



2021

Corporate Sustainability Report



Photo credit: BoxPower, Inc.

Explore the report at: www.pgecorp.com/sustainability



PG&E's Triple Bottom Line

PG&E's responsibilities as an energy provider go far beyond our core mission of providing safe, reliable, affordable and clean energy to our 16 million customers. We also have a responsibility to build a better future for everyone whose lives we touch.

This means delivering for our hometowns, serving our planet and leading with love. It means making it right and making it safe. It means helping drive clean energy technologies, while also ensuring that their benefits are accessible to all. And it means helping communities build resilience against climate change—as well as thwarting climate change—in ways that leave no one behind.

Unlike some companies that only serve the bottom line, our vision of corporate sustainability at PG&E is captured in our “triple-bottom line” approach to doing business—serving People, the Planet, and California's Prosperity—underpinned by strong operational Performance.

To help guide our decisions, we have defined PG&E's Purpose and Who We Are as an organization—creating a vision for our work ahead as we begin the next era of our company.

OUR PURPOSE

Delivering for our hometowns
Serving our planet
Leading with love

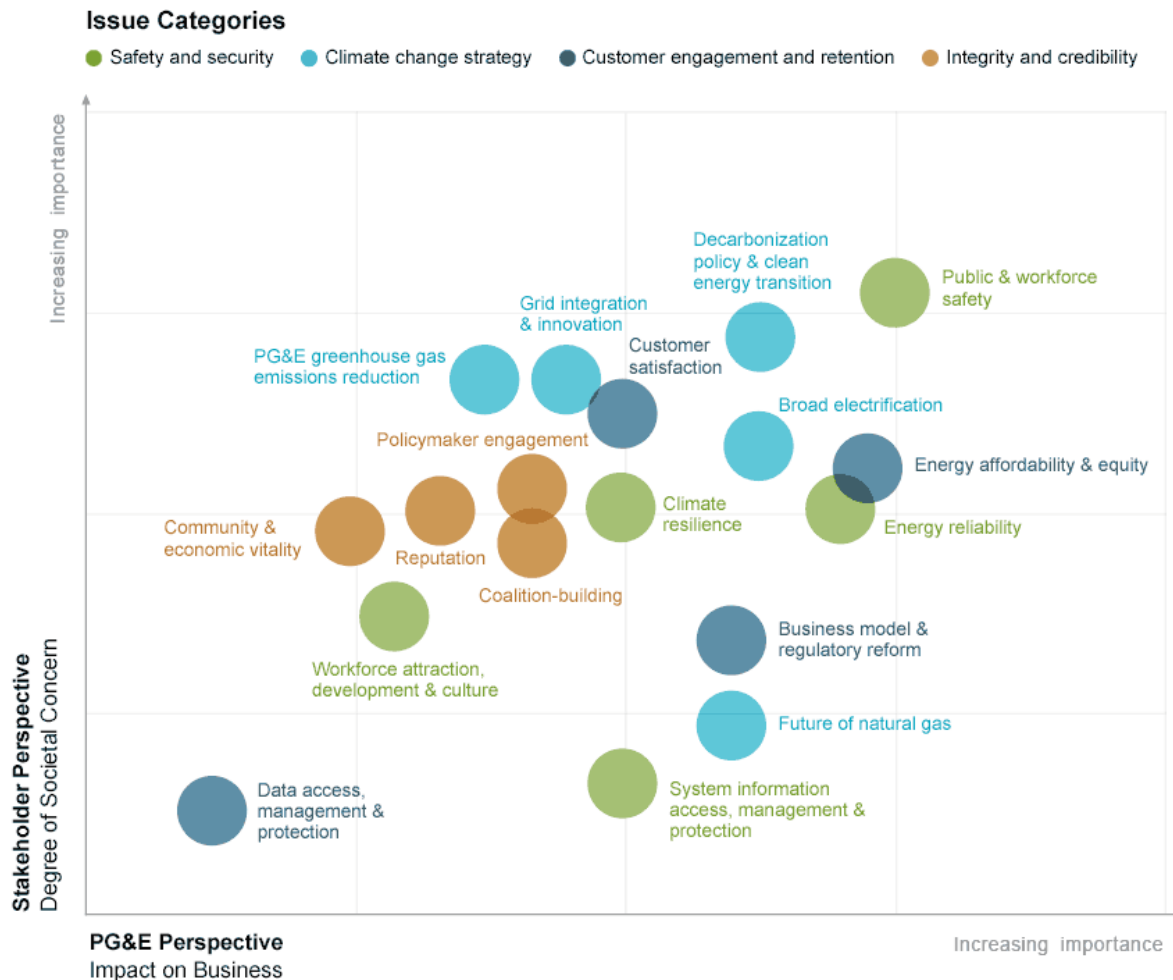
WHO WE ARE

Trustworthy
Empathetic
Curious
Tenacious
Nimble
Owners

Materiality

To further strengthen PG&E's sustainability focus, and to inform our overall corporate strategy, PG&E completed our most recent materiality assessment for corporate sustainability in 2017. The assessment was a strategic project to help us identify topics that are material to the long-term sustainability of our business. Consistent with best practice, we plan to begin our next materiality assessment in 2021.

Our most recent assessment integrated input from our stakeholders, identified opportunities and risks, and sharpened our corporate sustainability strategy and reporting. The assessment identified 18 issues, grouped into four categories: safety and security, climate change strategy, customer engagement and retention, and integrity and credibility.



Engaging Stakeholders

To meet our commitments, it is essential that PG&E listen to the needs, expectations and guidance of our many stakeholders. PG&E seeks engagement across a broad spectrum of voices to help shape our thinking about how to deliver better outcomes for the many constituencies we serve.

Examples of our sustainability and community engagement include:

- **Sustainability Advisory Council**, which provides independent expertise to help ensure that PG&E's business strategy, operations and future energy network incorporate sustainability best practices to improve service now and in the future.
- **California Community Advisory Group**, which serves as a forum for the exchange of ideas between PG&E and a diverse mix of community-based and civic organizations.
- **People with Disabilities and Aging Advisory Council**, comprised of a diverse group of recognized leaders from community-based organizations who support our most vulnerable customer populations.

- **Customer Advisory Group**, a new forum to strengthen our strategic engagement with large customers to better serve them and meet their needs.
- **Local Stakeholder Advisory Groups**, which discuss major projects and topics relevant to the local area.

PG&E has significantly enhanced our wildfire safety education and awareness efforts to improve customer preparedness and safety. We are listening to our customers and local and tribal governments about how we can do better by taking feedback and acting on what we hear.

PG&E also convenes various stakeholder advisory groups for specific areas, including outreach strategies for diverse and hard to reach communities, clean transportation programs, and PG&E's Diablo Canyon decommissioning plan on future land use and repurposing recommendations.



PG&E partnered on a pilot to train Native American tribal members on vegetation management—leveraging traditional and cultural learnings—through a four-week course held on the ancestral lands of Robinson Rancheria.

Key Sustainability Indicators

Performance

2020 Result Legend: ■ = Target met or exceeded ■ = Target not met

| Metric | 2020 Target | 2020 Result | 2021 Target |
|--|-------------|-------------|--------------------|
| Wildfire Safety | | | |
| System Hardening (line miles): Installing stronger poles, covered lines and/or targeted undergrounding | 241 | 342 | 180 |
| Enhanced Vegetation Management (line miles): Meeting and exceeding state vegetation and safety standards | 1,800 | 1,878 | 1,800 |
| Enhanced and Targeted Inspections Inspecting distribution, transmission and substation equipment to address potential risks | See note 1 | See note 2 | See note 1 |
| High-Definition Cameras (cameras): Improving real-time monitoring of high-risk areas and conditions | 200 | 216 | 135 |
| Weather Stations (stations): Enhancing weather forecasting and modeling | 400 | 378 | 300 |
| Sectionalizing Devices (devices): Separating the distribution grid into smaller sections for more targeted PSPS events | 592 | 603 | 250 |
| Transmission Line Switches (devices): Providing switching flexibility and sectionalization to lessen downstream customer impacts for PSPS events | 23 | 54 | 29 |
| Gas Operations | | | |
| Strength-Tested Transmission Pipeline (miles) | 33.1 | 39.2 | 27.4 |
| Transmission Pipeline Replacement³ (miles) | 34.0 | 24.1 | 19.6 |
| Valves Automated (number of valves) | 20 | 21 | 14 |
| Retrofitted Transmission Pipeline (projects) | 14 | 14 | 12 |
| Gas Dig-Ins⁴ (dig-ins per 1,000 Underground Service Alert tickets) | 1.44 | 1.11 | 1.14 |
| Electric Operations | | | |
| System Average Interruption Frequency Index (SAIFI) average number of outages per customer | 1.136 | 1.179 | 1.217 |
| System Average Interruption Duration Index (SAIDI) average duration of outages per customer in minutes | 147.6 | 153.2 | 160.3 |
| Customers experiencing five or more sustained outages (CEMI-5) | 3.12% | 3.56% | 2.63% ⁵ |

Performance (continued)

2020 Result Legend: ■ = Target met or exceeded ■ = Target not met

| Metric | 2020 Target | 2020 Result | 2021 Target |
|---|-------------|-------------|-------------|
| Nuclear Operations | | | |
| Diablo Canyon Power Plant Reliability and Safety⁶ | 95.0 | 92.5 | 87.5 |
| Ethics and Compliance | | | |
| Employees Completing Annual Compliance and Ethics Training | 99.8% | 99.9% | 99.8% |
| Employees Completing Annual Code of Conduct Training | 99.8% | 99.9% | 99.8% |

1. The 2020 target was to complete annual inspection cycles in Tier 3 and inspections every three years for Tier 2 High Fire Threat Districts (HFTD). The 2021 targets include: (1) Substations: complete inspections on all transmission and distribution substations and power generation switchyards in Tier 3 and Zone 1 annually and once every three years (~33%) for Tier 2 by July 31; (2) Transmission and Distribution: complete 100% of Tier 3 and Zone 1 and ~33% of Tier 2, plus high consequence Tier 2 structures by July 31.

2. Transmission: completed 100% Tier 3 and ~33% Tier 2; Distribution: completed 98% Tier 3 and ~33% Tier 2; Substation: completed 66% Tier 3; Tier 2 ongoing as part of three-year cycle.

3. Includes mileage from both pipeline replacement and pipeline retirement projects.

4. In 2020, Gas Dig-Ins measured the total number of first, second and third-party dig-ins (i.e., damage from a third party resulting in repair or replacement of an underground PG&E facility).

5. Prior to 2021, this metric measured both unplanned and planned outages excluding major event days (MEDs). However, for 2021, this metric definition was updated to only measure unplanned outages (excluding MEDs) and also excludes any PSPS outages not occurring on MEDs.

6. Refers to the sum of 11 performance indicators developed by the nuclear power industry for nuclear power generation. Diablo Canyon Power Plant fell short of its 2020 target due to three maintenance outages related to the Unit 2 main generator, resulting in reduced generation compared to the forecast.

People

2020 Result Legend: ■ = Target met or exceeded ■ = Target not met

| Metric | 2020 Target | 2020 Result | 2021 Target |
|---|-------------|-------------|-------------|
| Public Safety | | | |
| Gas First-Time In-Line Inspections ¹ | 164.7 | 299.7 | 408.5 |
| Gas Emergency Response ² (minutes) | 20.8 | 20.5 | 20.8 |
| Electric Emergency Response ³ (percentage within 60 minutes) | 96.5% | 97.2% | 96.6% |
| Employee Safety | | | |
| Days Away, Restricted or Transferred (DART) Rate ⁴ | 0.90 | 1.34 | 0.91 |
| Preventable Motor Vehicle Incidents Rate ⁵ | 2.41 | 2.61 | 2.48 |
| Employee Engagement | | | |
| Employee Giving Campaign Pledges/Donations (participation rate) | 35% | 33% | 35% |
| Employee Engagement Index ⁶ | 68 | 72 | 74 |
| Career Pathways | | | |
| Training Effectiveness ⁷ | 4.45 | 4.61 | 4.45 |
| PowerPathway Graduates Hired into Industry Jobs (percentage) | 80% | 93% | 85% |
| Health and Wellness | | | |
| Workforce Unavailable Due to Health ⁸ | 7.7% | 6.3% | 7.4% |

1. Measures the successful completion of first-time in-line inspections of newly constructed natural gas transmission lines.

2. Average response time in minutes to an immediate response gas emergency order.

3. Percentage of time that PG&E personnel are on site within 60 minutes after receiving a 911 call of a potential PG&E electric hazard.

4. Measures how frequently DART cases occur for every 200,000 hours worked, or for approximately every 100 employees.

5. Measures the number of preventable motor vehicle incidents occurring that the driver could have reasonably avoided, per 1 million miles driven.

6. This figure represents the percentage of favorable responses to questions on a coworker survey that measures coworker engagement. PG&E conducts a full coworker survey every two years to allow time to execute on action plans to address issues identified in the prior survey; the next full coworker survey will be in 2022.

7. This figure measures the effectiveness of PG&E's internal training program on a five-point scale through employee surveys on predictive data from employees on their ability to use training on the job.

8. Percentage of full-time employees unavailable for work due to long term or short-term health reasons, as measured by total workdays lost for the entire year.

Planet

2020 Result Legend: ■ = Target met or exceeded ■ = Target not met

| Metric | 2020 Target | 2020 Result | 2021 Target |
|---|-------------|----------------------|-------------|
| Compliance | | | |
| Agency Inspections Without A Written Enforcement Action | 90% | 96% | 95% |
| Natural Resource Stewardship | | | |
| Land Conservation Commitment: ¹ (number of transactions closed) | 12 | 12 | 12 |
| Clean Energy | | | |
| Renewables Portfolio Standard ² (RPS) | 33% | 35.1% | 35.8% |
| Supply Chain Sustainability | | | |
| Supplier Environmental Performance Standards ³ | 75% | 66% | 75% |
| Reducing Our Footprint | | | |
| Avoided Greenhouse-Gas Emissions (metric tons CO ₂) | 260,000 | 371,748 ⁴ | 200,000 |

1. Measures the number of transactions completed as part of our Land Conservation Commitment, through which PG&E is permanently protecting more than 140,000 acres through the donations of fee title and/or conservation easements on watershed lands to public agencies and qualified conservation organizations. In 2020, we completed 12 transactions, which was on target with our 2020 projection.

2. As defined in Senate Bill 1078, which created California's Renewables Portfolio Standard, and Senate Bill 1038, which modified the definition of "in-state renewable electricity generation technology," an eligible renewable resource includes geothermal facilities, hydroelectric facilities with a capacity rating of 30 MW or less, biomass and biogas, selected municipal solid waste facilities, photovoltaic, solar thermal, and wind facilities, ocean thermal, tidal current, and wave energy generation technologies. These figures are preliminary.

3. Represents the percentage of top-tier suppliers that achieve a score of three or higher on a five-point scale relative to key elements of PG&E's Supplier Environmental Performance Standards. Scoring is based on suppliers' responses to an annual survey conducted by the Electric Utility Industry Sustainable Supply Chain Alliance. The target was not met as some suppliers failed to provide specific information on reduction targets. In response, PG&E has increased efforts to educate suppliers on setting and reporting environmental reduction targets.

4. Represents the third year of PG&E's Million Ton Challenge, a voluntary goal to avoid one million tons of cumulative greenhouse emissions from 2018 through 2022, compared to a 2016 baseline. We remain on track to meet the five-year goal.

California's Prosperity

2020 Result Legend: ■ = Target met or exceeded ■ = Target not met

| Metric | 2020 Target | 2020 Result | 2021 Target |
|---|--------------------|---------------------|-------------|
| Customer Satisfaction | | | |
| Customer Satisfaction Score¹ | 68.1 | 72.0 | 73.1 |
| Customer Connection Cycle Time² (business days) | 10 | 10.1 | 10 |
| Paperless Bills Issued³ (percentage of bills) | 40.5% | 44.2% | 50.7% |
| Energy Affordability | | | |
| Energy Savings Assistance Program (number of homes weatherized) | 104,222 | 86,466 ⁴ | 100,000 |
| California Alternative Rates For Energy (number of eligible customers enrolled) | 1,350,000 | 1,572,573 | 1,450,000 |
| Customer Energy Efficiency⁵ | | | |
| Electricity Saved (GWh) | 955 | 1,732 | 1,000 |
| Natural Gas Saved (Million Therms) | 25 | 36 | 27 |
| Generation Capacity Avoided (MW) | 195 | 292 | 209 |
| Clean Transportation | | | |
| Electric Vehicle Charge Network (number of charge ports) | 4,500 ⁵ | 4,180 ⁶ | 4,500 |
| Supplier Diversity | | | |
| Spending on Certified Diverse Suppliers (percentage of overall purchasing expenditures) | 38.0% | 38.9% | 38.0% |

1. Measures the overall satisfaction of customers with the products and services offered by PG&E, as measured through a customer survey.

2. Tracks the 12-month average design and construction cycle time for electric residential disconnect/reconnect work requested by customers and performed through Express Connections (our customer gateway).

3. Refers to the percentage of total gas and electric customer bills issued in electronic paperless format.

4. Impacted by a COVID-driven program pause due to shelter-in-place orders.

5. Data refers to annual energy savings or the first-year impacts associated with installed customer energy efficiency projects, as appropriate. Targets are based on mandated energy efficiency savings as agreed upon with the CPUC. All data is as filed with the CPUC in Pacific Gas and Electric Company's Energy Efficiency Program Portfolio Reports. Annual energy savings include savings from codes and standards programs and, per CPUC policy governing energy efficiency goals, include savings from Regional Energy Network or Community Choice Aggregator programs in PG&E's service area, which represented approximately 1% or less of total annual savings.

6. For the safety of PG&E personnel, contractors, customers and site-hosts, the COVID-19 crisis has required an unanticipated, necessary curtailment of EVCN in-person site-host and customer coordination and field construction work. As a result, EVCN work has continued in 2021, shifting the overall program target of 4,500 ports to 2021 or a later date.



Performance

Key Sustainability Indicators

39.2 miles

Miles of strength-tested gas transmission pipeline

603 devices

Sectionalizing devices installed to separate the distribution grid into smaller sections for more targeted PSPS events

Our approximately 37,000 coworkers and contractors are committed to delivering better outcomes and experiences for our customers. Our focus is on transforming our business, culture and energy system to meet our commitment to the “triple bottom line” of people, the planet and California’s prosperity—underpinned by strong operational performance.

In the last year, we’ve worked hard to make substantial changes to the way we do business as a company, but we know there is more to do. In addition to a new CEO, new board of directors and new executive leadership, we are implementing a regional service model to help us improve our safety performance and bring us closer to our customers to:

- Address local issues at the local level faster;
- Reduce outage response times;
- Create faster interconnections for our customers connecting solar or distributed energy to the grid; and
- Build stronger relationships and information flow between us and our customers.

These changes are just a few of our broader efforts to become a company that is able to consistently deliver on our commitments to customers and communities.

Highlights

Invested \$7.6 billion to enhance and upgrade our infrastructure for safety, reliability and wildfire mitigation.

Made our Public Safety Power Shutoff program more targeted and focused. We achieved:

- 55% fewer customers impacted on average compared to 2019, exceeding our 33% goal;
- Restoration of 96% of impacted customers within 12 daylight hours; and
- More precise weather forecasting to determine the need for PSPS.

Continued to make progress on the core elements of our Wildfire Mitigation Plan, including:

- System hardening;
- Vegetation management;
- Enhanced inspections;
- Improved situation monitoring and modeling; and
- Improved risk assessments in project planning and execution.

Completed substantial work to strengthen our natural gas system, achieving industry-leading gains in process safety, asset management and technology innovation.

Improved financial clarity due to progress in key regulatory cases.



PG&E, Tesla Break Ground on Landmark Energy Storage System

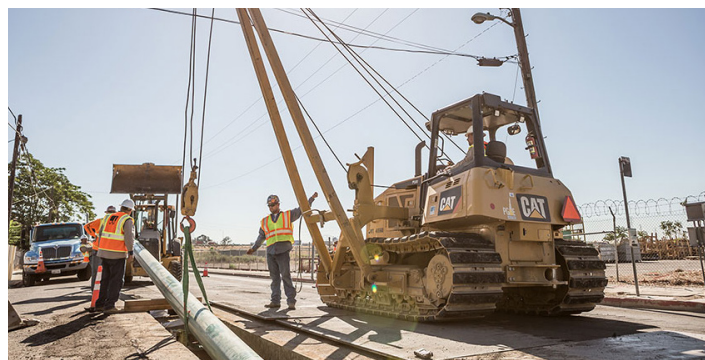
PG&E and Tesla, Inc., are constructing what is planned to be one of the largest utility-owned, lithium-ion battery energy storage systems in the world. Located at PG&E's electric substation in Moss Landing in Monterey County, it will be designed, constructed and maintained by PG&E and Tesla, and owned and operated by PG&E.

Once operational, the benefits of the 182.5 MW facility include enhanced grid efficiency and reliability, the integration of renewable resources and reduced reliance on fossil fuels.

The project will include the installation of 256 Tesla Megapack batteries on 33 concrete slabs. Each unit houses batteries and power conversion equipment in a single cabinet. Transformers and switch gear will be installed to connect the stored energy to the 115-kilovolt transmission system. The system is forecast to save more than \$100 million over 20 years, compared to the amount of energy needed to be procured to meet local demand. Additionally, PG&E and Tesla have an upside option that can dispatch power to the grid for six hours (instead of four) during periods of peak demand.

The system is in proximity to the world's largest battery storage system that was connected to PG&E's grid in December 2020. PG&E has a long-term resource adequacy agreement for the 300 MW capacity at Vistra Energy's Moss Landing Power Plant.

Photo credit: Tesla, Inc.



California's Gas System in Transition

PG&E is taking steps to align its gas business with California's decarbonization and carbon neutrality goals. This includes participating in a stakeholder process on California's Gas System in Transition facilitated by Gridworks.

In 2019, phase 1 of this initiative identified a long-term trend towards decreased natural gas throughput, as well as an increase in capital and ongoing maintenance costs of the gas delivery system. If unmanaged, the result of these trends could, "lead directly to higher rates and potentially higher gas bills for those who continue to use gas if the gas delivery system footprint remains static."

Alongside utility, labor, ratepayer advocates, and social and environmental non-profit stakeholders, PG&E continued participation in phase 2 of the Gridworks initiative, which concluded in early 2021. The phase 2 final report, *Gas Resource and Infrastructure Planning for California*, lays out a proposed approach to long-term gas planning for California that aims to reduce gas system costs, promote equity, ensure a just transition for gas workers and maintain a financially viable gas utility. The report calls for collective action across state agencies and can be used to support the CPUC in its gas system planning.

Based on the results of Phase 2, Gridworks is expected to turn their attention to developing policies and piloting solutions related to workforce management, community engagement and financial issues.

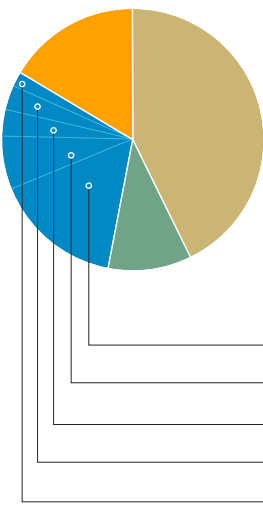


PG&E Overview

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation, is a combined natural gas and electric utility serving more than 16 million people across 70,000 square miles in Northern and Central California.

| Customer Accounts (as of December 31, 2020) | Employees (as of December 31, 2020) | System |
|--|---|---|
| 5.5 million electric distribution accounts: <ul style="list-style-type: none"> 4.8 million residential 0.7 million commercial, industrial and other | Approximately 24,000 regular employees Approximately 15,000 employees are covered by collective bargaining agreements with three labor unions: <ul style="list-style-type: none"> International Brotherhood of Electrical Workers (IBEW), Local 1245, AFL-CIO Engineers and Scientists of California/ International Federation of Professional and Technical Engineers (ESC/IFPTE), Local 20, AFL-CIO and CLC Service Employees International Union (SEIU), Local 24/7 | <ul style="list-style-type: none"> 7,662 MW of PG&E-owned hydroelectric, nuclear, natural gas, solar and fuel cell generation Approximately 108,000 circuit miles of electric distribution lines (about 25% underground and 75% overhead) and approximately 18,000 circuit miles of electric transmission lines Approximately 43,500 miles of gas distribution pipelines, 6,300 miles of backbone and local gas transmission pipelines and three gas storage facilities \$7.6 billion in capital investments to enhance and upgrade PG&E's infrastructure for safety, reliability and wildfire mitigation |
| 4.5 million natural gas distribution accounts: <ul style="list-style-type: none"> 4.3 million residential 0.2 million commercial and industrial | | |

PG&E's 2020 Electric Power Mix Delivered to Retail Customers¹



| | |
|---------------------------|-------|
| Eligible Renewable: | 30.6% |
| Fossil Fuel-Fired: | 16.4% |
| Nuclear: | 42.8% |
| Large Hydroelectric: | 10.1% |
| Others, Net: ² | 0.0% |

Composition of PG&E's 2020 Total Eligible Renewable Resources³

Percent of Bundled Retail Sales (Power Content Label)

| | |
|-------------------------|-------|
| Solar: | 15.9% |
| Wind: | 8.3% |
| Geothermal: | 2.6% |
| Biomass and Waste: | 2.6% |
| Eligible Hydroelectric: | 1.2% |

1. Numbers may not add up to 100 due to rounding.

2. The allocation of bundled retail sale amounts and "Others, Net" is consistent with current California Energy Commission guidelines, applied to specified electric generation and procurement volumes (i.e., fossil fuel-fired, nuclear, large hydroelectric, and renewable). Total reported generation and procurement volumes equate to actual electric retail sales.

3. As defined in Senate Bill 1078, which created California's Renewables Portfolio Standard, and Senate Bill 1038, which modified the definition of "in-state renewable electricity generation technology," an eligible renewable resource includes geothermal facilities, hydroelectric facilities with a capacity rating of 30 MW or less, biomass and biogas, selected municipal solid waste facilities, photovoltaic, solar thermal, and wind facilities, ocean thermal, tidal current, and wave energy generation technologies. These figures are preliminary and will not be finalized until verified by the California Energy Commission.

Net Operating Capacity Of Owned Generation Facilities¹

| Facility | Net Operating Capacity (MW) |
|--|-----------------------------|
| Fossil Fuel-Fired Plants | |
| Colusa Generating Station ² | 657 |
| Gateway Generating Station ² | 580 |
| Humboldt Bay Generating Station ² | 163 |
| Fuel Cell Facilities | 3 |
| Other Plants | |
| Diablo Canyon Power Plant ³ | 2,240 |
| Hydroelectric Facilities | 3,867 |
| Solar Photovoltaic Facilities | 152 |
| Total | 7,662 |

1. As of December 31, 2020

2. Natural gas power plant

3. Nuclear power plant

General Energy Production Statistics

| | 2018 | 2019 | 2020 ³ |
|--|---------------|---------------|-------------------|
| Total Electricity Generated (GWh net)¹ | 32,749 | 33,849 | 29,326 |
| <i>Fossil Fuel-Fired Plants (GWh net)</i> | <i>6,332</i> | <i>6,321</i> | <i>6,393</i> |
| Colusa Generating Station (GWh net) | 2,992 | 3,029 | 3,038 |
| Gateway Generating Station (GWh net) | 2,940 | 2,873 | 2,855 |
| Humboldt Bay Generating Station (GWh net) | 385 | 405 | 484 |
| Fuel Cell Facilities (GWh net) | 16 | 14 | 16 |
| <i>Other Plants (GWh net)</i> | | | |
| Diablo Canyon Power Plant (GWh net) | 18,297 | 16,195 | 16,310 |
| Hydroelectric Facilities (GWh net) | 7,814 | 11,051 | 6,345 |
| Solar Photovoltaic Facilities (GWh net) | 310 | 283 | 277 |
| Electricity Purchased (GWh) | 20,099 | 27,210 | 24,602 |
| Retail Electricity Sales (GWh)² | 48,832 | 35,956 | 35,838 |

1. Net of electricity used to operate plants. Data may not add up due to rounding.

2. Excludes sales to direct access and community choice customers, and sales to railroads and railways.

3. Data is based on metered generation as of May, 2021.

Natural Gas Throughput

| | 2018 | 2019 | 2020 |
|--|---------|---------|---------|
| Total Natural Gas Throughput (million cubic feet or MMcf)¹ | 881,279 | 866,897 | 848,705 |

1. Includes interdepartmental natural gas sales for the purpose of electric generation but excludes other interdepartmental natural gas sales.

System Investments

Approximately \$7.6 billion in capital investments in 2020 to enhance and upgrade PG&E's infrastructure for safety, reliability and wildfire mitigation.

Contribution to State and Local Revenues

PG&E is a major contributor to the revenue that state and local governments depend on to fund critical public services. In addition to property taxes, PG&E pays franchise fees to cities and counties for the right to use public streets for gas and electric facilities.

Franchise Fee And Property Tax Payments

| | 2018 | 2019 | 2020 |
|--|---------------|---------------|---------------|
| Franchise Fees¹ | \$160,040,020 | \$170,960,278 | \$177,826,686 |
| Property Tax Payments² | \$520,137,440 | \$509,466,117 | \$537,281,558 |

1. Includes franchise fee surcharges and city franchise surcharges.

2. Property tax payments are based on a fiscal year (not calendar year).

Financial Performance

The financial information below is derived from PG&E Corporation's Consolidated Financial Statements at December 31, 2019 and December 31, 2020, unless otherwise indicated, which include the accounts of PG&E Corporation, the Utility and other wholly owned and controlled subsidiaries.

Financial Highlights¹

(unaudited, in millions, except share and per share amounts)

| | 2019 | 2020 |
|---|--------------------|----------------------|
| Operating Revenues | \$17,129 | \$18,469 |
| Income (Loss) Attributable to Common Shareholders | | |
| Non-GAAP core earnings ² | 2,074 | 2,020 |
| Non-core items ³ | (9,730) | (3,338) |
| Reported Consolidated Income Attributable to Common Shareholders | (7,656) | (1,318) |
| Income Per Common Share, Diluted | | |
| Non-GAAP core earnings ² | 3.93 | 1.61 |
| Non-core items ³ | (18.43) | (2.66) |
| Reported Consolidated Net Earnings Per Common Share, Diluted | (14.50) | (1.05) |
| Dividends Declared Per Common Share⁴ | 0 | 0 |
| Total Assets at December 31 | \$85,196 | \$97,856 |
| Number of Common Shares Outstanding at December 31 | 529,236,741 | 1,984,678,673 |

1. This is combined information of PG&E Corporation and Pacific Gas and Electric Company (the "Utility"). PG&E Corporation's Consolidated Financial Statements include the accounts of PG&E Corporation, the Utility, and subsidiaries, and have been prepared in accordance with Generally Accepted Accounting Principles ("GAAP"). All amounts presented in the table above are tax-adjusted at PG&E Corporation's statutory tax rate of 27.98%, except for certain Wildfire-related and Chapter 11-related costs, which are not tax deductible. Amounts may not sum due to rounding.

2. "Non-GAAP core earnings" is a non-GAAP financial measure and is calculated as income available for common shareholders less items non-core items. "Non-GAAP core earnings per share", also referred to as "non-GAAP core EPS", is a non-GAAP financial measure and is calculated as non-GAAP core earnings divided by common shares outstanding (diluted). PG&E Corporation and the Utility use non-GAAP core earnings and non-GAAP core EPS to understand and compare operating results across reporting periods for various purposes including internal budgeting and forecasting, short- and long-term operating planning, and employee incentive compensation. PG&E Corporation and the Utility believe that non-GAAP core earnings and non-GAAP core EPS provide additional insight into the underlying trends of the business, allowing for a better comparison against historical results and expectations for future performance. Non-GAAP core earnings and non-GAAP core EPS are not substitutes or alternatives for GAAP measures such as consolidated income available for common shareholders and may not be comparable to similarly titled measures used by other companies.

3. "Non-core Items" include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods, consisting of the items listed in the table below. Amounts may not sum due to rounding.

Year Ended December 31 (in millions, except per share amounts)

| | Earnings | | Earnings per Common Share (Diluted) | |
|--|------------------|------------------|-------------------------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| PG&E Corporation's Loss on a GAAP basis | \$(1,318) | \$(7,656) | \$(1.05) | \$(14.50) |
| Non-core items: | | | | |
| Amortization of wildfire fund contribution | 297 | — | 0.24 | — |
| Investigation remedies | 223 | — | 0.18 | — |
| Bankruptcy and legal costs | 2,651 | 180 | 2.11 | 0.34 |
| 2019-2020 Wildfire-related costs, net of insurance | 213 | — | 0.17 | — |
| Prior period net regulatory recoveries | (46) | — | (0.04) | — |
| 2017-2018 Wildfire-related costs | — | 8,761 | — | 16.59 |
| Electric asset inspection costs | — | 557 | — | 1.05 |
| Locate and mark penalty | — | 39 | — | 0.07 |
| 2019 GT&S capital disallowance | — | 193 | — | 0.3 |
| PG&E Corporation's Non-GAAP Core Earnings | \$2,020 | \$2,074 | \$1.61 | \$3.93 |

For information about Non-core items in 2019 and 2020, see PG&E Corporation's and the Utility's annual reports on Form 10-K for the years ended December 31, 2019 and December 31, 2020, respectively.

4. The quarterly cash dividend on PG&E Corporation's common stock was suspended beginning with the fourth quarter of 2017.

For more information, see PG&E Corporation's and Pacific Gas and Electric Company's 2021 Joint Annual Report to Shareholders or Annual Report on Form 10-K for year ended December 31, 2020, which have been filed with the U.S. Securities and Exchange Commission.

About this Report

Throughout this report, when we refer to "PG&E," we are discussing all of PG&E Corporation and its subsidiaries, including Pacific Gas and Electric Company. When we refer to the "Utility," we are discussing Pacific Gas and Electric Company. Unless otherwise indicated, the statements in this report are made as of August 2, 2021. The inclusion of information in this report should not be construed as a characterization regarding financial materiality, which is defined by the Securities and Exchange Commission, of that information.



Electric Operations

Enhancing and strengthening our infrastructure, including making substantial investments to upgrade the electric grid and our operations, is central to our mission to provide safe and reliable energy.

We continue to make progress, but we have much work to do in this area, which is why we are taking decisive action to repair or replace aging electric assets, implement enhanced and additional safety precautions and integrate new technologies to further reduce wildfire risks and help keep the customers and communities safe in the areas we serve.

As we build a smarter grid designed to incorporate new energy technologies and to give our customers increased flexibility, choice and value, PG&E gains greater visibility to improve operational performance and more effectively integrate renewable energy with conventional sources.

Our Approach



High winds can cause tree branches and debris to contact energized electric lines, damage our equipment and cause a wildfire. California continues to experience an increase in wildfire risk and a longer wildfire season. Today, nearly one-third of the electric lines that provide our customers with power are now in High Fire-Threat District (HFTD) areas, as designated by the CPUC.

The Fire-Threat Map identifies areas across California that have the highest likelihood of a wildfire impacting people and property, and where additional action may be necessary to reduce wildfire risk:

- Tier 3 areas are at extreme risk for wildfire
- Tier 2 areas are at elevated risk for wildfire
- Zone 1 Tier 1 High Hazard Zones are areas with high numbers of dead and dying trees

We all need to work together—PG&E, our government and all Californians—to adapt our electric system to the growing threat of wildfires, while also helping our customers prepare for and mitigate service interruptions under our Public Safety Power Shutoff (PSPS) Program. We all rely on electricity every day, and we will continue to work with our customers on solutions that minimize risks to our infrastructure during times of high fire-threat.

For the safety of our customers and communities, we may need to turn off power during severe weather to help prevent wildfires. This is called a PSPS and it continues to be a necessary tool as a last resort. While PG&E is determined to keep our customers safe from wildfires and reduce the impact of PSPS events, the ongoing drought and the conditions will determine the number of times we will need to shut off power, without compromising safety.

We have a responsibility to our customers to quickly improve the safety of our system. Our Community Wildfire Safety Program (CWSP) includes short-, medium- and long-term plans to reduce wildfire risk and keep our customers and communities safe. Focus areas include:

- **Supporting customers and communities** before, during and after PSPS events by providing more resources and working year-round and nonstop to improve our PSPS Program.
- **Meeting and exceeding state vegetation standards** with our Enhanced Vegetation Management Program to manage trees and other vegetation located near power lines that could cause a wildfire or power outage.
- **Continuing to build a safer and more resilient system** by hardening lines and installing sectionalizing devices that help to reduce the size of PSPS events.
- **Testing and using new tools and technologies** to pinpoint how to best prevent and respond to the risk of wildfires.

Our wildfire safety program is evolving each year to reflect lessons learned and demonstrate progress on key initiatives:

- **Installing 250 sectionalizing devices** able to limit the size of outages so fewer communities are without power during times of highest wildfire threat.
- **Hardening 180 distribution circuit miles** to increase system resiliency.
- **Meeting and exceeding state vegetation and safety standards** across 1,800 miles to manage vegetation near power lines that could cause a wildfire or power outage.
- **Installing switches** to redirect power and keep communities energized.
- **Installing microgrids** that use generators to keep the electricity on during PSPS events.
- **Utilizing additional state-of-the-art weather tools**, including weather stations and high-definition cameras, to improve extreme weather forecasting that will help better predict and target where and when PSPS events are necessary.
- **Monitoring conditions** in real-time from our Wildfire Safety Operations Center to coordinate wildfire prevention and response.
- **Inspecting all lines and structures** in Tier 3 areas and one-third of lines and structures in Tier 2 areas on the CPUC Fire-Threat Map to help reduce wildfire risks caused by equipment issues.

2020 Milestones

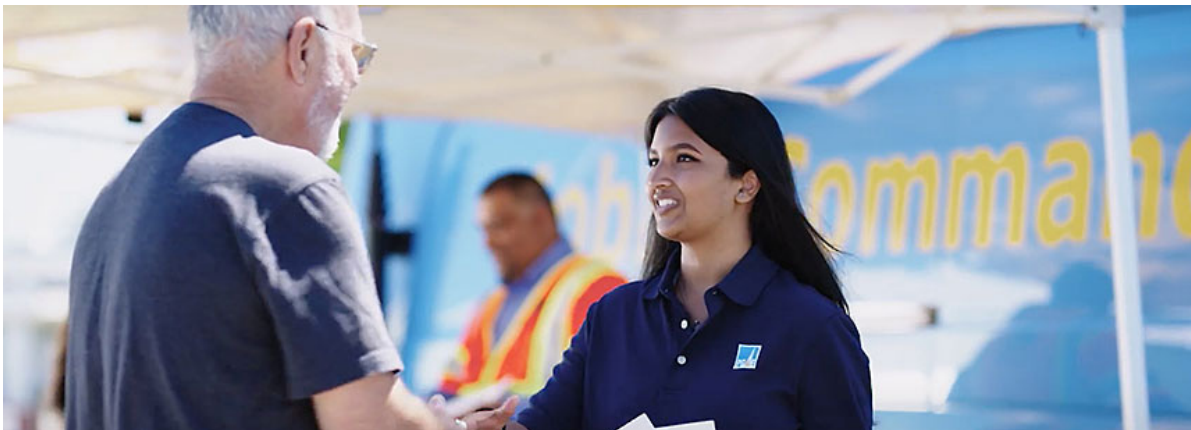
In 2020, we worked to make our PSPS program more targeted and focused. We achieved:

- 55% fewer customers impacted on average compared to 2019, exceeding our 33% goal;
- Restoration of 96% of impacted customers within 12 daylight hours; and
- More precise weather forecasting to determine the need for PSPS.

We did this by using better weather monitoring data and technology that allows us to make more granular decisions, installing more than 600 sectionalizing devices to shut off power to smaller groups of customers and installing microgrids and temporary generation to keep facilities energized in key locations.

We are also continuing to evolve and improve to keep our customers safe and reduce the impacts of PSPS events. There is no single solution to reducing the risk of wildfires. That is why we are:

- **Continuing to upgrade the electric grid** by hardening power lines to reduce wildfire risks.
- **Installing sectionalizing devices** to narrow the scope of PSPS events so fewer customers are without power.
- **Piloting new technologies** that detect threats to the electric grid and rapidly reduce or shut off power, thus reducing the need for larger PSPS events.
- **Installing microgrids** that use generators to keep the electricity on during PSPS events.



Helping Customers and Communities Before, During and After PSPS Events

PG&E will not take any chances with customer safety. We know that losing power disrupts lives, especially if you rely on power for medical devices or medications. To reduce the impact of PSPS events, we are listening to our customers and responding to feedback by providing more information and better resources. This year, we are:

- **Partnering with 10+ more community-based organizations** (CBO) to provide portable batteries and hotel stays to those with medical needs; we had more than 250 partnerships in 2020.
- **Providing an additional 5,000 batteries** covering all interested low-income Medical Baseline customers in high fire-threat areas; we provided 6,500 batteries in 2020.
- **Increasing meal replacement options** from local food banks to cover every county likely to be impacted. Our goal is 46 food banks in 2021, compared to 36 in 2020.
- **Offering rebate programs** for customers who rely on well water and purchase generation.
- **Opening more Community Resource Center locations**, targeting 370 total sites in 2021.
- **Providing emergency information in 16 languages** and partnering with CBOs to conduct multilingual outreach.
- **Providing better information** via phone, email and text about when power will be turned off and back on.
- **Providing an option for non-account holders** to receive a direct notification in advance of and during a PSPS for any addresses of interest.
- **Conducting extra outreach to Medical Baseline customers**, including additional notifications, phone calls or a doorbell ring, to ensure they're aware and can make preparations to stay safe.

Measuring Progress

The average time a PG&E customer was without power (SAIDI) was 153.2 customer-minutes, and the average number of power interruptions per customer (SAIFI) was 1.179, or just more than one outage per customer per year. Both results fell short of our target due to a variety of factors, including heat-related outages experienced in the second half of the year and our strategy to disable reclosers in high-fire-threat areas to help prevent wildfires.

Electric Reliability Progress¹

| | 2020 Target | 2020 Actual |
|---|-------------|-------------|
| Average duration of outages per customer in minutes (SAIDI) | 147.6 | 153.2 |
| Average number of outages per customer (SAIFI) | 1.136 | 1.179 |

1. Almost all of the 2020 PSPS outages exceeded the Major Event Day threshold and were not included in the 2020 reliability metrics.

PG&E also works to reduce the number of customers who experience five or more sustained outages, measured as a percentage of the total customers served; however, with a result of 3.56%, we fell short of our 3.12% target due to many of the same factors impacting SAIDI and SAIFI. We exceeded our target for the percentage of time that PG&E personnel were on site within 60 minutes after receiving a 911 call of a potential PG&E electric hazard—achieving 97.2% relative to our target of 96.5%.

Electric System Progress

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------|-------|-------|-------|-------|-------|-------|
| Customers experiencing five or more sustained outages (CEMI-5) | 1.71% | 1.35% | 2.10% | 1.81% | 2.61% | 3.20% | 3.56% |
| Electric Emergency Response (percentage within 60 minutes) | 94.1% | 97.1% | 98.3% | 96.6% | 97.9% | 95.3% | 97.2% |



Renewable Energy and Storage

PG&E delivers some of the nation's cleanest energy, while also working to keep service safe, reliable and affordable for customers. We strongly support California's clean energy policies, renewable goals and efforts to limit and adapt to climate change, as clean energy is foundational to this work.

Our Approach

PG&E is committed to meeting California's vision for a sustainable energy future in a reliable and cost-effective manner for customers. SB 100 increased California's Renewables Portfolio Standard (RPS) target to 60% by the end of 2030 and requires 100% of retail sales to come from eligible renewables or zero-carbon resources by the end of 2045. Additionally, a state Executive Order directs all sectors of the California economy to achieve carbon neutrality by 2045 and to be net greenhouse gas negative thereafter.

