting CenterPoint Energy's intellectual property and reporting violations. We do not share business ideas, projects or plans with anyone who does not have a legitimate need to know.
We Protect Company Assets and Information (continued)

Q: Your cousin asks you for a list of the names and phone numbers of your customer contacts. She is starting a financial counseling service and thinks that CNP’s customers would appreciate learning about what she has to offer. Can you help her out?

A: No. Our customer lists are not to be shared with anyone — not even a close family member.

Q: Is it OK to use the company’s photocopier to help a charity that I support? It is only 50 copies of materials for an upcoming meeting.

A: Check with your supervisor first to see if this limited use is OK.

Q: My supervisor asked me to disclose some confidential information to one of our consultants. What should I do?

A: Confidential information can only be disclosed to a third party when a fully executed Confidentiality Agreement is in place. Discuss the situation with your supervisor or procurement to make sure that the consultant has agreed not to disclose our information.

Q: I have access to our earnings information before it is released. A close friend was curious about our numbers. She knows I cannot say anything directly, but may I give her some hints?

A: Disclosures of any kind are inappropriate. This includes general statements, hints, gestures, or confirmations of a good guess. Never divulge confidential information before it is publicly released. If you do so, you could be found guilty of a crime.
We Avoid Conflicts of Interest

What Is a Conflict of Interest?

A conflict of interest occurs when your private interests interfere — or appear to interfere — with the best interests of CenterPoint Energy. A conflict of interest may also arise when your personal interests negatively impact your business judgment or job performance. Conflicts of interest can cause serious problems and damage our reputation. We avoid conflicts of interest, or even the appearance of them, to maintain our objectivity and show our commitment to fairness and integrity.

What steps should I take if I think a conflict of interest exists?

• Explain the situation promptly and fully to your manager, the Legal department or the chief ethics and compliance officer.
• Get advice and — when necessary — remove yourself from making decisions about the situation.

Personal Business Relationships

Obtain prior written approval from the head of your division business unit for any significant financial interests you or your immediate family have with our suppliers, partners, subcontractors or competitors. Do not pursue business on behalf of CenterPoint Energy with any entity in which you or your immediate family have a significant financial interest.

Avoid situations where your personal business relationships could influence the decisions you make on behalf of CenterPoint Energy.

Organizational Relationships

Obtain prior written approval from the head of your business unit for any membership on a board of directors, committee or similar body of any outside company or professional organization. When you disclose your organizational relationships, we can determine whether you could unduly influence either the decisions of the outside organization or CNP or give the appearance of having such influence. We can provide advice on how to resolve the situation fairly.

Q: I am considering running for election to my homeowner’s association. Do I need to receive approval from the head of my business unit?

A: You do not need to seek approval or report it unless the duties of the homeowner’s association conflict with your duties within the company or, if the homeowner’s association takes a contrary position to that of the company.
We Avoid Conflicts of Interest *(continued)*

**Political Office**

If you seek or hold political office, you must do so on your own time, whether through vacation, unpaid leave, after work hours or on weekends. Obtain written approval from the CEO prior to running for political office to ensure that there are no real or potential conflicts of interest. Also, use of company resources for these purposes is prohibited.

**Business Opportunities**

Business opportunities are company assets. We are expected to advance CNP's legitimate interests whenever we can. Do not take personal advantage of business opportunities you discover while using company resources or allow third parties to do so. You should not compete against our company.

**Outside Employment**

Before accepting outside employment, consider carefully whether this will create an actual or perceived conflict of interest with your CNP work. Outside jobs should not harm our company's reputation.

*Q: I am considering taking a second job to make some money. Is this OK?*

*Answer: Yes. But remember, your first responsibility is to our company. You must be able to fulfill all of your responsibilities, including mandatory overtime.*

**Nepotism**

Do not make employment decisions of any kind about individuals who are related to you by blood or marriage. This includes decisions about job assignments, overtime, compensation, merit increases and performance reviews. When possible, CenterPoint Energy will reassign employees so that individuals who have close personal or family ties are not in a direct reporting relationship.
We Avoid Conflicts of Interest (continued)

Gifts and Entertainment

A gift can be anything of value, including goods, services, favors, meals, trips, hospitality and sports or entertainment tickets. Appropriate gift giving can be a part of conducting business. However, giving and accepting gifts may — or may appear to — compromise your independence and objectivity. This perception can damage your good name and our standing in the community.

