All of Us, Always There

**CenterPoint** Energy joined more than 130 Houstonarea companies that participate in the Greater Houston Partnership's racial equity principles through One Houston Together.

# DIVERSITY, EQUITY & INCLUSION

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

CenterPoint Energy strives to create an environment that safely promotes a sense of belonging for everyone. Diversity, equity and inclusion (DE&I) are core to who we are, what we do and how we do it. We believe that DE&I are critical components of our long-term business strategy, serving as cornerstones of our service, performance and growth.

We strive to find ways, big and small, to appreciate the value in our differences. It is through the energy of many where we unlock the potential of our company and workforce while, at the same time, supporting our quest to learn better, listen better and do better every day.

DIVERSITY, EQUITY & INCLUSION STRATEGY

**WORKFORCE DIVERSITY** 

**INITIATIVES** 

DIVERSITY, EQUITY & INCLUSION GIVING



# OUR DIVERSITY, EQUITY & INCLUSION POSITIONING STATEMENT

At CenterPoint Energy, we strive to advance diversity, equity and inclusion to support our colleagues, customers, contractors, suppliers and community members, regardless of race, gender, color, sexual orientation, age, religion, national origin, or physical or mental disability, so they have an equal opportunity to thrive and a sense of belonging.

"We are on an important journey across CenterPoint Energy. I look forward to building on our progress and momentum as we work together and strive to find ways, big and small, to appreciate the value in our differences."
- Kimberly Blasingame, Director, Recruiting and Diversity, Equity & Inclusion



#### CENTERPOINT ENERGY HAS DEFINED FIVE STRATEGIC PILLARS OF DIVERSITY, EQUITY AND INCLUSION:



EMPLOYEES

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



COMMUNITY AND GIVING

Commitment to support the core giving areas that are reflective of our communities.



SUPPLIER DIVERSITY

Developing strong relationships with a diverse supplier base to continually improve business opportunities.



TALENT ACQUISITION

Identifying, attracting, recruiting and retaining top talent with the best abilities.



CUSTOMER FOCUS
Recognizing the
diversity of our
customers and
meeting the
needs of the
communities we
serve.

#### **GOVERNANCE AND OVERSIGHT**

CenterPoint Energy's Compensation Committee oversees the company's diversity, equity and inclusion initiatives, in addition to compensation policies and practices. The full Board of Directors receives periodic updates regarding these matters.

Our leadership and employees share in implementing our diversity, equity and inclusion company-wide commitment by treating each other, our customers and our stakeholders with respect and fairness, and by promoting inclusion and belonging in their business interactions.

Our company-wide Diversity, Equity and Inclusion Council provides governance and oversight on diversity, equity and inclusion efforts, promotes company diversity activities and drives company-wide communication. Our Executive Vice President and Chief Human Resources Officer and our Executive Vice President and General Counsel serve as executive sponsors.

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

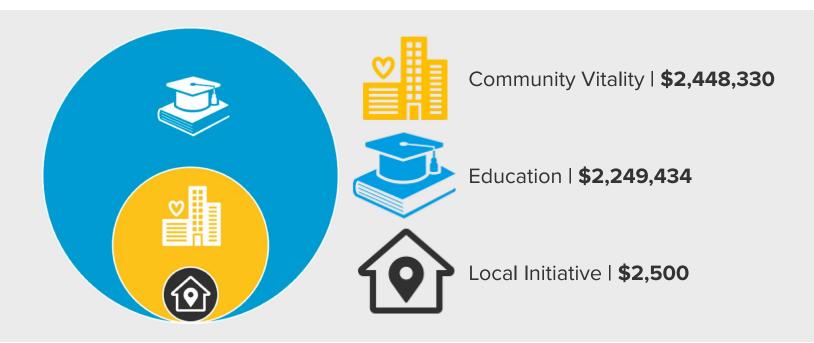
**LEARN MORE** 

**DATA CENTER: WORKFORCE DIVERSITY** 

#### **DIVERSITY, EQUITY & INCLUSION GIVING**

Through our ongoing commitment to diversity, equity and inclusion (DE&I), the CenterPoint Energy Foundation supports our core giving areas of Education and Community Vitality, develops relationships with new and existing non-profit partners, and works to ensure our partnerships have long-term impact.





#### **DE&I STRATEGIC GIVING PILLARS**



#### **EDUCATION**

- Promote diverse literature and increase literacy skills
- Fund minority student exposure to STEM
- Expand diverse talent pipeline through Career/Technical Education programs



# COMMUNITY VITALITY

- Invest in projects and affordable housing in racially diverse neighborhoods
- Improve quality of life for individuals



#### **RELATIONSHIP BUILDING**

- Support diverse leadership and board of directors in community organizations
- Provide organizational funding in underserved communities

# CENTERPOINT ENERGY FOUNDATION 2022 DE&I HIGHLIGHTS

- Latinos for Education —
   Funding supports Latinx
   Teachers Fellowship
   Program, which aims to provide capacity-building resources to develop and retain early-career Latino teachers.
- Community One
   (Evansville, IN) Grant
   providing resources for
   housing restoration and
   community revitalization in
   a diverse, under resourced neighborhood.
- HBCU Partnerships —
   Expanded on 2021 HBCU
   (Historically Black
   Colleges and Universities)
   partnerships in Texas,
   Louisiana and Mississippi
   and provided more than
   \$100,000 in funding.
- NextGen Workforce
   Development More
   than \$250,000 in
   investments into career
   technical education,
   internships and mentoring
   programs focused on
   minority and low-income
   youth.





CenterPoint Energy partners with Carnegie Vanguard High School's Women in Science and Engineering Club in Houston, an organization for students who aspire to work in the technology and engineering fields. Our female engineers engage students on using science and technology to help solve real-life problems and as a catalyst for social change.

**LEARN MORE** 

COMMUNITIES

**CENTERPOINT ENERGY FOUNDATION** 

#### **DIVERSITY, EQUITY & INCLUSION INITIATIVES**

We are progressing several initiatives that help support belonging and diversity, equity and inclusion, including internal and external initiatives, programs and partnerships.