In recent years, the dynamics of California's energy landscape have changed, highlighted by the expansion of retail customer choice and the growth of distributed generation, such as private rooftop solar. As a result of these changes, PG&E is managing and optimizing our existing portfolio, including selling surplus renewable energy. This ultimately influences our end-of-year RPS position.

Reflecting California's changing energy landscape, the CPUC approved in 2018 several key elements of a joint proposal with labor and environmental organizations that would phase out PG&E's production of nuclear power in California by 2025 while still meeting California's greenhouse gas reduction goals.



Renewable Energy Progress

The majority of our renewable energy comes from contracts with third-party companies. As of February 2021, PG&E's RPS-eligible portfolio included 239 contracts for more than 6,700 MW of contracted capacity. PG&E also has 51 utility-owned RPS-eligible generation facilities representing more than 450 MW of additional capacity.

In 2020, two California projects under contract began delivering renewable energy to PG&E customers:

- **Midway Solar Farm:** a 50-MW solar photovoltaic contract with X-Elio Energy, S.L. in Imperial County
- **Still Water Power:** a 1-MW bioenergy contract with Still Water Power, L.L.C. in Kings County

The Utility executed three small bioenergy contracts and one small hydroelectric contract, each under 30 MW, in 2020.

RPS Resources—As of February 2021¹

RPS-Eligible Active Contracts²

| Type | Number of Contracts | MW |
|----------------------------|---------------------|--------------|
| Bioenergy | 38 | 325 |
| Geothermal | 3 | 272 |
| Small Hydroelectric | 62 | 199 |
| Solar Photovoltaic (PV) | 112 | 3,395 |
| Solar Thermal | 4 | 741 |
| Wind | 20 | 1,780 |
| Total RPS Contracts | 239 | 6,711 |

RPS-Eligible Utility-Owned Generation (UOG)

| Type | Number of Units | MW |
|----------------------|-----------------|------------|
| Small Hydroelectric | 38 | 293 |
| Solar PV | 13 | 153 |
| Total RPS UOG | 51 | 445 |

1. Numbers may not add up due to rounding.

2. Includes new RPS procurement through the RPS, RAM, RAM for PV Program, PV Request for Offers, Qualified Facilities, Renewable Energy Market Adjusting Tariff (ReMAT), Bioenergy Market Adjusting Tariff (BioMAT), and Renewable Energy Credit transactions.

Measuring Progress

In 2020, about 85% of the electricity we supplied was greenhouse-gas free. More than 35% of our delivered electricity came from RPS-eligible sources, including solar, wind, geothermal, small hydroelectric, and various forms of bioenergy. We continue to deliver some of the nation's cleanest energy, and we are well on our way to meet the state's 60% by 2030 renewable energy mandate.

The chart below shows our overall electricity supply mix for 2020, which included the electricity PG&E generated and procured as a percent of retail sales using the method required by the California Energy Commission (CEC) for the Power Content Label. This methodology differs from the CPUC's method to determine renewable energy percentages for RPS compliance and therefore results in a lower renewable energy percentage.

PG&E's 2020 Electric Power Mix Delivered to Retail Customers

| Percent of Bundled Retail Sales (Power Content Label) ¹ | |
|--|-------|
| Eligible Renewable | 30.6% |
| Fossil fuel-fired | 16.4% |
| Nuclear | 42.8% |
| Large Hydroelectric | 10.1% |
| Others, Net^{2, 3} | 0.0% |

1. Numbers may not add up to 100 due to rounding.

2. The allocation of bundled retail sale amounts and "Others, Net" is consistent with current California Energy Commission guidelines, applied to specified electric generation and procurement volumes (i.e., fossil fuel-fired, nuclear, large hydroelectric, and renewable). Total reported generation and procurement volumes equate to actual electric retail sales.

3. Amount is mainly comprised of net California Independent System Operator open market (sales)/purchases.

Composition of PG&E's 2020 Total Eligible Renewable Resource¹

Percent of Bundled Retail Sales (Power Content Label)

| | |
|------------------------|--------------|
| Solar | 15.9% |
| Wind | 8.3% |
| Geothermal | 2.6% |
| Biomass and Waste | 2.6% |
| Eligible Hydroelectric | 1.2% |
| Total | 30.6% |

1. As defined in Senate Bill 1078, which created California's Renewables Portfolio Standard, and Senate Bill 1038, which modified the definition of "in-state renewable electricity generation technology," an eligible renewable resource includes geothermal facilities, hydroelectric facilities with a capacity rating of 30 MW or less, biomass and biogas, selected municipal solid waste facilities, photovoltaic, solar thermal, and wind facilities, ocean thermal, tidal current, and wave energy generation technologies. These figures are preliminary and will not be finalized until verified by the California Energy Commission.



PG&E, Tesla Break Ground on Landmark Energy Storage System

PG&E and Tesla, Inc., are constructing what is planned to be one of the largest utility-owned, lithium-ion battery energy storage systems in the world. Located at PG&E's electric substation in Moss Landing in Monterey County, it will be designed, constructed and maintained by PG&E and Tesla, and owned and operated by PG&E.

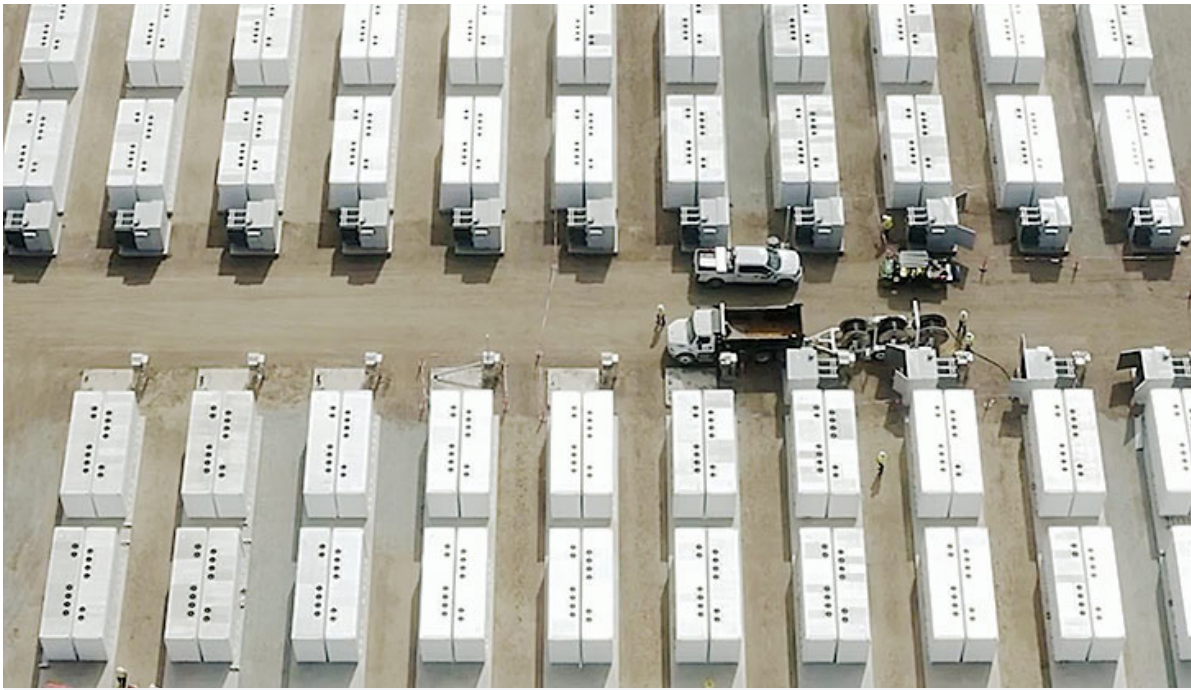
Once operational, targeted for August 2021, the benefits of the 182.5 MW facility include enhanced grid efficiency and reliability, the integration of renewable resources and reduced reliance on fossil fuels.

The project will include the installation of 256 Tesla Megapack batteries on 33 concrete slabs. Each unit houses batteries and power conversion equipment in a single cabinet. Transformers

and switch gear will be installed to connect the stored energy to the 115-kilovolt transmission system. The system is forecast to save more than \$100 million over 20 years, compared to the amount of energy needed to be procured to meet local demand. Additionally, PG&E and Tesla have an upside option that can dispatch power to the grid for six hours (instead of four) during periods of peak demand.

The system is in proximity to the world's largest battery storage system that was connected to PG&E's grid in December 2020. PG&E has a long-term resource adequacy agreement for the 300 MW capacity at Vistra Energy's Moss Landing Power Plant.

Photo credit: Tesla, Inc.



Energy Storage Progress

PG&E is on track to meet our mandated energy storage procurement targets to ensure reliable electric service, integrate more renewable energy in California and support customer energy needs. Overall, PG&E has contracts for utility-scale battery storage totaling more than 1,400 MWs to be deployed throughout our service area through 2023.

The Utility received CPUC approval in 2020 for five energy storage projects totaling 423 MW, intended to further integrate clean energy from renewable generation sources while ensuring future reliability of the electric system. The projects feature lithium-ion battery energy storage systems, each with a four-hour discharge duration. The new systems will either be co-located with solar or geothermal plants or be built as part of new energy storage projects.

In December 2020, the Utility requested approval for 387 MW of additional energy storage from six projects slated for completion by August 2023. These projects complete a two-phase solicitation process for new system reliability procurement that will help integrate increasing amounts of renewable energy and meet peak summer demand.

The six projects are as follows:

- **The Nexus Renewables U.S. Inc. Project** is an agreement for a fleet of behind-the-meter battery energy storage resources totaling 27 MW located across a variety of sites in PG&E's service area.
- **The Lancaster Battery Storage, LLC Project** is an agreement for a 127 MW transmission-connected stand alone battery energy storage resource located in Lancaster, California (Los Angeles County).
- **The LeConte Energy Storage, LLC (a subsidiary of LS Power Associates, L.P.) Project** is an agreement for a 40 MW transmission-connected stand alone battery energy storage resource located in Calexico, California (Imperial County).
- **The North Central Valley Energy Storage, LLC (a wholly owned subsidiary of NextEra Energy Resources Development, LLC) Project** is an agreement for a 132 MW transmission-connected battery energy storage resource located in Linden, California (San Joaquin County).
- **The Daggett Solar Power 2, LLC (a subsidiary of Global Infrastructure Partners) Project** is an agreement for a 46 MW transmission-connected battery energy storage resource co-located with the Daggett 3 Project in Daggett, California (San Bernardino County).
- **The Daggett Solar Power 3, LLC (a subsidiary of Global Infrastructure Partners) Project** is an agreement for a 15 MW transmission-connected battery energy storage resource co-located with the Daggett 2 Project in Daggett, California (San Bernardino County).

Photo credit: Tesla, Inc.



Gas Operations

At PG&E, we are dedicated to safely and reliably delivering clean and affordable natural gas to the four million customers we are privileged to serve. To meet this objective, we design, build, maintain and operate a safe and state-of-the-art natural gas system—and have earned first quartile industry performance in gas emergency response and the rate of total dig-ins.

Our Approach

As the owner and operator of one of the largest natural gas systems in the United States, PG&E is responsible for an integrated transmission, storage and distribution system that consists of approximately 50,000 miles of natural gas pipeline. The system includes 43,500 miles of distribution main pipeline (as well as additional mileage associated with individual gas services), 6,600 miles of backbone and local transmission pipeline and three gas storage facilities. The system also includes nine natural gas compressor stations, which receive and move natural gas through our pipeline network.

Our focus remains on maintaining and operating this system safely and reliably, with public and workforce safety as the single most important driver of our work. While we have made progress in key safety areas, we are continuously improving as part of our commitment to gas safety excellence.

To verify that progress, we benchmark against other leading companies and seek third-party certification, which requires an extensive audit process led by Lloyds Register. In addition, our safety management system provides the structure to systematically manage and maintain operational excellence in asset management, safety culture and process safety, with a commitment to continuous improvement and in compliance with best-in-class industry standards.



Meeting Industry Standards for Gas Operations Safety

PG&E strives for continuous improvement, and validation from third-party experts demonstrates that we are making progress towards our safety goals.

- **American Petroleum Institute Recommended Practice (API) 1173**, the industry standard on pipeline safety management systems:
 - 2020 and 2018: successfully recertified as compliant
 - 2015: became the first company in the U.S. to receive certification of compliance
- **API RP 754**, Process Safety Performance Indicators:
 - 2020: confirmed continued compliance
 - 2019: certified as compliant
- **International Organization for Standardization (ISO) 55001 and Publicly Available Specification (PAS) 55-1**:
 - 2017 and 2020: recertified for both standards
 - 2014: became one of the first utilities to earn these internationally recognized asset management certifications

2020 Milestones

Gas Transmission System

PG&E continues to invest in the safety and reliability of our gas transmission pipeline system. From 2011 to 2020, we achieved the following results:

- Validated safe operating pressure by strength-testing 1,534 miles of gas pipeline.
- Replaced 272 miles of gas transmission pipeline.
- Automated 381 valves, enabling automatic or remote-control shutoff of gas in an emergency.
- Retrofitted 1,780 miles of gas transmission lines to accommodate in-line inspection tools, or “smart pigs,” which are used to inspect the condition of pipelines using sophisticated technology.

Gas Distribution System

We continue to improve the safety and reliability of PG&E's gas distribution system through enhancements to leak response and repair, the deployment of new tools and technologies, and an overhaul of our approach to records and information management.

PG&E uses a diverse array of state-of-the-art tools to survey and inspect our gas infrastructure by air, land and water. Crews use handheld devices, aircraft equipped with LiDAR technology, leak-detecting cars, boats and all-terrain-vehicles to help identify leaks and make repairs when needed.

We use the Picarro Surveyor™ as a detection vehicle, which is one of the most sensitive methane-detection technologies available, measuring methane in parts per billion. Since 2014, PG&E's Picarro gas leak survey vehicles have enabled us to quickly identify leaks and prioritize them for repair.

Other highlights from 2020 include:

- Reducing the duration of open minor non-hazardous workable leaks to 92 days, exceeding our target of 150 days.
- Responding to gas odor reports in an average of just over 20 minutes.
- Replacing 994 miles of gas main.



California's Gas System in Transition

PG&E is taking steps to align its gas business with California's decarbonization and carbon neutrality goals. This includes participating in a stakeholder process on California's Gas System in Transition facilitated by Gridworks.

In 2019, phase 1 of this initiative identified a long-term trend towards decreased natural gas throughput, as well as an increase in capital and ongoing maintenance costs of the gas delivery system. If unmanaged, the result of these trends could, "lead directly to higher rates and potentially higher gas bills for those who continue to use gas if the gas delivery system footprint remains static."

Alongside utility, labor, ratepayer advocates, and social and environmental non-profit stakeholders, PG&E continued participation in phase 2 of the Gridworks initiative, which concluded in early 2021. The phase 2 final report, *Gas Resource and Infrastructure Planning for California*, lays out a proposed approach to long-term gas planning for California that aims to reduce gas system costs, promote equity, ensure a just transition for gas workers and maintain a financially viable gas utility. The report calls for collective action across state agencies and can be used to support the CPUC in its gas system planning.

Based on the results of Phase 2, Gridworks is expected to turn their attention to developing policies and piloting solutions related to workforce management, community engagement and financial issues.

Embedding Public Safety into our Operating System

PG&E has incorporated numerous public safety measures into our operational goals and plans. Examples include:

- **Installed 381 automatic and remote shutoff valves between 2011 and 2020.** Among the critical investments we've made to enhance the safety of our gas infrastructure, automatic and remote shutoff valves on our transmission pipelines quickly turn off gas in case of emergencies or natural disasters.
- **Increased our ability to conduct in-line inspections to roughly 43%** of the approximately 6,600 miles of our gas transmission system.
- **Experienced 1.05 third-party dig-ins per 1,000 Underground Service Alert (USA) tickets**, outperforming our 2020 target of 1.44 total dig-ins per 1,000 tickets.
- **Achieved an open rate for Grade 2 leaks of 92 days**, exceeding our target of less than 150 days.



We've partnered to develop a new way to characterize meter set leak emissions using traditional soap test results—allowing us to prioritize leak repairs on larger emitters and assess emission reductions.

Reducing Methane Emissions for the Million Ton Challenge

As part of our Million Ton Challenge, PG&E took further steps in 2020 to reduce methane emissions using a variety of innovative techniques that were also implemented to meet regulations from the CPUC and CARB. The Million Ton Challenge is a five-year initiative to reduce one million tons of greenhouse gas emissions from Pacific Gas and Electric Company operations.

We piloted a variety of technologies, including drones, to detect leaks in areas that are difficult to reach on foot. We also continued our vintage pipe replacement program.

We implemented drafting, cross compression, flaring and project bundling—separately and in combination—to reduce the amount of natural gas released to the atmosphere during construction and repair projects on our gas transmission system.¹

Beyond implementing emission reduction strategies, part of the challenge is arriving at methods to measure these reductions. We're testing a new generation of methane detectors, which will be commercialized by RKI instruments. In addition to its high sensitivity, the instrument can identify the source of methane by measuring concentration levels and provides full traceability of leak surveys by collecting high accuracy GPS locations along with methane indications.

We've also partnered with the research consortium OTD to develop a new way to characterize meter set leak emissions using traditional soap test results. This method allows us to prioritize leak repairs on larger emitters and assess emission reductions.

1. Drafting reduces the pressure to the lowest level possible before beginning work, while cross compressions re-injects the natural gas into a nearby pipeline. Flaring oxidizes the methane (through combustion) to CO₂ and water vapor and project bundling combines projects that share the same clearance and occur in the same system.

Measuring Progress

PG&E has met 11 of the 12 safety recommendations from the National Transportation Safety Board (NTSB) report on the San Bruno accident. We are focused on safely and responsibly completing the final recommendation, which includes strength-testing natural gas transmission lines. It is currently in “open-acceptable response” status, indicating that the NTSB regards the Utility’s progress as appropriate and acceptable. Our gas system progress is detailed in the table below.

Gas System Progress

| | 2010 | 2020 |
|--|-------|---------|
| Gas Odor Response Times | | |
| Average response time in minutes | 33.3 | 20.5 |
| Percent response within 60 minutes | 94.4% | 99.6% |
| SCADA¹ Visibility and Control Points | | |
| Transmission pressures and flows | 1,300 | 2,569 |
| Transmission control points | 870 | 963 |
| Distribution pressures and flows | 290 | 4,147 |
| Leak Backlog | | |
| Grade 2 open leak average duration ² (Target: 150 days) | N/A | 92 days |
| Dig-In Reduction | | |
| Excavation damage per 1,000 excavation tickets | 3.5 | 1.05 |
| | 2010 | 2011–20 |
| Gas Transmission | | |
| Miles of pipeline replaced | 9 | >272 |
| Miles of pipeline strength tested | 0 | >1,534 |
| Miles of pipeline made piggable | 130 | >1,780 |
| Automated valves installed | 0 | 381 |
| Gas Distribution | | |
| Miles of main replaced ³ | 27 | 994 |

1. Supervisory control and data acquisition.

2. Grade 2 leaks are non-hazardous.

3. In 2014, all known remaining cast-iron pipe was decommissioned.



PG&E's Support for Biomethane

PG&E maintains a diverse energy portfolio to meet customer needs and is working to add biomethane, a 100% renewable energy resource, to the gas pipeline system in a way that is both safe and helps California address climate change.

Biomethane is a renewable energy resource which is produced from organic matter like agricultural crops, forestry waste, wooden construction waste and manure. Major sources of biomethane are dairies, non-hazardous landfills, wastewater treatment plants and other organic sources.

PG&E is in the process of interconnecting seven renewable natural gas projects, with the first expected to begin injecting pipeline quality gas in the fall of 2021 and three others by the end of the year. In total, the seven projects are expected to provide roughly 16.5 million cubic feet of gas per day. Two projects are the result of the state's SB 1383 Dairy Pilot Program, designed to demonstrate the collection of biomethane from dairy digesters and its injection into natural gas pipelines.



Hydroelectric Operations

PG&E owns and operates one of the nation's largest investor-owned hydroelectric systems, providing safe, reliable and clean energy for millions of customers. In order to both supply our hydroelectric power generation facilities and manage water supplies for fisheries and downstream users, we are committed to managing these water resources in a responsible way.

Our Approach

PG&E's hydroelectric system is spread across California and consists of nearly 100 reservoirs that feed 62 powerhouses and a pumped storage facility, for a total generating capacity of nearly 4,000 MW of clean power. We manage our hydroelectric system to maintain the safety of the public and our workforce, protect wildlife habitat and sensitive species, and maintain popular recreation venues for the communities we serve, including campgrounds, picnic areas, boat launches, trails, fishing streams and whitewater flows.

As a source of consistent, flexible and clean energy, hydropower provides an important balance to help the energy grid integrate intermittent sources of renewable energy such as wind and solar. PG&E works closely with water districts, first responders and regulatory agencies to manage our water resources—whether in times of drought or periods of extreme precipitation. We work together to repair and strengthen infrastructure, manage wildfire risks and mitigate environmental impacts.

PG&E's Dam Safety Program maintains the long-term safety and reliability of our water storage and water conveyance infrastructure and compliance with the regulations of the Federal Energy Regulatory Commission and California's Division of Safety of Dams.

In 2020, we continued to enhance the program with a risk-informed approach and new tools designed to improve the way our engineering teams conduct their dam inspections, surveillance and monitoring. With continuous improvement as a driving principle, we receive external feedback from a panel of established industry experts through the Dam Safety Advisory Board. We also received feedback in 2020 from the CPUC and other stakeholders through the Risk Assessment Mitigation Phase of our General Rate Case.

We continue to make significant investments to maintain and upgrade our dams and water conveyance systems to ensure their ongoing safety and reliability. In addition, we continue to engage with customers in populated areas downstream from PG&E dams through safety outreach.



Efficiently Managing Water to Meet Customer Energy Needs

Water is the fuel for our hydro powerhouses and managing this water efficiently is key to our hydro operations. Our integrated system of dams, reservoirs and water collection facilities enables PG&E to store runoff and aquifer flows and then subsequently use this water to generate power when customers need it most. We perform this “shaping” of the available power generation resources both seasonally and day to day. Doing so also allows us to significantly offset the cost of other power sources when customer demand is high.

2020 Milestones

In 2020, PG&E generated approximately 5.9 billion kWh of zero-carbon hydroelectric energy for the benefit of our customers.

In addition, PG&E stored approximately 624 million kWh of energy through the pumped storage process at our Helms Pumped Storage Plant. Our 2020 day-time pumping (energy storage) was slightly lower than the prior year. Located more than 1,000 feet inside a solid granite mountain, the facility alternately draws water from an upper reservoir to produce electricity when demand is high and pumps it back when demand is low for reuse during the next high-demand period. The site plays a key role in integrating intermittent renewable resources onto the power grid.

Our environmental commitment also includes managing our hydroelectric facilities to enhance and, where possible, restore habitats for fish and other wildlife. As an example of our efforts, we have made progress toward restoring self-sustaining populations of chinook salmon and steelhead trout in Battle Creek. In a collaboration between PG&E and federal and state agencies, Winter-run chinook salmon were introduced into North Fork Battle Creek for the first time, while newly installed facilities at Inskip Dam will prevent mixing of Battle Creek’s North and South Fork waters, enabling fish to return to the Fork with the best habitat for reproduction.

Measuring Progress

We gauge our hydroelectric performance in a number of ways: the reliability of our carbon-free hydroelectric power generation units; our progress on improving public safety around the flumes, canals and other waterways we manage; and our compliance with environmental requirements for our operating licenses.

Our facilities were consistently available 99.8% of the time when they were planned to operate.

Hydropower Reliability¹

| | Target | Actual |
|------|--------|--------|
| 2018 | 98.8% | 96.9% |
| 2019 | 98.5% | 98.6% |
| 2020 | 98.5% | 99.8% |

1. Measures the percentage of time facilities are available when they are planned to operate.

As part of PG&E's wide-ranging public safety program, which includes K-8 education and an extensive dam safety and inspection program, we also track the installation of fencing and gates to further protect the public around PG&E-managed waterways.

In 2020, PG&E exceeded our goal for total area protected by fencing and gating and we are on track for our 2021 goal of 12,850 linear feet.

Area Protected by Fencing and Gating (Linear Feet)

| | Target | Actual |
|------|--------|--------|
| 2020 | 14,000 | 14,833 |
| 2021 | 12,850 | N/A |

PG&E also tracks key indicators of our performance related to maintaining and managing our hydroelectric system and the fish and wildlife habitats that it encompasses:

Environmental Stewardship in Our Hydroelectric Operations—2020

| | |
|---|--------|
| Miles of stream monitored for environmental conditions ¹ | 520 |
| Acres of bird nesting territories monitored ² | 8,264 |
| Acres monitored and/or treated for noxious weed control | 5,646 |
| Acres monitored for use by special status species ³ | 11,756 |

1. Refers to miles of stream monitored for conditions such as water quality/flow, sediment management, habitat quality, fish populations and invasive species.

2. Includes monitoring of bald eagle and other nesting territories at PG&E hydroelectric projects.

3. Special status species include those that are listed under the federal or state Endangered Species Acts or are otherwise given a specific designation by California or a federal resource or land management agency. Monitoring studies are required under various hydroelectric licenses.



Conventional Sources

PG&E's highly efficient natural gas-fired power plants provide a safe and reliable source of energy and contribute to PG&E's diverse portfolio of generation resources, providing the operational flexibility required to add variable renewable energy sources into our power mix to ensure we can meet the future energy needs of our customers.

Our Approach

PG&E operates three natural gas-fired power plants with best-in-class emissions levels and reduced water use via dry cooling:

- Colusa Generating Station
- Gateway Generating Station
- Humboldt Bay Generating Station

As flexible combined-cycle power plants, the Colusa and Gateway Generating Stations are an essential part of PG&E's efforts to successfully integrate more renewable resources into the energy grid. When wind or solar production varies during the day, these facilities can ramp up quickly to meet customers' electricity demand.



About the Facilities

PG&E continues the safe operation of our three natural gas-fired plants:

- **Colusa Generating Station:** This 657-MW combined-cycle natural gas plant features cleaner-burning turbines that allow the plant to use less fuel and emit significantly less NO_x, SO₂ and CO₂ than older plants. “Dry cooling” technology allows the facility to use 97% less water than plants with conventional once-through water cooling systems.

The plant has 530 MW of base capacity and approximately 127 MW of low-cost peaking power that can be used at times when demand is high or in emergencies. In addition, the plant is designed to lower its output when power from renewable resources like wind and solar becomes available. The plant uses a zero-liquid-discharge system that recycles wastewater and further reduces its water consumption.
- **Gateway Generating Station:** This 580-MW combined-cycle natural gas plant has 530 MW of base capacity and 50 MW of low-cost peaking capability. Like Colusa, the plant yields dramatically lower emissions for every megawatt-hour of power produced compared with older fossil-fueled plants. It also uses dry cooling technology, which minimizes water use.
- **Humboldt Bay Generating Station:** This 163-MW natural gas plant is located in a relatively isolated section of California's north coast region and provides a significant majority of the area's electrical capacity. The plant's design—selected for the region because of its flexibility and low emissions—uses reciprocating engines that are air-cooled, reducing water use by eliminating the need for “once-through” cooling from Humboldt Bay.

2020 Milestones

In 2020, PG&E installed the capability to allow Humboldt Bay Generating Station to provide power directly to customers, if needed, during emergencies, including Public Safety Power Shutoff (PSPS) events. This is part of our continuing effort to reduce impacts on our customers during a PSPS event and other wide-spread power outages.

Known as “islanding,” this new capability will allow portions of Humboldt County to be separated from the larger grid and energized exclusively from the plant when transmission sources that connect to nearby areas are impacted. Areas that can be powered by the facility include 20 cities and towns such as Eureka, Arcata, McKinleyville and Fortuna, as well as some tribal communities.

Measuring Progress

In 2020, PG&E's natural gas power plants provided safe, reliable and low-cost electricity to our customers. The following performance data represents the average availability factor of our natural gas power plants.

The increase in plant availability factors in 2020 at the Gateway and Colusa Generating Stations was due to strong operational performance. The decrease in Humboldt Bay's plant availability factor was due to planned outages, a forced outage on one of the plant's units and impacts from the COVID-19 pandemic.

Natural Gas Power Plant Availability Factor

| | 2018 | 2019 | 2020 |
|--|-------|-------|-------|
| Gateway Generating Station | 90.0% | 89.1% | 91.3% |
| Colusa Generating Station | 91.2% | 92.5% | 92.7% |
| Humboldt Bay Generating Station | 89.0% | 95.2% | 89.3% |

1. Refers to the proportion of hours in a year that a plant is available to generate electricity.



Nuclear Operations

PG&E's Diablo Canyon Power Plant generates safe, clean, affordable and reliable carbon-free energy to meet the needs of more than 3 million Californians.

Our Approach

While Diablo Canyon's Units 1 and 2 will close in 2024 and 2025, respectively, we remain strongly committed to the highest levels of safety, performance and security at the facility. The Nuclear Regulatory Commission's (NRC) latest annual assessment of the facility places Diablo Canyon among the highest-performing plants in the U.S. nuclear industry. This reflects the hard work and dedication of our coworkers and our commitment to meeting PG&E's and the NRC's high-performance standards.

Spent Fuel Storage

At both Diablo Canyon and PG&E's former nuclear unit at the Humboldt Bay Power Plant, PG&E safely stores spent fuel in on-site dry cask storage systems approved and licensed by the NRC. Diablo Canyon also safely and securely stores spent fuel in a wet storage facility. These two on-site interim storage solutions are federally monitored and follow industry best standards to ensure that they are safe and effective.

Water Management

PG&E actively manages the water used in the electric generation process in accordance with the water discharge limit set by Diablo Canyon's Clean Water Act permit.

2020 Milestones

In 2020, Diablo Canyon Unit 1 underwent a safe and successful refueling and maintenance outage. Unit 2 experienced several generator maintenance outages. Each unit produces 1,143 MW of greenhouse gas-free electricity into the energy grid during regular operations.

PG&E also continued decommissioning the former nuclear unit at the Humboldt Bay Power Plant, where site restoration and remediation efforts are in the final phase.



Land Stewardship at Diablo Canyon

PG&E's Diablo Canyon Power Plant is located on 14 miles of scenic coastline and surrounded by 12,000 acres of sensitive habitat, productive ranches and panoramic open spaces.

Through collaborative measures, the Diablo Canyon Land Stewardship Program, run by PG&E coworkers, works to protect and manage the lands and resources of this stunning coastline. Together, this group closely monitors our land use, manages programs to provide visitors with access to the Pecho Coast and Point Buchon trails and facilitates scientific research.

Through these activities, PG&E is demonstrating a commitment to effective land management by studying biodiversity, managing grazing and wildland fuels on the property, inventorying sensitive resources, managing cultural resources and protecting sensitive habitats. Examples include:

- Managing wildland fuels using mechanical removal and partnering with the California Department of Forestry and Fire Protection to promote prescribed burns on the property.
- Protecting the biodiversity and health of the local ecosystem by inventorying and treating invasive weeds.
- Promoting a healthier rangeland habitat that sustains native plant species and reduces the growth and spread of invasive plant species in collaboration with local universities.

Measuring Progress

Diablo Canyon continues to demonstrate high operational performance as gauged by its plant capacity factor, a measure of generation reliability. Despite being a year when Unit 1 underwent a planned refueling outage and Unit 2 had three maintenance outages, Diablo Canyon achieved a capacity factor of 83% during 2020.

Nuclear Power Plant Performance

| | Average Capacity Factor ¹ |
|------|--------------------------------------|
| 2016 | 96% |
| 2017 | 91% |
| 2018 | 93% |
| 2019 | 83% |
| 2020 | 83% ² |

1. Refers to the ratio of the actual output of the plant relative to the output if the plant had operated at full capacity for the year.

2. In 2020, Unit 1 underwent a planned refueling outage, which occurs approximately every 18 months. Additionally, Unit 2 had three generator maintenance outages that, combined, lasted more than 80 days.



Bridging to California's Energy Future

State policies that focus on renewables and energy efficiency, coupled with projected lower customer electricity demand in the future, will result in a significant reduction in the need for the electricity produced by Diablo Canyon Power Plant past 2025.

However, the continued safe and reliable operation of the plant is needed through 2025 to support California in achieving its clean energy goals. PG&E will participate in the CPUC's Integrated Resource Planning process to shape our future energy portfolio to meet California's clean energy goals in a reliable and cost-effective manner.

Support for Coworkers and the Community

The CPUC granted the Utility approval to cease plant operations once the NRC operating licenses expire. The CPUC and the state legislature (through Senate Bill 1090) authorized ratepayer funding for coworker retention, retraining and redeployment, as well as \$85 million for a community impact mitigation program.

The Diablo Canyon employee program provides incentives to retain coworkers during the remaining operating years of the plant, and a retraining and development program to facilitate redeployment of a portion of plant personnel to the decommissioning project or other positions within the utility.

The community impact mitigation program is meant to ease the local public health, safety and economic impacts of the closure of Diablo Canyon and to provide funding to support essential public services that the local community relies upon. More than \$9 million was distributed to the County of San Luis Obispo in 2020; remaining funds will be disbursed annually through 2025.

Current Status

PG&E is focused on the continued safe and reliable operation of Diablo Canyon through the end of its operating licenses while preparing for a safe and successful decommissioning.



Ethics and Compliance

At PG&E, we are committed to complying with both the letter and the spirit of the law and our Employee Code of Conduct identifies the expectations and requirements for which coworkers are accountable. PG&E promotes an ethical culture in which coworkers are encouraged to speak up and meet the standards laid out in our Employee Code of Conduct at all times.

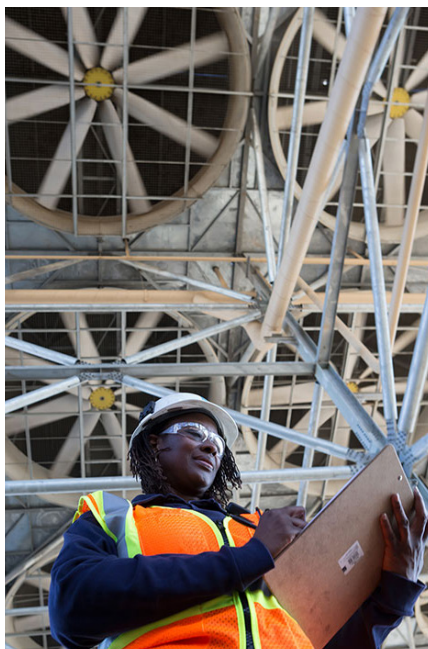
Our Approach

Business-wide

Within senior leadership, the PG&E Corporation Chief Ethics and Compliance Officer (CECO) leads compliance and ethics. The CECO reports to the PG&E Corporation Chief Executive Officer (CEO) and has additional reporting responsibility to the Audit Committees of the PG&E Corporation and Pacific Gas and Electric Company Boards of Directors.

The CECO is responsible for:

- Building a best-in-class compliance and ethics program and managing its implementation,
- Overseeing enterprise-wide programs for compliance monitoring, reporting, assessment and remediation,
- Overseeing enterprise-wide programs for records and information governance, and risk reduction,
- Strengthening ethics-and compliance-related training,
- Reinforcing PG&E's compliance and ethics culture through communications and outreach,
- Identifying areas of compliance and ethics risk,
- Managing a library of policies and procedures,
- Developing action plans to prevent, detect and correct risks and issues, and
- Supporting the federal monitorship and probation arising out of Pacific Gas and Electric Company's San Bruno criminal conviction.



Beginning in 2016, we developed and implemented a standardized framework called the Compliance and Ethics Maturity Model, which includes eight elements derived from the U.S. Federal Sentencing Guidelines that define the parameters of an effective compliance and ethics program.

Additionally, management-level governance bodies help drive and coordinate our compliance and ethics activities:

- **Compliance, Ethics and Audit Committee:** Made up of officers, this committee provides leadership, strategic guidance and oversight of PG&E's compliance, ethics and audit programs. It works to promote an organizational culture committed to integrity, ethical conduct and compliance with all applicable laws, regulations and PG&E requirements.
- **Compliance and Ethics Leadership Team:** This cross-functional team of non-officer compliance and ethics leaders within PG&E is accountable for promoting the effectiveness of PG&E's compliance and ethics program by coordinating across the lines of business on strategy, goals and programs, as well as sharing best practices.
- **Risk and Compliance Committee in each line of business:** This committee includes the line-of-business officer and senior leaders, and provides leadership, strategic guidance and oversight for each line of business' compliance and ethics program and works to promote compliance with all laws and regulatory requirements, as well as maintain focus on operational risk management and ethics.
- **Ethics Council:** PG&E's Ethics Council is a cross-functional group of coworkers and leadership focused on promoting ethical behavior throughout PG&E. Through regular discussion and action, the Council explores the role that business ethics plays in our operations and in our relationships with coworkers, customers and all other stakeholders.

To provide guidance on conduct requirements, PG&E maintains codes of conduct for the following:

- Employees
- Boards of Directors
- Contractors, Consultants and Suppliers

PG&E has also adopted a Human Rights Policy in furtherance of our commitment to conduct our business in a manner that respects the human rights of all.

Boards of Directors

Certain committees of the PG&E Corporation and Pacific Gas and Electric Company Board of Directors (the "Boards") have specific oversight responsibility for compliance management in their respective substantive areas:

| Entity | Compliance Oversight Responsibilities |
|--|---|
| Sustainability and Governance Committee ¹ | <ul style="list-style-type: none"> ▪ Oversees public policy, sustainability and corporate responsibility issues that could affect customers, shareholders or employees |
| Audit Committees | <ul style="list-style-type: none"> ▪ Coordinates the compliance-related oversight of the various committees of the Boards, including: <ul style="list-style-type: none"> • The companies' compliance and ethics program, • Compliance with laws, regulations and internal policies and standards, and • Internal or external compliance reviews or audits. ▪ Oversees and monitor compliance with legal and regulatory requirements, in concert with other Board committees |
| Safety and Nuclear Oversight Committees | <ul style="list-style-type: none"> ▪ Oversees matters relating to safety, operational performance and compliance issues related to Pacific Gas and Electric Company's nuclear, generation, gas and electric transmission, and gas and electric distribution operations and facilities ▪ Oversees compliance with the Wildlife Safety Plan |

1. Committee of the PG&E Corporation Board of Directors only

For a full description of Board committee oversight responsibilities, please see the webpages of the Boards of Directors of PG&E Corporation and Pacific Gas and Electric Company, as well as our 2021 Joint Proxy Statement.

Lines of Business

Each of PG&E's lines of business has coworkers who are responsible for implementing the line of business' compliance and ethics programs. Each of these programs is overseen by the respective senior officer for the line of business.

2020 Milestones

In 2020, highlights included the following:

- **Enhanced training and communications related to culture and the Code of Conduct.** PG&E's compliance and ethics training in 2020 focused on building trust. We encouraged coworkers to speak up, listen up and follow up, including a podcast series for leaders, and quarterly communications toolkits on compliance and ethics topics. We also held our first Fraud Prevention Awareness Month to educate coworkers about fraud prevention and encourage them to report suspicious behavior.
- **Increased transparency about the Employee Conduct Program.** We shared more details about the misconduct investigations process—and substantiated misconduct—to encourage coworkers to contact the PG&E helpline to ask for guidance or report misconduct. As a result, year-over-year calls into the PG&E helpline materially increased, and there was a reduction in the rate of substantiated misconduct.
- **Worked with business leaders on compliance and ethics program maturity to further reduce compliance risk.** A third party conducted 24 Maturity Model assessments to assess and monitor the compliance and ethics program for each line of business and select shared compliance areas. We migrated the vast majority of our compliance requirements to a single platform and continued to focus on compliance controls.
- **Made progress towards information governance maturity and reducing enterprise risk.** This was accomplished through focused communications and training, governance, implementation of records management tools and remediation of records risks.

Measuring Progress



Driving Culture Change Across PG&E

We continue to promote our “speak up, listen up, follow up” effort, with the primary goal of creating an environment in which all coworkers feel safe to speak up, particularly about safety concerns and potential misconduct, and listen and take action to resolve issues. This includes:

- Presenting our fourth annual Speak Up Awards, which honor coworkers who had the courage to speak up about an issue or concern, resulting in a positive impact on PG&E, our customers or culture. Eight coworkers received recognition in 2020, and more than 70 were nominated.
- Holding PG&E's sixth annual Compliance and Ethics Week.
- Continuing the Reach Every Employee program to uncover safety issues.
- Holding All-Coworker meetings to foster ongoing dialogue.

The annual all-coworker compliance and ethics training is comprised of video vignettes based on real-world issues that coworkers might face and emphasizes the importance of ethical decision-making. In addition, we require all coworkers to complete Code of Conduct training annually and certify that they have read, understand and will comply with our Employee Code of Conduct.

Training¹

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------------------------------|-------|-------|-------|-------|-------|
| Compliance and Ethics Training | 99.4% | 99.9% | 99.9% | 99.9% | 99.9% |
| Code of Conduct Training | 99.8% | 99.9% | 99.9% | 99.9% | 99.9% |

1. For a variety of reasons, a statistically small number of PG&E's workforce is unable to attend a training session in any given calendar year.

We continued our Reach Every Employee program, which offers every coworker the opportunity to speak up to their supervisors about safety concerns, identify potential misconduct issues and share new ideas. Every supervisor is accountable to follow up on the issues and ideas raised by their team.

Reach Every Employee¹

| | 2018 | 2019 | 2020 |
|-----------------------------|-------|-------|-------|
| Reach Every Employee | 99.9% | 99.9% | 99.9% |

1. For a variety of reasons, a statistically small number of PG&E's workforce is unable to complete a Reach Every Employee conversation in any given calendar year.

The Speak Up Index is comprised of questions related to trust and overall willingness to speak up. In 2020, PG&E achieved its highest index score to date, but narrowly missed its goal of 72% favorable responses.

Speak Up Index¹

| | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|------|------|------|------|
| Reach Every Employee | 65% | 67% | 66% | 70% |

1. This figure represents the percentage of favorable responses to questions on an employee survey that comprise the Speak Up Index.

PG&E received 569 allegations of misconduct in 2020. This was a 13% increase over 2019 levels, though substantiated cases of misconduct remained flat. PG&E also received 147 requests for guidance from employees in 2020, up 39% from 2019. We believe these increases are attributed to more communications about the PG&E helpline, misconduct and the investigations process throughout 2020.



Risk Management

PG&E is committed to the safety of our customers, workforce and the public. Delivering gas and electric service has inherent risk that cannot be eliminated. We strive to embed risk management in every critical business process, making data-driven decisions to support safe, reliable and affordable electric and gas service.

Our Approach

At PG&E, risk management processes are facilitated separately for two key risk areas: Enterprise and Operational Risks, and Market and Credit Risks.

Enterprise and Operational Risks

By systematically identifying, evaluating, mitigating and monitoring risks, PG&E's Enterprise and Operational Risk Management (EORM) program facilitates the reduction of risk.

Enterprise risks are identified through the EORM program as potentially catastrophic and recommended by senior management for Board-level review at least once every 12 months. The overall program, as well as the enterprise risks, is overseen by senior management and the Boards of Directors. The EORM program is implemented by each line of business (LOB).

The Senior Vice President and Chief Risk Officer (CRO) of PG&E Corporation and Pacific Gas and Electric Company is responsible for overseeing the EORM program. The CRO reports directly to the PG&E Corporation Chief Executive Officer.

With guidance from a central program office, PG&E maintains a risk register of event-based risks and LOB risks. We follow a consistent enterprise-wide approach to identify, evaluate, respond to and monitor risks. With our evaluation methodology, PG&E is able to calculate a baseline risk score and evaluate different mitigation strategies to reduce this score.

The methodology places an emphasis on prioritizing the highest safety risks while also accounting for reliability and financial risk. Risk mitigations are tracked throughout the year and risk assessments are refreshed at least annually to capture the impact of mitigation strategies and to reflect changes in the operating environment. The risk management program provides transparency and accountability for risk reduction progress.