We follow these primary rules when it comes to giving or receiving gifts:

- A gift, favor or entertainment should not be given or accepted if it will obligate or appear to obligate CenterPoint Energy or you.
- No gifts should be exchanged if they could harm our reputation.

Giving Gifts

We compete solely on the merits of our products and services. If you think a gift may raise a question about your intent or the recipient may feel an obligation to you, do not give a gift. Gifts, meals and entertainment of reasonable value in the course of doing business with our customers are acceptable, provided this practice does not conflict with our standards or the standards of the recipient’s organization.

Gifts may be given if:

- There is a sound business purpose.
- The gift supports our corporate strategy.
- Your supervisor agrees that the gift is appropriate — before it is given.
- The gift is within your approved budget and is accurately recorded at the company.

Receiving Gifts

If a gift that you are offered looks like an attempt to sway your judgment, do not accept the gift. If someone doing, or wanting to do, business with CNP is trying to influence your decision, do not accept a gift. You may accept promotional items, such as pens or coffee mugs. It is never acceptable to receive cash, gift cards, gift certificates or other cash equivalents.
We Avoid Conflicts of Interest (continued)

Gifts to Government Officials

Government agencies have strict regulations prohibiting their employees from accepting items of value from contractors or suppliers. We carefully follow their regulations and policies. It is generally not acceptable to offer any kind of gift, including meals, to a government official.

Q: Can we keep a gift of cookies that our department received from a vendor?

A: Yes. You may keep unsolicited gifts of food provided that they are shared with everyone in your work area. You may also choose to donate gifts of food to a local charity. You should follow up with the vendor with a note of appreciation and a reminder about our policies on gifts.

Q: A consultant offered me tickets to a major sporting event. Can I accept them, or should I give them to my staff instead?

A: Our policy does not prohibit you from going to the game or giving the tickets to your staff. But, these are the kinds of situations that require some reasonable judgment. Attendance at the game could leave the impression that you and CNP are obligated to continue using this consultant’s services. You should always discuss these kinds of situations with your manager or the Ethics and Compliance department.

Q: How do I know whether a gift or payment is improper?

A: A gift is improper if it is used to influence or if it could appear to influence a business decision or if it violates the law. Cash payments are never appropriate. If you think that a gift was given with “strings attached,” then it could be a questionable payment. You should contact the Legal department or the chief ethics and compliance officer immediately.

Q: As a token of appreciation for a job well done, a vendor sent every member of my work group a $25 gift card. Are we allowed to keep them?

A: No. The Standards of Conduct/Business Ethics policy states that the giving or receiving of cash or a cash equivalent — such as a gift card — from a vendor is prohibited.
We Treat Our Customers and Competitors with Respect

Antitrust, Competition and Fair Trade

We deal fairly with our customers, suppliers, competitors and employees. They trust us because we keep our promises. We do not engage in practices that unfairly limit trade or exclude competitors from the marketplace. We carefully follow antitrust laws, which prohibit agreements that eliminate or discourage competition.

We will not communicate formally or informally with competitors to fix or control prices, allocate market share, boycott customers or suppliers, or limit the sale of our services or products.

Remember:

• Avoid even casual conversations with our competitors regarding prices, products, markets or services.
• If you are meeting with vendors or competitors and you have antitrust concerns about what is being discussed, you should politely excuse yourself from the meeting and contact the Legal department for advice.
• Never require a customer to take an unwanted service or product to obtain something that he or she wants to buy.
• We do not set prices below cost to drive a competitor out of the marketplace.
• If you are uncertain about how the antitrust laws apply to a specific situation, promptly talk with the Legal department.
• We do not make inaccurate or misleading statements about our competitors, suppliers, vendors or customers.
We Treat Our Customers and Competitors with Respect (continued)

Gathering Competitive Information

Properly gathered business information about our industry, competitors and customers is extremely valuable. We can only use and rely upon information gathered from public sources that are freely available to others.

To obtain competitive information, we will not use illegal or unethical means, such as theft, bribery, misrepresentation or espionage. We do not seek a competitor’s confidential information or accept anyone else’s confidential information without their consent.

