
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 20, 2021

CENTERPOINT ENERGY, INC.
(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation)

1-31447
(Commission
File Number)

74-0694415
(IRS Employer
Identification No.)

1111 Louisiana
Houston, Texas
(Address of principal executive offices)

77002
(Zip Code)

Registrant's telephone number, including area code: (713) 207-1111

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation)

1-3187
(Commission
File Number)

22-3865106
(IRS Employer
Identification No.)

1111 Louisiana
Houston, Texas
(Address of principal executive offices)

77002
(Zip Code)

Registrant's telephone number, including area code: (713) 207-1111

CENTERPOINT ENERGY RESOURCES CORP.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-13265
(Commission
File Number)

76-0511406
(IRS Employer
Identification No.)

1111 Louisiana
Houston, Texas
(Address of principal executive offices)

77002
(Zip Code)

Registrant's telephone number, including area code: (713) 207-1111

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	CNP	The New York Stock Exchange Chicago Stock Exchange, Inc.
Depository Shares for 1/20 of 7.00% Series B Mandatory Convertible Preferred Stock, \$0.01 par value	CNP/PB	The New York Stock Exchange
6.95% General Mortgage Bonds due 2033	n/a	The New York Stock Exchange
6.625% Senior Notes due 2037	n/a	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 22, 2021, CenterPoint Energy, Inc. (the “Company”) announced the following determinations and decisions of the independent directors of the Board of Directors (“Board”) of the Company, which included various actions and recommendations by the Compensation Committee of the Board and the Governance Committee of the Board, as applicable:

(1) the immediate implementation of a new independent leadership and governance structure for the Company following the substantial refreshment of the Company’s Board in recent years, specifically the creation and appointment of the Independent Chair of the Board role, the elimination of the Executive Chairman position, the maintenance of the separation of the roles of Board Chair and Chief Executive Officer at the Company, and the appointment of current independent member of the Board and chair of the Governance Committee of the Board, Mr. Martin H. Nesbitt, to the newly created position of Independent Chair of the Board;

(2) the accelerated departure of Mr. Milton Carroll, Executive Chairman of the Company, from his long-time chairmanship, employee and director roles, and associated arrangements, as more fully described below and in the Company’s announcements – Mr. Carroll’s board, executive and employee position as Executive Chairman terminated as of close of business on July 21, 2021 and he will cease serving as a member of the Board on September 30, 2021; and

(3) taking into account the departure of Mr. Carroll, elimination of the Executive Chair role and immediate implementation of the new independent leadership and governance structure at the Company, and recognizing, among other things and the matters referred to in the Company’s announcements, the importance of retaining Mr. David J. Lesar, President and Chief Executive Officer of the Company, his continuing to lead the Company and having Mr. Lesar hold a more significant amount of equity in the Company to more closely tie his interests to those of the Company’s shareholders, entry into retention incentive arrangements, as more fully described below, with Mr. Lesar – such arrangements are neither part of Mr. Lesar’s regular annual compensation nor being awarded on a regularly recurring basis.

Mr. Carroll’s departure from the Company is not the result of any disagreement he had with the Company on any matter relating to the Company’s operations, policies and practices, including any matters concerning the Company’s controls or any financial or accounting-related matters or disclosures.

On the approval and recommendation of the Compensation Committee and approval of the Board (acting solely through its independent directors), the Company has entered into a separation agreement between the Company and Mr. Carroll (the “Separation Agreement”), dated July 21, 2021. Under the terms of the Separation Agreement, Mr. Carroll is required to exit the position of Executive Chairman on July 21, 2021 and from his position as a Board member by September 30, 2021. He is also required to comply with various restrictive and other covenants, execute a release of claims against the Company and agree to provide transition services, cooperation and other support as may be reasonably requested. Under the terms of the Separation Agreement, Mr. Carroll receives a lump sum cash payment of \$28,072,000 and his separation is treated as an “enhanced retirement” for purposes of his outstanding 2019, 2020 and 2021 equity award agreements.

