

# 02

## CORPORATE GOVERNANCE

GRI: 102-18

WE STRIVE TO MAINTAIN SOLID CORPORATE GOVERNANCE, WITH HIGH STANDARDS IN TERMS OF COMPLIANCE, ACCOUNTABILITY, AND TRANSPARENCY. OUR BOARD OF DIRECTORS OVERSEES THE GROWTH STRATEGY WITH A FOCUS ON SUSTAINABILITY.

VERACRUZ STORAGE TERMINAL





# OUR EQUITY HOLDERS

Our equity holders, Sempra, KKR, and ADIA (Abu Dhabi Investment Authority),<sup>22</sup> share the importance of infrastructure projects to foster a more dynamic economy as well as the conviction to contribute towards a cleaner and more sustainable world.

Our equity holders recognize the opportunities offered by the continuing transformation of the global energy markets, acknowledging Sempra Infrastructure’s position in these markets.

“GOOD CORPORATE GOVERNANCE AND TRANSPARENCY ARE STAPLES OF OUR ORGANIZATION AND OPERATIONS.”

**Trevor Mihalik**  
Executive Vice President and Chief Financial Officer of Sempra, and Chairman of the Board of Sempra Infrastructure

<sup>22</sup> The Abu Dhabi Investment Authority transaction was completed on June 1, 2022.

## SEMPRA

A California-based holding company with energy infrastructure investments in North America. Its businesses invest in, develop, and operate energy infrastructure, and provide electric and gas services to customers through regulated public utilities.

## KKR

A leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities.

## ADIA

A globally diversified wealth fund that makes investments on behalf of the government of Abu Dhabi based on a strategy focused on long-term value creation and relationships.



# BOARD OF DIRECTORS

GRI: 102-18, 102-22, 102-23, 405-1

We have a board<sup>23</sup> comprised of five directors with strong backgrounds in economics and management, and deep experience in the energy, infrastructure, and transportation sectors.



**TREVOR IAN MIHALIK<sup>24</sup>**

**NON-EXECUTIVE CHAIRMAN**  
Sempra



**RAJ AGRAWAL**

**NON-EXECUTIVE DIRECTOR**  
KKR



**JUSTIN BIRD**

**EXECUTIVE DIRECTOR**  
Sempra Infrastructure



**JAMES CUNNINGHAM**

**NON-EXECUTIVE DIRECTOR**  
KKR



**TANIA ORTIZ MENA**

**EXECUTIVE DIRECTOR**  
Sempra Infrastructure

**"AT SEMPRA INFRASTRUCTURE, OUR CORPORATE GOVERNANCE HAS A FOCUS ON SUSTAINABILITY, INNOVATION, WORLD-CLASS SAFETY, EMPOWERING PEOPLE, RESILIENT OPERATIONS, AND SOCIAL RESPONSIBILITY."**

**Carolyn Benton Aiman**  
Senior Vice President and Chief Legal Officer

<sup>23</sup> Our current board of directors includes directors appointed by KKR, and the composition of the board is expected to include an additional director appointed by ADIA following the closing of that transaction on June 1, 2022.

<sup>24</sup> Trevor has extensive accounting and finance experience. He holds no other positions with Sempra Infrastructure but serves as the Executive Vice President and Chief Financial Officer (CFO) of Sempra.

# LEADERSHIP TEAM

GRI: 102-18, 102-19, 102-20, 102-26

OUR LEADERSHIP TEAM'S CAPABILITIES, KNOWLEDGE  
AND VAST EXPERIENCE PROVIDE THE EXPERTISE  
TO ENGAGE IN THE WORK WE DO IN THE ENERGY  
SECTOR IN KEY NORTH AMERICAN MARKET.



