



SUSTAINABILITY A GOOD BUSINESS MOVE

LA Latino Chamber of Commerce
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What is Sustainability in Business

- » In business, sustainability refers to doing business without negatively impacting the environment, community, or society as a whole.
- » Sustainability in business generally addresses two main categories:
 - The effect business has on the environment
 - The effect business has on society



Why Sustainability?

- » With everything else a business must encounter, why should sustainability be something to invest time and energy?
- » Who thinks a sustainability is beneficial?



Other Notable Institutions



“we’ve seen the perception of sustainability move from a noble—but perhaps unrealistic—goal to a target increasingly set by government regulation, then to a nice-to-have corporate brand enhancer.

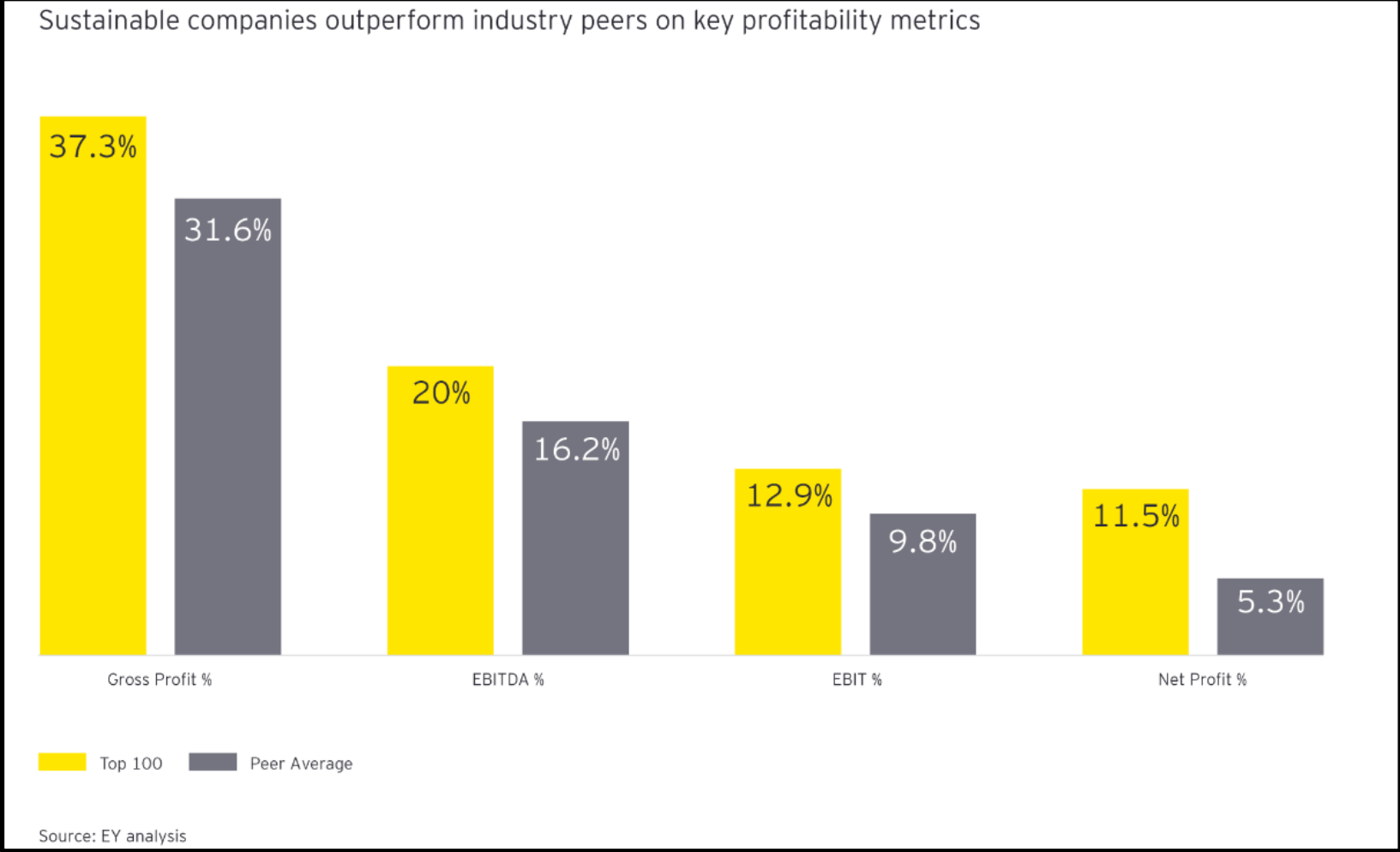
Now it has become a boardroom and operational imperative focused on growth, resilience, and competitive advantage.”