On the approval and recommendation of the Compensation Committee and approval of the Board (acting solely through its independent directors), the Company has entered in a retention incentive agreement with Mr. Lesar (the “Retention Incentive Agreement”), dated July 20, 2021. Under the terms of the Retention Incentive Agreement, Mr. Lesar will receive a total of 1 million shares of common stock of the Company (the “Total Share Award”) as follows: (i) an equity award to be granted in July 2021 consisting of 400,000 restricted stock units or such lesser number as may be required pursuant to the annual individual restricted stock unit award limitation (the “Award Limitation”) under the Company’s Long-term Incentive Plan (the “LTIP”), which will vest in full on December 31, 2022 (the “July 2021 Award”); (ii) an equity award to be granted in February 2022 consisting of the number of restricted stock units equal to the remainder of the Total Share Award not granted under the July 2021 Award or such lesser number as may be required pursuant to the Award Limitation under the LTIP, which will vest in full on December 31, 2023 (the “February 2022 Award”); (iii) an equity award to be granted in February 2023 consisting of the number of restricted stock units equal to the remainder of the Total Share Award not granted in the aggregate

under both the July 2021 Award and February 2022 Award or such lesser number as may be required pursuant to the Award Limitation under the LTIP, which will vest in full on December 31, 2023 (the “February 2023 Award”); (iv) in the event the total number of restricted stock units granted under the July 2021 Award, February 2022 Award and February 2023 Award in the aggregate is less than the Total Share Award, in February 2024, a fully vested stock bonus award equal to the remainder of the Total Share Award (the “2024 Bonus Stock Award”); and (v) a cash award (the “Dividend Equivalent Award”) consisting of (a) the right to receive the amount of dividends paid on the number of shares subject to the February 2022 Award for the period between July 20, 2021 and the grant date of such award, with such award to vest and be paid on the same terms as the February 2022 Award, (b) the right to receive the amount of dividends paid on the number of shares subject to the February 2023 Award for the period between July 20, 2021 and the grant date of such award, with such award to vest and be paid on the same terms as the February 2023 Award, and (c) the right to receive the amount of dividends paid on the number of shares subject to the 2024 Bonus Stock Award for the period between July 20, 2021 and the grant date of such award, with such award to vest and be paid on the same terms as the 2024 Bonus Stock Award.

Additionally, the Retention Incentive Agreement provides that, under certain circumstances, in the event Mr. Lesar does not receive any of the foregoing restricted stock unit awards, the Company will pay Mr. Lesar a lump sum cash payment equal to the (i) Total Share Award not yet granted pursuant to one or more of the foregoing restricted stock unit awards and/or the 2024 Bonus Stock Award, if applicable, multiplied by (ii) the Company’s closing stock price on the date of the event giving rise to this payment and, if applicable, any amounts accrued through the date of the event under the Dividend Equivalent Award through the date of the event giving rise to the payment. The Retention Incentive Agreement also provides that upon Mr. Lesar’s termination without “cause” or resignation for “good reason” (as each such term is defined in the new form of award agreement described below), the Company will pay certain office and administrative expenses for Mr. Lesar for five years thereafter.

A copy of the press release announcing the above is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

On July 20, 2021, the Compensation Committee also approved a new form of award agreement under the LTIP for restricted stock unit awards to be used for retention incentive equity awards described above. Among other things, the new form of award agreement provides that awards granted under this form shall vest in full upon the recipient’s death, “disability”, the termination of the recipient’s employment without “cause” or the recipient’s resignation for “good reason” (as each such term is defined in the form of award agreement).

The Governance Committee of the Board also approved and recommended, and the Board approved (in each case with the incoming Independent Chair of the Board recusing himself) a fee level for the newly created independent chair role of \$500,000 in additional director compensation, which would be incremental to regular director fees under the Company’s director compensation program.