Third-Party Business Relationships

We use vendors, suppliers and subcontractors who best meet our needs. They provide goods and services that are essential to our business. We expect our suppliers, vendors, subcontractors and business partners to follow ethical business practices and to support effective ethics and compliance programs within their own organization. We protect from disclosure their confidential and proprietary data, such as prices and bids.

We select vendors carefully because their actions impact our reputation. Selection decisions are based on objective information such as price, past performance, business reputation, technical expertise, production capacity and financial stability. Former CNP employees who represent a vendor are screened carefully to prevent misuse of company information, creation of an unfair advantage or the appearance of a conflict of interest. If one of your friends works for a vendor competing for CNP’s business, disclose this relationship to your supervisor or the Ethics and Compliance department. We can help you evaluate the situation to avoid a conflict of interest. Do not allow your good business judgment to be clouded by a gift or a meal provided by a vendor.
We Treat Our Customers and Competitors with Respect (continued)

Q: The contract for janitorial services is up for renewal. We want to ask more companies to submit bids. My brother-in-law owns a cleaning company. Can he submit a bid?

A: We welcome all qualified bidders. If your brother-in-law’s company meets our expectations, he is welcome to submit a bid. However, you should disqualify yourself from reviewing any of the submitted bids and from participating in the selection decision. You must also disclose the relationship to appropriate company personnel.

Q: One of our competitors has made misleading statements about CNP’s services. How should I respond?

A: Continue to emphasize the positive aspects of our products and services and respond only with the facts. Advise your supervisor of the incident and contact the Legal department. Take the high road and avoid making negative statements about the services of this competitor.

Q: A supplier left a document in my office that describes the products of one of our competitors. It is not marked confidential, but I think that it contains prices and marketing plans. Can I keep a copy and share this information with others so that we know what the competition is thinking about?

A: No. Assume that this document contains confidential information that should not be disclosed to anyone at CenterPoint Energy. If you use this information, you will violate our values and this code, and possibly expose both you and our company to litigation. Contact the Legal department or the Ethics and Compliance department immediately so that the document can be promptly returned or destroyed.

Q: I’ve become quite friendly with one of our long-standing vendors. Our spouses are close friends, and we are thinking about taking everyone on a family vacation. How would this look?

A: Never let a friendship with a vendor substitute for your good business judgment. If you really think that you can keep a strong separation between your business relationship and your personal friendship, then how you use your vacation time is your own decision. But, others may look at this relationship differently, and jump to the conclusion that you will favor this particular vendor in future business dealings. Discuss this kind of situation with your supervisor or manager.
We Create a Workplace that Values Employee Contribution

Fair Treatment and Equal Opportunity

Each of us plays a critical role in creating a workplace where everyone may participate and contribute. We strive to maintain a culture where all employees are free from discrimination. We follow federal and state labor and employment laws. We are committed to fair and effective human resources policies and practices, including: recruiting, hiring, training, career development, performance evaluation, compensation, promotions and terminations.

Everyone in our workplace has the right to be treated with respect without regard to race, sex, sexual orientation, color, religion, creed, national origin, age, disability, citizenship, marital status, veteran status or other legally protected status. Retaliation will not be tolerated if you report a situation that you believe violates this policy.

CenterPoint Energy seeks people who wish to excel. We base hiring and promotion decisions solely on our business needs and the individual’s qualifications.

Remember:

• If you need a workplace accommodation, talk with your supervisor and Human Resources.
• Speak up if you feel that you have been discriminated against or if you witness discrimination against others.
• Make sure that merit — not bias — drives your own actions.

Learn more by reading these policies:

• Employee Concern Policy
• Equal Employment Opportunity Policy
• Sexual and Other Types of Harassment Policy
We Create a Workplace that Values Employee Contribution (continued)

Workplace Respect

We have zero tolerance for harassment, discrimination or other abusive conduct. Each of us is responsible for promoting a courteous, respectful and professional work environment. Our employees, customers, vendors, suppliers and contractors should be treated with respect, courtesy and dignity. Unwelcome, insulting or offensive remarks, bullying or intimidating behavior have no place at CNP.

Harassment is behavior that unreasonably disrupts another person in his or her work because of that person’s race, color, religion, creed, sex, sexual orientation, national origin, age, disability, citizenship, marital status or status as a veteran.

