

O U R

STRENGTH

TODAY

ENERGIZES

0 U R

FUTURE

SUSTAINABILITY REPORT

EXECUTIVE SUMARY

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BUSINESS MODEL \*



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# ABOUT SEMPRA<br/>INFRASTRUCTURE

Through the combined strength of our assets in North America, we are dedicated to helping enable the energy transition and beyond. Prioritizing sustainability, innovation, world-class safety, championing people, resilient operations and social responsibility, our more than 2,000 employees develop, build, and operate energy infrastructure projects in three business lines - LNG and Net-Zero Solutions, Energy Networks and Clean Power - that aim to play a crucial role in the energy systems of the future.

Sempra Infrastructure was formed by consolidating two leading energy businesses: Sempra LNG¹ and IEnova.

SEMPRA INFRASTRUCTURE DELIVERS

ENERGY FOR A BETTER WORLD.



<sup>&</sup>lt;sup>1</sup> This ownership share is applicable prior to Sempra's 2021 sale of a noncontrolling interest in SI Partners.



CAMERON LNG

### **OUR VISION AND MISSION**

We develop, build, operate and invest in the energy systems of the future to help address market demands and displace high-emission fuels with cleaner options. We are working to improve and expand existing energy systems and advance next-generation fuels like hydrogen and ammonia-mixed options, storage facilities, and carbon reduction and sequestration initiatives, among others.

For this report, IEnova is referred to as Sempra Infrastructure Mexico, and Sempra LNG is referred to as Sempra Infrastructure U.S. The combined organization is Sempra Infrastructure.

OUR VISION IS TO DELIVER ENERGY FOR A BETTER WORLD.

OUR MISSION IS TO BE NORTH AMERICA'S LEADING ENERGY INFRASTRUCTURE COMPANY.

AT THE FOREFRONT OF NORTH AMERICAN ENERGY
MARKETS, SEMPRA INFRASTRUCTURE IS POSITIONED
TO PROVIDE SAFE, SUSTAINABLE, AND RELIABLE
ACCESS TO CLEANER ENERGY, WHILE PLAYING A KEY
ROLE IN ENABLING THE ENERGY TRANSITION.

## OUR VALUES AND GUIDING PRINCIPLES

At Sempra Infrastructure, our key strengths are our values and our guiding principles. These are instilled in our employees and reflected in our daily operations and our strategies. Our employees live these values and principles each day.

### **OUR VALUES**

**DO THE RIGHT THING.** We are guided by our ethics, our focus on safety, and our willingness to stand for what is right.

**CHAMPION PEOPLE.** We invest in people and value diversity and inclusion because we believe it elevates performance and helps us partner responsibly.

**SHAPE THE FUTURE.** We are forward thinkers who innovate and collaborate with stakeholders to make a positive difference.

### **OUR GUIDING PRINCIPLES**

OUR GUIDING PRINCIPLES LEAD OUR ACTIONS.

THIS IS THE SEMPRA INFRASTRUCTURE WAY.

SAFETY	CUSTOMER FOCUS
SUSTAINABILITY	PARTNERSHIPS
PEOPLE	CAPITAL EFFICIENCY
CULTURE	FINANCIAL PERFORMANCE, RISK & COMPLIANCE
EXCELLENCE	TECHNOLOGY & INNOVATION

## LETTER FROM OUR CEO



It is my great pleasure to present Sempra Infrastructure's inaugural Sustainability Report.

The last two years have demonstrated how critical energy is to our interconnected world. Today we face the challenges of maintaining public health and safety in the context of an ongoing global pandemic, persistent supply chain disruptions, the war in Ukraine, the unrelenting threats of natural disasters, and global climate change.

As a leading North American energy infrastructure company, we take seriously our role in advancing worldwide energy security, economic growth, and energy decarbonization. We are committed to do so in an environmentally responsible way, in partnership with our employees, communities, partners, customers, and other stakeholders.

Our commitment to sustainability is integral to how we do business and is embodied in our vision to deliver energy for a better world. We work to serve the world's growing demand for energy with secure, reliable and cleaner energy. We are committed to building healthy communities and continually looking to advance energy technology. In this report, we describe our sustainability practices and reiterate our Mexico business commitment to the Ten Principles of the United Nations Global Compact.

Our success is ultimately powered by our people. As we develop energy infrastructure for a better world, the health, safety, and security of our employees and communities remains our central focus.

I am looking forward to the journey yet to come as we continue to develop an inclusive and diverse workplace built on our common values:

Do the right thing | Champion people | Shape the future

UNITED BY THESE VALUES AND PARTNERING WITH OTHERS
WHO SHARE OUR VISION OF A SECURE AND SUSTAINABLE
FUTURE, I CAN ASSURE YOU THAT SEMPRA INFRASTRUCTURE
IS JUST GETTING STARTED.

Justin Bird
Chief Executive Officer

### **OUR NUMBERS**

## SEMPRA INFRASTRUCTURE

2

Countries

3

**Business lines** 

**3** Equity holders<sup>2</sup>

**2,185** Employees

US\$1,997 M
Revenues

US\$14,408 M
Total assets

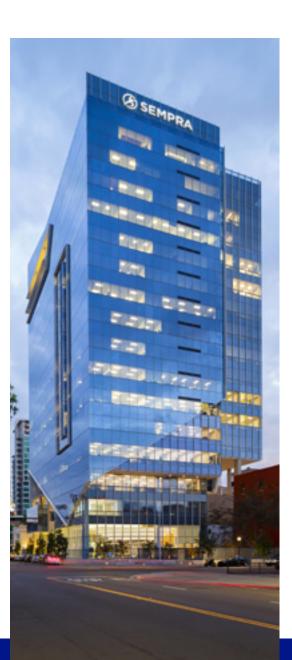
## LNG AND NET-ZERO SOLUTIONS

2

LNG storage and regasification facilities

1

Natural gas liquefaction facility



### **ENERGY NETWORKS**

**4,572 km**Natural gas distribution pipelines

3,079 km Natural gas transportation pipelines (MX & U.S.)

**224 km**Ethane transportation pipelines

190 km
LPG transportation pipelines<sup>3</sup>

**142,671**Gas distribution customers

11 Cross-border pipelines

1 LPG storage facility

4.58 MMbl
Refined products storage
capacity under construction
or in operation<sup>4,5</sup>

### **CLEAN POWER**

1,699 MW

Power generation capacity<sup>6</sup>

2,546,613 MWh Renewable energy generated

Wind power generation facilities in operation

**5**Solar power generation facilities in operation

Natural gas fired power plant



<sup>&</sup>lt;sup>2</sup> On June 1, 2022, Sempra completed the sale of a 10% non-controlling interest in SI Partners to a wholly owned affiliate of the Abu Dhabi Investment Authority, which increased the number of owners to 3.

<sup>&</sup>lt;sup>3</sup> Transportation system with associated storage capacity.

<sup>&</sup>lt;sup>4</sup> Puebla facility is under commissioning; Topolobampo project is expected to commence commercial operations in the second half of 2022. A project that is under commissioning is fully constructed but still in the final phases of physical tests and verification of the facilities, and therefore not yet fully operational.

<sup>&</sup>lt;sup>5</sup> Sempra Infrastructure is also developing terminals for the receipt, storage, and delivery of liquid fuels in the vicinity of Manzanillo and Ensenada.

<sup>&</sup>lt;sup>6</sup> ESJ Phase 2 started operations January 2022.

### **AWARDS AND RECOGNITIONS**



#### World Finance Oil & Gas Award for

**Excellence** in recognition of worldclass safety, operational excellence, business strategy, and commercial strength within our LNG business.



### The Energy Risk Award, Deal of the

**Year,** for our ECA LNG Phase 1 project under construction, which was the only export facility worldwide to reach a final investment decision in 2020.



## of the Year Award for our ECA LNG

Phase 1 project under construction for having secured financing in 2020.



