Letter to Stakeholders

Dear Stakeholder,

Over our long history, CenterPoint Energy has evolved into a leader in the energy industry, and we are well-positioned to enhance that role in the future. We are charting a dynamic and innovative course for what an energy delivery company can be in the 21st century. Corporate responsibility and stewardship will continue to shape our priorities.

Our company’s values of safety, integrity, accountability, initiative and respect serve as the foundation that drives our actions. These are all supporting tenets to good stewardship, and translate into a workforce that has a deep sense of duty to our stakeholders. While our focus is on safe and reliable delivery of electricity and natural gas, we actively engage in improving lives and addressing the needs in our communities.

We recognize that key environmental, social and governance (ESG)-related issues are integral to our performance. To that end, we established an ESG Council. The purpose of the council is to identify, evaluate and recommend strategic direction and opportunities on an ongoing basis that promotes ESG objectives that are aligned with our vision and strategic plan. We have also expanded our reporting to align with the Global Reporting Initiative (GRI) framework. GRI is the leading set of standards used by organizations to disclose ESG performance. In addition to greater insight into CenterPoint Energy’s policies and programs, this report highlights our approach on environmental stewardship, enriching our communities and providing a safe, inclusive workplace.

In 2017, CenterPoint Energy delivered strong financial and operational results, while further positioning our company for the future through strategic capital investments. Through robust oversight, guidance and direction from our board of directors, our Operate, Serve, Grow, strategy guides our value creation.

As always, safety is our highest priority. We are guided by our companywide approach to safety performance, Safety Forward, which we believe has resulted in improved safety performance, expanded employee participation and an increased emphasis on the safety of our employees, contractors, systems and the general public.

We strive for strong stewardship of the environment with a continued focus on reducing greenhouse gas emissions from our operations, including our participation as a founding partner in the U.S. Environmental Protection Agency’s Natural Gas Methane Challenge Program.

Our nearly 8,000 employees live our values every day. We are committed to creating a safe and open work environment where business results are achieved through the talents of our diverse workforce.

2017 was another outstanding year for our community involvement. We advanced our community engagement in the areas of education, community development, and health and human services. Six out of every 10 CenterPoint Energy employees volunteered their time last year for a total of more than 146,000 hours.

Thank you for your interest in CenterPoint Energy’s corporate responsibility efforts. We look forward to continuing our conversations with communities, customers, employees, investors and other stakeholders on ESG topics that are important to all of us.

Scott M. Prochazka
President & CEO

GRI 102-49
**EEI ESG/Sustainability Template – Section 2: Quantitative Information**

**Disclaimer:** All information below is being provided on a voluntarily basis, and as such, companies may elect to include or exclude any of the topics outlined below and customize the template to their specific needs. The decision to include data for historical and future years is at the discretion of each company and the specific years (e.g., historical baseline) should be chosen as appropriate for each company.

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

**Operating Company(s):** We are a public utility holding company. Our operating subsidiaries own and operate electric transmission and distribution and natural gas distribution facilities, supply natural gas to commercial and industrial customers and electric and natural gas utilities and own interests in Enable.

**Business Type(s):** Our reportable business segments are Electric Transmission & Distribution, Natural Gas Distribution, Energy Services, Midstream Investments and Other Operations

**State(s) of Operation:** Please see our Business section our 2017 Form 10-K for a map of operations (http://investors.centerpointenergy.com/node/21616/html)

**Regulatory Environment:** Both

**Report Date:** 8/27/2018

<table>
<thead>
<tr>
<th>Ref. No.</th>
<th>Portfolio</th>
<th>Last Year</th>
<th>Current Year</th>
<th>Comments, Links, Additional Information, and Notes</th>
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<tbody>
<tr>
<td>1.1</td>
<td>Coal</td>
<td></td>
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<td></td>
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<tr>
<td>1.2</td>
<td>Natural Gas</td>
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<td>1.3</td>
<td>Nuclear</td>
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<td>1.4</td>
<td>Petroleum</td>
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<tr>
<td>1.5</td>
<td>Total Renewable Energy Resources</td>
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<td>1.5.1</td>
<td>Biomass/Biogas</td>
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<td>1.5.2</td>
<td>Geothermal</td>
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<td>1.5.3</td>
<td>Solar</td>
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<td>Wind</td>
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<td>1.5.5</td>
<td>Hydroelectric</td>
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<td>1.6</td>
<td>Other</td>
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<tr>
<td>2</td>
<td>Net Generation for the data year (MWh)</td>
<td></td>
<td></td>
<td>Neither Houston Electric nor any subsidiary of CenterPoint Energy makes direct retail or wholesale sales of electric energy or owns or operates any electric generating facilities.</td>
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<tr>
<td>2.1</td>
<td>Coal</td>
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<tr>
<td>2.2</td>
<td>Natural Gas</td>
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<td>Total Renewable Energy Resources</td>
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<td>Other</td>
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<tr>
<td>3</td>
<td>Investing in the Future: Capital Expenditures, Energy Efficiency (EE), and Smart Meters</td>
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<td></td>
<td>Please see our 2017 Annual Report <a href="http://investors.centerpointenergy.com/static/files/41c1907c-1b7b-4fbd-a088-d7880b366eb6">here</a></td>
</tr>
<tr>
<td>3.1</td>
<td>Total Annual Capital Expenditures (nominal dollars) ($ in millions)</td>
<td>$1,406</td>
<td>$1,494</td>
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<tr>
<td>3.2</td>
<td>Incremental Annual Electricity Savings from EE Measures (MWh)</td>
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<td></td>
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<td>3.3</td>
<td>Incremental Annual Investment in Electric EE Programs (nominal dollars)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3.4</td>
<td>Percent of Total Electric Customers with Smart Meters (at end of year)</td>
<td>virtually all</td>
<td>virtually all</td>
<td></td>
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<tr>
<td>4</td>
<td>Retail Electric Customer Count (meters at end of year) (in thousands)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td>Commercial and Industrial</td>
<td>273</td>
<td>280</td>
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</tr>
<tr>
<td>4.2</td>
<td>Residential</td>
<td>2,130</td>
<td>2,164</td>
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</tbody>
</table>
## Emissions

