



2022 Statistical Report

Unaudited Supplement
to the Financial Report



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Unaudited Supplement to the 2022 Annual Report

Sempra™ is a California-based holding company with energy infrastructure investments in North America with 2022 revenues of approximately \$14.4 billion. Sempra's mission is to be North America's premier energy infrastructure company. The company is focused on transmission and distribution investments, among other areas, that the company believes are capable of producing stable cash flows and earnings visibility, with the goal of delivering safe, reliable and increasingly clean forms of energy to customers and increasing shareholder value. Additional information is available on the web at Sempra.com.

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Investor Relations

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Sempra Common Stock:
Trading Symbols: SRE and SRE.MX
New York Stock Exchange and Mexican Stock Exchange

Sempra Series C Preferred Stock is not listed on any national securities exchange

Sempra 5.75% Junior Subordinated Notes Due 2079:
Trading Symbol: SREA
New York Stock Exchange

Southern California Gas Company Preferred Stock:
SoCalGas preferred stock is not listed on any national securities exchange and trades over-the-counter

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Selected Financial Data



(In millions, except per share amounts)	At December 31 or for the years then ended,		
	2022	2021	2020
Earnings attributable to common shares	\$ 2,094	\$ 1,254	\$ 3,764
Earnings per common share (EPS), diluted	\$ 6.62	\$ 4.01	\$ 12.88
Adjusted earnings ⁽¹⁾	\$ 2,915	\$ 2,637	\$ 2,342
Adjusted EPS, diluted ⁽¹⁾	\$ 9.21	\$ 8.43	\$ 8.00
Weighted-average common shares outstanding, diluted – adjusted ⁽¹⁾⁽²⁾	316.4	313.0	305.7
Dividends declared per common share	\$ 4.58	\$ 4.40	\$ 4.18
Dividend yield per common share	3.0 %	3.3 %	3.3 %
Dividend payout ratio per common share, diluted	69.2 %	109.7 %	32.5 %
Ratio of market closing price to book value per common share	1.85	1.67	1.82
Book value per common share	\$ 83.43	\$ 79.17	\$ 70.11
Common shares outstanding	314.3	316.9	288.5
Total assets	\$ 78,574	\$ 72,045	\$ 66,623
Long-term debt and finance leases (excludes current portion)	\$ 24,548	\$ 21,068	\$ 21,781
Short-term debt ⁽³⁾	\$ 4,371	\$ 3,577	\$ 2,425
Sempra Energy shareholders' equity	\$ 27,115	\$ 25,981	\$ 23,373
Effective income tax rate from continuing operations	28 %	12 %	14 %

⁽¹⁾ Please refer to pages 15, 16 and 17 for an explanation and reconciliation of these non-GAAP measures.

⁽²⁾ 2022 and 2021 are presented on a GAAP basis, and 2020 is presented on an adjusted basis.

⁽³⁾ Includes long-term debt due within one year and current portion of finance lease obligations.

Consolidated Statements of Operations



(Dollars in millions, except per share amounts; shares in thousands)	Years ended December 31,		
	2022	2021	2020
REVENUES			
Utilities:			
Natural gas	\$ 7,868	\$ 6,333	\$ 5,411
Electric	4,783	4,658	4,614
Energy-related businesses	1,788	1,866	1,345
Total revenues	<u>14,439</u>	<u>12,857</u>	<u>11,370</u>
EXPENSES AND OTHER INCOME			
Utilities:			
Cost of natural gas	(2,603)	(1,597)	(925)
Cost of electric fuel and purchased power	(937)	(1,010)	(1,187)
Energy-related businesses cost of sales	(942)	(611)	(276)
Operation and maintenance	(4,746)	(4,341)	(3,941)
Aliso Canyon litigation and regulatory matters	(259)	(1,593)	(307)
Depreciation and amortization	(2,019)	(1,855)	(1,666)
Franchise fees and other taxes	(635)	(596)	(543)
Gain (loss) on sale of assets	—	36	(3)
Other income (expense), net	24	58	(48)
Interest income	75	69	96
Interest expense	(1,054)	(1,198)	(1,081)
Income from continuing operations before income taxes and equity earnings	<u>1,343</u>	<u>219</u>	<u>1,489</u>
Income tax expense	(556)	(99)	(249)
Equity earnings	1,498	1,343	1,015
Income from continuing operations, net of income tax	<u>2,285</u>	<u>1,463</u>	<u>2,255</u>
Income from discontinued operations, net of income tax	—	—	1,850
Net income	<u>2,285</u>	<u>1,463</u>	<u>4,105</u>
Earnings attributable to noncontrolling interests	(146)	(145)	(172)
Preferred dividends	(44)	(63)	(168)
Preferred dividends of subsidiary	(1)	(1)	(1)
Earnings attributable to common shares	<u>\$ 2,094</u>	<u>\$ 1,254</u>	<u>\$ 3,764</u>
Basic EPS:			
Earnings from continuing operations	\$ 6.65	\$ 4.03	\$ 6.61
Earnings from discontinued operations	\$ —	\$ —	\$ 6.32
Earnings	\$ 6.65	\$ 4.03	\$ 12.93
Weighted-average common shares outstanding	315,159	311,755	291,077
Diluted EPS:			
Earnings from continuing operations	\$ 6.62	\$ 4.01	\$ 6.58
Earnings from discontinued operations	\$ —	\$ —	\$ 6.30
Earnings	\$ 6.62	\$ 4.01	\$ 12.88
Weighted-average common shares outstanding	316,378	313,036	292,252

Consolidated Balance Sheets



(Dollars in millions)	December 31,		
	2022	2021	2020
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 370	\$ 559	\$ 960
Restricted cash	40	19	22
Accounts receivable – trade, net	2,635	2,071	1,578
Accounts receivable – other, net	685	398	403
Due from unconsolidated affiliates	54	23	20
Income taxes receivable	113	79	113
Inventories	403	389	308
Prepaid expenses	268	260	215
Regulatory assets	351	271	190
Fixed-price contracts and other derivatives	803	179	109
Greenhouse gas allowances	141	97	553
Other current assets	49	30	40
Total current assets	5,912	4,375	4,511
Other assets:			
Restricted cash	52	3	3
Due from unconsolidated affiliates	—	637	780
Regulatory assets	2,588	2,011	1,822
Insurance receivable for Aliso Canyon costs	—	360	445
Greenhouse gas allowances	796	422	101
Nuclear decommissioning trusts	841	1,012	1,019
Dedicated assets in support of certain benefit plans	505	567	512
Deferred income taxes	135	151	136
Right-of-use assets – operating leases	655	594	543
Investment in Oncor Holdings	13,665	12,947	12,440
Other investments	2,012	1,525	1,388
Goodwill	1,602	1,602	1,602
Other intangible assets	344	370	202
Wildfire fund	303	331	363
Other long-term assets	1,382	1,244	753
Total other assets	24,880	23,776	22,109
Property, plant and equipment:			
Property, plant and equipment	63,893	58,940	53,928
Less accumulated depreciation and amortization	(16,111)	(15,046)	(13,925)
Property, plant and equipment, net	47,782	43,894	40,003
Total assets	\$ 78,574	\$ 72,045	\$ 66,623

Consolidated Balance Sheets (Continued)