## National Safety Council Perfect Record Award for Cameron

LNG Phase 1 for its outstanding milestone of 89 million hours worked without a lost-time incident.



### CWC Americas LNG & Gas Series Sustainability & HSSE Award for

promoting sustainable and safe operations within the LNG business.



## S&P Global Platts Global Energy Award of Excellence - LNG for

our leadership, innovation, and exemplary performance in 2021.



## Finalist, Financial Deal of the Year in the S&P Global Platts Global Energy Awards.



### **EXPANSION**

500 Most Important Companies in Mexico, Responsible Company, and Top 30 Promises in Business recognitions from Expansión Magazine.



### **Socially Responsible Company**

**Award** from the Mexican Center for Philanthropy (CEMEFI by its acronym in Spanish) for our company's corporate social responsibility and commitment to Mexico's development.



# Great Place to Work (GPTW), Great Place to Work for Women and Great Place to Work in Challenging Times recognitions by

the Great Place to Work Institute.

Human Rights Campaign **Best Place to Work for LGBT+ recognition.** 



### **AWARDS AND RECOGNITIONS**

### Bloomberg Línea

Top 500 influencers in LATAM against COVID-19 recognition by Bloomberg Online for our actions during the pandemic and the support given to our employees and communities.





Leader in Sustainability in Mexico and Leading Company in Corporate Governance in Mexico by ALAS20 for our excellence regarding the public disclosure of information on sustainable development practices, corporate governance, and responsible investment.



Top 100 Leaders and ESG Ranking inclusion by Corporate Reputation
Business Monitor (MERCO by its acronym in Spanish) for our reputation and positioning within the Mexican market and for being one of the top companies in the construction and infrastructure sector in the country.



Forbes Magazine's Mexico's Most

Powerful Women in 2020 - Tania Ortiz



Líderes Mexicanos Magazine's
Most Exceptional Women
in Mexico - Tania Ortiz



Energía Hoy Magazine's Top 10 Women & Energy - Tania Ortiz



T21 Magazine's Top 100 Leaders
in Logistics - Tania Ortiz



## BUSINESS MODEL

WE ARE WELL-POSITIONED WITH
SIGNIFICANT SCALE AND
STRATEGIC CAPABILITIES
FOCUSED ON THREE BUSINESS
LINES: LNG AND NET-ZERO
SOLUTIONS, ENERGY NETWORKS,
AND CLEAN POWER.



### $\equiv$

### **BUSINESS LINES**







### LNG AND NET-ZERO SOLUTIONS

Our LNG facilities and development projects on the Pacific and Gulf Coasts of North America help serve our customers' energy diversification and energy transition ambitions. These assets have a favorable strategic position for the further development of the North American LNG market. We continue to leverage technology to improve our business and are advancing next-generation technologies like carbon sequestration and clean hydrogen.

### **ENERGY NETWORKS**

We own and operate natural gas transportation and distribution pipelines in Mexico and the U.S., plus ethane pipelines, LPG transportation and storage, and a network of refined products storage terminals in Mexico. We operate more than 8,000 km of pipeline infrastructure, including crossborder pipelines.<sup>7</sup> Through our energy networks infrastructure, we help meet the energy needs and promote the growth and development of the markets that we serve.

### **CLEAN POWER**

With a focus on safe and reliable integration into North America's power grids, we operate more than 1,600 megawatts of clean energy projects in Mexico with significant cross-border renewable energy development opportunities in the portfolio to support the energy transition.

<sup>&</sup>lt;sup>7</sup> Mexico has twenty-five natural gas entry points by pipeline across the border with the United States, of which eleven are owned by Sempra Infrastructure.

## LNG AND NET-ZERO SOLUTIONS

Through LNG and Net-Zero Solutions business line, our company liquefies natural gas and regasifies LNG at strategically-located terminals on the Pacific and Gulf Coasts, while advancing the expansion of our net-zero business.

LIQUEFIED NATURAL GAS (LNG) IS A
TRANSITION FUEL THAT HELPS DISPLACE
HIGHER-POLLUTING FOSSIL FUELS AND OUR
LNG BUSINESS CONTRIBUTES TO OUR
EFFORTS RELATED TO THE ENERGY
TRANSITION. SEMPRA INFRASTRUCTURE IS
SET TO LEVERAGE THE OPPORTUNITIES
FROM A GROWING DEMAND FOR LOWERCARBON FOSSIL FUEL TO PROVIDE ENERGY
RELIABILITY TO COMPLEMENT RENEWABLE
SOURCES. OUR ASSETS HAVE ACCESS TO
SOME OF THE LEADING NATURAL GAS
BASINS IN THE U.S.





### **LOOKING AHEAD**

We aim to stay at the forefront of energy innovations focusing on energy diversification and the clean energy transition in markets that our customers serve.

- We focus on working to adopt cost-effective, state-of-the-art technologies and processes to help mitigate our carbon footprint and support our customers, partners, and other stakeholders to do the same across their supply chains.
- We are developing, in collaboration with our Cameron LNG JV partners, a carbon capture, utilization, and storage (CCUS<sup>8</sup>) project near the Cameron LNG facility in Hackberry, Louisiana. This project, which is subject to receiving permits, is being designed to allow us to reduce our facility's direct carbon emissions.

- We are moving forward with implementing the Oil & Gas Methane Partnership 2.0 at Cameron LNG to determine new ways to help reduce scope 1 emissions for this facility.
- We strive to expand our business
  portfolio to include net-zero solutions.
  While methane emissions from our
  liquefaction facility are well-mitigated
  to fugitive levels, we understand the
  heightened impact of methane as
  a greenhouse gas and believe it is
  important to work with upstream and
  downstream producers and operators,
  industry members, policymakers, and
  researchers to lower methane emissions
  throughout the natural gas value chain.

 $<sup>^8</sup>$  The CCUS process consists of capturing the CO<sub>2</sub> from the pre-treatment processes of the Cameron LNG facilities, transport the CO<sub>2</sub> by pipeline into a separate property, and then injecting it into the subsurface to sequester the CO<sub>2</sub>.



### **ENERGY NETWORKS**

Energy Networks business line includes our natural gas, LPG and ethane infrastructure, and our refined products storage business. Through these assets, we support North American energy networks integration, fostering the region's economic development and competitiveness by contributing to meeting present and future energy demands.

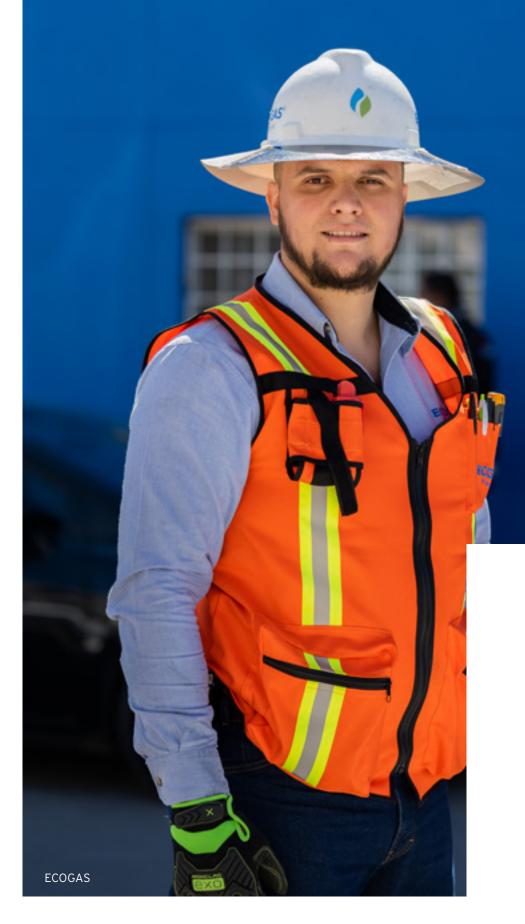
The demand for natural gas is expected to continue growing over the next few years as the need to displace more polluting fuels becomes increasingly important. We strive to adapt our operations as we make progress to aid in this energy transition.

