



*Dominion Energy's vision is to become the most sustainable energy company in America. That starts with clean energy and environmental protection, but it does not end there. It includes strong governance; supporting our employees and communities; promoting social welfare and social responsibility; making our workforce more diverse and inclusive; and embracing innovation. We pursue these aims to improve how we meet energy needs today and into the future.*

September 2022

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

As a member of the Edison Electric Institute (EEI) and the American Gas Association (AGA), 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.

Dominion Energy is committed to transparency and disclosure, and we are recognized among the “leadership band” in the Climate and Water CDPs, a “trendsetter” by the Center for Political Accountability, and an industry “leader” in the most recent MSCI ratings for ESG performance. We formally support the Task Force on Climate-related Financial Disclosures (TCFD) and in 2021 published our TCFD-aligned Climate Report, which highlights our strong climate governance framework and evaluates risks, mitigants, and opportunities on our path to Net Zero emissions by 2050 – a commitment that was expanded in early 2022 to include Scope 2 and material categories of Scope 3 emissions.

*\*Dominion Energy makes forward-looking statements with full knowledge that risks and uncertainties exist that may cause actual results to differ materially from predicted results. See our [Forward-Looking Statement](#) summary for more information.*

#### ESG/Sustainability Governance

Good corporate governance and risk oversight promote well-informed, effective decision-making and ensure that Dominion Energy remains a reliable steward of the resources in our care and a trusted partner to our customers and communities. For Dominion Energy, governance extends beyond the top of the organizational chart. Governance encompasses the manner in which we operate, including the management of risk.

Dominion Energy's experienced, engaged, and diverse 13-member Board of Directors oversees the company's management and direction. It is led by our Chair and an active, independent Lead Director with robust and well-defined duties. The Board has a fiduciary duty to uphold business and investor interests, including ESG concerns. Accordingly, our Board of Directors oversees the company's environmental performance and sustainability plan, along with our long-term growth strategy.

The Board of Directors operates through five committees: Audit, Compensation and Talent Development, Finance and Risk Oversight, Nominating and Governance, and Sustainability and Corporate Responsibility (SCR). The SCR Committee is composed of independent directors who oversee the company's performance as a sustainable organization and responsible corporate citizen. This includes oversight of strategies, objectives, and policies regarding environmental sustainability, climate strategy, corporate social responsibility, and public issues of significance that might affect company stakeholders — including shareholders, employees, customers, and the communities where the company operates.

Our Board and its committees regularly discuss various risks with management, including the senior risk officer and chief information officer and chief security 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 [Electricity Subsector Coordinating Council \(ESCC\)](#), which serves as the principal liaison between the federal government and the electric power industry, with a mission of coordinating efforts to prepare for, and respond to, national-level disasters or threats to critical infrastructure.

Because safety is innately connected to sustainability, our Board oversees safety efforts and receives regular updates about the company's safety performance. Safety ranks first among the company's five core values, and we place the safety of our employees, customers, and communities above all else. From 2017-2021, we cut our OSHA-recordable injury rate by 29%. Since 2006, we have cut that rate 71%. Our rate as of 2021 stood at roughly one-third of the industry average.

Within the company, our senior leadership team oversees climate strategy through a Climate Council — composed of the CEO, the CEO's leadership team, and operating unit presidents — which develops and oversees sustainability strategy and initiatives and reviews the company's sustainability commitments and performance. Climate working groups and strategy teams composed of various combinations of senior leaders, subject-matter experts, and business-unit advisors manage key initiatives at the Council's direction, support the Council on achieving climate goals, and evaluate policy and technology developments in clean energy.

#### Cybersecurity

We recognize cyber threats as a key risk. To minimize that risk, we employ an extensive system of rigorous security protocols, overseen by experts responsible for protecting against cyberattacks. We deploy cybersecurity controls using a defense-in-depth approach, strengthening our posture to identify and prevent external attacks as well as insider threats. We revise the cybersecurity strategic plan at least annually and provide status updates and performance metrics to the Board of Directors and senior leadership.