The description of the form of award agreement is qualified in its entirety by reference to the full text of the form of restricted stock unit award agreement, which is included as Exhibit 10.1 hereto and incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>EXHIBIT NUMBER</u>	<u>EXHIBIT DESCRIPTION</u>
10.1	Form of Restricted Stock Unit Award Agreement
99.1	Press Release dated July 22, 2021
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY, INC.

Date: July 22, 2021

By: /s/ Monica Karuturi
Monica Karuturi
Senior Vice President and General Counsel

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

Date: July 22, 2021

By: /s/ Monica Karuturi
Monica Karuturi
Senior Vice President and General Counsel

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY RESOURCES CORP.

Date: July 22, 2021

By: /s/ Monica Karuturi
Monica Karuturi
Senior Vice President and General Counsel

**CENTERPOINT ENERGY, INC.
2009 LONG TERM INCENTIVE PLAN**

**FORM OF RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR THE CHIEF EXECUTIVE OFFICER**

Pursuant to this Restricted Stock Unit Award Agreement (“Award Agreement”), CENTERPOINT ENERGY, INC. (the “Company”) hereby grants to <first_name> <last_name>, an employee of the Company, on <award_date> (the “Award Date”), a restricted stock unit award of <shares_awarded> units of Common Stock of the Company (the “RSU Award”) pursuant to the **CENTERPOINT ENERGY, INC. 2009 LONG TERM INCENTIVE PLAN** (the “Plan”), subject to the terms, conditions and restrictions described in the Plan and as follows:

1. Relationship to the Plan; Definitions. This RSU Award is subject to all of the terms, conditions and provisions of the Plan in effect on the date hereof and administrative interpretations thereunder, if any, adopted by the Committee. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan. To the extent that any provision of this Award Agreement conflicts with the express terms of the Plan, it is hereby acknowledged and agreed that the terms of the Plan shall control and, if necessary, the applicable provisions of this Award Agreement shall be hereby deemed amended so as to carry out the purpose and intent of the Plan. References to the Participant herein also include the heirs or other legal representatives of the Participant. For purposes of this Award Agreement:

“**Award Date**” means the date this RSU Award is granted to the Participant as specified in this Award Agreement.

“**Cause**” means the Participant’s (a) gross negligence in the performance of his or her duties, (b) intentional and continued failure to perform his or her duties, (c) intentional engagement in conduct which is materially injurious to the Company or its Subsidiaries (monetarily or otherwise) or (d) conviction of a felony or a misdemeanor involving moral turpitude. For this purpose, an act or failure to act on the part of the Participant will be deemed “intentional” only if done or omitted to be done by the Participant not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company, and no act or failure to act on the part of the Participant will be deemed “intentional” if it was due primarily to an error in judgment or negligence.

“**Disability**” means that the Participant is both eligible for and in receipt of benefits under the Company’s long-term disability plan.

“**Employment**” means employment with the Company or any of its Subsidiaries.

“**Good Reason**” means any one or more of the following events

(a) a material adverse change in the authorities, powers, functions, responsibilities, duties, or reporting structure (which shall include, without limitation, the Board’s designation of a successor to the Participant in his capacity as Chief Executive Officer of the Company);

- (b) a material reduction in the Participant's annual base salary;
- (c) a material reduction in the Participant's overall compensation opportunities (as contrasted with overall compensation actually paid or awarded) under a short-term incentive plan, a long-term incentive plan or other equity plan (or in such substitute or alternative plans); or
- (d) a change in the location of the Participant's principal place of employment with the Company by more than 50 miles;

provided, however, that no later than 30 days after learning of the action (or inaction) described herein as the basis for a termination of employment for Good Reason, the Participant shall advise the Company in writing that the action (or inaction) constitutes grounds for a termination of his or her Employment for Good Reason, in which event the Company shall have 30 days (the "Cure Period") to correct such action (or inaction). If such action (or inaction) is not corrected prior to the end of the Cure Period, then the Participant may terminate his or her Employment with the Company for Good Reason within the 30-day period following the end of the Cure Period by giving written notice to the Company. If such action (or inaction) is corrected before the end of the Cure Period, then the Participant shall not be entitled to terminate his or her Employment for Good Reason as a result of such action (or inaction).

