

# Task force on climate-related financial disclosures

Sempra is committed to providing our stakeholders with information on our approach to - and performance on - climate-related issues. A summary of our response to the Task Force on Climate-related Financial Disclosures (TCFD)-recommended disclosures is below. Additional information, including greater detail on climate-related risks and opportunities and their impacts can be found throughout this report, in our [10-K](#) and also in our response to [CDP's annual climate change survey](#).

## Governance

### [Describe the board's oversight of climate-related risks and opportunities](#)

Sempra's board of directors monitors overall governance processes and delegates specific areas of focus to standing committees. For example, the board's Safety, Sustainability and Technology (SS&T) committee is responsible for the oversight of our risk management and oversight programs and performance related to environmental, health, safety, security, technology, climate change, human rights, sustainability and related ESG matters. The board updated the SS&T committee's charter in 2020 and 2021 to strengthen and clarify the way this committee oversees and considers sustainability and other related matters.

The board, primarily through its SS&T committee, also takes an active role in providing oversight of Sempra's strategies to help enable a just energy transition in the markets we serve, including our aim to have net-zero GHG emissions by 2050. This includes reviewing business risks and opportunities in the context of local, national and global energy, economic and climate trends, as well as overseeing the company's strategies and capabilities relating to safety and reliability; decarbonization of key market sectors, including power generation, industry and transportation; digitization of energy systems, including use of robotics and artificial intelligence; and diversification of energy systems, including the integration of distributed energy resources. The board also oversees Sempra's efforts to reduce the impact of company operations on the environment. We understand that a successful energy transition will require industry leadership, technological advancements that are economically and technically feasible, and broad coordination and support from every level of government, among other things. Following review by the SS&T committee, in 2021 Sempra issued our energy transition action plan, defining representative capabilities and investment opportunities to advance our aim to have net-zero GHG emissions by mid-century. A portion of named executive officer compensation is linked to achieving milestones in this area.

[Governance](#)  
[2022 Proxy statement](#)  
[CDP climate response](#)

Describe management's role in assessing and managing climate-related risks and opportunities.

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, we believe it is critical that these issues are monitored at the highest levels of management within the company. One way we help to ensure this oversight is through a sustainability steering committee composed of executives from all of our operating companies. The committee provides guidance on our approach to ESG matters, including strategy and goal setting, including those closely linked to climate. The committee is chaired by Semptra's director of sustainability. In addition, the company's senior vice president of corporate affairs and chief sustainability officer and corporate sustainability department all work with leaders across the organization to manage sustainability at the company, including climate-related topics.

[Sustainability and governance](#)

## Strategy

Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

### **Opportunities**

#### *Products and services*

Over the next 30 years, energy systems will need to change dramatically to meet local, regional and global climate goals. This includes a universal focus on decarbonizing the industrial, transportation and power generation sectors. Decarbonizing these sectors means that grids will need to expand, along with zero-carbon electrons and molecules working in tandem.

Innovation and new technologies will be central to achieving society's net-zero goal by 2050, and we expect that investments in three key capabilities are needed: decarbonization, diversification and digitalization. As we develop and promote these capabilities, we believe it will create long-term, sustainable value for our shareholders and all of our other stakeholders.

Our efforts to reduce emissions over the short, medium and long-term are expected to include work to advance the following initiatives and technologies:

*Decarbonization*

- Blending blue and green hydrogen into the natural gas distribution system
- Developing upstream “preferred source” programs for the procurement of natural gas produced at a lower carbon intensity
- Expanding the use of renewable natural gas (RNG) through a pilot program, which allows customers to opt in to purchase lower emissions natural gas
- Increasing the production and use of alternative lower-carbon fuels in existing infrastructure
- Advancing a circular economy
- Carbon capture and sequestration

*Diversification*

- Converting organic wastes from landfills, wastewater, farms and dead trees and vegetation removed for wildfire mitigation to RNG
- Expanding the use of hydrogen from natural gas (blue hydrogen) for transportation uses
- Developing utility-scale microgrids for improved reliability and more efficient use of lower-carbon sources of energy, including energy storage
- Vehicle-to-grid energy storage projects
- Virtual power plants that use grid balancing to optimize EVs, home solar and other energy resources

*Digitalization*

- Monitoring natural gas operations with drones, fiber optic cable and point sensors
- Integrating new energy technologies to decarbonize the grid while maintaining reliability
- Energy efficiency, time-of-use pricing and demand-side management programs, including partnering with “smart home” technology providers
- Blockchain or digital ledger tracking of energy intensity. For example, in upstream natural gas production and transport
- Telematics for fleet
- Grid-aligned charging

See [pages 46-53](#) for examples of our progress on our pathway to net-zero.