(Dollars in millions)	December 31,		
	2022	2021	2020
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term debt	\$ 3,352	\$ 3,471	\$ 885
Accounts payable – trade	1,994	1,671	1,359
Accounts payable – other	275	178	154
Due to unconsolidated affiliates	—	—	45
Dividends and interest payable	621	563	551
Accrued compensation and benefits	484	479	446
Regulatory liabilities	504	359	140
Current portion of long-term debt and finance leases	1,019	106	1,540
Reserve for Aliso Canyon costs	129	1,980	150
Greenhouse gas obligations	141	97	553
Other current liabilities	1,380	1,131	1,016
Total current liabilities	<u>9,899</u>	<u>10,035</u>	<u>6,839</u>
Long-term debt and finance leases	<u>24,548</u>	<u>21,068</u>	<u>21,781</u>
Deferred credits and other liabilities:			
Due to unconsolidated affiliates	301	287	234
Regulatory liabilities	3,341	3,402	3,372
Reserve for Aliso Canyon costs	4	3	301
Greenhouse gas obligations	565	225	—
Pension and other postretirement benefit plan obligations, net of plan assets	410	687	1,059
Deferred income taxes	4,591	3,477	2,871
Asset retirement obligations	3,546	3,375	3,113
Deferred credits and other	2,113	2,067	2,119
Total deferred credits and other liabilities	<u>14,871</u>	<u>13,523</u>	<u>13,069</u>
Equity:			
Preferred stock	889	889	3,147
Common stock	12,160	11,862	7,053
Retained earnings	14,201	13,548	13,673
Accumulated other comprehensive income (loss)	(135)	(318)	(500)
Total Sempra Energy shareholders' equity	<u>27,115</u>	<u>25,981</u>	<u>23,373</u>
Preferred stock of subsidiary	20	20	20
Other noncontrolling interests	2,121	1,418	1,541
Total equity	<u>29,256</u>	<u>27,419</u>	<u>24,934</u>
Total liabilities and equity	<u>\$ 78,574</u>	<u>\$ 72,045</u>	<u>\$ 66,623</u>

Consolidated Statements of Cash Flows



(Dollars in millions)	Years ended December 31,		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 2,285	\$ 1,463	\$ 4,105
Less: Income from discontinued operations, net of income tax	—	—	(1,850)
Income from continuing operations, net of income tax	2,285	1,463	2,255
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,019	1,855	1,666
Deferred income taxes and investment tax credits	392	(78)	159
(Gain) loss on sale of assets	—	(36)	3
Equity earnings	(1,498)	(1,343)	(1,015)
Foreign currency transaction losses, net	24	18	25
Share-based compensation expense	71	63	71
Fixed-price contracts and other derivatives	863	206	(7)
Other	154	170	140
Net change in other working capital components:			
Accounts receivable	(976)	(599)	(328)
Due to/from unconsolidated affiliates, net	(31)	(1)	12
Income taxes receivable/payable, net	(29)	(38)	(94)
Inventories	(17)	(87)	(35)
Other current assets	(1,608)	(220)	38
Accounts payable	430	263	74
Regulatory balancing accounts, net	36	249	(231)
Reserve for Aliso Canyon costs	(1,851)	1,532	141
Other current liabilities	228	(105)	(127)
Insurance receivable for Aliso Canyon costs	360	85	(106)
Distributions from investments	854	941	651
Reserve for Aliso Canyon costs, noncurrent	1	—	294
Changes in other noncurrent assets and liabilities, net	(565)	(496)	56
Net cash provided by continuing operations	1,142	3,842	3,642
Net cash used in discontinued operations	—	—	(1,051)
Net cash provided by operating activities	1,142	3,842	2,591
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(5,357)	(5,015)	(4,676)
Expenditures for investments and acquisitions	(376)	(633)	(652)
Proceeds from sale of assets	—	38	19
Distributions from investments	—	366	761
Purchases of nuclear decommissioning and other trust assets	(700)	(961)	(1,439)
Proceeds from sales of nuclear decommissioning and other trust assets	762	961	1,439
Advances to unconsolidated affiliates	—	(8)	(92)
Repayments of advances to unconsolidated affiliates	626	38	7
Disbursement for note receivable	—	(305)	—
Other	6	11	15
Net cash used in continuing operations	(5,039)	(5,508)	(4,618)
Net cash provided by discontinued operations	—	—	5,171
Net cash (used in) provided by investing activities	(5,039)	(5,508)	553

Consolidated Statements of Cash Flows (Continued)



(Dollars in millions)	Years ended December 31,		
	2022	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES			
Common dividends paid	\$ (1,430)	\$ (1,331)	\$ (1,174)
Preferred dividends paid	(44)	(99)	(157)
Issuances of preferred stock, net	—	—	891
Issuances of common stock, net	4	5	11
Repurchases of common stock	(478)	(339)	(566)
Issuances of debt (maturities greater than 90 days)	9,984	3,773	6,051
Payments on debt (maturities greater than 90 days) and finance leases	(4,510)	(5,489)	(5,864)
(Decrease) increase in short-term debt, net	(1,266)	1,913	(1,759)
Advances from unconsolidated affiliates	28	40	64
Proceeds from sales of noncontrolling interests, net	1,732	3,206	26
Purchases of noncontrolling interests	—	(224)	(248)
Distributions to noncontrolling interests	(237)	—	—
Contributions from noncontrolling interests	31	4	1
Other	(35)	(199)	(50)
Net cash provided by (used in) continuing operations	3,779	1,260	(2,774)
Net cash provided by discontinued operations	—	—	401
Net cash provided by (used in) financing activities	3,779	1,260	(2,373)
Effect of exchange rate changes in continuing operations	(1)	2	—
Effect of exchange rate changes in discontinued operations	—	—	(3)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1)	2	(3)
(Decrease) increase in cash, cash equivalents and restricted cash, including discontinued operations	(119)	(404)	768
Cash, cash equivalents and restricted cash, including discontinued operations, January 1	581	985	217
Cash, cash equivalents and restricted cash, including discontinued operations, December 31	\$ 462	\$ 581	\$ 985
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Interest payments, net of amounts capitalized	\$ 1,014	\$ 1,163	\$ 1,046
Income tax payments, including discontinued operations, net of refunds	284	230	1,385

Consolidated Statements of Comprehensive Income (Loss) and Changes in Equity



Years ended December 31, 2022, 2021 and 2020

(Dollars in millions)	Preferred stock	Common stock	Retained earnings	Accumulated other comprehensive income (loss)	Sempra Energy shareholders' equity	Non-controlling interests	Total equity
Balance at December 31, 2019	\$ 2,258	\$ 7,480	\$ 11,130	\$ (939)	\$ 19,929	\$ 1,876	\$ 21,805
Adoption of ASU 2016-13			(7)		(7)	(2)	(9)
Adjusted balance at December 31, 2019	2,258	7,480	11,123	(939)	19,922	1,874	21,796
Net income			3,933		3,933	172	4,105
Other comprehensive income (loss):							
Foreign currency translation adjustments				547	547	(12)	535
Financial instruments				(113)	(113)	(12)	(125)
Pension and other postretirement benefits				12	12		12
Comprehensive income			3,933	446	4,379	148	4,527
Share-based compensation expense		71			71		71
Dividends declared:							
Series A preferred stock (\$6.00/share)			(104)		(104)		(104)
Series B preferred stock (\$6.75/share)			(39)		(39)		(39)
Series C preferred stock (\$27.90/share)			(25)		(25)		(25)
Common stock (\$4.18/share)			(1,214)		(1,214)		(1,214)
Preferred dividends of subsidiary			(1)		(1)		(1)
Issuance of series C preferred stock	889				889		889
Issuances of common stock		33			33		33
Repurchases of common stock		(566)			(566)		(566)
Noncontrolling interest activities:							
Contributions						1	1
Distributions						(1)	(1)
Purchases		34		(7)	27	(275)	(248)
Sale		1			1	27	28
Acquisition						1	1
Equitization of long-term debt for deficit held by NCI						22	22
Deconsolidation						(236)	(236)
Balance at December 31, 2020	\$ 3,147	\$ 7,053	\$ 13,673	\$ (500)	\$ 23,373	\$ 1,561	\$ 24,934