“Environmental, social, and governance (ESG) metrics are often used to determine how ethical and sustainable an organization is.

Companies with high ESG ratings consistently outperform the market in both the medium and long term. While sustainability strategies might be an investment in the short term, they can lead to long-term benefits.”

Performance of Sustainable Companies





BENEFITS OF SUSTAINABILITY FOR BUSINESS

Benefits of Sustainability in Business

» You'll Protect Your Brand and Mitigate Risks

- By instituting a sustainable strategy that protects the environment and your workers, you also protect yourself from any damaging incidents.
- Reputation Management
 - Ending up on a social media because of some type of a scandal is a company's worst nightmare. Not only do improper practices damage an organization's reputation and cost it customers, but dealing with a public relations disaster can divert valuable human and financial resources from the core business.



Benefits of Sustainability in Business

» Being Purpose-Driven Is a Competitive Advantage

- Making your company an organization that does good in the world—rather than just a place that provides a paycheck—can be a competitive advantage when attracting the best talent.
- People view sustainability as a plus. Going green shows the world you care about more than just making money. You can use this to your advantage when marketing your business and developing your brand identity.
- Sustainability doesn't detract from business goals, and infusing your company with purpose can help attract a motivated, skilled workforce that drives financial success.



Benefits of Sustainability in Business

» Increases Bottom Line

- Reduced business costs
- An improved reputation
- More innovative strategies
- More new customers and business partners who value sustainability
- All these elements work to increase the amount of money sustainable businesses earn





ENVIRONMENTAL IMPACT AND REDUCING COSTS

Environmental Impact

» What is your company's footprint?

- How to get started:

The Sustainability Project

- <https://www.tspproject.org/euissca/>

- EPA Greenhouse Gas Calculator

- <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

- GHG Protocol Emissions Calculator Tool

- https://ghgprotocol.org/sites/default/files/GHG%20Emissions%20Calculation%20Tool_0.xlsx

- » This one will ask you to download an Excel spreadsheet

- ## » Companies are or will be asking for your Greenhouse Gas (GHG) footprint – out of necessity



Social Sustainability in Business

- » From a business perspective, social sustainability is about understanding the impacts of corporations on people and society.
 - Least quantifiable of the of the triple bottom line: social, environmental, financial/governance
- » Companies that raise the importance of social sustainability recognize the significance of their relationships with people, communities and society
- » Social sustainability mitigates risk.
- » Companies who are more transparent about their supply chains have reaped the benefits from consumers who are willing to spend more for products that are more ethical.



Reducing Costs

» You may already be doing sustainable activities to help reduce costs. Are you capturing these actions?

- Are you a utility customer?
- Reducing paper usage / digitize
- Do you have a recycling program in place?
- Reduce travel in the name of a more sustainable workplace
- Innovative strategies
- EPA funding



Efficiency Gains and Sustainability

- » Efficiency in business operations is a universal requirement. It involves deploying resources optimally to achieve business objectives without compromising environmental sustainability.
 - Decreasing carbon emissions
 - Process efficiencies
 - Optimizing waste management
 - Streamlining Workflows
 - Boost in overall productivity






SUSTAINABILITY AT SOCALGAS

Sustainability at SoCalGas

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ASPIRE 2045
 Sustainability and Climate Commitment to Net Zero