The senior-most executive of each LOB maintains a Risk and Compliance Committee, which has oversight responsibility for all associated activities for risk and compliance programs within their organization. Each Risk and Compliance Committee ensures that activities related to enterprise and operational risk and compliance management within their respective organizations are adequate and effective, and that resources are available as needed.

Market and Credit Risks

For market and credit risks, risk management is implemented through PG&E Corporation's Risk Policy Committee and the Utility Risk Management Committee. The Vice President and Chief Audit Officer (CAO) of PG&E Corporation and Pacific Gas and Electric Company is responsible market and credit risk management, as well as for internal audit, insurance, third-party risk management, and Sarbanes-Oxley Act compliance.

The CAO reports to the PG&E Corporation Executive Vice President and Chief Financial Officer and to the Audit Committees of the PG&E Corporation and Pacific Gas and Electric Company Boards. The CAO facilitates and is a voting member of the PG&E Corporation Risk Policy Committee and the Utility Risk Management Committee, which address market and credit risks. Both committees include a subset of officers of PG&E Corporation and Pacific Gas and Electric Company.

Board of Directors and Senior Management Risk Oversight

In addition, the PG&E Corporation and Pacific Gas and Electric Company Boards and their respective committees have specific oversight responsibility for risk management in their respective areas:

| Entity | Compliance Oversight Responsibilities |
|--|---|
| Boards | <ul style="list-style-type: none">▪ Evaluate risks associated with major investments and strategic initiatives (with assistance from the Finance Committee¹) |
| Audit Committees | <ul style="list-style-type: none">▪ Discuss the guidelines and policies that govern the processes for assessing and managing major risks▪ Allocate to other Board committees the specific responsibility to oversee identified enterprise risks▪ Consider risk issues associated with overall financial reporting and disclosure processes▪ Discuss programs to monitor compliance with laws, regulations, policies and programs |
| Finance and Innovation Committee ¹ | <ul style="list-style-type: none">▪ Oversee enterprise risks, as assigned by the Audit Committees▪ Discuss risk exposure related to energy procurement, including energy commodities and derivatives prices, interest rate, currency, credit and other risks, as allocated by the Audit Committees |
| Safety and Nuclear Oversight Committees | <ul style="list-style-type: none">▪ Advise and assist the Boards of Directors with respect to the oversight and review of risk management practices related to Pacific Gas and Electric Company's nuclear, generation, gas and electric transmission, and gas and electric distribution operations and facilities▪ Oversee other enterprise risks, as allocated by the Audit Committees▪ Oversee cybersecurity risk |
| People and Compensation Committee ¹ | <ul style="list-style-type: none">▪ Oversees potential risks arising from compensation policies and practices |

1. Committees of the PG&E Corporation Board of Directors only.

For a full description of Board committee oversight responsibilities, please see the webpages of the Boards of Directors of PG&E Corporation and Pacific Gas and Electric Company.

Senior management and their committees have specific oversight responsibility for risk management in their respective areas:

| Entity | Risk Oversight Responsibilities |
|--|--|
| Public Safety Risk Council | <ul style="list-style-type: none"> Develops and monitors the strategic planning and execution for risk management by providing independent review and challenge of key risks; ensures executive leadership knowledge of all key risks; and drives risk management best practices consistently across the enterprise |
| Compliance, Ethics and Audit Committee | <ul style="list-style-type: none"> Oversees and decides on changes to plans and strategies related to compliance, ethics, audit and non-safety-related risks, including compliance with legal requirements, regulatory requirements and major commitments |
| PG&E Corporation Risk Policy Committee and the Utility Risk Management Committee | <ul style="list-style-type: none"> Provide oversight and approval of risk exposure related to energy procurement, including energy commodities and derivatives prices, interest rates, currency, credit and other risks, as assigned by the Audit Committees |

2020 Milestones

Enterprise and Operational Risks

In 2020, Pacific Gas and Electric Company filed its 2020 Risk Assessment and Mitigation Phase (RAMP) report with the CPUC. This report is a precursor to our 2021 General Rate Case (GRC) filing intended to provide greater visibility and stakeholder engagement around plans for mitigating top safety risks ahead of the GRC filing. The RAMP process and required methodologies are applicable to all of California's investor-owned utilities.

The filing identified our top 12 safety risks as well as eight cross-cutting factors. For each of the top safety risks, we proposed mitigation programs for 2020 to 2026 and their associated forecasts.

Our top safety risks are as follows:

- Loss of Containment on Gas Transmission Pipeline
- Loss of Containment on Gas Distribution Main or Service
- Large Overpressure Event Downstream of Gas Measurement and Control Facility
- Wildfire
- Failure of Electric Distribution Overhead Assets
- Failure of Electric Distribution Network Assets
- Large Uncontrolled Water Release
- Real Estate and Facilities Failure
- Third-Party Safety Incident
- Employee Safety Incident
- Contractor Safety Incident
- Motor Vehicle Safety Incident

In 2020, the CPUC launched a Safety Model Assessment Proceeding (SMAP-II), seeking to tackle several issues identified by the Commission, intervening parties and the investor-owned utilities in the ongoing risk proceedings pertaining to PG&E's Plan of Reorganization. Some of the issues being addressed include treatment of mitigations and controls, granular risk tranches, streamlining risk filings and scaling functions.

We are taking an active role in the proceeding—providing our experience from RAMP, as well as proposing meaningful safety and operational metrics that may be expanded to all investor-owned utilities in the state.

Market and Credit Risks

Because of mostly stable energy commodity prices in 2020—except for certain peak hours in August due to extreme temperatures and energy supply shortages—and executing our physical and financial hedge strategy, we met our targets for measures related to hedging, liquidity and market risk.



Corporate Governance

PG&E's corporate governance practices are integral to our sustainability performance and how we operate as a business. The Corporate Governance section of our website details the policies and practices of the Boards of Directors of PG&E Corporation and Pacific Gas and Electric Company (together, the "Boards"), including governance guidelines, bylaws, disclosure standards, and Codes of Conduct for directors and employees.

Governance Reforms

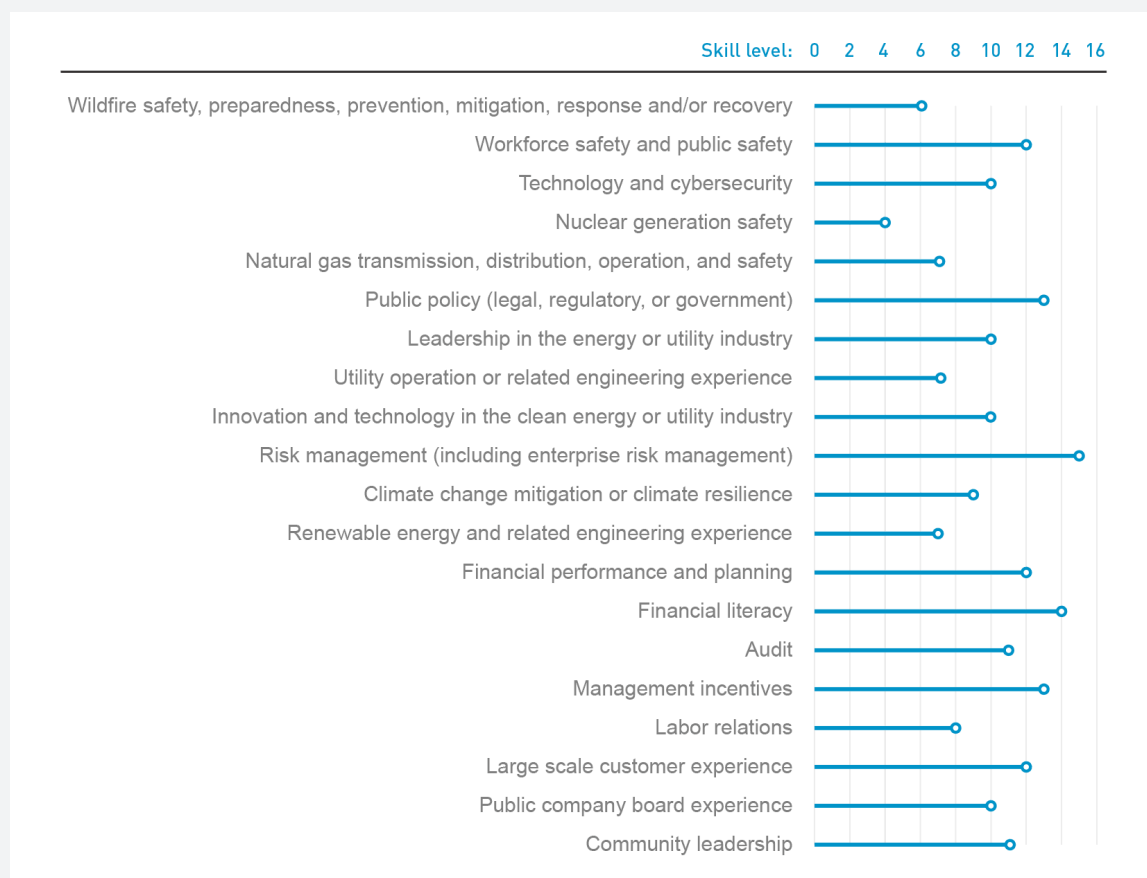
In July 2020, PG&E Corporation and the Utility seated eleven new board members with increased diversity and deep California roots, following a comprehensive nation-wide search. The new members, together with three existing board members, possess unique skills and a diversity of experiences that will help shape how PG&E can best serve customers in the future.

The Utility's Board of Directors is composed of the same directors as the Board of PG&E Corporation with the addition of the Utility's Chief Operating Officer (COO). In January 2021, the Boards appointed Patricia K. Poppe as the Chief Executive Officer of PG&E Corporation, followed by the appointment of Adam Wright as the COO of the Utility in February 2021. Ms. Poppe sits on the PG&E Corporation and Utility boards, and Mr. Wright sits on the Utility Board.

To create stability, as part of our Plan of Reorganization, PG&E agreed to create a classified Board, with half of the Board members standing for re-election each year through 2024. This change, as well as other governance changes from the Plan of Reorganization, are documented in our corporate governance guidelines, charters and other documents, posted in the Corporate Governance section of our website.

PG&E Corporation and the Utility also strengthened their matrix of skills for board members, with input from regulators and other stakeholders, which emphasizes specific experience in utility management, natural gas systems, nuclear generation, emergency management, wildfire management and financial literacy. Each board member is evaluated with this list of skills, as well as other criteria such as integrity, character and fit with board culture. Our corporate governance guidelines require that we review this skills matrix, as well as assessing other needs such as diversity, when filling open Board seats.

Skills Matrix for Board Members



Our Governance Practices

An underlying factor for strong corporate governance is the independence of the Boards and their fiduciary responsibilities to the companies and their respective shareholders. The companies' respective Corporate Governance Guidelines promote board independence by requiring policies and practices such as the following:

- All directors of each company must be independent, except for the CEO of PG&E Corporation and the COO of the Utility.
- An independent Chair of the Board or independent lead director (if the Chair is not independent) is elected by the Board.
- Only independent directors are allowed to serve on PG&E Corporation's standing key Board committees. Further, members of each company's Audit Committee and PG&E Corporation's People and Compensation Committee also must meet additional independence standards. Members of the Safety and Nuclear Oversight Committees and the Utility Chair must meet additional safety expertise criteria.
- Executive sessions of the independent directors are held at each regularly scheduled Board meeting, without the presence of each company's management.

Board diversity also contributes to strong corporate governance. Our current Board exceeds the requirements of California's AB 979 on Board diversity and includes the following:

- Nine of 14 directors of PG&E Corporation, and 10 of 15 directors of Pacific Gas and Electric Company identify as being members of an under-represented community with respect to gender, identity or ethnicity.
- On the Pacific Gas and Electric Company Board, five Directors identify as female, one as Asian or Pacific Islander and four as Black or African American (three on the PG&E Corporation Board).

The Boards and Committees have oversight responsibility for key sustainability issues. The Sustainability and Governance Committee of the PG&E Corporation Board of Directors has primary oversight of corporate sustainability issues, such as environmental compliance and leadership, corporate governance, charitable contributions and public policy issues. This includes an annual review of PG&E's environmental performance and sustainability practices.

The Safety and Nuclear Oversight Committees have oversight of climate adaptation planning, as it impacts PG&E's assets and operations. Other committees of the PG&E Corporation Board and the Pacific Gas and Electric Company Board, as well as the full Boards, address other components of PG&E's sustainability commitment, such as public and employee safety, diversity, equity and inclusion, operational excellence and investments in technology designed to increase our delivery of safe, affordable, and clean energy to customers, and enabling a low-carbon future. We have also, through our Chief Risk Officer and Chief Safety Officer as well as other company leaders, enhanced reporting and oversight of key operational issues, such as safety, wildfire safety, cybersecurity and asset management.

The Boards will continue to review PG&E's corporate governance practices in line with industry best practices and investor feedback and will amend these practices when doing so is in the best interest of the companies and their shareholders.

In connection with the 2017 settlement of shareholder derivative suits relating to the San Bruno accident, PG&E Corporation and Pacific Gas and Electric Company committed to making several enhancements ("therapeutics") to its corporate governance and gas safety practices.

The corporate governance "therapeutics" include establishment and enhancement of Board committees responsible for safety oversight; regular public disclosure of API 1173 certification status; enhanced commitment to shareholder involvement through regular dialogue regarding corporate governance; updating the Codes of Conduct to reflect best practice as well as to more fully promote and ensure safety culture and reporting;

stating the respective responsibilities of the Chief Safety Officer (CSO), the Chief Ethics and Compliance Officer (CECO), and the Boards and their committees regarding instillation of safety culture; additional clarity and accountability regarding communication and information access and exchange between employees, management, key compliance and safety officers, Board Committees, and the Boards of Directors; clarification regarding the incorporation of safety, compliance, and ethics into officer compensation; enhancement of a speak-up culture for employees and Board members; and enhancement of safety training for employees and Board members. PG&E has implemented all of these corporate governance practices.

Measuring Progress

PG&E's corporate governance practices are evaluated by several institutional shareholder groups and corporate governance organizations, such as Institutional Shareholder Services, Inc. (ISS), an independent provider of risk management and corporate governance products and services to financial market participants. Our Governance QualityScore from ISS has recently been rated as 1, the highest ranking.

Corporate Governance Rankings ISS Governance QualityScore Summary¹

| | Decile Rank ² |
|--------------------------|--------------------------|
| Overall Governance Score | 1 |
| Board Structure | 3 ³ |
| Shareholder Rights | 1 |
| Compensation | 1 |
| Audit | 9 ⁴ |

1. As of March 1, 2021.

2. A score of 1 indicates low risk; a score of 10 indicates high risk.

3. The Board Structure reflects the fact that there was no annual meeting in 2020 and thus no votes were cast for the current Board; in addition, the scores were issued ahead of key disclosures pending in the 2021 Joint Proxy Statement.

4. The Audit sub-score reflects ISS's view of the going-concern of risks identified by auditors during bankruptcy. PG&E emerged from Chapter 11 bankruptcy in 2020.



Public Policy Engagement

As a regulated energy provider, PG&E's business is shaped by public policy at the local, state, regional and national levels. We participate in the political process on policy matters that are important to both PG&E and our stakeholders, as the evolution of these policies plays a significant role in how we deliver safe, reliable, affordable and clean energy to customers, and defines the structure of the energy market.

Our Approach

PG&E advocates for public policies that help us to better meet the needs of our customers and coworkers, while adding value for our shareholders and furthering our goal of leadership on sustainability.

Much of our public policy work, including engagement with elected officials and policy makers, is done in collaboration with trade organizations such as the Edison Electric Institute, the American Gas Association, the Interstate Natural Gas Association of America, the Nuclear Energy Institute and the National Hydropower Association as well as other organizations such as the Natural Resources Defense Council, the Alliance to Save Energy and the Zero Emission Transportation Association. We also partner with the International Brotherhood of Electrical Workers (IBEW) and the International Federation of Professional and Technical Engineers and other labor organizations on national energy policy, and with the IBEW Local 1245, the California Coalition of Utility Employees, the California Council for Environmental and Economic Balance, and other electric or gas energy providers on state energy policy.

The Sustainability and Governance Committee of the PG&E Corporation Board of Directors maintains oversight of public policy matters. The Executive Vice President of Corporate Affairs of PG&E Corporation leads the development and implementation of PG&E's public policy activities.

The Sustainability and Governance Committee reviews PG&E's political contributions program. The PG&E Corporation and Pacific Gas and Electric Company Boards of Directors establish management approval limits for political contributions from PG&E to candidates, measures, initiatives, corporate political action committees and certain other organizations that may engage in political activity. These approval authorizations may be delegated further within PG&E. The Sustainability and Governance Committee also directs the preparation of an annual report detailing political contributions made by PG&E during the preceding year.

PG&E Corporation and its affiliates and subsidiaries are committed to fully complying with all applicable federal, state, local and foreign political laws, and to maintaining the highest ethical standards in the way we conduct our business.

PG&E makes corporate political contributions to:

- Candidates for state and local office,
- Political action committees (PACs),
- Political parties and other organizations that engage in voter registration and similar activities that encourage citizen involvement in the political process, and
- Nonprofit organizations, including those formed under Sections 501(c)(4) and 527 of the Internal Revenue Code.

Along with civic, charitable and volunteer activities, coworkers can participate in PG&E's political engagement. All eligible coworkers may make voluntary contributions to the following PACs: PG&E Corporation Employees EnergyPAC and Pacific Gas and Electric Company State and Local PAC. PAC contributions go directly to support candidates for elective office and political parties at both the federal and state levels, as well as other political action committees. By law, PG&E cannot use corporate funds to make contributions to federal candidates.

2020 Milestones

Public Policy Issues at the State Level

In 2020, the Legislature passed and Governor Newsom signed SB 350, which gave Golden State Energy, a nonprofit public benefit corporation, an option to acquire PG&E's assets, but only if PG&E fails to operate under the guidelines set forth in its agreed upon Plan of Reorganization. With Governor Newsom's support, PG&E successfully emerged from Chapter 11 bankruptcy on July 1, 2020.

The 2020 legislative year was largely impacted by the state's need to prioritize the COVID-19 response. While many legislative proposals were discontinued by their authors to make way for high priority COVID-19 legislation, PG&E expects to see many of these bill topics re-emerge in the 2021 session. At the end of the legislative session, PG&E formed a coalition with customer groups to support broadly focused state-funded wildfire mitigation measures in lieu of using electric customer-funded mechanisms.

PG&E also advocated at the California Air Resources Board (CARB) on climate issues, including amendments to strengthen the sulfur hexafluoride (SF6) regulation. PG&E supports an orderly and systematic transition of the electricity transmission and distribution industry away from the use of SF6 in gas insulated equipment due to its high global warming potential and the lack of a feasible destruction method for this persistent greenhouse gas. PG&E continues to work with CARB and industry on refinements to these amendments in 2021.

In 2021, PG&E looks forward to participating in CARB's regulatory process to update the Scoping Plan for how the state will achieve its greenhouse gas emission reduction targets.

Public Policy Issues at the Federal Level

We support efforts to spur investment in and enhance the safety and sustainability of our energy infrastructure, including increasing resilience in the face of climate change, protecting the physical and cyber security of the system, and implementing a smarter grid.

In 2020, PG&E advocated and engaged with federal policymakers on opportunities to help address the crises facing our customers and communities including the COVID-19 pandemic, an economic downturn and one of the most destructive wildfire seasons on record. We also educated elected officials and key policymakers about PG&E's commitment to making critical investments in our natural gas and electric infrastructure, including successfully working with Congress to enact pipeline safety legislation and obtaining a system-wide federal permitting plan.

To support our customers in this unprecedented time, PG&E worked with our allied trade associations and coalitions to advocate for increased federal funding for the Low Income Home Energy Assistance Program (LIHEAP), which provides much needed energy bill payment assistance to PG&E customers on fixed and low incomes. In March 2020, Congress passed, and the President signed into law, an emergency spending package that included \$900 million in supplemental LIHEAP funding.

Additionally, in December 2020, Congress approved, and the President signed into law, legislation reauthorizing funding for federal pipeline safety programs. PG&E supports this new law, and we are grateful

for the bipartisan support that it received. It supports pipeline safety enhancement programs and is key to assisting in the ongoing advancements being made around innovative technologies and operational practices that improve safety. Over the last decade, PG&E has made significant progress to improve the safety and reliability of our gas system, and we will continue to work with state and federal policymakers to identify new opportunities and achieve even greater goals around safety.

Other areas of focus at the federal level include:

- **Increasing community resilience:** PG&E is engaging with federal policymakers on ways to increase pre-disaster mitigation and build resilience to national disasters. PG&E partnered with the California Rural Indian Health Board to champion a Fiscal Year 2021 federal appropriations request to fund emergency equipment for tribal health centers impacted by Public Safety Power Shutoff (PSPS) events. Thanks to the support of nearly three dozen Members of Congress, we were successful in securing \$1 million for emergency generators.
- **Clean energy and carbon reduction policy:** PG&E supports an economy-wide, market-based federal price on carbon as the most efficient, cost-effective means to reduce emissions, and we support complementary policies, such as incentives for electric vehicles and energy efficiency, that will help further reduce emissions. In addition to direct engagement with federal policymakers, PG&E participates in several coalition groups focused on climate and clean energy policy. For instance, PG&E Corporation is a founding member of the Zero Emission Transportation Association, which launched in 2020 and advocates for federal policies to enable transportation electrification. We are also focused on action related to grid innovation and reliability; renewable energy and storage research, development and adoption; hydropower licensing modernization; transportation electrification and efficiency; and energy efficiency codes and standards.
- **Improved physical and cyber security for our energy infrastructure:** Securing critical infrastructure from cyber and physical threats requires careful collaboration and support from federal partners. To that end, PG&E worked closely with the U.S. Department of Energy in response to the Bulk Power Executive Order and subsequent Prohibition Order, both issued in 2020. The Orders came in response to mounting concerns in the utility sector that foreign adversaries could surreptitiously be installing software on electric grid devices capable of monitoring or disrupting utility systems.
- **Modernized permitting processes:** PG&E's Multiple Region Habitat Conservation Plan (HCP) was approved in June 2020, which provides PG&E with a comprehensive permitting strategy for federally listed species across our service area. With the U.S. Fish and Wildlife Service's approval of the plan, PG&E's entire service area now has federal coverage for endangered species most likely to be found near our gas and electric infrastructure.

Measuring Progress

In 2020, PG&E-affiliated employee PACs (PG&E Corporation Employee EnergyPAC and Pacific Gas and Electric Company State and Local PAC) made contributions of \$320,500 at the federal level and \$0 at the state and local level. PG&E contributed \$2,469,000 to state and local political candidates, ballot measures, political parties and other committees. Our annual political contributions are publicly reported on PG&E Corporation's website.

Political Contributions, 2020

| PG&E Corporation Employees Federal PAC Contributions | |
|--|------------------|
| U.S. House | \$135,000 |
| U.S. Senate | \$26,000 |
| Other Federal PACs and Committees | \$159,500 |
| Total | \$320,500 |

| Pacific Gas and Electric Company Employee State and Local PAC Contributions | |
|---|------------|
| Total | \$0 |

| Corporate Campaign Contributions | |
|---|--------------------|
| Total Corporate Contributions to Candidates | \$42,750 |
| Total Corporate Contributions to Other Committees | \$2,426,250 |
| Total | \$2,469,000 |

PG&E also discloses its policies and procedures regarding its lobbying activities and trade association payments, including the portions of any annual trade association membership dues over \$50,000, to the extent those dues are used for lobbying purposes.

Trade Association Dues, 2020¹

| Portion of Dues That Were Nondeductible | |
|---|------------------|
| Total | \$457,026 |

1. Represents the portion of membership dues to trade associations that was nondeductible under Section 162(e)(1) of the Internal Revenue Code. Includes trade associations that received annual membership dues over \$50,000. The reported amount is based on information provided by the trade associations to PG&E Corporation and Pacific Gas and Electric Company.



People

Key Sustainability Indicators

93%

Percentage of PowerPathway graduates hired into industry jobs

540,000 hours

Number of technical, leadership and coworker training hours

At PG&E, our goal is to continually reduce risk to ensure that everyone and everything is always safe. Our focus is to build an organization in which all work is performed safely all the time, all members of our workforce know and practice safe behaviors, and everyone is encouraged to speak up for safety with full confidence that their concerns will be addressed.

Our performance in recent years has fallen short of that standard. We have taken responsibility for tragic incidents that should never have happened. We are committed to producing better safety outcomes for our customers, communities and coworkers.

We also remain focused on building and retaining an engaged, well-trained, diverse and inclusive workforce ready to meet the challenges of our business today and into the future.

Highlights

SAFETY

Worked to keep our customers, communities and coworkers safe during the COVID-19 pandemic:

- Financial assistance programs and support for customers.
- \$1 million to nonprofits to help address food insecurity.
- Safety precautions and policies for coworkers.

Continued to build a safety culture in which every member of our workforce is not only encouraged to speak up, but has confidence that their concerns and ideas will be heard and followed up on.

Executed our Community Wildfire Safety Program to further reduce wildfire risks and keep our customers and the communities we serve safe.

Awarded \$2.3 million in wildfire prevention grants to local Fire Safe Councils.

Funded a \$1.2 million wildfire safety and preparedness grant with the California Fire Foundation to enable fire equipment purchases, local fire education programs and fire safety awareness targeting underserved communities.

Hosted nearly 100 training workshops to better prepare firefighters, police, public works officials and other authorities to respond to emergencies involving electricity and natural gas.

ENGAGING OUR TEAMS

Kept our coworkers informed during the COVID-19 pandemic—offering a mobile-accessible microsite, regular video updates from our health team, all-coworker townhalls, and transparency around case numbers.

Contributed 15,500 volunteer hours to nonprofit organizations throughout California, despite challenges associated with the COVID-19 pandemic.

Achieved \$6.5 million in pledges from employees in our annual Campaign for the Community—reaching more than 6,100 organizations.

DIVERSITY, EQUITY AND INCLUSION

Disclosed detailed race, ethnic, and gender workforce statistics:

- 46% of our coworkers are ethnic minorities, 27% are women and 7% are military veterans.
- 60% of our management is racially or gender diverse.

Graduated our 10th PowerPathway class, an innovative program that helps people, including women and military veterans, prepare for high demand jobs in the utility and energy industry.

Engaged coworkers through our 11 Employee Resource Groups and three Engineering Networks across 27 chapters to promote diversity and inclusion, coworker development and community service.

Adopted a Human Rights Policy in furtherance of our commitment to conduct our business in a manner that respects the human rights of all.

Continued to earn recognition for our commitment, including rankings from the Human Rights Campaign, Disability Equality Index, and Latina Style magazine.

Held open and transparent dialogues within PG&E on diversity, equity and inclusion.



Reducing Wildfire Risk for Customers Through Remote Microgrid

PG&E recently launched its first hybrid renewable standalone power system, built and installed by BoxPower Inc. The remote grid permanently replaces the overhead distribution powerlines that once served a handful of customers in a High Fire-Threat District (HFTD) area of the Sierra Nevada foothills outside Yosemite National Park, improving reliability and significantly reducing wildfire risk. The system uses solar combined with battery energy storage and backup propane generation and provides up to 89% renewable energy annually. The remote grid will reliably repower these customers without the need to rebuild the overhead line, and is intended to meet customer needs at lower lifetime costs and a significantly lower risk of fire.

The approach has potential use in other areas, as well—where isolated pockets of remote customers are served via long electric distribution lines that in many cases traverse through HFTD areas.

Photo credit: BoxPower, Inc.



COVID-19 Response

Throughout the COVID-19 pandemic, we have been committed to supporting our customers, communities, and coworkers and keeping them safe. We have also taken on the challenges of the pandemic and found ways to innovate while still providing safe, reliable, affordable and clean energy to those we are privileged to serve.

Safety and Support

During the pandemic, we have made it a priority to keep our coworkers safe and informed. We have provided a mobile-accessible microsite, regular video updates on the latest pandemic and health news, all-coworker townhalls, and transparency around case numbers.

Since March 2020, all coworkers whose job allows have worked remotely. For those that must come to work in person, we instituted safety measures such as face covering and physical distancing rules for inside our facilities, at outdoor work sites and in vehicles, regular cleaning of high touch surfaces, and hand sanitizer stations. Additionally, all PG&E coworkers are required to perform a COVID-related daily health check using the LiveSafe App, which notifies their supervisor that they are approved to report to work outside their home.



To promote safety for both our coworkers in the field and the customers and communities we serve, we have implemented a variety of safety precautions. Although they continue to change over the course of the pandemic, these precautions comply with Cal/OSHA regulations and involve protections such as face covering and nitrile glove use, physical distancing and more.

To support coworkers during this unprecedented time, we have implemented a variety of additional benefits:

- We expanded our time off policy to allow for COVID-19 related leaves of absence or time-off and we provided a temporary time-off policy to allow parents to maintain benefits if they chose to take time for childcare.

- We offered virtual ergonomic evaluations to all coworkers working from home and provided proper furniture and equipment.
- We offered reimbursements for coworkers working remotely and using their home internet service and phone to perform their job duties.
- We covered telemedicine visits—virtual visits with a board-certified doctor, psychiatrist or a licensed therapist—at 100% in 2020 with no copay and also added telemedicine to our health plan in 2021.
- We implemented the new IRS-approved roll-over options for our flexible spending accounts to offer coworkers more flexibility.

Innovation

PG&E coworkers have risen to the challenge of COVID-19 and developed innovative ways to work safely and effectively:

- Our nationally recognized PowerPathway Entry to Gas Operations training program transformed into a hybrid model with physical training, soft skills, safety trainings and test prep instruction conducted virtually, while necessary in-person training was kept safe through temperature checks, face masks and social distancing. PowerPathway is now looking into virtual options for other courses.
- Our system inspections review team went from an in-person operation to a completely virtual one—reviewing drone and helicopter photos of more than 50,000 transmission assets and 200 substations.
- Our internship program transitioned to a remote model and successfully brought on more than 40 interns in various lines of business. Interns worked from home and safely traveled when necessary to job sites.

Helping Customers and Hometowns

Robust Engagement and Support

We know that the pandemic has created unprecedented economic hardship and in response we have offered programs for customers in need. We have been working directly with customers with past-due bills to make them aware of financial assistance programs and other support. We will increase those efforts as COVID-19 protections expire and will continue our customer support as we slowly move back to more normal billing operations in the second half of 2021.

Financial Assistance

- **Continued existing financial assistance programs** such as California Alternate Rates for Energy and Family Electric Rate Assistance to help thousands of income-qualified customers save money on their monthly energy bills. We paused post-enrollment verification and re-enrollment requirements for both of these programs to allow more customers to take part.
- **Offered flexible payment plans** to support customers.



Photo: Second Harvest of Silicon Valley

Operational

- **Voluntarily implemented a moratorium on service disconnections** for non-payment for residential and business customers.
- **Suspended all collection activities** including notices and calls. Customers who are on payment plans will continue to receive courtesy reminders.
- **Offered temporary loan deferrals** for up to six months for business customers with an active on-bill financing loan under PG&E's Energy Efficiency Financing program.
- **Waived security deposits** for small commercial customers.
- **Suspended re-certification requirements for customers on the Medical Baseline program**, which offers customers with qualifying medical conditions a lower monthly rate on energy bills.

Resources and Outreach

- **Provided business customers with PG&E resources and external support**, including the U.S. Small Business Paycheck Protection Program and California state support programs.
- **Provided newsletters and direct mail information** on COVID-19 resources.
- **Conducted outreach to eligible customers to enroll in a discounted rate** for businesses struggling to stay open.

We are also committed to helping communities respond to COVID-19 and its socioeconomic effects:

- PG&E and the PG&E Corporation Foundation contributed \$1 million in 2020 to nonprofits focused on supporting individuals and families facing food insecurity, as well as small businesses.
- PG&E and the PG&E Corporation Foundation also contributed \$500,000 to the Restaurants Care Resilience Fund to strengthen businesses for the long term—part of \$1.25 million it is contributing in 2021 to nonprofit organizations for COVID-19 relief. For both years, these charitable contributions are shareholder-funded, not funded by PG&E customers.
- PG&E contributed \$500,000 to support California's Closing the Digital Divide Initiative, launched in response to the disparities in technology access related to distance learning during the pandemic.
- Early on in the pandemic, we also donated 480,000 N95 masks and 470,000 surgical masks to the Governor's Office of Emergency Services for distribution to California hospitals and other first responders facing a critical shortage of equipment.

Innovation

We have also found ways to innovate and provide reliable and safe service during the pandemic. During PSPS events, PG&E adapted our Community Resource Centers (CRC) to keep customers and communities safe while providing essential services. Steps in 2020 included:

- Following important health and safety protocols at all CRCs, such as requiring face coverings and social distancing, temperature checks at all indoor CRCs, limiting the number of customers permitted indoors at any time, regularly sanitizing surfaces and training all CRC staff on COVID-19 precautions.
- Opening outdoor and open-air sites in some locations and using vans as mobile CRCs in other locations based on community needs. Supplies were handed out in grab-and-go bags at outdoor CRCs so most customers could be on their way quickly.

PG&E also partnered with the American Red Cross and local charities to assemble kits for those in need across our service area. Virtual volunteers compiled Projects in a Box, benefitting senior centers, at-risk youth and children's hospitals.

PG&E Corporation also issued a statement on Federal COVID-19 Relief Legislation, the American Rescue Plan Act—joining a group of American business leaders calling for “urgent and largescale” federal intervention in the COVID-19 health crisis.



Safety Culture

We recognize that protecting the safety of the public, our coworkers and contractors must come before anything else—it’s our most important responsibility. We are working to transition from a *compliance* focus to a *risk* focus, where we know all our risks, have specific controls in place to minimize them and continuously measure and improve risk-reduction. We are creating a culture where we hold each other accountable for safety, resolve issues promptly and have coworker engagement at all levels.

PG&E Corporation’s and Pacific Gas and Electric Company’s Senior Vice President and Chief Safety Officer (CSO) reports to the PG&E Corporation CEO and is responsible for setting our workforce safety strategy (including employee, contractor and motor vehicle safety), establishing governing standards for safety implementation and supporting PG&E’s operational safety execution, which includes engagement with our major public safety initiatives.

Additionally, in 2020, Pacific Gas and Electric Company committed to regionalize its operations. This includes a Regional Safety Director role that will report to the CSO and support a regional Vice President with safety issues across their region. Regional Safety Directors will work with Utility leadership in their region to identify region-specific hazards and assess risk, verify critical field controls, provide coaching on positive safety interactions and coordinate the implementation of enterprise-wide safety programs within their region.

Safety Governance and Leadership

The PG&E Corporation and Pacific Gas and Electric Company Boards of Directors are responsible for oversight of safety. The Boards oversee the business and affairs of PG&E by providing oversight on corporate policies and goals, and holding management accountable for results. This requires directors who are independent, meet safety expertise criteria defined by the Board and our regulators, and participate actively in the Board and its committees.



The Safety and Nuclear Oversight (SNO) Committees of the PG&E Corporation and Pacific Gas and Electric Company Boards are responsible for oversight and review of policies, practices, goals, issues, risk and compliance relating to safety (including public and workforce safety); significant operational performance and other compliance issues related to PG&E's nuclear, generation, gas and electric transmission and gas and electric distribution operations and facilities; and risk management policies and practices related to such operations and facilities. Among other things, the SNO Committee focuses on:

- Review and oversight of PG&E's Community Wildfire Safety Program and Public Safety Power Shutoff program.
- Principal risks arising out of PG&E's operations and facilities, and the effectiveness of programs to manage or mitigate these risks.
- The Utility's goals, programs, policies and practices with respect to improving safety practices and operational performance as well as promoting a strong safety culture; and
- Review of PG&E's cybersecurity policies, controls and procedures.

The Boards hold regularly scheduled meetings, and the SNO Committees must meet at least six times per year. Members of PG&E management regularly attend Board and Committee meetings. The SNO Committees' charters specifically require regular review with the CSO of PG&E's long-term safety goals and objectives, as well as current staffing and budgeting needs.

The following management-level committees and teams are working to ingrain a new level of safety into our business:

- **Operating Rhythm:** Will include daily, weekly and monthly operating reviews at every level of the organization. As part of the lean operating system, these are critical reviews to identify issues so problem solving can be done effectively.
- **Safety Technical Council:** A collaborative forum that reviews and provides input into key safety strategies, initiatives and programs. It also provides a forum for learning across our lines of business. The Council is led by the CSO and includes representatives from Enterprise Health and Safety, and line of business Safety Directors and leaders from the IBEW and ESC.
- **Line of Business Safety Councils:** Responsible for executing plans to reduce and eliminate exposure to safety hazards. The Councils are composed of management, union and grassroots team members. These efforts are supported by grassroots safety teams comprised of frontline coworkers who share ideas and partner to come up with effective solutions to reinforce a strong and proactive safety culture.

At PG&E, responsibility for safety is shared by our lines of business. This approach is strategic, practical and founded upon the best practice of the industry, recognizing that the hazards within each line of business may be different. We also believe that the people closest to the work know the most about the inherent risk associated with performing it. Encouraging our coworkers to speak up helps us to better understand and address those risks.

Key safety leadership development and coworker engagement initiatives include:

- **Safety Connections:** Launched in 2020, this program involves officers and directors investing time with coworkers at their workplace to hold informal conversations about safety. These interactions strengthen relationships, display our commitment to safety and build trust in support of a speak up culture.
- **Safety leadership development for all operational leaders:** All operational and crew leads attend a workshop that creates alignment around safety leadership principles, safety culture and the role leadership plays in reinforcing a strong safety culture.
- **Further integration within our hiring process:** PG&E uses pre-hire tests for certain roles ranging from operating clerks to line workers and system operators to assess candidates' predisposition to follow safe practices. We are also working to determine other jobs where this test may be used.
- **Safety Summits:** Throughout the year, teams across our service area hold safety summits to discuss safety and health hazards associated with field level work. These meetings reinforce the importance of safety in our daily work.
- **Strengthening job requirements for field safety specialists:** Field Safety Specialists go through a rigorous safety professional development program.



Workforce Safety

A strong safety culture is fundamental to everything we do at PG&E, yet our recent safety performance has fallen short of significantly reducing the occurrence of injuries and eliminating fatalities. In response, we are implementing a 2025 Workforce Safety Strategy and we are aligning resources to the most important mitigations and controls.

As part of our commitment to continuous improvement, we are implementing a lean operating system. Lean practices facilitate the rapid identification of issues and enable faster action and cross-functional coordination to drive continuous improvement. The goal of this system is to improve visibility into all facets of our performance including safety, quality and executing our work.

2025 Workforce Safety Strategy

PG&E has established a workforce safety strategy through 2025 that includes two major pillars: systems and culture. “Systems” refers to risk management, equipment, processes and procedures. “Culture” refers to coworker engagement, adherence to established requirements, a sense of urgency for safety, and leadership. Focus areas include:



| | |
|--|--|
| Health and Safety Management System | <ul style="list-style-type: none"> Design, document and implement a clear, actionable safety plan and management system |
| Enhanced risk management | <ul style="list-style-type: none"> Identify and assess hazards at the task level Improve risk management standards consistent with leading practices, including critical controls |
| Contractor management | <ul style="list-style-type: none"> Increase supervision and safety officer presence, stronger safety criteria in the contractor selection process, and safety-focused contractor management training for PG&E employees |
| Standards | <ul style="list-style-type: none"> Improve our safety technical standards by simplifying them, clarifying them, and making them more protective, consistent with leading industry practice |
| Ergonomics | <ul style="list-style-type: none"> Use data to develop a proactive approach for identifying high risk physically demanding field jobs for detailed evaluations Office ergonomic specialists will use data to proactively work with employees prior to them experiencing discomfort |
| Safety audits | <ul style="list-style-type: none"> Design and schedule audits to reflect risk-based scope and frequency, with participation from operations and trained auditors |
| Data management, systems and reporting | <ul style="list-style-type: none"> Improve data capture by including more detail about the reasons behind the most serious incidents Utilize a database to further enhance our ability to digitize checklists, reports and communications, and make the information available to supervisors in the field |
| Safety culture | <ul style="list-style-type: none"> Emphasize recognizing, reporting and responding to incidents; increase the presence of officers and directors in the field to have informal safety conversations with employees; recognize and celebrate safety practices and accomplishments; provide a safety leadership development course; and use safety as a dimension in talent management and assessment |

We also continue to take a multifaceted approach to protect the safety of the public through our operations. These public safety efforts—which involve numerous departments and coworkers—include vegetation management, electric grid sectioning, process safety for gas and electric operations, transportation safety and asset management. This strategy will allow us to better coordinate our planning for these critical efforts and integrate our reporting to ensure data consistency and accuracy.

2020 Milestones

Employee Safety

In 2020, PG&E developed and began executing the key elements of our 2025 Workforce Safety Strategy with several highlights:

- **Leaders in the field:** Across all of PG&E, the time supervisors spent in the field with their crews increased from 27% at the start of 2020 to 52% at the end of the year. We also launched Safety Connections, a new initiative to encourage officers and directors to have informal safety conversations with the employees on the job site.
- **Serious Injury and Fatality Investigations:** We improved our processes to drive timely serious injury and fatality investigations within 30 calendar days. We also expanded the scope of incident reviews among executive and line of business leadership.
- **COVID-19 Requirements:** We included new COVID-19 pandemic-driven safety requirements into our standard safety observation processes. We released a self-assessment tool called LiveSafe that all workers reporting to locations outside their homes are required to use daily.
- **Independent Safety Oversight Committee:** We expanded the scope of this committee to gas operations and power generation; it has overseen electric operations since 2019.
- **Home office ergonomic assessments:** Due to the COVID-19 pandemic and work from home requirements, PG&E initiated home office ergonomic evaluations and equipment support for coworkers. We conducted about 12,370 virtual home office evaluations in 2020.
- **Industrial athlete program:** Through this program, specialists work with employees in strenuous, high-risk positions to reduce injuries and improve their physical and mental resilience. Due to the COVID-19 pandemic, we offered virtual services, a hotline and an enterprise-wide daily live stretch program.
- **National Safety Council (NSC) Safety Barometer Survey:** We partnered with the NSC to conduct a safety perception survey with PG&E employees and contractors in order to establish a baseline measure of safety culture and identify opportunities for improvement.

Contractor Safety

A key area of our workforce safety strategy includes strengthening our contractor safety programs to reduce exposure to risk.

We value our contractors and our shared commitment to public and workforce safety. Our Contractor Safety Program requires contractors performing medium- and high-risk work to meet prequalification requirements to perform work for or on behalf of PG&E.

PG&E contractors and subcontractors include roughly 2,000 contractor companies, as well as approximately 31,000 individuals. These contractors worked nearly 51 million hours during 2020, supporting PG&E's diverse work efforts.

Our Contractor Safety Standard and associated line of business contractor safety oversight procedures set requirements for managing contract work, including procedural steps for each line of business. These procedures include providing post-job safety performance evaluations of contractor work and sharing lessons learned resulting from safety incidents. We use compliance assessments to evaluate our effectiveness and identify any gaps in how we implement the procedures.

Effective June 15, 2020, contractors who perform high- and medium-risk work must notify PG&E of all serious injury and fatality (SIF) events (potential and actual); previously only actual incidents required notification. Contractors will jointly investigate SIF-actual and SIF-potential events with PG&E to increase our learning from all types of serious incidents.

Additionally, for rapid growth companies, we evaluate the contractor's capacity to respond to the increased staffing by factoring in additional safety measures. In 2020, PG&E reviewed over 140 of these companies.

PG&E has also implemented contractor safety inspection and observation programs, which involve internal safety professionals conducting unannounced job site safety inspections and observations to validate contractor compliance with OSHA, PG&E and job-specific safety requirements.

Measuring Progress

Tragically in 2020, five team members (one employee and four contractors) lost their lives while working for PG&E. Three of the five fatalities were due to a helicopter crash in June 2020.