## **Risks - Transition**

### *Policy and legal*

#### **Short term**

Sempra's operating companies can face civil liability and criminal penalties, enforcement actions, financial fines and increases in operating costs if they fail to comply with federal and state air pollution limits and other environmental regulations, such as California's Renewable Portfolio Standard and Senate Bill (SB) 100, which address requirements for renewable and zero-carbon energy.

#### **Medium and long-term**

New environmental regulations, more aggressive emissions requirements, new investment standards and penalties for noncompliance could come into place in the medium- and long-term. In connection with any such requirements, there is a risk that Sempra could be required to, among other things, pursue new emission reduction strategies or procure new energy and/or capital resources.

Additionally, while the United States has committed to pursue a 50 - 52% reduction in emissions from a 2005 baseline economy-wide, this target could be changed in future legislative or executive action. Further, states and local governments continue to pursue their own climate policies that may be more aggressive than this target or result in disparate emission reduction strategy requirements. Anticipating these future changes, Sempra is already undertaking numerous actions to work to decarbonize and be a leader in the clean energy transition (as detailed in the discussion about climate-related opportunities above) and we have established our own climate-related aspirations. Our ability to achieve these aspirations is dependent on, among many other factors that in some cases we do not control, supportive energy laws and policies in the jurisdictions in which we operate.

Further, potential risks regarding new land-use restrictions, legal and regulatory changes (including in Mexico, where some of our energy infrastructure businesses operate) and lack of availability for land suitable for wind or solar projects could arise in the medium- and long-term that could complicate the introduction of new wind or solar projects and/or the use of energy supplied by these projects.

### *Technology*

#### **Short term**

Sempra is working to meet short-term decarbonization objectives with its current slate of renewable energy projects and engagement in renewable energy technology development. While there are always risks associated with new technology development, including, among other things, that new technology development to enable decarbonization is slower and/or more costly than expected or turns out to be not economically or technically feasible or that technologies in development do not work as expected, Sempra is engaged in robust technological development initiatives to try to mitigate this challenge. For example, SoCalGas is conducting hydrogen blending research and lab testing to support demonstration opportunities with the potential to increase blending up to 20%, and the utility aims to complete up to five hydrogen pilot projects by 2025 to further develop hydrogen pipeline infrastructure, hydrogen fuel cell technology and hydrogen fueling infrastructure.

**Medium to long-term**

Climate change policy and public sentiment has encouraged the development of low- and zero-carbon energy resources and related new technologies such as the push toward electrification and energy storage. Emerging technologies may not be directly compatible with some existing infrastructure; may require us to make expenditures, which could be significant; may not provide the climate or environmental benefits that are initially expected; and/or could possibly result in the obsolescence of certain facilities or assets. Our future success will depend, in part, on our ability to anticipate and successfully adapt to political and technological change; to offer services that meet customer needs and industry standards; and to be in a position to recover all or a portion of our investments. For SDG&E and SoCalGas, political headwinds and new technologies such as energy storage and distributed generation could change the utilization of our natural gas and electric infrastructure.

Risks of technological stagnation in the medium- and long-term are not unique to Sempra but rather reflect broader challenges faced within the energy and infrastructure sectors. To deliver 100% renewable electricity by 2050, carbon-free dispatchable resources will be needed to remove the remaining carbon from the system if and when zero-carbon generation is achieved. If economically and technically feasible technologies do not arrive in a timely and reliable manner, meeting the requirements of California SB 100 and achieving Sempra’s aspirations of net-zero GHG emissions by 2050 may be at risk. Further, slower- or less effective-than-expected advances in energy technology overall could challenge robust decarbonization ambitions, and expansion of non-dispatchable generation could introduce difficulty load-balancing if advances in grid technology or demand management tools stagnate