Consolidated Statements of Comprehensive Income (Loss) and Changes in Equity (Continued)



	Years ended December 31, 2022, 2021 and 2020						
(Dollars in millions)	Preferred stock	Common stock	Retained earnings	Accumulated other comprehensive income (loss)	Sempra Energy shareholders' equity	Non-controlling interests	Total equity
Balance at December 31, 2020	\$ 3,147	\$ 7,053	\$ 13,673	\$ (500)	\$ 23,373	\$ 1,561	\$ 24,934
Net income			1,318		1,318	145	1,463
Other comprehensive income (loss):							
Foreign currency translation adjustments				(6)	(6)	(3)	(9)
Financial instruments				144	144	14	158
Pension and other postretirement benefits				22	22		22
Comprehensive income			\$ 1,318	\$ 160	\$ 1,478	\$ 156	\$ 1,634
Share-based compensation expense		63			63		63
Dividends declared:							
Series B preferred stock (\$3.38/share)			(19)		(19)		(19)
Series C preferred stock (\$48.75/share)			(44)		(44)		(44)
Common stock (\$4.40/share)			(1,379)		(1,379)		(1,379)
Preferred dividends of subsidiary			(1)		(1)		(1)
Conversion of series A preferred stock	(1,693)	1,693			—		—
Conversion of series B preferred stock	(565)	565			—		—
Issuances of common stock		5			5		5
Repurchases of common stock		(339)			(339)		(339)
Noncontrolling interest activities:							
Contributions						4	4
Purchases		1,459		(44)	1,415	(1,567)	(152)
Sales		1,363		66	1,429	1,283	2,712
Deconsolidation						1	1
Balance at December 31, 2021	\$ 889	\$ 11,862	\$ 13,548	\$ (318)	\$ 25,981	\$ 1,438	\$ 27,419

Consolidated Statements of Comprehensive Income (Loss) and Changes in Equity (Continued)



Years ended December 31, 2022, 2021 and 2020

(Dollars in millions)	Preferred stock	Common stock	Retained earnings	Accumulated other comprehensive income (loss)	Sempra Energy shareholders' equity	Non- controlling interests	Total equity
Balance at December 31, 2021	\$ 889	\$ 11,862	\$ 13,548	\$ (318)	\$ 25,981	\$ 1,438	\$ 27,419
Net income			2,139		2,139	146	2,285
Other comprehensive income (loss):							
Foreign currency translation adjustments				11	11	4	15
Financial instruments				166	166	50	216
Pension and other postretirement benefits				(3)	(3)		(3)
Comprehensive income			\$ 2,139	\$ 174	\$ 2,313	\$ 200	\$ 2,513
Share-based compensation expense		71			71		71
Dividends declared:							
Series C preferred stock (\$48.75/share)			(44)		(44)		(44)
Common stock (\$4.58/share)			(1,441)		(1,441)		(1,441)
Preferred dividends of subsidiary			(1)		(1)		(1)
Issuances of common stock		4			4		4
Repurchases of common stock		(478)			(478)		(478)
Noncontrolling interest activities:							
Contributions						31	31
Distributions						(237)	(237)
Sale		701		9	710	709	1,419
Balance at December 31, 2022	\$ 889	\$ 12,160	\$ 14,201	\$ (135)	\$ 27,115	\$ 2,141	\$ 29,256

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Segment Earnings (Losses) and Capital Expenditures, Investments and Acquisitions



(Dollars in millions)	Years ended December 31,		
	2022	2021	2020
EARNINGS (LOSSES) ATTRIBUTABLE TO COMMON SHARES			
SDG&E	\$ 915	\$ 819	\$ 824
SoCalGas	599	(427)	504
Sempra Texas Utilities	736	616	579
Sempra Infrastructure	310	682	580
Parent and other	(466)	(436)	(563)
Discontinued operations	—	—	1,840
Total	<u>\$ 2,094</u>	<u>\$ 1,254</u>	<u>\$ 3,764</u>
CAPITAL EXPENDITURES, INVESTMENTS AND ACQUISITIONS			
SDG&E	\$ 2,473	\$ 2,220	\$ 1,942
SoCalGas	1,993	1,984	1,843
Sempra Texas Utilities	346	566	648
Sempra Infrastructure	914	869	883
Parent and other	7	9	12
Total	<u>\$ 5,733</u>	<u>\$ 5,648</u>	<u>\$ 5,328</u>

Schedule of Capitalization



(Dollars in millions)	December 31,					
	2022		2021		2020	
CAPITALIZATION						
Short-term debt	\$ 3,352	5.8 %	\$ 3,471	6.7 %	\$ 885	1.8 %
Current portion of long-term debt and finance leases	1,019	1.7	106	0.2	1,540	3.1
Long-term debt and finance leases	24,548	42.2	21,068	40.5	21,781	44.4
Total debt	28,919	49.7	24,645	47.4	24,206	49.3
Equity:						
Preferred stock	889	1.5	889	1.7	3,147	6.4
Common stock	12,160	20.9	11,862	22.8	7,053	14.4
Retained earnings	14,201	24.4	13,548	26.0	13,673	27.8
Accumulated other comprehensive loss	(135)	(0.2)	(318)	(0.6)	(500)	(1.0)
Total Sempra Energy shareholders' equity	27,115	46.6	25,981	49.9	23,373	47.6
Preferred stock of subsidiary	20	—	20	—	20	—
Other noncontrolling interests	2,121	3.7	1,418	2.7	1,541	3.1
Total equity	29,256	50.3	27,419	52.6	24,934	50.7
Total capitalization	\$ 58,175	100.0 %	\$ 52,064	100.0 %	\$ 49,140	100.0 %