Seven team members (three employees and four contractors) sustained a serious injury for a total of 12 serious injuries and fatalities. No one should lose their life or sustain a serious injury while at work. We are committed to the standard that the only acceptable number of such incidents is zero.

We saw promising signs of progress by ending 2020 with the lowest Days Away Restricted and Transferred (DART) rate in five years, a 35% reduction over 2019. We also saw improvement in our Contractor DART and OSHA Recordable rates, and our Preventable Motor Vehicle Incident rate.

The table below provides PG&E employee safety statistics for 2018 through 2020:

Employee Safety Statistics

| | 2018 | 2019 | 2020 |
|---|-------|-------|-------|
| OSHA Recordable Rate¹ | 2.94 | 3.29 | 2.21 |
| Days Away, Restricted, and Transferred (DART) Rate² | 1.81 | 2.05 | 1.34 |
| Serious Injuries and Fatalities Rate³ | 0.004 | 0.00 | 0.02 |
| Serious Injuries and Fatalities Count ⁴ | 1 | 0 | 4 |
| Timely Reporting of Injuries⁵ | 74.9% | 75.7% | 67.2% |

1. The OSHA Recordable Rate measures how frequently OSHA recordable occupational injuries and illnesses occur for every 200,000 hours worked, or for approximately every 100 employees.

2. The DART Rate measures how frequently DART cases (injuries that results in days away, restricted or transferred duty) occur for every 200,000 hours worked, or for approximately every 100 employees.

3. The serious injuries and fatalities (SIF) rate measures how frequently SIF events occur for every 200,000 hours worked, or for approximately every 100 employees. A SIF event includes fatalities, life threatening injuries and life altering injuries.

4. The SIF actual count includes fatalities, life threatening injuries and life altering injuries.

5. Timely Reporting of Injuries is the percentage of work-related injuries reported to our 24/7 Nurse Care Line within one day of the incident.

Although the total DART rate for contractors decreased by 27% over the past three years, there was a significant increase in SIF incidents primarily related to vegetation management and electric construction work. The table below provides PG&E contractor safety statistics for 2018 through 2020:

Contractor Safety Statistics

| | 2018 | 2019 | 2020 |
|---|-------|-------|-------|
| OSHA Recordable Rate¹ | 0.93 | 0.91 | 0.81 |
| Days Away, Restricted, and Transferred (DART) Rate² | 0.58 | 0.47 | 0.42 |
| Serious Injuries and Fatalities Rate³ | 0.016 | 0.013 | 0.032 |
| Serious Injuries and Fatalities Count ⁴ | 3 | 3 | 8 |

1. The OSHA Recordable Rate measures how frequently OSHA recordable occupational injuries and illnesses occur for every 200,000 hours worked, or for approximately every 100 contractor employees.

2. The DART Rate measures how frequently DART cases (injuries that results in days away, restricted or transferred duty) occur for every 200,000 hours worked, or for approximately every 100 contractor employees.

3. The serious injuries and fatalities (SIF) rate measures how frequently SIF events occur for every 200,000 hours worked, or for approximately every 100 contractor employees. A SIF event includes fatalities, life threatening injuries and life altering injuries.

4. The SIF actual count includes fatalities, life threatening injuries and life altering injuries.

The following table provides employee motor vehicle safety statistics for 2018 through 2020:

Motor Vehicle Safety Statistics

| | 2018 | 2019 | 2020 |
|---|------|------|------|
| Preventable Motor Vehicle Incidents Rate¹ | 2.79 | 2.91 | 2.61 |
| Serious Preventable Motor Vehicle Incidents Rate² | 0.19 | 0.35 | 0.29 |

1. The Preventable Motor Vehicle Incidents Rate measures how frequently drivers could have reasonably avoided an incident per 1 million miles driven.

2. The Serious Preventable Motor Vehicle Incidents Rate measures preventable incidents that included towing, over \$5,000 in damage to a PG&E vehicle or any party needing treatment away from the scene.

PG&E also actively tracks several leading indicators which can inform adjustments that need to be made before a potential incident occurs. These measures will help us more deeply embed safety in our operations and to encourage coworkers to speak up. They include:

- Closure of SIF investigation within 30 days
- Overdue SIF related corrective actions
- Corrective Action Program participation rate
- Percent of Corrective Action Program issues closed on time
- Percent of anonymous Corrective Action Program submissions



Public Safety

PG&E's commitment to public safety ranges from comprehensive programs to train our workforce to investments in our gas and electric infrastructure to health precautions in response to the COVID-19 pandemic. With the increased wildfire threat our state faces, PG&E is also expanding our efforts to reduce wildfire risks and keep our customers and communities safe. We continue to prioritize safety, and the necessary steps and actions that must be taken to make the energy system safer.

Our Approach

Embedding Safety in Our Operations



Through our Workforce Safety Strategy, many factors come into play when making sure our operations are safe, including training, daily safety tailboards, updates to safety protocols and programs, safety observers in the field and a robust serious injury and fatality program that evaluates the root causes of accidents and near misses and provides corrective actions to prevent them from happening again.

We take a multifaceted approach—including strict adherence to COVID-19 safety protocols—to protect the safety of the public through our operations:

- **Electric Operations:** PG&E's safety efforts in our electric operations can be seen in our efforts to harden our infrastructure, modernize the grid and execute the Community Wildfire Safety Program to continue to mitigate the risk of our equipment igniting fires.
- **Gas Operations:** With a focus on continuous improvement, PG&E works toward the goal of making our natural gas system the safest and most reliable in the nation. We also maintain a steadfast commitment to achieve and maintain best-in-class asset management certifications, meeting all compliance standards, and maintaining rigorous pipeline safety management systems.
- **Power Generation:** PG&E remains focused on safely operating the Diablo Canyon Power Plant and our natural gas-fired generation facilities. We also continue to inspect and maintain our hydroelectric system according to strict safety guidelines and to enhance public safety outreach in communities around our facilities.

Community Wildfire Safety Program

The fire season in California is starting earlier and ending later due to climate change and fires are becoming larger and spreading faster. Our wildfire safety program is evolving each year to reflect lessons learned and incorporate new information. Specific actions we are taking include:

- **Installing 250 sectionalizing devices** able to limit the size of outages so fewer communities are without power during times of highest wildfire threat.
- **Hardening 180 distribution circuit miles** to increase system resiliency.
- **Meeting and exceeding state vegetation and safety standards** across 1,800 miles to manage vegetation near power lines that could cause a wildfire or power outage.
- **Installing switches to redirect power** and keep communities energized.
- **Installing microgrids that use generators** to keep the electricity on during PSPS events.
- **Utilizing additional state-of-the-art weather tools**, including weather stations and high-definition cameras, to improve extreme weather forecasting that will help better predict and target where and when PSPS events are necessary.
- **Monitoring conditions** in real-time from our Wildfire Safety Operations Center to coordinate wildfire prevention and response.
- **Inspecting all lines and structures** in Tier 3 areas and one-third of lines and structures in Tier 2 areas on the CPUC Fire-Threat Map to help reduce wildfire risks caused by equipment issues.



Reducing Wildfire Risk for Customers Through Remote Microgrid

PG&E recently launched its first hybrid renewable standalone power system, built and installed by BoxPower Inc. The remote grid permanently replaces the overhead distribution powerlines that once served a handful of customers in a High Fire-Threat District (HFTD) area of the Sierra Nevada foothills outside Yosemite National Park, improving reliability and significantly reducing wildfire risk.

The system uses solar combined with battery energy storage and backup propane generation and provides up to 89% renewable energy annually. The remote grid will reliably repower these customers without the need to rebuild the overhead line, and is intended to meet customer needs at lower lifetime costs and a significantly lower risk of fire.

The approach has potential use in other areas, as well—where isolated pockets of remote customers are served via long electric distribution lines that in many cases traverse through HFTD areas.

Photo credit: BoxPower, Inc.

Gas Safety

It is our fundamental responsibility to design, build, maintain and operate our gas system to keep customers and communities safe. Our 2021 Gas Safety Plan demonstrates PG&E's commitment and progress in implementing processes, programs and procedures to achieve our vision to become the safest and most reliable natural gas utility in the nation.

PG&E continues to invest in the safety and reliability of our gas transmission pipeline system. From 2011 to 2020, PG&E has achieved the following results:

- Validated safe operating pressure by strength-testing 1,534 miles of gas pipeline.
- Replaced 272 miles of gas transmission pipeline.
- Automated 381 valves, enabling automatic or remote-control shutoff of gas in an emergency.
- Retrofitted 1,780 miles of gas transmission lines to accommodate in-line inspection tools, or "smart pigs," which are used to inspect the condition of pipelines using sophisticated technology.

During this timeframe, we have also installed 3,532 SCADA visibility and control points on the gas transmission system and 4,147 SCADA visibility and control points on the gas distribution system to monitor pressure and flow.

Our 2021 Gas Safety Plan outlines the work we accomplished in 2020 and consists of several aspects that are new since the 2020 plan, which include the following:

- Details on PG&E's 2025 Workforce Safety Strategy.
- How PG&E adapted to COVID-19 impacts by ensuring coworkers were equipped with the necessary ergonomic equipment and implementing best practices for team members in the field.
- How a new data management organization will improve PG&E's ability to make data-driven decisions to reduce risk within our system.

While we have made progress in key safety areas, we realize there is more to do to demonstrate our commitment and progress towards gas safety excellence.

Emergency Preparedness and Response

To prepare for major weather events and natural disasters—earthquakes, wildfires, floods, heavy winds and blizzards—PG&E relies upon our enterprise-wide Emergency Preparedness and Response organization through which we continually review and strengthen our catastrophic emergency response plans. This ensures that we have:

- Clearly defined organizational structures, roles and responsibilities,
- Restoration priorities that incorporate community needs to help customers get back to normal,
- Effective logistics plans that support restoration needs,
- Technology that is ready and available to support our response,
- Employees who are trained and fully understand their emergency roles, and
- Employees who are personally prepared for emergencies and ready to respond at home and at work.

2020 Milestones

PG&E works year-round to prepare for extreme weather events through advance planning, new initiatives and the incorporation of state-of-the-art technologies.

Highlights from 2020 include:

- **Expanding the Safety Action Center**, a dedicated safety webpage featuring helpful information about wildfire risks and what customers can do to keep their home, family or business safe, including tips on how to create an emergency plan, emergency preparedness guides and videos.
- **Urging customers to update their contact information**, as part of a campaign encouraging customers to have a plan for the growing threat of climate-driven extreme weather and wildfires. PG&E is asking customers to update their mobile numbers, email addresses and other contact information so PG&E can communicate with them through important wildfire safety alerts. The effort included earned and social media.
- **Holding a large-scale earthquake exercise**, where our response to a simulated 7.0 earthquake in the East Bay was tested. In addition to hundreds of PG&E coworkers, the drill included participants or observers from the Edison Electric Institute, the California Office of Emergency Services, the Federal Emergency Management Agency, Bay Area Rapid Transit, the California Public Utilities Commission, the California Independent System Operator and the Department of Energy.
- **Utilizing our new Emergency Response Center in Vacaville**. Opened in 2019, the 30,000-square-foot facility has redundant utility power, backup generator power and backup and telecom infrastructure. To improve earthquake structural resilience, the facility was constructed to a 1.5 Importance Factor, which is 50% above the California commercial building standard. It contains emergency operations for electric, gas and energy procurement, and hosted the 2020 earthquake exercise.

First Responder Collaboration and Assistance

In an emergency situation, our first priority is to protect the health and welfare of the public. We do that by coordinating and communicating with police, fire and other officials in an effort to keep the public and first responders safe. Our emergency response plan—which is developed, shared and tested with emergency officials—defines clear lines of responsibility for PG&E and emergency personnel. PG&E also maintains a secure First Responder website, where emergency officials can access training materials and infrastructure information and maps.

In 2020, PG&E hosted 96 training workshops to better prepare firefighters, police, public works officials and other authorities to respond to emergencies involving electricity and natural gas. We also met with 367 local fire entities to address contingency planning for gas-related events.

Community Outreach and Partnerships

We regularly work with community partners to better prepare for emergencies. Examples from 2020 include:

- **Awarded \$2.3 million in wildfire prevention grants to local Fire Safe Councils**. The grants marked the seventh year PG&E partnered with local California Fire Safe Councils and other non-profit partners to fund shovel-ready projects, with funds going to 28 counties for 41 projects to help keep communities safe. The funds paid for fuel reduction, emergency access and defensible space projects, as well as chipper days in local communities.
- **Expanded a partnership with the California Fire Foundation** by funding a \$1.2 million Wildfire Safety and Preparedness grant. Over this three-year collaboration, the funding has enabled fire equipment purchases, local fire education programs, and defensible space and vegetation management efforts. The program also provided fire safety messaging targeting underserved communities in English, Spanish, Chinese, Hmong and Vietnamese and created a statewide fire safety awareness campaign through television, radio, digital and outdoor advertisements.

Public Safety Awareness

Educating the public about working safely around our systems and facilities, and on how to stay safe during emergencies, remains a key element of our public safety strategy. Examples include:

- **Urging customers and contractors to call 811 before digging.** A call to 811 is the best safeguard and the first line of defense to preventing strikes on underground utility lines. Callers are connected to their local 811 center that notifies the appropriate utility of their intent to dig. That utility operator sends a specially trained and qualified technician to the digging site to mark the approximate locations of underground lines with flags or spray paint.
- **Emphasizing safety around downed power lines** by providing safety tips online and through an extensive public advertising campaign. PG&E also urged customers to have a storm preparation plan and provided instructions on how to create an emergency supply kit.
- **Maintaining a standalone cloud-based website specifically for emergencies.** This includes PSPS content and tools for easier usability for customers.
- **Promoting public safety around PG&E waterways,** including dam safety and encouraging customers to take extra precautions around hydroelectric facilities and dams, where water flows can change rapidly.
- **Taking a stand against scams.** As part of the Utilities United Against Scams, a consortium of more than 100 U.S. and Canadian energy companies, PG&E advised customers on how to protect themselves against potential scammers.

Cyber and Physical Security

PG&E operates infrastructure that has been deemed critical to our national and economic security. As such, we are firmly committed to working with other gas and electric providers, other essential industries, and government officials to develop and implement state-of-the-art security strategies and best practices.

PG&E's Cybersecurity and Corporate Security organizations demonstrate our commitment to addressing evolving threats and complex risks. We seek to continually improve our services through strategic deployment of our resources, standardizing security practices and policies, and reinforcing and promoting security awareness across the enterprise. Our Cybersecurity organization is especially proficient in the areas of detecting and responding to cybersecurity threats and attacks. To test and refine our ability to respond to threat scenarios, we hold an enterprise-wide training exercise each fall and participate in the national GridEx cyber exercise every other year.

As PG&E's technological footprint expands, the need to protect our people, assets and information from attacks becomes even more essential. We have made investments in key areas to modernize the security infrastructure and to build service capability, providing the security team with the tools they need to manage challenges to our critical infrastructure. As part of this commitment, PG&E participates in the Cybersecurity Risk Information Sharing Program (CRISP), which is a threat monitoring and intelligence sharing program sponsored by the U.S. Department of Energy.

Once risks are identified and prioritized, we develop mitigation plans to protect the enterprise and reduce risk. The approach includes continually evolving our capabilities to address tactics used by our adversaries amid a changing technology landscape. PG&E has around-the-clock centralized security monitoring operations for threat detection, situational awareness, incident management and emergency response to proactively defend PG&E from both cyber and physical threats.

Measuring Progress

PG&E tracks our public safety performance via a set of public safety metrics with the aim of continuous improvement.

In 2020, customer welfare—prioritizing public and workforce safety—represented 75% of management's annual at-risk performance-based pay. Financial stability was weighted at 25%. This breakdown was continued in 2021.



Diversity, Equity and Inclusion

The year 2020 was a watershed for addressing issues of social justice and racial inequity. At PG&E, we are committed to fostering a culture where diversity, equity and inclusion are integrated into all that we do. This includes ensuring that our coworkers always feel safe on the job, that their voices and ideas are heard and that everyone experiences a sense of belonging at PG&E. We also remain focused on representing the broad diversity of the communities we serve.

Our diversity journey is guided by the voices of our people, the issues of our communities and our vision of a bright and sustainable future. This includes a recent effort where a team of coworkers has kickstarted open and transparent dialogues within PG&E on diversity, equity and inclusion.

PG&E has been leading on diversity, equity and inclusion for almost two decades:

- Inclusion has been foundational to our approach to leadership development within PG&E since 2006
- We have embraced transparency by publishing our workforce demographics since 2003
- PG&E Corporation was the first in our industry to achieve 100% in the Corporate Equality Index
- PG&E Corporation was the first in the Fortune 500 with a Latina CEO
- We have included diversity, equity and inclusion as part of our employee engagement measures since 2009

“Everyone should have the same expectation of safety and freedom...

The same expectation of peace and liberty.

The same access to justice and the protections of the law.

The same access to opportunity in their lives and in their career.

Every one of those values is fundamental to what our company and our country stands for and it's the culture we should be supporting and aspiring to create. These are the very things we most want for the people we love. I will always stand for love against any kind of hate.”

—Patricia K. Poppe, Chief Executive Officer, PG&E Corporation

Our Approach

PG&E's efforts to foster a diverse, equitable and inclusive culture and workforce are led by the Utility's Chief Diversity Officer, with support from the senior leadership team.

The People and Compensation Committee of PG&E Corporation's Board of Directors reviews our diversity and inclusion practices and performance. This oversight helps ensure that diversity and inclusion principles are embedded throughout the lifecycle of our talent management programs.

Within PG&E, we convene a Diversity Council to improve diversity, inclusion, equity and cultural understanding across PG&E by identifying key opportunities, collaborating and implementing diversity initiatives, and leveraging organizational resources to foster a culture of inclusion and belonging at PG&E to meet our business objectives. The Council is comprised of senior leaders, champions and representatives of PG&E's Employee Networks.

Key elements of our approach include engaging employees from day one, targeted employee development to level the playing field for diverse talent, an ongoing commitment to diversity among our leadership team, and furthering cultural understanding and role-modeling inclusion. In addition, our Employee Resource Groups continue to be at the forefront of PG&E's diversity and inclusion efforts, as they have been for close to 50 years.

PG&E Human Rights Policy

At PG&E, our purpose is to deliver for our hometowns, serve our planet, and lead with love. That includes demonstrating compassion and concern for each other as coworkers and embracing diversity, equity and inclusion in a way that reflects the kaleidoscope of humanity in the communities we serve.

Our Commitment

We will conduct our business in a manner that respects the human rights of all—and in support of international human rights principles, such as those identified in the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights.

Our Workforce

We strive for a workplace that respects individual differences, perspectives and talents. We prohibit discrimination, harassment, abusive conduct, bullying and retaliation, and we work to ensure our policies, standards and procedures reinforce this culture. Our Employee Code of Conduct helps to ensure that all employees understand the expectations and requirements for which we are accountable, and states:

- We treat our employees with dignity and provide them with safe and humane working conditions.
- We are committed to paying fair wages, salaries and benefits.
- We do not participate in the exploitation of workers or use forced or involuntary labor, including human trafficking.
- We do not employ any person under the minimum legal age for employment as prescribed by the relevant local authority, or under the age for completing compulsory education, whichever is greater.
- We give all employees equal opportunities for jobs, skills training and promotions.

Our Suppliers

We also expect our Suppliers to know and uphold the human rights of all workers—whether temporary or contract employees, subcontractors or sub-suppliers—and to treat all their workforce members with dignity and respect, providing them with safe and humane working conditions. PG&E details these expectations in our Supplier Code of Conduct.

Our Hometowns and Stakeholders

To meet our commitments, it is essential that we understand the needs, expectations and priorities of our many stakeholders. PG&E seeks engagement across a broad spectrum of voices to help shape our thinking about how to deliver better outcomes for everyone we serve.

Guided by our Environmental Justice Policy, we strive to strengthen our engagement and collaboration with disadvantaged and vulnerable communities—including environmental and social justice stakeholders—to ensure that the benefits and costs of our energy system are shared in an equitable way that leaves no one behind.

Through our engagement with tribal governments in California and nationally, PG&E also respects and partners with indigenous peoples and supports the principles identified in the United Nations Declaration on the Rights of Indigenous Peoples.

Reporting Concerns

Employees and Suppliers can contact PG&E's Compliance & Ethics Helpline 24/7 at 1-888-231-2310, www.pgecorp.ethicspoint.com or ComplianceEthicsHelp@pge.com to request guidance or report violations of our Employee or Supplier Code of Conduct, accounting issues or illegal activity. Concerns can also be raised with Pacific Gas and Electric Company's Federal Monitor at 1-855-585-0703.

Additional Resources

Employee Code of Conduct
Supplier Code of Conduct
Environmental Justice Policy

Coworker Experience

From day one at PG&E, we ground all coworkers in our commitment to and definitions of diversity, equity and inclusion at new employee orientation. In 2020, we added the term equity to our approach, to more fully describe our values:

- **Diversity** is characterized by all the ways in which we are different. It is present in our job functions, work styles, experiences and ideas. Diversity cultivates new perspectives and innovation, which enable us to better serve our customers, fellow coworkers and shareholders.
- **Equity** seeks to provide fair treatment, access, opportunity and advancement for all people, while at the same time identifying and eliminating barriers that have prevented the full participation of some groups.
- **Inclusion** is the process of leveraging the power of our coworkers' individual uniqueness to achieve our business strategies and goals, be better corporate citizens and be the best in the industry.



Leading Conversations on Race, Social Justice and Equity

Issues of race and equity continue to be at the forefront of discussions in the United States and globally. Last summer, we asked our leaders to hold a series of listening sessions on these topics. These smaller group settings were opportunities to connect and share personal experiences. We provided a guide for how to host these sessions virtually and created an internal website focused on Allyship. We also hosted a leading authority on Unconscious Bias, Dr. Jennifer Eberhardt, professor of Stanford University and author of the book, *Biased*.

We have heard from coworkers and leaders that more support is needed to lead discussions on race and equity. We know that for some, the topic of diversity at work represents uncharted waters, and there is a genuine desire to approach these conversations in a thoughtful way.

In response, we created an interactive training experience, hosted by a group of internal ambassadors, many of whom have served as Workforce Diversity Champions. The ambassadors are leading discussions designed to prepare leaders for these conversations with their direct reports. To develop the content, we collaborated with an external firm that specializes in improving business results through employee engagement and inclusion.

The format we're using is called a conversation among leaders. Our 100 trained ambassadors are leading the two-part Leading Conversations on Race and Equity training.

Self-Identification

As a federal government contractor, Pacific Gas and Electric Company is required by law to provide equal employment opportunity to individuals with disabilities and veterans. To do this, we must ask applicants if they have ever served in the armed forces, have a disability or have ever had a disability. Because a person may become disabled at any time, we ask all of our coworkers to update their information at least every five years.

In late 2020, we asked coworkers to help share their stories on why it is important to them to be counted and shared these in a video for all coworkers. As a result of this campaign, we saw a significant increase in individuals who self-identified as individuals with a disability and veterans.

Employee Resource Groups and Engineering Networks

PG&E's Employee Network Groups date back five decades. Today, our Employee Resource Groups (ERGs) and Engineering Network Groups (ENGs) promote our business objectives and support a culture of diversity, equity and inclusion by:

- Fostering employee belonging
- Supporting an environment of inclusion that values and respects diversity in our workforce
- Promoting positive relationships with the communities and customers we serve

These network groups help create an environment where every coworker can feel welcome and contribute to our overall business success. They assist in welcoming and mentoring new coworkers; provide professional and career workshops; host social networking events; and offer community support, scholarships and an environment for collaboration.

ERG and ENG members come from every level and job function and participate across 27 chapters throughout our service area. Forty percent of all ERG members are members of more than one ERG. More than half of PG&E's officers are executive sponsors who serve as an advisor, mentor and advocate to one or more network group.

Each year, our ERGs and ENGs support community organizations through charitable contributions and volunteerism. While these groups began as grassroots organizations, they have evolved into being groups that create awareness and educate our workforce about culture and experiences. In turn, they also inform our diversity, equity and inclusion efforts at PG&E.

Role-Modeling Inclusion

PG&E regularly recognizes coworkers who embody our diversity and inclusion principles, culminating each year with the Diversity and Inclusion Awards, which honor coworkers for demonstrating inclusive leadership.

Equal Employment Opportunity and Affirmative Action

PG&E is committed to maintaining a work environment that is free from any and all forms of unlawful discrimination, harassment and retaliation. In accordance with federal and state laws, including the California Fair Employment and Housing Act, it is PG&E's policy to prohibit discrimination, harassment and retaliation against any applicant, employee, unpaid intern, volunteer, vendor, contractor, customer, or client on the basis of race, color, national origin, ancestry, sex (which includes but is not limited to pregnancy, childbirth, breastfeeding and medical

conditions related to pregnancy, childbirth or breastfeeding), sexual orientation, gender, gender identity, gender expression, transgender status, age, religion, religious creed, physical or mental disability, protected veteran status, medical condition, marital status, genetic information, military and veteran status, citizenship status, utilization of leaves of absence protected under state or federal law, any other reason prohibited by law, or any other factor that is not job-related.

2020 Milestones



In 2020, our coworkers continued to make progress on furthering diversity, equity and inclusion:

- **Leveraged ENGs for recruiting and retention.** Our ENGs continued to grow, with approximately 1,200 members participating throughout our service area. During the year, the ENGs supported PG&E's efforts to recruit and retain STEM talent at national conferences.
- **Spurred access to higher education.** Our ERGs awarded a record \$260,000 in scholarships to 126 students, ranging from \$1,000 to \$5,000 per scholarship. Since 1989, more than \$5 million in scholarships have been awarded to thousands of recipients.
- **Celebrated the diversity of PG&E.** PG&E celebrated nine heritage months during 2020—reflecting the many cultures and populations of our workforce. Months included Black History Month, Women's History Month, Asian American and Pacific Islander Heritage Month, Pride (LGBT) Month, Hispanic Heritage Month and Disability Awareness Month, among others. To celebrate, ERGs held events, highlighted members of their communities and published articles to build awareness and participation in volunteer events and scholarship fundraisers.
- **Provided new learning resources.** We introduced a new LinkedIn Learning platform to PG&E's workforce with rich content related to diversity, equity and inclusion. A learning path was created to support one of our leadership attributes, Values Differences.
- **Adapted to a virtual environment.** As a result of the COVID-19 pandemic, the work from home environment presented our network groups and coworkers with the challenge of executing activities previously offered in-person. The groups rose to the occasion by delivering close to 160 virtual events on topics such as art and culture, mental health, professional development, coworker contests and community service.
- **Kickstarted open and transparent dialogues on diversity, equity and inclusion.** In response to the civil unrest in the summer of 2020, a team of former Employee Network leaders launched the Strategic Allies Leading Transparency (SALT) Task Force in order to help facilitate discussions on topics such as race, privilege, civil unrest, protests and immigration. Leaders within PG&E saw the impact and contributions of the SALT Task Force and asked them to take on an 18-month assignment to focus on this work. Since their inception, the team has facilitated open discussions and dialogues with leaders and teams at every level of the enterprise.

2020 Recognition

Human Rights Campaign: Named PG&E Corporation one of the best places to work for the 18th consecutive year, providing a perfect 100% rating on their annual Corporate Equality Index for our consistently strong commitment to diversity and inclusion. The Human Rights Campaign is the largest national civil rights organization working to achieve workplace equality for lesbian, gay, bisexual and transgender Americans.



Forbes magazine: Named Pacific Gas and Electric Company one of the 2020 Best Employers for Diversity.



Disability Equality Index: Gave Pacific Gas and Electric Company a score of 100% on the 2020 Disability Equality Index for the sixth straight year and named us one of the “2020 Best Places to Work for Disability Inclusion.” The index is compiled by Disability:IN and the American Association of People with Disabilities.



Latina Style magazine: Named Pacific Gas and Electric Company one of the 2020 50 Best Companies for Diversity.



Measuring Progress

PG&E continues to employ a higher percentage of women and minorities in our workforce than the national average for gas and electric companies.

Benchmarking Workforce Demographics

| Category | PG&E | U.S. Energy Company Average ¹ |
|-------------------|-------|--|
| Women | 27.0% | 25.5% |
| Ethnic Minorities | 46.1% | 24.9% |

1. Source: 2020 EEO-1 Reports: Combined Electric and Gas Utilities, U.S. Total. NAICS Code 2211—Electric Power Generation, Transmission & Distribution, U.S. NAICS Code 2212—Natural Gas Distribution, U.S. 2015 data is the most recent available.

We also continue to pursue diversity among leadership positions—managers and above—through a combination of external hiring, internal promotions and lateral moves. In 2020, we focused on interventions in the recruiting process to raise awareness of manager-and-above job openings, increase our focus on diverse candidates and improve our interview and selection process. We report progress monthly and discuss organizational efforts in business process review sessions.

PG&E's workforce statistics by race, ethnicity and gender for 2018 to 2020 are below.

PG&E Workforce Demographics, 2018 – 2020

| EEOC Category | 2018 | 2019 | 2020 |
|-------------------------------------|--------------|--------------|--------------|
| Women | 27.5% | 26.8% | 27.0% |
| Officials and Managers | 33.9% | 34.9% | 33.2% |
| Professionals | 34.6% | 33.8% | 34.3% |
| Technicians | 18.7% | 17.7% | 17.5% |
| Administrative Support Workers | 71.0% | 71.8% | 72.3% |
| Craft Workers | 2.7% | 2.9% | 2.7% |
| Operatives | 3.7% | 2.9% | 2.7% |
| Laborers and Helpers | 11.5% | 12.7% | 11.7% |
| Service Workers | 8.1% | 7.7% | 6.0% |
| Ethnic Minorities | 43.9% | 44.8% | 46.1% |
| Officials and Managers | 35.3% | 36.0% | 35.3% |
| Professionals | 45.4% | 46.2% | 46.9% |
| Technicians | 44.1% | 44.5% | 46.6% |
| Administrative Support Workers | 64.0% | 65.2% | 66.6% |
| Craft Workers | 34.3% | 35.7% | 36.4% |
| Operatives | 41.8% | 43.5% | 43.9% |
| Laborers and Helpers | 53.4% | 55.4% | 57.6% |
| Service Workers | 35.9% | 34.6% | 32.9% |
| Minority Groups | | | |
| American Indian or Alaskan Native | 1.2% | 1.2% | 1.1% |
| Asian | 14.4% | 14.1% | 14.4% |
| Black/African American | 6.5% | 6.5% | 6.6% |
| Hispanic/Latino | 18.4% | 19.0% | 19.7% |
| Native Hawaiian or Pacific Islander | 0.6% | 0.6% | 0.7% |
| Two or more races | 2.9% | 3.3% | 3.6% |



Engaging Our Teams

To build the workforce of the future, PG&E is cultivating an environment where coworkers are empowered to speak up about important issues; offer ideas for how to make PG&E a better place to work; learn and grow in their careers; and connect with the communities where they live.

Our Approach

To better engage our people, we have both executive-level and coworker-led initiatives and programs:

- Our executive team meets regularly to discuss and evaluate the state of our talent, determine which programs are driving engagement and performance, and clarify the specific skills, behaviors and values we should cultivate in our current workforce and seek in future recruits.
- Other initiatives focus on safety, wellness and environmental leadership. Approximately 5,500 coworkers participate in our Employee Resource Groups (ERGs), each of which contributes to building an inclusive culture where our coworkers' voices are heard and valued.

Approximately 63% of PG&E employees are covered by collective bargaining agreements with three labor unions: the International Brotherhood of Electrical Workers (IBEW) Local 1245, the Engineers and Scientists of California/International Federation of Professional and Technical Engineers (ESC/IFPTE) Local 20, and the Service Employees International Union (SEIU) United Service Workers West. A negotiated labor agreement with each union establishes the compensation, benefits and other terms and conditions of employment.

We also support our coworkers' efforts to engage with local nonprofit organizations that support our communities. This includes offering opportunities for coworkers to volunteer and make personal charitable contributions that are matched up to \$1,000 per coworker or retiree per year by The PG&E Corporation Foundation.

2020 Milestones



- **Implemented upward feedback across PG&E**, enabling coworkers to provide constructive feedback both to their direct supervisor and to leaders in their reporting structure. This tool is part of PG&E's speak-up culture and encourages our leaders to grow and develop through direct insights.
- **Conducted quarterly performance conversations between coworkers and supervisors** to increase the frequency and effectiveness of feedback and coaching. These discussions also support and reinforce PG&E's speak-up and safety culture.
- **Developed innovative volunteer approaches to support local communities.** Although COVID-19 required that we temporarily pause our longstanding tradition of in-person volunteering, we worked quickly to create a selection of virtual volunteering options for coworkers resulting in more than 700 volunteers participating in more than 17 home-based projects supporting the needs of 16 different community-based organizations.
- **Maintained and amplified use of the PG&E Spotlight app for all coworkers**, a communications channel that allows all coworkers to access PG&E news and information when and where it's convenient for them, via their personal or PG&E-issued mobile device.

Campaign for the Community

PG&E's year-round coworker and retiree workplace giving program, Campaign for the Community, raises money for qualifying 501(c)(3) organizations and eligible schools. Coworkers and retirees can donate to an eligible organization of their choice and receive matching contributions of up to \$1,000 each year.

In 2020, PG&E donors contributed \$6.5 million to more than 6,100 organizations. The PG&E Corporation Foundation matched an additional \$4.2 million. In addition, coworker-organized fundraisers contributed more than \$100,000 from donations and matches to 50 benefitting nonprofit organizations and schools, primarily in communities where PG&E coworkers live and work. Over the past 20 years, PG&E coworkers and retirees have contributed more than \$100 million in support to our communities.



Measuring Progress

PG&E conducts a biennial enterprise survey of coworker engagement, with the most recent survey conducted in 2020. The score from our 2020 biennial survey was 72%, with 63% of coworkers participating in the survey. The 2020 score exceeded both our 2018 results and our target of 68%, reflecting PG&E's progress. Our next enterprise survey is scheduled to be conducted in 2022.

In 2020, coworkers contributed 15,500 volunteer hours to nonprofit organizations throughout California, despite limited availability to participate in volunteer programming due to the COVID-19 pandemic.

Coworker Survey Results

| Year | Score ¹ |
|------|--------------------|
| 2011 | 67% |
| 2012 | 71% |
| 2013 | No survey |
| 2014 | 76% |
| 2015 | No survey |
| 2016 | 77% |
| 2017 | No survey |
| 2018 | 68% |
| 2019 | No survey |
| 2020 | 72% |

1. Refers to the percentage of favorable responses to questions that measure employee engagement.

Employee Volunteer Hours

| Year | Target | Actual |
|------|------------------|---------------------|
| 2011 | 28,875 | 32,585 |
| 2012 | 34,215 | 41,792 |
| 2013 | 43,050 | 47,855 |
| 2014 | 50,000 | 75,000 |
| 2015 | 79,000 | 87,000 |
| 2016 | 90,000 | 96,800 |
| 2017 | 91,000 | 95,009 |
| 2018 | 91,000 | 78,844 |
| 2019 | N/A ¹ | 71,000 |
| 2020 | N/A ¹ | 15,500 ² |

1. Coworker volunteerism is currently not being reported against an annual target; however, hours are tracked for awareness and reported in our annual reporting of coworker engagement.

2. Participation in volunteer activities was reduced due to COVID-19 restrictions.

Recognizing Employee Champions

PG&E has historically recognized coworkers with our highest honors for their commitment to safety, innovation, environmental leadership, diversity, and community involvement. We acknowledge their achievements by awarding three champions in each category \$1,500 each to present to the nonprofit of their choice. Due to COVID-19 and the California-mandated shelter in place, PG&E did not award Employee Champions in 2020 but will do so in 2021.



Career Pathways

To keep up with the rapid transformation of the energy industry, PG&E is focused on developing a workforce with the skills and expertise to operate our business safely while also meeting the needs of our customers.

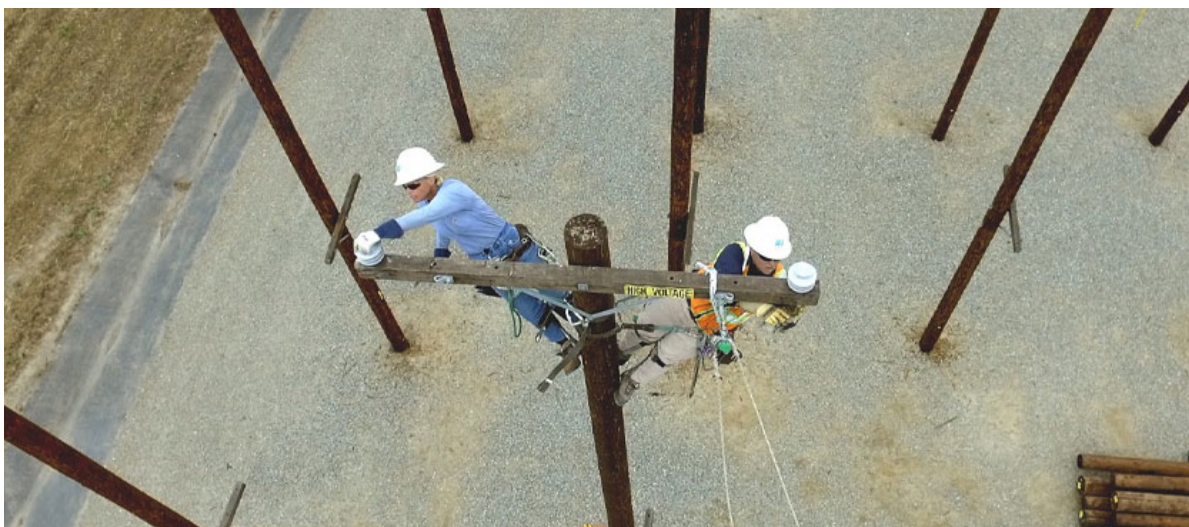
Our Approach



We take a multi-pronged approach to developing our talent within PG&E. Through our talent identification efforts, robust training offerings at PG&E Academy, and targeted efforts at building workforce pipelines such as PowerPathway, PG&E remains poised to have the talent needed to meet the needs of our business.

We provide our coworkers a range of technical training on the knowledge and skills required to perform their jobs safely using approved tools and work procedures. These courses help prepare our workforce as we integrate new technologies, systems and processes into our operations. Consistent with PG&E's commitment to ensuring all coworkers are qualified to perform their assigned tasks over the duration of their careers, PG&E offers a range of skill refresher and coworker development courses.

In addition, PG&E's long-term strategic planning includes coworker and leadership development, as well as succession planning, with a commitment to fill 75% of management vacancies in the positions of director-level and higher with internal candidates.



Careers through PowerPathway

PG&E's PowerPathway™ program continues to play a central role in our workforce development strategy. Students enrolled in the program receive industry-specific training that addresses the academic, vocational and physical abilities students will need to enter the energy industry workforce.

Created in 2008, PowerPathway targets those who are out of work or under-employed and has a strong focus on enhancing opportunities for women and those who have served in the military. PG&E has been a strong supporter of training and hiring veterans and military members dating back to World War I and recognizes the invaluable skills and perspectives they can offer companies looking for mature, highly qualified coworkers.

2020 Milestones

In 2020, notable accomplishments included:

- **Graduated our 10th PowerPathway class:** We continued to partner with local workforce development organizations to develop local diverse talent invested in our communities. In 2020, we held programs for both our gas and electric teams—incorporating COVID-19 protocols—and renewed a partnership with Swords to Plowshares, a local organization that supports veterans. In 2021, we'll hold programs in San Jose, Oakland and San Francisco.
- **Continued our internship program and adapted to COVID-19 safety requirements:** Our internship program transitioned to a remote model and successfully brought on 44 interns in various lines of business. Interns worked from home and traveled when necessary to job sites. To promote diversity, we actively partner with our Engineering Network Groups and external partners such as the National Society of Black Engineers, Society of Hispanic Engineers, and Society of Women Engineers in our recruiting efforts.
- **Skill Development Partnership with Cal Poly:** As part of the decommissioning of our Diablo Canyon Power Plant, we have partnered with California Polytechnic State University on a one-of-a-kind collaboration focused on upskilling plant coworkers for future careers. This program is part of the over \$11 million that was approved by the CPUC for retraining of coworkers in advance of the plant's closure in 2025.
- **Cultivated leadership among coworkers through leadership development programs:** PG&E delivers award-winning leadership development programs that work to maximize coworker and leader effectiveness through innovative development opportunities targeted to all levels within PG&E. Courses such as New to Leadership at PG&E, Safety Leadership, and Leading the Energy Network of Tomorrow prepare leaders for the challenges they face in the ever-changing utility industry. Key milestones included:
 - Delivered over 7,200 professional development student training days.
 - Converted all instructor led in-class programs to a virtual teaching platform in response to COVID-19.
 - Earned recognition for Leading the Energy Network of Tomorrow training program: Brandon Hall Group Gold Medal—Best Advance in Leadership Development and Brandon Hall Group Bronze Medal—Best Unique or Innovative Leadership Development Program

Measuring Progress

We work to hire from within our own ranks whenever possible, with an overall goal to provide opportunities for our coworkers to develop their skills. In 2020, 46% of our employees were either promoted or moved into new roles, and 2,458 new employees joined PG&E.

As part of our continuing commitment to our coworkers, we delivered more than 540,000 hours of technical, leadership and coworker training in 2020. This includes more than 52,000 hours of training delivered via our on-site Virtual Learning courses, which help us extend learning and training opportunities to our coworkers where they work. These virtual courses allowed coworkers to continue training in a remote setting in 2020.

To measure success, coworkers who participate complete surveys and provide feedback on how much the training has increased their knowledge. For courses that teach technical skills or reinforce skills that involve high-consequence tasks, every coworker is required to pass an assessment that covers both knowledge and skills gained.

At PG&E Academy, our in-house organization charged with enhancing coworkers' skills and qualifications, we introduced a new five-point scale survey in 2014, asking coworkers to rate their ability to use training on the job. In 2020, training effectiveness was 4.61, exceeding our goal.

Training Effectiveness

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------|------|------|------|------|------|
| Goal | 4.45 | 4.52 | 4.52 | 4.28 | 4.45 |
| Result | 4.48 | 4.52 | 4.63 | 4.57 | 4.61 |

Year over year, we also strive to increase the number of PowerPathway programs offered in our service area. PowerPathway's utility industry hire rate is 83%, with 48% being veterans, and 69% being minority or women graduates. Of those hired into PG&E since its inception, 69% are minorities, 44% are veterans and 10% are women graduates.



Health and Wellness

We provide integrated solutions and programs that cover all aspects of the health and wellness of our coworkers, so our workforce can keep going strong and live healthier lives.

Our Approach

PG&E continues to focus on a prevention-first approach that seeks to improve coworker health by identifying and treating issues before they start. We believe in a comprehensive approach to wellness, which encompasses physical, emotional and financial health—and we prioritize preventive efforts in all three areas. We also continue to follow best practices from the industry and our peers.

This includes:

- PG&E's medical plan, and health and wellness programs, which provide comprehensive care and service options designed to promote the overall health of our workforce, including preventive services.
- The Employee Assistance Program (EAP), which offers coworkers options to help them manage life's demands at work and at home, from confidential counseling to referrals for legal, financial and other services.
- Our Peer Volunteer Program, which promotes a culture of openness, acceptance and recovery, with PG&E coworkers who are in long-term recovery—from their own substance use disorder or that of a loved one—assisting others who need help.
- A wide range of services to help coworkers manage their finances and plan for the future, including free access to a financial advisor, life and accident insurance, 401(k) and retiree benefit plans.

2020 Milestones

Due to the outbreak of COVID-19 and implementation of PG&E's remote work guidance, many of the health and wellness programs moved to virtual or remote access to allow coworkers alternative access to services.