**JUSTIN BIRD**  
Chief Executive Officer

**DAN R. BROUILLETTE**  
President and Chief  
Sustainability Officer

**TANIA ORTIZ MENA**  
Group President for Clean  
Power and Energy Networks

**MARTIN HUPKA**  
President for LNG and  
Net-Zero Solutions

**FAISEL KHAN**  
Senior Vice President and  
Chief Financial Officer





**CAROLYN BENTON AIMAN**

Senior Vice President and  
Chief Legal Officer



**RANDALL L. CLARK**

Senior Vice President and  
Chief Human Resources  
Officer



**CARLOS MAUER**

Senior Vice President and  
Chief Business Officer for  
Energy Networks



**CARLOS BARAJAS**

Senior Vice President and  
Chief Business Officer for  
Clean Power



**ABRAHAM ZAMORA**

Senior Vice President and  
Chief Public Affairs Officer

# CORPORATE ETHICS

GRI: 102-16, 102-17, 205-1, 205-2, 415-1

At Semptra Infrastructure, we comply with laws and conventions as part of our commitment to our values and ethical standards:

- Universal Declaration of Human Rights
- United Nations Convention Against Corruption
- OECD Convention on Combating Bribery of Foreign Public Officials
- Foreign Corrupt Practices Act (FCPA)
- All federal regulations regarding anticorruption practices and forced and underage labor policies both in Mexico and the U.S.

## SPECIFIC TO SEMPRA INFRASTRUCTURE MEXICO

- Federal Law for the Prevention and Identification of Operations with Resources of Illicit Origin<sup>25</sup>
- General Law of Administrative Responsibilities<sup>26</sup>
- Federal Criminal Code<sup>27</sup>
- National Anti-corruption System<sup>28</sup>

Over the first year after the consolidation of the platform, we are working to standardize our processes and policies while maintaining high ethical standards, regardless of geographical location, and complying with applicable laws and regulations. We aim to maintain world-class operations and promote compliance across our entire supply chain.

ALL SEMPRA COMPANIES, INCLUDING SEMPRA INFRASTRUCTURE, HAVE A STRINGENT CODE OF BUSINESS CONDUCT THAT APPLIES EVERYWHERE THEY DO BUSINESS, INCLUDING MEXICO AND THE U.S. THIS CODE ESTABLISHES HIGH STANDARDS OF CORPORATE ETHICS AND IS BUILT AROUND THE VALUE OF DOING THE RIGHT THING.

<sup>25</sup> Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita.

<sup>26</sup> Ley General de Responsabilidades Administrativas.

<sup>27</sup> Código Penal Federal.

<sup>28</sup> Sistema Nacional Anticorrupción.

MEMORIAL PARK, SEMPRA INFRASTRUCTURE VOLUNTEERING





# ETHICS TRAINING

SCHEDULED ETHICS TRAINING HAS BEEN PROVIDED TO THE COMPANY'S EMPLOYEES, CONTRACTORS, SUPPLIERS, SUBSIDIARIES, AND JVs.

## AT SEMPRA INFRASTRUCTURE MEXICO IN 2021

- 1,813 employees participated in an anticorruption campaign.
- There were no antitrust cases recorded.
- There were no recorded cases of human rights violations.

## AT SEMPRA INFRASTRUCTURE U.S. IN 2021

- 100% of employees completed three mandatory ethics and compliance training courses. An additional 16 compliance-related courses may be assigned based on an employee's work location and responsibilities.
- 100% of employees who are directly or indirectly involved in activities that could implicate contact with a Government Official, and/or who have access to, or control of, funds or accounts relating to such activities were required to complete anticorruption and antibribery training and certifications.

We have procedures in place, guided by our ethics and our core value of doing the right thing, including the following:

- Employee helplines for Sempra Infrastructure U.S. and Sempra Infrastructure Mexico.<sup>29</sup>
- Abide by Sempra's Code of Business Conduct which outlines behavior expectations, disciplinary measures, and procedures to report concerns.
- Follow no retaliation policy; anyone found responsible for retaliating against an employee is subject to disciplinary action, up to and including employment termination.