"I believe the success of CenterPoint Energy's business goals and strategy will depend on making our organization look more like the communities we serve," said Jason Wells, Chief Executive Officer. "When we hold a mirror up to our communities, it is important that we see the faces of our CenterPoint Energy employees reflected back. We have already made a lot of progress, with even more yet to come."

Our company-wide **Diversity, Equity and Inclusion Council**, comprised of colleagues from all levels and areas of our businesses and corporate functions, assists in leading conversations and driving diversity, equity and inclusion efforts across the organization, such as:

- A diversity, equity and inclusion anonymous survey engaged all employees on attitudes toward diversity, culture, hiring and recruiting, diversity training programs and other workplace experiences.
- Launching eight Employee Resource Groups (ERGs) to date.
- Creating a leadership talent pipeline that helps support a diverse
  workforce and inclusive work environment that is reflective of the
  available workforce, placing a focus on driving awareness of the
  importance of supporting and enabling a diverse workforce.

In 2022, 41% of our external

placements were **FEMALE EMPLOYEES** 

In 2022, **60%** of our external placements were either

RACIALLY or ETHNICALLY DIVERSE.

In 2022, CenterPoint Energy had

#### **610 VETERANS**

(as self-identified).

#### **AFFINITY AND EMPLOYEE RESOURCE GROUPS**

Our Affinity groups are formed around a shared interest or common goal for employees across CenterPoint Energy. Affinity groups help us build community, enhance purposeful networking and employee engagement across our company, promote career development, and offer leadership and professional development opportunities.

#### **Affinity Groups:**

- EnPoint: Gas Engineering employees
- EPN: Electric Engineering employees
- EV Point: Employees who are electric vehicle enthusiasts
- MyPoint: Finance, IT and Audit Services employees
- OnPoint: Employees who work in Operations and functional areas across Houston

#### **EMPLOYEE RESOURCE GROUPS**

Our eight employee-created and employee-led ERGs are a key part of CenterPoint Energy's focus on DE&I. They provide vital opportunities for employees to get to know one another, share knowledge and experiences, promote collaboration and professional development, support employee recruitment and retention, raise cultural awareness, and enhance community engagement.

Our ERGs' goals and activities are aligned with CenterPoint Energy's Diversity, Equity and Inclusion Vision and Positioning Statement, as well as the Diversity, Equity and Inclusion Council's strategic goals. ERGs are employee-led, operated with the support of the Diversity, Equity and Inclusion Council and are open to all employees. ERGs can contribute to increasing the diversity of the applicant pool and improving retention, as well as reaching traditionally underrepresented or underserved customers, clients, suppliers, and communities. ERGs can also help enhance civic engagement and strengthen CenterPoint Energy's connections and reputation in the communities we serve.







# CenterPoint Energy's Employee Resource Groups:

- Black Employees Network
- C.A.R.E Connections (Children, Adult, Resource, Education)
- CNP Asian Professional Network
- CNP Military Network
- CNP Pride
- Cultural Niketan of India
- Hispanic & Latin Professional Network
- Women in Leadership

#### **ERG HIGHLIGHTS**

In 2022, our ERGs engaged **1,600+ employee members** to develop and manage **59 events** for all employees throughout the company.



C.A.R.E. Connections (Children, Adult, Resource, Education) is CenterPoint Energy's newest ERG. Its mission is to empower members as they navigate their career and family responsibilities, maintain a work/life balance, and support overall mental health and wellbeing.



The Cultural Niketan of INDIA ERG celebrated Diwali – the Festival of Lights – by holding onsite celebrations at several CenterPoint Energy office locations. The group's objective is to promote the welfare of community and an attitude of gratitude.



A special ERG showcase of our rich diversity in perspective, thought and experience was sponsored by the DE&I Council so employees could hear directly from members and learn how to participate. ERGs provide vital opportunities for networking, mentoring, professional development and promotion of the company's business goals and strategy.

#### RECRUITING

Our Talent Acquisition team is at the forefront of our efforts to create a workforce reflective of the communities we serve. We support best practices for promoting diversity through our recruitment process, and we actively recruit and hire veterans and individuals with disabilities.

Our College Recruiting program maintains relationships with student organizations at many of the schools throughout our footprint, providing opportunities to engage with a diverse mix of students as they plan their professional careers. Some of our partner organizations include:

- Ascend Pan-Asian Leaders
- Asian Business Student Association
- Collegiate Association for Women in Construction
- Construction Student Association
- Hispanic Business Student Association

- Human Rights Campaign
- National Association of Black Accountants
- National Society of Black Engineers
- Society of Hispanic Professional Engineers
- Texas Diversity Council

Nationally, we partner with Disability Solutions, Hispanic Alliance for Career Enhancement, LocalJobNetwork (Circa) and RecruitMilitary.

#### **Local partnerships include: HOUSTON MINNEAPOLIS EVANSVILLE** Texas Diversity Council, Minnesota Department of Evansville Vet Center, Ivy S.A.F.E. Diversity **Employment and Economic** Communities, Lone Star Development, Minneapolis Indiana, YWCA of Evansville, Veterans Association. Urban League, Step Up, Playsmint, SER Jobs, Minnesota Department of Workforce Solutions, United Veterans Affairs, and Minnesota Vocational States Department of Veterans Affairs, Wounded Rehabilitation Warrior Project, Houston Area Urban League, Women in Construction, and NextOp

