



## Stakeholder Engagement Policy

**Applicability:** All employees of Sempra and the Sempra Companies

### Policy Statement

Across the Sempra family of companies, we engage daily with a multitude of stakeholders covering a wide variety of topics and issues. We know that our stakeholders have a broad range of interests and perspectives, and we strive to listen and understand them. Employees, particularly those responsible for infrastructure planning, project development and operations, are expected to proactively engage with stakeholders to seek their input; listen to their perspectives; and consider, prioritize, and integrate the input received, where possible. When we incorporate stakeholder input into our business decisions and activities, we can better serve our customers and communities. This leads to a more stable and predictable business environment with the potential to reduce risk, limit legal challenges, protect our reputation and save both time and money. When engaging with our stakeholders, we do it in compliance with the laws, regulations, relevant environmental and social management plans, and company policies.

Sempra' stakeholder engagement shall contain, but not be limited to, the following components, which are to be customized to meet the needs and requirements of each community.

- **Plan and prepare** (articulate purpose; identify stakeholders; determine methods of engagement; develop engagement plan, and prepare for engagement)
- **Engage, listen and act** (invite stakeholders to engage; provide briefing and listen carefully to stakeholder input; document the suggestions made; develop a plan that reflects stakeholder input; and communicate our intentions and actions)
- **Follow up, evaluate and report** (monitor plan to help ensure commitments are met; communicate actions taken to stakeholders as projects or initiatives progress; continue to adjust along the way if needed; summarize and report results of engagement)

### Background

Across Sempra and the Sempra Companies, we engage with our stakeholders to determine which issues matter most and to obtain input that can be helpful as we plan, develop and operate infrastructure projects, design and communicate customer programs and services, and seek and consider business opportunities.

Stakeholder engagement begins through active involvement in communities where we do business, and extends to lenders, customers, business partners and suppliers. Employees with external affairs or project development responsibilities are usually the individuals with whom the community at large engages. In areas where we own utilities, operations, customer service, marketing and project management employees may also engage directly.



On an ongoing basis, Sempira and the Sempira Companies receive feedback from stakeholders in a variety of ways ranging from community advisory councils and major customer advisory panels to face-to-face meetings, community open houses, customer satisfaction surveys, telephone conversations and social media interactions.

Community and stakeholder engagement is an essential component to developing, siting, building and operating energy infrastructure, and in some cases, may even be a requirement. To assist in managing stakeholder engagement, a stakeholder engagement plan should be developed when considering major infrastructure developments. The goal of the stakeholder engagement plan is to provide transparent, two-way communications with all stakeholder audiences to build trust and credibility. It also serves to meet agreed-upon objectives that may be required by lenders, business partners or customers. Additionally, a plan helps ensure that there is a structure for stakeholders to express any issues or concerns that may arise so that they can be resolved in a timely manner.

## **Definitions**

Engagement: Engagement with stakeholders is key to obtaining feedback. Forms of engagement may include public meetings, open houses, forums, meetings, community events, phone calls, face-to-face interviews, surveys, and group meetings where stakeholders are encouraged to express their views. By analyzing these views and comments, we can identify potential improvements in the way we do business and reduce risk.

Reputation: By engaging stakeholders, incorporating feedback and taking action, we can earn trust and respect and have influence as to the way stakeholders view us. Successful stakeholder engagement can help mitigate risks to the company, including reputational damage; loss of consumer or regulatory trust; lost revenue or even losses in shareholder value; and lost confidence among stakeholder groups.

Sempira Company: A subsidiary or other entity as to which Sempira has majority ownership and control.

Stakeholders: Stakeholders represent a broad range of interests and perspectives. They may support, oppose, or remain neutral regarding our projects or decisions, be influential in the community, hold relevant official positions or simply be affected by our business or decisions in the short or long term. In addition to employees, stakeholders include: contractors, organized labor, shareholders, financial analysts, customers, area residents, elected and government officials, regulators, interveners, suppliers, business partners, lenders, business partners, community leaders, groups and organizations, environmental interests, and the media.