*Market*

**Short, medium and long-term**

Electric utilities in California are experiencing increasing deployment of distributed energy resources, such as solar generation, energy storage, energy efficiency and demand response technologies and California’s environmental policy objectives are accelerating the pace and scope of these changes. This growth of distributed energy resources will require modernization of the electric distribution grid to, among other things, accommodate increasing two-way flows of electricity and increase the grid’s capacity to interconnect these resources. In addition, enabling California’s clean energy goals will require sustained investments in grid modernization, renewable integration projects, energy efficiency programs, energy storage options and electric vehicle infrastructure. The CPUC is conducting proceedings to evaluate various projects and pilots; implement changes to the planning and operation of the electric distribution grid to prepare for higher penetration of distributed energy resources; consider future grid modernization and grid investments; evaluate if traditional grid investments can be deferred by distributed energy resources; determine what, if any, compensation would be feasible and appropriate; and clarify the role of the electric distribution grid operator. These proceedings and the broader changes in California’s electricity industry could result in new regulations, policies and/or operational changes that could materially adversely affect our businesses. Core market risks identified

in the short-term, such as increased deployment of distributed energy resources, are also present in the medium- and long-term. In the medium-term, the entire sector may see shifting public attitudes on the use of natural gas, which could reduce demand for natural gas distribution.

In California, certain legislators and stakeholders have expressed a desire to further limit or eliminate reliance on natural gas by advocating increased use of renewable electricity and electrification. Reducing methane emissions also has become a major focus for certain U.S. legislators and the current U.S. Administration. Certain California state agencies and city governments have proposed policies or passed ordinances to prohibit or restrict the use and consumption of natural gas in new buildings, appliances and other applications. These policies and ordinances and any other similar regulatory action could have the effect of reducing natural gas use over time. The CPUC has initiated an Order Instituting Rulemaking (OIR), among other things, to implement a long-term planning strategy to manage the state's transition away from natural gas-fueled technologies in an effort to meet California's decarbonization goals. The California Air Resources Board, California's primary regulator for GHG emissions reduction programs, continues to pursue plans for reducing GHG emissions in line with California's climate goals that include proposals to reduce natural gas demand, including more aggressive energy efficiency programs, increased renewable electric generation and replacement of natural gas appliances with electric appliances. A substantial reduction in, or the elimination of, natural gas as an energy source in California could have a material adverse effect on SoCalGas', SDG&E's and Sempra's results of operations, financial condition, cash flows and/or prospects, including impairment of some or all of SoCalGas' and SDG&E's natural gas infrastructure assets if they were not permitted to be repurposed for alternative fuels, required to be depreciated on an accelerated basis or become stranded, without adequate recovery of and on the investments. We are exposed to risks related to our LNG export projects at various stages of construction and development. Each project faces numerous risks and must overcome significant hurdles. The overall success of each project is dependent on a number of factors, including global energy markets.

*Reputation*

Sempra and its stakeholders are aware of the effects of climate change and seek ways to limit its impact. This atmosphere of heightened climate-related concern might impact our reputation. We try to mitigate this risk by focusing on safe and efficient operations; setting and working to achieve goals, including lower-carbon energy goals; and working to develop new energy resources and technologies, including renewable natural gas, hydrogen and energy storage.

As Sempra focuses on the energy transition, we are working to make clean energy accessible and affordable for customers throughout our operating areas and also maintain grid reliability.

At Sempra California, customers are offered:

- a. Programs to help customers equip their homes with more efficient appliance, weather stripping and other upgrades;
- b. Classes at SDG&E's Energy Innovation Center for businesses and residents;
- c. The CARE program, which provides up to a 30% discount on energy bills for qualifying customers, including those who have recently become unemployed or are currently participating in public programs; and
- d. The FERA program, which offers families of three or more individuals a discount of up to 18% off their electricity bill based on their income. If customers do not qualify for the CARE program, SDG&E automatically checks to determine if they are eligible for FERA.

Improving access to energy and working to ensure affordability is a company priority. However, in the medium- and long-term, failure to continue sufficient progress on decarbonization goals or support affordable access to clean energy could present a reputational risk to Sempra.

### **Risks - Physical**

#### **Short term (1-3 years)**

##### *Acute*

In a warmer climate future, Sempra's operations are more likely to be impacted by severe weather events, such as more frequent and intense storms, more powerful winds, droughts, floods and wildfire events. Acute weather events can damage infrastructure and equipment, degrade transportation infrastructure, impede normal business operations, subject us to liability and increase costs to insure Sempra's assets. For instance, frequent and more severe drought conditions, inconsistent and extreme swings in precipitation, changes in vegetation, unseasonably warm temperatures, very low humidity, stronger winds and other factors have increased the duration of the wildfire season and the intensity and prevalence of wildfires in California, including in SDG&E's and SoCalGas' service territories, and have made these wildfires increasingly difficult to prevent and contain. As a result of the strict liability standard applied to electric IOU-caused wildfires in California, substantial recent losses recorded by insurance companies, and the risk of an increase in the number and size of wildfires, obtaining insurance coverage for wildfires that could be caused by SDG&E or SoCalGas, particularly SDG&E, has become increasingly difficult and costly. If these conditions continue or worsen, insurance for wildfire liabilities may become unavailable or may become prohibitively expensive and we may be challenged or unsuccessful when we seek recovery of increases in the cost of insurance through the regulatory process. In addition, insurance for wildfire liabilities may not be sufficient to cover all losses we may

