Priority sustainability issues

We recognize that an informed sustainability strategy is critical to delivering long-term business value.

We continue to look to our priority sustainability issues as a guide for our corporate efforts and reporting. In 2020, we concluded an in-depth assessment to identify the issues most important to our company and our stakeholders, considering both current and potential long-term impacts.

The Electric Power Research Institute (EPRI) conducted the assessment over seven months. It defined sustainability as the balance of economic, environmental and social issues and decisions to support the long-term viability of our business, the community and the environment. The assessment incorporated industry research as well as feedback from:

- Internal stakeholders, including executive leadership and select employees from across the organization, both management and represented.
- Key external stakeholders, including regulators, investors, nongovernmental organizations, customers, academic institutions and suppliers.

We have used the results of this project to develop strategies and drive changes designed to meet and exceed stakeholder expectations. Our priority sustainability issues also helped us to structure our sustainability disclosures and ongoing stakeholder engagement.

Our priorities and the United Nations Sustainable Development Goals (SDGs)

Delivering reliable, affordable energy to our customers, reducing greenhouse gas emissions, and building and maintaining safe, resilient infrastructure are central to our business. These commitments align directly with three of the U.N. SDGs:

- Affordable and clean energy (Goal 7)
- Industry, innovation and infrastructure (Goal 9)
- Climate action (Goal 13)

In addition, we have programs and initiatives in place that promote local improvements related to seven other development areas, noted on the following page.











Our priority sustainability issues

• Associated U.N. SDGs

Climate Strategy

Physical and transitional risks and opportunities presented by greenhouse gas emissions management and climate adaptation

• Affordable and Clean Energy; Climate Action

Community Engagement

Corporate philanthropy and citizenship

• Partnerships for the Goals; Quality Education

Customer Satisfaction

Evolving customer expectations about energy products and services

• Affordable and Clean Energy

Cybersecurity

Digital infrastructure and customer privacy

Economic Development

Energy programs and products that support and grow local business to drive economic vitality

O Decent Work and Economic Growth

Empowered Employees

Employee benefits and development opportunities that create an inclusive culture, positive relationships and a skilled, diverse workforce

• Decent Work and Economic Growth; Quality Education

Energy Affordability

Ability of residential customers to pay energy billsAffordable and Clean Energy

Energy Reliability

Reliability and resiliency across operations

O Industry, Innovation and Infrastructure

Environmental Responsibility

Managing impacts to natural resources and ecosystems due to operational inputs and outputs, such as water and waste

• Clean Water and Sanitation; Life on Land; Responsible Consumption and Production

Financial Discipline

Investments that generate long-term returns and competitive access to capital

• Affordable and Clean Energy; Industry, Innovation and Infrastructure

Government Relations

Responsible engagement with public officials and agencies on matters of importance to the company and stakeholders

• Affordable and Clean Energy

Innovation

Emerging technologies that present both risks and opportunities for the company

• Affordable and Clean Energy; Industry, Innovation and Infrastructure

Operational Performance

Efficiency of assets and processes that produce business value

• Affordable and Clean Energy; Industry, Innovation and Infrastructure

Safety and Health

Safety and health of employees, contractors and the public with respect to company operations

• Decent Work and Economic Growth; Good Health and Well-Being

Stakeholder Transparency

Stakeholder access to company representatives and information that enhances dialogue

• Partnerships for the Goals

Strategic Governance

Business processes and diverse leadership to enable ethical and effective operations

Supply Chain Integrity

Supplier sustainability performance and risk management O Decent Work and Economic Growth