SEMPRA INFRASTRUCTURE

IS A LEADER IN NATURAL GAS

INFRASTRUCTURE IN

NORTH AMERICA.



### **VALUE PROPOSITION**

LARGEST NATURAL GAS TRANSPORTATION
CAPACITY IN MEXICO AND 11 CROSS-BORDER
NATURAL GAS INTERCONNECTIONS BETWEEN
MEXICO AND THE U.S. WITH AN AVAILABLE
IMPORT CAPACITY OF 9,716 MMSCFD.9

### **LOOKING AHEAD**

We are looking into a wide range of emerging opportunities, including:

- Developing remote asset-monitoring systems to take advantage of new technologies.
- Replacing analog residential and commercial meters with new and more accurate smart meters.

<sup>&</sup>lt;sup>9</sup> Prontuario estadístico, January 2022-Ministry of Energy and Five-Year Expansion Plan CENAGAS. Data updated to the end of 2021.



### **CLEAN POWER**

Our Clean Power business line is set to respond to the growing need for renewable energy while providing important environmental benefits. We are among the top 10 renewable energy producers in Mexico, with a 1,044 MW installed capacity and significant cross-border renewable opportunities in our development portfolio.

## SEMPRA INFRASTRUCTURE CURRENTLY OWNS AND OPERATES:

5 Solar power plants

Wind power generation facilities

C - --- l-

Combined-cycle power generation plant in our Mexico operations



### LOOKING AHEAD

Aware of the energy industry's current dynamic landscape, we are pursuing pioneering opportunities in energy storage. Sempra Infrastructure is in the early stages of development of the Volta de Mexicali (VDM) Battery Energy Storage System (BESS) – a cross-border venture intended to become the largest project of its kind in Mexico.

ENERGY STORAGE

TECHNOLOGY IS ESSENTIAL

TO SUPPORT THE GROWTH OF

RENEWABLES AND IS

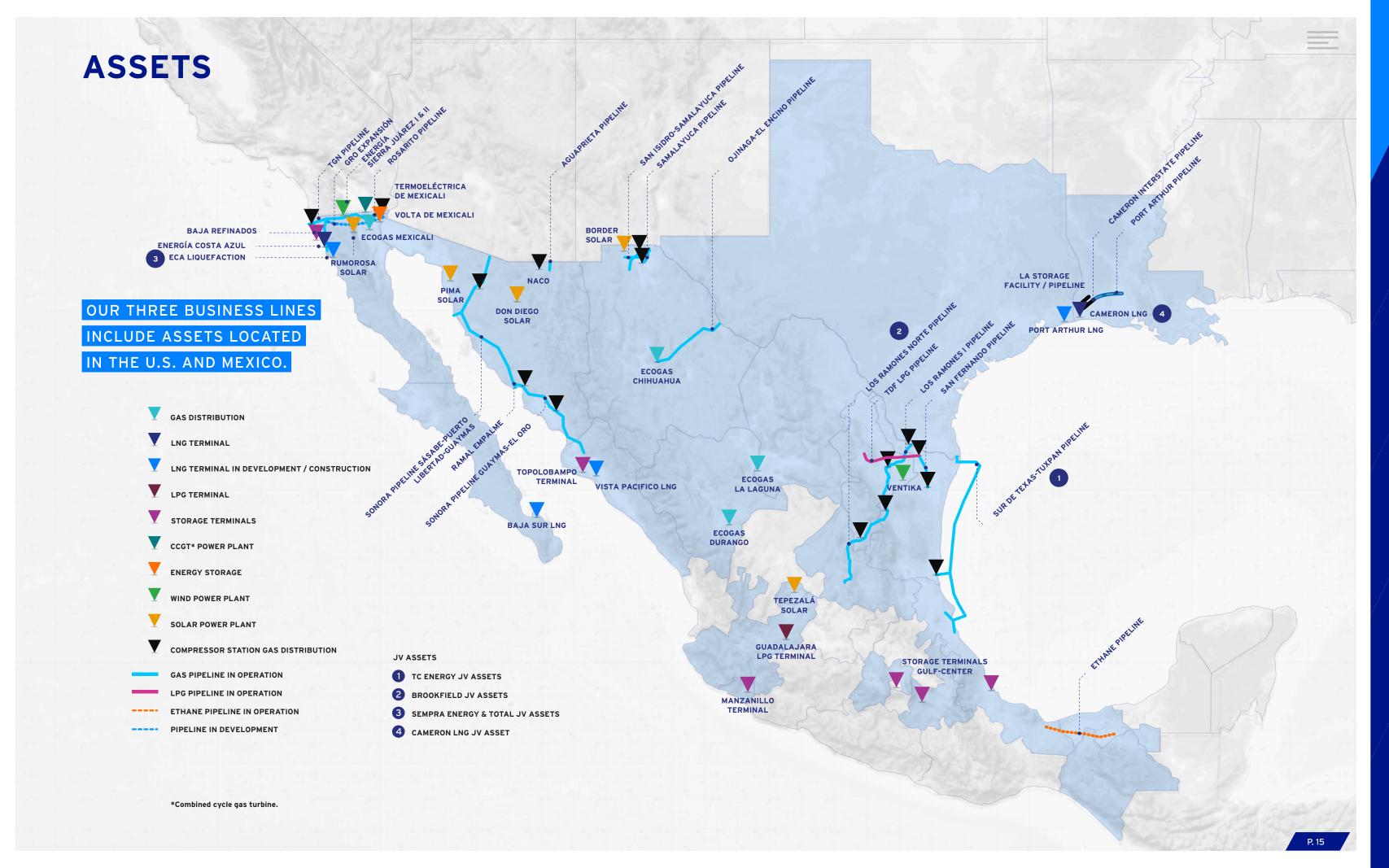
BECOMING INCREASINGLY

COMPETITIVE IN TERMS OF

COST AND EFFICIENCY.

### **VALUE PROPOSITION**

STRONG GROWTH IN THE
RENEWABLES MARKET WILL
CONTRIBUTE TO SATISFYING
UTILITY, PRIVATE SECTOR,
AND GOVERNMENT-MANDATED
REQUIREMENTS IN MEXICO
AND SOUTHWESTERN U.S.
SIGNIFICANT CROSS-BORDER
RENEWABLE OPPORTUNITIES IN
OUR DEVELOPMENT PORTFOLIO.
ACCESS TO THE U.S. POWER
MARKET THROUGH HIGHVOLTAGE TRANSMISSION LINES
WITH SPARE CAPACITY.