Schedule of Long-Term Debt



(Dollars in millions)	Outstanding at December 31, 2022
SDG&E:	
First mortgage bonds (collateralized by plant assets):	
3.6% September 1, 2023	\$ 450
2.5% May 15, 2026	500
6% June 1, 2026	250
1.7% October 1, 2030	800
3% March 15, 2032	500
5.35% May 15, 2035	250
6.125% September 15, 2037	250
6% June 1, 2039	300
5.35% May 15, 2040	250
4.5% August 15, 2040	500
3.95% November 15, 2041	250
4.3% April 1, 2042	250
3.75% June 1, 2047	400
4.15% May 15, 2048	400
4.1% June 15, 2049	400
3.32% April 15, 2050	400
2.95% August 15, 2051	750
3.7% March 15, 2052	500
Other long-term debt (uncollateralized):	
Notes at variable rates (5.17% at December 31, 2022) February 18, 2024 ⁽¹⁾	400
Finance lease obligations:	
Purchased-power contracts	1,194
Other	62
SoCalGas:	
First mortgage bonds (collateralized by plant assets):	
3.15% September 15, 2024	500
3.2% June 15, 2025	350
2.6% June 15, 2026	500
2.55% February 1, 2030	650
5.75% November 15, 2035	250
5.125% November 15, 2040	300
3.75% September 15, 2042	350
4.45% March 15, 2044	250
4.125% June 1, 2048	400
4.3% January 15, 2049	550
3.95% February 15, 2050	350
6.35% November 15, 2052	600
Other long-term debt (uncollateralized):	
Notes at variable rates (5.1% at December 31, 2022) September 14, 2023 ⁽¹⁾	300
1.875% Notes May 14, 2026 ⁽¹⁾	4
2.95% Notes April 15, 2027	700
5.67% Notes January 18, 2028 ⁽²⁾	5
Finance lease obligations	87

Schedule of Long-Term Debt (Continued)



(Dollars in millions)	Outstanding at December 31, 2022
Sempra:	
Other long-term debt (uncollateralized):	
3.3% Notes April 1, 2025	\$ 750
3.25% Notes June 15, 2027	750
3.4% Notes February 1, 2028	1,000
3.7% Notes April 1, 2029	500
3.8% Notes February 1, 2038	1,000
6% Notes October 15, 2039	750
4% Notes February 1, 2048	800
4.125% Junior Subordinated Notes April 1, 2052 ⁽¹⁾	1,000
5.75% Junior Subordinated Notes July 1, 2079 ⁽¹⁾	758
Sempra Infrastructure:	
Other long-term debt (uncollateralized unless otherwise noted):	
6.3% Notes (4.124% after cross-currency swap effective 2013) February 2, 2023	201
Loan at variable rates (7.54% at December 31, 2022) December 9, 2025	575
3.75% Notes January 14, 2028	300
3.25% Notes January 15, 2032	400
Loan at variable rates (4.0275% after floating-to-fixed rate swap effective 2019) payable June 15, 2022 through November 19, 2034 ⁽¹⁾	196
2.9% Loan payable June 15, 2022 through November 19, 2034 ⁽¹⁾	236
Loan at variable rates (2.38% after floating-to-fixed rate swap effective 2020) payable June 15, 2022 through November 19, 2034 ⁽¹⁾	98
4.875% Notes January 14, 2048	540
4.75% Notes January 15, 2051	800
Total long-term debt outstanding	25,856
Current portion of long-term debt	(1,019)
Unamortized discount on long-term debt	(94)
Unamortized debt issuance costs	(195)
Total	<u>\$ 24,548</u>

⁽¹⁾ Callable long-term debt not subject to make-whole provisions.

⁽²⁾ Debt is not callable

At the option of Sempra, SDG&E and SoCalGas, \$3.0 billion of debt is callable subject to premiums. In addition, at the option of Sempra, SDG&E and SoCalGas, \$21.5 billion of debt is callable subject to premiums and make-whole provisions.

Excluding finance lease obligations, discounts and debt issuance costs, maturities of long-term debt are \$1.0 billion in 2023, \$0.9 billion in 2024, \$1.7 billion in 2025, \$1.3 billion in 2026, \$1.5 billion in 2027 and \$18.1 billion thereafter.

Reconciliation of Sempra Adjusted Earnings to Sempra GAAP Earnings (Unaudited)



Sempra Adjusted Earnings and Adjusted Earnings Per Common Share (EPS) exclude items (after the effects of income taxes and, if applicable, noncontrolling interests (NCI)) as follows:

In 2022:

- \$(199) million impact associated with Aliso Canyon natural gas storage facility litigation and regulatory matters at Southern California Gas Company (SoCalGas)
- \$(164) million impact from foreign currency and inflation on our monetary positions in Mexico
- \$(355) million net unrealized losses on commodity derivatives
- \$17 million net unrealized gains on a contingent interest rate swap related to the proposed initial phase of the Port Arthur LNG liquefaction project (PA LNG Phase 1 project)
- \$(120) million deferred income tax expense associated with the change in our indefinite reinvestment assertion as a result of progress in obtaining regulatory approvals necessary to close the sale of a 10% NCI in Sempra Infrastructure Partners, LP (SI Partners) to Abu Dhabi Investment Authority (ADIA)

In 2021:

- \$(1,148) million impact associated with Aliso Canyon natural gas storage facility litigation at SoCalGas
- \$(44) million impact from foreign currency and inflation on our monetary positions in Mexico and associated undesignated derivatives
- \$(47) million net unrealized losses on commodity derivatives
- \$(30) million in charges associated with hedge termination costs and a write-off of unamortized debt issuance costs from the early redemptions of debt at Sempra Infrastructure in October 2021
- \$(92) million in charges associated with make-whole premiums and a write-off of unamortized discount and debt issuance costs from the early redemptions of debt at Parent and other in December 2021
- \$(72) million net income tax expense related to the utilization of a deferred income tax asset upon completing the sale of a 20% NCI in SI Partners to KKR Pinnacle Investor L.P. (KKR) in October 2021
- \$50 million equity earnings from investment in RBS Sempra Commodities LLP, which represents a reduction to an estimate of our obligations to settle pending value added tax (VAT) matters and related legal costs at our equity method investment at Parent and other

In 2020:

- \$(233) million impact associated with Aliso Canyon natural gas storage facility litigation and regulatory matters at SoCalGas
- \$(1) million impact from foreign currency and inflation on our monetary positions in Mexico and associated undesignated derivatives
- \$9 million net unrealized gains on commodity derivatives
- \$(100) million equity losses from investment in RBS Sempra Commodities LLP, which represent an estimate of our obligations to settle pending VAT matters and related legal costs at our equity method investment at Parent and other
- \$1,747 million gain on the sale of our South American businesses

Sempra Adjusted Earnings and Adjusted EPS are non-GAAP financial measures (GAAP represents generally accepted accounting principles in the United States of America). These non-GAAP financial measures exclude significant items that are generally not related to our ongoing business activities and/or are infrequent in nature. These non-GAAP financial measures also exclude the impact from foreign currency and inflation effects on our monetary positions in Mexico and associated undesignated derivatives and unrealized gains and losses on commodity derivatives, which we expect to occur in future periods, and which can vary significantly from one period to the next. Exclusion of these items is useful to management and investors because it provides a meaningful comparison of the performance of Sempra's business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical periods these non-GAAP financial measures to Sempra GAAP Earnings and GAAP EPS, which we consider to be the most directly comparable financial measures calculated in accordance with GAAP.