We maintain relationships with government agencies, trade groups, and other energy sector elements — including the Federal Bureau of Investigation (FBI), the Department of Homeland Security (DHS), and the Electricity Information Sharing and Analysis Center (E-ISAC) — to obtain actionable intelligence information, mitigate threats, close gaps, and identify vulnerabilities, and to help assess the overall security posture of the organization. These partnerships are instrumental components of our cybersecurity program.

#### ESG/Sustainability Strategy

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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 [Virginia](#) and [South Carolina](#) Integrated Resource Plans provide details about various potential pathways at the state level. Further details can be found in our annual [10-K filing](#) and in the supporting materials for our [quarterly reports](#).

As we look to the future of our business and the energy industry, Dominion Energy is proposing the industry's largest regulated decarbonization investment opportunity, including a \$37-billion, five-year growth capital plan, of which 85% is focused on decarbonization.

#### ESG/Sustainability Risks and Opportunities

Dominion Energy's Board of Directors oversees our long-term strategy and the various risks the company faces, including climate-related risk. The Board believes the company's interests are advanced by responsibly addressing these risks, whether they are operational, financial, regulatory, environmental, or strategic.

We embed robust enterprise risk management (ERM) processes throughout the organization that help identify and manage risk, including cybersecurity and climate risk. We identify and assess, at least annually, major risks and mitigation strategies at the corporate level and for each of our key operating segments and report those findings to the Board.

In early 2022, we partnered with the Electric Power Research Institute (EPRI) to refresh our 2020 assessment of our sustainability priorities, which represent ESG-related issues that are most important to our company and our stakeholders. The process involved detailed research and multiple rounds of direct engagement with both internal and external stakeholders — including customers, employees, investors, non-governmental organizations (NGOs), suppliers, and community leaders. Our 2022 assessment identified our top three priorities as safety and health, energy reliability and resilience, and cyber and physical security — all of which align with risks we internally prioritize and work diligently to mitigate. The full matrix of issues, ranked by priority of the issues and our perceived ability to impact them, will be published with our [2021 Sustainability & Corporate Responsibility \(SCR\) Report](#).

In addition to announcing our support of the Task Force on Climate-related Financial Disclosures (TCFD), and publishing our first TCFD-aligned Climate Report in 2021, Dominion Energy also regularly discloses [climate-](#) and [water-related risks](#) in their respective CDP disclosures, as well as within our [Virginia](#) and [South Carolina](#) Integrated Resource Plans.

## Grid Transformation

The clean-energy transition is imposing new demands on the systems that transmit and distribute electricity. Dominion Energy Virginia's Grid Transformation Plan (GT Plan) is a comprehensive, 10-year program to make prudent investments on the electric grid to meet the future needs outlined in the Virginia Clean Economy Act (VCEA), while improving both grid resilience and the customer experience. In 2021, we filed Phase II with the State Corporation Commission (SCC), which approved the filing in January 2022. The ruling authorized more than \$650 million of investments in 2022 and 2023 that will facilitate the integration of distributed energy resources (DERs) such as small-scale solar, energy storage, and electric vehicles by deploying smart meters and intelligent-grid devices that will provide data on grid conditions. This information, which will be nearly real-time and transmitted over a secure telecommunications network, will allow the company to more effectively integrate DERs into the distribution grid.

## Affordability

We are committed to safety, reliability, and affordability during the clean energy transition. We rigorously manage costs to help keep energy affordable and we provide financial assistance to customers in need.

At the end of 2021, residential electric utility rate averages at Dominion Energy Virginia and Dominion Energy South Carolina remained below national and regional averages. From 2009 through 2021, the average residential bill has declined 25% as a percentage of median household income for a Dominion Energy Virginia customer and represents 1.8% of the customer's wallet – below the national average of 2.1%.

Residential gas utility rate averages at Dominion Energy Ohio, Dominion Energy Utah, Dominion Energy North Carolina, Dominion Energy South Carolina, and Dominion Energy West Virginia remained below their respective regional averages. In our Western states, our unique, cost-of-service gas production helps customers avoid price spikes.