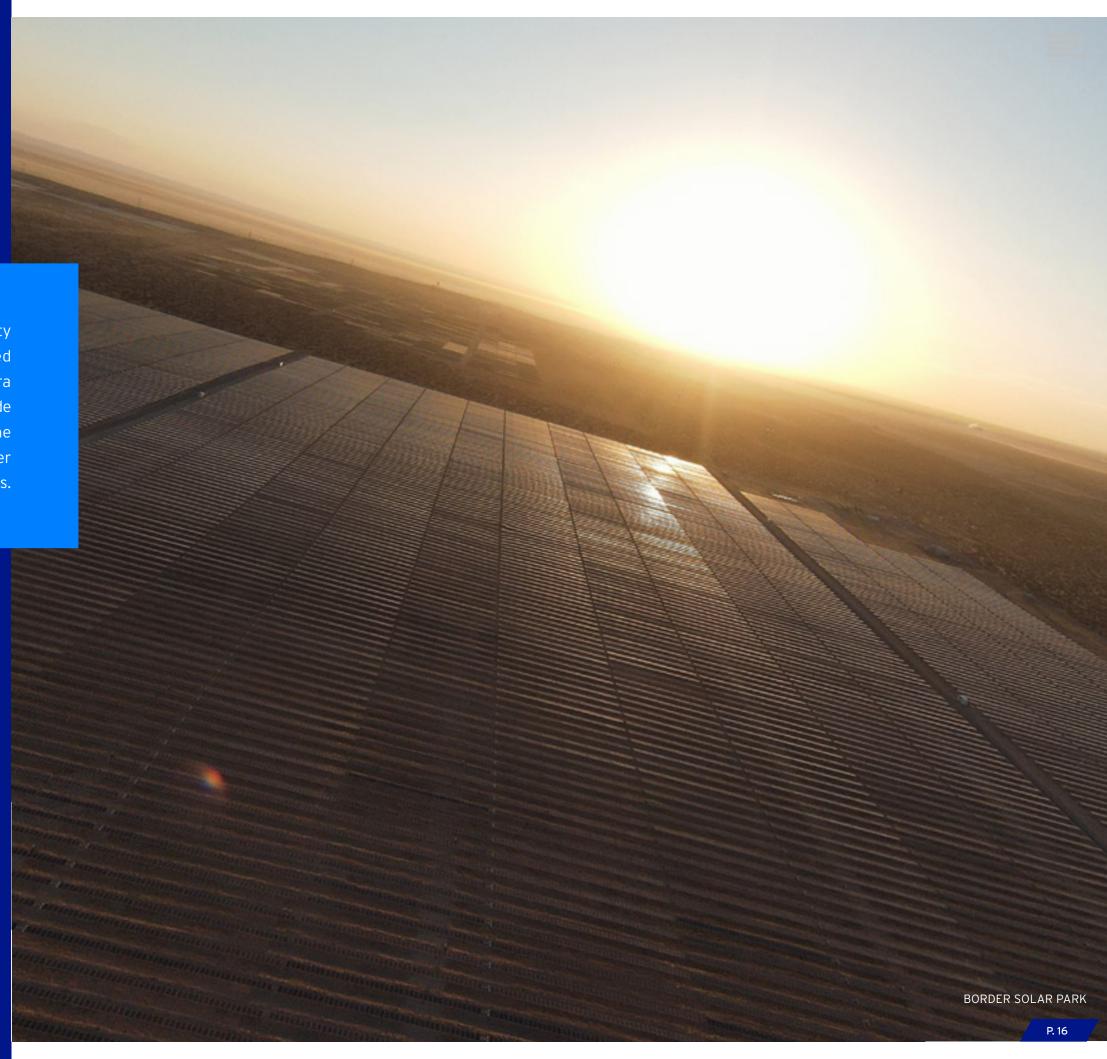
### **SUSTAINABILITY**

We aim to build a strategy that embeds sustainability across our operations based on the consolidated visions of Sempra Infrastructure U.S. and Sempra Infrastructure Mexico. We will perform a company-wide ESG materiality assessment that will constitute the basis to complete our sustainability strategy, further define goals and objectives and adjust ESG initiatives.

"WE ARE ON THE PATH TO THE NEXT ERA IN ENERGY. AS A LEADING VOICE IN THE ENERGY TRANSITION, WE ARE COMMITTED TO CREATING LONG-TERM, SUSTAINABLE GROWTH, HELPING TO SHAPE A NET-ZERO FUTURE, AND WORKING TO PROVIDE ENERGY SAFETY AND RELIABILITY."

Dan R. Brouillette

President and Chief Sustainability Officer



### **ENABLING THE ENERGY TRANSITION**

THE PATHWAY TOWARDS THE DECARBONIZATION OF THE GLOBAL ENERGY

SECTOR IS BRINGING A SHIFT IN CURRENT ENERGY CONSUMPTION

AND PRODUCTION SYSTEMS. GLOBALLY, ENERGY INFRASTRUCTURE

NEEDS TO GROW TO SATISFY THIS SHIFT IN DEMAND.

## **Initiatives**



SEMPRA INFRASTRUCTURE'S
VISION IS TO HELP DELIVER
ENERGY FOR A BETTER
WORLD DRIVEN BY SEVERAL
INITIATIVES:

Displacing higher carbonintensive fossil fuels, such as coal, while providing the reliability and resiliency needed to meet the world's growing cleaner energy demands through our LNG and natural gas networks.

Implementing new technologies and business opportunities around carbon capture and sequestration, not only to directly cut our GHG emissions but to help other industrial customers to do so as well.

We expect this will help to mitigate overall GHG emissions in North America and extend our business opportunities.

Generating clean energy to meet the growing demand for clean and renewable energy, leveraging conditions in Mexico. Developing energy storage infrastructure as a complement to our renewable power generation portfolio. Evaluating newer, cleaner energy possibilities, such as a low-emissions hydrogen fuel mix, to aid in further displacing carbon-intensive fuels in the markets that we serve.

## SUSTAINABLE GALS DEVELOPMENT GALS

WE STRIVE TO ALIGN TO

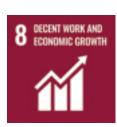
THE FOLLOWING UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs):





O7

AFFORDABLE AND
CLEAN ENERGY



DECENT WORK AND ECONOMIC GROWTH



INDUSTRY,
INNOVATION AND
INFRASTRUCTURE



13
CLIMATE ACTION



15 LIFE ON LAND In addition to the direct contributions, through our culture and employee-related initiatives, we also strive to indirectly align to these SDGs:



