

Welcome to your CDP Water Security Questionnaire 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Sempra's businesses are building infrastructure to deliver cleaner forms of energy in some of the leading economies in North America across our three growth platforms of Sempra California, Sempra Texas and Sempra Infrastructure. Although each of the companies within our growth platforms is a separate legal entity that controls its own day-to-day operations and has its own management team and board of directors, all of the companies share a vision to deliver energy with purpose. Our three growth platforms include:

Sempra California

San Diego Gas & Electric (SDG&E) and Southern California Gas (SoCalGas), also referenced collectively as Sempra California, are energy delivery companies that provide safe, reliable and increasingly cleaner energy to roughly 25 million consumers in Southern and Central California. With a focus on grid resiliency, reducing emissions and integrating more renewable energy onto its networks, they are also supporting California's climate and clean air goals. California is known for advancing new technologies and innovation, a spirit embraced at our California utilities such as research in hydrogen, battery storage, predictive technology and other tools designed to reduce the impact of severe weather events and support the state's ambitious climate goals.

Sempra Texas¹



Sempra Texas includes Oncor, a regulated electric transmission and distribution utility headquartered in Dallas that safely delivers reliable electricity to a population of approximately 13 million Texans. With more than 141,000 miles of transmission and distribution lines, Oncor is the largest pure-play transmission and distribution company in Texas, connecting communities across the state to Texas' diverse energy supplies.

Sempra Infrastructure2

Sempra Infrastructure, headquartered in Houston, is focused on delivering energy for a better world by developing, building and operating, and investing in clean power, energy networks, and LNG and net-zero solutions that are expected to play a crucial role in the energy systems of the future. Through the combined strength of its assets in North America, Sempra Infrastructure (SI) is connecting customers across the globe to modern energy infrastructure to source and transport renewables and natural gas, while advancing carbon sequestration and clean hydrogen.

1 Sempra Texas is comprised of our equity method investments in Oncor Holdings and Sharyland Holdings. Oncor Holdings is an indirect, wholly owned entity of Sempra that owns an 80.25% interest in Oncor. Sempra owns an indirect 50% interest in Sharyland Holdings, which owns a 100% interest in Sharyland Utilities.

2 Sempra indirectly owns a 70% interest in Sempra Infrastructure Partners, which, together with its operating company subsidiaries, primarily makes up the Sempra Infrastructure platform.

W-EU0.1a

(W-EU0.1a) Which activities in the electric utilities sector does your organization engage in?

- Electricity generation
- Transmission
- Distribution

W-EU0.1b

(W-EU0.1b) For your electricity generation activities, provide details of your nameplate capacity and the generation for each technology.



	Nameplate capacity (MW)	% of total nameplate capacity	Gross electricity generation (GWh)
Coal – hard	0	0	0
Lignite	0	0	0
Oil	0	0	0
Gas	1,829	64	7,035
Biomass	0	0	0
Waste (non-biomass)	0	0	0
Nuclear	0	0	0
Fossil-fuel plants fitted with carbon capture and storage	0	0	0
Geothermal	0	0	0
Hydropower	0	0	0
Wind	515	18	1,521
Solar	529	18	1,493
Marine	0	0	0
Other renewable	0	0	0
Other non-renewable	0	0	0
Total	2,873	100	10,049

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2022	December 31, 2022



W0.3

(W0.3) Select the countries/areas in which you operate.

- Mexico
- United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

- Other, please specify
Please see page 12 of our 2022 Corporate Sustainability Report for boundary details. Oncor is excluded in all aspects of this response.

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

- Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Water recycling/reuse in some of our operations.	While several of our facilities utilize water recycling, we are still working to capture this data from all relevant facilities.



Major construction projects and major projects outside the scope of normal operations.	Major construction and major projects are generally excluded from the scope of our corporate data collection process.
Water data from Oncor	Oncor Holdings is an indirect, wholly owned entity of Sempra that owns an 80.25% interest in Oncor that was acquired by Sempra in 2018. Water data is not yet reported for these operations.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	SRE
Yes, an ISIN code	8168511090

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Freshwater (mostly municipal water) is used across our operations, particularly in employee-occupied facilities and some power plant operations. Natural gas and electricity suppliers are a critical part of our supply chain. While their water sources will vary, for some, access to freshwater is vital to the provision of natural gas and electricity to our businesses.
Sufficient amounts of recycled, brackish and/or	Vital	Important	Salt/brackish and recycled water are particularly important to our operations and helps to minimize our use of freshwater. For example, Sempra Infrastructure's liquefied natural gas



produced water available for use			(LNG) regasification terminal in Mexico withdraws seawater for use in its operations, and carefully returns it to the ocean after it is used. Termoeléctrica de Mexicali (TDM), Sempra Infrastructure's natural gas-powered combined cycle electricity generating plant in Mexico relies heavily on recycled/wastewater for operations. Natural gas and electricity suppliers are a critical part of our supply chain. While their water sources will vary, for some, access to recycled, brackish or produced water is vital to the provision of natural gas and electricity to our businesses.
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W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%			For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. Individual facilities monitor water on a consistent basis, including withdrawals. Their measurement methods (well measurement, water utility bills) will depend on what is most relevant for the facility. Data is also submitted to the corporate sustainability team annually. Additionally, certain facilities, such as those at Sempra California, have goals related to water.
Water withdrawals – volumes by source	100%			For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. Individual facilities monitor water data on a consistent basis, depending on what is most relevant for



				the facility. Water for operations comes from different sources, depending on the nature of operations. Data on water withdrawals by source is submitted to the corporate sustainability team annually. Additionally, certain facilities, such as those at Sempra California, have goals related to water.
Water withdrawals quality	76-99			For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. Individual facilities monitor water data on a consistent basis, depending on what is most relevant for the facility. Data related to water quality parameters utilized is also submitted to the corporate sustainability team annually. Additionally, certain facilities, such as those at Sempra California, have goals related to water.
Water discharges – total volumes	76-99			For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. Individual facilities monitor water data on a consistent basis, depending on what is most relevant for the facility. Data for water discharge volumes is submitted to the corporate sustainability team annually. Municipal water discharges at employee occupied facilities are not typically metered or tracked.
Water discharges – volumes by destination	76-99			For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets



				<p>such as wind farms and solar plants, LNG terminals, and natural gas pipelines. Individual facilities monitor water data on a consistent basis, depending on what is most relevant for the facility. Data for water discharges by destination is also submitted to the corporate sustainability team annually. Municipal water discharges at employee occupied facilities are not typically metered or tracked.</p>
Water discharges – volumes by treatment method	76-99			<p>For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. This is measured at the facility level, according to permitting and other regulatory requirements. Water treatment will vary based on the specific operations of the facility. Municipal water discharges at employee occupied facilities are not typically metered or tracked.</p>
Water discharge quality – by standard effluent parameters	76-99			<p>The term facility has the same definition as stated above. Water discharge quality is measured at the facility level, according to permit and regulatory requirements. Our operating companies are held strictly accountable for following all environmental regulations and laws, including those related to water quality, and obtain all required permits. For example, Sempra Infrastructure's TDM power plant processes over 1 billion gallons of sewage annually for plant operations. After it is used, clean irrigation-quality water is sent to the Rio Nuevo, which is considered one of the most polluted rivers of its size. Several water quality parameters are reviewed before water discharge. SDG&E's Palomar</p>

				Energy Center, which uses reclaimed sewage water purchased from the city of Escondido, currently discharges water under an Industrial Use Discharge permit. Both sections of the permit have specific discharge limits and monitoring requirements, for TOCs, TSS, chlorine content and other parameters.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	76-99			The term facility has the same definition as stated above. Water discharge quality is measured at the facility level, according to permit and regulatory requirements. Our operating companies are held strictly accountable for following all environmental regulations and laws, including those related to water quality, and obtain all required permits. For example, Sempra Infrastructure's TDM power plant processes over 1 billion gallons of sewage annually for plant operations. After it is used, clean irrigation-quality water is sent to the Rio Nuevo, which is considered one of the most polluted rivers of its size. Several water quality parameters are reviewed before water discharge. SDG&E's Palomar Energy Center, which uses reclaimed sewage water purchased from the city of Escondido, currently discharges water under an Industrial Use Discharge permit. Both sections of the permit have specific discharge limits and monitoring requirements, for TOCs, TSS, chlorine content and other parameters.
Water discharge quality – temperature	76-99			For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. Individual facilities monitor water data on a consistent basis, depending on what is most relevant for



				<p>the facility. For example, at Sempra Infrastructure's LNG regasification terminal in Mexico, water discharge temperature is very relevant. To help maintain compliance with environmental regulations, seawater withdrawn for its operations must be carefully monitored for temperature changes before it is discharged again to the ocean. Data is also submitted to the corporate sustainability team annually. Municipal water discharges at employee occupied facilities are not typically metered or tracked</p>
Water consumption – total volume	76-99			<p>For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. Individual facilities monitor water consumption data on a consistent basis, depending on what is most relevant for the facility. Data is also submitted to the corporate sustainability team annually. Certain facilities, such as those at Sempra California, have goals related to water consumption.</p>
Water recycled/reused	Less than 1%			<p>For Sempra, the term 'facilities' encompasses employee occupied offices, power plants, renewable generation assets such as wind farms and solar plants, LNG terminals, and natural gas pipelines. While several of our facilities utilize water recycling, we are still working to capture recycled water use accurately from all relevant facilities, given the complexity of these calculations. ^[1]_[2] [sEp]</p>

The provision of fully-functioning, safely managed WASH services to all workers	Not relevant			Access to WASH services is currently not relevant for our operations. All facilities provide safely managed WASH services.
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W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	104,677	About the same				Total for all facilities. Water withdrawal varies year-over-year based on the operational needs of our facilities. The total withdrawn has decreased (0.53)% overall from 2021 which can be attributed to normal variation in water needs.
Total discharges	98,439	About the same				Total for all facilities. Water discharge varies year-over-year based on the operational needs of our facilities. In future years, we expect that total water discharge will increase with the completion of new facilities. The total discharged has decreased by (0.60)% compared to 2021 which can be attributed to normal variation in water needs.
Total consumption	6,239	About the same				Total for all facilities. Total water consumed has increased by 0.61% compared to 2021. The increase in

						consumption can be attributed to normal variations in water needs.
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W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	51-75	About the same	Increase/decrease in efficiency			WWF Water Risk Filter	Approximately 26 to 50% of our facilities operate in a water stressed region. Sempra has mapped facilities utilizing the WWF water risk filter tool. The facilities we consider to be exposed to water risks are those that are located in water-stressed areas considered to be 'High Risk' or 'Extremely High Risk' as determined if the mapped facility has an overall basin risk score that is greater than 3.4. We have additional facilities located in water-stressed areas which utilize no to minimal freshwater and have less water related risk, therefore, these facilities are not included above. Given that in 2022 water withdrawn for power generation