Reconciliation of Sempra Adjusted Earnings to Sempra GAAP Earnings (Unaudited) (Continued)



	Pretax amount	Income tax (benefit) expense ⁽¹⁾	Noncontrolling interests	Earnings
(Dollars in millions, except per share amounts; shares in thousands)				
Year ended December 31, 2022				
Sempra GAAP Earnings				\$ 2,094
Excluded items:				
Impact associated with Aliso Canyon litigation and regulatory matters	\$ 259	\$ (60)	\$ —	199
Impact from foreign currency and inflation on our monetary positions in Mexico	49	169	(54)	164
Net unrealized losses on commodity derivatives	669	(138)	(176)	355
Net unrealized gains on a contingent interest rate swap related to the proposed PA LNG Phase 1 project	(33)	6	10	(17)
Deferred income tax expense associated with the change in our indefinite reinvestment assertion related to the sale of NCI to ADIA	—	120	—	120
Sempra Adjusted Earnings				<u>\$ 2,915</u>
Diluted EPS:				
Weighted-average common shares outstanding, diluted				316,378
Sempra GAAP EPS				<u>\$ 6.62</u>
Sempra Adjusted EPS				<u>\$ 9.21</u>
Year ended December 31, 2021				
Sempra GAAP Earnings				\$ 1,254
Excluded items:				
Impact associated with Aliso Canyon litigation	\$ 1,593	\$ (445)	\$ —	1,148
Impact from foreign currency and inflation on our monetary positions in Mexico and associated undesignated derivatives	44	4	(4)	44
Net unrealized losses on commodity derivatives	23	(18)	42	47
Costs associated with early redemptions of debt	180	(51)	(7)	122
Net income tax expense related to the utilization of a deferred income tax asset	—	72	—	72
Earnings from investment in RBS Sempra Commodities LLP	(50)	—	—	(50)
Sempra Adjusted Earnings				<u>\$ 2,637</u>
Diluted EPS:				
Weighted-average common shares outstanding, diluted				313,036
Sempra GAAP EPS				<u>\$ 4.01</u>
Sempra Adjusted EPS				<u>\$ 8.43</u>

Reconciliation of Sempra Adjusted Earnings to Sempra GAAP Earnings (Unaudited) (Continued)



	Pretax amount	Income tax (benefit) expense ⁽¹⁾	Noncontrolling interests	Earnings
(Dollars in millions, except per share amounts; shares in thousands)				
Year ended December 31, 2020				
Sempra GAAP Earnings				\$ 3,764
Excluded items:				
Impact associated with Aliso Canyon litigation and regulatory matters	\$ 307	\$ (74)	\$ —	233
Impact from foreign currency and inflation on our monetary positions in Mexico and associated undesignated derivatives	51	(74)	24	1
Net unrealized gains on commodity derivatives	(9)	2	(2)	(9)
Losses from investment in RBS Sempra Commodities LLP	100	—	—	100
Gain on sale of South American businesses	(2,899)	1,152	—	(1,747)
Sempra Adjusted Earnings				<u>\$ 2,342</u>
Diluted EPS:				
Weighted-average common shares outstanding, diluted – GAAP				292,252
Sempra GAAP EPS				<u>\$ 12.88</u>
Sempra Adjusted Earnings				\$ 2,342
Add back dividends for dilutive series A preferred stock				104
Sempra Adjusted Earnings for Adjusted EPS				<u>\$ 2,446</u>
Weighted-average common shares outstanding, diluted – Adjusted ⁽²⁾				305,669
Sempra Adjusted EPS				<u>\$ 8.00</u>

⁽¹⁾ Except for adjustments that are solely income tax, income taxes on pretax amounts were primarily calculated based on applicable statutory tax rates. We did not record an income tax expense for the equity earnings or an income tax benefit for the equity losses from our investment in RBS Sempra Commodities LLP because, even though a portion of the liabilities may be deductible under United Kingdom tax law, it is not probable that the deduction will reduce United Kingdom taxes.

⁽²⁾ In the year ended December 31, 2020, because the assumed conversion of the series A preferred stock is dilutive for Adjusted Earnings, 13,417 series A preferred stock shares are added back to the denominator used to calculate Adjusted EPS.

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Selected Financial Data and Comparative Statistics



(Dollars in millions)	Years ended or at December 31,		
	2022	2021	2020
Net income/Earnings attributable to common shares	\$ 915	\$ 819	\$ 824
Common dividends to parent	\$ 100	\$ 300	\$ 200
Capital expenditures	\$ 2,473	\$ 2,220	\$ 1,942
Weighted-average rate base	\$ 13,780	\$ 12,527	\$ 11,109
CPUC-authorized rate of return:			
Rate base	7.55 %	7.55 %	7.55 %
Common equity	10.20 %	10.20 %	10.20 %
Achieved return on common equity	10.57 %	10.25 %	11.11 %
Electric volumes delivered (millions of kilowatt hours) ⁽¹⁾			
Residential	3,940	5,657	6,606
Commercial	2,850	4,128	5,873
Industrial	909	1,398	1,842
Street and highway lighting	101	115	77
	<u>7,800</u>	<u>11,298</u>	<u>14,398</u>
Community Choice Aggregation and Direct Access	9,900	5,916	3,482
Total	<u>17,700</u>	<u>17,214</u>	<u>17,880</u>
Cooling degree days	<u>1,036</u>	<u>812</u>	<u>1,153</u>
Electric customer meters (thousands)			
Residential	615	1,282	1,317
Commercial	72	72	151
Industrial	1	1	1
Street and highway lighting	3	4	2
	<u>691</u>	<u>1,359</u>	<u>1,471</u>
Community Choice Aggregation and Direct Access	813	137	12
Total	<u>1,504</u>	<u>1,496</u>	<u>1,483</u>

⁽¹⁾ Includes intercompany sales.

⁽²⁾ Several jurisdictions in SDG&E's territory have implemented Community Choice Aggregation, including the City of San Diego in 2022. Additional jurisdictions are in the process of implementing or considering Community Choice Aggregation.

Selected Financial Data and Comparative Statistics (Continued)



	Years ended or at December 31,		
	2022	2021	2020
Natural gas volumes delivered (billion cubic feet) ⁽¹⁾			
Residential	29	31	29
Commercial and industrial	27	25	23
Electric generation plants	28	28	31
Total	<u>84</u>	<u>84</u>	<u>83</u>
Core	49	50	48
Noncore	35	34	35
Total	<u>84</u>	<u>84</u>	<u>83</u>
Average cost of natural gas (per thousand cubic feet)	<u>\$ 8.01</u>	<u>\$ 5.30</u>	<u>\$ 3.74</u>
Heating degree days	<u>1,718</u>	<u>1,510</u>	<u>1,319</u>
Natural gas customer meters (thousands)			
Residential	878	874	869
Commercial	29	29	29
Electric generation and transportation	3	3	3
Total	<u>910</u>	<u>906</u>	<u>901</u>

⁽¹⁾ Includes intercompany sales.