O3 GOOD HEALTH AND WELL-BEING



**04 QUALITY EDUCATION** 



**05 GENDER EQUALITY** 



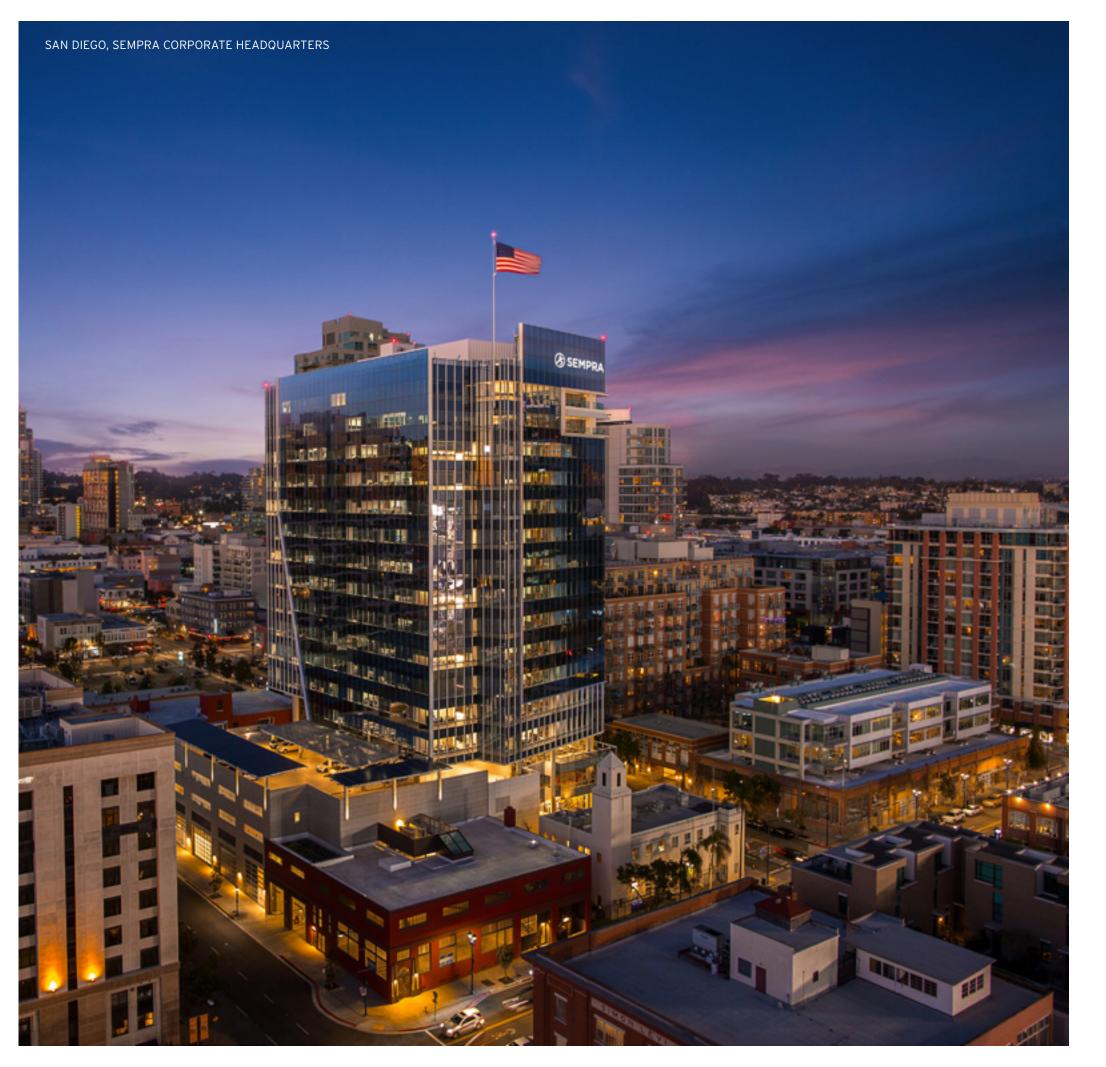
10 REDUCED INEQUALITIES



## CORPORATE GOVERNANCE

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.





# OUR EQUITY HOLDERS

Our equity holders, Sempra, KKR, and ADIA (Abu Dhabi Investment Authority),<sup>10</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.

<sup>&</sup>lt;sup>10</sup> The Abu Dhabi Investment Authority transaction was completed on June 1, 2022.

### **BOARD OF DIRECTORS**

We have a board<sup>11</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>12</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

<sup>&</sup>lt;sup>11</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>12</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**

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



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



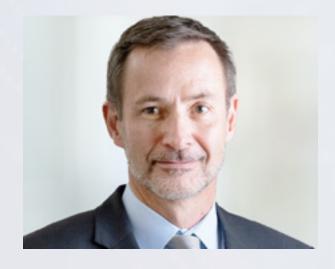
FAISEL KHAN
Senior Vice President and
Chief Financial Officer



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



## **ENVIRONMENT**

WE BELIEVE THAT THE PROTECTION AND
PRESERVATION OF THE ENVIRONMENT CAN BE
COMPATIBLE WITH THE RESPONSIBLE
DEVELOPMENT OF ENERGY INFRASTRUCTURE.
WE STRIVE TO DO THE RIGHT THING BY
WORKING TO MITIGATE THE ENVIRONMENTAL
IMPACT OF OUR OPERATIONS.

EACH OF OUR

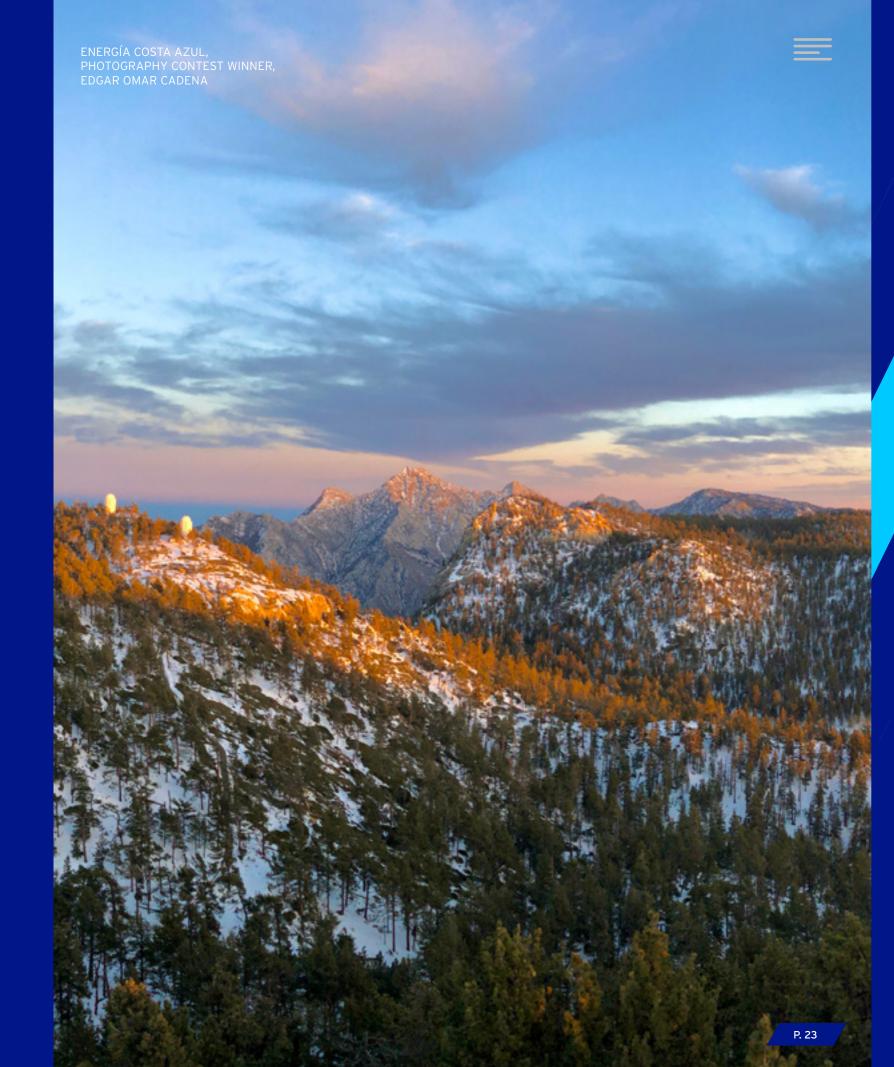
**BUSINESS LINES DIRECTLY** 

CONTRIBUTES TO MITIGATING

THE EFFECTS OF CLIMATE

CHANGE AND MOVING TOWARDS

THE ENERGY TRANSITION.





### **BUSINESS LINES' ROLES IN THE ENERGY TRANSITION**

OUR THREE BUSINESS LINES

ARE ALIGNED WITH

OUR BUSINESS STRATEGY,

WHICH CONTRIBUTES

TO OUR ABILITY TO

ADDRESS CURRENT AND

EMERGING PROBLEMS

RESULTING FROM

ENVIRONMENTAL IMPACTS

AND CLIMATE CHANGE.



### **LNG AND NET-ZERO SOLUTIONS**

Natural gas can play a critical role against climate change as it helps enable the transition to cleaner energy sources given its lower emissions and lower sulfur content compared to higher-polluting fossil fuels. It has the potential to displace coal and other fuels with higher GHG emissions profiles, while still maintaining the safety and reliability necessary to support economic development.

Additionally, we are exploring new options within our LNG and Net-Zero Solutions business line that include: (i) the development of the Hackberry Carbon Sequestration project to capture and sequester carbon in our LNG operations; (ii) the introduction of techniques for the reduction of venting and leaking in our operations; (iii) and the use of hydrogen as part of the fuel mix to help reduce emissions.



### **ENERGY NETWORKS**

We contribute to reducing significant amounts of GHG emissions by displacing emission-intensive fuels with natural gas, and we use our distribution and transportation assets to deliver that lower-emission fuel to the customers and markets that need it mostly in North America. Our cross-border positioning and interconnection potential allows us to help meet the energy needs of the North American market and other parts of the world.



### **CLEAN POWER**

Through our operating solar and wind assets, we generate renewable electricity, free of GHG emissions, while helping to meet the demand for clean, safe, and affordable energy in North America. The construction of renewable energy infrastructure requires energy storage projects to complement production, which is one of the reasons why we are developing what could be the largest battery energy storage project in Mexico to supply the energy demand during peak hours.

### **GHG EMISSIONS PROFILES**

WE ARE UPGRADING OUR

INFRASTRUCTURE AND PROCESSES

AND COLLABORATING WITH OUR

SUPPLIERS, CUSTOMERS, AND

PEERS TO MEASURE, MONITOR,

AND REDUCE GHG EMISSIONS.

