ASPIRE 2045

Sustainability and Climate Commitment to Net Zero

SoCalGas
A Sempra Energy utility®

Letter From Scott Drury

At SoCalGas we live by three values: do the right thing, champion people, and shape the future. These values permeate our company. They guide how we think and drive our actions. As one of America's largest energy providers, our values are the lens through which we see every opportunity and challenge. From energizing the lives of 22 million Californians, to contributing to the competitiveness of the world's fth largest economy, our values are the foundation of all we do.

Our mission is to build the cleanest, safest, most innovative energy company in America. With our values providing a strong foundation, our mission statement presents an actionable framework of purpose and intent. At SoCalGas, we're dedicated to leading the transition to a decarbonized energy system. Through collaboration and partnership, California can develop clean energy solutions at scale and serve as a global beacon for energy innovation.

Driven by our values and mission, SoCalGas is excited to embark on ASPIRE 2045, a sustainability strategy that includes a bold commitment to achieve net zero greenhouse gas emissions in our operations and delivery of energy by 2045.

ASPIRE 2045 is a natural extension to our decades-long industry leadership. We were the first gas utility in America to install smart meters and pioneered renewable natural gas. We are leading in hydrogen innovations and outperforming mandated emissions reduction targets.

While impossible to predict what the energy ecosystem will look like more than two decades from now, we know it must be clean, safe, reliable, and resilient. Californians will need an increasingly integrated and decarbonized portfolio of energy sources and tools that are affordable, scalable, and can meet critical peak periods of energy demand. Our success, economic competitiveness, and quality of life depend on it.

Scott Drury

CHIEF EXECUTIVE OFFICER

1

DECARBONIZATION

Reducing carbon intensity across all economic sectors is foundational to achieving net zero. It requires energy ef ciency, renewable electricity, renewable gases, long duration storage, carbon management, and other technologies to be viable at scale.

2

DIVERSIFICATION

Developing a diversi ed portfolio of clean energy sources, distributed networks, tools, and applications is the only way to achieve society's clean energy goals. Diversi cation also serves as a necessary risk management tool, delivering resiliency to the system and protecting against the uncertainties of the future.

3

DIGITALIZATION

Deploying advanced technologies and analytics to improve planning, safety, resiliency, and the integration of real-time information to bene t participants across the energy value chain.

Innovation and the rapid development of new technologies will be vital to our success. Three SoCalGas capabilities are integral to achieving California's energy transition and net zero goals.

1. Decarbonization: Reducing carbon intensity across all economic sectors is foundational to achieving net zero. It requires energy efficiency, renewable electricity, renewable gases, long duration storage, carbon management, and other technologies to be viable at scale.

2. Diversification: Developing a diversified portfolio of clean energy sources, distributed networks, tools, and applications is the only way to achieve society's clean energy goals. Diversi cation also serves as a necessary risk management tool, delivering resiliency to the system and protecting against the uncertainties of the future.