"Section 409A" means Code Section 409A and the Treasury regulations and guidance issued thereunder.

"Separation from Service" means a separation from service with the Company or any of its Subsidiaries within the meaning of Treasury Regulation § 1.409A-1(h) (or any successor regulation).

"Termination Date" means the date of the Participant's Separation from Service.

"Vesting Date" means one or more vesting dates as specified in Section 3.

2. Establishment of RSU Award Account. The grant of units of Common Stock of the Company pursuant to this Award Agreement shall be implemented by a credit to a bookkeeping account maintained by the Company evidencing the accrual in favor of the Participant of the unfunded and unsecured right to receive a corresponding number of shares of Common Stock, which right shall be subject to the terms, conditions and restrictions set forth in the Plan and to the further terms, conditions and restrictions set forth in this Award Agreement. Except as otherwise provided in Section 11 of this Award Agreement and subject to Section 6 of this Award Agreement, the units of Common Stock credited to the Participant's bookkeeping account may not be sold, assigned, transferred, pledged or otherwise encumbered until the Participant has been registered as the holder of shares of Common Stock on the records of the Company as provided in Sections 4 or 5 of this Award Agreement.

3. Vesting of RSU Award. Unless earlier vested or forfeited pursuant to this Section 3 or Section 4 below, the Participant's right to receive shares of Common Stock under this Award Agreement shall vest with respect to the number of units and on the Vesting Date(s) as shown in the following schedule:

Except as provided in Sections 4 below, the Participant must be in continuous Employment during the period beginning on the Award Date and ending on the Vesting Date(s) in order for the units (as indicated above) of the RSU Award to vest on such Vesting Date(s); otherwise, all unvested units shall be forfeited as of the Participant's Termination Date.

4. Effect of Separation from Service; Timing of Distribution.

(a) Death or Disability. Notwithstanding Section 3 above, if the Participant's Termination Date occurs prior to the final Vesting Date and is due to the Participant's death or Separation from Service due to Disability, then the Participant shall vest in the right to receive the total number of unvested units of Common Stock subject to this Award Agreement.

(b) Termination of Employment without Cause or for Good Reason. Notwithstanding Section 3 above, if the Participant's Termination Date occurs prior to the final Vesting Date and is due to (i) termination of Employment by the Company or any of its Subsidiaries without Cause or (ii) resignation by the Participant for Good Reason, then the Participant shall vest in the right to receive the total number of unvested units of Common Stock subject to this Award Agreement.

(c) Timing of Distribution. If the Participant is entitled to a benefit pursuant to Section 4(a) or (b) hereof, then the number of shares of Common Stock determined in accordance with the applicable provision of this Section 4 shall be distributed not later than the 70th day after the Participant's Termination Date.

(d) Dividend Equivalents. Upon the date of distribution of shares of Common Stock under this Section 4, the Participant shall also be entitled to receive Dividend Equivalents for the period from the Award Date to the date such vested shares of Common Stock are distributed to the Participant.

5. Payment of RSU Award Under Section 3. Upon the vesting of the Participant's right to receive a number of the shares of Common Stock pursuant to Section 3 under this Award Agreement, such shares of Common Stock will be distributed not later than the 70th day after the applicable Vesting Date. Moreover, upon the date of distribution of shares of Common Stock, the Participant shall also be entitled to receive Dividend Equivalents for the period commencing on the Award Date and ending on the date such vested shares of Common Stock are distributed to the Participant.