<sup>29</sup> Sempra's Ethics & Compliance Helpline for Sempra Infrastructure U.S.; and Línea de Denuncia Sí Contigo for Sempra Infrastructure Mexico. Sempra's Ethics & Compliance Helpline: <https://secure.ethicspoint.com/domain/media/en/gui/51305/index.html> Línea de Denuncia Sí Contigo: <https://www.lineadedenuncia.com/ienova/default.html>



# RISK MANAGEMENT

GRI: 102-11, 102-15, 102-29, 102-30, 102-31

At Semptra Infrastructure, risk management is important to help identify potential challenges and to promote sound decision-making on our path towards resilience and operational reliability.

We conduct periodic risk assessments across our operations and construction projects to develop and implement adequate risk management policies, strategies, and programs.

We identify risks under four categories, that are based on their relevance to Semptra Infrastructure and our stakeholders:

- Financial risks
- Operations and reliability
- Regulatory, legal, and compliance risks, including reputational risks
- Health, safety, and environmental risks







# CONSOLIDATION OF SEMPRA INFRASTRUCTURE AND REINFORCEMENT OF RISK MANAGEMENT PRACTICES

At Sempra Infrastructure, we are implementing Enterprise Risk Management 2.0 (ERM 2.0) to create strategic value for the organization through consistent guidelines, risk insights and enhanced tools and support capabilities.

The company's risk register is updated and completed with the risks identified by employees in the different departments and business units. Additionally, the Risk Management department has risk-related conversations with all employees responsible for the company's assets, informing them of the appropriate practices and procedures and the importance of following all risk management processes.

Sempra Infrastructure is also implementing<sup>30</sup> the Capital Value Process (CVP), a gated approach to developing and executing capital projects with the goal of developing projects that yield higher, sustainable risk-adjusted returns, and establishing facilities that are safe to build and reliable to operate.

Sempra Infrastructure is reconfiguring the Risk Committee according to the recommendations that resulted from the ERM maturity level assessment and the company's new operating model.

In 2021, the company modified the risk taxonomy to strengthen the process for identifying and classifying risks. The risk department offered training to introduce these changes, initiated an ERM maturity level assessment process with an external consultant,<sup>31</sup> and carried out sensitivity studies and Value at Risk (VAR) assessments to analyze physical and transition risks.<sup>32</sup>

SEMPRA INFRASTRUCTURE AIMS  
TO PROTECT ALL BUSINESS LINES  
AND ASSETS BY ESTABLISHING  
ENTERPRISE RISK GOVERNANCE  
PROCESSES AND DEVELOPING AN  
INTEGRATED FRAMEWORK WITH  
SPECIFIC GOALS AND TARGETS.

<sup>30</sup> The implementation was initiated at LNG and Net-Zero Solutions and the company is currently in the process of expanding it to the remaining business units.

<sup>31</sup> The results were just delivered and are the basis for ERM 2.0 project.

<sup>32</sup> Transitional risks are related to legal, technological, and reputational risks. Physical risks are linked to the effects of meteorological phenomena on the facilities.