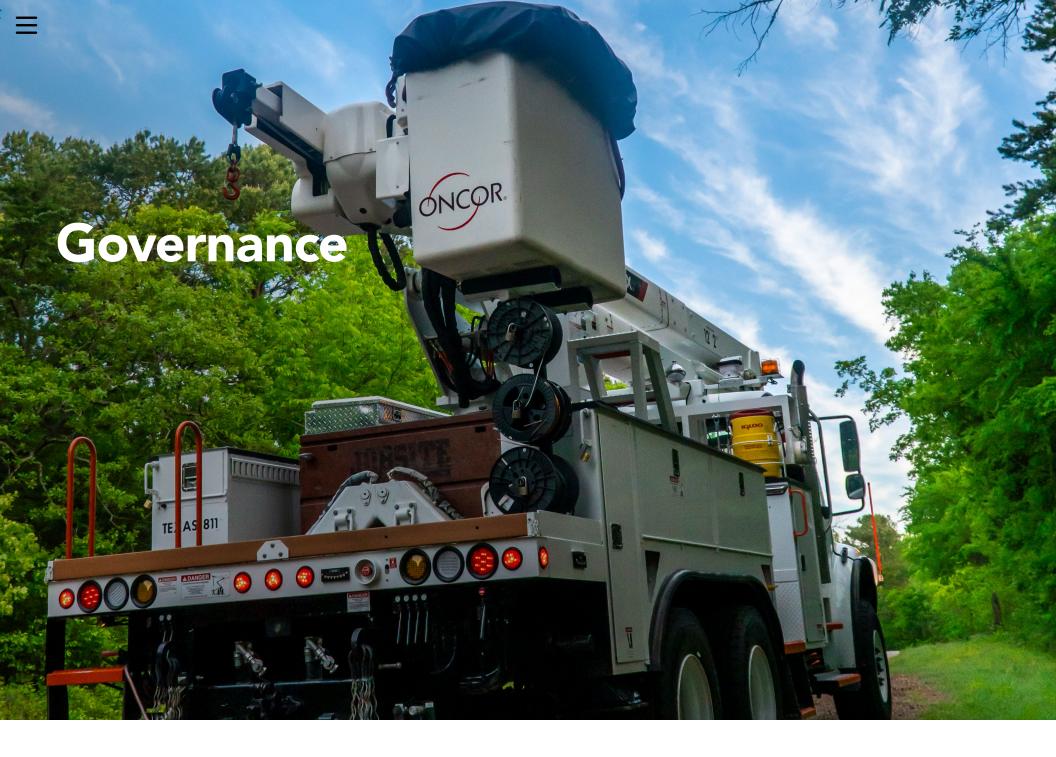
#### **COLLEGE RECRUITING PROGRAM**

Our College Recruiting program maintains partnerships with student organizations at many of the schools throughout our footprint. Internships, co-ops and entry-level job opportunities are offered throughout the company.

We use diverse interview panels for candidate interviews to promote a diversity of perspectives and thought when interviewing prospective new hires for opportunities across our company.

#### **LEARN MORE**

DATA CENTER: WORKFORCE DIVERSITY





#### Governance

#### Core Values & One Oncor

Our Core Values of excellence, intensity, ethical conduct, respect, and innovation inform our Mission and Vision and provide the foundation for everything we do as a company. These values also provide the context for our One Oncor framework, which encourages all employees to share a "one team, one outcome" mentality to deliver value for our customers. Additionally, every Oncor employee – from entry level to senior leadership – is required to complete an annual Code of Conduct training course to help ensure that our people understand and practice the highest ethical and legal standards.



#### Diversity, Equity, and Inclusion (DEI)

In the fourth quarter of 2020, after conducting an extensive nationwide search, Oncor was pleased to hire a new Vice President for DEI, Scott Trapp. Trapp has over 20 years of experience in Talent Acquisition and Diversity & Inclusion. As the new Vice President of DEI, Trapp will oversee all aspects of Oncor's DEI strategy, and lead the refinement and execution of the company's training, programming, and ongoing initiatives, including the establishment of multiple new Employee Resource Groups (ERGs). Oncor is committed to continuing to build a company where employees feel a true sense of belonging, and continuing to foster an environment that provides every person with equitable opportunities to realize their full potential. This first-ever officer-level hire will lead and work closely with Oncor's established officer-level steering committee to address DEI activities across the company. Oncor's 20 "Together We Deliver" DEI council chapters, which are based out of Oncor offices and service centers across our service territory, also remain active.



**Scott Trapp** 

#### **Championing People**

#### Diversity, Equity, and Inclusion

Oncor continues to progress in our Diversity, Equity, and Inclusion (DEI) journey thanks to the shared commitment of our Chief Executive and executive officers, as well as Oncor's Vice President of DEI and an 11-member, officer-level DEI Steering Committee.

**DRIVING RESPONSIBLE CONDUCT** 

In 2022 we continued our commitment to DEI by expanding the number of our employee resource groups (ERGs) from five to eight. We now have ERGs that focus on employees who identify with or support the following demographics: Black, Hispanic, Asian/Pacific Islanders, LGBTQ+, and women, and the newest groups: veterans, individuals with disabilities, and working families. At the end of 2022, 17% of Oncor's employees were members of an ERG and were invited to participate in over 100 activities that included informative articles, educational or cultural events, or community service.

















These ERGs have also served as great avenues to strengthen our partnerships in the community. For example:

 Opal Lee, a local activist who is known as the "Grandmother of Juneteenth," due to her efforts that led to June 19th being recognized as a federal holiday, partnered with our ERG supporting Black employees to participate in educational programming for Oncor in 2022. We also increased our annual sponsorship of Ms. Lee's Juneteenth activities in the Fort Worth area from our previous level of \$2,500 to \$10,000 in 2022.

- The ERGs supporting veterans and individuals with disabilities partnered to sponsor a dog for Canine Companions, an organization that trains service dogs for individuals with disabilities.
- Additionally, through our ERG supporting individuals with disabilities, Oncor became a corporate partner of Disability: IN – North Texas, a nonprofit resource for business disability inclusion worldwide.

Oncor launched various other DEI initiatives in 2022. For example, in October 2022, Oncor organized the "I Belong" Campaign, a company-wide, voluntary initiative to encourage more employees to self-identify in four categories: gender, race, veteran status, and disability. Through this survey, more than half of Oncor employees voluntarily and privately validated or updated this information.

In November 2022, Oncor's DEI team hosted the first company-wide DEI Summit for Oncor. The forum, "Grounded in One Oncor: Connecting the DEI Circuit," allowed Oncor executives and employees across the company to discuss advancing Oncor's DEI efforts as it strives to foster a more inclusive workplace. The event, which featured insights from 14 officers and panels with cross-functional and employee resource group leaders, was virtually attended by approximately 780 employees.