								<p>activities accounted for only 7.3% of Sempra's total water withdrawn and exclusively came from reclaimed or recycled sources, Sempra does not currently consider water to be a high risk. Additionally, our use of fresh water is minimal, accounting for 1% of our total water withdrawn. For our utility businesses, our operations exist throughout the service territories in which our customers reside, in large part the southwestern area of the United States and in Mexico. For various reasons (e.g. reliability, cost, etc.) it is necessary for our production plants to be within or nearby our service territories or the communities we serve would face severe negative impacts such as loss of power, higher energy costs and fewer local jobs to name a few. We use alternative sources of water, where reasonably available, to preserve fresh water for nearby communities and reduce any contribution to water scarcity.</p>
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W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	0.74	Higher	Other, please specify Increase in precipitation and rainwater collected	Some of our businesses saw an increase in the amount of rainwater collected as compared to 2021, attributable to an elevated level of precipitation in California.
Brackish surface water/Seawater	Relevant	96,259.4	About the same		Brackish surface water/Seawater usage has decreased by just over 1% from 2021, due to typical year-over-year fluctuations of water needs.
Groundwater – renewable	Relevant	168.04	Higher	Increase/decrease in business activity	The increase in groundwater use is due to a rise in water consumption at SoCalGas, largely attributed to the installation of new cooling towers and turbines. Furthermore, compressor units were operational for longer durations compared to the preceding year.
Groundwater – non-renewable	Not relevant				
Produced/Entrained water	Relevant	235.9	Lower		
Third party sources	Relevant	8,013.4	About the same		Third party source usage has increased by approximately 6%, due to typical year-over-year fluctuations of water needs.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Not relevant				
Brackish surface water/seawater	Relevant	96,999	About the same		
Groundwater	Relevant	16	About the same		
Third-party destinations	Relevant	1,143	About the same		

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Please explain
Tertiary treatment	Not relevant	
Secondary treatment	Not relevant	
Primary treatment only	Not relevant	
Discharge to the natural environment without treatment	Not relevant	
Discharge to a third party without treatment	Not relevant	
Other	Not relevant	

W1.2k

(W1.2k) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	Please explain
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Row 1			
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W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	14,439,000,000	104,677.49	137,937.965459432	As we continue to implement water-saving measures while exploring options to expand our utilization of reclaimed water, we also anticipate the possibility of increased water withdrawal from new operations in the coming years.

W-EU1.3

(W-EU1.3) Do you calculate water intensity for your electricity generation activities?

Yes

W-EU1.3a

(W-EU1.3a) Provide the following intensity information associated with your electricity generation activities.

Water intensity value (m3/denominator)	Numerator: water aspect	Denominator	Comparison with previous reporting year	Please explain
1.11	Total water withdrawals	MWh	Lower	Sempra's water intensity from natural power generation activities decreased by 7% year-over-year. Total water withdrawal for generation activities increased by 35% and an approximate 14% increase in net generation compared to 2021.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	Our products do not contain hazardous substances as classified by a regulatory authority; however, hazardous waste management is critical component of our operations. From common batteries to building materials and chemicals, Sempra and our businesses have collection bins and areas for proper collection and disposal. In 2022, our businesses generated approximately 5,481 tons of hazardous waste. Teams at each business manage hazardous materials storage, recycling, transportation and/or disposal to comply with applicable laws.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement
Suppliers	Yes
Other value chain partners (e.g., customers)	Yes

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment



Other, please specify

Sustainability and environmental stewardship questions in RFP

Number of suppliers identified as having a substantive impact

21

% of total suppliers identified as having a substantive impact

1-25

Please explain

Sempra California continually engages with suppliers and integrates sustainability into our value chain by surveying those considered to be high impact to our business on metrics addressing operational sustainability, including water use. The sustainability questionnaire that's used on an annual basis for high impact suppliers at Sempra California has been developed through collaboration with the Sustainable Supply Chain Alliance (SSCA or Alliance). The use of this questionnaire helps to leverage the best practices of approximately 27 electric utilities nationwide. A total of 107 suppliers were provided the survey with 21 providing a response. Supplier responses to the questionnaire are considered during the bid award evaluation. Through additional processes, as part of RFPs over \$1,000,000, suppliers at Sempra California are evaluated on their operational impact on the environment.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

	Suppliers have to meet specific water-related requirements	Comment
Row 1	No, but we plan to introduce water-related requirements within the next two years	Sempra California continues to evaluate the inclusion of these types of requirements within the purchasing process. Sempra California has identified water management and stewardship as a high priority issue.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement

Information collection

Details of engagement

Collect water management information at least annually from suppliers

Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

% of suppliers by number

% of suppliers with a substantive impact

Rationale for your engagement

The use of this questionnaire helps to leverage the best practices of approximately 27 electric utilities nationwide.

Impact of the engagement and measures of success

Sempra California is following up with high impact suppliers and continuing to collaborate on improvement plans on sustainability metrics.

Comment

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder

Customers



Type of engagement

Education / information sharing

Details of engagement

Educate and work with stakeholders on understanding and measuring exposure to water-related risks

Rationale for your engagement

Our companies utilize a variety of programs to engage with value chain customers on water-related issues. SDG&E's water-efficiency programs are implemented by authorized third-party contractors. For example, SDG&E's Streamlined Ag Efficiency program can help customers take advantage of available incentives and rebates for energy-efficiency improvements. SDG&E's partnership with Cascade Energy can help farmers and growers become more energy efficient. By participating in the program customers can save on energy, natural gas, and water. Another program includes the "Water Infrastructure and System Efficiency" which provides energy efficiency solutions to water production, distribution, and treatment systems, as well as oil field clear water pumping systems. SW WISE trains and equips trade allies to recommend more efficient processes and technologies. Lincus Energy is a Statewide 3rd party implementor. CAP4ZNE Program customizes energy efficiency and GHG reduction strategies for each customer, especially in the Local Government sector. This all-inclusive service includes a thorough facility assessment within the company's service area. It provides tailored Partner Climate Action Paths for participating Local Governments, focusing on their highest energy-consuming facilities. The program covers the entire Local Government segment in SDG&E's territory, operated by third-party implementers who conduct audits to save energy and water, albeit with associated installation costs

Impact of the engagement and measures of success

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No



W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
Row 1	No	

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified
Row 1	Yes, we identify and classify our potential water pollutants	Sempra's water policy highlights our dedication to utilizing water responsibly and sustainably. This encompasses readiness for water-related emergencies and adherence to pertinent laws, regulations and permit mandates. Our businesses monitor and disclose their water usage, exhibiting attentiveness to water availability and striving to minimize usage whenever possible. They work to address water quality concerns arising from operations and strive to ensure that facility-discharged water meets or surpasses permit requirements. Within this framework, each business manages the identification and classification of potential water pollutants, aligning with local regulatory requirements.