## ESTIMATED SCOPES 1 AND 2 EMISSIONS<sup>13, 14</sup>

WITH THE COMPANY'S

INVESTMENTS IN CLEAN

POWER GENERATION, SEMPRA

INFRASTRUCTURE

SAVED 1,077,217 tCO<sub>2</sub>e IN 2021.

#### **SCOPE 1 GHG EMISSIONS**

		MEXICO			U.S.		
		2019	2020	2021	2019	2020	2021
Carbon dioxide equivalent <sup>15</sup>	tCO₂e	2,347,431	1,833,278	2,003,902	494,664	1,807,260	1,647,269
Carbon dioxide	tCO <sub>2</sub>	2,179,159	1,691,923	1,855,783	483,349	1,774,372	1,637,348
Methane	tCH₄	5,964	5,010	5,246	423	1,271	362
Nitrous oxide	tN₂O	4	2	4	1	3	3

#### **SCOPE 2 GHG EMISSIONS**

		MEXICO				U.S.	
		2019	2020	2021	2019	2020	2021
Carbon dioxide equivalent	tCO₂e	7,947	10,636	11,779	1,471	1,970	233,138

#### **ENERGY CONSUMPTION (MWh)**

		MEXICO			U.S.	
	2019	2020	2021	2019	2020	2021
Natural gas	10,723,692	8,285,856	9,165,489	-	159	296
Gasoline and diesel	15,004	15,681	17,052	203	1,716	1,053
LPG	29	14	21	-	34,813	33,456
Electric power	18,106	28,488	32,139	147,819	583,333	648,690
Total	10,756,831	8,330,039	9,214,700	148,022	620,021	683,495

<sup>&</sup>lt;sup>13</sup> A physical verification process for scope 1 and 2 emissions is performed to certain assets in accordance with applicable regulations. In Mexico, due to the pandemic, data for 2019 and 2020 was verified remotely. The authority did not detect relevant discrepancies; therefore, it was not necessary to update the information. 2021 scope 1 and 2 emissions data for specific assets remains subject to third-party verification by SEMARNAT.

<sup>&</sup>lt;sup>14</sup> For Mexico, emissions factors and global warming estimates used to calculate our scope 1 emissions are established by SEMARNAT; for scope 2 we employ the emissions factor published annually by CRE. For the U.S., scope 1 emissions are calculated using IPCC 5th Assessment report global warming potentials and EPA emission factors.

<sup>&</sup>lt;sup>15</sup> A measurement used to compare several greenhouse gas emissions based on their global warming potential.



WE STRIVE TO ALIGN OUR EFFORTS TO REDUCE THE COMPANY'S CARBON
FOOTPRINT AND TO OFFER LOW-CARBON AND ZERO-CARBON SOLUTIONS TO THE
WORLD. TO THIS END, WE CARRIED OUT A SERIES OF ACTIONS AND PROPOSALS
TO DEVELOP A STRATEGY FOR REDUCING OUR OVERALL GHG EMISSIONS.



TO REDUCE EMISSIONS

WE ARE CONDUCTING EARLY-STAGE
INITIATIVES TO DEVELOP ENERGY
INFRASTRUCTURE DESIGNED TO HELP
THE DECARBONIZATION OF HARD TO
REDUCE EMISSIONS FROM OUR
ASSETS AND OUR CUSTOMERS',
INCLUDING CARBON CAPTURE AND
SEQUESTRATION, HYDROGEN,
AMMONIA, RENEWABLE NATURAL GAS,
AND OTHERS.

### **LNG AND NET-ZERO SOLUTIONS:**

- Established an internal goal of reducing our GHG emissions intensity by 20% each year through 2025, from the baseline set in 2020 at our facilities.<sup>16</sup>
- Filed for an amendment to our permits to expand our Cameron LNG facility with the addition of a fourth liquefaction train. The amendment, if approved, would permit the proposed project to use electric-driven compression, helping to reduce direct GHG emissions related to the liquefaction process.
- Working to develop the proposed CCUS project for our Cameron LNG facility.
- Reduced our GHG emissions from flaring by 50% in our Cameron LNG facility.

- Lowered our nitrogen oxides (NOx)
   and sulphur oxides (SOx) emissions at
   Cameron LNG by installing modern,
   efficient equipment with advanced
   burner management systems.
- Installed a state-of-the-art thermal oxidizer burner management system at Cameron LNG that eliminates 99.99% of hydrocarbon from the acid gas vent.
- Implemented ground flare destruction technologies that are efficient in reducing hydrocarbon releases from our Cameron LNG operations to negligible levels.
- Cameron LNG launched the flare reduction initiative, seeking to determine data validity around flare flow meters and purge rates.
   This study identified valves that could be blocked to reduce ground flaring.

#### **ENERGY NETWORKS:**

 Working to reduce venting in all the designs of our new natural gas transmission facilities, and we expect to begin to analyze the feasibility of further reductions at our current facilities.

#### **CLEAN POWER:**

 A 1,044 MW renewable energy production capacity that directly contributed to avoiding 1,077,217 tonnes of CO<sub>2</sub>e emissions in 2021.

<sup>&</sup>lt;sup>16</sup> As we continue to grow and gain operational history, we plan to establish new goals.



### METRICS AND TARGETS<sup>17</sup>

METRIC	ANNUAL TARGET	PERFORMANCE 2021
tonnes CO₂eq/ MWh generated	0.35	0.235
tonnes CO₂eq/ MMm³ gas transported	11.80	9.56

### **GHG EMISSIONS TARGETS**

- Each year, we aim to operate our existing LNG infrastructure at a GHG emissions intensity 20% less than our 2020 baseline. This target was reached in 2021.<sup>18</sup>
- By 2030, we aim to reduce 50% of fugitive emissions from our natural gas transmission and distribution system relative to a 2019 baseline.<sup>19</sup>



<sup>&</sup>lt;sup>17</sup> Due to the recent consolidation of Sempra Infrastructure, a carbon intensity metric for LNG and Net-Zero Solutions business line is not disclosed. For Clean Power, the metric scope includes all operating assets, while for Energy Networks it only considers Mexico's operations. The reported carbon intensity targets consider only scope 1 emissions as it accounts for over 99% of total emissions across all scope 1 and 2.

<sup>&</sup>lt;sup>18</sup> Cameron LNG exceeded the goal in 2021 with a GHG emissions intensity that was 28% less than baseline. As we continue to grow and gain operational history, we expect to establish new goals.

<sup>&</sup>lt;sup>19</sup> Target applicable to gas transportation assets in Mexico.

### **BIODIVERSITY AND RESPONSIBLE LAND USE**

### **BIODIVERSITY PROTECTION AND RESTORATION INITIATIVES**







#### LNG AND NET-ZERO SOLUTIONS

As we have done every year over the last nineteen, and with the aim to reproduce native plants in the plant nursery, we continued to implement the Program for the Rescue, Protection, and Conservation of Flora and Fauna at ECA. And, at Cameron LNG, we supported and funded programs to promote the conservation of the marsh, wetland areas and wildlife of the coastal area around the facility along with local environmental and wildlife organizations.

 At ECA, we stock more than 50,000 plants of 28 native plant species from northwestern Baja California.

#### **ENERGY NETWORKS**

In our pipeline activities we maintained wild flora; relocated species; performed monthly maintenance activities to irrigate and reconstruct rainwater-harvesting bowls; used organic fertilizers; boxed-in plants for improved water harvesting; irrigated reforested plants; and replaced dead specimens with the support of specialized companies.

At Los Ramones I y II, more than 170,000
plants of 70 species and an average of
6,000,000 seeds of 38 species have been
moved to the National Autonomus University
of Nuevo León (Universidad Autónoma de
Nuevo León) facility in order to be protected.

