



## EEI & AGA ESG/Sustainability Template – Version 3

Dominion Energy has completed this voluntary template in response to the desire among investors and other stakeholders for clear, consistent information about sustainability and environmental, social, and governance (ESG) matters. Our commitment to transparency and disclosure has earned us recognition by the Center for Political Accountability and the CDP. We formally support the Task Force on Climate-related Financial Disclosures (TCFD), recognizing that clarity on climate-related risks and opportunities demonstrates alignment among our strategy of building a clean energy future, our goal of achieving net zero emissions by 2050, and the opportunities arising from a shift to a low-carbon world.

### SUSTAINABILITY GOVERNANCE

Good corporate governance ensures that Dominion Energy remains a trustworthy steward of the resources entrusted to our care. We are a values-driven company, and our core values of safety, ethics, excellence, embrace change, and One Dominion Energy ensure that we will pursue long-term sustainability for our customers, communities, employees, investors, and the environment.

Our diverse, 12-member Board of Directors oversees the management of the company. The Board's Sustainability and Corporate Responsibility Committee focuses on such issues as environmental stewardship, including carbon and methane emissions reductions, and social responsibility. The Committee monitors the company's progress on sustainability commitments. The Board's Audit Committee oversees political contributions and lobbying. The Finance & Risk Oversight Committee oversees the company's risk assessment and risk management policies and objectives, including climate risk.

In addition, the company maintains management committees that support climate governance, including a Climate Council — composed of the CEO, the CEO's leadership team, and operating unit presidents — that develops and oversees sustainability strategy and initiatives, and reviews the company's climate commitments and performance. A Climate Working Group manages key climate initiatives, and a Net Zero team evaluates the policy and technology developments in clean energy that will help us achieve our Net Zero goal.

We embed robust enterprise risk management (ERM) processes throughout the organization that help identify and manage risk, including cybersecurity and climate risk. Our Board and its committees regularly discuss various risks with management, including the senior risk officer and chief information officer. We have embedded sustainability risk factors into our project-level risk assessment process. At the industry level, Robert M. Blue, our chair, president, and CEO, is a member of the CEO-led Electricity Subsector Coordinating Council, which serves as the liaison between the federal government and the electric power industry on efforts to prepare for, and respond to, disasters or threats to critical infrastructure.

### SUSTAINABILITY STRATEGY

Dominion Energy's ESG and sustainability strategies and commitments are covered at length in our annual Sustainability and Corporate Responsibility Report ([SCR Report](#)), and our [Climate Report](#) discusses key risks and opportunities in connection with climate change and the changing business environment.

### ***Adapting to the Changing Business Environment***

Our risk oversight includes consideration of the evolving business environment, including access to resources, emerging technologies, and changes in public policy. Our Integrated Resource Plans provide details about different paths available at the state level. Further details can be found in our annual [10-K filing](#) and in the supporting materials for our [quarterly reports](#).

### ***ESG/Sustainability Risks and Opportunities***

Our analysis of risk is closely linked to opportunities — especially those related to Dominion Energy’s clean-energy strategy and the benefits it provides to our stakeholders. Dominion Energy has identified three principal categories of risk: transition risks, physical and climatic risks, and financial risks, including public-policy changes, severe weather, and reduced access to capital.

Our focus on opportunities starts at the top. The Innovation, Technology, and Sustainability Council, chaired by our CEO and composed of the CEO’s leadership team and operating unit presidents, drives the execution of our strategic programs. Opportunities include electrification of different economic sectors with a focus on transportation; cost-reducing energy efficiencies; investment in renewable generation and electric grid transformation; the development of carbon-free, on-demand power sources with which to balance intermittent renewable generation; investment in a less methane-intensive natural gas distribution grid including renewable natural gas, or RNG; and new or expanded products, services, and markets, from electric-vehicle charging to tailored electricity service for customers with specific voltage, resiliency or other requirements. For a fuller discussion concerning the above, see our [Climate Report](#), which follows the recommendations of the TCFD.

### ***Social Risks and Opportunities***

As a public-service company, we have supported our communities for many decades through direct giving, the Dominion Energy Charitable Foundation, matching gifts, volunteer efforts, and other means. We rigorously manage costs to help keep energy affordable and provide financial assistance to customers in need. We are pursuing innovations such as advanced small nuclear reactors and hydrogen energy to help ensure reliability as we expand our renewable portfolio.

Safety ranks first among the company’s five core values, and we place the safety of our employees, customers, and communities at the forefront. Since 2006, the company has reduced our OSHA-recordable injury rate by 77%, to 0.41 injuries per 100 workers in 2020 — far better than the industry average.

As our business evolves, we are sharpening our focus on diversity, equity, and inclusion (DE&I). We will soon publish our first external report devoted exclusively to DE&I, which covers the subject at length. We have increased diverse hiring and set a target for diverse workforce representation. We view diversity as a strength and a competitive advantage that moves the business forward. In 2020, we announced \$40 million in support of social justice causes: A six-year, \$25 million commitment to Historically Black Colleges and Universities; a six-year, \$10-million commitment to provide college scholarships to students from underrepresented communities; and a two-year, \$5-million commitment to support nonprofits doing the work of social justice.