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Other, please specify

Trash, chemicals, metal, equipment, etc.

Description of water pollutant and potential impacts

The nature of pollutants can vary depending on the scope of business operations, encompassing activities like construction projects, facility-related tasks, and other support activities. Examples of waterborne pollutants include sediment, debris, equipment, materials, and vehicle-related elements (such as total suspended solids, pH levels, oil, and grease) as well as various chemicals and metals like free chlorine, chromium, residual chlorine, and zinc. Notably, stormwater runoff from power generation sources is primarily associated with pollutants like oil/grease, pH imbalances, Total Suspended Solids (TSS), and metals such as iron and zinc. Moreover, the blowdowns from cooling towers in steam cycle power plants also contain residual chlorine due to its application for control of biofouling.

Soil erosion at construction sites stands as the primary origin of Total Suspended Solids (TSS). When TSS is present in stormwater runoff from construction, it can introduce issues pertaining to water quality, habitat preservation, and the visual appeal of urban water bodies. Elevated TSS levels lead to increased water cloudiness, diminished light penetration in deeper sections of the water column, and hinder the growth of desirable aquatic flora. Also, solid particles that settle as sediment contribute to sedimentation, potentially modifying and eventually degrading habitats for fish and organisms dwelling on the bed.

Value chain stage

Direct operations

Actions and procedures to minimize adverse impacts

Resource recovery

Water recycling

Please explain

We regularly monitor water use and associated risks utilizing tools such as the WWF's Water Risk Filter to identify facilities located in water-stressed areas. We also continue to examine ways to: • Integrate climate-related water risks into our construction and business resumption plans; • Plan projects in a way that tries to avoid sensitive riparian areas; • Use dry-cooling, recycled or reclaimed water and salt or brackish

water as an alternative to fresh water; • Monitor water quality discharge at the facility level, according to permitting and other regulatory requirements; • Reduce water consumption in employee occupied facilities with water conserving fixtures and xeriscaping; and • Encourage customers to reduce their use of this resource.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Tools on the market

Enterprise risk management

Other

Tools and methods used

WWF Water Risk Filter

COSO Enterprise Risk Management Framework

Enterprise Risk Management

Internal company methods

Contextual issues considered

Water availability at a basin/catchment level

Stakeholders considered

Customers

Employees

Investors

Local communities

NGOs

Regulators

Suppliers

Water utilities at a local level

Other water users at the basin/catchment level

Comment

At the parent company level, the board and Enterprise Risk Management Oversight Committee provide oversight and guidance in all risk areas to identify, analyze and manage them adequately. Water is integrated into this process. Parent and operating company risk management, environmental services and the corporate sustainability teams assess and monitor exposure through risk maps and other risk analysis tools. Risks identified as affecting the entire organization include environmental compliance, climate-related, regulatory, health/safety, operational/reliability, and financial risks, among others.

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Not defined

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Other

Tools and methods used

Internal company methods

Other, please specify

SDG&E is a member of the Electric Utility Industry Sustainable Supply Chain Alliance, a non-profit organization formed by investor-owned utilities across the U.S. to promote environmental stewardship.

Contextual issues considered

Stakeholders considered

Suppliers

Comment

As part of RFPs over \$1,000,000, suppliers at SDG&E and SoCalGas are evaluated on their operational impact on the environment through questionnaires (including sustainability questions, some focused on water). Supplier responses to the questionnaires are considered during the



bid award evaluation. Additionally, we continue to engage with suppliers and integrate sustainability into our value chain is by surveying those considered to be critical to our business on metrics addressing operational sustainability, including their water use. The sustainability questionnaire used as part of our RFP process at SDG&E and SoCalGas, has been developed through collaboration with the Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA or Alliance). The use of this questionnaire helps to leverage the best practices of approximately 20 electric utilities nationwide.

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	Sempra and its businesses identify, assess and, where possible, mitigate a broad and complex set of risks commonly associated with the energy industry, as well as risks specific to each operating company.	Management of climate-related and water-related risks is integrated into Sempra's overall approach to risk. This extends beyond our direct operations to encompass downstream and upstream impacts. Throughout the year, these risks are assessed, recognizing the dynamic nature of environmental and operational contexts.	At the parent company level, the Sempra board and the Compliance and Enterprise Risk Committee (composed of management-level employees) provide oversight on all identified risk areas. Risk management teams at each operating company and the parent company lead an established enterprise risk management program to assess risks using risk maps and other tools that help identify and monitor business risk exposure. To evaluate these risks, we look at different potential scenarios including the impact of regulatory frameworks and the introduction of technologies that could lead to market changes. We also consider different	The substantive impact of each risk is assessed at various organizational levels, including line managers, officers, and senior management teams. This encompasses readiness for immediate challenges like wildfires intensified by drought, as well as strategic planning for regulatory targets, safety enhancements, and long-term considerations like sea-level rise. Within SDG&E, a dedicated team of meteorologists and comprehensive studies are employed to assess the threat climate change poses to infrastructure, personnel, and customers. Additionally, the organization proactively plans for impacts on a diverse range of stakeholders,



			<p>scenarios related to changes in the physical environment, including models of sea-level rise and extreme weather events.</p>	<p>continually reviewing and adjusting insurance coverage as needed. Efforts to share and transfer risk, when feasible within market conditions, complement other risk mitigation initiatives. A concrete example of climate-related risk mitigation involves addressing rising temperatures, drought conditions, extreme weather events, and sea-level rise. This is achieved through measures such as incorporating climate projections into planning processes, evaluating the effect of rising temperatures on infrastructure, and fortifying facilities against potential impacts like floods. Additionally, steps are taken to reduce reliance on freshwater resources in regions affected by water scarcity.</p>
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W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No