### **CLEAN POWER**

We implemented environmental programs to compensate, manage and relocate fauna; we maintained our waste management and our soil and water conservation programs; we rescued wild flora and fauna; and we continued to monitor flying fauna.

 In our solar and wind facilities, we work with expert organizations such as Natura Ferox, Ingeniería y Gestion Ambiental de México (IGAMEX) and Instituto de Ecología (INECOL). These synergies allow us to strengthen our conservation efforts in the regions.



## CHAMPIONING PEOPLE

WE SUPPORT OUR PEOPLE BY
INVESTING IN THEIR GROWTH,
CELEBRATING THEIR
ACHIEVEMENTS, AND FOSTERING
DIVERSITY AND INCLUSION.







### PEOPLE AND CULTURE

SEMPRA INFRASTRUCTURE BLENDS

MULTIPLE CULTURES AND UNITES PEOPLE

WITH DIVERSE BACKGROUNDS.

Our diversity makes us stronger. Embracing the many traditions and languages of our employees, we share a vision and values. Working together, we promote a culture where people and their well-being are priorities, and where we foster a high-performance environment of respect, inclusion, and authenticity following our guiding principles.



IN 2021, SEMPRA INFRASTRUCTURE
MEXICO WAS AWARDED THE GPTW
CERTIFICATION FOR THE EIGHTH
CONSECUTIVE YEAR, WHICH
RECOGNIZES THE COMPANY'S
EFFORT TO ADHERE TO WORLDCLASS STANDARDS AND TO PLACE
THE WELL-BEING AND
DEVELOPMENT OF EVERY
EMPLOYEE AS A TOP PRIORITY.

### **OUR WORKFORCE**

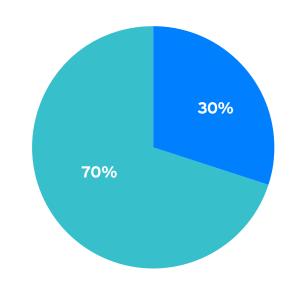
Our diverse workforce offers and delivers flexibility, adaptability, and capacity for innovation. We are a binational company by definition and, based on our talented team and firm commitment to the values that define us, we work together and collaborate to achieve our goals.



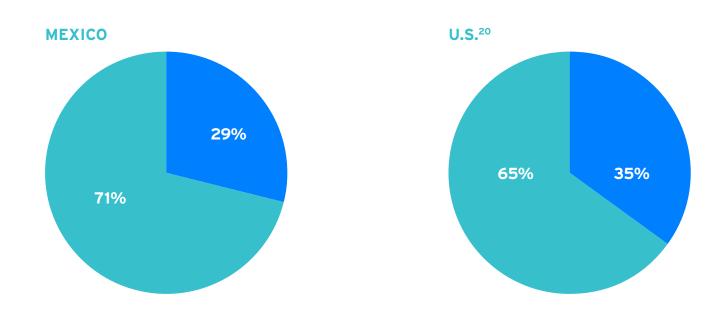
### **WORKFORCE BY GENDER 2021**

Women Men

### **SEMPRA INFRASTRUCTURE**



AT SEMPRA INFRASTRUCTURE,
WOMEN MAKE UP 30% OF THE
COMPANY'S WORKFORCE.



<sup>&</sup>lt;sup>20</sup> This data represents employees who participated in voluntary self-identification reporting.

### **HEALTH & SAFETY**

We recognize the importance of occupational health and safety in our operations, and for that reason, the health, safety and security of our workforce, customers, and communities are at the center of everything we do. We strive to maintain world-class health and safety performance.

OUR VALUES HAVE ALWAYS GUIDED THE
COMPANY'S ACTIONS EVERY STEP OF THE
WAY. PROTECTING HEALTH AND SAFETY
IN THE WORKPLACE IS EMBEDDED IN
SEMPRA INFRASTRUCTURE'S CULTURE.



### **PERFORMANCE**

Sempra Infrastructure is implementing a series of actions to strengthen and permeate our health and safety culture among our employees. These efforts include drills and training courses on health and safety, which have contributed to operations that maintain high safety standards and have met our health and safety performance indicators with high marks:

• ECA LNG Phase 1<sup>21</sup> registered a total of 1 million hours worked with no lost-time incidents.

Sempra Infrastructure Mexico's training on health & safety

1,581
Trainings in 2021

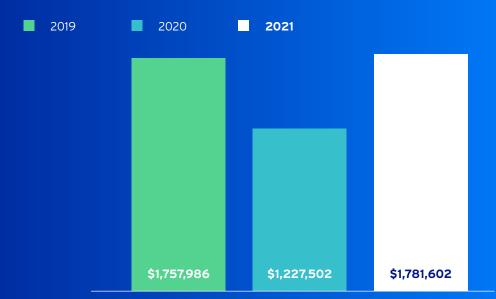
199
Safety Drills in 2021

- Sempra Infrastructure U.S. had two recordable injuries out of approximately 2.5 million hours worked, across different projects.
- Cameron LNG Phase 1 received the safety award granted by the National Safety Council in recognition of a world-class achievement by industry standards of more than 89 million hours worked without a single lost-time incident during construction and the transition to operations.
- In Mexico, we aim to certify 100% of facilities under ISO 45001 by 2030. By the end of 2021, we had achieved 59% of our goal.

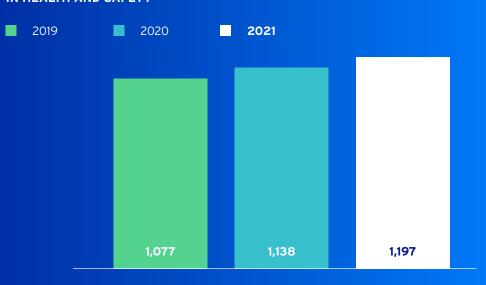
### <sup>21</sup> Project currently under construction and targeting initial production of LNG by the end of 2024.

#### **SEMPRA INFRASTRUCTURE MEXICO\***





## HISTORICAL NUMBER OF EMPLOYEES WHO RECEIVED TRAINING IN HEALTH AND SAFETY



<sup>\*</sup> Historical data not available for Sempra Infrastructure U.S.

### **COMMUNITY ENGAGEMENT**

### **SOCIAL INVESTMENT**

We provide aid for our communities through the various community support and investment programs that we manage, both at the corporate level, through Fundación Sempra Infraestructura in Mexico and the Sempra Foundation in the U.S., and through actions carried out by the different business lines.

Our social investment strategy aligns with the needs identified in the communities where we operate, and our overarching values and principles guide our investments.