Even small, innocent actions can create an environment that may be offensive to others. Harassment and discrimination can be subtle and difficult to identify. Be alert to your own behavior.

Sexual harassment, the most common form of harassment, can occur under many circumstances, especially when:

- Requests for dates, sexual favors or similar conduct of a sexual nature serve as the basis for employment decisions.
- An intimidating, offensive or hostile work environment results from sexual advances, inappropriate comments, offensive jokes, slurs, gestures or other insulting behavior.
- Sexually suggestive, vulgar or derogatory pictures, cartoons, drawings or emails are present in the workplace.

We can maintain a work atmosphere free of harassment by:

- Exercising good judgment in our relationships with co-workers, contractors and vendors.
- Avoiding offensive or sexually explicit language.
- Being open to the other person’s perspective.
We Create a Workplace that Values Employee Contribution (continued)

Q: I want to apply for an opening in another district. I have the skills and experience, but I’ve heard that the local manager will hire someone younger. Should I apply?

A: The only way the hiring manager will know you are interested in this job is if you apply. The job should go to the person whose qualifications and skills best fit our needs. Factors that are not job related — like age — should not be considered. If you believe you are being subjected to unlawful discrimination, contact Human Resources.

Q: One of my employees has accused me of sexual harassment. What is going to happen?

A: We take reports of sexual harassment very seriously. You will be formally notified of the complaint and given a chance to tell your side of the story. After a full investigation, we will review the facts, the seriousness of the alleged conduct, any past warnings and the credibility of those involved. If we conclude that you did not harass the complaining employee, we will notify you. If we conclude that harassment did occur, we will take appropriate disciplinary action.

Q: I overheard one of my co-workers threaten another employee who is afraid to report the incident. What should I do?

A: Report the incident immediately to a member of management. You have a responsibility to act if you suspect a threat of violence in the workplace.
We Provide a Safe and Healthy Work Environment

Workplace Safety and Health

Accident prevention is good business. We expect everyone to work safely and always make safety a priority. We work hard to provide our employees with a safe and secure workplace where no one is subject to unnecessary risk. No activity is so important that it cannot be done safely.

Simply obeying safety rules is not enough. Each of us needs to be alert to possible safety risks as we go about our jobs. We are all responsible for reporting safety hazards, near misses, accidents and incidents — no matter how minor. We investigate situations that create workplace hazards. We take immediate corrective action to eliminate unsafe practices and prevent injuries.

Substance Abuse

Substance abuse hurts productivity, attendance and on-the-job safety. We expect everyone to report to work free from the effects of drugs, alcohol or other substances that may affect job performance. A safe, healthy workplace free from drug and alcohol abuse allows everyone to do their best work.

We reserve the right to search personal and company property, enforce our rules and test employees for substance abuse. Our workplaces have specific prevention procedures to meet our rules and collective bargaining agreements.

Learn more by reading these policies:

- Our Commitment to Safety
- Drug & Alcohol Policy
- Workplace Surveillance Policy
- Workplace Violence Policy
We Provide a Safe and Healthy Work Environment (continued)

Violence in the Workplace

We provide a safe workplace for everyone. We will not tolerate workplace violence or threats of any kind, whether committed by or against our employees. This includes acts or threats of violence, intimidation, bullying, assault or aggressive conduct. Threatening behavior includes spoken or written words, as well as actions.

Notify immediately your supervisor, Security, Human Resources or the Concerns Helpline of any threatening or violent situations.

We prohibit weapons on our property, in company or personal vehicles and wherever we conduct business, unless state laws differ. We act promptly to investigate and reduce threats of workplace violence. We reserve the right to search personal property and to keep our workplaces safe for everyone.

The following behaviors are prohibited:

• Making threatening remarks or gestures
• Causing physical injury to someone else
• Intentionally damaging someone else’s property
• Acting aggressively in a way that causes someone to fear injury

Q: Do I really have to report a minor accident? No one lost any work time.
A: Yes. You must report all accidents, no matter how minor. When you report even the minor accidents, we have the information we need to identify hazards and take corrective action before serious injuries can occur.