W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Financial and strategic impacts of each identified risk are assessed and evaluated at various levels within the organization, including by line managers, officers, and senior management teams in each operating company. There are four dimensions that we consider when evaluating risk: health, safety and environmental; operations and reliability; regulatory, legal and compliance; and financial impact. What is understood to be reasonably likely and substantive is evaluated from each of these perspectives (at the operating company level and rolled up into the overall enterprise risk management process), which will vary by risk type. The health, safety and environmental dimension assesses potential hazards to employees, the public, and the environment. The operations and reliability dimension assesses potential disruptions to company operations that would impact customers. SoCalGas, part of Sempra California, enhances their damage prevention program to decrease the rate of third-party pipeline damages 40% by 2030 compared to a 2020 baseline as a part of environmental and operations and reliability dimensions. The regulatory, legal and compliance dimension assesses potential sanctions imposed by regulators or legal judgments. The financial dimension assesses potential financial losses. For example, SB 100 requires each California electric utility, including SDG&E, to procure at least 50% of its annual electric energy requirements from renewable energy sources by 2026, and 60% by 2030. SB 100 also creates the policy of meeting all of California’s retail electricity supply with a mix of RPS Program-eligible and zero-carbon resources by 2045. It is Sempra's approach to work to mitigate impacts, at times even for those that may fall below the threshold of substantive.

Sempra's 10k provides details on risks and can be found here: <https://www.sempra.com/sites/default/files/2023-03/annual-report/2022-Form-10-K.pdf>. Information can also be found in our CDP climate response section 2.

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1		



W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1		

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Other

Primary water-related opportunity

Other, please specify

Enhanced reputation

Company-specific description & strategy to realize opportunity

Sempra has taken many steps to reduce water use in our operations when reasonably possible. This includes using reclaimed water and dry-cooling at our power plants. As water becomes an increasingly scarce resource and Sempra and its operating companies are recognized for



taking action to reduce water use, this has the potential to positively impact our reputation, and help to make it easier to do business and get new projects permitted and approved. In order to continue to realize this opportunity, we must continue communication efforts with key stakeholders about how we do business and our efforts to reduce our impacts on the environment. Examples include: Our annual corporate sustainability report; Community Advisory Councils where community leaders have direct interaction with senior Sempra business leaders and discuss a variety of topics; customer communications on key programs and plans through websites, bill inserts, advertising messages and social media networks.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential financial impact

Unknown

Are you able to provide a potential financial impact figure?

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

Type of opportunity

Efficiency



Primary water-related opportunity

Cost savings

Company-specific description & strategy to realize opportunity

Our Sempra headquarters building and other locations are reducing water use at employee-occupied facilities through equipment upgrades, such as a more efficient heating, ventilation, and air conditioning system, low flow domestic water devices (toilets, faucets, shower heads, etc.), in addition to water-saving measures for landscaping, such as drought-tolerant plants and weather-based irrigation. At SoCalGas through xeriscaping, the San Dimas Customer Call Center facility is expected to reduce its yearly water usage by 60 percent - that's a savings of approximately 1.6 million gallons of water annually. The Playa Del Rey facility is expected to save more than \$5,000 a month in water and maintenance fees, provide a habitat for local birds and butterflies and help reduce the company's water consumption by an estimated 3.3 million gallons per year.

We also utilize water-saving technologies for power generation, including dry cooling and the use of reclaimed water, we returned 92% of the water withdrawn to the source in 2022. When we save water, we also reduce energy use, further reducing costs and impacts to the environment. In order to take advantage of this opportunity, we must continue to make improvements to our operations to further reduce our water use.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Low-medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

Specifically, for the drought tolerant landscaping at Century Park, the investment cost amounted to \$830,000. After rebates and the total annual return on investment related to water savings and reduced maintenance, we expected to recover the financial investment for this project approximately 10 years after implementation.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

The resiliency of our infrastructure is crucial in a world where the impacts of climate change are increasing. For example, in California with the increase in droughts in the area, wildfire prevention and mitigation is a critical part of improving the resilience of our infrastructure, and SDG&E has long been considered an industry leader. In response to changing weather conditions, SDG&E developed an in-house meteorology team to forecast fire danger and enable the company to undertake advanced preparations for severe weather events. The company built one of the first of-its-kind networks of dense, utility-owned weather stations to provide detailed weather data across its service territory, which informs day-to-day operational decision-making at all levels of the company. Additionally – and as a last resort when conditions warrant – SDG&E pioneered the use of Public Safety Power Shutoffs to help protect public safety from major wildfires. SDG&E continues to innovate and improve wildfire mitigation initiatives to help keep its communities safe through situational awareness, prevention, communication and collaboration.

As another example of our climate resilience efforts, SDG&E and SoCalGas recently modeled different sea-level rise scenarios (0.0, 0.5 and 2 meters) and analyzed the potential impacts on each company's infrastructure and communities. For electric infrastructure, modeling showed that a significant number of assets and services may be exposed to coastal hazards related to sea-level rise. SDG&E is now engaged in a vulnerability assessment reviewing all assets for a multitude of climate hazards on several different time scales going out at least 50 years from today. This will be the most comprehensive assessment the utility has conducted to date and is designed to serve as a guiding document for

how the utility addresses climate change risks moving forward. Armed with this information, SDG&E and SoCalGas expect to be able to better plan for future capital projects and determine what work is necessary to improve infrastructure resilience to sea level rise.