CAMERON INTERSTATE PIPELINE

IDENTIFIED MATERIAL EMERGING ESG RISKS<sup>33</sup>

EMERGING RISKS

RISKS	DESCRIPTION	POTENTIAL IMPACT ON THE BUSINESS	MITIGATION ACTIONS
Cyberattacks	Cyberattacks for the purpose of disrupting, disabling, destroying, or maliciously controlling computer infrastructure, destroying data integrity, or stealing controlled information.	<ul style="list-style-type: none"><li>• Loss of income</li><li>• Business disruption</li><li>• Critical assets or infrastructure at risk</li><li>• Technological losses</li><li>• Damage to the integrity of information: alteration or loss of data or unauthorized disclosure</li><li>• Fraud due to the improper use of breached information</li></ul>	<ul style="list-style-type: none"><li>• Implement projects to strengthen capabilities to prevent cyberattacks</li><li>• Communication campaigns and training on cybersecurity awareness for all employees</li></ul>
Business integration	Failures in the integration of culture, systems, governance, and operations.	<ul style="list-style-type: none"><li>• High-costs due to inefficiencies</li><li>• Business interest/strategy misalignment</li></ul>	<ul style="list-style-type: none"><li>• Evaluation of the requirements for efficient integration</li><li>• A robust integration program has been defined and is currently under implementation</li></ul>
Continuation of remote work and limited availability of contractors and materials due to COVID-19	Long-term impact on the workforce and other market forces that could impact our ability to retain skilled labor, contractors, and materials to complete infrastructure projects and key reliability and safety programs.	<ul style="list-style-type: none"><li>• Loss of personnel</li><li>• Loss of income</li><li>• Disruption of operations or construction</li><li>• Loss of counterparties</li><li>• Lower collaboration and creativity in the workforce</li><li>• Impact on employees' mental and physical health</li></ul>	<ul style="list-style-type: none"><li>• Home office policy for non-core activities</li><li>• Daily reports of personnel with symptoms</li><li>• Develop health and safety protocols</li><li>• Establish business plans with customers and suppliers</li></ul>

<sup>33</sup> Identified material ESG risks over a 3-5 year horizon.



# CYBERSECURITY

GRI: 102-15

We have strong, company-wide cybersecurity processes designed to protect our energy infrastructure as well as the information of our customers and commercial partners. A robust cybersecurity strategy is in place to help make the company resilient against cybersecurity threats and vulnerabilities.

OUR CYBERSECURITY DEPARTMENT IS RESPONSIBLE FOR OUR UNIFIED PLATFORM, WITH THE CRITICAL MISSION OF PROTECTING ASSETS AND INFORMATION FOR CONFIDENTIALITY, INTEGRITY AND AVAILABILITY.

Our cybersecurity team has:

- Implemented integrated tools and services, which mitigated a number of cybersecurity threats over the year
- Applied recommended practices from recognized cybersecurity agencies to help protect against ransomware attacks
- Conducted regular vulnerability scanning to identify and address vulnerabilities
- Improved our Cybersecurity Incident Response Plan (CSIRP), which was also tested and approved by internal and external auditors
- Executed cybersecurity assessments and penetration tests to support the organization and effectiveness of security policies and to identify opportunities for continued improvement
- Implemented the Cybersecurity Ambassadors Community to help spread the latest security-related information throughout the entire organization
- Raised our cybersecurity awareness level across the platform through awareness campaigns and cybersecurity exercises at every management level
- Created an Executive Cybersecurity Council, to oversee the company's efforts to secure data, assets, and people by establishing security and privacy and operational goals and business imperatives







CAMERON LNG TECHNOLOGY CENTER

SEMPRA INFRASTRUCTURE'S VICE PRESIDENT OF IT & CYBERSECURITY IS RESPONSIBLE FOR:

- Aligning the cybersecurity strategy with the company's objectives
- Implementing programs designed to secure the organization's data
- Evaluating cyber and technology risks in the business environment and with third parties
- Complying with applicable regulations
- Working to prevent, detect, and analyze malicious activities
- Updating the leadership team on the cybersecurity program
- Providing rapid response to any cybersecurity incidents
- Raising awareness and sensitizing the organization on information security

CYBERSECURITY CULTURE

The company continues to evolve its cybersecurity measures to achieve further improvements and promote the importance of securing and protecting information regarding assets, employees, communities, suppliers, customers, and investors.

Our department has invested in providing cybersecurity training to all employees as we believe awareness is the most effective way of educating employees about the risks and the steps they should take when unsure about what to do in specific scenarios.

NUMBER OF PARTICIPANTS

2019	2020	2021
960	1,184	1,489