Q: My supervisor asked me to skip some required quality and safety checks to meet a deadline. What should I do?
A: Do not skip these procedures. No matter who asks you to do something, if you know it is wrong, don’t do it. If you are uncomfortable discussing this with your supervisor, contact your manager or safety representative.

Q: I just returned from a party where I was drinking. What if I’m not on call, but am asked to work during an emergency?
A: Inform the person who called you that your judgment is impaired and it is not safe for you to drive, work in a safety sensitive area or make important decisions. Do not work on this emergency if you have been drinking.
We Are a Responsible Corporate Citizen

Protecting the Environment

We protect the natural environment by complying with all environmental laws, promoting conservation and reducing waste and emissions. CenterPoint Energy is committed to excellent environmental stewardship.

We handle, store and dispose of waste products and hazardous materials properly. We follow the law regarding the handling of regulated substances. Failure to comply can result in substantial penalties. CenterPoint Energy has trained personnel who are responsible for complying and maintaining our environmental integrity. If you think a substance has been released, contact the Environmental Services department.

Q: One of my co-workers was handling environmental waste in a way that was directly opposite to how we were trained. What should I do?

A: If you feel comfortable, remind your co-worker about the waste handling procedures that must be followed. You should also seek your supervisor’s guidance.

Charitable Activities

Community involvement through charity and volunteer activities is a key part of our culture. We serve our customers and our shareholders and we are proud to serve the communities in which we work.

CenterPoint Energy participates in many community projects. Check with your manager if you have questions about an event. If it is company-sponsored, employee time and company resources may be contributed. We encourage you to volunteer and be active in your community. However, respect the line between private citizenship and your employment with CNP.

Remember:

- Pursue charitable activities on your own time, using your own resources, unless it is a company-sponsored event or you have management approval.
- In any public forum, be clear that you do not speak on behalf of CenterPoint Energy unless you were specifically requested by management to do so.
We Are a Responsible Corporate Citizen (continued)

Political Activities

We comply with all laws regulating CNP’s participation in political affairs, including contributing to political parties, committees or individual candidates. We encourage you to participate actively in the political life of your own community.

Company Political Activity

The rules governing lobbying are complex, highly regulated, and vary state by state. Only authorized employees or lobbyists may engage in lobbying on behalf of CenterPoint Energy. Because the definition of “lobbying” can be very broad, seek guidance from the general counsel if you have questions before you interact with a public official on behalf of our company.

CenterPoint Energy maintains state and federal political action committees (PACs). The general counsel must approve in advance all political contributions on behalf of CenterPoint Energy. A PAC can legally make campaign contributions to political candidates and organizations. PAC contributions are designed to help achieve our company’s goals and support issues that are important to our industry, and are not based on party affiliation. Employees may contribute to our PACs. All contributions are voluntary.

Personal Political Expression

We encourage you to be an informed voter and to get involved in the political process. If you choose to participate, your contributions must be on a personal basis, using your own time and funds. CenterPoint Energy will not reimburse you for personal political contributions. Do not use work time, money or resources to promote a political campaign or candidate. If you express your personal views about a political issue, the use of company resources, including company stationery or email services, or making reference to your title or job with CNP, is prohibited.

Remember:

- When taking a position about a personal political belief, make it clear that you are acting and speaking for yourself and not on behalf of CNP.
- Never lend or use company property for political purposes, unless you are specifically authorized by CNP in advance to do so.
We Are a Responsible Corporate Citizen *(continued)*

**Social Media**

Most of us have access to the Internet on our work computers. While occasional personal use is permitted, be careful to protect CenterPoint Energy’s reputation and business information.

- Use good judgment and post information that is respectful, civil and thoughtful even in times of heated discussions.
- Never post comments that harass, threaten, defame or offend others.

**Contact with the Media**

We receive questions every day from external contacts about our business. This includes questions from the general public, shareholders, the media and the investment community. Our goal is to communicate accurately, consistently and in compliance with securities laws regarding fair disclosure of information about public companies.

The Corporate Communications department decides whether and when requests for interviews are granted. They ensure that we are consistent in how we respond to critical issues and that we do not disclose material information selectively. Only those trained in media relations can represent CenterPoint Energy to the public. If you receive a media inquiry, either orally or in writing, from someone outside of our company, always direct the question to the Corporate Communications department.