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Statements of Operations



(Dollars in millions)	Years ended December 31,		
	2022	2021	2020
Operating revenues:			
Electric	\$ 4,795	\$ 4,666	\$ 4,619
Natural gas	1,043	838	694
Total operating revenues	<u>5,838</u>	<u>5,504</u>	<u>5,313</u>
Operating expenses:			
Cost of electric fuel and purchased power	994	1,069	1,191
Cost of natural gas	363	242	162
Operation and maintenance	1,677	1,587	1,455
Depreciation and amortization	982	889	801
Franchise fees and other taxes	373	350	331
Total operating expenses	<u>4,389</u>	<u>4,137</u>	<u>3,940</u>
Operating income	<u>1,449</u>	<u>1,367</u>	<u>1,373</u>
Other income, net:			
Allowance for equity funds used during construction	88	81	79
Non-service component of net periodic benefit cost	(11)	(13)	(20)
Interest on regulatory balancing accounts, net	18	6	9
Sundry, net	(3)	(10)	(16)
Total other income, net	<u>92</u>	<u>64</u>	<u>52</u>
Interest income	5	1	2
Interest expense	(449)	(412)	(413)
Income before income taxes	1,097	1,020	1,014
Income tax expense	(182)	(201)	(190)
Net income/Earnings attributable to common shares	<u>\$ 915</u>	<u>\$ 819</u>	<u>\$ 824</u>

Balance Sheets



(Dollars in millions)	December 31,		
	2022	2021	2020
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 7	\$ 25	\$ 262
Accounts receivable – trade, net	799	715	573
Accounts receivable – other, net	110	78	143
Income taxes receivable, net	—	9	—
Inventories	134	123	104
Prepaid expenses	179	174	153
Regulatory assets	247	231	174
Fixed-price contracts and other derivatives	113	58	56
Greenhouse gas allowances	22	13	113
Other current assets	19	5	22
Total current assets	1,630	1,431	1,600
Other assets:			
Regulatory assets	1,219	786	534
Greenhouse gas allowances	196	111	83
Nuclear decommissioning trusts	841	1,012	1,019
Right-of-use assets – operating leases	281	185	102
Wildfire fund	303	331	363
Other long-term assets	146	154	189
Total other assets	2,986	2,579	2,290
Property, plant and equipment:			
Property, plant and equipment	28,574	26,456	24,436
Less accumulated depreciation and amortization	(6,768)	(6,408)	(6,015)
Property, plant and equipment, net	21,806	20,048	18,421
Total assets	\$ 26,422	\$ 24,058	\$ 22,311

Balance Sheets (Continued)



(Dollars in millions)	December 31,		
	2022	2021	2020
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current liabilities:			
Short-term debt	\$ 205	\$ 776	\$ —
Accounts payable	744	588	553
Due to unconsolidated affiliates	135	97	64
Interest payable	63	50	46
Accrued compensation and benefits	140	148	135
Accrued franchise fees	120	74	56
Regulatory liabilities	110	14	61
Current portion of long-term debt and finance leases	489	49	611
Greenhouse gas obligations	22	13	113
Asset retirement obligations	98	86	117
Other current liabilities	193	216	255
Total current liabilities	<u>2,319</u>	<u>2,111</u>	<u>\$ 2,011</u>
Long-term debt and finance leases	<u>8,497</u>	<u>7,581</u>	<u>6,866</u>
Deferred credits and other liabilities:			
Regulatory liabilities	2,298	2,302	2,195
Greenhouse gas obligations	81	31	—
Pension obligation, net of plan assets	42	25	92
Deferred income taxes	2,540	2,275	2,019
Asset retirement obligations	789	804	759
Deferred credits and other	789	680	639
Total deferred credits and other liabilities	<u>6,539</u>	<u>6,117</u>	<u>5,704</u>
Shareholder's equity:			
Preferred stock	—	—	—
Common stock	1,660	1,660	1,660
Retained earnings	7,414	6,599	6,080
Accumulated other comprehensive income (loss)	(7)	(10)	(10)
Total shareholder's equity	<u>9,067</u>	<u>8,249</u>	<u>7,730</u>
Total liabilities and shareholder's equity	<u>\$ 26,422</u>	<u>\$ 24,058</u>	<u>\$ 22,311</u>

Statements of Cash Flows



(Dollars in millions)	Years ended December 31,		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 915	\$ 819	\$ 824
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	982	889	801
Deferred income taxes and investment tax credits	93	153	35
Other	12	(14)	27
Net change in other working capital components:			
Accounts receivable	(163)	(105)	(134)
Due to/from unconsolidated affiliates, net	38	33	11
Income taxes receivable/payable, net	9	(20)	129
Inventories	(11)	(19)	(10)
Other current assets	(80)	—	4
Accounts payable	153	7	31
Regulatory balancing accounts, net	(10)	(57)	(71)
Other current liabilities	62	(92)	(100)
Changes in other noncurrent assets and liabilities, net	(271)	(218)	(158)
Net cash provided by operating activities	<u>1,729</u>	<u>1,376</u>	<u>1,389</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(2,473)	(2,220)	(1,942)
Purchases of nuclear decommissioning trust assets	(586)	(961)	(1,439)
Proceeds from sales of nuclear decommissioning trust assets	639	961	1,439
Other	8	7	8
Net cash used in investing activities	<u>(2,412)</u>	<u>(2,213)</u>	<u>(1,934)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Common dividends paid	(100)	(300)	(200)
Issuances of debt (maturities greater than 90 days)	1,395	1,120	1,598
Payments on debt (maturities greater than 90 days) and finance leases	(425)	(613)	(510)
(Decrease) increase in short-term debt, net	(196)	401	(80)
Debt issuance costs	(9)	(8)	(11)
Net cash provided by financing activities	<u>665</u>	<u>600</u>	<u>797</u>
(Decrease) increase in cash and cash equivalents	(18)	(237)	252
Cash and cash equivalents, January 1	25	262	10
Cash and cash equivalents, December 31	<u>\$ 7</u>	<u>\$ 25</u>	<u>\$ 262</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Interest payments, net of amounts capitalized	\$ 431	\$ 402	\$ 404
Income tax payments, net of refunds	79	67	25

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Selected Financial Data and Comparative Statistics



(Dollars in millions, except average cost of natural gas)	Years ended or at December 31,		
	2022	2021	2020
Net income (loss) (before preferred dividends)	\$ 600	\$ (426)	\$ 505
Earnings (losses) attributable to common shares	\$ 599	\$ (427)	\$ 504
Common dividends to parent	\$ —	\$ 75	\$ 100
Capital expenditures	\$ 1,993	\$ 1,984	\$ 1,843
Weighted-average rate base	\$ 10,494	\$ 9,371	\$ 8,228
CPUC-authorized rate of return on:			
Rate base	7.30 %	7.30 %	7.30 %
Common equity	10.05 %	10.05 %	10.05 %
Achieved return on common equity	9.90 %	(8.10)%	10.24 %
Natural gas volumes delivered (billion cubic feet) ⁽¹⁾			
Residential	213	226	232
Commercial and industrial	356	369	368
Electric generation plants	182	151	147
Wholesale	139	136	137
Total	<u>890</u>	<u>882</u>	<u>884</u>
Core	326	336	335
Noncore	564	546	549
Total	<u>890</u>	<u>882</u>	<u>884</u>
Average cost of natural gas (per thousand cubic feet)	\$ 7.48	\$ 4.53	\$ 2.59
Heating degree days	<u>1,203</u>	<u>1,251</u>	<u>1,134</u>
Natural gas customer meters (thousands)			
Residential	5,857	5,824	5,792
Commercial	249	248	249
Industrial	24	25	25
Total ⁽²⁾	<u>6,130</u>	<u>6,097</u>	<u>6,066</u>

⁽¹⁾ Includes intercompany sales.

⁽²⁾ Includes negligible number of electric generation plants and wholesale customers.