incur, or it may not be available in sufficient amounts to meet the \$1 billion of primary insurance required by the Wildfire Legislation. We are unable to predict whether we would be able to recover in rates or from the Wildfire Fund the amount of any uninsured losses. A loss that is not fully insured, is not sufficiently covered by the Wildfire Fund and/or cannot be recovered in customer rates, such as the CPUC decision denying SDG&E's recovery of costs related to wildfires in its service territory in 2007, could materially adversely affect Sempra's and one or both of SDG&E's and SoCalGas' results of operations, financial condition, cash flows and/or prospects.

*Chronic*

Beyond the shifts in climate patterns that have contributed to a longer and more intense wildfire season in California, chronic impacts of climate change are more likely to be realized in the long-term.

**Medium term (4 - 10 years)**

*Acute*

As detailed in the short-term review, wildfire events, increased flooding and more frequent and intense storms are likely to also be risks to Sempra's operations in the medium- and long-term. However, these events are likely to occur more frequently and grow in intensity as time progresses.

*Chronic*

Beyond the longer-term shifts in climate patterns that have contributed to a longer and more intense wildfire season in California, chronic impacts of climate change are more likely to be realized in the long-term.

**Long term (11+ years)**

*Acute*

As detailed in the short-term review, wildfire events, increased flooding and more frequent and intense storms are likely to also be risks to Sempra's operations in the medium- and long-term. However, these events will likely occur more frequently and grow in intensity as time progresses.

*Chronic*

Rising sea levels pose a threat to our energy infrastructure located in coastal areas. Through SDG&E and SoCalGas and Sempra Infrastructure operations, we have a concentration of operations and infrastructure in coastal areas of California and Northern Baja California, Mexico. Sea level rise may be compounded by other causes of flooding that we already experience – extreme high tides and storm surges – that are expected to cause the greatest impacts. Coastal flooding may also lead to

further beach and bluff erosion as well as runoff and drainage problems from intense storms. If these effects were to occur, extended service losses and operational challenges could result. The gas system could also experience some impacts from climate change, including in the form of increased repair/maintenance needs or localized disruptions. Widespread disruptions to natural gas infrastructure would not be expected due to limited project exposure to climate hazards, and low system sensitivity when hazards do occur. Other indirect impacts could be experienced by nearby communities if critical customers served by the substations, such as sewage pumping stations, hospitals, airports and ports, are affected by outages. For other asset types, potential direct impacts are expected in the form of increased maintenance and repair costs. In addition to rising sea levels, rising mean temperatures could lead to increased demand for electricity for home cooling and could stress generation capacity. Further, these chronic physical changes could also lead to decreased biodiversity and significant shifts in economic productivity, which could impact customers' economic well-being in Sempra's operating areas.

[Climate-resilient energy networks](#)

[CDP climate response 2.2a, 2.3a, 2.4a 2020 10-K, pgs. 34-64](#)

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

Climate-related risks and opportunities play a significant role in the company's overall strategy and planning for the future.

*Strategy*

At Sempra, we are focused on investing in, developing and operating transmission and distribution (T+D) infrastructure, among other areas, in attractive markets in North America. Our mission is to be North America's premier energy infrastructure company, which, in our view, requires full integration of sustainable development and climate considerations into our business strategy, operations and long-term investments. Being a leader in the energy transition to support aspirations of net-zero GHG emissions by mid-century is a natural extension of our North America-focused transmission and distribution platform.

We are helping to advance the global energy transition by enabling the delivery of lower-carbon energy solutions in the markets we serve, including California, Texas, Mexico and the LNG export market.

For decades, our company has worked to reduce carbon emissions, develop and operate energy infrastructure in new markets, and innovated across every aspect of our business to better serve our customers.