Oncor has also implemented pay policies and practices to minimize any potential gender or ethnic/race pay gaps. Oncor monitors the effectiveness of its pay policies and practices by conducting both a gender and an ethnic/race pay gap analysis quarterly. SERVING OUR STAKEHOLDERS

#### **Developing the Next Generation**

Oncor has a long tradition of meeting its current and future workforce needs utilizing a philosophy of developing and promoting from within. We are actively focused on attracting and developing employees at all levels to replace employees likely to retire in the next few years. A number of strategies are employed to ensure a steady pipeline of well qualified, diverse candidates exists for each of the major roles for which Oncor recruits in higher volumes - engineers, designers, technicians, and craft workers. These strategies include building relationships with and recruiting from:

- many of the major four-year colleges and universities within and near Texas with strong engineering and engineering technology bachelor degree programs,
- community colleges in and around the Oncor service territory with strong linemen colleges and technology programs leading to an associate degree, and
- other two-year and four-year colleges and universities with strong general business and technology associate and bachelor degree programs for other career paths within the company.

We maintain a multi-faceted recruiting strategy with a strong commitment to DEI to help attract, develop, retain, and enable innovation and sustained growth for generations to come. Collectively, Oncor recruits from over 30 different institutions, which provides us with access to pools of diverse talent for our recruiting needs. We also actively recruit former members of the U.S. Armed Services, many of whom have the experience and training to fill critical and highly specialized functions. Even with these robust sources of talent, Oncor is always exploring ways to create new talent pools, including helping higher education and technical institutions develop lineworker schools and courses, and regularly deploying recruiting teams to college campuses.

Oncor is an employer partner with North Texas LEAD, a 501(c)(3) nonprofit organization that provides free services to experienced job seekers and partner organizations. Since 1999, North Texas LEAD has remained committed to helping employers that embrace diversity and inclusion connect with executive talent and to preparing senior-level job seekers to compete for roles within member organizations.





Oncor is committed to supplier diversity and to having a positive impact on the communities in which it operates. Oncor's spend with Veteran Business Enterprise (VBE) (businesses owned 51% or more by a veteran) and/or Minority/Women Business Enterprise (MWBE) suppliers (businesses owned 51% or more by a woman or minority) has grown from \$207 million in 2017 to approximately \$350 million in 2022. In 2022, Oncor's VBE and MWBE supplier spend represented close to 11% of all supplier spend. Through our partnerships with VBE and MWBE suppliers, we seek to support economic development across our service area and ensure the diversity of the communities where we live and serve is also reflected within our choice of suppliers.

#### Recognitions

Oncor was honored by Women's Enterprise magazine as one of the 2022 "WE 100" companies, which are recognized as "leading organizations for the development and advancement of women-owned business enterprises."

In 2022, Oncor participated in Disability: IN, a nonprofit resource for business disability inclusion worldwide. Disability: IN certifies disability-owned business enterprises, including service-disabled and veteran disability-owned businesses, and links them with organizations seeking to diversify their supply chains, such as Oncor. Oncor's Supplier Diversity Manager, Chief HR and Chief Customer Officer, VP of DEI, and many ERG employees attended Disability: IN's annual conference in Dallas in July, and participated in many of the workshops and expo opportunities.



#### ONCOR'S TOTAL DIVERSE SUPPLIER ECONOMIC IMPACT IN 2022

\$986.6M **TOTAL SPENDING** (OUTPUT) supported in the

economy

\$541.7M **PRODUCTION** (VALUE ADDED) contribution to the economy

5,517 **TOTAL JOBS** supported in the economy

\$316.0M **TOTAL WAGES** earned through supported jobs

SUPPORTING ECONOMIC **GROWTH & DIVERSITY** 

#### **ECONOMIC IMPACT METRICS**

- 1. **Spending:** Spending or economic output measures the total output of all businesses engaged directly or indirectly because of Oncor's purchases from diverse businesses.
- 2. **Production:** Production or value added measures the contribution to the gross domestic product resulting from Oncor's purchases from diverse businesses.
- 3. **Jobs:** The number of jobs supported within Oncor's supply chain and in the broader economy as a result of Oncor's purchases.
- 4. Wages: The wages and benefits earned by the people employed in the supported jobs.

#### TOTAL SPENDING (OUTPUT)

\$351.3M	\$251.7M	\$383.6M
Direct	Indirect	Induced

#### **JOBS**

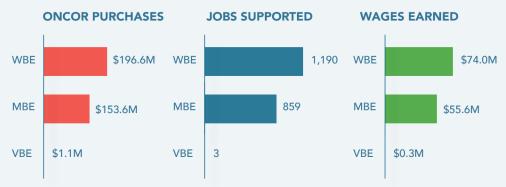
2,052	1,158	2,307
Direct	Indirect	Induced
Direct	inairect	inaucea

#### WAGES

IIAGES		
\$129.9M	\$72.5M	\$113.6M
Direct	Indirect	Induced

Note: Direct, Indirect, and Induced numbers may not add up to the total due to rounding.

#### **DIRECT IMPACT ON OUR DIVERSE SUPPLIERS**



Diverse supplier spend impact data is based on a report issued in May 2023 by a third party. Dollar amounts rounded to the nearest million.

#### **Appendix: Edison Electric Institute Sustainability Reporting Template: Qualitative Section**

**DRIVING RESPONSIBLE CONDUCT** 

The Edison Electric Institute (EEI) and the American Gas Association (AGA) have created a voluntary ESG/sustainability reporting template for regulated electric and gas companies. As the operator of the largest transmission and distribution system in Texas, Oncor is proud to be among the utilities using the EEI/AGA voluntary ESG reporting template for discussing our sustainability governance, recent achievements, and strategies to further build on those successes in the future. 15

The EEI/AGA qualitative template is straightforward and focuses on only two topics: (1) management and oversight of sustainability; and (2) practices, programs, and initiatives designed to support a sustainable future.

In 2022, we continued to build on our good-governance practices by establishing our Compliance Steering Committee to provide oversight, leadership, and guidance on the design and implementation of compliance programs throughout the company. We also expanded both the membership and scope of our Sustainability and Sustainable Finance Committee's responsibilities to include more oversight of sustainability generally, as well as continuing to support Oncor's sustainable financing efforts. Additionally, our board of directors reoriented its Nominations and Governance committee to become the Governance and Sustainability committee, with periodic review of Oncor's sustainability-related strategies and activities, as well as diversity, equity, and inclusion strategies and activities as part of its scope of oversight and responsibilities.

