

CENTERPOINT ENERGY

CARBON POLICY



CenterPoint Energy (CNP) is a leading energy partner with an ongoing commitment to ensuring access to affordable, reliable, sustainable energy, while leveraging innovative technology to continue reducing emissions and transition our communities to a cleaner energy future.

Climate change is a pressing global concern that requires careful analysis and reasoned responses from stakeholders. Domestic energy policy in response to climate challenges must strike a balance between:

- » Responsible carbon regulation that builds on the significant emission reductions already achieved through the transition to natural gas and renewables,
- » Continued support for technology and innovation, and
- » Maintaining a reliable, secure and affordable supply of energy.

Natural gas plays a pivotal role in assuring the nation's energy supply remains resilient and sustainable, while providing consumers an affordable and safe source of direct heating. More recently, natural gas has led the transition of the nation's electric generation fleet to meet lower carbon-emission goals. Therefore, it is important to support the continued development of natural gas while seeking greater reductions in methane emissions.

CenterPoint Energy has, and will continue, to take significant steps to reduce carbon emissions. In support of this policy, the Company has established the following goals:

1. Achieve Net Zero carbon emissions directly attributable to its operations and facilities by 2035 as part of our new ESG strategy and alignment with the Paris Agreement, and
2. Launch a broad corporate initiative to achieve a net reduction of carbon emissions attributed to residential and commercial customer usage 20-30% from 2021 levels by 2035 through, among other things:
 - » Continued partnerships with its customers to offer effective and affordable conservation and energy-efficiency programs,
 - » Continued development of alternative fuels programs, such as renewable natural gas, that would provide customers new energy choices, and
 - » Piloting and supporting research and development of new and innovative low-carbon technologies, including, but not limited to, carbon capture.
3. As part of its efforts to achieve these goals, CenterPoint Energy will continue to work closely with stakeholders across its service territories in support of their communities' climate action goals. This will include increasing consumers' choices in alternative transportation fuels, such as compressed natural gas, and expanding and electric vehicle charging infrastructure.
4. Additionally, to ensure natural gas' continued role in a sustainable energy future, CenterPoint Energy will partner with its natural gas suppliers to take meaningful steps to lower methane emissions across the natural gas value chain.



CenterPoint Energy
is committed to
a cleaner energy future

**SCOPE 1, 2 AND 3 GOALS
TO REDUCE
CARBON EMISSIONS**

NET ZERO

SCOPE 1 AND 2 EMISSIONS

Reductions from
our operations and facilities
by 2035

20-30%

SCOPE 3 EMISSIONS

Reductions from
natural gas customer usage
by 2035