US\$ 9,979,555



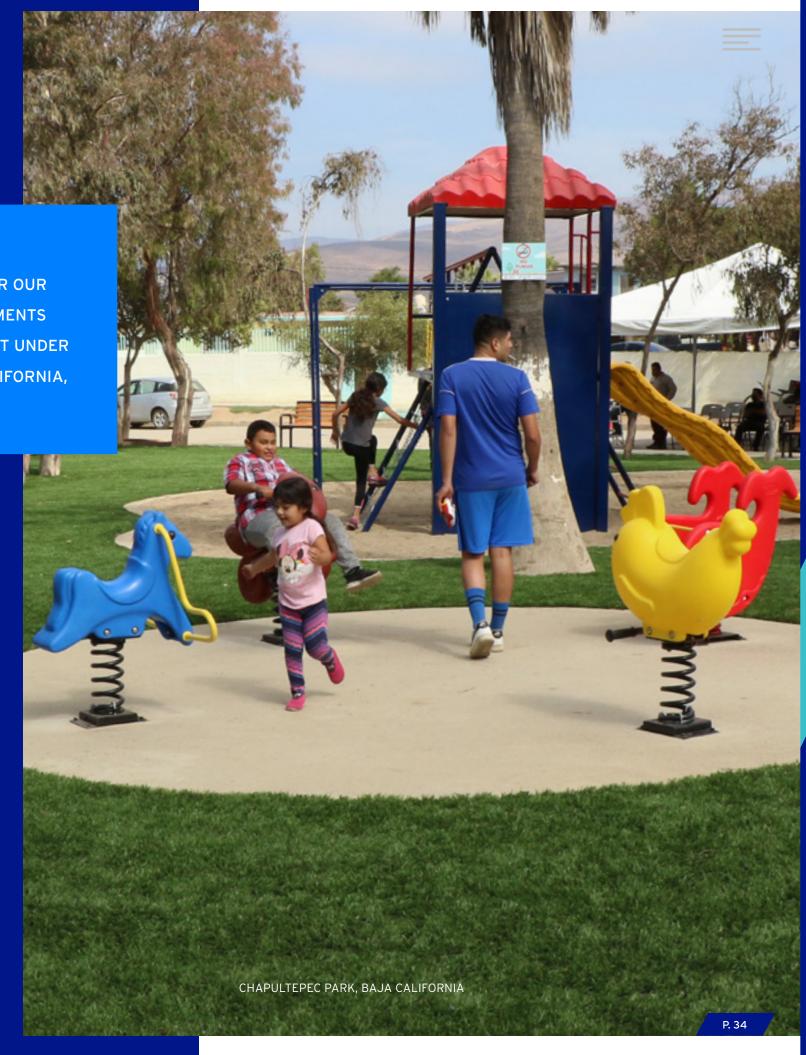
#### **MEANINGFUL SOCIAL INVESTMENT**

IN OUR WORK TO DEVELOP AND EMPOWER OUR COMMUNITIES, WE MADE SOCIAL INVESTMENTS THROUGH OUR ECA LNG PHASE 1 PROJECT UNDER CONSTRUCTION IN ENSENADA, BAJA CALIFORNIA, WITH A US\$ 6 MILLION CONTRIBUTION.

FORM LASTING RELATIONSHIPS.

CONSISTENT WITH OUR CORE VALUES AND GUIDING PRINCIPLES, WE SEEK TO BE AN INTEGRAL PART OF THE COMMUNITIES WHERE WE OPERATE AND TO

<sup>&</sup>lt;sup>22</sup> This amount includes corporate giving figures for both Mexico and the U.S. For Sempra Infrastructure Mexico, the figure includes donations made by Fundación Sempra Infraestructura and social investments made by the company's business units, operating assets, joint ventures, and by projects under construction (some contributions were made in-kind and are related to project compliance, regulations, or public consultations). For Sempra Infrastructure U.S. the figure includes cash donations, excluding in-kind contributions and donations related to project compliance, regulations or public consultations.



### **OUR PROGRAMS**

THE COMPANY AIMS TO BUILD AN

ENGAGEMENT MODEL BASED ON WORLD-

CLASS PRACTICES AND MAKE IT

APPLICABLE TO ALL ITS INTERACTIONS

WITH THE COMMUNITY.

### **U.S. PROGRAMS**

Active involvement in the communities in which we operate is fundamental to the success of our organization. We are proud of the relationships that we have built with community members and, every year, we seek to enhance those relationships by focusing on our four Giving Priority Areas:

### **ENVIRONMENTAL STEWARDSHIP**

In 2021, Cameron LNG awarded a US\$ 15,000 grant to the Moore-Odom Wildlife Foundation to protect against coastal erosion near Hackberry, LA. The area is home to many species of wildlife, including migrant land birds, alligators, and the rare Crested Caracara.



## EMERGENCY PREPAREDNESS AND SAFETY

During the month of September 2021, volunteers participated in Hunger Action Month by partnering with the Houston Food Bank and the San Diego Food Bank. Together, our volunteers helped fill 4,600 bins of food, providing over 3,600 meals that were donated to those in need. Through the cumulative actions of our employees, we are making a positive difference in our communities. Together, we are shaping the future.



### **EDUCATION**

Each year since its inception, Cameron LNG has provided US\$ 20,000 in scholarship funds to the foundations at McNeese State University and SOWELA Technical Community College. To date, Cameron LNG has given \$189,500 to Cameron Parish School graduates pursuing higher education.



## ECONOMIC PROSPERITY AND LEADERSHIP DEVELOPMENT

At Sempra Infrastructure, we contribute to community development by investing in programs to help promote workforce readiness and support diverse businesses.

### **MEXICO PROGRAMS**

We aim to contribute to the well-being of the communities where we operate. We have implemented a variety of programs aimed at improving the quality of life of millions of Mexicans, both through social investment projects carried out by our construction and operating assets, as well as through our foundation.

WE FOCUS ON COMMUNITY PROGRAMS

THAT PROVIDE BENEFITS

IN THE MEDIUM- AND LONG-TERM,

IN FOUR AREAS OF GIVING:



### **EDUCATION**

#### Aligning to SDGs:







Supported projects

8

2019

2020

2021

\$244,743

\$617,971

\$130,480

### FUNDACIÓN SEMPRA INFRAESTRUCTURA<sup>23</sup>

Fundación Sempra Infraestructura is a social investment foundation created in 2015 to support organizations, projects, and programs that contribute to the well-being and development of the communities in which we operate.

Our primary areas of giving are education, environment, vulnerable groups, and community services.

At Fundación Sempra Infraestructura, our mission is to transform lives by supporting organizations and programs that contribute to the development of the communities to which we belong.

### **ENVIRONMENT**



Supported projects 8 2019

0 2020

2021

Social Investment (US\$) \$364,999

\$9,680



<sup>&</sup>lt;sup>23</sup> Formerly Fundación IEnova.



### **VULNERABLE GROUPS**







Supported projects

11

9

13

\$258,046

\$143,654

\$190,637

### **COMMUNITY SERVICES**



Aligning to SDGs:









Supported projects

8 2019

19 2020

> 9 2021

Social Investment (US\$)

\$390,412 2019

\$2,412,863

\$1,148,412



FUNDACIÓN SEMPRA
INFRAESTRUCTURA INVESTED
US\$1,479,209 DURING
2021 TO SUPPORT 30 PROJECTS
AND 17 ORGANIZATIONS.



## ONGOING SUPPORT FOR INDIGENOUS COMMUNITIES

IN OUR WORK TO SUPPORT LOCAL

COMMUNITIES AND VULNERABLE SOCIAL

GROUPS, WE CONTINUED TO STRENGTHEN

OUR RELATIONSHIP WITH THE YAQUI TRIBE IN

SONORA, MEXICO, OVERCOMING THE

DIFFICULTIES BROUGHT ABOUT BY THE

PANDEMIC. WE CONTINUED OUR SUPPORT

PROGRAMS THAT INCLUDE SCHOLARSHIPS FOR

INDIGENOUS UNIVERSITY STUDENTS, THE

RESTORATION OF THE BELEM CEREMONIAL

CENTER OF THE YAQUI COMMUNITY, AND THE

IMPLEMENTATION OF A PLATFORM TO OFFER

ONLINE TRAINING.





### CONTACT

### IF YOU HAVE ANY QUESTIONS OR COMMENTS, PLEASE CONTACT OUR SUSTAINABILITY DIVISION.

THIS EXECUTIVE SUMMARY IS A TRANSLATION OF THE ORIGINAL ENGLISH VERSION.

IN CASE OF DISCREPANCY, THE ENGLISH VERSION PREVAILS.

#### **SAN DIEGO HEADQUARTERS**

SAN DIEGO, CALIFORNIA, USA
488 8<sup>TH</sup> AVENUE
SAN DIEGO, CALIFORNIA 92101

#### SEMPRA'S HOUSTON CENTER OF EXCELLENCE

HOUSTON, TEXAS, USA
1500 POST OAK BOULEVARD, WESTSIDE
HOUSTON, TEXAS 77056

#### **MEXICO CITY HEADQUARTERS**

MEXICO CITY, MEXICO

PASEO DE LA REFORMA 342 24<sup>TH</sup> FLOOR

MEXICO CITY, COL. JUÁREZ 06600



SUSTAINABILITY REPORT FULL VERSION

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sustainability@sempraglobal.com