Highlights included the following:

Continued our on-site health clinic operations:

- The PG&E Health Center at our corporate headquarters, which offers comprehensive primary care health services and occupational health services, remained open for coworkers and added virtual telehealth appointments. We also operate two smaller clinics in the field specifically for work-related injury care that leveraged more use of telemedicine. In addition, we have an on-site occupational health clinic at our Diablo Canyon Power Plant that continues to serve coworkers on site.

Increased emotional support services to coworkers and their families during the pandemic:

- We provided ongoing COVID-19 communications and webinars on EAP services to support coworkers during the pandemic. Topics included working from home, stress, anxiety, depression, loneliness, financial difficulties and substance use disorders.
- We launched a new committee under the Access Employee Resource Group focused on mental health, which has nearly 100 members, and held four PG&E-wide events on various mental health topics.
- We held daily mindfulness meditation sessions virtually, and we incorporated psychological safety messaging into the safety briefings at the start of meetings.

Maintained coworker engagement in health and wellness programs:

- We maintained Annual Health Screening participation rates at 80%, consistent with the prior year. Health screenings allow coworkers to learn of any chronic health risks and act on identified issues.
- We increased enrollment to 17% for the online Health and Wellness portal and app launched in 2019. With daily reminders and tips aimed at improving healthy habits, coworkers have access to free digital and telephonic health management tools and resources.
- We expanded dedicated virtual health coaching and wellness coordinator services to select office locations, making services accessible and convenient to coworkers working remotely during the pandemic. Health coaches work with coworkers on topics such as lifestyle/stress management, nutrition and tobacco cessation.

Measuring Progress

The percentage of employees unavailable due to health for the last three years is as follows:

Workforce Unavailable Due to Health¹

| | 2018 | 2019 | 2020 |
|--|------|------|------|
| Workforce Unavailable Due to Health | 7.9% | 7.8% | 6.3% |

1. Percentage of full-time employees unavailable for work due to long term or short-term health reasons, as measured by total workdays lost for the entire year.



Planet

Key Sustainability Indicators

85%

Percent of greenhouse-gas free electricity delivered to customers

769,000

Metric tons of carbon dioxide avoided by customers through our energy efficiency programs

California has long been at the forefront of fighting climate change and protecting our planet, and PG&E continues to actively embrace our state's bold climate and clean energy goals. There are many ways we can be a force for good, and our size and scale enable PG&E to meaningfully address the growing threat of climate change.

We embrace our foundational role in achieving California's goal of carbon neutrality and transitioning the state to a decarbonized and more climate-resilient economy. We're proud of our track record with renewable energy—and we're excited about the growth opportunities that a cleaner future presents for PG&E and our customers, including a strong push for more electric vehicles. We also believe clean energy should be affordable for and inclusive of all economic backgrounds.

Highlights

Delivered some of the nation's cleanest electricity to customers—about 85% greenhouse-gas free.

Remained on track to meet the Million Ton Challenge, a voluntary goal to avoid one million tons of greenhouse gas emissions from our operations over five years.

Helped customers avoid the emission of more than 769,000 metric tons of carbon dioxide through our energy efficiency programs—roughly equal to \$308 million in energy bill savings.

Awarded contracts for more than 1 gigawatt of battery energy storage, strengthening the state's grid efficiency and reliability.

Helped our customers save about 108 million gallons of water through energy-efficiency measures that deliver water savings.

Pursued decarbonization initiatives for California's natural gas delivery system, including working to interconnect several renewable natural gas projects.

Permanently protected 13,247 acres of land as part of the Land Conservation Commitment, which ultimately will protect 140,000 acres of PG&E-owned watershed lands.

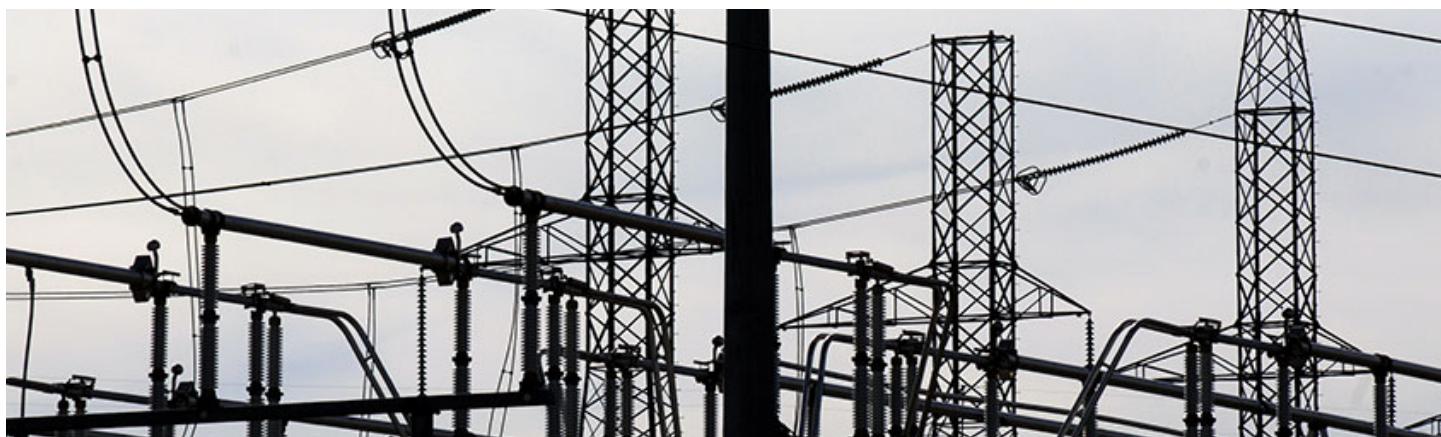
Awarded the fourth series of grants for the Better Together Resilient Communities grant program, a shareholder-funded initiative to support local climate resilience planning efforts.

Offered technical assistance workshops for suppliers focused on sustainability, including best practices for measuring greenhouse gas emissions.

Launched a multi-year Climate Vulnerability Assessment.

Set a goal to further electrify our vehicle fleet by 2030: 100% light-duty; 10% medium-duty; 5% heavy-duty

Became the first investor-owned utility with Habitat Conservation Plans covering our service area for a 30-year term.



System-Wide Climate Vulnerability Assessment

PG&E was an active participant in the CPUC's first proceeding focused specifically on climate adaptation and resilience. In 2020, the CPUC directed Pacific Gas and Electric Company and California's other investor-owned utilities to conduct a system-wide climate vulnerability assessment of their assets, operations and services. The CPUC also directed the utilities to engage with disadvantaged and vulnerable communities throughout this process.

Starting in 2021 and continuing through 2023, PG&E is conducting a community engagement campaign to understand how some of the most vulnerable communities we serve think about climate hazards and adaptation. This critical information will help PG&E plan adaptive climate action informed by customer and community perspectives.

Partnering with Customers and Communities to Enhance Local Climate Resilience

Pacific Gas and Electric Company partnered with the City of Menlo Park, the San Francisco Joint Powers Authority, and Facebook, to submit a grant application to the Federal Emergency Management Administration's (FEMA) Building Resilient Infrastructure and Communities (BRIC) program. This grant—the Menlo Park SAFER Bay project—seeks to protect critical infrastructure and communities from flooding associated with sea-level rise.



Compliance

Our commitment to environmental leadership is reflected in our environmental policy, which requires strict adherence to all applicable environmental laws and regulations.

Our Approach

Environmental Management System

PG&E's operations are subject to extensive federal, state and local environmental laws and regulations. These requirements relate to a broad range of activities, including preventing the discharge of pollutants; safely transporting, handling and storing hazardous materials; properly managing hazardous wastes; protecting threatened and endangered species; and reporting and reducing emissions of air pollutants and greenhouse gases such as carbon dioxide, methane and sulfur hexafluoride.



To meet these requirements, PG&E employs an Environmental Management System (EMS) modeled after the ISO 14001 environmental management standard and consistent with the ISO standard's "Plan, Do, Check, Act" model for continuous improvement. In addition, we align our EMS and environmental operations to PG&E's Compliance and Ethics Maturity Model. This allows us to integrate our compliance activities with the rest of PG&E, and to use common compliance performance measurements.

The Vice President, Shared Services of Pacific Gas and Electric Company oversees our commitment to meeting environmental requirements. Compliance performance updates are reviewed monthly by the Vice President of Shared Services, and an annual environmental compliance summary is presented to the Sustainability and Governance Committee of the PG&E Corporation Board of Directors.

Reviews and Corrective Actions

Auditing is critical to ensure compliance with the many environmental laws and regulations relating to our business.

We review and audit environmental performance in three ways: self-assessments, internal audits and compliance testing and risk reviews:

- **Self-Assessments:** Environmental personnel perform self-assessments of facilities or projects they oversee. Each assessment evaluates a facility or project for compliance with environmental regulations.
- **Internal Audits:** The Internal Auditing department—which reports directly to the PG&E Corporation and Pacific Gas and Electric Company Vice President and Chief Audit Officer—conducts systemic and programmatic controls-based audits to independently analyze the effectiveness of our environmental compliance management systems.
- **Compliance Testing and Risk Reviews:** These reviews, designed to assess the adequacy of controls and risk mitigation, as well as compliance work processes, are conducted by the Risk and Compliance function.

We also participated in a third-party audit of our compliance programs as a part of a PG&E-wide initiative to strengthen compliance. We incorporated the findings into our EMS and operational processes to further strengthen our compliance management.

2020 Milestones

Planning

In 2020, PG&E continued to leverage our EMS to manage and improve environmental compliance and performance. Using defined criteria, we reviewed and scored the impacts of more than 180 aspects of our operations. We are using this analysis to identify top environmental risks across our operations and help prioritize areas of compliance.

Implementation and Operation

PG&E employs a variety of operational controls to help ensure that the actions we take in meeting our environmental compliance obligations are correct and repeatable. We also learn from our experiences and integrate any lessons into our work processes and staff development.

In 2020, we continued to expand on opportunities to apply technologies and processes to further our compliance efforts and minimize impacts on the environment. Key EMS initiatives included:

- **Centralizing all land and environmental compliance processes into a single cloud-based platform** to gain a more holistic view of our environmental release to construction process and associated information.
- **Incorporating our new programmatic permits into a cloud-based platform**, allowing complete and accurate annual compliance reports to agencies.
- **Making other system integration and technology enhancements** to share environmental data more effectively across PG&E to support decision making.

We also obtained a multi-region Habitat Conservation Plan (HCP), a programmatic permit with the U.S. Fish and Wildlife Service that will lead to improved compliance and operational efficiencies.

Measuring Progress

Operational Performance

PG&E tracks and reports a wide range of annual environmental compliance performance indicators. This section covers our performance results for 2020.

Reported Unintentional Releases and Permit Exceedances

We report unintentional releases that exceed regulatory thresholds, as well as many smaller releases, in an effort to provide operational transparency to local agencies. We reported a total of 124 releases, defined as an unintentional discharge of a regulated substance that required notification to the State of California or exceeded thresholds allowed in applicable permits.

Unintentional releases mostly result from equipment failure due to severe weather, utility pole vehicle strikes or vandalism and unintentional spills of small volumes of mineral oil from overhead transformers. Spilled material is cleaned up by PG&E first responders or environmental clean-up crews.

Agency Inspections

In 2020, a total of 376 agency inspections were conducted at our facilities. The majority of these inspections were performed by Certified Unified Program Agencies, such as city and county environmental health departments and fire departments.

Environmental Sanctions and Penalties

To measure compliance results, we categorize all written enforcement actions issued by a regulatory agency as minor, significant or critical. In doing so, we consider the level of impact to the environment, potential or actual monetary damages including restoration costs, and the number of repeat incidences. All enforcement actions are reviewed by the environmental leadership team on a monthly basis. We also track the percentage of agency inspections that do not result in written enforcement actions.

We received four enforcement actions in 2020 that were considered critical. Our rate of inspections without a written enforcement action was 96%, 5 points above our 2019 results.

In 2020, PG&E paid a total of \$34,793 in environmental penalties.

Compliance Data

| | 2018 | 2019 | 2020 |
|---|----------|----------|----------|
| Critical Enforcement Actions¹ | — | 9 | 4 |
| Percentage of Inspections Without a Written Enforcement Action | 93% | 91% | 96% |
| Releases/Exceedances | 166 | 37 | 124 |
| Penalties Paid | \$93,000 | \$47,033 | \$34,793 |
| Agency Inspections | 552 | 570 | 376 |
| Audits Performed² | 8 | 11 | 39 |
| Self-Assessments Performed | 3,101 | 4,294 | 3,846 |

1. In 2019, PG&E began categorizing all written enforcement actions issued by a regulatory agency as minor, significant or critical. In doing so, we consider the level of impact to the environment, potential or actual monetary damages including restoration costs, and the number of repeat incidences. This categorization better aligns with industry benchmarks.

2. Includes system audits, internal audits, and compliance and risk management reviews performed by PG&E.



Climate Change

At PG&E, we are doing our part to transition California to a decarbonized and climate-resilient economy. This commitment includes aligning our resources and business strategy with the state's clean energy vision.

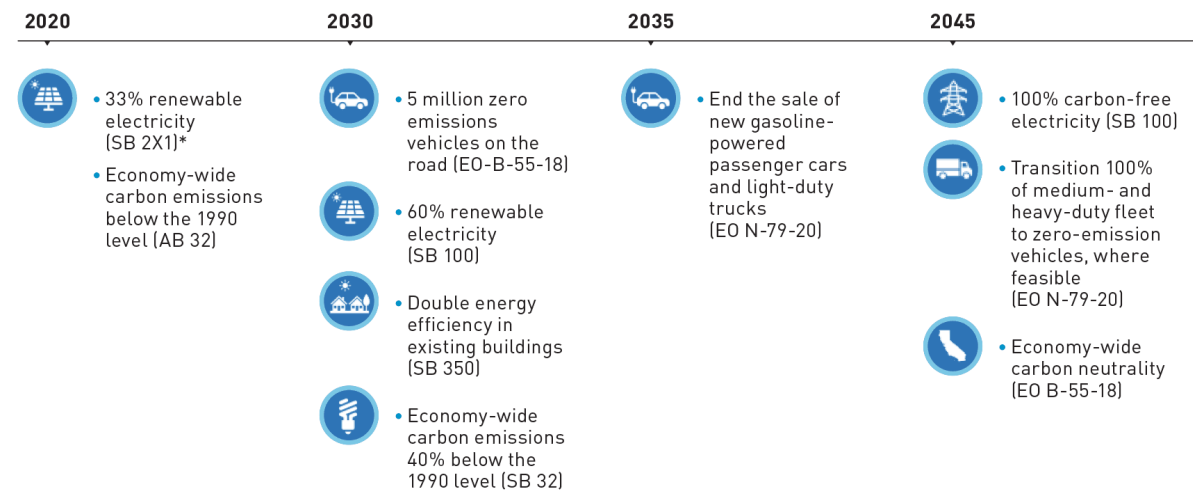
We advocate for policies and programs that create a resilient system to provide safe, reliable, affordable and clean energy to our customers. We're also working to reduce the ever-growing risks posed by extreme weather and wildfires by incorporating forward-looking climate data into our asset management and decision making.

Our Approach

PG&E is committed to California's vision of a sustainable energy future. This includes our support for the state's implementation of SB 100 and carbon neutrality by 2045 in a reliable and cost-effective manner for customers.

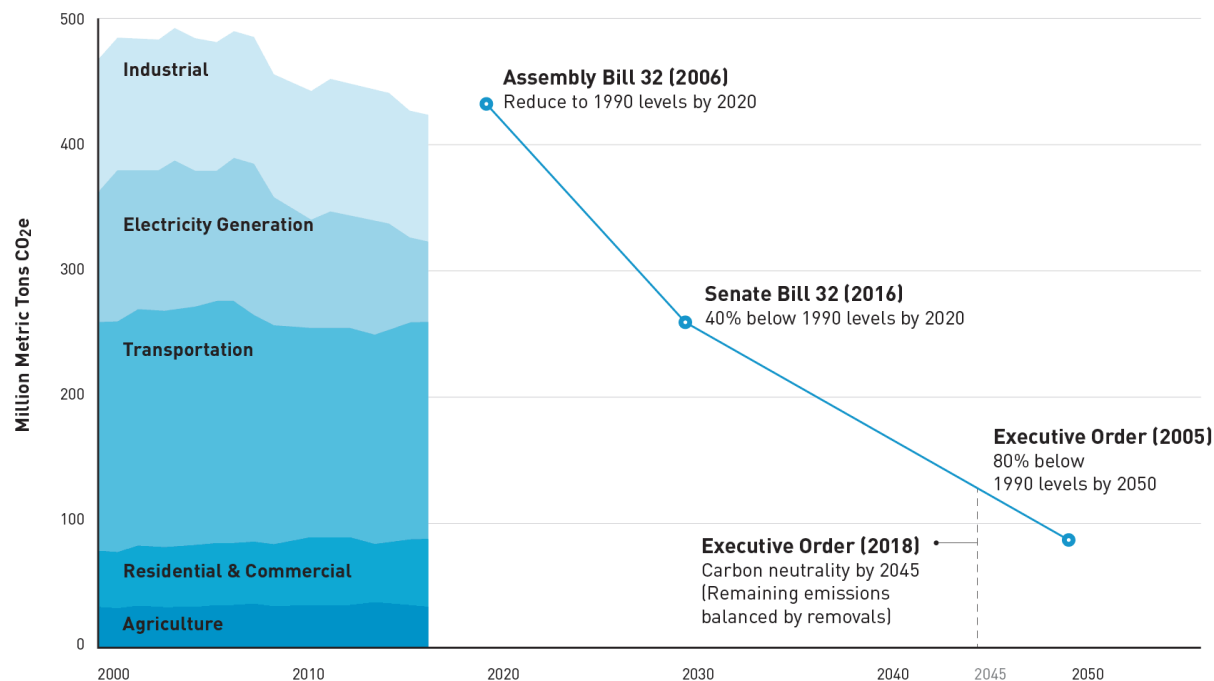
SB 100, which includes increased Renewables Portfolio Standard (RPS) objectives and clean energy goals, is still being implemented by the California Public Utilities Commission (CPUC), California Energy Commission (CEC) and California Air Resources Board (CARB). Additionally, Executive Order B-55-18 sets a statewide goal to achieve carbon neutrality by 2045. We will be an active participant in efforts in the Legislature to codify the carbon neutrality goal and in proceedings at the CPUC, CEC and CARB to determine how to achieve carbon neutrality.

California Climate and Clean Energy Milestones



* PG&E surpassed this target

California's 2045 Carbon Neutrality Goal



Climate Policy

PG&E supports the decarbonization of California's economy through timely, durable, effective and affordable policy and energy solutions. We remain committed to climate actions to reduce greenhouse gases and address the impacts of global warming—from deploying clean energy technologies to continuing to lead and innovate on energy efficiency.

CARB adopted its 2030 Scoping Plan Update in 2018, which established the state's plan for achieving the 2030 GHG target. We remain engaged in state regulatory and legislative climate change activities to meet the state's greenhouse gas emissions reduction goals at the lowest possible cost to customers.

We also remain focused on other Scoping Plan measures such as Low Carbon Fuel Standard implementation and the reduction of Short-Lived Climate Pollutants per SB 1383, which includes specific 2030 emission reduction goals for methane, fluorinated gases and anthropogenic black carbon.

PG&E also supports California's stringent greenhouse tailpipe emissions standards, as well as advancing EV adoption by providing tax incentives and support for charging infrastructure. In 2020, PG&E Corporation joined the Zero Emission Transportation Association as a founding member to advocate for federal policies to accelerate transportation electrification, including stricter tailpipe emissions standards.

PG&E's Climate Policy Principles

Meeting the challenge of climate change is central to PG&E's ability to deliver on our "triple bottom line" approach of serving people, the planet and California's prosperity—underpinned by strong operational performance.

Consistent with this framework, PG&E works to reduce greenhouse gas emissions and environmental impacts from our operations and acts as a valuable partner and enabler to do so with our customers, the State of California and beyond. PG&E also builds climate resilience by adapting to and preparing for a changing climate and associated weather patterns that could affect our assets, infrastructure, operations, coworkers and customers.

PG&E is committed to achieving more sustainable operations and enabling our customers to reduce greenhouse gas emissions by:

- Making our facilities more energy efficient and sustainable, increasing clean vehicles and fuels in our fleet, and adopting environmentally responsible products and services.
- Reducing emissions of methane, a potent greenhouse gas released from the operation of natural gas infrastructure, by implementing Senate Bills 1371 and 1383, which address leak abatement and short-lived climate pollutants, respectively.
- Evolving the natural gas system by supporting emerging renewable gas technologies to decarbonize the gas system coupled with critical low-carbon thermal generation to supply electricity during peak electric demand.
- Supporting all-electric building codes and standards for new construction and identifying opportunities for strategic electrification.
- Engaging with our customers to help them use less energy and better manage their energy footprint through solutions that include energy efficiency and demand response; clean and renewable energy and fuels; storage; and low-carbon transportation fuels and fueling infrastructure.
- Integrating climate science into PG&E's decision-making and asset planning to mitigate climate risks and build resilience to long term climate-driven impacts.

PG&E advocates for policies that:

- Position California to achieve economy-wide carbon neutrality by 2045 and support nation-wide decarbonization efforts consistent with science-based emissions reduction targets to achieve carbon neutrality by 2050 or sooner.

- Support cost-effective achievement of greenhouse gas emission-reduction goals through clean energy and technology-neutral and flexible strategies that foster innovation and technology, including California's Low Carbon Fuel Standard.
- Support well-designed carbon pricing mechanisms, including California's Cap-and-Trade Program, with environmental integrity, cost containment and recognition of early actions.
- Support disadvantaged and vulnerable communities and the workforce in an equitable and just transition to a carbon neutral future.
- Support strategies that also lead to community-level local air quality improvements.
- Promote research and development of natural climate solutions and new technologies needed to enable decarbonization, including hydrogen production, carbon capture, energy storage, renewable natural gas and other power-to-gas/liquids technology.
- Support policies that will enable the unprecedented infrastructure build rates and the associated transmission system that will be necessary to decarbonize the economy.
- Support PG&E's ability to invest in and adaptively manage a modern and resilient energy system that can better withstand climate-related impacts and enable PG&E to continue providing safe, reliable, affordable and clean energy in the face of a changing climate.
- Support market reforms and changes to the regulatory structure that enable deep decarbonization, including building codes and appliance standards, policies to address gas and electric system affordability, and enhanced integration of the Western grid to accommodate demand and supply-side shifts in energy.
- Promote and support customer incentives that do not unduly shift costs to other customers, including energy efficiency, building electrification, and zero emission vehicle adoption and fueling infrastructure installation.

PG&E aligns and allocates its resources by:

- Supporting candidates who are committed to the environment.
- Providing charitable resources to organizations dedicated to improving our environment and addressing the climate crisis.
- Engaging in coalitions and trade associations in support of our policy principles.

Addressing Our Own Carbon Footprint

As part of PG&E's broader commitment to address climate change, we launched the Million Ton Challenge, a voluntary five-year carbon reduction goal for Pacific Gas and Electric Company's operations. The goal is to avoid one million tons of cumulative greenhouse gas emissions from our operations from 2018 through 2022, compared to a 2016 baseline.

To meet the goal, we are working to reduce emissions across several business areas:

- Saving energy through energy-efficient and more sustainable facilities,
- Reducing methane emissions from natural gas operations,
- Continuing to deploy a smarter, cleaner fleet of PG&E vehicles, and
- Adopting environmentally responsible products and services, with a focus on electric substation equipment.

Engaging Our Customers and Communities

PG&E actively works with customers to help them achieve energy savings and greenhouse gas emission reductions through a broad range of programs and incentives for energy efficiency, demand response and distributed generation and storage. These efforts include helping local governments develop strategies and implementation plans to save energy and reduce emissions, and connecting them with PG&E programs and other resources to help them meet their energy goals.

Adapting to the Impacts of Climate Change

As California continues to experience the impacts of climate change, PG&E is taking action to build a more climate-resilient energy network. PG&E's infrastructure spans more than 70,000 square miles and faces a variety of risks driven by the changing climate, including heat waves, more frequent and extreme storms and wildfires, drought, subsidence and rising sea levels.

Adapting to these changing risks involves understanding the impacts of climate change on our business, coworkers, customers and the communities we serve. It also means being prepared to withstand and rapidly recover from major disruptions in service caused by climate-driven weather events. PG&E's commitment is to continue to provide safe, reliable, affordable and clean energy service even as the climate conditions under which we operate become more challenging.

The Utility's climate adaptation program is overseen by our Climate Resilience Officer Committee, which includes leaders from key departments across the business. This group of senior leaders meets regularly to track progress, offer guidance and support proactive decision-making with climate change risks in mind.



Partnering with Customers and Communities to Enhance Local Climate Resilience

Pacific Gas and Electric Company partnered with the City of Menlo Park, the San Francisco Joint Powers Authority, and Facebook, to submit a grant application to the Federal Emergency Management Administration's (FEMA) Building Resilient Infrastructure and Communities (BRIC) program. This grant—the Menlo Park SAFER Bay project—seeks to protect critical infrastructure and communities from flooding associated with sea-level rise.

PG&E's Heather Rock, Director of Climate Resilience, talks to U.S. Sen. Carper about the construction of a levee system that would protect critical infrastructure from flooding and sea level rise, including PG&E's Ravenswood Substation.

PG&E's multipronged approach includes:

- **Integrating climate science** into key business functions and creating tools to support planning and decision-making that account for future climate conditions. For example:
 - We are leveraging data from Cal-Adapt, the state's portal for climate projection data, as we strive to ensure that investments in our system will be resilient in light of more extreme weather expected in the future.
 - We are conducting a multi-year, service area-wide climate change vulnerability assessment, using the best-available climate projections for California to understand future hazards and impacts to the grid.
 - We are integrating climate data into our strategic risk planning process. Pacific Gas and Electric Company filed its second Risk Assessment Mitigation Phase (RAMP) report with the CPUC in 2020, improving on its 2017 RAMP filing by including climate change as a cross-cutting factor that influences many other enterprise risks.
 - We have begun to assess the maturity of key capabilities among our lines of business that are critical to effectively plan for climate change. In 2018, PG&E set our first internal climate resilience baseline that assessed our capabilities of accessing, sharing and using climate data in decision-making, and we plan to reassess our climate resilience capabilities in 2021.
 - We are also conducting research into specific climate impacts and how they relate to PG&E's infrastructure. This research is designed to empower decision-makers with the information they need to make investments that are responsive to today's needs while also being ready for a more uncertain climate future.
 - We are developing climate change resilience design guidance so that forward-looking climate change data is consistently incorporated into design standards, specifications and procedures.
 - We are coordinating internally to bridge the gap between near-term emergency preparedness efforts and longer-term climatic trends that may contribute to more extreme weather events.
- **Engaging with utility peers and policymakers** to advance energy sector climate resilience, stay up to date on the most recent developments in the field, and help state and federal officials in their efforts to prepare for climate change. We participate in the Governor's Office of Planning and Research's Integrated Climate Adaptation and Resilience Program and the U.S. Department of Energy's Partnership for Energy Sector Climate Resilience. We are also an active participant in CPUC efforts to establish guidance for utilities regarding adapting to climate change.



System-Wide Climate Vulnerability Assessment

PG&E was an active participant in the CPUC's first proceeding focused specifically on climate adaptation and resilience. In 2020, the CPUC directed Pacific Gas and Electric Company and California's other investor-owned utilities to conduct a system-wide climate vulnerability assessment of their assets, operations and services. The CPUC also directed the utilities to engage with disadvantaged and vulnerable communities throughout this process.

Starting in 2021 and continuing through 2023, PG&E is conducting a community engagement campaign to understand how some of the most vulnerable communities we serve think about climate hazards and adaptation. This critical information will help PG&E plan adaptive climate action informed by customer and community perspectives.

Air Quality and Environmental Justice

PG&E is working to strengthen our engagement and collaboration with environmental and social justice stakeholders, as part of a company-wide effort to better address the needs of these communities. This work is guided by PG&E's Environmental Justice Policy.

In July 2017, California took an important step to address air pollution in the most heavily burdened communities through the passage of AB 617, which directs CARB to develop a community air monitoring and community emissions reduction program and to deploy them in the highest priority communities.

PG&E strongly supports a comprehensive, statewide air protection program and was actively engaged in the development and passage of AB 617. PG&E is working with CARB and other stakeholders through the AB 617 implementation process to ensure that the community air-protection programs are successful and effective at reducing emissions in disadvantaged communities.



Resilience Grants for Communities

Through the Better Together Resilient Communities grant program, The PG&E Corporation Foundation supports local climate resilience initiatives. In 2020, the Foundation awarded four grants focused on building communities' capacity to reduce flood risk and support healthy and resilient coastlines and wetlands:

- **Sustainable Solano's** Suisun City Community Resilience Project is building community capacity and resilience for mitigating extreme flood risk and incorporating community input in the city's Flood Resiliency Action Plan.
- **Greenbelt Alliance** is partnering with Contra Costa County and diverse stakeholders to facilitate capacity building to align flooding adaptation policies and investments across city boundaries.
- **The Wiyot Tribe** is developing its Climate Change Adaptation Planning Project, which identifies cultural and natural resources within the tribe's ancestral lands and waters vulnerable to climate change and at risk from flooding.
- **The Nature Conservancy** is assessing opportunities for new insurance products that increase flood resilience in San Mateo County through investments in nature-based solutions.

2020 Milestones

In 2020, we continued to minimize our carbon footprint and prepare for the consequences of a changing climate:

- **Delivered clean energy to customers.** In 2020, about 85% of the electricity we supplied to customers was greenhouse-gas free.
- **Reduced emissions from our operations.** In the third year of the Million Ton Challenge, Pacific Gas and Electric Company avoided more than 370,000 tons of CO₂. With a total of more than 900,000 tons avoided to date, we are well on our way toward our five-year goal. This included avoiding emissions through energy-efficient and more sustainable facilities, continuing to deploy clean fleet vehicles, and reducing methane emissions from natural gas operations.
- **Launched our second Climate Vulnerability Assessment.** PG&E is embarking on a service area-wide assessment of how climate-driven natural hazards will impact our assets. This climate vulnerability assessment, which will be conducted over several years, will rely on recent climate projections from California's Fourth Climate Change Assessment. By characterizing the risks of California's future climate, the assessment will help PG&E make climate-smart investments in the near term to continue providing safe, clean, affordable and reliable energy to customers in the future.



Reducing Our SF₆ Emissions

Sulphur hexafluoride—or SF₆—is commonly used by PG&E and other energy companies as an electrical insulating material in high-voltage circuit breakers and gas-insulated switchgear. But if it escapes to the atmosphere, it has a global warming potential 22,800 times more powerful than carbon dioxide over a 100-year period.

PG&E is taking a multi-pronged approach to tackle SF₆—repairing the highest leaking circuit breakers, implementing SF₆ cylinder best management practices, phasing-in SF₆-free equipment, and engaging in the CARB regulatory amendments process to phase-out SF₆. This included repairing or replacing nearly 40 targeted circuit breakers in 2020 to reduce emissions.

Measuring Progress

We believe it's essential that investors, customers, policymakers and other stakeholders have access to information that allows them to assess and understand the risks and opportunities associated with climate change.

Mandatory Emissions Reporting

Under AB 32's annual reporting requirements, PG&E reports greenhouse gas emissions to CARB. These reports include emissions from our electric generation facilities, natural gas compressor stations, natural gas supplied to customers and the fugitive emissions from our natural gas distribution system and compressor stations.

The following table shows the greenhouse gas emissions data PG&E reported to CARB under AB 32.

PG&E Emissions Reported to the California Air Resources Board: CO₂-e Emissions from Owned Power Generation¹ and Operations

| | 2018 | 2019 | 2020 |
|---|------------------|------------------|------------------|
| Total CO₂-e Emissions (metric tons) | 2,512,130 | 2,484,127 | 2,550,622 |
| Humboldt Bay Generating Station | 179,025 | 189,163 | 227,214 |
| Gateway Generating Station | 1,163,952 | 1,137,160 | 1,143,587 |
| Colusa Generating Station | 1,169,153 | 1,157,804 | 1,179,821 |
| CO₂ Emissions Rates (lbs/MWh) | | | |
| Humboldt Bay Generating Station | 1,025 | 1,028 | 1,033 |
| Gateway Generating Station | 872 | 872 | 882 |
| Colusa Generating Station | 861 | 842 | 855 |
| Fossil Plants ² | 876 | 868 | 881 |
| All Plants ³ | 171 | 163 | 194 |
| Other CO₂-e Emissions (metric tons) | | | |
| Natural Gas Compressor Stations ⁴ | 299,256 | 344,810 | 315,802 |
| Distribution Fugitive Natural Gas Emissions | 497,299 | 496,789 | 497,512 |
| Customer Natural Gas Use ⁵ | 41,664,525 | 42,058,499 | 40,304,583 |

1. PG&E's owned net generation was 28,900 GWh in 2020.

2. CO₂ emissions rate apply to Fossil-fuel combustion Generating Stations only.

3. Includes all PG&E-owned generation sources, including nuclear, hydroelectric and renewable energy.

4. Includes, but is not limited to, compressor stations and storage facilities emitting more than 25,000 metric tons of CO₂-e annually.

5. Includes emissions from the combustion of natural gas delivered to all entities on PG&E's distribution system, with the exception of gas delivered to other natural gas local distribution companies. This figure does not represent PG&E's compliance obligation under AB 32, which is equivalent to the above-reported value less the emissions from fuel that is delivered to covered entities, as calculated by CARB.

PG&E also reports the greenhouse gas emissions from our facilities and operations to EPA under EPA's mandatory reporting requirements.

Voluntary Emissions Reporting

On a voluntary basis, PG&E reports—and obtains third-party verification for—our annual corporate greenhouse gas emissions inventory with The Climate Registry, a nonprofit organization. In 2019, the carbon dioxide (CO₂) emission rate for PG&E's delivered electricity was virtually greenhouse gas emissions free at 2.68 pounds of CO₂ per megawatt-hour. This is PG&E's most recent third-party verified emission rate.

For 2019 emissions reporting, PG&E used the CEC's Power Source Disclosure program methodology to calculate the CO₂ emission rate associated with the electricity delivered to retail customers. As required by Assembly Bill (AB) 1110, the CEC modified the Power Source Disclosure program methodology in 2020 for the 2019 reporting year. This methodology differed from prior reporting years and results in a significantly lower emissions rate. This is the same methodology PG&E used for its 2019 Power Content Label.

Each year, PG&E also reports its greenhouse gas emissions and climate change strategies to the CDP, an international not-for-profit organization that requests information on behalf of institutional investors.

From year to year, several factors affect PG&E's power mix and emissions, including the availability of clean hydro power and renewable energy in our energy mix, customer electricity demand, the share of customers in our service area receiving procurement service from PG&E, as well as the availability and flexibility of the power plants in our portfolio. The emission rate accounts for power purchased from third parties on behalf of PG&E's customers.

Benchmarking Greenhouse Gas Emissions for Delivered Electricity (Pounds of CO₂ per MWh)

| | |
|---|-------------------------|
| U.S. Average¹ | 947 |
| Pacific Gas and Electric Company | |
| 2019 | 2.68² |
| 2018 | 206 |
| 2017 | 210 |
| 2016 | 294 |
| 2015 | 405 |
| 2014 | 435 |
| 2013 | 427 |
| 2012 | 445 |
| 2011 | 393 |
| 2010 | 445 |

1. U.S. Environmental Protection Agency eGRID 2018.

2. For 2019 emissions reporting, PG&E used the CEC's Power Source Disclosure program methodology to calculate the CO₂ emission rate associated with the electricity delivered to retail customers. As required by AB 1110, the CEC modified the Power Source Disclosure program methodology in 2020 for the 2019 reporting year. This methodology differed from prior reporting years and results in a significantly lower emissions rate.

Total Greenhouse Gas Emissions by Source Category (Million Metric Tons CO₂-e)¹

| | 2017 | 2018 | 2019 |
|--|--------------|--------------|--------------|
| Owned Generation | 2.30 | 2.52 | 2.49 |
| Delivered Retail Electricity ² | 5.30 | 2.37 | 0.04 |
| Electricity Transmission and Distribution Line Losses | 0.34 | 0.14 | 0.01 |
| Customer Natural Gas Use | 36.29 | 40.93 | 41.30 |
| Process and Fugitive Emissions from Natural Gas Systems | 1.62 | 1.47 | 1.56 |
| Gas Compressor Stations | 0.23 | 0.25 | 0.32 |
| Transportation | 0.10 | 0.09 | 0.09 |
| Facility Gas and Electricity Use | 0.03 | 0.03 | 0.01 |
| Sulfur Hexafluoride (SF ₆) from Electrical Equipment | 0.03 | 0.06 | 0.04 |
| Other Emissions | 0.01 | 0.01 | 0.01 |
| Total | 46.25 | 47.87 | 45.86 |

1. The protocols for measuring greenhouse gas emissions differ between mandatory and voluntary reporting regimes, resulting in some differences in the table above compared to PG&E's emissions reported to the California Air Resources Board.

2. For 2019 emissions reporting, PG&E used the CEC's Power Source Disclosure program methodology to calculate the CO₂ emission rate associated with the electricity delivered to retail customers. As required by AB 1110, the CEC modified the Power Source Disclosure program methodology in 2020 for the 2019 reporting year. This methodology differed from prior reporting years and results in a significantly lower emissions rate.

PG&E's Scope 1, 2 and 3 Greenhouse Gas Emissions
(Million Metric Tons CO₂-e)

| | 2017 | 2018 | 2019 |
|------------------------|--------------|--------------|--------------|
| Scope 1 | 4.29 | 4.41 | 4.50 |
| Scope 2 | 0.36 | 0.16 | 0.01 |
| Scope 3 ^{1,2} | 41.59 | 43.31 | 41.35 |
| Subtotal | 46.25 | 47.87 | 45.86 |

1. The emissions associated with purchased electricity are considered Scope 3 per The Climate Registry's Electric Power Sector Protocol for the Voluntary Reporting Program, Annex I to the General Reporting Protocol, June 2009, Version 1.0.

2. For 2019 emissions reporting, PG&E used the CEC's Power Source Disclosure program methodology to calculate the CO₂ emission rate associated with the electricity delivered to retail customers. As required by AB 1110, the CEC modified the Power Source Disclosure program methodology in 2020 for the 2019 reporting year. This methodology differed from prior reporting years and results in a significantly lower emissions rate.

PG&E's Scope 1 Greenhouse Gas Emissions
(Million Metric Tons CO₂-e)¹

| | 2017 | 2018 | 2019 |
|--|-------------|-------------|-------------|
| SF ₆ from Electrical Equipment | 0.03 | 0.06 | 0.04 |
| Facility Natural Gas Use | 0.01 | 0.01 | 0.01 |
| Gas Compressor Stations | 0.23 | 0.25 | 0.32 |
| Owned Fossil Generation | 2.30 | 2.52 | 2.49 |
| Process and Fugitive Emissions from Natural Gas System | 1.62 | 1.47 | 1.56 |
| Transportation | 0.10 | 0.09 | 0.09 |
| Total Scope 1 Greenhouse Gas Emissions | 4.29 | 4.41 | 4.50 |

1. Individual sources may not equal total due to rounding.

PG&E's Scope 2 Greenhouse Gas Emissions
(Million Metric Tons CO₂-e)

| | 2017 | 2018 | 2019 |
|---|-------------|-------------|-------------|
| Electricity Transmission and Distribution Line Losses | 0.34 | 0.14 | 0.01 |
| Facility Electricity Use | 0.02 | 0.01 | 0.001 |
| Total Scope 2 Greenhouse Gas Emissions | 0.36 | 0.16 | 0.01 |

PG&E's Scope 3 Greenhouse Gas Emissions
(Million Metric Tons CO₂)

| | 2017 | 2018 | 2019 |
|---|--------------|--------------|--------------|
| Purchased Electricity (Net) ¹ | 5.29 | 2.37 | 0.04 |
| Customer Natural Gas Use ² | 36.29 | 40.93 | 41.30 |
| Other Scope 3 emissions ³ | 0.01 | 0.01 | 0.01 |
| Total Scope 3 Greenhouse Gas Emissions | 41.59 | 43.31 | 41.35 |

1. For 2019 emissions reporting, PG&E used the CEC's Power Source Disclosure program methodology to calculate the CO₂ emission rate associated with the electricity delivered to retail customers. As required by AB 1110, the CEC modified the Power Source Disclosure program methodology in 2020 for the 2019 reporting year. This methodology differed from prior reporting years and results in a significantly lower emissions rate.

2. This figure includes the emissions from the combustion of natural gas delivered to all entities on PG&E's distribution system, with the exception of gas delivered to other natural gas local distribution companies, as well as gas delivered to PG&E facilities such as power plants, compressor stations and offices, the emissions of which are reported separately.

3. Other Scope 3 emissions include the greenhouse gas emissions from business air travel, waste management and employee commuting.



Natural Resource Stewardship

As one of the largest landowners in California, environmental stewardship is essential to our business. We work to protect threatened and endangered species and their habitats, safeguard watershed lands that we have committed to preserve in perpetuity and manage forested lands to minimize the threat of wildfires.

Our Approach

As we provide safe, reliable, affordable and clean energy to customers, we also strive to be responsible stewards of the lands we own and where we operate. This includes protecting endangered species and enhancing the habitat at three PG&E facilities where we have Safe Harbor Agreements: Antioch Dunes in Contra Costa County, Tulare Hill in Santa Clara County and PG&E's hydro lands in Shasta County.

PG&E also employs Habitat Conservation Plans (HCP) to protect threatened and federally designated endangered species and their habitats. Our entire service area now has federal coverage for endangered species most likely to be found near our gas and electric infrastructure.

- Our San Francisco Bay Area HCP protects 18 wildlife species and 13 plant species. Through this plan, PG&E maintains and operates gas and electric infrastructure throughout the nine Bay Area counties while protecting endangered wildlife, plant species and their habitats.
- Our San Joaquin Valley HCP protects 23 wildlife and 42 plant species within nine counties of the San Joaquin Valley.
- We recently completed a Multiple-Region HCP with the U.S. Fish and Wildlife Service.

For California-designated endangered species, PG&E is working with the California Department of Fish and Wildlife on 30-year programmatic permits. These permits will provide coverage for operations and maintenance activities within the Bay Area, Mojave and select regions in the Central Valley and Central Coast.

PG&E maintains 52,000 acres of forested land, partnering with local communities in wildfire prevention programs and collecting and storing seeds from PG&E forested lands for future restoration purposes.

Additionally, as part of our Land Conservation Commitment, PG&E is permanently protecting more than 140,000 acres through the donations of fee title and conservation easements on watershed lands to public agencies and qualified conservation organizations. An independent nonprofit organization, the Pacific Forest and Watershed Lands Stewardship Council, identifies the organizations that receive these donations.

Given the state's increasing wildfire risk, Pacific Gas and Electric Company is also working with the other utilities and the State Water Resources Control Board on a permit to address certain certifications of operation and maintenance on gas and electric facilities requiring dredge and fill activities.

2020 Milestones

To expedite and streamline critical wildfire safety and infrastructure work while protecting endangered species and public lands, we achieved the following:

- **Obtained a programmatic special use permit for eight National Parks** in PG&E's service area. These permits facilitate expedited work review by the parks and allow PG&E to conduct wildfire safety and other operations and maintenance activities with pre-negotiated resource protection measures. These one-year renewable permits are a precursor to a longer-term agreement for all PG&E facilities on national park lands.
- **Implemented year two of our five-year special use permit from the Golden Gate National Recreation Area**, which enables PG&E to conduct wildfire safety and other important maintenance activities in the park, the most visited National Park in the United States. It was the first programmatic permit of this kind for the National Park Service.
- **Signed near-term agreement with California State Parks** to govern PG&E's work more efficiently on the nearly 100 state parks in our service area.
- **Obtained an extension of the Bureau of Land Management's (BLM) policy** to conduct wildfire risk reduction work on infrastructure crossing BLM-managed public lands. The policy, which was extended an additional five years, allows PG&E to facilitate and expedite operations and maintenance activities necessary to reduce wildfire risk by conducting activities without prior authorization; instead, PG&E is required to notify the appropriate BLM Field Office within 30 days of completing the work. PG&E also continues to work with BLM on a long-term programmatic right of way renewal process and operations and maintenance plan.
- **Applied for a state permit**, which will designate conditions for PG&E's operations and maintenance activities for the next 30 years across the nine Bay Area counties. The permit will apply to the California Tiger Salamander, Alameda Whip Snake and Freshwater Shrimp.