Statements of Operations



(Dollars in millions)	Years ended December 31,		
	2022	2021	2020
Operating revenues	\$ 6,840	\$ 5,515	\$ 4,748
Operating expenses:			
Cost of natural gas	2,233	1,369	783
Operation and maintenance	2,402	2,180	2,029
Aliso Canyon litigation and regulatory matters	259	1,593	307
Depreciation and amortization	761	716	654
Franchise fees and other taxes	247	223	190
Total operating expenses	5,902	6,081	3,963
Operating income (loss)	938	(566)	785
Other expense, net:			
Allowance for equity funds used during construction	55	48	41
Non-service component of net periodic benefit cost	(42)	(40)	(54)
Interest on regulatory balancing accounts, net	8	—	5
Sundry, net	(29)	(22)	(20)
Total other expense, net	(8)	(14)	(28)
Interest income	6	1	2
Interest expense	(198)	(157)	(158)
Income (loss) before income taxes	738	(736)	601
Income tax (expense) benefit	(138)	310	(96)
Net income (loss)	600	(426)	505
Preferred dividends	(1)	(1)	(1)
Earnings (losses) attributable to common shares	\$ 599	\$ (427)	\$ 504

Balance Sheets



(Dollars in millions)	December 31,		
	2022	2021	2020
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 21	\$ 37	\$ 4
Accounts receivable – trade, net	1,295	1,084	786
Accounts receivable – other, net	293	58	64
Due from unconsolidated affiliates	77	49	22
Income taxes receivable, net	—	23	—
Inventories	159	172	153
Regulatory assets	104	40	16
Greenhouse gas allowances	111	75	390
Other current assets	69	61	47
Total current assets	<u>2,129</u>	<u>1,599</u>	<u>1,482</u>
Other assets:			
Regulatory assets	1,291	1,148	1,208
Insurance receivable for Aliso Canyon costs	—	360	445
Greenhouse gas allowances	551	290	9
Right-of-use assets – operating leases	42	57	74
Other long-term assets	583	627	499
Total other assets	<u>2,467</u>	<u>2,482</u>	<u>2,235</u>
Property, plant and equipment:			
Property, plant and equipment	25,058	23,104	21,180
Less accumulated depreciation and amortization	<u>(7,308)</u>	<u>(6,861)</u>	<u>(6,437)</u>
Property, plant and equipment, net	<u>17,750</u>	<u>16,243</u>	<u>14,743</u>
Total assets	<u>\$ 22,346</u>	<u>\$ 20,324</u>	<u>\$ 18,460</u>

Balance Sheets (Continued)



(Dollars in millions)	December 31,		
	2022	2021	2020
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term debt	\$ 900	\$ 385	\$ 113
Accounts payable – trade	953	775	600
Accounts payable – other	176	142	122
Due to unconsolidated affiliates	36	36	31
Accrued compensation and benefits	209	202	189
Regulatory liabilities	394	345	79
Current portion of long-term debt and finance leases	318	11	10
Reserve for Aliso Canyon costs	129	1,980	150
Greenhouse gas obligations	111	75	390
Asset retirement obligations	68	77	59
Other current liabilities	429	284	339
Total current liabilities	<u>3,723</u>	<u>4,312</u>	<u>2,082</u>
Long-term debt and finance leases	<u>5,780</u>	<u>4,773</u>	<u>4,763</u>
Deferred credits and other liabilities:			
Regulatory liabilities	1,043	1,100	1,177
Greenhouse gas obligations	443	174	—
Pension obligation, net of plan assets	277	551	853
Deferred income taxes	1,306	1,039	1,406
Asset retirement obligations	2,675	2,505	2,309
Deferred credits and other	401	428	726
Total deferred credits and other liabilities	<u>6,145</u>	<u>5,797</u>	<u>6,471</u>
Shareholders' equity:			
Preferred stock	22	22	22
Common stock	2,316	1,666	866
Retained earnings	4,384	3,785	4,287
Accumulated other comprehensive income (loss)	(24)	(31)	(31)
Total shareholders' equity	<u>6,698</u>	<u>5,442</u>	<u>5,144</u>
Total liabilities and shareholders' equity	<u>\$ 22,346</u>	<u>\$ 20,324</u>	<u>\$ 18,460</u>

Statements of Cash Flows



(Dollars in millions)	Years ended December 31,		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	\$ 600	\$ (426)	\$ 505
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:			
Depreciation and amortization	761	716	654
Deferred income taxes and investment tax credits	146	(494)	(112)
Other	58	19	59
Net change in working capital components:			
Accounts receivable	(512)	(383)	(101)
Due to/from unconsolidated affiliates, net	(28)	(25)	(27)
Income taxes receivable/payable, net	23	(43)	189
Inventories	13	(18)	(19)
Other current assets	(139)	(21)	(12)
Accounts payable	191	181	64
Regulatory balancing accounts, net	46	306	(160)
Reserve for Aliso Canyon costs	(1,851)	1,532	141
Other current liabilities	185	(92)	(21)
Insurance receivable for Aliso Canyon costs	360	85	(106)
Reserve for Aliso Canyon costs, noncurrent	1	—	294
Changes in other noncurrent assets and liabilities, net	(308)	(304)	178
Net cash (used in) provided by operating activities	<u>(454)</u>	<u>1,033</u>	<u>1,526</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(1,993)	(1,984)	(1,843)
Net cash used in investing activities	<u>(1,993)</u>	<u>(1,984)</u>	<u>(1,843)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Common dividends paid	—	(75)	(100)
Preferred dividends paid	(1)	(1)	(1)
Equity contributions from Sempra Energy	650	800	—
Issuances of debt (maturities greater than 90 days)	2,094	—	949
Payments on finance leases	(15)	(12)	(12)
(Decrease) increase in short-term debt, net	(285)	272	(517)
Debt issuance costs	(12)	—	(8)
Net cash provided by financing activities	<u>2,431</u>	<u>984</u>	<u>311</u>
(Decrease) increase in cash and cash equivalents	(16)	33	(6)
Cash and cash equivalents, January 1	37	4	10
Cash and cash equivalents, December 31	<u>\$ 21</u>	<u>\$ 37</u>	<u>\$ 4</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Interest payments, net of amounts capitalized	\$ 173	\$ 151	\$ 146
Income tax (refunds) payments, net	(31)	227	19

Sempra Texas Utilities Selected Financial Data and Comparative Statistics

Sempra Texas Utilities is comprised of our equity method investments in Oncor Electric Delivery Holdings Company LLC (Oncor Holdings) and Sharyland Holdings, L.P. (Sharyland Holdings). Oncor Holdings is an indirect, wholly owned entity of Sempra that owns an 80.25% interest in Oncor Electric Delivery Company LLC (Oncor). Texas Transmission Investment LLC owns the remaining 19.75% interest in Oncor. Sempra owns an indirect, 50% interest in Sharyland Holdings, which owns a 100% interest in Sharyland Utilities, L.L.C. Oncor is a regulated electric transmission and distribution utility that operates in the north-central, eastern, western and panhandle regions of Texas. We provide information on Sempra Texas Utilities' equity method investments and selected

(Dollars in millions)	Years ended December 31,					
	2022		2021		2020	
	Oncor Holdings	Sharyland Holdings	Oncor Holdings	Sharyland Holdings	Oncor Holdings	Sharyland Holdings
Total investments at January 1	\$ 12,947	\$ 100	\$ 12,440	\$ 102	\$ 11,519	\$ 100
Capital contributions	341	5	566	—	632	—
Equity earnings	735	7	617	5	577	3
Distributions of earnings	(340)	(5)	(681)	(7)	(285)	(1)
Other	(18)	—	5	—	(3)	—
Total investments at December 31	\$ 13,665	\$ 107	\$ 12,947	\$ 100	\$ 12,440	\$ 102

Oncor ⁽¹⁾ :	Years ended or at December 31,		
	2022	2021	2020
Capital expenditures	\$ 3,049	\$ 2,497	\$ 2,540
Average rate base ⁽²⁾	\$ 19,814	\$ 18,024	\$ 16,331
PUCT-authorized return on equity	9.8 %	9.8 %	9.8 %
Electric volumes (millions of kilowatt hours)			
Residential	49,648	44,059	44,628
Commercial, industrial, small business and other	99,612	90,998	86,529
Total	149,260	135,057	131,157
Cooling degree days	2,204	1,636	1,660
Heating degree days	971	772	676
Total electric customer meters (thousands)	3,896	3,832	3,762

⁽¹⁾ Includes 100% of Oncor.