Our business strategy is focused on supporting the energy transition by investing in infrastructure that serves and decarbonizes three critical sectors of the economy - industrial, transportation and power generation. This involves extending our transmission and distribution strategy in the coming years to:

- Achieve target milestones for 2025 related to decarbonization, diversification and digitalization;
- Shape the trajectory of our business activities to align with a bold vision for 2030, with a goal to reduce our Sempra California and Mexico (non-LNG) GHG emissions by 50 percent compared to a 2019 baseline; and
- Create a credible path toward reaching our aim to have net-zero GHG emissions by 2050.

*Financial planning*

Capital expenditures have been significantly impacted by climate-related risks and opportunities. Sempra has been focused on a low-carbon approach, developing low-carbon infrastructure and reducing emissions across our portfolio for more than two decades. This has involved capital expenditures in infrastructure that helps to enable the clean energy transition.

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

In order to have net-zero by the middle of the century, it will be critical to plan and build a new global energy system; one that accounts for global population growth and rising living standards. Sempra believes it is well positioned to be a leader in that transition as a result of our North America-focused T+D platform, where we:

- Maintain top-tier positions in attractive markets in North America;
- Invest in critical T+D infrastructure;
- Advance global energy diversity; and
- Leverage core competencies in innovation, operational excellence and stakeholder engagement.

Additionally, Sempra has announced its aim to have net-zero GHG emissions by 2050 and expects to advance this effort through investment in the infrastructure and research and development needed in three key areas to evolve our energy systems to achieve our climate objectives:

- **Decarbonization:** Reducing the carbon content of energy is central to interdicting and decarbonizing the industrial, transportation and power generation sectors. Over time, it is our goal that the electrons and molecules we deliver to customers will become less carbon intensive.
- **Diversification:** Bringing new lower- to zero-carbon fuel choices to markets is a central part of the global solution, coupled with expansion of distributed networks and storage to improve resiliency.
- **Digitalization:** Improving operational efficiency, safety and service will turn on the integration of real-time information and cutting-edge analytics, benefiting network operators.

Representative examples in each of these areas and information on our progress can be found on [page 43](#) of this report.

We are also preparing for climate-related impacts based on other climate outcomes throughout our operations and working to improve the resilience of our operations. With operations that can be impacted by the physical risks of climate change, our utilities have worked to update infrastructure and operations to mitigate these risks. Climate-related scenario analysis studies provide a pathway and framework to address areas of operations particularly at risk. As one example, SDG&E has developed a world class wildfire mitigation program and has hardened over 4,000 miles of power lines against wildfires and inspected more than 37,000 power poles in high-fire threat districts. SDG&E has been highly impacted in terms of the risk related to increasing drought conditions and the potential for wildfires. This risk has influenced the way that SDG&E operates, so that its actions and investments serve to mitigate this risk. This includes advanced situational awareness tools; aggressive infrastructure hardening and vegetation management; one of the most extensive utility-owned weather networks in the nation; dedicated firefighting resources; and strong practices in construction, maintenance and operations, including proactive de-energization for safety. Please see [page 54](#) of this report for more information on our efforts related to a resilient energy system.

[About our business](#)

[Advancing the energy transition](#)

[Climate-resilient energy networks](#)

[CDP climate response](#)

## Risk management

[Describe the organization's processes for identifying and assessing climate-related risks.](#)

Sempra works to manage a broad and complex set of risks commonly associated with the energy industry, as well as risks specific to our company. We evaluate risks for frequency and impact across a range of factors, including:

- Health, safety and environmental;
- Operational and reliability (including security and cyber security and human capital);
- Regulatory, legal and compliance (including reputation); and
- Business and Financial.

A changing climate has regulatory, operational and reputational impacts on our business. Management of climate-related risks is integrated into the company's overall approach to risk, is assessed throughout the year and covers our own operations, in addition to downstream and upstream impacts. Each operating company is responsible for managing its risks with support from the Sempra compliance and enterprise risk committee. These teams 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 scenarios including the impact of regulatory frameworks and the introduction of technologies that could lead to market changes. We also consider different scenarios related to changes in the physical environment, including models of sea-level rise and extreme weather events.

Issues are identified by their ability to impact each of our company's core businesses through impacts on operational costs, costs to customers or reputation. For example, to identify issues related to regulatory schemes, we conduct sensitivity analyses allowing us to estimate the level of risk associated with different scenarios. We also monitor climate-related risks, increasingly volatile weather, impacts on insurance markets, corporate and emergency preparedness, increasing legal and regulatory pressures for reform, as well as public and investor concerns. This serves to identify issues to be monitored on an ongoing basis. Internally developed scoring matrices are consistently used across the enterprise. The substantive impact of each identified material risk is assessed and evaluated at various levels within the organization, including by line managers, officers and senior management teams in each business.