In support of our Land Conservation Commitment, PG&E:

- **Permanently protected 13,247 acres of land by completing 12 Land Conservation Commitment transactions.** Fee donations were completed on six separate PG&E properties, including the transfer of a youth camp in the Sierras to the San Joaquin County Office of Education. Other fee property recipients included the Fall River Resource Conservation District, Madera County, Maidu Summit Consortium and U.S. Forest Service. Conservation easements were recorded on six separate PG&E properties.

We also achieved a number of milestones related to our HCPs and other conservation commitments within PG&E's service area:

- **Completed the Multi-Regional HCP** with the U.S. Fish and Wildlife Service, which allows our long-term operations and maintenance activities to proceed without additional permitting across 34 counties in California. The plan also creates a mechanism to protect 24 animal and 12 plant species, 35 of which are listed as threatened or endangered under the Endangered Species Act. PG&E is now the first investor-owned utility with HCPs covering our service area for a 30-year term.
- **Conserved 2,168 acres of species habitat across PG&E's service area** for six different threatened or endangered species.
- **Actively managed more than 3,600 acres across 32 properties** for a variety of species and habitats. This effort is related to new and ongoing conservation commitments.
- **Secured and maintained the rights to conservation and preservation for 3,736 acres** of habitat for various resources. These future transactions are related to ongoing HCP development efforts and existing HCP conservation goals.
- **Purchased 53 acres of species, habitat or wetland credits for individual and programmatic permits.** This represents conservation of habitat for five different threatened or endangered species and three riparian/wetland habitat types.
- **Restored, enhanced or created nearly 100 acres of riparian and species habitat.** This represents restoration, enhancement or creation of habitat for four threatened or endangered species.

Measuring Progress

PG&E restores and protects environmental habitats to fulfill state and federal regulatory requirements and to support voluntary environmental initiatives. In 2020, our efforts protected or restored 2,319 acres of habitat, as well as managed over 3,600 acres of existing restoration or conservation projects.

Protected and Restored Habitat¹

| | 2018 | 2019 | 2020 |
|-------------------------------|--------------|-------------|-------------|
| Acres set aside and protected | 13,971 acres | 8,060 acres | 2,221 acres |
| Acres of restored habitat | 716 acres | 162 acres | 98 acres |

1. PG&E undertook these activities to meet various regulatory requirements.

Protecting Birds

Since 2002, PG&E has made more than 36,810 existing power poles and towers bird-safe. In that time, we have also retrofitted nearly 38,250 power poles in areas where bird injuries or fatalities or bird-related outages have occurred. In 2020, we replaced more than 3,600 poles in designated “Raptor Concentration Zones” and built them to avian-safe construction guidelines.



This eagle in Milpitas in Santa Clara County is now safer, thanks to technology PG&E installed on power poles there.

Photo: Alfred Bruckner



Water

Water remains a precious resource in California, and PG&E is committed to using it responsibly in our operations and at our facilities—and we work to help our customers do the same.

Our Approach

Water is essential to operating our infrastructure—including our vast network of hydroelectric generating stations—just as it is essential to our customers in their daily lives. At the same time, about 20% of California's electricity usage goes toward moving, treating, disposing of, heating and consuming water. This connection, also known as the “water-energy nexus,” places PG&E in a unique position to help our state and our customers.

PG&E is promoting sustainable water use in a number of ways:

- Strategically managing our power generation facilities,
- Reducing water consumption at PG&E offices and service yards, and
- Providing outreach and guidance to customers on how to reduce water usage.

PG&E also reports our water data and strategies to the CDP, an international not-for-profit organization that requests information on behalf of institutional investors.

Power Generation



At the Diablo Canyon Power Plant, we use saltwater from the Pacific Ocean for once-through cooling, with a maximum discharge of 2.5 billion gallons per day, set by the facility's Clean Water Act permit. PG&E closely monitors the marine environment at the plant by conducting regular studies and sampling, also required under the plant's Clean Water Act permit.

The California Water Board adopted a policy in 2010 that generally requires power plants with once-through cooling to install cooling towers or other significant measures to reduce marine impacts by at least 85%. Diablo Canyon must comply with this policy by November 2024 for Unit 1 and August 2025 for Unit 2. In January 2018, the CPUC approved a joint proposal to retire Diablo Canyon at the end of its current Nuclear Regulatory Commission licenses, November 2024 and August 2025. Until plant retirement, Diablo Canyon will pay an annual interim mitigation fee as required by the California Water Board policy.

PG&E relies on air for cooling at our three natural gas power plants: Humboldt Bay Generating Station, Gateway Generating Station and Colusa Generating Station.

Additionally, PG&E owns and operates one of the nation's largest investor-owned hydroelectric systems. Our hydroelectric power plants are largely non-consumptive, meaning that after water passes through turbines to produce electricity, it is returned to the river. In addition, PG&E's 1,212 MW Helms Pumped Storage Project uses water for energy storage to help balance daily variations in electric demand.

Water Conservation

PG&E's offices and service centers rely on water for restrooms, kitchens, mechanical system cooling, vehicle washing and landscape irrigation. We remain focused on identifying, reporting and repairing leaks quickly; managing our irrigation systems; installing low-flow plumbing fixtures; and replacing landscaping with drought-resistant approaches.

PG&E also offers customers a wide range of options to help them reduce their water use, such as direct installation of low-flow shower heads and faucet aerators. We also deliver free wood mulch to homes and businesses to help them reduce the amount of water needed by plants and trees.

2020 Milestones

PG&E's efforts to conserve water and protect the watersheds where we operate in 2020 included:

- **Continued to support customers' efforts to save water.** Altogether, customers who participated in PG&E's programs reduced water usage by about 108 million gallons in 2020, based on an analysis of our most common energy-efficiency measures that deliver water savings.
- **Hosted the 17th-annual Water Conservation Showcase.** A variety of topics were discussed at the virtual event, including emerging water technologies and building a career in the water industry. A range of institutions lent their expertise including the San Francisco Public Utilities Commission, California Department of Water Resources and the California Water Efficiency Partnership.
- **Repurposed water for beneficial reuse.** PG&E repurposed nearly 1.9 million gallons of water used in hydrostatic testing for beneficial reuse, including toward irrigation, dust suppression, backfill compaction and project restoration—reseeding and watering all disturbed areas to return them to their pre-project state.
- **Reduced water use at our facilities.** We added 36 new irrigation controllers to nearly 20 large facilities across our service area to take advantage of new technology and optimize water usage.

Measuring Progress

Water Use Statistics

| | 2018 | 2019 | 2020 |
|---|-------------|-------------|-------------|
| Water Withdrawal (Saltwater and Freshwater) (thousand gallons) | | | |
| Process and Facilities Water (Saltwater) | | | |
| Diablo Canyon Power Plant ¹ | 855,098,304 | 756,054,502 | 834,911,227 |
| Once-Through Cooling | 854,778,000 | 755,762,000 | 834,539,000 |
| Reverse Osmosis | 320,304 | 292,502 | 372,227 |
| Domestic and Process Water (Freshwater) | | | |
| Diablo Canyon Power Plant ² | 13,310 | 17,110 | 16,200 |
| Humboldt Bay Generating Station ¹ | 233 | 252 | 217 |
| Gateway Generating Station ¹ | 14,425 | 17,416 | 16,251 |
| Colusa Generating Station ¹ | 18,577 | 22,114 | 22,733 |
| Facilities (Freshwater) | | | |
| Offices and Service Yards | 121,447 | 124,244 | 120,388 |
| Permitted Water Systems ³ | 122,718 | 129,594 | 133,748 |
| Hydrostatic Testing (Freshwater) | | | |
| Water for Testing | 4,757 | 15,983 | 2,520 |
| Water Discharged (Saltwater and Freshwater) (thousand gallons) | | | |
| Water Discharge (Saltwater)⁴ | | | |
| Diablo Canyon Power Plant | 854,967,271 | 755,934,842 | 834,758,952 |
| Domestic and Process Water (Freshwater) | | | |
| Diablo Canyon Power Plant (Permitted Discharge) | 136,561 | 126,110 | 150,726 |
| Humboldt Bay Generating Station (Sanitary Sewer) | 87 | 99 | 98 |
| Gateway Generating Station (Sanitary Sewer) | 8,089 | 8,319 | 10,836 |
| Colusa Generating Station ⁵ | 0 | 0 | 0 |
| Hydrostatic Testing (Freshwater) | | | |
| Water from Testing ⁶ | 3,021 | 11,712 | 1,891 |

1. Net operating capacity on December 31, 2020: Diablo Canyon: 2,240 MW; Humboldt Bay Generating Station: 163 MW; Gateway Generating Station: 580 MW; Colusa Generating Station: 657 MW.

2. Freshwater sources consist of well water for backup and emergency purposes.

3. PG&E monitors water usage at permitted public water systems owned and operated by PG&E. These systems are metered in accordance with state regulations.

4. These figures include once-through cooling discharge (equivalent to withdrawal amounts) plus estimated reverse osmosis system brine/backwash discharge.

5. Colusa Generating Station uses a zero-liquid discharge system. A septic system is used to manage sanitary waste.

6. In 2020, three fourths of the water used in hydrostatic testing was recycled or reused for irrigation, dust control or project restoration.



Greening Our Fleet

PG&E operates one of the cleanest transportation fleets in the energy industry, with over 1,400 alternative fuel vehicles that range from hybrid-electric bucket trucks to fully electric vehicles. By integrating the latest available technologies and partnering with automakers to meet needs unique to our fleet operations, PG&E is working to reduce emissions and operating costs and expand our portfolio of low-emission vehicles.



PG&E 2030 Fleet Electrification Goal

As part of PG&E's broader commitment to accelerating electric vehicle adoption and supporting California's climate goals, PG&E has made the following commitment to electrification of our vehicle fleet by 2030:

- 100% of light-duty fleet
- 10% of medium-duty fleet
- 5% of heavy-duty fleet

Our Approach

We are committed to exceeding federal and state vehicle emissions and alternative fuel requirements. We comply with federal regulations which require that 90% of all light-duty vehicles purchased for our fleet are capable of using an alternative fuel—such as electricity or compressed natural gas—provided that the technology is commercially available.

To comply with California's on-road diesel vehicle regulations, all of PG&E's medium- and heavy-duty diesel vehicles met or exceeded 2007 standards for particulate levels by the end of 2016, and all vehicles in our fleet met 2010 standards for nitrogen oxide emissions by the end of 2018, five years ahead of the 2023 California Air Resources Board regulatory requirement.

2020 Milestones

Last year, PG&E invested in a number of new vehicles and technologies to further green our fleet. Among other efforts, we:

- **Promoted coworker electric vehicle adoption through workplace charging.** PG&E continued installing chargers for coworker and PG&E-owned vehicles for a total of 1,267 charge points at 114 locations across our service area.
- **Integrated driver feedback technology in multiple ways.** We installed telematics in nearly 7,800 vehicles and pieces of equipment by the end of 2020. We also transitioned to a next generation platform that will allow us to deploy the driver feedback technology to even more vehicles. In-cab alerts enabled on most of these vehicles can indicate hard braking, hard acceleration, exceeding the speed limit and other actions that help promote safe driving behavior and fuel efficiency.
- **Continued transition from diesel to renewable diesel.** We rolled out renewable diesel to every practical PG&E-owned fueling tank, using more than 2.7 million gallons of renewable diesel in our conventional vehicles in 2020 and reducing associated carbon emissions.

Measuring Progress

PG&E managed approximately 13,700 on-road vehicles and related equipment in our fleet at the end of 2020. Of those, about 1,360 were electric-based and 61 were powered by compressed natural gas. Our network of electric charging stations is also growing, last year we surpassed 1,267 charge points at 114 locations across our service area.

We also maintain a network of 32 compressed natural gas vehicle refueling facilities, 24 of which are open to customers. PG&E uses its expertise to help commercial customers take advantage of this relatively low-emitting domestic alternative fuel in their own fleets.

Fuel Use Statistics

PG&E uses petroleum and renewable diesel to power many of the vehicles in our fleet. The following chart shows PG&E's fuel usage over the past three years.

Transportation Fuel Consumed by Pacific Gas and Electric Company

| | 2018 | 2018 | 2020 |
|---|-----------|-----------|-----------|
| Petroleum Consumed by PG&E Fleet (gallons) | 9,706,779 | 9,623,552 | 8,666,831 |
| Renewable Diesel Consumed by PG&E Fleet (gallons) | 1,727,015 | 2,665,568 | 2,775,166 |



Buildings and Facilities

We are continually working to reduce the environmental footprint of our buildings and facilities through sustainable design, increasing the efficiency of our energy and water usage, and eliminating waste. Our efforts also rely on the participation of our coworkers, who help us reach our goals.

Our Approach

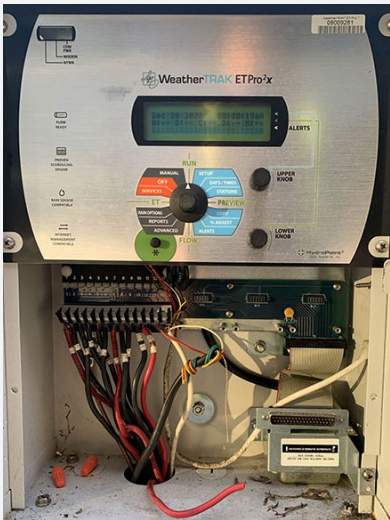
Energy, Water and Waste

We continue to execute a multifaceted strategy to invest in key facility improvements, engage coworkers and incorporate sustainability principles and continuous improvement into our real estate management.

We work to use energy and water more efficiently and divert landfill waste from our office facilities and service yards. We've published a Facilities Sustainability Standard for future workplace design, while remaining focused on building a more sustainable supply chain through environmentally preferable product choices and procurement strategies. We also power our service centers—nearly 100 facilities in Northern and Central California—with 100% solar energy through Pacific Gas and Electric Company's Solar Choice program.

Improving Irrigation Controls to Reduce Water Use

To reduce water usage, we added 36 new commercial-grade smart irrigation controllers at nearly 20 large facilities across PG&E's service area. These devices use high resolution weather data to create specific schedules to irrigate landscapes only when necessary. The system also provides facility managers with real-time information about irrigation system performance to reduce operational costs and improve preventive maintenance schedules.



Hazardous and Other Waste

As part of our course of business, certain activities generate hazardous wastes. Waste is also generated during the remediation and cleanup of legacy sites.

PG&E handles all hazardous waste in accordance with federal and state regulations. Our approach includes providing training and guidance to coworkers to ensure waste is properly managed from the point of generation to recycling or disposal.

Applicable federal and state hazardous waste management statutes include the Resource Conservation and Recovery Act and the Toxic Substances Control Act under federal requirements and Title 22 of the California Code of Regulations and the California Health and Safety Code. California laws and regulations are more stringent and encompass broader waste streams than federal requirements.

2020 Milestones

In 2020, we continued to operate and maintain our facilities using sustainable practices. Compared to 2019, our electricity and natural gas usage dropped by 6% and 9% respectively, while aggregated energy use intensity decreased by more than 9%. Our water usage decreased by 3% and we generated approximately 44% less waste, while increasing our waste diversion rate by 4%. Some drops in usage may be attributed to the COVID-19 pandemic and increased remote work. PG&E plans to continue embracing mobility and remote work for coworkers, in addition to other strategies, to improve facility sustainability performance. This year's highlights include:

- **Earned LEED Gold certification for our new Livermore Substation Training Center and LEED Silver certification for the renovation of the main building.** Both buildings are equipped with energy efficient HVAC systems, advanced lighting system controls, electric vehicle charging stations, native plant landscaping with smart irrigation system controllers, an on-site solar PV system and a greywater recycling system.
- **Earned recognition for our Livermore Electric Safety Academy,** which was selected as the 2020 Regional Best Project for Green category for Northern California by the Engineering News Record. The campus has achieved zero net energy status, meaning the facility produces as much renewable energy as it uses.
- **Expanded our use of on-site renewable energy** by completing installation of solar photovoltaic systems at our Stockton Regional Office. We added 947 kW to the site to give PG&E a total of 2.7 million kWh of solar electricity production for the year.



Adding Recyclables to the FARM

After five years with a facilities asset recycling management (FARM) warehouse for office furniture, we began recycling and auctioning left over construction materials such as fencing, siding and shelving. We also added other items from our service centers and offices—generators, air compressors, commercial kitchen appliances and other facilities equipment.

The additional items have increased our recycled totals by over 250%—from 178 tons in 2019 to 640 tons in 2020. The new recycling tonnage is equivalent to reducing approximately 1,574 metric tons of CO₂ based on U.S. EPA's Waste Reduction Model.

Measuring Progress

Energy Consumption Statistics

These figures represent electricity and natural gas usage at facilities managed by Pacific Gas and Electric Company's Corporate Real Estate Strategy and Services department.

Energy Consumed at Facilities¹

| | 2018 | 2019 | 2020 |
|--|------|------|------|
| Electricity Consumed (gigawatt hours) | 89 | 80 | 75 |
| Natural Gas Consumed (million cubic feet) | 136 | 133 | 121 |
| Energy Intensity (million BTUs per square foot) ² | 57 | 53 | 48 |

1. The data reflects the 12-month period from December to November. Between 175 and 189 sites reported electricity data for 2018 to 2020 and between 118 to 136 sites reported natural gas data between 2018 and 2020.

2. Figures are reported in the industry standard of KBTU per square foot, which incorporates all the energy used in a facility into one comparative figure.



Coworker Education Using Energy Tracking Monitor

PG&E's Gas Safety Academy is a state-of-the-art teaching facility in Winters where gas coworkers go to learn the latest techniques in pipeline monitoring, repair, welding, leak surveys and damage prevention. Coworkers can also see the energy usage at the facility through a special lobby monitor that complements our existing building automation systems, which identify and change wasteful energy practices.

The lobby monitor allows coworkers to view dashboards and reports on the screen and think about how their actions contribute to energy efficiency. Real-time measurement of photovoltaic solar production compared to the facility electric usage shows the advantages of zero net energy new building construction. PG&E is installing similar monitors in 2021 at our Livermore Electric Safety Academy and Stockton Regional Office.

Water Use Statistics

In 2020, we tracked water use throughout the year. Please see the Water section for additional statistics on PG&E's water usage.

Water Consumed at Facilities¹

| | 2018 | 2019 | 2020 |
|---|-------------|-------------|-------------|
| Water Consumed (gallons) | 121,447,269 | 124,244,405 | 120,388,128 |
| Water Intensity (gallons per square foot) | 16.3 | 18.6 | 18.0 |

1. The data represents all sites managed by Pacific Gas and Electric Company's Corporate Real Estate Strategy and Services department where water was consumed, and data was available for the 12-month period from October to September. In 2020, 149 sites reported water data.

Waste Generation Statistics

PG&E strives to minimize the overall amount of waste we generate, while composting organic waste and recycling non-hazardous materials such as glass, paper and certain metals.

Waste Diversion at Facilities¹

| | 2018 | 2019 | 2020 |
|-------------------------------------|--------|--------|--------|
| Total Waste Generated (tons) | 20,389 | 21,604 | 12,115 |
| Total Waste Diverted (tons) | 15,196 | 16,427 | 9,735 |
| Waste Diversion Rate | 75% | 76% | 80% |

1. The tonnage data reflects all of the non-hazardous municipal waste at 103 to 115 sites managed by PG&E's Corporate Real Estate Strategy and Services department for the 12 months from October to September.

Other waste reduction efforts in 2020 included:

- Recycling 55.9 million pounds of scrap iron, aluminum and copper from conductors, steel, meters, transformer oil and miscellaneous material. We recycled 18.9 million pounds of transformers; about 790,000 pounds of recovered meters; nearly 100,000 pounds of HDPE plastic, including pipes and hard hats; 131,000 pounds of street-light fixtures; 1.7 million pounds of transformer oil; and 6.2 million pounds of miscellaneous materials such as glass and cardboard.
- Recycling 245 tons of e-waste, including consumer electronic devices, CPUs, monitors, servers, printers and other equipment.
- Recycling 640 tons of furniture and other service center and office materials.
- Recycling over 40 tons of paper with employee move-out activities at our corporate headquarters to prepare for our Oakland move-in beginning in 2022.

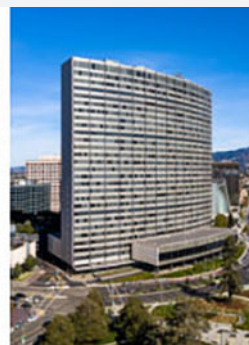
PG&E Plans to Relocate Headquarters to Oakland

PG&E announced plans to relocate our headquarters from San Francisco to Oakland beginning in 2022. The new Oakland headquarters will be a better and more efficient use of space for PG&E's workforce, providing greater layout flexibility to both promote workplace health and safety and accommodate potential new working arrangements in a post-COVID-19 environment.

The building is already certified as LEED Platinum for Operations, and PG&E will seek LEED Silver certification for interior renovations. These improvements to the energy and waste performance for the building will go beyond all current Cal Green and Title 24 requirements.

Unlike the existing San Francisco location with legacy furnishings and equipment, the vast majority of furniture installed will be comprised of pre- and/or post-consumer recyclable materials, new energy efficient technology will be used, and commutes should be shorter for the majority of headquarters coworkers who already live in the East Bay.

With the pending sale of the San Francisco buildings, the move will occur in phases through 2023. PG&E also plans to consolidate some other East Bay satellite office locations into the new Oakland headquarters, beginning in 2022.



With the sale of PG&E's headquarters complex in San Francisco, left, the company is on track for a phased move into its new location in Oakland, right.

Hazardous and Other Waste

The following table provides statistics on PG&E's waste generation. While PG&E works to reduce hazardous waste, certain projects such as infrastructure upgrades or remediation of historical contamination may increase the amount generated in a given year.

Hazardous And Other Waste

| | 2018 | 2019 | 2020 |
|--------------------------------------|---------------|---------------|---------------|
| Total Hazardous Waste (tons) | 35,756 | 30,307 | 16,713 |
| RCRA ¹ Hazardous Waste | 2,286 | 2,676 | 88 |
| TSCA ² Hazardous Waste | 411 | 337 | 319 |
| California Regulated Hazardous Waste | 33,059 | 27,294 | 15,511 |

Federal Regulated Hazardous Waste (TSCA) – includes PCB Waste ≥50 ppm PCB (tons)

| | | | |
|--------------|------------|------------|------------|
| Total | 411 | 337 | 319 |
| Incineration | 116 | 231 | 181 |
| Landfill | 182 | 71 | 23 |
| Recycled | 114 | 35 | 115 |
| % Recycled | 28% | 11% | 36% |

California Regulated Hazardous Waste (Non-RCRA)⁴ (tons)

| | | | |
|--------------|---------------|---------------|---------------|
| Total | 33,059 | 27,294 | 15,511 |
| Disposed | 23,403 | 23,885 | 13,556 |
| Recycled | 9,656 | 3,408 | 1,955 |
| % Recycled | 29% | 12% | 13% |

Other Waste

Universal Waste⁴ (tons)

| | | | |
|--------------|------------|------------|------------|
| Total | 177 | 168 | 129 |
| Recycled | 177 | 168 | 129 |
| % Recycled | 100% | 100% | 100% |

Low-Level Radioactive Waste Disposed (cubic feet)

| | | | |
|---------------------------------------|---------|-------|-----|
| Diablo Canyon Power Plant | 609 | 516 | 313 |
| Humboldt Bay Power Plant ⁵ | 213,170 | 6,239 | 7 |

Radioactively Cleared Waste Disposed (pounds)

| | | | |
|---|------------|------------|---------|
| <i>Diablo Canyon Power Plant</i> | | | |
| Disposed (pounds) | 199,184 | 137,427 | 154,747 |
| <i>Humboldt Bay Power Plant⁵</i> | | | |
| Disposed (pounds) | 42,669,730 | 18,173,850 | 0 |

Recycled Materials from Power Plants (pounds)

| | | | |
|----------------------------------|---------|---------|-------|
| <i>Diablo Canyon Power Plant</i> | | | |
| Steel | 0 | 80,000 | 0 |
| Copper | 0 | 0 | 1,840 |
| Lead | 0 | 0 | 0 |
| E-Waste | 0 | 946 | 0 |
| <i>Humboldt Bay Power Plant</i> | | | |
| Steel | 785,090 | 250,170 | 0 |
| Copper | 0 | 0 | 0 |
| Lead | 0 | 0 | 0 |

1. Refers to the Resource Conservation and Recovery Act (RCRA).

2. Refers to the Toxic Substances Control Act (TSCA).

3. These figures include polychlorinated biphenyl (PCB) waste < 50 ppm PCB. Reduced tonnage in 2020 was likely due to canceled or postponed project work due to COVID-19.

4. Universal waste is comprised of seven categories: electronic devices, batteries, electric lamps, equipment with mercury, cathode ray tubes (CRT), glass from CRTs, and non-empty aerosol cans. Data shown here exclude electronic waste (electronic devices with or without CRTs).

5. PG&E is decommissioning the former nuclear unit at the Humboldt Bay Power Plant and site restoration and remediation efforts are in the final phase.

Air Emissions

To comply with local air quality regulations, PG&E is focused on minimizing air emissions from its conventional sources of power generation. The following figures reflect emissions from PG&E-owned generation sources.

Air Emissions¹

| | 2018 | 2019 | 2020 |
|--|------------|------------|------------|
| Total NO_x Emissions (tons) | 134 | 135 | 141 |
| Humboldt Bay Generating Station | 23 | 29 | 33 |
| Gateway Generating Station | 67 | 64 | 66 |
| Colusa Generating Station | 44 | 42 | 42 |
| NO_x Emissions Rates (lbs/MWh) | | | |
| Humboldt Bay Generating Station | 0.12 | 0.14 | 0.136 |
| Gateway Generating Station | 0.05 | 0.05 | 0.046 |
| Colusa Generating Station | 0.03 | 0.03 | 0.028 |
| Fossil Plants ² | 0.04 | 0.04 | 0.044 |
| All Plants ³ | 0.01 | 0.01 | 0.010 |
| Total SO₂ Emissions (tons) | 15 | 14 | 15 |
| Humboldt Bay Generating Station | 1 | 1 | 1 |
| Gateway Generating Station | 8 | 7 | 7 |
| Colusa Generating Station | 6 | 6 | 7 |
| SO₂ Emissions Rates (lbs/MWh) | | | |
| Humboldt Bay Generating Station | 0.005 | 0.005 | 0.0041 |
| Gateway Generating Station | 0.005 | 0.005 | 0.0049 |
| Colusa Generating Station | 0.004 | 0.004 | 0.0046 |
| Fossil Plants ² | 0.005 | 0.004 | 0.0047 |
| All Plant ³ | 0.001 | 0.001 | 0.0010 |
| Total Particulate Matter Emissions (tons) | 90 | 97 | 97 |
| Humboldt Bay Generating Station | 39 | 47 | 57 |
| Gateway Generating Station | 21 | 20 | 20 |
| Colusa Generating Station | 30 | 30 | 30 |
| Total CO Emissions (tons) | 39 | 34 | 34 |
| Humboldt Bay Generating Station | 19 | 17 | 18 |
| Gateway Generating Station | 6 | 6 | 8 |
| Colusa Generating Station | 14 | 11 | 16 |
| Total VOC Emissions (tons) | 48 | 56 | 56 |
| Humboldt Bay Generating Station | 35 | 44 | 51 |
| Gateway Generating Station | 8 | 7 | 7 |
| Colusa Generating Station | 5 | 5 | 6 |

1. Due to rounding conventions, some data above sum to an amount greater or less than the totals provided. Additionally, there were no reportable mercury air emissions from PG&E's facilities during 2018 to 2020.

2. Collective emission rates for Humboldt Bay, Gateway and Colusa Generating Stations.

3. Includes all PG&E-owned generation sources, including fossil fuels, nuclear, hydroelectric and renewable energy.



Supply Chain Sustainability

PG&E aims to improve environmental and ethical business performance by ensuring that sustainability is embedded in our sourcing processes. We drive risk reduction and performance improvements for our suppliers through training and assessments while ensuring these efforts align with PG&E's broader commitment to serving people, the planet and California's prosperity.

Our Approach

Our approximately 4,500 suppliers represent industries such as construction, professional services, vegetation management and manufacturing and comprised \$9.9 billion dollars of spend in 2020. Additionally, about 64% of our suppliers are located in California. Since 2007, we have striven to reduce the environmental impact of our products and services, and drive supplier environmental performance improvements.

We ask suppliers to provide information on their sustainable performance through requests for proposals (RFP), supplier scorecard reviews and participation in an annual sustainability assessment. This information helps us with supplier selection, our training strategy and in developing tools to help suppliers improve environmental performance. In addition, we seek to identify product and service strategies that measurably improve our environmental profile, using the "reduce-reuse-recycle" framework to guide our plans to:

- **Reduce** resource consumption through our purchasing choices. Where there is no feasible option to reduce consumption, we seek to buy products and equipment with a lower environmental footprint.
- **Reuse** products and equipment when they can be repaired or refurbished to meet required performance standards.
- **Recycle** products and equipment with licensed suppliers if they cannot be refurbished for reuse.

When recycling options are not available, we dispose of products in compliance with environmental requirements.

Our Supplier Code of Conduct (Code) sets forth the principles and ethical business standards of conduct that we expect suppliers to meet during the provision of goods and services. As business needs have evolved, so has the Code and our efforts to engage suppliers in understanding their obligations to meet PG&E's expectations.

We highlight the Code during the RFP process and reference it in our contracts where suppliers acknowledge reading and complying with the Code. It is also a focus of supplier training. We perform periodic reviews to check supplier conformance to our Code, identify areas for improved education and training and support supplier corrective actions as needed.



Partnering with Industry Peers

PG&E continues to partner with industry peers through the Electric Utility Industry Sustainable Supply Chain Alliance (Alliance), a consortium of 20 electric energy providers across the country. Pacific Gas and Electric Company cofounded the Alliance in 2008 to advance sustainable business practices among utilities and industry suppliers.

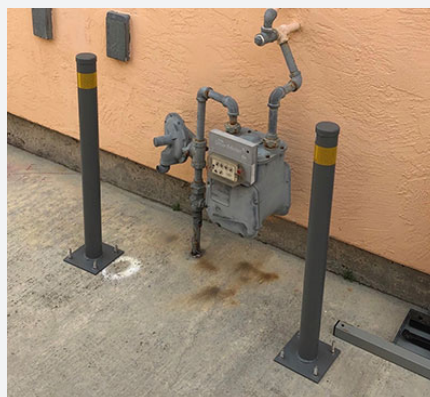
The Alliance provides a forum to benchmark our performance and the performance of our suppliers, and to share best practices. In 2020, the Alliance focused on understanding greenhouse gas hot spots in utility supply chains, sustainable infrastructure construction and improvements to the annual supplier sustainability assessment.

2020 Milestones

In 2020, PG&E's supply chain sustainability efforts focused on understanding key areas of environmental impact and Code awareness. Highlights included:

- **Completed PG&E supply chain greenhouse gas hotspot assessment.** This assessment highlighted that over 60% of PG&E's Scope 3 emissions for purchased goods and services occur in construction services, vegetation management and manufacturing. Information received from this assessment influenced training and supplier engagement activities in 2021.
- **Launched development of a sustainable infrastructure construction playbook.** After identifying key areas of greenhouse gas emissions in our supply chain, PG&E began leading an Alliance initiative with other utilities to develop a utility and supplier playbook to support sustainable infrastructure construction. The playbook will cover material selection, planning and disposal considerations.
- **Targeted attendees for Code training.** Throughout the year, we leveraged opportunities to communicate about our Code and the importance of suppliers speaking up about misconduct issues and concerns. During training sessions, we reminded suppliers of the various pathways available for them to speak up and report misconduct issues or concerns. The Code training reached 75% of suppliers, representing the top 80% of spend in 2019 and 2020.
- **Conducted Supplier Code of Conduct conformance reviews.** In 2019, we selected more than 130 suppliers to participate in a conformance review—managing supplier risk by evaluating our suppliers' management systems. In 2020, suppliers without a proper management system in place were given a corrective action plan to help bring them into conformance.

In 2020, PG&E began piloting a new steel bollard to protect meters and other equipment. The bollard is made with recycled steel and uses a bolt down mechanism, which reduces the need to pour a concrete slab. Per bollard, eliminating the concrete avoids an estimated 42 pounds of greenhouse gas emissions. This effort was developed with the assistance of a certified minority-owned business.



Measuring Progress

In 2020, we requested sustainability assessment responses from 316 suppliers and achieved a 68% response rate, which represented 69% of PG&E's 2019 spending. This response rate was down slightly from 2019; however, it represented an increase in 19 supplier responses year over year. We had a response rate of 97% from our 35 top-tier suppliers, which represented 29% of PG&E's 2019 spend.

Suppliers complete a self-assessment that measures their adoption of environmental best practices specific to their industry. This information provides suppliers with detailed benchmarking that can be used to prioritize strategies to reduce their environmental impact. In addition, suppliers can provide their most recent environmental performance data for energy and water use, as well as greenhouse gas emissions and waste generation. This information provides insight into how our suppliers compare to suppliers across Alliance members.

Annually, we benchmark our supply chain environmental sustainability performance against other Alliance members. PG&E's suppliers have led in the tracking of environmental impacts and setting voluntary reduction goals compared to all suppliers assessed by Alliance members.

PG&E Supplier Engagement in Environmental Management Compared to Aggregated Alliance Suppliers

| Percentage of Suppliers Tracking Impacts | Alliance Suppliers | PG&E Top-Tier Suppliers |
|---|--------------------|-------------------------|
| Measure environmental performance | 58% | 89% |
| Setting reduction targets | 30% | 51% |
| Public reporting of environmental performance | 26% | 43% |

Additionally, PG&E continues to lead among Alliance peers in the areas of supply chain management engagement and commitment, environmental expectations and standards for suppliers, and supplier performance evaluation.

PG&E Supply Chain Sustainability Benchmarked Performance

| | 2019 | 2020 |
|---|------|------|
| Percentage of attributes outperforming Alliance peers | 75% | 83% |
| Percentage of attributes at or better than Alliance peers | 100% | 100% |

In 2020, 66% of PG&E's top-tier suppliers received a score of three or higher on a five-point scale—up from 62% in 2019, but below our target of 75%. Suppliers can earn two points for assessing their current sustainability performance, two points for setting reduction targets, and one point for publicly reporting environmental performance.

Similar to 2019, many suppliers failed to provide specific information on reduction targets which factored into their ability to meet the goal. We plan to focus future efforts on key supplier industries representing the largest greenhouse gas impact and encouraging those suppliers to measure and reduce greenhouse gas emissions.

Performance Against PG&E's Supplier Environmental Performance Standard¹

| Percentage of PG&E Top-Tier Suppliers Aligning with Expectations | 2015 | 2020 |
|--|------|------|
| Measure environmental performance | 60% | 89% |
| Setting reduction targets | 55% | 51% |
| Public reporting of environmental performance | 41% | 43% |

1. In 2018, PG&E revised the methodology for assessing responses due to the implementation of a new assessment tool. In the table above, data for 2015 was updated to align with the 2018 calculation methodology.

In 2019, PG&E worked with a third party to complete a conformance review of select suppliers. Selected suppliers submitted documentation demonstrating that they have the appropriate management systems to support their conformance to PG&E's Supplier Code of Conduct.

In 2020, suppliers who were unable to provide all of the documentation, or did not have the appropriate management systems in place, were issued a corrective action plan, which helped guide the supplier through gaps in their management systems and helped bring them into conformance.

Supplier Conformance Review Results

| Results | Total | Percent |
|---------------------------|-------|---------|
| Passed review | 50 | 38% |
| Corrective action issued | 82 | 62% |
| Corrective actions closed | 77 | 94% |



Historical Impacts

Through our environmental remediation program, PG&E works to address contamination resulting from the utility's and its predecessor companies' historical operations dating as far back as the mid- to late-1800s. Our overarching goal is to address historical impacts using leading-edge technical approaches and best practices for engaging local stakeholders and suppliers, thereby positioning these properties for productive use.

Our Approach

PG&E remains committed to being a good corporate neighbor, which includes conducting our remediation projects in a safe and sustainable manner. Since 2010, we have partnered with the California Department of Toxic Substances Control (DTSC) to implement our sustainable remediation approaches, which include field testing and incorporating cutting-edge cleanup technologies to lower greenhouse gas emissions and minimize community impacts. These activities, in turn, deliver economic and social benefits to the communities we serve.

Involving the community early is another vital component of our remediation efforts. Locally, we communicate with city leaders, local businesses, community groups and residents to promote awareness, solicit feedback and identify core issues of interest in our remediation projects. We partner on initiatives to address these issues, including workforce training and local school science, technology, education and math (STEM) initiatives; developing property disposition strategies that align with remediation efforts; and sourcing local goods and services.

2020 Milestones

Much of our work was impacted in 2020 by the COVID-19 pandemic, but we kept our field activities operational, and ultimately executed over \$170 million in remediation activities in California. Our efforts in early 2020 focused on protecting the health and safety of our team, while continuing forward progress on our sites. We were able to continue with analysis, design and permitting activities for our projects, and participate in numerous public hearings and work sessions remotely.

We also worked closely with our regulators to support public participation efforts in a virtual setting including holding virtual public meetings and conducting targeted phone, email and mail surveys. In the field, we implemented methods that allowed us to continue working with appropriate social distancing, personal protective equipment and other safety precautions.

Manufactured Gas Plant Sites

Our progress continues as we voluntarily address over 40 Manufactured Gas Plant (MGP) sites previously owned or operated by Pacific Gas and Electric Company or its predecessor companies. To date, 30 of these sites have been successfully remediated. MGPs were located throughout PG&E's service area and across the country and used coal and oil to produce gas for lighting, heating and cooking in the mid- to late-1800s and early 1900s, until natural gas arrived in Northern California in the 1930s.

In 2020, we completed a challenging remediation project at the former Salinas MGP site, and remediated our Fresno-2 site. We also completed the first phase of remediation in support of substation equipment replacement efforts at the former Colusa MGP and current substation and service center. Other sites continued to work through the investigation, remediation and closeout process under the direction of California regulators.



Maria Cambrón, Downtown Streets Team Project Manager, Kristina Williams, project manager and the Community Liaison team check-in and coordinate interfacing with interested passersby and the local unsheltered community during PG&E's Salinas remediation project.

As part of PG&E's remediation of our former MGP in downtown Salinas, we established an innovative local hire program that provided life-changing opportunities for the area's unsheltered population.

The project is located in the Chinatown District, which is home to over half of Salinas' unsheltered population, and when PG&E began outreach in 2016, it soon became clear that meaningful and transformative engagement with this community would be key to the project's success.

Working in partnership with City of Salinas Councilmember Gloria De La Rosa, County Supervisor Luis Alejo, the Salinas Police Department and various homeless service organizations, PG&E developed an outreach model with a local employment program. In partnership with the nonprofit Downtown Streets Team Salinas, we hired and trained 10 unsheltered residents to work as community liaisons throughout the project.

Community liaisons received a living-wage and were responsible for keeping the project perimeter secure and clean, explaining the work to interested passersby and interfacing with the local unsheltered community to keep them a safe distance from construction. These jobs gave seven of the community liaisons the opportunity to secure housing and five went on to obtain living-wage jobs after the remediation project was completed last November.

"In my 27 years of service, I have never witnessed this level of collaboration and care shown towards this community," noted Councilmember De La Rosa. "The public participation activities conducted in support of this work were well thought out, culturally appropriate, and allowed the impacted community to participate in a meaningful way."

Natural Gas Compressor Stations

PG&E's natural gas system includes nine compressor stations that receive and move natural gas throughout our service area. During the 1950s and 1960s, long before recognition of the environmental standards to which we adhere today, PG&E used hexavalent chromium to prevent rust in cooling towers at the Topock and Hinkley compressor stations—a common industry practice at the time. These operations resulted in groundwater contamination, and PG&E continues to work diligently under the oversight of state and federal agencies and in coordination with local Native American tribal governments to address these legacy impacts.

At the Topock Compressor Station, we are in the process of implementing a DTSC and U.S. Department of the Interior-approved groundwater remedy to address impacts and ensure the long-term protection of the community and the Colorado River. The remedy will use an in-situ treatment approach, which will use natural bacteria to treat the chromium in the ground. Construction of the first phase of remedy facilities will be complete in 2021 and the remedy is anticipated to begin operation thereafter.

While the long-term remedy is under construction, we continue operations of interim groundwater measures, which operate around the clock to help ensure that the Colorado River is protected from impacts. Built in 2005, the system has successfully controlled groundwater contamination and in 2020 treated over one billion gallons of groundwater and removed more than 9,880 pounds of chromium.

At the Hinkley Compressor Station, we estimate that about three-fourths of the chromium present in the groundwater was removed through 2020. We treat chromium in two ways at this site; first using in-situ treatment to immobilize the chromium underground, and also by pumping the water and using it for farming; the organic soils transform the chromium into an immobile form. We have partnered with local farmers to adjust irrigation pumping patterns in the area, in order to not only address our chromium issues in a sustainable way by growing crops, but also to help with area-wide legacy nitrate pollution from historical farming and ranching activities in the valley. Our chromium treatment has simultaneously removed over 300 tons of nitrate from the local aquifer.

We continue to work with community stakeholders to improve our presence in the local community and support investment priorities focusing on youth, health and wellness, education and workforce development.

Measuring Progress

Sustainable Remediation

Despite the pandemic, we were still able to reduce our greenhouse gas emissions by 645 metric tons and liquid wastes by 21 million gallons in 2020. We achieved these results by incorporating sustainable practices on our remediation sites, including:

- Using heavy construction and remediation equipment meeting Tier 3 and Tier 4 federal emission standards, reflecting the cleanest standards in the industry;
- Using alternative fuels and renewable sources of energy for equipment and vehicles; and
- Maximizing recycling, on-site reuse of materials and reductions in liquid and soil wastes generated during remediation.

We also added \$7 million to the local economies near our project sites by sourcing our equipment and vendors from the local community, an effort we make whenever possible on our remediation projects.



California's Prosperity

Key Sustainability Indicators

4,180

Number of charge ports installed through the Electric Vehicle Charge Network

38.9%

Percentage of PG&E's overall procurement with diverse certified suppliers

As a local energy company providing electricity and natural gas, we are focused on helping our customers and hometowns prosper. The investments we are making to deliver a safe, reliable, affordable and clean energy future support economic development and job creation. We also believe clean energy alternatives need to be affordable for and inclusive of all economic backgrounds.

We are increasingly working with our customers on a local level to meet their specific energy needs. And we're working to help our communities: through employee community volunteer programs, collaborating with local organizations through charitable grants, expanding opportunities for diverse and local suppliers, and offering incentives to make homes and businesses more energy efficient, which saves customers money.

Highlights

Spent \$3.88 billion—or 38.9% of our total expenditures—with diverse suppliers, the highest spend in the 40-year history of PG&E's supplier diversity program.

Provided an array of weatherization, energy efficiency solutions and appliances at no cost to more than 86,000 income-qualified households through our Energy Savings Assistance Program.

Helped almost 200,000 customers enroll in the California Alternate Rates for Energy (CARE) program, providing income-qualified customers with a monthly discount on their bill—bringing the total to more than 1.58 million enrolled PG&E customers in January 2021.

Contributed \$17.5 million to charitable organizations through our Better Together Giving Program and The PG&E Corporation Foundation, designed to help address critical social, educational and environmental challenges in the communities we serve.