Estimated timeframe for realization

Magnitude of potential financial impact

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	<p>Description of the scope (including value chain stages) covered by the policy</p> <p>Description of business dependency on water</p> <p>Description of business impact on water</p> <p>Commitment to prevent, minimize, and control pollution</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in direct operations</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>Sempra's water policy applies to the operations of Sempra and its businesses.</p> <p>The policy focuses on the connection between energy and water and Sempra's commitment to: use water in a responsible and sustainable manner; work to minimize the use of water in operations when feasible; measure and report on our use of water, along with the related risks and opportunities to our business; adopt practices to minimize our impacts on water supplies, including monitoring to help ensure that water discharged from our facilities meets or exceeds permit requirements, minimizing discharge to the greatest degree possible; prepare for water-related emergencies; and abide by applicable water related laws, regulations and permit requirements. Additionally, we are committed to continue to work with our stakeholders including water agencies, government and businesses to support joint energy and water efficiency programs.</p> <p>The policy is publicly available at https://www.sempra.com/sites/default/files/content/files/node-media-document/2021/Sempra_Water_Policy.pdf</p> <p>In addition to the organization-wide policy, certain operating companies, such as SDG&E and SoCalGas, have their own policies, which express their commitment to reducing freshwater consumption and preserving water quality through the design and operation of their facilities.</p>

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes



W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Board-level committee	<p>Our Safety, Sustainability and Technology (SST) Committee currently is entirely composed of independent directors under the independence standards established by the New York Stock Exchange . This committee’s responsibilities include, among others, assisting the board: In overseeing the company’s risk management and oversight programs and performance related to health, safety, safety culture, security, cybersecurity, technology, climate change, sustainability, human rights and other related environmental, social and governance (ESG) matters (collectively, SST Matters) affecting the company, including employees, customers and the communities in which the company operates; In overseeing the policy, laws and regulations pertaining to SST matters relating to environmental, health and safety laws, regulations and other ESG developments at the global, national, regional and local levels and evaluating ways to address these matters as part of the company’s immediate and longer-term business strategies and operations; In overseeing matters relating to technology developments that advance the company’s goals related to SST Matters, including reviewing management’s implementation of risk management protocols concerning cybersecurity issues, including breaches and attacks, privacy and infrastructure security; In reviewing and monitoring the company’s Human Rights Policy and related implementation efforts, including the company’s response to domestic and international developments in human rights that affect the company’s business; In reviewing with management and, where appropriate, making recommendations to management and the board of directors regarding the company’s policies, practices and strategies concerning SST Matters.</p>

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

Frequency that water-related issues are a	Governance mechanisms into which water-related issues are integrated	Please explain

	scheduled agenda item		
Row 1	Scheduled - some meetings	<p>Monitoring implementation and performance</p> <p>Reviewing and guiding corporate responsibility strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Reviewing innovation/R&D priorities</p> <p>Setting performance objectives</p>	<p>The board monitors overall governance processes and delegates specific areas of focus to standing committees. The board has mandated the SST Committee with responsibility for the oversight of the company's risk management and oversight programs and performance related to environmental, health, safety and safety culture, security, cybersecurity, technology, climate change, sustainability, human rights and other related ESG matters.</p> <p>Climate and related implications are woven into the fabric of corporate strategic planning. With significant environmental regulation and exposure to both climate-related risks and opportunities, it is critical that these issues are monitored at the highest level.</p> <p>The board, primarily through the SST Committee and sometimes at the full board, oversees business strategies to mitigate the impact of company operations on the environment, including climate change response and other sustainability matters including water. The board's SST Committee also reviews and evaluates issues related to the company's preparedness for extraordinary weather-related events.</p>

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues
Row 1	Not assessed

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Sustainability Officer (CSO)

Water-related responsibilities of this position

Frequency of reporting to the board on water-related issues

Annually

Please explain

Sempra's Chief Sustainability Officer (CSO) reports directly to Sempra's CEO and serves also as Senior Vice President – Corporate Affairs. The Sempra CSO has oversight of annual sustainability reporting, which includes goal setting and ESG performance, as well as aggregation of data and reporting of water use. Sempra's CSO also serves as the primary link between the SS&T Committee of Sempra's board and the organization's sustainability function and helps implement Sempra's sustainability strategy. A parent company sustainability steering committee comprising officers from across the company works to align operating company sustainability efforts under the Sempra sustainability framework, develop goals for the company and allows for a forum to share best practices. Leaders at our operating companies oversee and drive water management at their respective companies. Our principal operating companies also have CSOs and have developed executive-level sustainability steering committees.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Sempra has a centralized external affairs department that works closely with external affairs groups across our operating companies to develop policy positions on climate change issues (including water) and help ensure consistency of direct and indirect activities. This department plays an essential role in developing and coordinating a consistent approach across operating companies and geographies. In addition, Sempra’s sustainability steering committee, comprised of executives of all of our businesses builds on the efforts of the external affairs groups and also helps to ensure that policy-related activities are consistent with our climate strategy. The Sempra family of companies engages in direct and indirect lobbying activities at the federal, state, and local levels of government, consistent with our commitment to creating long-term, sustainable value. Our direct lobbying activities align with relevant policies within the legislative and regulatory jurisdictions in which we operate, such as California’s goal to achieve economy-wide carbon neutrality by 2045 and the U.S. Environmental Protection Agency’s methane rules, and important global multi-lateral collaborations, including the Paris Agreement’s goals of limiting average global warming to well below 2°C above preindustrial levels and pursuing efforts to limit the temperature increase to 1.5°C.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	16-20	<p>Water is integral to many energy-related processes. The facilities that we build and operate require securing a long-term water supply. Therefore, when planning for these facilities water issues are considered up front for the life of the facility, in an effort to help ensure that the asset will operate as expected over this time period. As an example, during the building of the Palomar Energy Center, the issue of long-term water supply was addressed through the decision to purchase reclaimed water from the city of Escondido, California.</p> <p>16-20 years was chosen as facilities are expected to be operational for at least this amount of time.</p>
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	16-20	<p>Business planning and risk management processes play a key role in determining Sempra's strategy and focus areas for the future. Risks ranging from strategic, operational, financial, regulatory, safety, to environmental, such as climate-related changes in weather, decreasing water supply and strain on the electric grid, have been considered in the development and implementation of Sempra's business plan. This has influenced our operating companies' capital expenditure budgets.</p> <p>Given the role that water plays in many energy-related processes, long-term supplies for our operations and those of our suppliers often require securing a long-term supply and completing an impact mitigation plan. While we have limited power generation operations, these, facilities were designed to reduce water use when reasonably possible - many are air-cooled or use brackish or</p>