⁽²⁾ Average rate base represents the average of total rate base for the last two years as calculated in the Earnings Monitoring Report that is filed with the Public Utility Commission of Texas (PUC) on an annual basis, usually in April of the following year. The estimated total rate base for 2022 was \$20,739 million and the filed total rate base for 2021 and 2020 were \$18,889 million and \$17,158 million, respectively.

Sempra Texas Utilities is not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Texas Utilities is not regulated by the California Public Utilities Commission.

Consolidated Statements of Operations and Statistics



(Dollars in millions)	Years ended December 31,	
	2022	2021
Operating revenues:		
Utility – natural gas	\$ 89	\$ 81
Energy-related businesses	1,830	1,916
Total operating revenues	<u>1,919</u>	<u>1,997</u>
Operating expenses:		
Utility – cost of natural gas	37	24
Energy-related businesses cost of sales	942	608
Operation and maintenance	656	550
Depreciation and amortization	268	239
Other taxes	7	14
Total operating expenses	<u>1,910</u>	<u>1,435</u>
Operating income	<u>9</u>	<u>562</u>
Other expense, net:		
Gains (losses) on interest rate and foreign exchange instruments, net	11	(28)
Allowance for equity funds used during construction	—	4
Foreign currency transaction losses, net	(22)	(17)
Sundry, net	11	5
Total other expense, net	<u>—</u>	<u>(36)</u>
Interest income	44	75
Interest expense	(104)	(205)
(Losses) income before income taxes and equity earnings	(51)	396
Income tax expense	(249)	(238)
Equity earnings	756	671
Net income	456	829
Earnings attributable to noncontrolling interests	(146)	(147)
Earnings attributable to common shares	<u>\$ 310</u>	<u>\$ 682</u>
Natural Gas Distribution Operations - Ecogas		
Volumes delivered (billion cubic feet)	4	3
Customer meters at December 31 (thousands)	<u>150</u>	<u>143</u>
Power Generated and Sold		
Termoeléctrica de Mexicali (TdM) (millions of kilowatt hours)	3,110	3,382
Wind and solar (millions of kilowatt hours) ⁽¹⁾⁽²⁾	<u>2,987</u>	<u>2,510</u>

(1) Includes intercompany sales.

(2) Includes 50% of the total power generated and sold at the Energía Sierra Juárez (ESJ) wind power generation facility through March 19, 2021. As of March 19, 2021, ESJ became a consolidated subsidiary of Sempra Infrastructure.

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Consolidated Balance Sheets



(Dollars in millions)	December 31,	
	2022	2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 123	\$ 310
Restricted cash	39	17
Accounts receivable	815	527
Due from unconsolidated affiliates	27	152
Income taxes receivable	130	56
Inventories	111	94
Fixed-price contracts and other derivatives	672	101
Other current assets	71	71
Total current assets	1,988	1,328
Restricted cash	52	3
Due from unconsolidated affiliates	1,020	1,632
Regulatory assets	78	77
Investments	1,905	1,425
Goodwill and other intangible assets	1,946	1,972
Deferred income taxes	72	71
Right-of-use assets – operating leases	164	180
Property, plant and equipment, net	8,184	7,560
Other long-term assets	351	160
Total assets	\$ 15,760	\$ 14,408
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term debt	\$ 1,793	\$ 1,070
Accounts payable	356	310
Due to unconsolidated affiliates	337	86
Current portion of long-term debt	212	46
Contract liabilities	41	112
Fixed-price contracts and other derivatives	210	37
Other current liabilities	319	503
Total current liabilities	3,268	2,164
Long-term debt	3,056	2,746
Deferred credits and other liabilities:		
Due to unconsolidated affiliates	427	305
Deferred income taxes	1,747	1,682
Contract liabilities	131	83
Fixed-price contracts and other derivatives	94	134
Deferred credits and other	297	282
	2,696	2,486
Equity:		
Sempra Infrastructure shareholder's equity	4,619	5,594
Noncontrolling interests	2,121	1,418
Total equity	6,740	7,012
Total liabilities and equity	\$ 15,760	\$ 14,408

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Consolidated Statements of Cash Flows



(Dollars in millions)	Years ended December 31,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 456	\$ 829
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	268	239
Deferred income taxes and investment tax credits	119	(31)
Equity earnings	(756)	(671)
Foreign currency transaction losses, net	23	17
Fixed-price contracts and other derivatives	863	208
Other	30	25
Net change in other working capital components:		
Accounts receivable	(299)	(107)
Due to/from unconsolidated affiliates, net	251	13
Income taxes receivable/payable, net	(291)	174
Inventories	(20)	(50)
Other current assets	(1,392)	(191)
Accounts payable	80	83
Other current liabilities	(35)	116
Distributions from investments	509	623
Changes in other noncurrent assets and liabilities, net	22	19
Net cash (used in) provided by operating activities	<u>(172)</u>	<u>1,296</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property, plant and equipment	(884)	(802)
Expenditures for investments and acquisitions, net of cash and cash equivalents acquired	(30)	(67)
Distributions from investments	—	4
Repayments of advances to affiliates	626	38
Advances to affiliates	(25)	(3,864)
Other	(2)	(3)
Net cash used in investing activities	<u>(315)</u>	<u>(4,694)</u>

Consolidated Statements of Cash Flows (Continued)



(Dollars in millions)	Years ended December 31,	
	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Common dividends paid	\$ (2,452)	\$ —
Issuances of common stock, net	7	3
Issuances of debt (maturities greater than 90 days)	4,925	1,664
Payments on debt (maturities greater than 90 days)	(3,748)	(1,664)
Proceeds from sales of noncontrolling interests, net	1,732	3,206
Purchases of noncontrolling interests	—	(224)
Distributions to noncontrolling interests	(237)	—
Contributions from noncontrolling interests	31	4
Advances from affiliates	116	457
Other	(4)	(69)
Net cash provided by financing activities	<u>370</u>	<u>3,377</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	<u>1</u>	<u>2</u>
Decrease in cash, cash equivalents and restricted cash	(116)	(19)
Cash, cash equivalents and restricted cash, January 1	330	349
Cash, cash equivalents and restricted cash, December 31	<u>\$ 214</u>	<u>\$ 330</u>

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Annual Report

Semptra's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission is available to shareholders at no charge through the Investors section of Semptra's website (Semptra.com) or by writing to Shareholder Services at our Corporate Headquarters.

Research Coverage

The following firms provide equity investment research coverage of Semptra:

Argus Research Company
Barclays
BMO Capital Markets
BofA Securities
Citi
Evercore ISI
FINAM
Guggenheim Securities
J.P. Morgan
KeyBanc
Mizuho Securities
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