As highlighted in the foregoing Overview, we are committed to building a business with long-term sustainable growth. We aim to: (1) hold ourselves accountable through strong governance and ethical conduct and instilling corporate values and training through workforce development; (2) promote economic growth, equity, and safety while powering Texas communities; and (3) limit our environmental footprint and help support our customers' efforts to limit their environmental footprint. We believe this Overview describes the practices, programs, and initiatives designed to support that strategy, particularly within the highlighted matters below.

Focusing specifically on our employees, Oncor launched various DEI initiatives in 2022, including expanding the number of our ERGs from five to eight. In total we now have ERGs that focus on employees who identify with or support the following demographics: Black, Hispanic, Asian/Pacific Islanders, LGBTQ+, and women, and the newest groups: veterans, individuals with disabilities, and working families. We also completed our annual company-wide employee engagement survey, which indicated an increase in the number of engaged employees versus prior year results.

Oncor has a long tradition of close partnership with the more than 400 incorporated municipalities that we serve, and in 2022 we continued to build upon our safety commitment to every employee, customer, and location in our service territory. In spring 2022, Oncor and the TPWD entered into a three-year partnership to increase communities' focus on boating safety around power lines that cross over Texas lakes. We also continued our mission of bridging the gap in electric safety education for Texas students through our unique Super Safe Kids program, a traveling show that teaches students about electric safety. Since the program's launch, Oncor employees and a cast of animated characters have presented more than 200 Super Safe Kids safety shows at schools and community events, reaching more than 100,000 kids in Oncor's service territory.

<sup>&</sup>lt;sup>15</sup>Information provided is pursuant to Version 3 of the EEI and AGA ESG/sustainability template.

PROTECTING THE ENVIRONMENT



#### **Glossary**

When the following terms and abbreviations appear in the text of this Overview, they have the meanings indicated below:

\$	U.S. Dollar
%	Percentage
AGA	American Gas Association
АНА	American Heart Association
BEV	Battery electric vehicles
CO2	Carbon Dioxide
CO2e	Carbon Dioxide Equivalent
Credit Facility	Revolving Credit Agreement, dated as of November 9, 2021, among Oncor, as borrower, the lenders from time-to-time party thereto, JPMorgan Chase Bank, N.A., as administrative agent and swingline lender, the fronting banks from time-to-time parties thereto, and the other financial institutions party thereto, including Citibank N.A. and Wells Fargo Securities, LLC, as co-sustainability structuring agents, as amended
DA	Distribution Automation
DART	Days Away, Restricted or Transferred
DEI	Diversity, Equity, and Inclusion
DG	Distributed Generation
EEI	Edison Electric Institute, a trade association that represents all U.S. investor-owned utilities
EPA	Environmental Protection Agency
ERCOT	Electric Reliability Council of Texas, Inc.
ERG	Employee Resource Group
EV	Electric Vehicle
Framework	Oncor Sustainable Financing Framework, effective May 2022
gal.	Gallon
Green Bonds	Oncor's 4.15% Senior Secured Notes due 2032, issued in May 2022
Hg	Mercury
ICMA	International Capital Market Association

IVM	Integrated Vegetation Management
kg	kilogram
KPI	key performance indicator
kWh	kilowatt hour
lbs.	Pounds
MSD	Making Safe Decisions, a training initiative for Oncor employees
MT	Metric Ton
MW	megawatts
MWBE	Minority/Woman Business Enterprise, a business owned 51% of more by a woman or minority
MWh	megawatt hour
NOx	Nitrogen Oxide
Oncor	Oncor Electric Company LLC
Oncor Holdings	Oncor Electric Delivery Holdings Company LLC
Overview	This 2022 Corporate Sustainability Overview
PUCT	Public Utility Commission of Texas
Sempra	Sempra, a California corporation that owns an indirect 80.25% equity interest in Oncor
SF6	Sulfur Hexafluoride
SO2	Sulfur Dioxide
Texas Transmission	Texas Transmission Investment LLC, a limited liability company that owns a 19.75% equity interest in Oncor
TPWD	Texas Parks and Wildlife Department
U.S.	United States of America
UN SDGs	United Nations Sustainable Development Goals
V2G	Vehicle-to-Grid
VBE	Veteran Business Enterprise, a business owned 51% or more by a military veteran

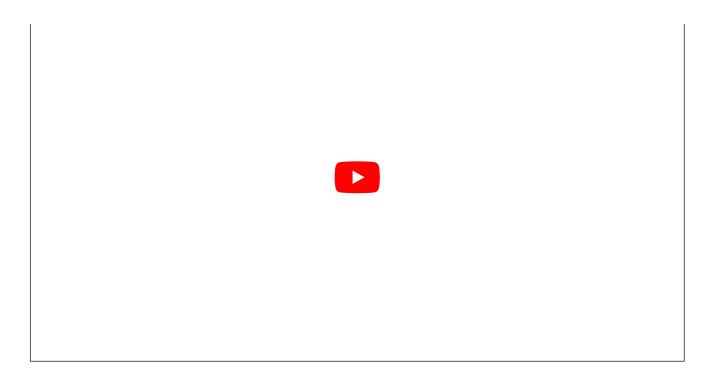
#### **SOCIAL & RACIAL JUSTICE**

#### **ENERGIZING OPPORTUNITY**

We're committed to working with the communities we serve to advance equity for our employees, customers and neighbors of color. The American Electric Power Foundation created the Delivering on the Dream grant program to help dismantle systemic racism and prejudice, while prioritizing diversity, equity and inclusion. This five-year, \$5 million initial investment funds organizations with programs dedicated to advancing social and racial justice in the communities we serve.