### 5.1 Owned Generation (1) (2) (3)
- **Carbon Dioxide (CO2)**
  - Total Owned Generation CO2 Emissions (MT)
  - Total Owned Generation CO2 Emissions Intensity (MT/Net MWh)
- **Carbon Dioxide Equivalent (CO2e)**
  - Total Owned Generation CO2e Emissions (MT)
  - Total Owned Generation CO2e Emissions Intensity (MT/Net MWh)

### 5.2 Purchased Power (4)
- **Carbon Dioxide (CO2)**
  - Total Purchased Generation CO2 Emissions (MT)
  - Total Purchased Generation CO2 Emissions Intensity (MT/Net MWh)
- **Carbon Dioxide Equivalent (CO2e)**
  - Total Purchased Generation CO2e Emissions (MT)
  - Total Purchased Generation CO2e Emissions Intensity (MT/Net MWh)

### 5.3 Owned Generation + Purchased Power
- **Carbon Dioxide (CO2)**
  - Total Owned + Purchased Generation CO2 Emissions (MT)
  - Total Owned + Purchased Generation CO2 Emissions Intensity (MT/Net MWh)
- **Carbon Dioxide Equivalent (CO2e)**
  - Total Owned + Purchased Generation CO2e Emissions (MT)
  - Total Owned + Purchased Generation CO2e Emissions Intensity (MT/Net MWh)

### 5.4 Non-Generation CO2e Emissions
- **Fugitive CO2e emissions of sulfur hexafluoride (MT)**
- **Fugitive CO2e emissions from natural gas distribution (MT)**

### 6 Nitrogen Oxide (NOx), Sulfur Dioxide (SO2), Mercury (Hg)
#### 6.1 Generation basis for calculation (7)

### 6.2 Nitrogen Oxide (NOx)
- Total NOx Emissions (MT)
- Total NOx Emissions Intensity (MT/Net MWh)

### 6.3 Sulfur Dioxide (SO2)
- Total SO2 Emissions (MT)
- Total SO2 Emissions Intensity (MT/Net MWh)

### 6.4 Mercury (Hg)
- Total Hg Emissions (kg)
- Total Hg Emissions Intensity (kg/Net MWh)

## Resources

### 7 Human Resources
- Total Number of Employees
- Total Number on Board of Directors/Trustees
- Total Women on Board of Directors/Trustees
- Total Minorities on Board of Directors/Trustees
- **Employee Safety Metrics**
  - Recordable Incident Rate
  - Lost-time Case Rate
  - Days Away, Restricted, and Transfer (DART) Rate
  - Work-related Fatalities

### 8 Fresh Water Resources
- Water Withdrawals - Consumptive (Billions of Liters/Net MWh)
- Water Withdrawals - Non-Consumptive (Billions of Liters/Net MWh)

### 9 Waste Products
- Percent of Non-Hazardous Waste Diverted
- Percent of Coal Combustion Products Beneficially Used

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**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.

Since 1999, CenterPoint Energy’s electric operations business has been actively involved in SF6 emission reduction efforts through our participation in the EPA’s SF6 Emissions Reduction Partnership for Electric Power Systems. Our 2017 SF6 emission rate is 1.9 percent, which is the same as the industry average. We have achieved this through effective operational controls, including the careful management, handling and recordkeeping of SF6 and SF6-containing equipment. This has allowed us to identify and address areas of potential SF6 loss to further reduce emission risks.

*We anticipate we will publish 2017 data on Fugitive CO2e emissions from natural gas distribution in the American Gas Association Sustainability Template. anticipated for release later this year and in CenterPoint’s next Corporate Responsibility Report publication.*

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CenterPoint Energy currently (August 2018) has 2 women and 2 minorities on the Board of Directors. Accordingly, the Board consists of 40% women and minorities.

CenterPoint Energy is a domestic energy delivery company that includes electric transmission and distribution, natural gas distribution, and energy services operations. The company does not generate electricity or extract water for cooling and, therefore, is neither an industrial user or consumer of water, nor does it use a significant volume of water in its operations. Water is used at CenterPoint Energy’s offices and some of its control facilities for potable water needs.