

### MEDIA CONTACT

Marissa Girolamo
Office of Media and Public Information
(213) 244-2442
mgirolamo@socalgas.com

## **NEWS RELEASE**

# Diverse Businesses Awarded Over \$972 Million in SoCalGas Contracts in 2021, 42% of Total Spending

Minority, women-owned, service-disabled veteran, and LGBT-owned business get largest share of SoCalGas' spending ever, breaking record for the 29th consecutive year

LOS ANGELES – March 15, 2022—Southern California Gas Co. (SoCalGas) announced today the company achieved another record year of spending with over 570 diverse business enterprises in 2021—at \$972.6 million, the highest in company history. SoCalGas exceeded the California Public Utilities Commission's (CPUC) goal of 21.5% for the 29<sup>th</sup> consecutive year by procuring over 42% of total goods and services from women, minority, service-disabled veteran, LGBT, and small disadvantaged businesses, and increased spend with African American vendors by 49%. Over the last five years, SoCalGas has spent \$3.9 billion with diverse business enterprises.

"SoCalGas is proud to have worked with over 570 diverse suppliers in 2021," said Jeff Walker, chief administrative and diversity officer, and senior vice president at SoCalGas. "Earlier this year, we released our <u>Sustainability Strategy</u>, which includes achieving 45% spend with diverse business enterprises by 2025. In partnership with diverse firms and community partners, we can help California implement clean energy solutions at scale and achieve our <u>ASPIRE 2045</u> sustainability goals, which includes achieving net zero greenhouse gas emissions in our operations and delivery of energy by 2045."

SoCalGas has also made a commitment to increase African American supplier participation and growth over the next five years. Key to these efforts will be working with organizations such as the Greater Los Angeles African American Chamber of Commerce (GLAAACC), which advocates for African Americanowned business enterprises and provides a variety of programs and services to assist in their growth and development.

"SoCalGas creates pathways for underserved small businesses that have not traditionally had access to opportunities," says Gene Hale, chairman of GLAAACC. "They also help guide us in removing obstacles and challenges small businesses face."

Despite 2021's global health and economic crisis, SoCalGas increased its focus with community-based organizations to promote its supplier diversity. In addition to spending with diverse enterprises, SoCalGas also invests in the development of these firms. Development opportunities include business

boot camps, mentoring events, business assessment programs, entrepreneurship courses, organizational and operation strategy programs, mentorship, and technical assistance. The programs are designed to help diverse suppliers enhance their operations and help ensure success in their business partnerships.

"SoCalGas has been an important wind under our wings and our ability to employ more people," said Christine Halley, president of Cornerstone Engineering, a woman-owned firm that supports SoCalGas on several engineering projects. "It's impressive how purposeful the company is in its outreach to minority businesses. They take it seriously. The feeling we walk away with is SoCalGas is invested in our success. When others in the marketplace hear we're a trusted supplier of SoCalGas, it heightens our reputation."

"Congratulations to SoCalGas for another record-breaking year in diverse, business contracts," says Elizabeth Martinez, vice president of business development at Meruelo Enterprises Inc. "As someone who works at a Latino-owned firm, I am continuously impressed by SoCalGas' commitment to diversity. SoCalGas' supplier diversity team holds themselves accountable to exceed goals, which translates to tangible opportunities for diverse businesses that are providing needed services. "

"Of all the companies I've seen, SoCalGas is the most committed to supplier diversity," says Christine Keith, president of Elite Auto Network, an African American-owned firm, which provides auto purchasing services to SoCalGas. "The Supplier Diversity department gives us updates and invites us to educational and networking events," adds Todd Keith chief executive officer of Elite Auto Network. "Without them, I don't know if we would've been able to get these contracts. They have a huge impact."

"Congratulations to SoCalGas for a record year of spending with Minority, women-owned, disabled veteran and LGBT-owned business. Your continued commitment to supplier diversity helps businesses to thrive and grow, but there is much to be done to improve equity" said California State Senator Steven Bradford (D-Gardena).

### Other 2021 highlights include:

- \$640 million spent with minority-owned businesses (category includes both minority men and women-owned)
- 42.42% total purchases with diverse suppliers
- 105 new diverse partners added
- 13 firms among the top 25 SoCalGas suppliers are diverse firms
- 91% of suppliers are based in SoCalGas' home state of California

In addition to its supplier diversity efforts, SoCalGas supports social impact by aiming to increase diversity, equity and inclusion in the workplace and the communities it serves. The utility is positioned to be an industry leader in racial and ethnic diversity representation in leadership roles and is taking actions to enhance the presence of women in leadership roles and the overall workforce by 2025. SoCalGas also plans to invest \$50 million to positively impact diverse and underserved communities over the next five years.

Last month, SoCalGas announced its proposal for the <u>Angeles Link</u>, which aims to be America's largest green hydrogen infrastructure system. The utility plans to continue its best practices in supplier diversity and identify opportunities for diverse suppliers as it looks to achieve its net zero goals and advance

California's clean energy and climate goals. More information on the company's mission and strategic priorities can be found at <u>socalgas.com/mission</u>.

More information about SoCalGas' commitment to supplier diversity can be found in the newly released <u>2021 Supplier Diversity Annual Report</u>. SoCalGas invites diverse businesses to engage and learn more about the Supplier Diversity Program at <u>socalgas.com/for-your-business/supplier-diversity</u>.

#### **About SoCalGas**

Headquartered in Los Angeles, <u>SoCalGas®</u> is the <u>largest gas distribution utility</u> in the United States. SoCalGas delivers affordable, reliable, and increasingly renewable gas service to 21.8 million consumers across <u>24,000 square miles</u> of Central and Southern California. Gas delivered through the company's pipelines will continue to play a key role in California's clean energy transition—providing electric grid reliability and supporting wind and solar energy deployment.

SoCalGas' mission is to build the <u>cleanest</u>, <u>safest and most innovative energy company in America</u>. In support of that mission, SoCalGas is committed to the goal of achieving <u>net-zero greenhouse gas emissions</u> in its operations and delivery of energy by 2045 and to replacing 20 percent of its traditional natural gas supply to core customers with renewable natural gas (RNG) by 2030. Renewable natural gas is made from waste created by dairy farms, landfills, and wastewater treatment plants. SoCalGas is also committed to investing in its gas delivery infrastructure while keeping bills affordable for customers. SoCalGas is a subsidiary of <u>Sempra</u> (NYSE: SRE), an energy services holding company based in San Diego.

For more information visit <u>socalgas.com/newsroom</u> or connect with SoCalGas on <u>Twitter</u> (@SoCalGas), <u>Instagram</u> (@SoCalGas) and <u>Facebook</u>.