6. Holding Period. Any shares distributed under this RSU Award may not be sold or otherwise transferred by Participant for [months] following the Participant's Termination Date except (i) for the withholding by the Company, or sale by Participant through a sell to cover program, of such number of shares as may be necessary to satisfy payment by Participant of applicable withholding taxes with respect to the shares otherwise distributed, (ii) a sale of shares in connection with a Change in Control, or (iii) upon the death of the Participant. Shares must remain with the Company-designated broker during this period

7. Confidentiality. The Participant agrees that the terms of this Award Agreement are confidential and that any disclosure to anyone for any purpose whatsoever (save and except disclosure to financial institutions as part of a financial statement, financial, tax and legal advisors, or as required by law) by the Participant or his or her agents, representatives, heirs, children, spouse, employees or spokespersons shall be a breach of this Award Agreement and the Company may elect to revoke the grant made hereunder, seek damages, plus interest and reasonable attorneys' fees, and take any other lawful actions to enforce this Award Agreement.

8. Participant Obligations.

(a) **Confidentiality.** The Participant acknowledges that in the course of his or her employment with the Company, the Company agrees to provide to the Participant Confidential Information regarding the Company and the Company's business and has previously provided the Participant other such Confidential Information. In return for this and other consideration, provided under this Award Agreement, the Participant agrees that he or she will not, while employed by the Company and thereafter, disclose or make available to any other person or entity, or use for his own personal gain, any Confidential Information, except for such disclosures as required in the performance of his or her duties hereunder or as may otherwise be required by law or legal process (in which case the Participant shall notify the Company of such legal or judicial proceeding by a non-governmental party as soon as practicable following his receipt of notice of such a proceeding, and permit the Company to seek to protect its interests and information). Nothing in this Award Agreement, however, limits or precludes Participant from making a good faith voluntary report, charge, complaint, or claim to or providing truthful testimony and documents as required by law or under oath pursuant to a subpoena, court order, or request by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state, or local government agency or commission ("Government Agencies"). Participant further understands that this Award Agreement does not limit Participant's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information to the Government Agency, without notice to the Company. For purposes of this Award Agreement, "**Confidential Information**" shall mean any and all information, data and knowledge that has been created, discovered, developed or otherwise become known to the Company or any of its affiliates or ventures or in which property rights have been assigned or otherwise conveyed to the Company or any of its affiliates or ventures, which information, data or knowledge has commercial value in the business in which the Company is engaged, except such information, data or knowledge as is or becomes known to the public without violation of the terms of this Award Agreement. By way of illustration, but not limitation, Confidential Information includes business trade secrets, secrets concerning the Company's plans and strategies, nonpublic information concerning material market opportunities, technical trade secrets, processes, formulas, know-how, improvements, discoveries, developments, designs, inventions, techniques, marketing plans, manuals, records of research, reports, memoranda, computer software, strategies, forecasts, new products, unpublished financial information, projections, licenses, prices, costs, and employee, customer and supplier lists or parts thereof.

(b) Return of Property. The Participant agrees that at the time of his or her Separation from Service, he or she will deliver to the Company (and will not keep in his or her possession, recreate or deliver to anyone else) all Confidential Information as well as all other devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, customer or client lists or information, or any other documents or property (including all reproductions of the aforementioned items) belonging to the Company or any of its affiliates or ventures, regardless of whether such items were prepared by the Participant.

(c) Non-Solicitation and Non-Competition.

(1) *Non-Solicitation*. For consideration provided under this Award Agreement, including, but not limited to the Company's agreement to provide the Participant with Confidential Information (as defined in Section 8(a)) regarding the Company and the Company's business, the Participant agrees that, while employed by the Company and for one year following his or her Separation from Service, he or she shall not, without the prior written consent of the Company, directly or indirectly, (i) hire or induce, entice or solicit (or attempt to induce, entice or solicit) any employee of the Company or any of its affiliates or ventures to leave the employment of the Company or any of its affiliates or ventures or (ii) solicit or attempt to solicit the business of any customer or acquisition prospect of the Company or any of its affiliates or ventures with whom the Participant had any actual contact while employed at the Company.