Brought the total number of interconnected private solar customers to more than 500,000.

Supported more than 18,600 customers who have installed battery storage at their homes or businesses, often paired with a solar power system.

Installed 4,180 Level 2 charging ports for electric vehicles at workplaces and multi-family dwellings—with more than one-third in disadvantaged communities—and also offered programs to support medium- and heavy-duty fleets and public fast charging.

Launched the Green Saver program, our first community renewables program enabling customers in disadvantaged communities to subscribe to 100% solar energy from solar projects built within California.

Supported local government policies that promote all-electric new construction—providing letters of support for all-electric new construction codes or ordinances to 28 cities and counties since July 2019.

Implemented an electrification pilot in the San Joaquin Valley designed to reduce pollution and lower overall energy costs by eliminating the use of propane and wood burning appliances in several disadvantaged communities without access to natural gas.

Offered an energy efficiency financing program, which provides commercial customers and government agencies with loans for energy efficiency upgrades with no out-of-pocket costs and zero interest, funding 707 loans worth a total of \$57 million.

Conducted energy efficiency education and training for architects and other building professionals, training approximately 19,800 participants.



Wildfire Safety Customer Engagement

We may need to turn off power during severe weather to help prevent wildfires. This is called a Public Safety Power Shutoff or PSPS event.

We know that losing power disrupts lives, and we are providing customers with more resources before, during and after PSPS events:

- Sending customer notifications in 16 languages
- Sending non-account holder notifications for specific addresses through our Address Alert tool
- Providing additional portable backup batteries to eligible customers
- Targeting additional ADA-accessible Community Resource Center sites
- Providing meal replacement options in all counties likely to be impacted
- Expanding our partnerships with community-based organizations



Engaging Customers

At PG&E, we are focused on delivering better outcomes for our customers. We are moving to a regional model as part of our commitment to deliver better operational outcomes in our hometowns; understand and address the risks of our infrastructure, including wildfire risk; safeguard the public and consistently deliver great customer service.

Over the last year, PG&E has continued to enhance our wildfire safety education and awareness efforts to improve customer preparedness and safety. We have also established financial assistance programs and education to support our customers with the financial impacts of the COVID-19 pandemic.

Our Approach

Led by Pacific Gas and Electric Company's Executive Vice President and Chief Customer Officer, we are working to deliver the best experience for each and every customer. This includes using data-informed insights to improve the customer experience, localizing our presence and strategies in the communities we serve, and empowering customers with greater choice and control over how they manage their energy use. We also continuously integrate customer feedback to develop, enhance and improve our products and services.

COVID-19 Response

PG&E recognizes the hardships that customers may be facing due to the impacts of the COVID-19 pandemic. As a result, PG&E implemented a series of emergency protections to support customers who have been impacted by the pandemic and supported our communities through contributions from PG&E and The PG&E Corporation Foundation.

Public Safety Power Shutoff (PSPS) Program

We may need to turn off power during severe weather to help prevent wildfires. This is called a Public Safety Power Shutoff or PSPS event.

We know that losing power disrupts lives, and we are providing customers with more resources before, during and after PSPS events:

- Sending customer notifications in 16 languages
- Sending non-account holder notifications for specific addresses through our Address Alert tool
- Providing additional portable backup batteries to eligible customers
- Targeting additional ADA-accessible Community Resource Center sites
- Providing meal replacement options in all counties likely to be impacted
- Expanding our partnerships with community-based organizations

We are also working with the Disability Disaster Access and Resources, or DDAR, program, in partnership with the California Foundation for Independent Living Centers, to provide support before and during PSPS events. During 2020 PSPS events, these Centers engaged with approximately 1,700 customers to provide portable backup batteries, accessible transportation, hotel accommodations and food stipends.

Our Portable Battery Program provides no-cost backup portable batteries to low-income customers enrolled in the medical baseline program that rely on power for medical or independent living needs and reside in high fire-threat areas. In 2021, we are providing 5,000 more batteries, which is in addition to the 6,500 batteries we provided in 2020.

Backup electric power can be a part of any preparedness plan. PG&E customers interested in acquiring a backup power system qualify for a generator rebate if they live in a Tier 2 or Tier 3 high fire-threat area and rely on well water pumping for their water needs. Through this Generator Rebate Program, we are offering a \$300 rebate for all eligible customers or a \$500 rebate for eligible customers who are also participants in the CARE or FERA program.

Additionally, PG&E has reserved approximately 300 MW of temporary generation to be deployed in four ways to mitigate the impacts of PSPS events:

- Substation-sited temporary generation
- Temporary microgrids for designated areas like “main street” corridors
- Community Resource Centers, where temporary generation may be needed
- Backup power support for individual facilities crucial to ensuring public safety

Our Humboldt Bay Generating Station can also provide power directly to customers, if needed, during emergencies, including PSPS events and other events outside Humboldt County that are impacting the county.



PG&E conducts community wildfire safety outreach

We are listening to our customers about how we can do better by taking feedback and acting on what we hear. Despite the constraints of the COVID-19 pandemic, we have continued with all of our planned community wildfire safety outreach. We are also expanding our outreach efforts to include:

- Additional informational resources, including videos, brochures and online tools, to help customers and communities prepare.
- Making it easier for eligible customers to join the medical baseline program.
- Additional outreach to customers in the medical baseline program, those with Access and Functional Needs, and master meter customers to address specific preparedness topics.

- Localized informational webinars to give customers and communities opportunities to ask questions and provide feedback.

PG&E also offers the Safety Action Center, a dedicated online safety resource featuring helpful information about wildfire risks and what customers can do to keep their home, family or business safe, including tips on how to create an emergency plan, emergency preparedness guides and videos, and links to the statewide Power of Being Prepared campaign and other resources.

Serving Customers Locally

We maintain cross-functional leadership teams in each PG&E Division, led by local leaders, to address local issues, collaborate with representatives from across PG&E and incorporate the needs and concerns of our customers into operating decisions. In coordination with our centralized customer services functions, our local teams enable and facilitate critical gas and electric service work by performing project-related customer and community outreach and managing customer issues at the local level.

PG&E has committed to reimagine the organization—regionalizing our operations and infrastructure to enhance our focus on local communities and customers. In June 2021, we announced five new Regional Vice Presidents, which will be followed by a broader rollout of our plans at the regional level.

Integrating Feedback

PG&E regularly uses customer surveys, focus groups, online customer panels and other forms of research to obtain feedback and insights that help drive our decision-making and improvements in how we serve our customers. For example, PG&E established the People with Disabilities and Aging Advisory Council in 2020, an externally focused advisory council comprised of a diverse group of recognized leaders from community-based organizations who support our most vulnerable customer populations. PG&E also launched customer collaboration sessions to hear from and collaborate with customers on improving service solutions during PSPS events.

PG&E also convenes various stakeholder advisory groups for specific areas, including:

- **Communities of Color Advisory Group**, which provides guidance on outreach strategies to effectively communicate rate options and energy affordability programs to diverse and hard to reach communities.
- **Clean Transportation Program Advisory Council**, which provides feedback and guidance on PG&E's electric vehicle (EV) programs, including EV Charge Network, EV Fleet and EV Fast Charge.
- **Diablo Canyon Decommissioning Engagement Panel**, which provides diverse community viewpoints to help inform PG&E's site-specific decommissioning plan on future land use and repurposing recommendations.



PG&E partnered on a pilot to train Native American tribal members on vegetation management—leveraging traditional and cultural learnings—through a four-week course held on the ancestral lands of Robinson Rancheria.

Strengthening our Engagement with Tribes

Led by PG&E's Tribal Liaison and Deputy Tribal Liaison, PG&E is actively working with tribal governments to prepare their communities for PSPS events and obtain feedback from those that were impacted by prior events. Despite moving to virtual engagement in response to the COVID-19 pandemic, our commitment to understanding the impacts of PSPS and bettering our process has continued through:

- Listening Sessions with tribal governments
- Regional Working Groups with tribal governments participating
- Wildfire Safety Working Sessions with tribes and counties, including one for the Pit River tribe at their request

In addition, we aim to schedule individual Tribal Council meetings with all 62 Federally-recognized tribes to review the PSPS program and other related issues. We have also expanded our outreach to include non-Federally-recognized tribes.

Other examples of our tribal engagement include:

- Engaging with the California Rural Indian Health Board in their request of Congressional support to obtain funding for backup generation for all tribal health facilities in California.
- Coordinating with the Indian Health Service to ensure tribal health facilities that distribute and store COVID-19 vaccines are alerted to prepare for a potential PSPS.
- Seeking input from tribes to identify critical facilities within their jurisdictions, including identifying drinking water meters and health facilities, to improve PG&E's situational awareness of these systems during PSPS events and for earlier restoration, where possible.
- Coordinating with tribes to deploy PG&E's self-generation and community microgrid programs on tribal lands.
- Working with tribal food distribution programs to provide support for food security on tribal lands.
- Engaging with tribal housing programs to provide financial support for PSPS events.

Saving Customers Energy and Money

PG&E offers a full portfolio of programs and incentives for energy efficiency, demand response, clean energy transportation and solar energy, as well as choice and control through rate options, financial assistance programs and other resources. We're building out a growing network of EV charging stations for workplaces and apartment buildings, as approved by the CPUC and have begun to build EV charging stations for customers with fleet vehicles.

Making It Easy

PG&E's website (www.pge.com) offers our customers an easy and convenient way to manage their account online—whether on their desktop computer, laptop, tablet or mobile phone.

The vast majority of our customers can view and download their hourly usage and cost data, in addition to comparing their usage to that of similar homes in their neighborhood. Our Home Energy Checkup and Business Energy Checkup tools allow our residential and small and medium business customers to find energy savings ideas by providing tips and savings recommendations to help them manage their energy costs.

Our energy statements provide clear and easy-to-understand information, and a growing number of our customers have chosen to enroll in our paperless billing option. We offer our customers a variety of payment options, including automatic payments by debit or credit cards. Customers can call or go to our website to learn how to pay online or to find nearby Neighborhood Payment Centers.

Our website also allows customers who are experiencing financial hardship to extend their payment due date or sign up for payment arrangements, if eligible. Customers can also enroll in longer-term financial assistance programs such as the California Alternate Rates for Energy (CARE) Program or the Family Electric Rate Assistance (FERA) Program, or sign up for our budget billing program that averages out their monthly payment amounts and helps them stay on budget year-round.

Customers can start, transfer or stop service via our website; they can also schedule appointments to relight their gas pilot lights online. Our website allows customers to sign up for numerous service-related alerts, including outage, billing and payment, and appointment notifications. Energy Alerts, also available, will notify customers when their energy usage is on the rise and allow them to use My Rate Analysis to make sure they're on the right rate plan.

In addition to digital offerings, PG&E continues to offer self-service capabilities over the phone, such as reconnection service via our Interactive Voice Response technology. Many of our communications are also available in multiple languages and formats, including English, Spanish, Chinese, Vietnamese, Tagalog, Braille and large print.

We have also enhanced our website and customer notifications to provide more timely, detailed and accurate information during PSPS events. Information is available in 16 languages and upgraded outage maps show impacted areas more clearly.

Measuring Progress

We are committed to improving satisfaction for both residential and business customers. In 2018, our customer satisfaction rose to a high of 77.3, driven by customer satisfaction with service reliability and pricing. In 2019, due to PG&E's Chapter 11 filing and multiple PSPS events, customer satisfaction with PG&E decreased from the prior year. In 2020, the score remained consistent with the previous year.

Measuring Customer Satisfaction

| | 2018 | 2019 | 2020 |
|------------------------------------|------|------|------|
| Customer Satisfaction Score | 77.3 | 72.6 | 72.0 |

1. To measure customer satisfaction, we use a random-sample, proprietary customer survey that is conducted by an independent third party. The customer satisfaction score is determined by averaging customers' overall satisfaction with our products and services using a 1 to 10 scale, indexed to a score from 1 to 100.

Each year, we also benchmark our customer satisfaction results against best-in-class performing gas and electric providers, using data from Escalent-Cogent utility benchmarking studies with both residential and business customers.



Customer Energy Efficiency

Energy efficiency is integral to energy sustainability, which is why PG&E has worked for more than four decades to support customer efforts to reduce energy usage. Today, our commitment to helping customers save energy is stronger than ever. These programs help keep customer energy bills affordable, reduce energy demand on the grid and contribute to California's clean energy goals.

Our Approach

PG&E's energy efficiency programs are built on California's pioneering energy efficiency model, which has helped keep the state's per capita electricity consumption nearly flat since the 1970s. PG&E's portfolio is designed to reach customers across all sectors using a variety of channels, from self-service software tools to PG&E's business customer account representatives. To increase our impact, we also partner with state and local governments, community partners and trade professionals, and offer education and training to building professionals.

Our energy efficiency priorities include:

- Working to reduce financial barriers to installing energy efficient equipment for residential, commercial and government customers.
- Giving customers access to their data in coordination with tips, tools and programs to support smart energy planning and reduce their energy use.
- Collaborating with retailers, distributors and others to increase the availability of high-efficiency products.
- Supporting California's decarbonization goals by advocating for building codes that offer feasible, cost-effective pathways to designing all-electric buildings and by developing statewide all-electric residential and non-residential new construction programs.
- Providing technical support for local governments that choose to exceed minimum requirements for state building codes.
- Supporting communities through proactive outreach and engagement with greenhouse gas emissions inventories, Climate Action Planning and local ordinances.

Our Energy Efficiency Business Plan lays out a vision for our energy efficiency programs over the next 10 years in alignment with California's broader energy efficiency strategy. This includes changes in our approach to adapt to the state's Senate Bill (SB) 350 goals, which call for a doubling of energy efficiency, as well as efforts such as Assembly Bill (AB) 793, which incentivizes the installation of energy management technology for residential and commercial customers.

Energy Efficiency Delivers Big Savings

In 2020, PG&E's energy efficiency programs helped California avoid the emission of over 769,000 metric tons of carbon dioxide. Customers saved more than 1,700 GWh and approximately 36 million therms of energy—through incentive programs that support residential, commercial, industrial and agricultural customers; codes and standards advocacy; on-bill financing; and data-driven interventions that help customers understand and manage their energy usage.

PG&E's plan for the future is built on three guiding principles:

- Delivering simple, easy and effortless energy efficiency services to our customers
- Orienting the energy efficiency portfolio towards building decarbonization to help combat climate change
- Scaling cost-effective energy efficiency resources by integrating with other distributed energy resources, coordinating our strategy with other stakeholders and investing in reliable grid resources

2020 Milestones

Highlights from our customer energy efficiency program in 2020 include:

- **Supporting customers coping with COVID-19-related challenges.** We enhanced rebates for smart thermostats for residential customers and ultra-low temperature freezers used for vaccine storage; expanded eligibility for contactless energy efficiency programs, such as our home energy reports that help customers understand and manage their energy use; and allowed small businesses to defer payment of on-bill energy efficiency financing loans.
- **Supporting local government policies that promote all-electric new construction.** We have provided letters of support for all-electric new construction codes or ordinances to 28 cities and counties since July 2019.
- **Offering no-interest energy efficiency financing.** Our on-bill financing program provides commercial customers and government agencies with loans for energy efficiency upgrades with no out-of-pocket costs and zero interest. In 2020, the program funded 707 loans worth a total of \$57 million. Most loans went to small and medium businesses, and public organizations.
- **Helping industrial customers reduce their energy usage through Strategic Energy Management programs.** These programs—which take a holistic approach to efficiency—retro-commission and upgrade equipment, work with industrial facility employees to pursue energy savings and provide planning resources for future energy needs. In 2020, PG&E's program implementer completed two-year engagements at 22 sites, which are expected to save 30 GWh and 1.8 million therms over the life of the equipment and interventions.
- **Advocating for stronger, cost-effective building codes and appliance standards** and conducting training for 3,900 building and compliance industry representatives.
- **Continuing to offer education and training** to architects and other building professionals, leveraging remote learning technology. In 2020, we trained approximately 19,800 participants and delivered more than 400 classes and webinars while also offering 55 on-demand classes. Going forward, we plan to enhance our virtual content, which, combined with distributed training locations, will reach a broader audience.



Smart Thermostat Advanced Rebates: Opening the Door for Energy Savings

Due to the pandemic, customers began spending more time at home and, on average, experienced a 10% increase in home energy usage. PG&E wanted to find a way to help these customers reduce energy use and gain more control over their bills.

As a way to address this challenge and further integrate our customer programs, PG&E launched a new rebate for residential customers who both buy a qualified smart thermostat and agree to change to a Time-of-Use rate plan. The \$120 rebate is \$70 more than the product-only rebate and offers additional energy and cost saving opportunities while providing a smart home device virtually free of cost. PG&E received approximately 9,500 applications after the new rebate launched, which was 57% of all smart thermostat rebate applications received over the entire year.

Measuring Progress

PG&E continued to deliver significant energy savings in 2020 through programs that incentivize and support customers who upgrade equipment or change behaviors, in addition to improving building codes and appliance standards

Annual Energy Savings¹ From Customer Energy Efficiency Programs

| | 2019 | 2020 |
|-------------------------------|-------|-------|
| Gigawatt Hours (total) | 1,253 | 1,732 |
| Megawatts (peak) | 253 | 291.9 |
| Million Therms | 27.6 | 35.8 |

1. Annual energy savings refer to the first-year impacts associated with installed customer energy efficiency projects. Savings are calculated on a net basis, which excludes savings that would have been achieved in the absence of energy efficiency programs. All data is as filed with the CPUC in Pacific Gas and Electric Company's Energy Efficiency Program Portfolio Reports and available on the CPUC's CEDARS website: <https://cedars.sound-data.com/upload/confirmed-dashboard/PGE/2019>. Annual energy savings shown above include savings from codes and standards programs and savings from Regional Energy Network or Community Choice Aggregator programs in PG&E's service area, which represented approximately 1% or less of total annual savings.

Annual Avoided Emissions¹ from Customer Energy Efficiency Programs

| | 2019 | 2020 |
|---|---------|---------|
| CO₂ Avoided (metric tons) | 638,110 | 769,553 |
| NO_x Avoided (tons) | 189 | 194 |

1. Annual avoided emissions refer to the first-year net impacts associated with installed customer energy efficiency projects, including codes and standards programs but not including savings from Regional Energy Network or Community Choice Aggregator programs in PG&E's service area. Emissions avoided are calculated by the CPUC based on PG&E's detailed energy savings reporting and are available at <https://cedars.sound-data.com/reports/summary>.



Demand Response

PG&E's demand response programs enable customers to reduce energy use during periods of peak demand, which provides grid stability, lowers costs for customers and realizes greenhouse gas emissions reductions. The extreme heat events of the last year have underscored the critical importance of demand response as a strategy to conserve electricity and shift demand during extreme weather conditions.

Our Approach

PG&E's demand response options are supported by SmartMeter™ technology, which helps customers better understand their energy usage and lower their energy costs. Our programs also help avoid the need for additional power plants that would only be called on for short periods throughout the year on days when demand is highest.

Approximately 160,000 residential customers participate in the programs we offer, along with more than 100,000 larger commercial and industrial customers. Programs for homes and businesses include:

| Program | Description | 2020 Results |
|------------------------------------|--|---|
| SmartRate | Gives residential customers a discount on regular summer electricity rates in exchange for higher prices during 9 to 15 SmartDays per year, typically occurring on the hottest days of the summer. | Approximately 65,000 customers participated in SmartRate and provided an average load reduction of nearly 12 megawatts (MW) per event day. |
| SmartAC | Allows PG&E to send a signal to a PG&E-provided device on a customer's air conditioner, cycling the air conditioner to use less energy. The program is offered May through October. | Approximately 90,000 participants provided about 40 MW of potential load reduction, which was bid into the California Independent System Operator (CAISO) wholesale market as a Proxy Demand Resource but can also be called on for emergencies and near-emergency purposes by the CAISO or PG&E's grid and system operators. |
| Peak Day Pricing | Gives non-residential customers a discount on regular summer electricity rates in exchange for higher prices during 9 to 15 Peak Pricing Event Days per year, typically occurring on the hottest days of the summer. | More than 103,000 customers participated in Peak Day Pricing and provided an average load reduction of 16 MW per event day. |
| Capacity Bidding Program | Works with third-party demand response companies that aggregate residential and non-residential customers. These aggregators—and, by extension, the customers in their portfolios—act as “virtual power plants” and receive payments from PG&E in exchange for reducing load on peak usage days. | Approximately 1,600 active service accounts provided a peak of about 43 MW of potential load reduction, which was bid into the CAISO wholesale market as an economic Proxy Demand Resource between May and October. |
| Base Interruptible Program | Enables participating customers—typically large customers—to receive financial incentives in exchange for their commitment to reduce energy usage during emergencies in response to requests from PG&E, which helps ensure grid reliability. | PG&E attained a load reduction potential of about 200 MW, which was bid into the CAISO wholesale market Reliability Demand Response Resource product year-round to respond to grid emergencies. |
| Automated Demand Response (AutoDR) | Provides rebates for residential demand-reducing smart thermostats and provides funding for demand-reducing equipment for non-residential customers where the equipment is capable of receiving a signal from PG&E to initiate a series of automatic, customer-defined and pre-authorized actions during demand response events. | PG&E provided incentives to four customers totaling 2.7 MW of new load shed committed. |

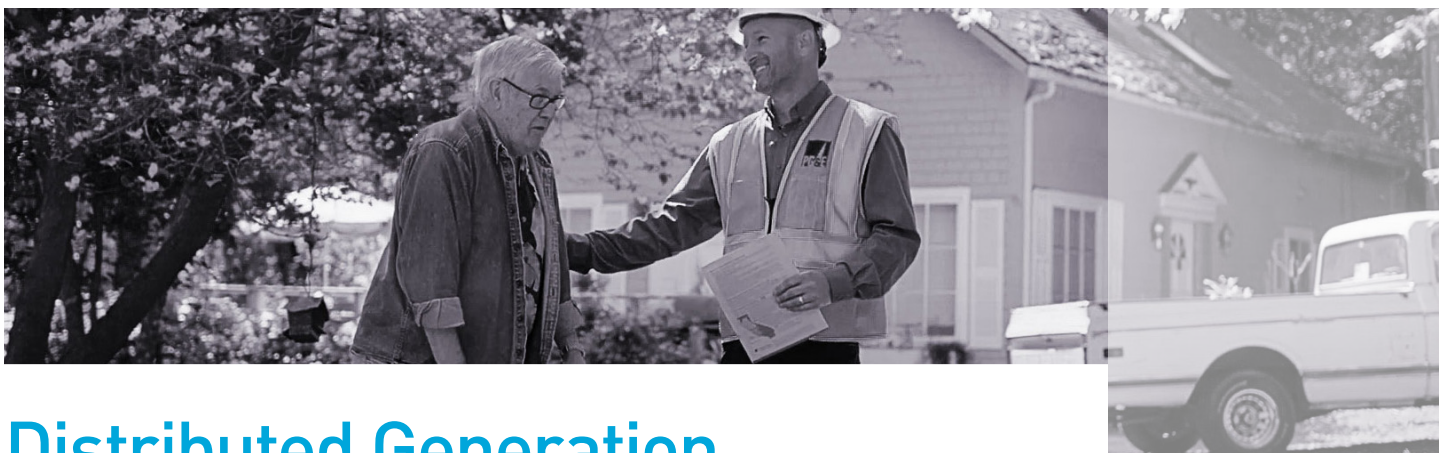
2020 Milestones

In 2020, we leveraged our programs on numerous occasions to reduce demand and ensure reliable electric service for customers.

Most notably, PG&E's customers played an instrumental role through their participation in demand response programs during a historic heat storm that impacted the western U.S. for several consecutive days in August of 2020. Energy supply shortages led to two rotating power outages in the CAISO footprint. During the event, both residential and business customers participated in multiple demand response programs, helping to reduce energy demand by about 220 MW.

Measuring Progress

Through our demand response programs, PG&E and our customers had the ability to provide up to 315 MW of load reduction in 2020—about the capacity of a large conventional power plant.



Distributed Generation and Storage

Distributed energy resources, such as rooftop solar and customer battery storage, allow customers to have more control over the energy that powers their lives and contribute to California's clean energy future.

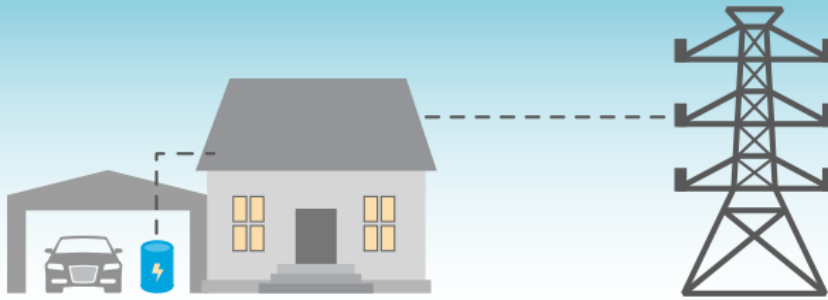
Our Approach

PG&E is committed to expanding the use of clean distributed energy options to meet customer energy, resilience and affordability needs, while supporting California's greenhouse gas reduction and other environmental goals.

PG&E provides a variety of tools and resources for customers who want to use solar energy, other distributed generation and storage. Our website provides information on the process for adopting solar and helps customers determine if solar is right for them. PG&E also offers incentive programs for low-income solar, fuel cells, wind and battery storage.

Customers who want to invest in solar, but are unable to install on-site generation, can enroll in PG&E's community renewables programs, which give customers the option to purchase up to 100% of their electricity from a program generating solar power within California:

- We saw steady growth in Solar Choice, our general market program, ending the year with participation at 34 MW.
- We opened the Green Saver program, our first community renewables program targeting customers in disadvantaged communities, in 2020 and it was fully subscribed by year-end.
- We approved contracts for 4.65 MW of solar to supply Green Saver customers and an additional 6 MW of solar resources procured for the Local Green Saver program, another community renewable program targeting customers in disadvantaged communities through which participants will eventually enroll in specific solar projects that come online.



Offering Incentives for Battery Storage

As Pacific Gas and Electric Company and other California utilities have implemented Public Safety Power Shutoffs to manage increasing wildfire risk, more customers are looking to battery storage for backup power. PG&E is facilitating adoption of battery storage through the statewide Self Generation Incentive Program (SGIP). Certain customers, such as those who live in high fire risk areas or rely on medical equipment, are eligible for incentives that cover nearly the full cost of an installed battery system.

SGIP helps mitigate disruptions from PSPS events by providing incentives for targeted customers to acquire a permanent home battery system for backup power.

2020 Milestones

In 2020, PG&E reached a milestone of over 530,000 customer solar systems—totaling more than 5,000 MW—connected to PG&E's electric grid. During the year, PG&E connected nearly 60% of customer solar systems to the electric grid within three days.

An increasing number of customers are also adding storage to their solar systems or installing stand-alone storage. As of year-end 2020, there were nearly 19,000 customers with battery storage at their homes or businesses (225 MW of capacity). In 2020, installed customer storage capacity more than doubled compared to 2019.

In addition to facilitating solar and storage adoption, PG&E continued to support clean energy technologies through direct incentives and customer education:

- **Helped customers build resilience using energy storage.** As of year-end 2020, we received approximately 6,100 applications in both the SGIP Equity Resiliency and Equity budget categories. Both were significantly oversubscribed at \$275 million and \$77 million, respectively, for the 2020 to 2024 program. In addition, we received approximately 5,500 applications for SGIP's General Market budget category, which represented \$17.6 million in incentives.

Overall, 2020 was a historic year for SGIP, with over 10,000 applications across all budget categories. While the vast majority of interconnections will occur in 2021, we completed approximately 4,330 by the end of 2020. This included about 690—12%—of the Equity Resiliency interconnections.

- **Offered solutions for those with medical needs during PSPS events.** In 2020, PG&E and the California Foundation for Independent Living Centers (CFILC) launched the Disability Disaster Access and Resources Program, a joint effort to aid people with disabilities, medical and independent living needs, as well as older adults. The program provides qualifying customers who use electrical medical devices with access to backup portable batteries and provides emergency plan preparedness and PSPS in-event support.

This included providing accessible transportation resources, lodging, food and gas vouchers. As of year-end 2020, CFILC assessed approximately 1,700 customers, responded to over 150 medical baseline customers during PSPS events, and provided over 1,000 portable batteries, approximately 560 hotel vouchers, over 30 customers with accessible transportation to Community Resource Centers and hotels, and approximately 900 food vouchers.

- **Launched Portable Battery program.** We partnered with community-based organizations and third-party contractors to offer emergency plan preparedness and provide backup portable batteries to customers. We targeted low-income customers on PG&E's medical baseline program who live in Tier 2 and 3 high fire threat districts or who have experienced multiple PSPS events.

The program leverages five Low-Income Home Energy Assistance Program (LIHEAP) providers, as well as Richard Heath and Associates, to provide support for targeted customers. As of year-end 2020, the resource partners provided outreach to approximately 22,000 customers, conducted energy assessments for over 8,800 customers who were eligible and interested in batteries, and provided over 5,550 portable batteries of various sizes to customers.

- **Supported customer solar water heating.** We provided average incentives of about \$3,400 each to single-family residential solar water heating projects, and an average of \$54,000 for multi-family residential and commercial solar water heating installations.

These incentives have helped support nearly 2,200 gas-offsetting projects of all types since the program's inception, which, in total, are expected to avoid more than 2.1 million natural gas therms annually. The solar water heating program accepted applications through July 31, 2020, and projects will continue to be completed and receive incentives through 2021 and beyond.

- **Raised customer awareness of solar power and other clean generation and storage technology options.** Through our Energy Centers, we offered a wide range of training opportunities on solar, storage and other technologies for different audiences and education levels, both live and simulcast. We held 15 classes on solar and other technologies in 2020 with over 800 attendees.



Refreshed Data Portal Reflects Increased DER Integration Capacity

Since 2016, Pacific Gas and Electric Company and California's other investor owned utilities have provided contractors and developers with online access to maps designed to help them find potential project sites for distributed energy resources (DERs), such as solar and energy storage. The maps are accessible at PG&E's Distributed Resource Planning Data Portal, and show hosting capacity, grid needs and other information about PG&E's electric distribution grid.

The maps are part of an ongoing modeling effort and are updated regularly to reflect changes in the system. This includes maps that can help identify opportunities for DERs to defer traditional wire solutions.

Measuring Progress

PG&E's service area has seen consistent growth in customer solar adoption in recent years, averaging more than 60,000 interconnected solar systems per year over the last five years.

PG&E Customer Solar Interconnected Systems by Year

| | | Total Solar Interconnections = 530,000+ | |
|-------------|--------|---|--------|
| 1993 – 2000 | 136 | 2011 | 13,470 |
| 2001 | 497 | 2012 | 17,506 |
| 2002 | 1,066 | 2013 | 29,008 |
| 2003 | 1,592 | 2014 | 45,261 |
| 2004 | 2,945 | 2015 | 65,228 |
| 2005 | 2,606 | 2016 | 67,634 |
| 2006 | 4,070 | 2017 | 56,057 |
| 2007 | 6,258 | 2018 | 59,041 |
| 2008 | 6,507 | 2019 | 65,820 |
| 2009 | 8,982 | 2020 | 65,993 |
| 2010 | 10,372 | | |



Clean Transportation

PG&E is committed to providing clean transportation programs and incentives that are affordable and easy to access—and that help California meet its clean air and greenhouse gas emission reduction goals.

Our Approach

Today, about one fifth of all electric vehicles in the U.S. can be found in PG&E's service area. But there is still more to do—California's goals are to achieve 100% sales of light-duty zero emission vehicles (ZEV) by 2035, 100% medium- and heavy- duty ZEVs in operation by 2045, and 100% off-road ZEVs and equipment in operation by 2035 as laid out in Executive Order N-79-20.

The state is also aiming for 250,000 charging stations by 2025, including 10,000 fast chargers and 200 hydrogen fueling stations. The California Energy Commission found that up to 1.2 million charging stations will be needed by 2030.

To help meet these goals, we are actively engaged in projects to expand electric vehicle (EV) charging infrastructure, both through our roles providing electric service and programs for customers. This includes collaborating with automakers, charging equipment providers and state programs to build and support the large-scale electric infrastructure needed to incorporate EV charging systems into the energy grid. PG&E also supports EV adoption through rates, rebates, tools and outreach to increase education about the benefits of EVs.

Programs and Pilots

- **EV Charge Network** installs Level 2 charging ports throughout PG&E's service area at multi-unit dwellings and workplaces. PG&E pays for the infrastructure to supply electricity to each EV parking space, and for a portion of the charging equipment. PG&E will implement the \$130 million program through 2021.
- **EV Fleet**, a \$236 million program, expands PG&E's charging infrastructure programs to medium- and heavy-duty fleets. Our goal is to install or rebate make-ready infrastructure at 700 sites by 2024 to support the adoption of 6,500 medium- and heavy-duty EVs. PG&E will ensure that at least 25% of the infrastructure portion of the budget is invested in disadvantaged communities.
- **EV Fast Charge** enables public fast charging—with PG&E paying for and building the infrastructure from the electric grid to the charging equipment for public fast chargers, complementing state and privately-funded initiatives. The \$22 million program runs through 2025 and aims to install approximately 50 plazas for DC fast charging in corridor and urban sites. At least 25% of sites will be located in or adjacent (within 5 miles) to disadvantaged communities and will receive additional incentives.

- **EV Schools and Parks** will invest approximately \$12 million over two years in charging infrastructure at an estimated 22 schools and 15 state parks. At least 25% of the state park project sites and 40% of the school project sites will be focused on equity.
- **Empower EV** will support targeted community outreach to provide EV education and rebates for EV chargers and installation for income-qualified residential customers. The program will total \$4 million over two years and aims to serve 2,000 households.

We also participate in California's Low Carbon Fuel Standard (LCFS) program, which aims to lower the carbon impact of California's transportation fuels by 20% by 2030. Through 2020, PG&E's Clean Fuel Rebate Program provided an \$800 rebate for EV owners, and continues to provide on-bill credits for drivers of compressed natural gas (CNG) vehicles. PG&E issued over 150,000 rebates from 2017-2020, resulting in over \$100 million being returned to customers over the life of the program.

With the launch of the California Clean Fuel Reward program in November 2020, which provides a point-of-purchase incentive for new EVs, PG&E sunset the Clean Fuel Rebate Program for EVs at the end of 2020.

2020 Milestones

While 2020 was an unprecedented year, PG&E continued to implement customer programs and advocate for EV policies that support the transition to clean fuels, with a number of highlights:

Enabling Access to Charging Infrastructure

- **Continued construction of new charging stations under the EV Charge Network program.** Through December 2020, PG&E installed 4,180 ports (over 90% of the targeted 4,500 ports) at workplaces and multi-family dwellings, with 36% of the units located in disadvantaged communities.
- **Continued implementation of the EV Fleet and EV Fast Charge programs.** These programs expand PG&E's charging infrastructure programs to medium- and heavy-duty fleets and public fast charging. In 2020, PG&E completed construction of 14 sites in the EV Fleet program and completed construction on the first site in the EV Fast Charge program.

Reducing Total Cost of Ownership

- **Launched California Clean Fuel Reward with the California Air Resources Board as part of a California Utility Working Group.** The program reduces the upfront price of EVs by offering a point of sale rebate of up to \$1,500 per vehicle, based on battery size. The program is available throughout the state and is co-funded by the California utilities using LCFS proceeds.
- **Received regulatory approval for guidance on how to return LCFS revenue back to customers in support of EV customers and state policy.** PG&E will develop and propose programs and pilots in 2021 with a focus on equity and resilience.
- **Launched a new EV rate for commercial customers to accelerate transportation electrification.** PG&E's Business EV rate will make charging costs more consistent and affordable for commercial customers with EV charging like workplaces, fleets and public fast charging sites. The new rate creates a subscription-style structure, similar to a cell phone data plan, with simpler time-of-use periods than existing commercial rates and, on average, offers an eGallon equivalent price of \$1.83. Over 280 sites registered for the rate within the first seven months of it being offered. PG&E also submitted an application at the CPUC for an optional day-ahead hourly real-time rate pilot that would test subscription pricing and day-ahead and hourly real time pricing for non-residential EV customers.

Innovation, R&D and Vehicle-to-Grid Integration

- **Completed SB 350 Priority Review Pilot Programs.** We tested innovative approaches to deploying EV infrastructure and reducing the total cost of ownership, addressing some of the biggest barriers to adopting medium- and heavy-duty vehicles. We incorporated onsite renewable energy generation and managed charging for school buses, optimized depot and overhead charging and tested battery storage for a transit agency, and installed new transportation refrigeration unit EV infrastructure for food distribution fleets.



New EV Savings Calculators Help Customers Explore the Financial Benefits of Owning an EV

PG&E's EV Savings Calculator provides prospective residential EV owners and current drivers a comprehensive resource to explore available light-duty EV models, learn about incentives to reduce the cost of the vehicle, help determine the best residential rate plan to fuel their EV, and locate EV charging stations. The tool can be tailored to provide customized results that show the long-term financial benefits of owning an EV.

Our EV Fleet Savings Calculator provides information for customers looking to electrify their fleets. The tool includes incentives and grants available through PG&E, as well as through other local, state, and federal programs; information on savings through the business EV rate; and a LCFS credit calculator. It can also be customized for fuel and greenhouse gas emissions reduction savings based on fleet vehicle type, vehicle miles traveled and charging pattern.

Measuring Progress

The number of cumulative EV registrations in PG&E's service area reached over 320,000 in 2020, showing a gradual rebound near the end of the year from the marked drop in registrations due to the COVID-19 pandemic. PG&E estimates approximately 9% of new vehicle sales in 2020 in PG&E's service area were electric.

Plug-In Electric Vehicles in PG&E's Service Area¹

| | Approximate Number of EVs |
|-------------|---------------------------|
| 2013 | 30,348 |
| 2014 | 57,772 |
| 2015 | 78,490 |
| 2016 | 111,232 |
| 2017 | 150,659 |
| 2018 | 216,845 |
| 2019 | 274,356 |
| 2020 | 320,550 |

Electric Vehicle Rate Enrollment in PG&E's Service Area

| | EV Rate Enrollments |
|-------------|---------------------|
| 2014 | 15,370 |
| 2015 | 22,689 |
| 2016 | 31,757 |
| 2017 | 40,798 |
| 2018 | 51,948 |
| 2019 | 60,520 |
| 2020 | 67,392 |

1. Includes enrollments in all residential electric vehicle rate plans (EV-A, EV2-A, and EV-B)

1. Electric Power Research Institute, based on external registration data, through December 2020.

PG&E maintains a network of 24 CNG vehicle refueling facilities that are open to customers, refueling approximately 3,000 vehicles and fleets with about 1.4 million gallon equivalents each year. In 2019, PG&E began a three-year pilot to procure renewable natural gas (RNG) for our CNG vehicle customers. RNG is a lower carbon intensity fuel compared to CNG and results in greater greenhouse gas emission reductions than CNG as a replacement fuel for diesel.

Participation in PG&E's Clean Fuel Rebate Program

| | Number of Paid Rebates |
|--------------|------------------------|
| 2017 | 42,809 |
| 2018 | 33,493 |
| 2019 | 46,731 |
| 2020 | 28,212 |
| Total | 151,245 |

PG&E-Supplied Natural Gas Consumed by the Transportation Sector

| Year | Natural gas consumption (Million Therms) ¹ |
|------|---|
| 2015 | 2.02 |
| 2016 | 1.38 |
| 2017 | 2.39 |
| 2018 | 1.99 |
| 2019 | 1.81 |
| 2020 | 1.32 |

1. Based on PG&E reporting data to the California Air Resources Board (CARB).



Energy Affordability

At PG&E, we're committed to meeting the needs of our customers while providing affordable energy. Our wide range of energy efficiency programs help customers reduce their energy use and save money. We also offer several financial assistance programs to help customers who are facing financial challenges, who live in disadvantaged communities or who face issues of environmental and social justice.

Our Approach

Energy efficiency programs play an essential role in energy affordability. Pacific Gas and Electric Company's website includes an extensive set of energy-saving tips and lists of appliances and equipment that are eligible for rebates. It also provides tools, like Home Energy Checkups and Home Energy Reports, that help customers analyze their usage and pinpoint ways to save.

PG&E is also transitioning toward a new program model that will result in an updated portfolio of energy efficiency programs that are proposed, designed and delivered by third parties. The goal of the initiative is to scale energy efficiency cost-effectively and make energy efficiency offerings easier to access for customers.

Beyond the rebate programs, PG&E offers an Energy Savings Assistance Program designed specifically for customers with an income under 200% of the federal poverty level. This program provides an array of weatherization, energy efficiency solutions and appliances at no cost to qualifying households. This program serves approximately 100,000 customers annually.

In addition, PG&E works closely with customers facing financial challenges so they can continue to receive gas and electric service. PG&E supports programs designed for those in need, including:

- **The California Alternate Rates for Energy (CARE) Program**, which offers a monthly discount on energy bills for income-qualified households and housing facilities. Qualified households can save 20% to 35% on their energy bills.
- **Budget Billing**, which spreads costs out evenly over the year and eliminates swings in customers' monthly energy bills caused by seasonal changes in usage.
- **The Relief for Energy Assistance through Community Help (REACH)** plan, which pays up to \$300 of the energy bill for income-qualified customers experiencing a crisis that prevents them from paying their gas or electric bill. This assistance program, funded in part with charitable dollars from shareholders, as well as donations from customers and employees, is administered by Dollar Energy Fund.

- **The Family Electric Rate Assistance (FERA) Program**, which provides an 18% monthly discount on electric bills for income-qualified households of three or more people.

In addition, discounts are available for customers that have special energy needs due to certain qualifying medical conditions through our Medical Baseline Program.

PG&E also offers an Economic Development Rate to businesses considering locating in California, relocating from California to other states or closing their existing California operations.



Electrification in Disadvantaged Communities

The San Joaquin Valley Electrification Pilot is designed to reduce pollution and lower overall energy costs by eliminating the use of propane and wood burning appliances in 11 disadvantaged communities without access to natural gas.

Eight of these communities are located in PG&E's service area where approximately 1,200 customers are served. PG&E administers the pilot for three of these communities, which include approximately 316 households. The other communities have a third-party pilot administrator, separate from PG&E.

We began conducting extensive customer education and outreach in 2020 and 143 customers were enrolled in PG&E administered communities as of year-end. Assessments and installations continue in 2021.

2020 Milestones

In light of the COVID-19 pandemic, we provided a range of support to customers, including a moratorium on service disconnections for non-payment, and continued to aid customers in need through our financial assistance programs:

- **CARE:** About 1.57 million customers received discounts through the CARE program. Since the program's inception in 1989, PG&E CARE customers have saved more than \$10 billion on their energy bills.
- **Budget Billing:** Approximately 181,000 customers participated in the Budget Billing program in 2020. This program helps customers with high seasonal bills even out their energy payment so that they are more manageable.
- **FERA:** Approximately 35,000 customers, or 21% of those who were estimated eligible at the beginning of 2020, received discounts through the FERA program. Since the program's inception in 2004, PG&E FERA customers have saved more than \$71 million on their energy bills.

We continue to contribute to local economic and community vitality through our economic development rate. Sixty-five companies have signed up for the rate since 2014, creating more than 9,000 local jobs and enhancing economic vitality in communities across PG&E's service area.

Measuring Progress

PG&E's Energy Savings Assistance Program helps income-qualified customers who are also CARE customers reduce energy use and better manage costs through a variety of energy education and energy efficiency measures, including home weatherization to reduce air flow in and out of the home and guidance to help reduce water use.

Home Weatherproofing Improvement Projects through Energy Savings Assistance Program

| | | | |
|-------------|---------|-------------|---------|
| 2007 | 63,319 | 2014 | 123,539 |
| 2008 | 61,034 | 2015 | 100,573 |
| 2009 | 81,308 | 2016 | 74,319 |
| 2010 | 133,329 | 2017 | 87,052 |
| 2011 | 128,071 | 2018 | 85,168 |
| 2012 | 115,229 | 2019 | 106,064 |
| 2013 | 123,566 | 2020 | 86,466 |

PG&E benchmarks our average residential bills for gas and electric service, using figures compiled by leading trade associations.

