



2020 CORPORATE SUSTAINABILITY REPORT
INNOVATION, SUSTAINABILITY AND LEADERSHIP

PROTECTING THE ENVIRONMENT AND ADVANCING THE CIRCULAR ECONOMY

Semptra's environmental policies and procedures are designed to manage and reduce environmental impacts and advance the circular economy. For two decades, the Semptra family of companies has been on a sustained path to decarbonize our business operations in the markets we serve with an eye towards transitioning to net-zero – where we emit no more greenhouse gases than we remove from the atmosphere.

2030

Interim operational goals

By 2030, we aim to reduce our California utility and Mexico (non-LNG) GHG emissions by 50% compared to a 2019 baseline.

- Reduce fugitive emissions from our natural gas transmission and distribution systems by 40% from our 2015 baseline (SDG&E, SoCalGas and IEnova efforts contribute to this goal).
- Eliminate 100% of natural gas vented during planned transmission pipeline work at SDG&E and SoCalGas (excluding emergency repairs).

Through 2025, we aim to operate our LNG infrastructure at a GHG emissions intensity 20% less than our 2020 baseline.*

Interim value chain goals

By 2030 we aim to reduce scope 3 emissions, including upstream and downstream emissions for our California utility and Mexico (non-LNG) operations, by:

- Delivering 20% RNG by 2030.
- Delivering 60% renewable or zero-carbon energy to California electric consumers by 2030 (part of the 100% commitment by 2045).
- Leveraging the 3Ds to reduce the carbon content of energy delivered, bring new low-to zero-carbon fuel choices to market and integrate cutting-edge analytics to benefit network operators as well as consumers.

2050

Net-zero goal

By 2050, we aim to achieve net-zero scope 1, scope 2 and scope 3 GHG emissions

Semptra understands that being a leader in a net-zero future includes measuring and reducing emissions across the energy value chain. That is why we are committing to the goal of achieving net-zero GHG emissions across all scopes by 2050.

Accomplishing this goal by 2050 is critical to reducing our overall environmental impact and keeping global warming below a 1.5-2 degree Celsius change. However, being an environmental steward goes beyond reducing carbon emissions. Key elements of Semptra's environmental stewardship are outlined on the following pages.

** Cameron LNG, the primary LNG operating asset, will achieve its first full year of operations in 2021. As the LNG business gains operational history and continues to grow, we will establish new interim goals.*

Greenhouse gas emissions

In addition to setting the goal of achieving net-zero GHG emissions across all scopes by 2050, with interim goals along the way, we are taking additional measures, such as:

- Upgrading our infrastructure and processes, and collaborating with suppliers, customers and peers to work to effectively measure, monitor and reduce emissions.
- Prioritizing collaboration across the value chain to reduce our upstream and downstream scope 3 emissions.
- Continuing to expand our energy efficiency programs.

Customer energy efficiency at our California utilities saved approximately 333 gigawatt-hours of electricity and approximately 41.2 million therms of natural gas in 2020.

Environmental compliance

As part of our efforts to manage and reduce environmental impacts, Sempra conducts employee and contractor education and training along with periodic performance reviews. The ongoing assessments include environmental audits at our facilities to identify areas of potential improvement.

In 2020, 98% of all agency inspections resulted in not a single notice of violation issued.



Waste and recycling

We are identifying new ways to reduce waste, reuse materials and safely extend the life of equipment across our operating companies. We also look for new vendors to increase recycling rates and identify additional products that can be recycled.

Managing and reducing our waste

In 2020, Sempra and its operating companies



** Non-hazardous waste generated does not currently account for green waste from SDG&E's vegetation management operations. We are working to include this in 2021.*



Biodiversity and land use

Sempra partners with a variety of groups to help ensure we avoid or minimize impacts to local wildlife. Our partners include the San Diego Audubon Society, San Diego Zoo, Ventura Land Trust, U.S. Forest Service, Bureau of Land Management, U.S. Fish and Wildlife Service, Universidad Autónoma de Nuevo León and many others.

Biodiversity targets include:

- No net loss of wetlands and waters of the U.S., including coastal wetlands.
- No net loss of sensitive upland vegetation communities, habitats and rare plants.
- Net improvement in ecological condition and habitat values for any sensitive habitats that have been temporarily impacted by our projects or operations.
- Net improvement in habitat values for the coastal California gnatcatcher, least Bell's vireo, southwestern willow flycatcher, arroyo toad, peninsular bighorn sheep and many other listed species, by establishing permanently protected habitat preserve(s) and enhancing the existing habitat for the species.
- Net benefit to state-listed threatened or endangered species.
- Net benefit to federally listed threatened or endangered species.

Water

Sempra regularly monitors water use and identifies any associated risks. Given that many of our facilities are located in water-stressed areas, we use alternative sources of water to reduce any contribution to water scarcity. In 2020, freshwater accounted for less than 1% of our total water withdrawn and we returned 92% of water withdrawn to the source.

Water withdrawal

26.0B gallons | 92.6%



Salt/brackish or seawater
(primarily used to support LNG operations)

1.9B gallons | 6.7%



Reclaimed or recycled water
(primarily used to support power generation operations)

0.2B gallons | 0.7%

Fresh water
(primarily used in employee occupied facilities)

To learn more about Sempra's sustainability achievements, efforts and goals, download our 2020 corporate sustainability report: [*Innovation, Sustainability and Leadership*](#).