			<p>recycled water. We continually analyze the operations of our existing facilities versus water requirements to help manage this issue and help protect water availability.</p> <p>For new facilities where water is a critical component of operations, it is often our practice to exceed code requirements for water use. Therefore, the ability of water quality and quantity issues to affect the success of these projects is considered and factored into our overall planning and strategy process.</p> <p>16-20 years was chosen as facilities are expected to be operational for at least this amount of time.</p>
Financial planning	Yes, water-related issues are integrated	5-10	As part of our 5-year planning process, we evaluate the status of all our existing and planned facilities. This process would include any projected expenditures related to water that may be necessary to execute on our strategy.

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

150

Anticipated forward trend for CAPEX (+/- % change)

-1

Water-related OPEX (+/- % change)

96

Anticipated forward trend for OPEX (+/- % change)

1

Please explain

Capital expenditures (CAPEX) on water increased in comparison to the previous reporting year due to costs associated with water treatment projects to help ensure a safe water supply to facilities at SoCalGas. Operating expenditures (OPEX) increased as well due to the inclusion of costs associated with water treatment projects.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	<p>SDG&E and SoCalGas completed a scenario analysis, including water-related impacts, focused on mid-century exposure. This is in line with energy infrastructure planning horizons and considers that energy systems are likely to change significantly in the future. The analysis included the identification of potential impacts of sea level rise and coastal hazards (i.e. tidal inundation and coastal erosion) on the electric system, and potential impacts of all climate-related hazards (coastal hazards, wildfire, extreme heat, inland flooding, and landslides/mudslides) on the natural gas system.</p> <p>Analyses like this allow our companies to better plan for future capital projects and determine what work is necessary to improve our infrastructure's ability to withstand any sea level rise that may occur. For example, there are plans to integrate maps into SDG&E's geographic information system to highlight at-risk infrastructure and inform new construction.</p>

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	RCP 4.5 and RCP 8.5	SDG&E and SoCalGas have evaluated the impact of rising seas on electric and natural gas infrastructure. On the electric side, it was determined that a significant number of assets and services may be exposed to coastal hazards related to climate change. Areas of concern for the utility by mid-century are located in low-lying areas around bays and estuaries and on the coastline adjacent to erodible cliffs and dunes. The most significant direct impacts could occur from damage to substations near the San Diego and Mission Bays. If inundated with sufficient water to damage equipment, these substations could go out of service until flooding recedes and repairs can be made, potentially disrupting service to customers. Other direct impacts could come in the form of increased maintenance or repair costs, rather than widespread service disruptions. Natural gas infrastructure is likely to experience limited impacts in the form of increased repair/maintenance needs or localized disruptions. The cumulative impacts of increased costs could not be quantified in this study, but could potentially be significant given the large number of assets potentially exposed.	Immediate adaptation actions identified through this study for SDG&E are: a. Enhance coastal storm prediction and response; b. Identify signposts and thresholds that can be used to determine when the need for an adaptation decision is approaching or reached; c. Consult with regional stakeholders to identify opportunities to improve community-wide resilience; d. Adjust cost-benefit analysis techniques to account for unique features of climate change; e. Develop maps that will be integrated into the SDG&E geographic information system to highlight at-risk infrastructure and inform new construction; and f. Partnered with the Scripps Institution of Oceanography to install a sensor west of the substation determined to be the most at risk, which will monitor and generate wave models, allowing for more detailed projections of coastal flooding. Immediate adaptation measures identified through this study for SoCalGas are: a. Integrate climate change hazard maps into planning & operations; b. Identify signposts and thresholds that can be used to determine when the need for an adaptation decision is approaching or reached; c. Consult with regional stakeholders to identify opportunities to improve community-wide resilience; and d. Adjust cost-benefit analysis techniques to account for unique



				features of climate change.
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W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

We recognize water quantity and quality is increasingly a global concern and given the connection between energy and water, we believe it deserves special attention from energy companies. For these reasons, we continue to work to reduce our use of fresh water when reasonably possible, particularly in water-stressed areas, and in 2022, 92% of the water withdrawn for our operations was returned to source. At this time, water-related risks are managed by working with local water agencies and by integrating climate-related water risks (including the potential impact of both droughts and floods) into construction and business resumption plans. We continue to monitor and assess these risks on an ongoing basis.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	Minimal to no use of fresh water in our operations.	Use of fresh water in our operations is minimal and is primarily utilized in employee occupied facilities, accounting for less than 1% of total water withdrawn. Reclaimed or recycled water is primarily used for power generation operations. In 2022, our total water withdrawal decreased by 1% to approximately

			28 billion gallons as a result of less withdrawal at our LNG operations in Mexico. We returned 92% of the water withdrawn to the source.
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W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category
Water pollution	
Water withdrawals	Yes
Water, Sanitation, and Hygiene (WASH) services	
Other	Yes

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1



Category of target

Water consumption

Target coverage

Site/facility

Quantitative metric

Reduction per business unit

Year target was set

2021

Base year

2010

Base year figure

Target year

2030

Target year figure

Reporting year figure

% of target achieved relative to base year

Target status in reporting year

Underway



Please explain

By 2030, SDG&E aims to reduce facilities freshwater use by 50% (2010 baseline) by investing in low-flow/waterless fixtures, rainfall and water recovery systems and drought-tolerant landscaping.