The average PG&E residential bundled electric customer paid \$117.98 per month, which was about 2% more than the national average of \$115.63. Data is from 2019, the most recent year for which comparative data is available.

The average PG&E residential gas customer paid \$49.89 per month, which was about 16% less than the national average of \$59.34.

Average Monthly Electric Bills¹ (2019)

| | |
|---------------------------|-----------------|
| U.S. Average | \$115.63 |
| PG&E | \$117.98 |
| Mountain | \$98.94 |
| East North Central | \$101.57 |
| Pacific Contiguous | \$102.50 |
| Middle Atlantic | \$102.54 |
| West North Central | \$110.09 |
| New England | \$121.58 |
| West South Central | \$128.17 |
| South Atlantic | \$129.77 |
| East South Central | \$134.81 |

1. Source: EIA-861- schedules 4A & 4D and EIA-861S

Average Monthly Gas Bills¹ (2019)

| | |
|-----------------------------|----------------|
| U.S. Average | \$59.34 |
| PG&E² | \$49.89 |
| West South Central | \$44.41 |
| Mountain | \$45.14 |
| Pacific Contiguous | \$46.77 |
| East South Central | \$49.77 |
| South Atlantic | \$57.00 |
| West North Central | \$59.63 |
| East North Central | \$64.72 |
| Middle Atlantic | \$82.47 |
| New England | \$106.40 |

1. Source: EIA-176, residential 10.1 (excludes residential transport only)



Community Investments

At PG&E, we are dedicated to serving people, the planet and California's prosperity through building and maintaining charitable partnerships with non-profit organizations, local and tribal governments and others.

Our programs continue to support enhancements in resiliency in the face of disaster, with the goal of helping to ensure the state's critical social safety net is robust and available when emergencies strike. Our charitable contributions programs are funded entirely by our shareholders and have no impact on our customers' energy rates.

Our Approach



The Better Together Giving Program provides grants each year to 501(c)(3) non-profit organizations, schools, and local and tribal governments across Northern and Central California. This support can come from PG&E or from The PG&E Corporation Foundation, and generally focuses on five areas: emergency preparedness and safety, economic and community vitality, education and workforce development, the environment and employee engagement.

Community contributions are focused on providing assistance to underserved communities, such as low-income individuals, communities of color, the long-term unemployed, women and girls, veterans, senior citizens, people with disabilities and members of the lesbian, gay, bisexual, transgender and queer (LGBTQ) communities.

2020 Aggregated Contributions by Charitable Focus Area¹

| Category | Percentage of Overall Charitable Spending |
|-------------------------------------|---|
| Emergency Preparedness and Safety | 30% |
| Economic and Community Vitality | 17% |
| Education and Workforce Development | 14% |
| Environment | 9% |
| Employee Engagement | 30% |

1. Represents aggregated contributions between PG&E and The PG&E Corporation Foundation.

2020 Milestones

Emergency Preparedness and Safety

The initial focus of charitable programs in 2020 was the provision of urgent support to community-based organizations providing relief from COVID-19 impacts in local communities. This included a \$1 million commitment jointly funded by PG&E and The PG&E Corporation Foundation focused on immediate relief efforts in the areas of:



We then quickly moved to our efforts to support Northern and Central California communities in preparing for potential disasters and responded quickly with support when disasters occurred:

- **Community Preparedness Support.** PG&E and The PG&E Corporation Foundation made a combined \$1 million commitment to wildfire relief efforts across the state of California in 2020, contributing to many local non-profit organizations providing needed support services to impacted communities. The two entities also continued support of the American Red Cross' disaster response activities. With contributions totaling \$750,000, the Red Cross was able to provide critical disaster response services to California residents at the local and regional levels, supporting several emergencies impacting vulnerable communities, including wildfires.
- **Wildfire Preparedness.** PG&E awarded a \$1.2 million grant to the California Fire Foundation to support local fire departments and the California Professional Firefighters to promote emergency preparedness and safety. The California Fire Foundation provided these funds to 50 fire departments in high wildfire threat areas to help implement safety programs.
- **Partnerships with Local Non-Profits.** Through PG&E's CBO-Direct Program, PG&E disseminated fire safety messaging to 35 non-profit community-based organizations in high wildfire threat areas. These organizations successfully shared the safety content to more than 350,000 residents via their local community networks through their social media assets including Facebook, Twitter and Instagram.
- **211 Program Resources.** The 211 Program is a valuable resource in connecting community members to important relief and support resources in the event of emergencies. In 2020, PG&E continued its sponsorship of the Interface Children and Family Services 211 program (211) to help support communities in times of disaster. This sponsorship helped extend 211 coverage to all 58 California counties, 18 of which were previously unserved by 211, connecting more Californians to health information, social services and referrals through a comprehensive resource database via call specialists and texting.

Education

PG&E and The PG&E Corporation Foundation continue to support science, technology, engineering and math (STEM) education initiatives in our communities with funding for programs aiming to help ensure all students have access to quality education, including support for higher education attainment. To help students succeed, PG&E and The PG&E Corporation Foundation supported California students with several initiatives in 2020:

- **Bridging the Digital Divide.** The pandemic shone a spotlight on deep issues of equity and access to the basic tools of distance learning for California school children. PG&E contributed \$500,000 to The California Bridging the Digital Divide Fund, a joint effort of the Governor's Office, State Board of Education, California Department of Education and CDE Foundation to provide laptops, hotspots and internet connectivity in California public schools.
- **Better Together STEM Scholarships.** Forty students received awards of \$2,500 to \$10,000 focused on majors in engineering, computer science and information systems, cybersecurity, and environmental sciences. Since 2012, the Better Together STEM Scholarship Program, supported by The PG&E Corporation Foundation, has awarded more than \$4.5 million to youth seeking higher education in the STEM majors.
- **Better Together Investing in California Youth.** The PG&E Corporation Foundation continued its support for two programs targeting academic success in traditionally underserved communities in Northern California: Oakland Promise is a cradle-to-career program supporting youth in under-resourced schools in Oakland and Stockton Scholars aims to reduce social and financial barriers to higher education for youth in the city of Stockton by promoting college readiness.

Economic and Community Vitality

PG&E and The PG&E Corporation Foundation support job creation and career training opportunities, provide support for local businesses, offer energy assistance to low-income families and promote equity through access to opportunity to improve the quality of life in the communities we serve:

- **Community Programs for Youth.** More than \$1 million in charitable contributions were provided to programs supporting the advancement of youth in our communities, including partnerships with local YMCA chapters and Boys & Girls Clubs, Junior Achievement, Aim High for High School, and others focused on career awareness and job training opportunities. Through these programs in 2020, PG&E provided 300 youth with opportunities to participate in virtual afterschool programs, learning labs and workforce readiness and leadership training.
- **Opportunities in Diversity.** PG&E also continued longstanding charitable support for local, regional and statewide diverse chambers of commerce and minority supplier programs enhancing equity and opportunities for women, people of color, native peoples, LGBTQ and veteran Californians. These investments are a cornerstone of PG&E's charitable contributions in economic and community vitality. In 2020, PG&E and The PG&E Corporation Foundation invested more than \$200,000 in programs like the Western Region Minority Supplier Development Council, Golden Gate Business Association, Women's Business Enterprise National Council, the California Hispanic Chamber of Commerce Foundation, California African American Action Fund, California Asian Pacific Chamber of Commerce and others.

Environment

PG&E and The PG&E Corporation Foundation fund environmental programs promoting renewable energy, fostering energy efficiency and protecting our environment, including parks, recreation areas and natural habitats:

- **Resilient Communities.** PG&E and The PG&E Corporation Foundation have invested \$1.6 million over the last three years in shareholder-funded grants to support local initiatives to build greater climate resilience via our Better Together Resilient Communities grant program. In 2020, PG&E focused on grant proposals that build community capacity to reduce flood risk and support healthy and resilient coastlines and wetlands. PG&E and The PG&E Corporation Foundation awarded \$100,000 each to Sustainable Solano, Greenbelt Alliance, the Wiyot Tribe and the Nature Conservancy.
- **American Forest Foundation.** For a third year, PG&E has partnered with the American Forest Foundation's My Sierra Woods Project with the goal of engaging private landowners to facilitate fuels-reduction treatments and reforestation. Landowners enrolled in the program are connected with services and professionals to develop no-cost forest management plans to care for their land and receive an incentive for biomass removal. To date, more than 200 landowners representing over 14,000 acres have taken or will take direct action towards fuels reduction and more than 60 landowners representing over 10,000 acres will take part in the reforestation of their properties.

Employee Engagement

PG&E's coworkers are active members of the communities where they live and work. In recognition of their commitment, coworkers have several ways to get involved in community investment on a local level:

- PG&E's **Community Service Incentive Program** provides coworkers and retirees who volunteer more than 25 personal service hours with a grant of \$350 on their behalf to a qualifying non-profit organization of their choice.
- PG&E's **Employee Resource Groups (ERGs)**—representing different aspects of PG&E's diverse workforce—provide opportunities for engagement among community groups and activities that reflect their interests and priorities.
- Through The PG&E Corporation Foundation's **Matching Gifts Program**, eligible gifts from PG&E coworkers, retirees or current members of the PG&E Corporation Board of Directors are matched, dollar-for-dollar, up to \$1,000 per calendar year per individual. In 2020, the program matched approximately \$4.2 million for individual contributions to more than 6,000 community-based organizations and schools.

Measuring Progress

In 2020, PG&E and The PG&E Corporation Foundation provided 626 community-based organizations with an aggregate total of \$17.5 million in charitable contributions. Review our annual report recording the results of our charitable programs and community engagement efforts for the year.

2020 Support for Vulnerable Communities¹

| | |
|--|-----|
| Contributions awarded to underserved communities | 73% |
| Contributions awarded to low-income communities | 62% |
| Contributions awarded to communities of color | 91% |

1. The above percentages are not mutually exclusive and are self-reported by the recipient organizations.



Supplier Diversity

On the 40-year anniversary of PG&E's supplier diversity program, we spent \$3.88 billion with diverse suppliers in 2020—our highest spend ever. Amid unprecedented challenges, small businesses and diverse-owned suppliers provided safe, reliable and affordable products and services, while supporting an environmentally sustainable and ethical supply chain.

Our Approach

PG&E's Supply Chain Responsibility team, with the support of senior leadership, promotes an inclusive supply chain by working collaboratively across business units to identify opportunities for diverse business enterprises (DBEs)—small businesses and businesses owned by women, minorities, service-disabled veterans and LGBTQ individuals. PG&E also engages community-based organizations and advocacy group partners to provide educational opportunities that complement our technical assistance program objectives.

Championing Diverse Suppliers

Within PG&E, a group of supplier diversity champions develops annual supplier diversity goals for their respective line of business, monitors progress and develops strategies to increase business with DBEs. These champions—along with supply chain coworkers, volunteers and supplier diversity ambassadors—are the extended team that participates in supplier development and outreach activities, sharing tips on how to do business with PG&E.



Focusing on Small Businesses

To support the growth and development of small businesses, PG&E presents at the CPUC's Small Business workshops held throughout the year. PG&E also hosts an annual Small Business Consultation forum to collect feedback from small businesses and advocacy groups about ways to help small businesses compete for contracting opportunities.

Encouraging Prime Suppliers to Participate in Supplier Diversity

PG&E's prime suppliers play an important role in PG&E's supplier diversity program. We encourage prime suppliers to develop a supplier diversity subcontracting plan, set annual supplier diversity subcontracting goals and track their progress towards meeting these goals.

We provide business education through our Prime Supplier Academy, which also includes environmental sustainability and supplier code of conduct topics. We also host monthly webinars to help prime suppliers properly report and track diverse subcontracting. Payments from prime suppliers to diverse subcontractors are reported, audited and counted towards our supplier diversity results.

Supporting the Competitive Success of Diverse Businesses

PG&E's Technical Assistance Program is designed to help diverse suppliers build their business acumen. This assistance includes scholarship opportunities to participate in the UCLA Management Development for Entrepreneurs Program, University of Washington Minority Business Executive Program, Stanford Latino Entrepreneurship Initiative, St. Mary's College Business Growth Acceleration Program, Tuck Minority Business Programs at Dartmouth and U.C. Berkeley financial management program.

PG&E's Technical Assistance Program offers training to support the success of diverse businesses. In 2020, these sessions were held virtually so that we could continue to engage current and prospective suppliers safely:

- **Diverse Suppliers are Safe** educates diverse suppliers on developing and improving their safety plans.
- **Diverse Suppliers are Cyber-Secure** raises cybersecurity awareness and offers approaches that help small businesses assess system vulnerabilities and reduce risks cost-effectively.
- **Supplier Environmental Sustainability** informs participants about environmental impacts in their industry and assists them in creating reduction plans. Workshops also explore how business strategies that include environmental sustainability can reduce costs and improve business operations.
- **Business Tune Ups for Diverse Businesses** helps DBEs become more competitive and explore strategies for operational efficiency. Workshop topics include process improvement, risk management and business continuity.
- **Future-Proofing Your Business** addresses some of the disruptive forces driving rapid change in business. Mini hackathons among DBEs, corporations and prime suppliers elicit ideas on how to promote the inclusion of diverse suppliers in rapidly evolving technology.
- **How to Successfully Participate in Strategic Sourcing Webinar Series** covers what to expect during PG&E's strategic sourcing process.

2020 Milestones

Highlights from 2020 include:

- **Actively engaged diverse suppliers in trade shows and conferences.** We transitioned to a virtual format to continue to train diverse suppliers on important topics. We participated virtually in local, state and national supplier diversity events to meet with qualified prospective DBEs.
- **Expanded capacity-building training to small businesses.** We offered 19 scholarships to distinguished U.S. universities through our Technical Assistance Program. We also supported organizations committed to DBE outreach and development.
- **Increased inclusion efforts with Lesbian, Gay, Bisexual, Transgender Business Enterprises (LGBTBE).** We bridged introductions between LGBTBEs and key decision-makers and collaborated with local and national LGBTBE organizations, including the Golden Gate Business Association, Rainbow Chamber of Silicon Valley, Rainbow Chamber of Sacramento, and BuildOut California—as well as the National LGBT Chamber of Commerce.

Measuring Progress

In 2020, the Utility achieved record spending—\$3.88 billion with diverse suppliers, representing 38.9% of our total procurement expenditures. We exceeded the CPUC's goal of 21.5% for the 15th consecutive year.

Highlights of PG&E's spending with diverse suppliers include:

- Minority-owned business enterprises: \$2.3 billion
- Woman-owned business enterprises: \$1.3 billion
- Service-disabled veteran-owned business enterprises: \$327 million
- LGBTQ-owned business enterprises: \$6.2 million

5-Year Supplier Diversity Trend (Calendar Year)

| Category | 2016 | 2017 | 2018 | 2019 | 2016 |
|---------------------------------------|---------|---------|---------|---------|---------|
| Total DBE spending \$ (millions) | \$2,851 | \$2,579 | \$2,982 | \$3,409 | \$3,879 |
| Total DBE % (based on total spending) | 44.4% | 42.3% | 41.4% | 41.2% | 38.9% |

Supplier Diversity and Small Business Results (percent of total spending)

| Category | 2018 (%) | 2019 (%) | 2020 (%) |
|--|-------------|-------------|-------------|
| Minority Men | 17.4 | 16.2 | 17.0 |
| Minority Women | 8.0 | 9.0 | 5.8 |
| Minority Business Enterprise | 25.4 | 25.2 | 22.8 |
| Women Business Enterprise (WBE) | 11.5 | 12.1 | 12.8 |
| Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | 0.03 | 0.2 | 0.06 |
| Service-Disabled-Veteran Business Enterprise (DVBE) | 4.5 | 3.6 | 3.3 |
| Total DBE | 41.4 | 41.2 | 38.9 |
| PG&E Target (%) | 40.0 | 38.0 | 38.0 |
| Non-Diverse Small Business | 7.2 | 11.9 | 15.9 |
| Grand Total | 48.6 | 53.1 | 54.8 |

| Spending | 2018 (\$ millions) | 2019 (\$ millions) | 2020 (millions) |
|--|--------------------|--------------------|-----------------|
| Supplier Diversity Spending | 2,982 | 3,408 | 3,879 |
| Non-Diverse Small Business Enterprise Spending | 520 | 664 | 967 |
| Total Diverse and Small Business Spending | 3,502 | 4,072 | 4,846 |

Global Reporting Initiative

PG&E is committed to continuous improvement when it comes to how we report our impacts and sustainable business strategies, and we use the Global Reporting Initiative (GRI) as an important guide and reference point. The table below shows how this report aligns with GRI's Sustainability Reporting Guidelines, and was developed in accordance with a core adherence level. While we are working to meet the GRI reporting protocols, we currently only partially meet the recommended standard for several indicators below.

General Standard Disclosures

| GRI Disclosure | Description | PG&E Response |
|-------------------------------------|--|--|
| GRI 102: General Disclosures | | |
| Organizational Profile | | |
| 102-1 | Name of the organization | PG&E Overview |
| 102-2 | Activities, Brands, Products, and Services | PG&E Overview |
| 102-3 | Location of Headquarters | PG&E Overview |
| 102-4 | Location of Operations | PG&E Overview |
| 102-5 | Ownership and Legal Form | PG&E Overview |
| 102-6 | Markets served | PG&E Overview |
| 102-7 | Scale of the Organization | PG&E Overview PG&E Corporation and Pacific Gas and Electric Company 2020 Joint Annual Report to Shareholders |
| 102-8 | Information on Employees and Other Workers | Diversity, Equity & Inclusion |
| 102-9 | Supply Chain | Supply Chain Sustainability |
| 102-10 | Significant changes to the organization and its supply chain | Plan of Reorganization Commitments |
| 102-11 | Precautionary Principle or Approach | Risk Management Ethics and Compliance |
| 102-12 | External Initiatives | PG&E's Triple Bottom Line Engaging Customers |
| 102-13 | Membership of Associations | Public Policy Engagement Climate Change |
| Strategy | | |
| 102-14 | Statement from Senior Decision-maker | Message from Our CEO |
| 102-15 | Key Impacts, Risks, and Opportunities | PG&E's Triple Bottom Line Risk Management Key Sustainability Indicators |
| Ethics and Integrity | | |
| 102-16 | Values, Principles, Standards, And Norms of Behavior | PG&E's Triple Bottom Line Risk Management Corporate Governance Ethics and Compliance |
| 102-17 | Mechanism for Advice and Concerns about Ethics | Ethics and Compliance Diversity, Equity and Inclusion |

| Governance | | |
|-------------------|---|---|
| 102-18 | Governance Structure | Corporate Governance |
| 102-19 | Delegating Authority | Corporate Governance |
| 102-20 | Executive-Level Responsibility for Economic, Environmental, and Social Topics | Corporate Governance |
| 102-21 | Consulting Stakeholders on Economic, Environmental, and Social Topics | PG&E's Triple Bottom Line Engaging Customers |
| 102-22 | Composition of the Highest Governance Body and its Committees | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 23 |
| 102-23 | Chair of the Highest Governance Body | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 23 |
| 102-24 | Nominating and selecting the highest governance body | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 16 |
| 102-25 | Conflicts of Interest | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 16 |
| 102-26 | Role of the Highest Governance Body in Setting Purpose, Values, and Strategy | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 22 |
| 102-27 | Collective Knowledge of Highest Governance Body | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 8-15 |
| 102-28 | Evaluating the Highest Governance Body's Performance | PG&E Corporate Governance Guidelines |
| 102-29 | Identifying and Managing Economic, Environmental, and Social Impacts | PG&E's Triple Bottom Line (Materiality Assessment) |
| 102-30 | Effectiveness of Risk Management Process | Risk Management |
| 102-31 | Review of Economic, Environmental, and Social Topics | PG&E's Triple Bottom Line Corporate Governance |
| 102-32 | Highest Governance Body's Role in Sustainability Reporting | This report has been approved by PG&E Corporation's CEO, as well as the company's officers. |
| 102-33 | Communicating Critical Concerns | Ethics and Compliance |
| 102-34 | Nature and Total Number of Critical Concerns | Ethics and Compliance |
| 102-35 | Remuneration Policies | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement |
| 102-36 | Process for Determining Remuneration | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement |
| 102-37 | Stakeholders Involvement in Remuneration | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement |
| 102-38 | Annual Total Compensation Ratio | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement |
| 102-39 | Percentage Increase in Annual Total Compensation Ratio | 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement 2020 PG&E Corporation Form 10-K/A |

| Stakeholder Engagement | | |
|-------------------------------|--|--|
| 102-40 | List of Stakeholder Groups | PG&E's Triple Bottom Line Engaging Customers Climate Change |
| 102-41 | Collective Bargaining Agreements | Engaging our Teams |
| 102-42 | Identifying and Selecting Stakeholders | PG&E's Triple Bottom Line Engaging Customers |
| 102-43 | Approach to Stakeholder Engagement | PG&E's Triple Bottom Line Engaging Customers Diversity, Equity and Inclusion |
| 102-44 | Key Topics and Concerns Raised | Engaging Customers Diversity, Equity and Inclusion |

| Reporting Practice | | |
|---------------------------|--|---|
| 102-45 | Entities Included in the Consolidated Financial Statements | PG&E Overview |
| 102-46 | Defining Report Content and Topic Boundaries | PG&E's Triple Bottom Line |
| 102-47 | List of Material Topics | PG&E's Triple Bottom Line |
| 102-48 | Boundaries of material aspects | No significant re-statements of information |
| 102-49 | Changes in Reporting | No significant changes in scope, boundary or measurement methods |
| 102-50 | No significant changes in scope, boundary or measurement methods | Home Page; 2020 – 2021 |
| 102-51 | Date of Most Recent Report | July 2020 |
| 102-52 | Reporting Cycle | Annual |
| 102-53 | Contact Point for Questions Regarding the Report | Feedback |
| 102-54 | Claims of Reporting in Accordance with the GRI Standards | This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines. |
| 102-55 | GRI Content Index | GRI Index |
| 102-56 | External Assurance | PG&E has not sought external assurance of its Corporate Sustainability Report. However, some data (such as greenhouse gas emissions) are third-party verified; where this is the case, it is noted in the report. |
| 103-1 | Explanation of the material topic and its Boundary | Throughout the report, when we refer to “PG&E” we are discussing all of PG&E Corporation and its subsidiaries, including Pacific Gas and Electric Company. For specific issues, data and discussion about other entities—such as suppliers or customers—may be disclosed. |

Economic

| GRI 201: Economic Performance | | |
|--------------------------------------|--|---|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | PG&E Corporation and Pacific Gas and Electric Company 2020 Joint Annual Report to Shareholders, p. 59 |
| 103-3 | Evaluation of the management approach | PG&E Corporation and Pacific Gas and Electric Company 2020 Joint Annual Report to Shareholders, p. 59 |
| 201-1 | Direct economic value generated and distributed | PG&E Overview |

| | | |
|-------|--|--|
| 201-2 | Financial implications and other risks and opportunities due to climate change | Climate Change |
| 201-3 | Defined benefit plan obligations and other retirement plans | PG&E Corporation and Pacific Gas and Electric Company 2020 Joint Annual Report to Shareholders, p. 166 |

GRI 203: Indirect Economic Impacts

| | | |
|-------|--|---|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Energy Affordability PG&E Corporation and Pacific Gas and Electric Company 2020 Joint Annual Report to Shareholders, p. 59 |
| 103-3 | Evaluation of the management approach | Energy Affordability Corporate Governance 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 23 |
| 203-1 | Infrastructure investments and services supported | PG&E Overview Community Investments PG&E Corporation First Quarter Earnings, April 2021 |
| 203-2 | Significant indirect economic impacts | Community Investments Nuclear Operations |

GRI 205: Anti-corruption

| | | |
|-------|--|--|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Ethics and Compliance Diversity, Equity and Inclusion |
| 103-3 | Evaluation of the management approach | Ethics and Compliance |
| 205-2 | Communication and training about anti-corruption policies and procedures | Ethics and Compliance |
| 205-3 | Confirmed incidents of corruption and actions taken | Ethics and Compliance |

Environment

GRI 302: Energy

| | | |
|-------|--|--|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Compliance Renewable Energy and Storage Engaging Customers Climate Change Buildings and Facilities |
| 103-3 | Evaluation of the management approach | Compliance Renewable Energy and Storage Engaging Customers Climate Change Buildings and Facilities |
| 302-1 | Energy consumption within the organization | PG&E Overview Renewable Energy and Storage Buildings and Facilities |
| 302-2 | Energy consumption outside of the organization | PG&E Overview Renewable Energy and Storage Engaging Customers |
| 302-3 | Energy intensity | Buildings and Facilities |
| 302-4 | Reduction of energy consumption | Customer Energy Efficiency Buildings and Facilities |

| | | |
|-------|--|---|
| 302-5 | Reductions in energy requirements of products and services | Engaging Customers Customer Energy Efficiency Demand Response Distributed Generation and Storage Energy Affordability Renewable Energy and Storage Hydroelectric Operations Conventional Sources Nuclear Operations |
|-------|--|---|

GRI 303: Water and Effluents

| | | |
|-------|--|--|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Water Hydroelectric Operations PG&E Corporation 2021 Response to CDP Water Questionnaire |
| 103-3 | Evaluation of the management approach | Water PG&E Corporation 2021 Response to CDP Water Questionnaire |
| 303-1 | Interactions with water as a shared resource | Water Hydroelectric Operations Natural Resource Stewardship PG&E Corporation 2021 Response to CDP Water Questionnaire |
| 303-3 | Water withdrawal | Water |
| 303-4 | Water discharge | Water |
| 303-5 | Water consumption | Water |

GRI 304: Biodiversity

| | | |
|-------|---|--|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Natural Resource Stewardship |
| 103-3 | Evaluation of the management approach | Compliance Natural Resource Stewardship |
| 304-2 | Significant impacts of activities, products, and services on biodiversity | Natural Resource Stewardship |
| 304-3 | Habitats protected or restored | Natural Resource Stewardship |

GRI 305: Emissions

| | | |
|-------|--|--|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Compliance Climate Change Buildings and Facilities PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |
| 103-3 | Evaluation of the management approach | Compliance Climate Change Buildings and Facilities PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |
| 305-1 | Direct (Scope 1) GHG emissions | Climate Change PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Climate Change PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |

| | | |
|-------|---|---|
| 305-3 | Other indirect (Scope 3) GHG emissions | Climate Change PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |
| 305-4 | GHG emissions intensity | Climate Change PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |
| 305-5 | Reduction of GHG emissions | Climate Change PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |
| 305-7 | Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions | Buildings and Facilities |

GRI 306: Waste

| | | |
|-------|--|--|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Compliance Buildings and Facilities |
| 103-3 | Evaluation of the management approach | Compliance Buildings and Facilities |
| 306-1 | Waste generation and significant waste-related impacts | Buildings and Facilities |
| 306-2 | Management of significant waste-related impacts | Buildings and Facilities |
| 306-3 | Waste generated | Buildings and Facilities |
| 306-4 | Waste diverted from disposal | Buildings and Facilities |
| 306-5 | Waste directed to disposal | Buildings and Facilities |

GRI 307: Environmental Compliance

| | | |
|-------|--|------------------------|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Compliance |
| 103-3 | Evaluation of the management approach | Compliance |
| 307-1 | Non-compliance with environmental laws and regulations | Compliance |

GRI 308: Supplier Environmental Assessment

| | | |
|-------|---|-----------------------------|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Supply Chain Sustainability |
| 103-3 | Evaluation of the management approach | Supply Chain Sustainability |
| 308-1 | New suppliers that were screened using environmental criteria | Supply Chain Sustainability |

Social

GRI 401: Employment

| | | |
|-------|--|---|
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Engaging Our Teams Career Pathways Workforce Safety |
| 103-3 | Evaluation of the management approach | Engaging Our Teams Career Pathways Workforce Safety 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 25-26 |
| 401-1 | New employee hires and employee turnover | Career Pathways Health and Wellness Our Benefits |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Health and Wellness Our Benefits |

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| GRI 402: Labor/Management Relations | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Engaging our Teams |
| 103-3 | Evaluation of the management approach | Engaging our Teams |
| GRI 403: Occupational Health and Safety | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Safety Culture Workforce Safety |
| 103-3 | Evaluation of the management approach | Safety Culture Workforce Safety 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 24-26 Pacific Gas and Electric Company 2020 Joint Annual Report to Shareholders, p. 24 |
| 403-9 | Work-related injuries | Workforce Safety |
| 403-10 | Work-related ill health | Workforce Safety |
| GRI 404: Training and Education | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Career Pathways Workforce Safety |
| 103-3 | Evaluation of the management approach | Career Pathways Workforce Safety 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 25-26 |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | Career Pathways People |
| GRI 405: Diversity and Equal Opportunity | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Diversity, Equity and Inclusion |
| 103-3 | Evaluation of the management approach | Diversity, Equity and Inclusion 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 25-26 Pacific Gas and Electric Company 2020 Joint Annual Report to Shareholders, p. 24 |
| 405-1 | Diversity of governance bodies and employees | Diversity, Equity and Inclusion 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 20–29 |
| GRI 413: Local Communities | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | PG&E's Triple Bottom Line Engaging Customers Community Investments |
| 103-3 | Evaluation of the management approach | PG&E's Triple Bottom Line Engaging Customers Community Investments |

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| GRI 415: Public Policy | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Public Policy Engagement |
| 103-3 | Evaluation of the management approach | Public Policy Engagement 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 26 |
| 415-1 | Political contributions | Public Policy Engagement |
| GRI 416: Customer Health and Safety | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Public Safety |
| 103-3 | Evaluation of the management approach | Public Safety 2020 PG&E Corporation and Pacific Gas and Electric Company Joint Proxy Statement, p. 25-26 |
| GRI 418: Customer Privacy | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | PG&E Privacy Policy |
| 103-3 | Evaluation of the management approach | PG&E Privacy Policy |
| GRI 419: Socioeconomic Compliance | | |
| 103-1 | Explanation of the material topic and its Boundary | Materiality Assessment |
| 103-2 | The management approach and its components | Ethics and Compliance Workforce Safety |
| 103-3 | Evaluation of the management approach | Ethics and Compliance Workforce Safety |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | PG&E Overview Workforce Safety |
| Electric Utilities Sector Disclosures | | |
| G4-EU1 | Installed capacity (MW) | PG&E Overview |
| G4-EU2 | Net energy output (GWh) | PG&E Overview |
| G4-EU3 | Number of residential, industrial, institutional, and commercial customer accounts | PG&E Overview |
| G4-EU4 | Length of transmission and distribution lines | PG&E Overview |
| G4-EU5 | Allocation of CO ₂ -e emissions allowances | PG&E Corporation 2021 Response to CDP Climate Change Questionnaire |
| Availability and Reliability | | |
| G4-DMA | Disclosure of Management Approach | Electric Operations Renewable Energy and Storage |
| G4-EU10 | Planned capacity against projected electricity demand over the long term | Renewable Energy and Storage |
| Demand-Side Management | | |
| G4-DMA | Disclosure of Management Approach | Customer Energy Efficiency Demand Response Distributed Generation and Storage Clean Transportation |
| Research and Development | | |
| G4-DMA | Disclosure of Management Approach | Electric Operations Gas Operations |
| Plant Decommissioning | | |
| G4-DMA | Disclosure of Management Approach | Nuclear Operations |

| | | |
|---|---|--|
| Disaster/Emergency Planning and Response | | |
| G4-DMA | Disclosure of Management Approach | Public Safety |
| Provision of Information | | |
| G4-DMA | Percentage of employees eligible to retire in the next five years | Career Pathways |
| Employment | | |
| G4-DMA | Percentage of employees eligible to retire in the next five years | Career Pathways |
| Access | | |
| G4-DMA | Disclosure of Management Approach | Energy Affordability |
| G4-EU28 | Power outage frequency | Electric Operations |
| G4-EU29 | Average power outage duration | Electric Operations |
| G4-EU30 | Average plant availability factor by energy source | Conventional Sources Nuclear Operations |

Sustainability Accounting Standards Board (SASB) Index

PG&E is committed to continuous improvement when it comes to how we report our impacts and sustainable business strategies. The table below reflects PG&E's reporting of metrics in accordance with the Sustainability Accounting Standards Board (SASB) voluntary reporting framework. Unless otherwise noted, our response reflects year-end 2020 performance. Data included in this disclosure may differ from other disclosures in order to conform to the SASB reporting requirements.

Electric Utilities Standard

| SASB Code | Accounting Metric | Unit of Measure | PG&E Response |
|---|--|-------------------------------|---|
| Greenhouse Gas Emissions and Energy Resource Planning | | | |
| IF-EU-110a.1 | Gross global Scope 1 emissions ¹ | Metric tons CO ₂ e | 4,502,816 |
| | Percentage covered under emissions-limiting regulations ¹ | Percentage (%) | 62% |
| | Percentage covered under emissions-reporting regulations ¹ | | 98% |
| IF-EU-110a.2 | Greenhouse gas emissions associated with power deliveries ^{1, 2} | Metric tons CO ₂ e | 43,649 |
| IF-EU-110a.3 | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | N/A | Climate Change |
| IF-EU-110a.4 | Number of customers served in markets subject to renewable portfolio standards (RPS) | Number | 5,515,107 |
| | Percentage fulfillment of RPS target by market | Percentage (%) | 100% |
| Air Quality | | | |
| IF-EU-120a.1 | NO _x | Metric tons | 128 |
| | SO _x | | 14 |
| | Particulate matter (PM ₁₀) | | 88 |
| | Lead (Pb) | | 0 |
| | Mercury (Hg) | | 0 |
| | Percentage of NO _x in or near areas of dense population | Percentage (%) | 100% |
| | Percentage of SO _x in or near areas of dense population | | 100% |
| | Percentage of particulate matter (PM ₁₀) in or near areas of dense population | | 100% |
| | Percentage of lead (Pb) in or near areas of dense population | | 0% |
| | Percentage of mercury (Hg) in or near areas of dense population | | 0% |
| Water Management | | | |
| IF-EU-140a.1 | Total water withdrawn | Thousand cubic meters (m³) | Saltwater: 3,160,483 Freshwater: 1,181 |
| | Total water consumed | | Freshwater: 562 |
| | Percentage of total water withdrawn in regions with high or extremely high baseline water stress | Percentage (%) | Saltwater: 0% Freshwater: 17% |
| | Percentage of total water consumed in regions with high or extremely high baseline water stress | | Saltwater: 0% Freshwater: 28% |
| IF-EU-140a.2 | Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations | Number | 1 |
| IF-EU-140a.3 | Description of water management risks and discussion of strategies and practices to mitigate those risks | N/A | Water |

| SASB Code | Accounting Metric | Unit of Measure | PG&E Response |
|---|---|--|--------------------------------------|
| Coal Ash Management | | | |
| IF-EU-150a.1 | Amount of coal combustion residuals (CCR) generated | Metric tons | PG&E does not have coal operations |
| | Percentage CCR recycled | Percentage (%) | PG&E does not have coal operations |
| IF-EU-150a.2 | Total number of CCR impoundments, broken down by hazard potential classification and structural integrity assessment | Number | PG&E does not have coal operations |
| Energy Affordability | | | |
| IF-EU-240a.1 ³ | Average retail electric rate for residential customers | USD/KWh | \$0.18524 |
| | Average retail electric rate for commercial customers | | \$0.18239 |
| | Average retail electric rate for industrial customers | | \$0.10851 |
| IF-EU-240a.2 | Typical monthly electric bill for residential customers for 500 kWh | USD | \$133.66 |
| | Typical monthly electric bill for residential customers for 1,000 kWh | | \$287.38 |
| IF-EU-240a.3 | Number of residential customer electric disconnections for non-payment | Number | 50,472 |
| | Percentage of residential customer electric disconnections for non-payment reconnected within 30 days | Percentage (%) | 91% |
| IF-EU-240a.4 | Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory | N/A | Energy Affordability |
| Workforce Health and Safety | | | |
| IF-EU-320a.1 ⁴ | Total recordable incident rate | Rate per 100 full-time workers | 2.21 |
| | Fatality rate | | 0.004 |
| | Near miss frequency rate | | 3.5 |
| End-Use Efficiency and Demand | | | |
| IF-EU-420a.1 | Percentage of electric utility revenues from rate structures that are decoupled | Percentage (%) | 100% |
| IF-EU-420a.2 | Percentage of electric load served by smart grid technology (SmartMeters) | Percentage (%) by megawatt hours (MWh) | 99% |
| IF-EU-420a.3 | Customer electricity savings from efficiency measures | Megawatt hours (MWh) | 1,732,300 |
| Nuclear Safety and Emergency Management | | | |
| IF-EU-540a.1 | Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column | Number | 2 |
| IF-EU-540a.2 | Description of efforts to manage nuclear safety and emergency preparedness | N/A | Nuclear Operations |
| Grid Resiliency | | | |
| IF-EU-550a.1 | Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations | Number | This information is confidential |
| IF-EU-550a.2 | System Average Interruption Duration Index (SAIDI) | Minutes | 153.2 |
| | System Average Interruption Frequency Index (SAIFI) | | 1.179 |
| | Customer Average Interruption Duration Index (CAIDI) | | 130.0 |

| SASB Code | Accounting Metric | Unit of Measure | PG&E Response |
|-------------------------|--|----------------------|--|
| Activity Metrics | | | |
| IF-EU-000.A | Number of residential customers served | Number | 4,842,860 |
| | Number of commercial customers served | | 544,393 |
| | Number of industrial customers served | | 1,312 |
| IF-EU-000.B | Total electricity delivered to residential customers | Megawatt | 29,814,086 |
| | Total electricity delivered to non-residential customers | hours (MWh) | 48,682,708 |
| IF-EU-000.C | Length of distribution lines | Kilometers (km) | 173,000 |
| | Length of transmission lines | | 29,000 |
| IF-EU-000.D | Total electricity generated | Megawatt hours (MWh) | 29,326,000 |
| | Percentage by major energy source | Percentage (%) | Renewable Energy and Storage |
| | Percentage in regulated markets | | 100% |

1. Reflects 2019 greenhouse gas emissions given that 2020 emissions are currently undergoing third-party verification.

2. For 2019 emissions reporting, PG&E used the California Energy Commission's Power Source Disclosure program methodology to calculate the CO₂ emission rate associated with the electricity delivered to retail customers. As required by AB 1110, the CEC modified the Power Source Disclosure program methodology in 2020 for the 2019 reporting year. This methodology differed from prior reporting years and results in a significantly lower emissions rate.

3. Average rate includes all customers (bundled and departing load) that receive delivery service from PG&E.

4. Data for PG&E employees.

Gas Utilities Standard

| SASB Code | Accounting Metric | Unit of Measure | PG&E Response |
|---|---|---------------------------------------|--|
| Energy Affordability | | | |
| IF-GU-240a.1 | Average retail gas rate for residential customers | USD/MMBtu | \$1.49022 |
| | Average retail gas rate for commercial and industrial customers | | \$1.15622 |
| | Average retail gas rate for transportation services only | | \$0.39607 |
| IF-GU-240a.2 | Typical monthly gas bill for residential customers for 50 MMBtu of gas delivered per year | USD | \$62.08 |
| | Typical monthly gas bill for residential customers for 100 MMBtu of gas delivered per year | | \$124.18 |
| IF-GU-240a.3 | Number of residential customer gas disconnections for non-payment | Number | 185 |
| | Percentage of residential customer gas disconnections for non-payment, reconnected within 30 days | Percentage (%) | 45% |
| IF-GU-240a.4 | Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory | N/A | Energy Affordability |
| End-Use Efficiency | | | |
| IF-GU-420a.1 | Percentage of gas utility revenues from rate structures that are decoupled | Percentage (%) | 100% |
| IF-GU-420a.2 | Customer gas savings from efficiency measures | Million British Thermal Units (MMBtu) | 3,580,000 |
| Integrity of Gas Delivery Infrastructure | | | |
| IF-GU-540a.1 | Number of reportable pipeline incidents | Number | 2 |
| | Number of Corrective Action Orders (CAO) | | 0 |
| | Number of Notices of Probable Violation | | 0 |
| IF-GU-540a.2 | Percentage of distribution pipeline that is cast and/or wrought iron | Percentage (%) by length | 0.001% |
| | Percentage of distribution pipeline that is unprotected steel | | 0.006% |
| IF-GU-540a.3 | Percentage of gas transmission pipelines inspected | Percentage (%) by length | Strength Test: 93% (6,118 miles) In-Line Inspections: 43% (2,816 miles) Direct Assessment: • External Corrosion Direct Assessment: 14% (903 miles) • Internal Corrosion Direct Assessment: 5.7% (373 miles) • Stress Corrosion Cracking Direct Assessment: 0.2% (12 miles) Other: <1% • Direct Examination: <1 mile • Low Stress Re-assessment: 31 miles |
| | Percentage of gas distribution pipelines inspected (distribution leak survey) ¹ | | 44.9% |
| IF-GU-540a.4 | Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions | N/A | Gas Operations |

1. PG&E reports this metric in percentage of distribution services rather than percentage by length.

| SASB Code | Accounting Metric | Unit of Measure | PG&E Response |
|-------------------------|--|---------------------------------------|---------------|
| Activity metrics | | | |
| IF-GU-000.A | Number of residential customers served | Number | 4,322,450 |
| | Number of commercial customers served | | 228,211 |
| | Number of industrial customers served | | 1,167 |
| IF-GU-000.B | Amount of natural gas delivered to residential customers | Million British Thermal Units (MMBtu) | 187,498,456 |
| | Amount of natural gas delivered to commercial customers | | 77,999,819 |
| | Amount of natural gas delivered to industrial customers | | 515,444,209 |
| | Amount of natural gas transferred to a third party | | 94,431,122 |
| IF-GU-000.C | Length of gas transmission pipelines | Kilometers (km) | 10,622 |
| | Length of gas distribution pipelines | | 70,006 |

Forward-Looking Statements

This Corporate Sustainability Report contains forward-looking statements that do not relate strictly to historical or current facts. These forward-looking statements relate to, among other matters, our plans, goals and strategies with respect to sustainability and environmental matters, wildfire safety efforts and system hardening, worker safety procedures, the implementation of a lean operating system, financial assistance programs, regionalization, cyber and physical security investments, PSPS events, the Utility's progress on California's renewable energy goals, energy efficiency, distributed generation and storage, electric vehicles, and climate change. These statements are also identified by words such as "assume," "expect," "intend," "forecast," "plan," "project," "believe," "estimate," "predict," "anticipate," "may," "should," "would," "could," "potential" and similar expressions, or by discussions of our guidance, priorities, strategy, goals, vision, mission, opportunities, projections, intentions or expectations.

These statements reflect management's judgment and opinions that are based on current estimates, expectations, and projections about future events and assumptions regarding these events, and management's knowledge of facts as of the date of this report. These statements are based on current expectations and assumptions, which management believes are reasonable, but are necessarily subject to various risks and uncertainties, the realization or resolution of which may be outside of management's control. Actual results could differ materially from those expressed or implied in the forward-looking statements, or from historical results. PG&E Corporation and the Utility are not able to predict all the factors that may affect future results. For a discussion of some of the factors that could cause actual results to differ materially, please see PG&E Corporation and the Utility's reports filed with the Securities and Exchange Commission (SEC), including their joint annual report on Form 10-K for the year ended December 31, 2020, their joint quarterly report on Form 10-Q for the period ended March 31, 2021, and their subsequent reports filed with the SEC, which are available on PG&E Corporation's website at www.pgecorp.com and on the SEC website at www.sec.gov. PG&E Corporation and the Utility undertake no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events, or otherwise, except to the extent required by law.

Throughout this report, "PG&E" refers to all of PG&E Corporation and its subsidiaries, including Pacific Gas and Electric Company.