Remember:

- Assume that all discussions with a member of the media are “on the record.”
- Do not try to answer a media question yourself, even if you think that you know the answer.
We Are a Responsible Corporate Citizen (continued)

**Q:** My boss is running for a seat on city council. He made it clear that he expects us to help him pass out brochures and offered to give us extra time off if we agree. Is this right?

**A:** *As long as he received permission from the CEO, your boss is free to run for local political office. However, he cannot use his position with CenterPoint Energy to coerce employees to help with his campaign. In addition, he must not misuse his authority to influence employees to vote for him.*

**Q:** Do all government agencies have the same rules concerning meals and entertainment?

**A:** *No. Regulations differ among federal, state and local government agencies. Before offering any gift, including meals or offers of transportation, make sure you know the regulations that apply.*

**Q:** If no cash is involved, can we contribute goods or services to a political party or candidate?

**A:** *No. The contribution of any goods or services, such as free use of office space, transportation, clerical support or stationery for the benefit of a political party or candidate is considered to be an “in kind” contribution. It is viewed the same as cash. The general counsel must approve all contributions — of any kind — in advance.*
We Take Initiative by Leading with Integrity

Business Records and Internal Controls

Our reputation as an honest business partner rests on the financial integrity of our books, records and accounting procedures. CenterPoint Energy provides shareholders with full, accurate, timely and understandable information about our financial condition and the results of our operations.

We maintain accurate and complete records of all financial and business transactions. We do not omit information or fail to record information to hide or alter the truth.

We keep all financial records in accordance with Generally Accepted Accounting Principles. Our system of internal controls helps us properly account for revenue, expenses, assets and liabilities.

Officers and employees who are responsible for financial or accounting matters are required to ensure full, fair, accurate and timely disclosure in all public communications and any periodic reports that CNP must file with the Securities and Exchange Commission.

Auditing and Accounting Concerns

CNP’s Audit Committee has procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls and auditing matters. Confidential or anonymous complaints can be submitted to our chief ethics and compliance officer and are reviewed under Audit Committee oversight by the chief ethics and compliance officer, general counsel, Audit Services or anyone else the Audit Committee deems appropriate. We take prompt and appropriate corrective action. Employees who submit concerns in good faith should not fear retaliation.

Records Management and Records Requests

We have a records management system that determines what records we need to keep and for how long. Know and follow the policies and procedures for managing the records in your area. If someone outside of CNP asks for records, contact the Legal department for instructions on how to respond. Never destroy records that are related to ongoing litigation or an investigation.
We Take Initiative by Leading with Integrity (continued)

Authorization Policy

Our authorization policy establishes which individuals by title have the authority to make financial commitments on behalf of CNP. Become familiar with your personal level of authority and, when applicable, involve procurement before you enter into a contract.

Fraud

Fraud compromises the integrity of our financial reporting systems. It involves intentionally misrepresenting or concealing facts in a way that would lead someone to rely upon false information. Fraud can range from minor employee theft to significant misstatements of our earnings and holdings. Financial fraud can have an adverse effect on our company’s reputation and net worth.

Each employee must understand what constitutes fraud and follow all of our existing controls. Report all suspicious financial activities.

It is wrong to:

• Inaccurately record your time or expenses
• Falsify any business report
• Record false sales or expense reports
• Understate or overstate liabilities and assets
We Take Initiative by Leading with Integrity \textit{(continued)}

**Questionable Payments**

We believe our customers choose our services because of their value, not because they received inappropriate incentives. We never offer anything of value to obtain an improper advantage when conducting company business. We prohibit kickbacks, bribes and payoffs.

It is just as wrong to offer a kickback as it is to accept a bribe. Never accept anything from a supplier in exchange for favorably considering their products or services.

All countries prohibit bribery of their public officials. Many countries, including the United States, also prohibit bribery of officials of other countries.

Remember:

- Do not make payments or give gifts for personal gain or for unfair business advantage.
- Do not give any unauthorized payment, concession or bribe to government officials, government employees or private parties engaged in commercial transactions.
- Inappropriate or questionable payments made through an intermediary are just as unacceptable as those that are made directly.

