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NEWS RELEASE

SoCalGas Exceeds State Goal for 30th Consecutive Year, Purchasing Nearly 43% of all Goods and Services from Diverse Businesses Last Year

Over \$1 billion of 2022 spend was with minority, women, service-disabled veteran, and LGBT-owned businesses

LOS ANGELES, March 22, 2023 -- Southern California Gas Co. (SoCalGas) today announced the company exceeded the California Public Utilities Commission's diverse spending goal for a 30th consecutive year, purchasing nearly 43% of all goods and services from minority, women, service-disabled veteran, and LGBT-owned businesses in 2022. Last year, SoCalGas collaborated with 578 diverse businesses in support of the company's operations and mission to build the cleanest, safest, most innovative energy company in America. SoCalGas' full 2022 supplier diversity report, entitled *Supporting a Sustainable Future in Clean Energy Through Diversity, Innovation and Collaboration,* was <u>filed with the CPUC</u> earlier this month.

"For 30 straight years we have exceeded the CPUC's diversity procurement goals, mainly through collaborations with hundreds of local businesses from Los Angeles, to the Central Valley, to the Inland Empire, helping to bolster the economies in the communities we serve," said **SoCalGas Chief Executive Officer Scott Drury.** "This milestone is a great example of how SoCalGas' commitments to equity, inclusion, and sustainability extend into the hundreds of California communities we're proud to serve."

<u>SoCalGas' ASPIRE 2045 sustainability strategy</u>, includes an even bolder goal to achieve 45% spending with diverse business enterprises by 2025. Through a robust portfolio of programs, SoCalGas is working to increase diverse business participation especially among African American, Native American, LGBT, and veteran businesses—categories in which certified DBEs are historically underrepresented.

Last year SoCalGas expanded outreach to hundreds of businesses, offering enhanced technical assistance and other programs to provide a bridge to business opportunities with SoCalGas today and in the future. As a result, 146 diverse businesses began working with SoCalGas for the first time in 2022. Additionally, 15 of SoCalGas' top 25 suppliers last year were diverse vendors, up from 13 in 2021.

Over the last six years, SoCalGas spent nearly \$5 billion with diverse business enterprises. In addition, many companies have benefitted from business development programs and services offered by SoCalGas' supplier diversity team.

"Our journey began when we were enrolled in SoCalGas' Smaller Contractor Opportunity Realization Effort (SCORE) program in 2013," **says Bianca Vobecky, president & CEO of Vobecky Enterprises Inc.**, an African American-owned firm that provides logistics services to SoCalGas. "The knowledge and training we received from this program helped expand our business and diversification into other areas like material procurement and project management. Working on SoCalGas projects, and with the supplier diversity team's unwavering advocacy, we've received more opportunities." Vobecky recently received a contract with SoCalGas in support of a fleet safety retrofit program.

"SoCalGas continues to bring in new diverse suppliers, helping their growth, and contracting with nearly 90% of diverse businesses that are headquartered in our state. They understand that keeping dollars in our local businesses creates a greater impact in our diverse communities," **said Dennis Huang, Executive Director and CEO, Asian Business Association, Los Angeles.**

"Thanks to our 36-year partnership with SoCalGas, we have been able to scale the business, employ more people, and develop a program that brings on diverse suppliers as subcontractors," **said Henry Barber, president of Doty Brothers**, a Hispanic-owned general engineering contractor. "One of the benefits of such a long-standing relationship is that SoCalGas gets a consistent, quality product for their customer base. For Doty Brothers, it's helped us stay in business, remain profitable and provide goodpaying jobs."

Last year, SoCalGas' Chief Executive Officer, Scott Drury, was named 2022 CEO Diversity Champion by the Southern California Minority Supplier Development Council (SCMSDC), which represents more than 1,500 certified minority-owned businesses. Drury was recognized by SCMSDC for embodying "the leadership needed to advance diversity and inclusion in contracting," and for featuring supplier diversity as a focus of SoCalGas' ASPIRE 2045 sustainability strategy. ASPIRE 2045 sets forth SoCalGas' goal to achieve net zero greenhouse gas emissions in the company's operations and delivery of energy by 2045, as well as goals related to safety, DE&I in the workplace, and investment in underserved communities.

More information about SoCalGas' commitment to supplier diversity can be found in its <u>2022 Supplier</u> <u>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>.

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About SoCalGas

Headquartered in Los Angeles, <u>SoCalGas®</u> is the largest gas distribution utility in the United States. SoCalGas delivers affordable, reliable, and increasingly renewable gas service to over 21 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 aspires to achieve <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 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 infrastructure 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>.

This press release 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 press release. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or other factors.

In this press release, 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," "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: decisions, investigations, regulations, issuances or revocations of permits or other authorizations, renewals of franchises, and other actions by (i) the California Public Utilities Commission (CPUC), U.S. Department of Energy, and other governmental and regulatory bodies and (ii) the U.S. and states, counties, cities and other jurisdictions therein in which we do business; the success of business development efforts and construction projects, including risks in (i) completing construction projects or other transactions on schedule and budget, (ii) realizing anticipated benefits from any of these efforts if completed, and (iii) obtaining the consent or approval of partners or other third parties, including governmental and regulatory bodies; civil and criminal litigation, regulatory inquiries, investigations, arbitrations and other proceedings, including those related to the natural gas leak at the Aliso Canyon natural gas storage facility; changes to laws and regulations; cybersecurity threats, including by state and state-sponsored actors, by ransomware or other attacks on our systems or the systems of third-parties with which we conduct business, including to the energy grid or other energy infrastructure, all of which have become more pronounced due to recent geopolitical events, such as the war in Ukraine; failure of our counterparties to honor their contracts and commitments; our ability to borrow money on favorable terms or otherwise and meet our debt service obligations, including due to (i) actions by credit rating agencies to downgrade our credit ratings or place those ratings on negative outlook and (ii) rising interest rates and inflation; the impact on our cost of capital and the affordability of customer rates due to volatility in inflation, interest rates and commodity prices and our ability to effectively hedge these risks; the impact of energy and climate policies, laws, rules and disclosures, as well as related goals and actions of companies in our industry, including actions to reduce or eliminate reliance on natural gas, any deterioration of or increased uncertainty in the political or regulatory environment for California natural gas distribution companies and the risk of nonrecovery for stranded assets; the pace of the development and adoption of new technologies in the energy sector, including those designed to support governmental and private party energy and

climate goals, and our ability to efficiently incorporate them into our business; weather, natural disasters, pandemics, accidents, equipment failures, explosions, acts of terrorism, information system outages or other events that disrupt our operations, damage our facilities or systems, cause the release of harmful materials, cause fires or subject us to liability for damages, fines and penalties, some of which may not be recoverable through regulatory mechanisms, may be disputed or not covered by insurers, or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of natural gas and natural gas storage capacity, including disruptions caused by limitations on the withdrawal of natural gas from storage facilities; the impact of the COVID-19 pandemic on capital projects, regulatory approvals and the execution of our operations; changes in tax and trade policies, laws and regulations, including tariffs, revisions to international trade agreements and sanctions, such as those that have been imposed and that may be imposed in the future in connection with the war in Ukraine, 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 the company has filed with the U.S. Securities and Exchange Commission (SEC). These reports are available through the EDGAR system freeof-charge on the SEC's website, <u>http://www.sec.gov</u>, and on Sempra's website, <u>http://www.sempra.com</u>. Investors should not rely unduly on any forward-looking statements.

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