Our supply chain plays an integral role in our commitment to sustainability. Our efforts are focused on increasing partnership and engagement with suppliers, industry peers, and employees to improve environmental and social sustainability performance, implement best practices, minimize negative environmental impacts, ensure respect for human rights, and mitigate potential sustainability risk across our value chain. We are also committed to making our supply chain more diverse and have increased spending with diverse suppliers by 63% since 2015. Dominion Energy is a member of the Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA) and is committed to engaging our peers and suppliers to ensure continuous improvement. The vice president of our Shared Services division chairs EUISSCA’s executive committee.

***Sustainability Plans and Progress***

Dominion Energy is committed to achieving net zero carbon dioxide and methane emissions by 2050. As we move toward net zero, we expect to hit intermediate targets: a 55% reduction in carbon by 2030 from our electric generation business; a 65% reduction for methane from our natural gas business by 2030; and an 80% reduction in methane from our natural gas business by 2040.

To help reach our goals, the company is developing the largest offshore wind project on this side of the Atlantic Ocean; has one of the largest solar portfolios among investor-owned utilities; and has formed the largest renewable natural gas relationship in the country. Over the next decade and a half, Dominion Energy anticipates investing up to \$72 billion in renewable, storage, and electric and gas grid transformation opportunities, and in modernization upgrades to ensure the continued operations of our carbon-free nuclear power stations.

Our interim commitments and progress through 2020 are outlined below:

Baseline year	Target year	Emissions	Operations	Target reductions
2005	2030	Carbon	Electric	55%
2010	2030	Methane	Gas	65%
2010	2040	Methane	Gas	80%

To date, we have cut carbon emissions from our electric generation business by approximately 43% since 2005; methane emissions from our natural gas business by 32% since 2010; and carbon and methane emissions from our electric generation and natural gas businesses by 42% since 2005 and 2010, respectively.

Baseline year	Progress year	Emissions	Operations	Reduction achieved
2005	2020	Carbon	Electric	43%
2010	2020	Methane	Gas	32%
2005 Electric and 2010 Gas	2020	Carbon and Methane (CO <sub>2</sub> e)	Electric and Gas	42%

In 2020, our Scope 1 direct emissions rose from 2019, driven primarily by market conditions, including the lowest natural gas prices in a decade. Under these conditions, it was more cost-effective for our



customers to meet their needs with power generated from the company’s own generation units rather than market purchases. For the same reason, PJM’s economic dispatch model favored and called on Dominion Energy’s natural gas units more often. Because we used more of our own generating capacity, our Scope 3 emissions from purchased power were lower than they otherwise might have been. On a net basis, 2020 Scope 1 emissions from self-generation coupled with Scope 3 emissions from purchased power were lower than in 2019.

We are increasingly focused on ways to reduce Scope 3 emissions — those indirect emissions from upstream sources (including purchased power, methane emissions at the wellhead for gas we purchase for our customers, and purchased goods and services) and downstream sources (e.g., customer end use of natural gas). Scope 3 emissions are disclosed in our [Climate Report](#).

The company has made other sustainability-related commitments and progress regarding environmental protection, waste reduction, habitat and wildlife protection, energy reliability and affordability, safety, community engagement, Environmental Justice, community development, and attracting and developing talent. For further details, see our latest [SCR Report](#).

**Natural Gas Safety and Emissions Reductions**

Dominion Energy is committed to ensuring the safety and integrity of our natural gas operations and maintains extensive programs to do so at every stage. We use a wide array of diagnostic tools, preventive maintenance programs, and oversight techniques to identify and mitigate potential issues long before they can become a problem. Our Distribution Management Integrity Program meets or exceeds integrity-management regulations from the Pipeline and Hazardous Materials Safety Administration.

Dominion Energy has been at the forefront of efforts to reduce methane emissions. The company has been a founding member or leading participant in the EPA’s Natural Gas STAR (NgSTAR) Program, the EPA’s Methane Challenge Program, the Natural Gas Sustainability Initiative (NGSI), and the Our Nation’s Energy Future (ONE Future) Coalition. We are working to reduce our Scope 1 emissions from our natural gas business through a wide variety of voluntary programs such as (1) reducing or eliminating gas venting during planned maintenance and inspections; (2) replacing targeted infrastructure and equipment with new, lower-emission equipment; (3) expanding leak detection and repair programs to every facility, storage well and metering station; and (4) using innovative technologies. In addition, Dominion Energy has formed the largest RNG relationship in the country to collect methane emissions from agriculture and convert them into natural gas for our customers.

**LINKS**

Subject	Report/Resource
ESG/Sustainability governance	<a href="#">Sustainability and Corporate Responsibility Report</a> ESG Website
Business Environment Evolution	<a href="#">Annual 10-K; quarterly reports</a>
ESG/Sustainability risks, opportunities, plans, and progress	<a href="#">Sustainability and Corporate Responsibility Report</a> <a href="#">Climate Report</a>

Cybersecurity risk	<a href="#">Sustainability and Corporate Responsibility Report</a>
Climate change, climate governance, risks, and opportunities	<a href="#">Climate Report</a>
Diversity, Equity, Inclusion	Diversity, Equity, and Inclusion Report
Supply chain diversity and sustainability	<a href="#">Sustainability and Corporate Responsibility Report</a>
Natural gas safety and emissions	<a href="#">Sustainability and Corporate Responsibility Report</a>