**Insider Information**

On occasion, we may have information about CNP or a company with which we do business that is not known to the investing public. Such inside information may relate to: business plans, new services, mergers and acquisitions, stock sales, contract negotiations, major litigation or financial information.

It is illegal to buy or sell any company's stock based on insider information, or to pass this information on to — or “tip” — someone else who then buys or sells stock or options, until that information has been publicly disseminated. Additional rules govern trades in company securities by directors, officers and certain employees.
We Take Initiative by Leading with Integrity (continued)

Q: I learned that some payments were recorded as advertising when they were actually for entertainment. Since the total amount that was spent is accurate, is this a problem if the expense coding is not exactly correct?

A: Yes, this could be a problem. Our books must be kept in reasonably accurate detail and reflect all of our transactions. False transactions or misrepresentations about our finances violate our Code and the law. Discuss this situation with your supervisor, Audit Services, or the chief ethics and compliance officer so that this practice is stopped and our records corrected.

Q: I suspect that our quarterly financial statements are not completely accurate. There may be legitimate differences in professional opinion, but I am worried that sales might have been booked in one quarter, but were not really “signed, sealed, and delivered” until the next quarter. What should I do?

A: Speak up and discuss your concerns with a manager, the general counsel, Audit Services, or the chief ethics and compliance officer. Do not delay. Let’s find out the facts and make sure that our books accurately reflect our business activity.
We Have a Duty to Comply

Obeying the law — both in spirit and in letter — is the foundation upon which our standards are built. We respect and obey the laws, rules and regulations of the jurisdictions where we operate. We know and follow our customers’ rules affecting our conduct. We abide by company policy.

Ethical conduct is more than just obeying the law. The law is the minimum standard that guides us. We consider not only what is legal, but also what is right.

State and Federal Regulatory Authorities

CenterPoint Energy supplies energy to both wholesale and retail customers. Our operations are highly regulated by both state and federal regulatory commissions. We take care to ensure the safety and reliability of our nation’s energy supply. Failure to comply can result in substantial penalties. This is part of our public service obligation.

Remember:

• CenterPoint Energy employees, regardless of business unit, should not disclose general, nonpublic interstate pipeline transmission or customer information to affiliates with marketing functions. Should this occur, that information must be made public, via an Internet posting, simultaneously to other non-affiliated parties.

• When in doubt about what information can be shared among business units, ask your manager or the Legal department.

Remember:

• Protect information that is proprietary, private to an end-use customer, market sensitive, or which could give someone else an unfair competitive advantage.

• Do not disclose end-use customer data unless authorized by the customer to do so or required by law to disclose this information to government authorities.

• Do not show a preference for any competitive market entity, such as recommending a specific retail electric provider to an end-use customer.
We Have a Duty to Comply (continued)

Q: I work for CenterPoint Energy Houston Electric (CEHE). As part of my job, I frequently speak with employees who work for other CNP business units. They ask questions about our electric and gas systems and our customers. Is it wrong to answer their questions?

A: State and Federal Affiliate Rules and/or Standards of Conduct may prohibit sharing information related to our customers and the electric and gas systems. Before providing any customer- or system-specific information to other CNP employees, check with your manager or the Legal department.

Q: My friend works for the Public Utility Commission of Texas (PUC). She does not do any work involving CNP. Can I buy her lunch?

A: No. You are free to have lunch with your friend, but if you pay for it, this could be misinterpreted as an attempt by a CNP employee to influence a public official whose agency regulates our industry.

Q: My manager recently asked me to review a report to be submitted to a government agency. I noticed several errors, but he told me not to worry about them because “everyone does it that way.”

A: Never knowingly allow incorrect or inaccurate information to be submitted to a government agency. Report your concern immediately to the Legal department, Audit Services or the chief ethics and compliance officer.
Living Our Values

Key Messages

When all is said and done, here are the most important ideas to remember:

• We are **always** committed to safety.
• We respect the dignity of everyone.
• We listen openly to concerns and suggestions.
• We are accountable to carefully follow the laws, policies, rules and regulations that govern our business.
• We will not compromise our integrity to meet financial plans or reach goals.
• We do not have to make tough decisions alone.
• We take initiative and speak up.
• We are the keepers of our ethical culture.
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THINK ABOUT OUR VALUES BEFORE MAKING A BUSINESS DECISION

Notes
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Notes
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