(2) *Non-Competition*. For consideration provided under this Award Agreement, including, but not limited to the Company's agreement to provide the Participant with Confidential Information regarding the Company and the Company's business, the Participant agrees that while employed by the Company and for one year following a Separation from Service he or she will not, without the prior written consent of the Company, acting alone or in conjunction with others, either directly or indirectly, engage in any business that is in competition with the Company or accept employment with or render services to such a business as an officer, agent, employee, independent contractor or consultant, or otherwise engage in activities that are in competition with the Company.

(3) *Restricted Area*. The restrictions contained in this Section 8(c) are limited to a 50-mile radius around any geographical area in which the Company engages (or has definite plans to engage) in operations or the marketing of its products or services at the time of the Participant's Separation from Service.

(d) Restrictions Reasonable. The Participant acknowledges that the restrictive covenants under this Section 8, for which the Participant received valuable consideration from the Company as provided in this Award Agreement, including, but not limited to the Company's agreement to provide the Participant with Confidential Information regarding the Company and the Company's business are ancillary to otherwise

enforceable provisions of this Award Agreement that the consideration provided by the Company gives rise to the Company's interest in restraining the Participant from competing and that the restrictive covenants are designed to enforce the Participant's consideration or return promises under this Award Agreement. Additionally, the Participant acknowledges that these restrictive covenants contain limitations as to time, geographical area, and scope of activity to be restrained that are reasonable and do not impose a greater restraint than is necessary to protect the goodwill or other legitimate business interests of the Company, including, but not limited to, the Company's need to protect its Confidential Information.

(e) **Violations.** If the Participant violates any provision of this Section 8, the Participant shall not be entitled to receive any amounts that would otherwise be payable to the Participant with respect to this RSU Award, and such amounts shall be forfeited. If the Participant violates any provision of this Section 8 after amounts under this RSU Award have been paid or if the Company learns of the violation after amounts under this RSU Award have been paid, the Participant shall repay to the Company the Common Shares (or the equivalent value thereof determined as of the date of the Company's demand) or the cash received, as the case may be, within thirty (30) days of receiving a demand from the Company for the repayment of the award. Further, the Company shall be entitled to an award of attorneys' fees incurred with securing any relief hereunder and/or pursuant to a breach or threatened breach of this Section 8.

9. Notices. For purposes of this Award Agreement, notices to the Company shall be deemed to have been duly given upon receipt of written notice by the Corporate Secretary of CenterPoint Energy, Inc., 1111 Louisiana, Houston, Texas 77002, or to such other address as the Company may furnish to the Participant.

Notices to the Participant shall be deemed effectively delivered or given upon personal, electronic, or postal delivery of written notice to the Participant, the place of Employment of the Participant, the address on record for the Participant at the human resources department of the Company, or such other address as the Participant hereafter designates by written notice to the Company.

10. Shareholder Rights. The Participant shall have no rights of a shareholder with respect to the units of Common Stock subject to this Award Agreement, unless and until the Participant is registered as the holder of such shares of Common Stock.

11. Successors and Assigns. This Award Agreement shall bind and inure to the benefit of and be enforceable by the Participant, the Company and their respective permitted successors and assigns except as expressly prohibited herein and in the Plan. Notwithstanding anything herein or in the Plan to the contrary, the units of Common Stock are transferable by the Participant to Immediate Family Members, Immediate Family Member trusts, and Immediate Family Member partnerships pursuant to Section 13 of the Plan.

12. No Employment Guaranteed. Nothing in this Award Agreement shall give the Participant any rights to (or impose any obligations for) continued Employment by the Company or any Subsidiary, or any successor thereto, nor shall it give such entities any rights (or impose any obligations) with respect to continued performance of duties by the Participant.

13. Waiver. Failure of either party to demand strict compliance with any of the terms or conditions hereof shall not be deemed a waiver of such term or condition, nor shall any waiver by either party of any right hereunder at any one time or more times be deemed a waiver of such right at any other time or times. No term or condition hereof shall be deemed to have been waived except by written instrument.