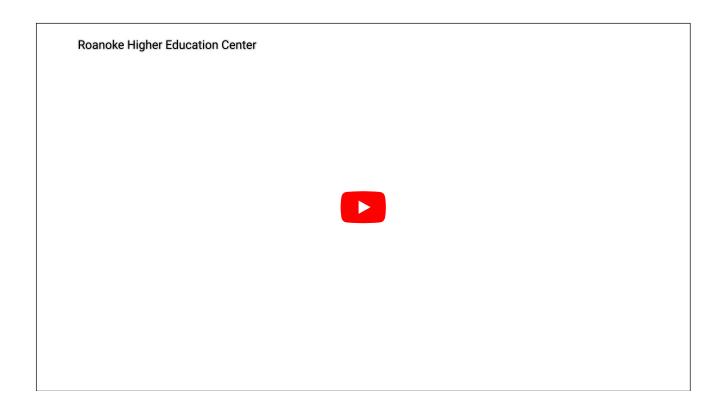
#### **DELIVERING ON THE DREAM GRANT RECIPIENTS**

- AppalReD Legal Aid (Ashland, KY)
- Boys & Girls Club in Texas (Austin, TX)
- CASA of Central Virginia (Lynchburg, VA)
- Our Lady of Guadalupe Center Catholic Social Services (Columbus, OH)
- United Front in Ft. Wayne The Community Foundation of Greater Fort Wayne (Fort Wayne, IN)
- Community Legal Aid Services Inc. (Canton, OH)
- The Delta Dental of Virginia Foundation (Virginia)
- Jarvis Christian College (Hawkins, TX)
- Roanoke Higher Education Center Foundation (Roanoke, VA)
- Rogers Development Foundation (Rogers, AR)
- Southern University at Shreveport Foundation (Shreveport, LA)
- Wiley College (Marshall, TX)
- YMCA of Central Ohio (Columbus, OH)
- Youth Services of Tulsa (Tulsa, OK)
- YWCA Columbus (Columbus, OH)
- YWCA Corpus Christi (Corpus Christi, TX)
- Zora's House (Columbus, OH)



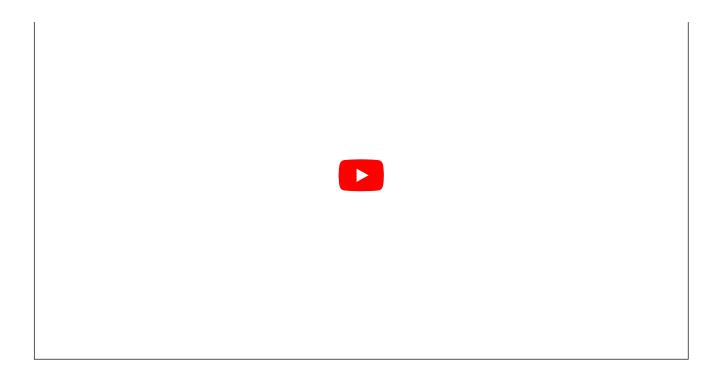
#### **DELIVERING A DIFFERENT KIND OF POWER**

We're helping our communities recognize diversity, equity, inclusion, fairness and justice.



#### **ROANOKE HIGHER EDUCATION CENTER OPENS DOORS TO NEW POSSIBILITIES**

With the support of the AEP Foundation, RHEC is opening doors to higher education, better jobs, and new opportunities for the greater Roanoke area.



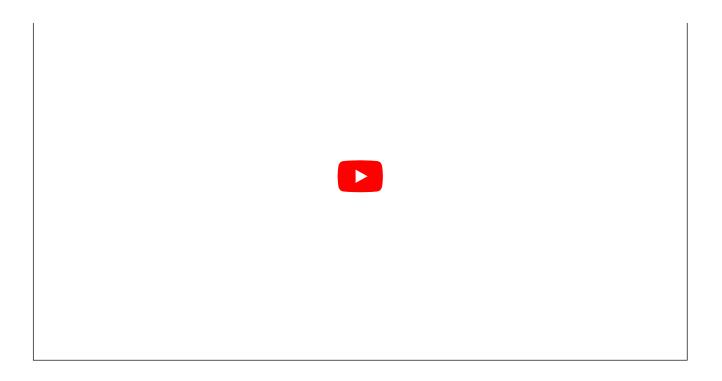
#### THE TULSA AALA TAKES LEADERS TO NEW HEIGHTS

Current and future leaders of Tulsa are inspired and encouraged to have even greater impacts with the support of the Delivering on the Dream Grant.



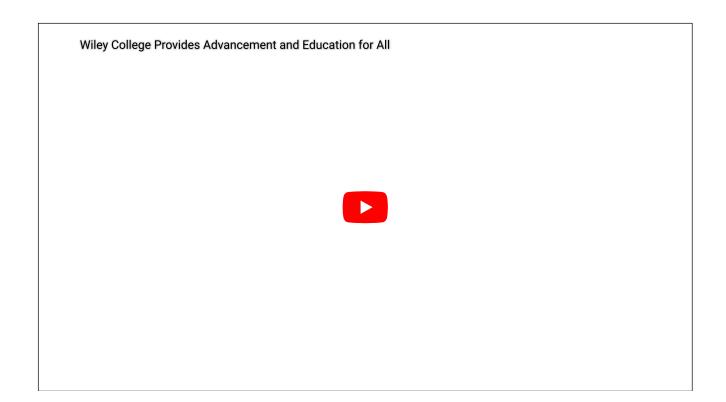
#### TEXAS BOYS & GIRLS CLUBS TEACHES RESPONSIBILITY FOR ALL

The Texas Alliance Boys & Girls Club Alliance helps young people reach their full potential as productive, caring, responsible citizens.



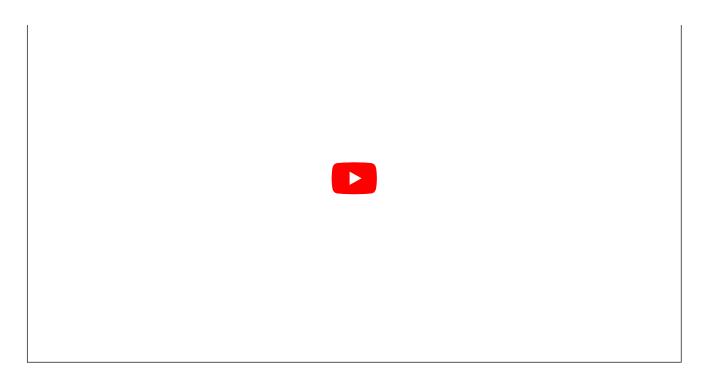
#### **UNITED FRONT DRAWS COMMUNITIES CLOSER**

Based in Ft. Wayne, Indiana, United Front helps communities start meaningful conversations around race, equity, and inclusion.



