

# Net Zero by 2045

On March 23, 2021, SDG&E announced a climate pledge of reaching Net Zero GHG emissions by 2045.

This climate pledge includes scopes 1, 2, and 3 GHG emissions<sup>1</sup>, which would eliminate not only SDG&E's own direct emissions, but also those generated by customers' consumption of energy.

SDG&E also supports California's aggressive sustainability goals, America's most ambitious, that call for statewide carbon neutrality by 2045.

In October 2020, SDG&E released its first ever Sustainability Strategy – *Building a Better Future*. This robust strategy highlights SDG&E's commitment to long-term sustainability and includes a variety of aspirational goals. For example:

- Scaling up EV charging infrastructure to accelerate the transition to zero emission transportation
- Modernizing our electric and gas infrastructure
- Placing two green hydrogen projects into service by 2022
- Planning and piloting a virtual power plant by 2025
- Delivering 60% renewable electricity by 2030
- Implementing at least one breakthrough solution that mitigates direct emissions from gas-fired generation by 2030

Find our 2020 Sustainability report at [sdge.com/sustainability](https://sdge.com/sustainability)

## Did you know?

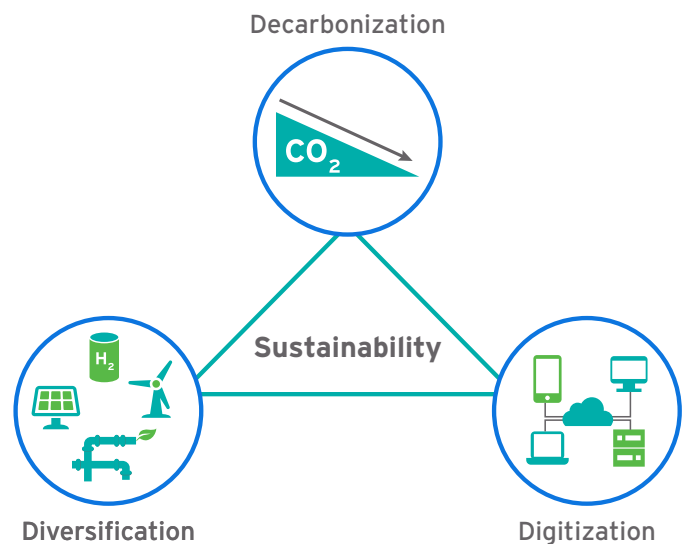
SDG&E has been advancing our capabilities in:

- Decarbonization
- Digitization
- Diversification

All foundational to enable a just and equitable energy transition



## SDG&E's Net Zero Platform



<sup>1</sup> Scopes 1, 2 and 3 emissions.

*This pledge 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 in any forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of the date of this pledge. 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 pledge, forward-looking statements can be identified by words such as “believes,” “expects,” “anticipates,” “plans,” “estimates,” “projects,” “forecasts,” “should,” “could,” “would,” “will,” “confident,” “may,” “can,” “potential,” “possible,” “proposed,” “in process,” “under construction,” “in development,” “target,” “outlook,” “maintain,” “continue,” 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 described in any forward-looking statements include risks and uncertainties relating to: California wildfires, including the risk that we may be found liable for damages regardless of fault and that we may not be able to recover costs from insurance, the wildfire fund established by California Assembly Bill 1054 or in rates from customers; decisions, investigations, regulations, issuances or revocations of permits and other authorizations, renewal of franchises, and other actions by (i) the California Public Utilities Commission (CPUC), U.S. Department of Energy, and other regulatory and governmental bodies and (ii) states, counties, cities and other jurisdictions in the U.S. in which we do business; the success of business development efforts and construction projects, including risks in (i) the ability to make a final investment decision and completing construction projects on schedule and budget, (ii) the ability to realize anticipated benefits from any of these efforts once completed; and (iii) obtaining the consent of partners or other third parties; the resolution of civil and criminal litigation, regulatory inquiries, investigations and proceedings, and arbitrations; the impact of the COVID-19 pandemic on our capital projects, regulatory approval processes, supply chain, liquidity and execution of operations; actions by credit rating agencies to downgrade our credit ratings or to place those ratings on negative outlook and our ability to borrow on favorable terms and meet our substantial debt service obligations; moves to reduce or eliminate reliance on natural gas; and the impact of volatility of oil prices on our businesses and development projects;*

*weather, natural disasters, pandemics, accidents, equipment failures, explosions, acts of terrorism, computer system outages and other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, cause fires and subject us to liability for property damage or personal injuries, fines and penalties, some of which may not be covered by insurance (including costs in excess of applicable policy limits), may be disputed by insurers or may otherwise not be recoverable through regulatory mechanisms or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of electric power and natural gas and natural gas storage capacity, including disruptions caused by failures in the transmission grid, limitations on the withdrawal of natural gas from storage facilities, and equipment failures; cybersecurity threats to the energy grid, storage and pipeline infrastructure, the information and systems used to operate our businesses, and the confidentiality of our proprietary information and the personal information of our customers and employees; the impact on competitive customer rates and reliability due to the growth in distributed and local power generation, including from departing retail load resulting from customers transferring to Direct Access and Community Choice Aggregation, and the risk of nonrecovery for stranded assets and contractual obligations; volatility in interest and inflation rates and commodity prices and our ability to effectively hedge these risks; changes in tax and trade policies, laws and regulations, including tariffs and revisions to international trade agreements that may increase our costs, reduce our competitiveness, or impair our ability to resolve trade disputes; and other uncertainties, some of which may be difficult to predict and are beyond our control.*

*These risks and uncertainties are further discussed in the reports that San Diego Gas & Electric Company and its parent company, Sempra Energy, have filed with the U.S. Securities and Exchange Commission (SEC). These reports are available through the EDGAR system free-of-charge on the SEC’s website, [www.sec.gov](http://www.sec.gov), and on Sempra Energy’s website, [www.sempra.com](http://www.sempra.com). Investors should not rely unduly on any forward-looking statements.*

*Sempra North American Infrastructure, Sempra LNG, Sempra Mexico, Sempra Texas Utilities, Oncor Electric Delivery Company LLC (Oncor) and Infraestructura Energética Nova, S.A.B. de C.V. (IEnova) are not the same companies as the California utilities, San Diego Gas & Electric Company or Southern California Gas Company, and Sempra North American Infrastructure, Sempra LNG, Sempra Mexico, Sempra Texas Utilities, Oncor and IEnova are not regulated by the CPUC.*