14. Exclusion with Section 409A. It is the intent of the Company and the Participant that this Award Agreement provide “short-term deferrals” under Section 409A and will be interpreted and administered consistent therewith. In any event, (i) no adjustment to the RSU Award pursuant to Section 16 of the Plan and (ii) no substitutions of the benefits under this Award Agreement, in each case, shall be made in a manner that results in noncompliance with the requirements of Section 409A, to the extent applicable.

15. Withholding. The Company shall have the right to withhold applicable taxes from any distribution of the Common Stock (including, but not limited to, Dividend Equivalents) or from other cash compensation payable to the Participant at the time of such vesting and delivery pursuant to Section 11 of the Plan (but subject to compliance with the requirements of Section 409A, if applicable).

16. Modification of Award Agreement. Any modification of this Award Agreement is subject to Section 14 hereof and shall be binding only if evidenced in writing and signed by an authorized representative of the Company.



For more information contact
Media:
Communications
Media.Relations@CenterPointEnergy.com
Investors:
Philip Holder / Jackie Richert
Phone 713.207.6500

For Immediate Release

**CenterPoint Energy implements independent board leadership and
governance structure**

- *Martin Nesbitt appointed as Independent Chairman of the Board, effective immediately*
- *Independent directors eliminate Executive Chairman role*
- *Milton Carroll to depart from Executive Chairman position, effective immediately, and from the Board on September 30*
- *Independent directors implement a multi-year retention arrangement for President and CEO Dave Lesar*

Houston – July 22, 2021 – CenterPoint Energy, Inc. (NYSE: CNP) (“CenterPoint” or the “Company”) today announced the unanimous decision of the CenterPoint Board’s Independent Directors to implement a new independent board leadership and governance structure. The Board named Martin Nesbitt, chair of the Nominating and Governance Committee, as its new independent board chairman, effective immediately.

To institute the Company’s new governance structure, this independent seat replaces the position of Executive Chairman. This position has been eliminated by the independent directors of the board, effective immediately. In connection with these decisions by the independent directors, Milton Carroll departs from the Executive Chairman position and as an employee of the Company, effective immediately, and from the Board as a director, effective September 30 of this year, each substantially in advance of Mr. Carroll’s current mandatory retirement date in 2023.

CenterPoint’s Board, based on extensive feedback from shareholders and evaluation of evolving governance practices, determined that now is the right time to execute this significant leadership and governance transition as the company continues to advance its well-received strategic plan to drive sustainable value for the benefit of all its stakeholders. In connection with today’s leadership and governance transition, the Company entered into a multi-year retention grant arrangement with President and CEO Dave Lesar to retain his continued leadership, and to provide executive management continuity, drive successful execution of CenterPoint’s value-creation strategy, and provide executive leadership succession planning. The arrangements entered into with Mr. Carroll and Mr. Lesar will be publicly filed on Form 8-K.

Mr. Nesbitt said, “CenterPoint is a backbone of economic vitality and reliable energy delivery for the communities we serve, and CenterPoint’s importance is a central part of Milton Carroll’s legacy. As we continue to seize opportunities ahead of us, I believe that our unique value

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proposition will be further strengthened by CenterPoint’s commitment to strong corporate governance, including through the leadership and governance transition we announce today. I am honored to have been selected to lead CenterPoint as independent Chairman of the Board and on behalf of the Board, we express our deepest gratitude and respect for Milton, who has served CenterPoint and its stakeholders tirelessly for nearly 30 years. Milton has been a steady source of inspiration, leadership and guidance to all who have known him, and his stewardship and commitment to CenterPoint’s success have been unmatched. Milton was instrumental in the creation of CenterPoint, provided initial board leadership and with the help of many others, navigated CenterPoint through the difficult transition of the early days of the deregulation of the Texas electrical market. He then helped lead the company to where it is today – stronger than ever, with a market capitalization near its historic high. I look forward to continuing to work closely with our incredible CEO Dave Lesar, who has demonstrated tremendous energy and accomplishment since he became CEO only a year ago.”