[Risk management](#)  
[CDP climate response 2.1; 2.1a,b; 2.2, 2.2a](#)

Some climate-related risks are shorter term, such as preparing for a wildfire season exacerbated by extreme drought. Others are medium term, such as meeting a regulatory target to promote safety, increase operational efficiencies or avoid penalties or fines. Others, such as the potential impact of sea-level rise, are longer term. We consider these and other risks as we plan capital expenditures. At SDG&E, we employ full-time meteorologists, prepare for adverse weather and related impacts, and conduct and review studies to assess the degree to which climate change poses a threat to infrastructure, employees and customers. We routinely plan for impacts to a variety of stakeholders; and review, monitor and adjust insurance coverage as necessary and to the extent the market permits, sharing and transferring risk when and where possible, in addition to other risk mitigation activities.

As an example, as a result of lessons learned from recent storms, Sempra Infrastructure is implementing an improved communication platform for employees, launching a new disaster preparedness and crisis management IT solution, and conducting drills to enhance response preparedness. Cameron LNG is also working with the electricity supplier in the area to enhance the resilience of the electric grid.

[Climate-resilient energy infrastructure](#)  
[CDP climate response 2.1; 2.1a,b; 2.2, 2.2a](#)

[Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.](#)

Management of climate-related risks is integrated into the company's overall approach to risk, is assessed throughout the year and covers our own operations, in addition to downstream and upstream impacts. At the Sempra level, the Sempra board and the compliance and enterprise risk committee provide oversight on all identified material risk areas. Risk management teams at each operating company and at Sempra 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 scenarios including the impact of regulatory frameworks and the introduction of technologies that could lead to market changes. We also consider different scenarios related to changes in the physical environment, including models of sea-level rise and extreme weather events.

[Risk management](#)  
[CDP climate response 2.2, 2.2a](#)

## Metrics and targets

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Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Sempra’s annual corporate sustainability report includes year-over-year performance in many areas related to climate change, such as GHG emissions, environmental compliance and water use. In our 2020 sustainability report, we established new climate goals for the company related to our role in the energy transition. In this report we discuss the progress we have made in 2021 with investments in decarbonization, diversification and digitalization of energy networks.

[Advancing the energy transition](#)  
[Greenhouse gas emissions](#)

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Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.

2021 GHG emissions\*  
 Scope 1: 6.8 million metric tons CO<sub>2</sub>e  
 Scope 2: 0.376 million metric tons CO<sub>2</sub>e  
 Scope 3: 66.2 million metric tons CO<sub>2</sub>e

[Greenhouse gas emissions](#)

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\* 2021 GHG emissions data subject to third-party verification.

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

**By 2050, we aim for:**

Net-zero GHG emissions

**By 2045, we aim to:**

Deliver 100% renewable or zero-carbon energy to electric utility customers (SDG&E)

**By 2030, we aim to:**

- Reduce our Sempra California and Mexico (non-LNG) operational GHG emissions 50% compared to a 2019 baseline
- Deliver 20% renewable natural gas to “core customers” (as defined in SoCalGas’ Tariff Rule No. 23) (SoCalGas)
- Reduce fugitive emissions from our natural gas transmission and distribution systems 40% from our 2015 baseline (SDG&E, SoCalGas and Mexico efforts contribute to this goal)<sup>1</sup>
- Eliminate 100% of natural gas during planned transmission pipeline work (SDG&E and SoCalGas, excludes emergency repairs)

**Each year, we aim to:**

- Operate our existing LNG infrastructure at a GHG emissions intensity 20% less than our 2020 baseline<sup>2</sup>
- Actively partner with companies and institutions across the LNG supply chain to reduce scope 2 and 3 emissions
- Enroll 90% of eligible customers in alternative rates for energy programs (SDG&E and SoCalGas)
- Each year, Oncor aims to fulfill 100% of renewable energy interconnection requests

[Advancing the energy transition](#)  
[Greenhouse gas emissions](#)

<sup>1</sup> Baseline year for Mexico is 2019.

<sup>2</sup> This goal is through 2025. Cameron LNG, the primary LNG operating asset, had its first full year of operations in 2021. As the LNG business gains operational history and continues to grow, we expect to establish new goals.