#### WILEY COLLEGE PROVIDES ADVANCEMENT AND EDUCATION FOR ALL

With a strong legacy of diversity and perseverance, Wiley College, with the support of the Delivering on a Dream Grant, is taking equitable educational opportunities to new levels.



#### SUSLA PREPARES NEXT GENERATION OF STEM PROFESSIONALS

The Southern University at Shreveport Louisiana (SUSLA) makes access to STEM education more fair for everyone with the support of the Delivering on the Dream Grant.



#### YWCA COLUMBUS LAUNCHES CENTER FOR RACIAL EQUITY

With the help of the Delivering on the Dream grant, the YWCA Columbus created the American Electric Power Foundation Center for Racial Equity to advance education, civic engagement and advocacy.

#### RECREATION

#### COMMUNITY INVOLVEMENT

#### ENVIRONMENT

#### **SAFETY & HEALTH**

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PRIVACY POLICY | COOKIE SETTINGS | YOUR PRIVACY CHOICES

# 

# THE POWER OF US

**AEP Culture & Inclusion Report** 

AMERICAN ELECTRIC POWER









# **ESTABLISHING LEADERSHIP ACCOUNTABILITY**

Leaders set the tone for how their teams approach vital issues. Especially, when it comes to issues of inclusion.

In 2023, AEP began work to ensure our company's values and culture are reflected in our changing business, marketing and workforce. Leaders across AEP will have objectives and expectations around inclusion to drive accountability and the company will launch a refreshed talent review and succession planning process that ensures the integration of diverse candidates.

#### **CULTURE & INCLUSION COUNCIL**

We launched the Culture and Inclusion Council in 2022. The group consists of decision makers from across the company who will lead our culture strategy.

A key focus for the council will be prioritizing our Culture & Inclusion guiding principles.

Judith Talavera, president and chief operating officer, AEP Texas, chairs the council. Talavera is confident that the council's work will benefit AEP employees and strengthen AEP's talent retention and acquisition efforts.



**Judith Talavera** Chief Operating Officer, AEP Texas



Our industry needs to re imagine the future of energy and it starts with making sure we are diverse, inclusive, and committed to being a great place to work for everyone. The Culture & Inclusion council will focus on ensuring that AEP is industry-leading for workplace diversity and that our workforce reflects the communities we serve.



Judith Talavera

## **DIVERSITY, EQUITY & INCLUSION**

#### **OUR DEI VISION**

We're committed to a culture where differences are valued and recognized as a significant positive influence on AEP's ability to serve our employees, customers, suppliers and other key stakeholders.

#### **OUR PLAN**

Our Diversity, Equity and Inclusion Roadmap to 2025 sets goals and targets to increase the inclusion and advancement of underrepresented groups and establishes leadership accountability. Our DEI progress is tied to enterprise, business unit and operating company annual incentive compensation objectives, which is measured through our annual employee culture survey.

2022 Culture & Inclusion Report

THE POWER OF US

See report



#### Leadership Accountability

#### Establish leadership accountability culture and inclusion outcomes

- Continue to measure representation, talent development and movement at the enterprise and business unit levels
- Refresh talent planning and review process
- Increase communication across the enterprise about DEI progress



#### **Diverse Workforce**

#### Build and maintain a workforce that reflects the communities we serve

• Increase the number of diverse leaders within development programs and successor pools



#### **Inclusive Workplace**

#### Promote an inclusive culture where ALL employees can thrive

- Increase engagement through programming, mentoring and development
- Measure Employee Resource Group participation and effectiveness
- Measure inclusion progress through annual employee culture survey



#### **Community Well-Being**

#### Support the communities we serve so they will prosper

- Increase volunteerism and amplify community impact stories across service territories
- Increase spend with small and diverse businesses within our communities

#### **OUR STRATEGY IN ACTION**

We're creating an inclusive work environment by empowering employees to engage and lead in our employee resource groups (ERGs). Their strategic priorities focus on building understanding and belonging in our workplaces, recruiting and retaining diverse employee and identifying community volunteerism opportunities.

#### **Employee Resource Groups**

- Abled and Differently Abled Allies Partnering Together (ADAPT)
- Asian-American Employee Partnership (AAEP)
- Black Employee Resource Group (BERG)
- Empowered Parents & Caregivers (EP|C)
- Hispanic Origin Latin American Employee Resource Group (HOLA)
- Military Veteran Employee Resource Group (MVERG)
- Native American Tribes Interacting Observing Networking (NATION)
- PRIDE Employee Resource Group
- Women @ Work Employee Resource Group (W@W)



#### Social and Racial Justice Grant Program

We're committed to working with the communities we serve to advance equity for our employees, customers and neighbors of color. The American Electric Power Foundation created the Delivering on the Dream grant program to help dismantle systemic racism and prejudice while prioritizing diversity, equity and inclusion. This five-year, \$5 million initial investment funds organizations with programs dedicated to advancing social and racial justice in the communities we serve.

Learn more



#### **CommUNITY Conversations**

We facilitate virtual "Safe Space Conversations" for employees to discuss how current race and equity issues impact them in the workplace and in their personal lives. In 2021, AEP's CEO participated in an Anti-Asian Hate Safe Space conversation hosted by our Asian American employee resource group. Learn more about our affirmative action program, pay equity study and other diversity, equity and inclusion strategies.

#### **OUR COMMITMENTS**

We support and participate in numerous external partnerships and diversity, equity and inclusion commitments.

- Paradigm for Parity®
- CEO Action for Diversity & Inclusion™ pledge
- Columbus Commitment: Achieving Pay Equity
- City of Tulsa's Pay Equity Pledge in Oklahoma
- Take the Pledge for Action | National Association of Manufacturers
- Business Roundtable's Statement on the Purpose of a Corporation
- Edison Electric Institute (EEI) Advancing Racial Justice, Diversity, Equity, and Inclusion

#### **OUR AWARDS**

We're proud to be recognized for our efforts to build a more diverse, inclusive work culture.