Mr. Carroll said, “In the nearly 30 years since I joined CenterPoint’s Board in 1992 and during my time as Executive Chairman of the Board, CenterPoint has successfully navigated industry, energy and regulatory challenges, business transitions and changes in our nation and communities. Thanks to our great CenterPoint team, we are an indelible part of the fabric and history of Texas and the other territories we serve. I am excited to see how CenterPoint continues to evolve under the leadership of Marty and Dave and reach even greater heights of potential and promise. It has been an honor to serve as Chairman and then Executive Chairman alongside my fellow directors.”

Mr. Lesar said, “We have been on a very focused mission over the past year to unlock the untapped power and potential within this company, its premium regulated utilities and its exceptional talent. Milton has been a critical partner throughout this journey, and with our utility-focused strategy, we are now taking advantage of the robust capital investment opportunities available to us and are firmly on the path to exit our midstream investments and progress our renewable energy growth objectives. I believe the best is yet to come, and I couldn’t be more excited to continue my commitment to CenterPoint’s future success and the development of its next phase of leadership over the coming years. On behalf of myself and all our employees, I am deeply grateful to Milton for laying CenterPoint’s strong foundation and positioning the company so well for this new era. I am excited for our future and look forward to discussing our second quarter results.”

About Marty Nesbitt

Martin H. Nesbitt has been a director since April 2018 and will now serve as the independent Chairman of CenterPoint’s Board. Since 2013, he has served as Co-Chief Executive Officer of The Vistria Group, LLC, a Chicago-based investment firm focused on the education, healthcare and financial services industries. Prior to co-founding Vistria, Mr. Nesbitt served as Chief Executive Officer of PRG Parking Management (known as The Parking Spot), an owner and operator of off-airport parking facilities, from 1996 to 2012. Prior to The Parking Spot, Mr. Nesbitt also served as officer of the Pritzker Realty Group, L.P. and as Vice President and Investment Manager at LaSalle Partners, with a variety of responsibilities including investment management for regional retail properties. Mr. Nesbitt has served on the Boards of Directors of

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American Airlines Group, Inc. since 2015 and Chewy, Inc. since 2020. He also previously served on the Board of Directors of Jones Lang LaSalle. He is a Trustee of Chicago’s Museum of Contemporary Art and serves as Chairman of the Barack Obama Foundation. He previously served as a director of Norfolk Southern Corporation from 2013 to May 2019.

About CenterPoint Energy, Inc.

As the only investor-owned electric and gas utility based in Texas, CenterPoint Energy, Inc. (NYSE: CNP) 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. As of March 31, 2021, the company owned approximately \$36 billion in assets and also owned 53.7 percent of the common units representing limited partner interests in Enable Midstream Partners, LP, a publicly traded master limited partnership that owns, operates and develops strategically located natural gas and crude oil infrastructure assets. With approximately 9,500 employees, CenterPoint Energy and its predecessor companies have been in business for more than 150 years. For more information, visit CenterPointEnergy.com.

Forward Looking Statement

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this news release, the words “continue,” “could,” “expect,” “intend,” “may,” “plan,” “potential,” “should,” “will” or other similar words are intended to identify forward-looking statements. These forward-looking statements are based upon assumptions of management which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. Actual events and results may differ materially from those expressed or implied by these forward-looking statements. Any statements in this news release regarding future events, such as executive management continuity and succession planning, the benefits of leadership and governance transitions, corporate governance commitments, strategic plans and value creation, capital investments, business opportunities, future financial performance and results of operations, expectations regarding our midstream investments and renewable energy growth objectives, and any other statements that are not historical facts are forward-looking statements. Each forward-looking statement contained in this news release speaks only as of the date of this release. 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 impact of COVID-19; (2) financial market conditions; (3) general economic conditions; (4) the timing and impact of future regulatory and legislative decisions; (5) effects of competition; (6) weather variations; (7) changes in business plans; and (8) other factors, risks and uncertainties discussed in CenterPoint Energy’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020, CenterPoint Energy’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 and other reports CenterPoint Energy or its subsidiaries may file from time to time with the Securities and Exchange Commission.

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