Target reference number

Target 2

Category of target

Water recycling/reuse

Target coverage

Site/facility

Quantitative metric

Year target was set

2020

Base year

2020

Base year figure

Target year

2030

Target year figure



Reporting year figure

% of target achieved relative to base year

Target status in reporting year

Please explain

In October 2020, SDG&E released its sustainability strategy, which included a goal to increase recycled water use to at least 90% at all its facilities by 2030. SDG&E's water conservation initiatives have reclaimed or conserved more than 1.5 billion gallons since 2017 alone.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we do not currently verify any other water information reported in our CDP disclosure

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Please explain
Row 1	Not mapped – and we do not plan to within the next two years	

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Please explain
Row 1	Not assessed – and we do not plan to within the next two years	At Sempra, we do not produce plastics.

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Please explain
Row 1	Not assessed – and we do not plan to within the next two years	

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Please explain
Row 1	No – and we do not plan to within the next two years	

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	
Production of durable plastic components	No	



Production / commercialization of durable plastic goods (including mixed materials)	No	
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	No	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	No	

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

This response to CDP contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions with respect to the future, involve risks and uncertainties, and are not guarantees. Future results may differ materially from those expressed or implied in any forward-looking statement. These forward-looking statements represent our estimates and assumptions only as of the date of this response to CDP. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise.

In this response to CDP, forward-looking statements can be identified by words such as “believes,” “expects,” “intends,” “anticipates,” “contemplates,” “plans,” “estimates,” “projects,” “forecasts,” “should,” “could,” “would,” “will,” “confident,” “may,” “can,” “potential,” “possible,” “proposed,” “in process,” “construct,” “develop,” “opportunity,” “initiative,” “target,” “outlook,” “optimistic,” “poised,” “maintain,” “continue,” “progress,” “advance,” “goal,” “aim,” “commit,” or similar expressions, or when we discuss our guidance, priorities, strategy, goals, vision, mission, opportunities, projections, intentions or expectations.

Factors, among others, that could cause actual results and events to differ materially from those expressed or implied in any forward-looking statement include risks and uncertainties relating to: California wildfires, including potential liability for damages regardless of fault and any inability to recover all or a substantial portion of costs from insurance, the wildfire fund established by California Assembly Bill 1054, rates from customers or a combination thereof; decisions, investigations, inquiries, regulations, denials or revocations of permits, consents, approvals or other authorizations, renewals of

franchises, and other actions by (i) the California Public Utilities Commission (CPUC), Comisión Reguladora de Energía, U.S. Department of Energy, U.S. Federal Energy Regulatory Commission, Public Utility Commission of Texas, and other governmental and regulatory bodies and (ii) the U.S., Mexico and states, counties, cities and other jurisdictions therein and in other countries where we do business; the success of business development efforts, construction projects and acquisitions and divestitures, including risks in (i) being able to make a final investment decision, (ii) completing construction projects or other transactions on schedule and budget, (iii) realizing anticipated benefits from any of these efforts if completed, and (iv) obtaining the consent or approval of third parties; litigation, arbitrations, property disputes and other proceedings, and changes to laws and regulations, including those related to the energy industry in Mexico; cybersecurity threats, including by state and state-sponsored actors, of ransomware or other attacks on our systems or the systems of third parties with which we conduct business, including the energy grid or other energy infrastructure, all of which have become more pronounced due to recent geopolitical events; our ability to borrow money on favorable terms and meet our obligations, including due to (i) actions by credit rating agencies to downgrade our credit ratings or place those ratings on negative outlook or (ii) rising interest rates and inflation; failure of foreign governments, state-owned entities and our counterparties to honor their contracts and commitments; the impact on affordability of San Diego Gas & Electric Company's (SDG&E) and Southern California Gas Company's (SoCalGas) customer rates and their cost of capital and on SDG&E's, SoCalGas' and Sempra Infrastructure's ability to pass through higher costs to customers due to (i) volatility in inflation, interest rates and commodity prices, (ii) with respect to SDG&E's and SoCalGas' businesses, the cost of the clean energy transition in California, and (iii) with respect to Sempra Infrastructure's business, volatility in foreign currency exchange rates; the impact of climate and sustainability policies, laws, rules, regulations, disclosures and trends, including actions to reduce or eliminate reliance on natural gas, increased uncertainty in the political or regulatory environment for California natural gas distribution companies, the risk of nonrecovery for stranded assets, and our ability to incorporate new technologies; weather, natural disasters, pandemics, accidents, equipment failures, explosions, terrorism, information system outages or other events that disrupt our operations, damage our facilities or systems, cause the release of harmful materials or fires or subject us to liability for damages, fines and penalties, some of which may not be recoverable through regulatory mechanisms or insurance or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of electric power, natural gas and natural gas storage capacity, including disruptions caused by failures in the transmission grid, pipeline system or limitations on the withdrawal of natural gas from storage facilities; Oncor Electric Delivery Company LLC's (Oncor) ability to reduce or eliminate its quarterly dividends due to regulatory and governance requirements and commitments, including by actions of Oncor's independent directors or a minority member director; changes in tax and trade policies, laws and regulations, including tariffs, revisions to international trade agreements and sanctions, any of which may increase our costs, reduce our competitiveness, impact our ability to do business with certain counterparties, or impair our ability to resolve trade disputes; and other uncertainties, some of which are difficult to predict and beyond our control.



These risks and uncertainties are further discussed in the reports that Sempra has filed with the U.S. Securities and Exchange Commission (SEC). These reports are available through the EDGAR system free-of-charge on the SEC's website, www.sec.gov, and on Sempra's website, www.sempra.com. Investors should not rely unduly on any forward-looking statements.

Sempra Infrastructure, Sempra Infrastructure Partners, Sempra Texas, Sempra Texas Utilities, Oncor and Infraestructura Energética Nova, S.A.P.I. de C.V. (IEnova) are not the same companies as the California utilities, SDG&E or SoCalGas, and Sempra Infrastructure, Sempra Infrastructure Partners, Sempra Texas, Sempra Texas Utilities, Oncor and IEnova are not regulated by the CPUC.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Director, Sustainability	Other, please specify Director

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.



Please confirm below