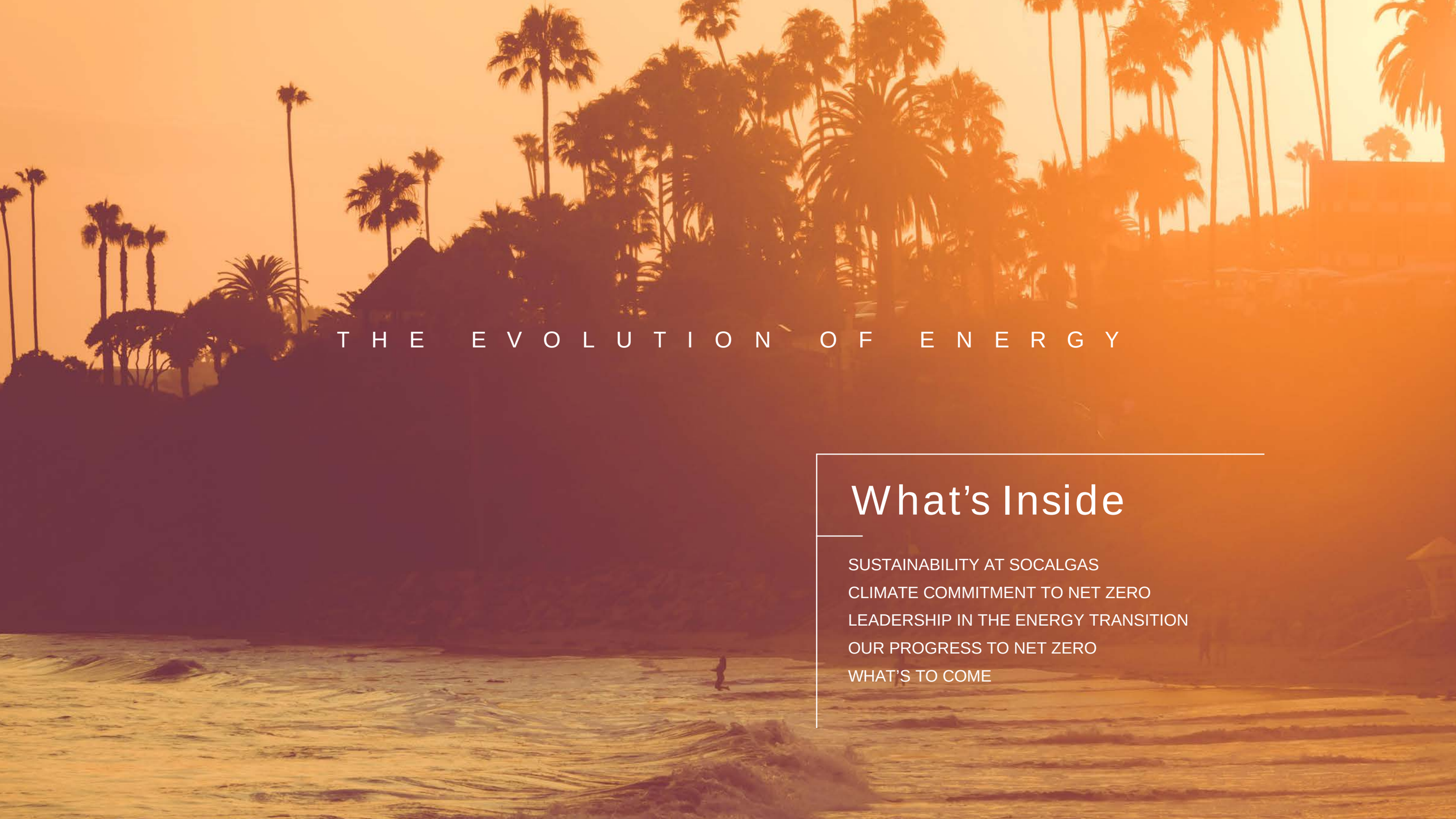
3. Digitalization: Deploying advanced technologies and analytics to improve planning, safety, resiliency, and the integration of real-time information to bene t participants across the energy value chain.

We believe we can shape the future. SoCalGas' role in the world is greater than the molecules we deliver. A successful energy transition requires leadership, innovation, effective policy, and broad collaboration.

We are excited to share our net zero climate commitment, which is just one element of our environmental, social, and governance initiatives. Throughout 2021, we will share additional plans and commitments, including: advancing our industry-leading diversity, equity, and inclusion programs for employees; increasing economic opportunities for diverse suppliers; and engaging in the communities we are privileged to serve.

On behalf of the amazing women and men of SoCalGas, we look forward – with great enthusiasm – to working with you to achieve ASPIRE 2045.

Scott Drury | CEO



T H E E V O L U T I O N O F E N E R G Y

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CLIMATE COMMITMENT TO NET ZERO

LEADERSHIP IN THE ENERGY TRANSITION

OUR PROGRESS TO NET ZERO

WHAT'S TO COME

SUSTAINABILITY

AT SOCALGAS

Sustainable business practices drive resilient operations and create long-term value for our stakeholders.

SoCalGas completed an enterprise-wide effort with Sempra Energy to align our strategic focus and sustainability strategy on four pillars.[1, 2] These pillars help us identify and manage key environmental, social, and governance initiatives, set bold goals in each area, and focus our communications to provide progress updates to stakeholders.

ASPIRE 2045

IS GUIDED BY FOUR PILLARS »

» Enabling the Energy TRANSITION

The intersection of clean energy technologies, sound policy, and capital investments, will accelerate the affordable energy transition.

The energy transition requires expanding on proven and new technologies in energy efficiency, renewable natural gas, renewable electricity, fuel cells, hydrogen, and carbon management.

We commit to investing in a diverse portfolio of technologies and applications to decarbonize.

» Driving Resilient OPERATIONS

Infrastructure is our business. SoCalGas operates over 100,000 miles of transmission and distribution pipelines and storage assets, and over six million customer meters across 500+ communities.

Our resilient underground pipeline infrastructure prevents, withstands, adapts to, and quickly recovers from disruption, to enhance and complement an energy ecosystem made of clean electrons and clean molecules.

» Championing PEOPLE & COMMUNITIES

We put our employees and the communities we serve rst.

Our employees are our most valuable resource. We place the highest priority on their wellness, safety, and empowerment.

We invest in our communities through purposeful charitable giving, partnerships, and volunteerism.

We will continue to cultivate our workplace and communities to promote an inclusive and respectful environment that thrives on diversity.

» Achieving World Class SAFETY

As the nation's largest gas distribution utility, with over 7,800 employees serving 22 million customers, safety is foundational to our business.

SoCalGas' Safety Management System (SMS) framework embeds safety in everything we do. [3] SMS enhances our safe operations, strengthens our safety culture, and improves our overall safety performance within our workplace and communities.