SoCalGas
 Sempra Energy

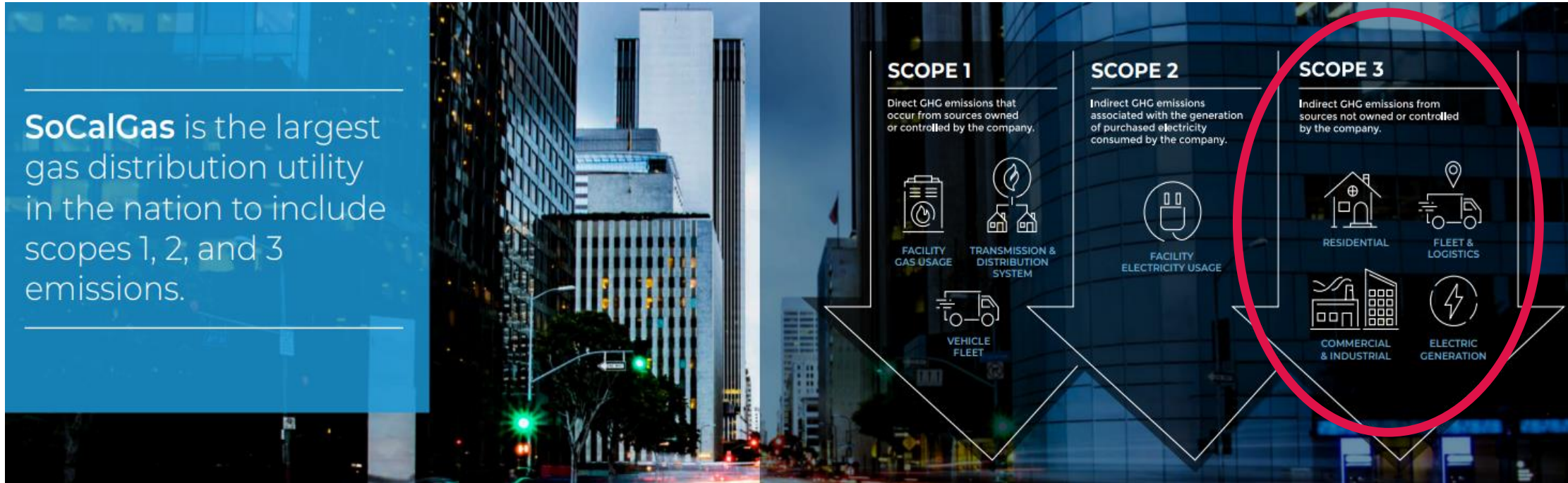
<p>» Enabling the Energy TRANSITION</p> <p>The intersection of clean energy technologies, sound policy, and capital investments, will accelerate the affordable energy transition.</p> <p>The energy transition requires expanding on proven and new technologies in energy efficiency, renewable natural gas, renewable electricity, fuel cells, hydrogen, and carbon management.</p> <p>We commit to investing in a diverse portfolio of technologies and applications to decarbonize.</p>	<p>» Driving Resilient OPERATIONS</p> <p>Infrastructure is our business. SoCalGas operates over 100,000 miles of transmission and distribution pipelines and storage assets, and over six million customer meters across 500+ communities.</p> <p>Our resilient underground pipeline infrastructure prevents, withstands, adapts to, and quickly recovers from disruption, to enhance and complement an energy ecosystem made of clean electrons and clean molecules.</p>
<p>» Championing PEOPLE & COMMUNITIES</p> <p>We put our employees and the communities we serve first.</p> <p>Our employees are our most valuable resource. We place the highest priority on their wellness, safety, and empowerment.</p> <p>We invest in our communities through purposeful charitable giving, partnerships, and volunteerism.</p> <p>We will continue to cultivate our workplace and communities to promote an inclusive and respectful environment that thrives on diversity.</p>	<p>» Achieving World Class SAFETY</p> <p>As the nation's largest gas distribution utility, with over 7,800 employees serving 22 million customers, safety is foundational to our business.</p> <p>SoCalGas' Safety Management System (SMS) framework embeds safety in everything we do. SMS enhances our safe operations, strengthens our safety culture, and improves our overall safety performance within our workplace and communities.</p>

» SCG's Aspire 2045 [Link to Aspire](#)



Aspire 2045

For Additional Information on this Topic:
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» *SoCalGas has committed to sustainable elements in all areas of our company*

- *Our climate commitment is to achieve net zero greenhouse gas emissions in our operations and delivery of energy by 2045*
- *SoCaGas Facilities, Fleets, Operations*



Supply Chain Sustainability

For Additional Information on this Topic:
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- » *SoCalGas is committed to working with our Supplier/Partners to develop a sustainability partnership to meet the challenge of a sustainable future and to prepare for the upcoming requirements*
- » *Expectations are from all utilities and industry in California and across the nation to become more sustainable. This is an opening to enhance your business opportunities across the board*
- » *Regulations are right around the corner*



Regulations

For Additional Information on this Topic:
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- » *Federal – SEC has already enacted a ruling to require companies to report on all three scopes. The phased rollout is currently scheduled to roll out in 2024 using 2023 data*
- » *California SB 253 - Climate Corporate Accountability Act*
- » *California SB 261 - Climate-Related Financial Risk Act*
- » *California SB 252 - California Climate Accountability Package*



Supply Chain Sustainability and You

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QUESTIONS?

» *SoCalGas' Supplier Diversity and Supply Chain Sustainability Teams are here to assist!*