View our awards

**B2B & SUPPLIERS** 

RECREATION

COMMUNITY INVOLVEMENT

**ENVIRONMENT** 

**SAFETY & HEALTH** 

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## **SUPPLIER DIVERSITY**

#### **AEP IS COMMITTED TO SUPPLIER DIVERSITY**

AEP is committed to finding optimal suppliers within the small and diverse business community. The Supplier Diversity Team collaborates with AEP Procurement, economic development and business partners to maximize opportunities for small and diverse businesses to participate in sourcing events with a goal to achieve 15% diverse spend by 2025.

#### A MESSAGE FROM THE PRESIDENT & CEO

"At AEP, we deliver an essential service that improves customers' lives and supports the health and economic strength of our nation. It is our purpose and our responsibility. In 2020, we were tested in ways we could not have imagined. I am very proud of our employees who never wavered in their commitment to serving our customers, regardless of the conditions around us."



\$6.5 billion
Total corporate spend
on goods and services
in 2020



53 percent
Total corporate spend
on locally based suppliers
(\$3.4 billion)



\$993 million
Total corporate spend
on goods and services from
small business



\$653 million
Procurement spend
on goods and services from
diverse suppliers

(includes Tier 1 and Tier 2 spend

#### **SUPPLIER RESOURCES**

#### SELF-CERTIFY YOUR BUSINESS CLASSIFICATION

Potential and existing AEP Suppliers are requested to declare their business classification by completing a Diverse and Small/Large Business Self-Certification Form.

Complete form

#### AEP Recognized Diverse Business Classifications Include:

- Minority-owned and controlled (51% or more)
- Woman-owned (51% or more)
- Veteran-owned (51% or more)
- Service-Disabled Veteran-Owned (51% or more)
- LGBT-Owned (51% or more)
- Historically Underutilized Businesses (HUBZone Certified)
- Disadvantaged business



#### **REGISTER YOUR BUSINESS**

Registering as a supplier through Ariba enables your business to be considered for sourcing events at AEP.

Register

Login



#### **REPORT TIER 2 SPEND**

AEP collects Tier 2 Diverse Spend for all goods and services sourced from non-Diverse Prime suppliers through the AEP/Supplier Diversity Tier 2 Reporting SmartSheet Form.

View form



#### **OUR CODE OF CONDUCT**

AEP values its relationships with our suppliers. Learn more for expectations on how we do business.

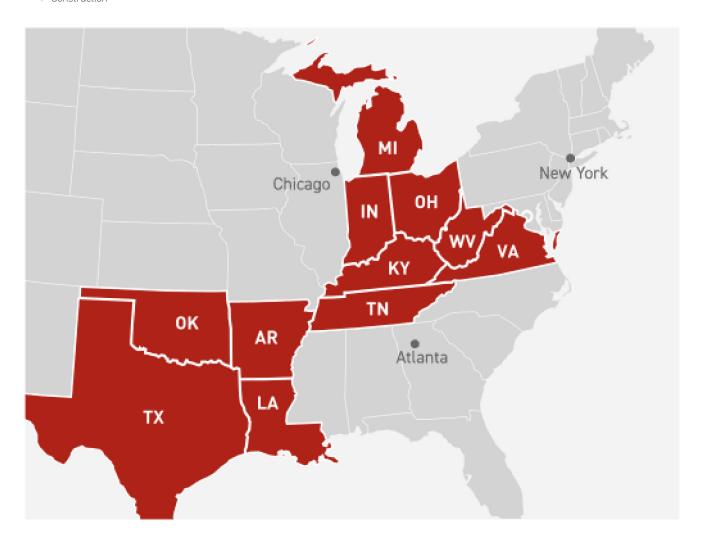
Learn more

For additional information, contact the Supplier Diversity Team at <a href="mailto:supplierdiversity@aep.com">supplierdiversity@aep.com</a>.

Public RFIs for goods and services are posted on AEP's LinkedIn page.

#### **Core Businesses**

- Labor, HR & Professional Services
- Fleet & Transportation
- General Services
- IT/Telecom/Cyber
- Safety & Health, Environmental
- Plant Materials & Equipment
- Structures
- Wire, Cable & Hardware
- Transformers & Components
- Protection & Controls
- Energy Efficiency
- Construction



#### **Our Service Territory**

Maintaining the nation's largest electricity transmission system and more than 219,000 miles of distribution lines, we deliver safe, reliable power to customers living in various states around the country.

Our companies

#### **ECONOMIC DEVELOPMENT**

We're committed to supporting economic development and making smart infrastructure investments that power our communities and improve lives by attracting high-quality jobs, encouraging capital investment, and stimulating local economies.

Learn more

#### Additional Resources

- National Minority Supplier Development Council
- Women's Business Enterprise National Council
- National LGBT Chamber of Commerce
- National Association of Women Business Owners
- Edison Electric Institute Supplier Diversity Development Committee
- Texas Building and Procurement Commission
- Small Business Administration
- Small Business Administration Dynamic Small Business Search
- Small Business Size Standards
- Veteran-Owned Small Businesses
- Association for Service Disabled Veterans
- Certified Historically Underutilized Business Zone (HUBZone)
- **DUNS Numbers**
- NAICS Codes

**B2B & SUPPLIERS** 

RECREATION

COMMUNITY INVOLVEMENT

**ENVIRONMENT** 

**SAFETY & HEALTH** 

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REQUIRED INTERNET POSTING | SITEMAP
PRIVACY POLICY | COOKIE SETTINGS |

YOUR PRIVACY CHOICES





# **Our Partners**

The Texas Diversity Council is proud to recognize our corporate partners for supporting diversity and inclusion. If you would like to learn about the different ways in which your organization can join, please contact Mae Marshall at mae.marshall@thetexasdiversitycouncil.org.































ENDEAVORS HCA Houston Healthcare







**JCPenney** 































TOPGOLF TEACHFORAMERICA Texas Capital Bank CALLAWAYTOYOTA



























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