## Diversity, Equity, and Inclusion

In 2021, we published our first external [report](#) devoted exclusively to diversity, equity, and inclusion (DE&I), reinforcing our commitments – and the progress we have made – toward these important goals. With the approval and oversight of our Board of Directors, together with the support of leadership across the company, we are building a culture of DE&I for both our employees and the communities we serve. Highlights include:

- Raising our diverse hiring rate to 57.5% (a more than 20-percentage-point increase since 2016) and raising our diverse representation rate to 35.5 percent (a 3.6-percentage-point increase since 2016).
- Increasing spending with diverse suppliers again — achieving \$1 billion in supplier diversity spending, an increase of 24.5% from the year before and nearly double since 2016.
- Advancing DE&I efforts beyond our walls, including our HBCU Promise<sup>SM</sup> (an initiative to support historically Black colleges and universities), and a rural-broadband program that helps bring high-speed internet to unserved and underserved areas.

At Dominion Energy, our values also recognize that environmental justice considerations must be a part of our everyday decisions, community outreach, and evaluations as we move forward with projects to modernize the generation and delivery of energy. Four years ago, Dominion Energy adopted a formal Environmental Justice (EJ) Policy to ensure that historically marginalized communities are neither disproportionately harmed by our infrastructure development initiatives nor excluded from our projects' benefits, such as contributing to the local economy and expanding access to high-speed broadband.

## Sustainability Plans and Progress

Dominion Energy's vision is to become the most sustainable energy company in America. In 2020, we announced a new emissions-reduction goal: net zero carbon dioxide and methane emissions, from both our electric and gas businesses, by 2050. From 2005 through 2021, we cut carbon emissions from our electric generation business by approximately 46% — well on our way to our interim goal of a 55% reduction by 2030. Since 2010, we have cut methane emissions from our natural gas business by 38%. As part of our Net Zero framework, we expect to cut methane emissions 65% by 2030 and 80% by 2040, from 2010 levels.

In February 2022, we broadened that Net Zero commitment to encompass emissions outside of the company's direct operations. Dominion Energy's Net Zero commitment now covers what are known as Scope 2 and material Scope 3 emissions — those generated upstream of company operations by suppliers and downstream by customers. Scope 2 emissions are those emitted from electricity the company consumes but does not generate. The Scope 3 portion of the commitment includes emissions from three material categories: electricity purchased to power the grid, fuel for our power

stations and gas distribution systems, and consumption by our natural gas customers. These areas cover nearly all Scope 3 emissions measured and reported in the company's 2021 Climate Report.

Through 2035, we project up to \$73 billion in climate-focused investments (including up to \$32 billion through 2026). These investments focus on offshore wind, solar, energy storage, nuclear life extensions, electric grid transformation, and gas distribution modernization and renewable natural gas.

We publish additional sustainability-related commitments and focus areas for the company in our annual Sustainability & Corporate Responsibility Report, which maps them to the United Nations Sustainable Development Goals (UN SDGs).

### Natural Gas Safety and Emissions Reductions

Dominion Energy is committed to ensuring the safety and integrity of our natural gas operations and maintains an extensive array of programs to do so at every stage. We use a wide assortment of diagnostic tools, preventive maintenance programs, and oversight techniques to identify and mitigate potential issues long before they can become a problem. Our Integrity Management Programs meet or exceed integrity-management regulations from the Pipeline and Hazardous Materials Safety Administration, and we're implementing a Pipeline Safety Management System (PSMS) to further enhance our existing programs.

Investing in our natural gas distribution system improves safety and reliability, enhances customer service, and reduces the environmental impact of our operations. Dominion Energy's gas distribution companies have replaced or are actively replacing older pipelines and services with modern materials such as plastic or protected steel, which enhance reliability and lower emissions. In 2021 alone, our gas distribution companies invested \$450 million in pipeline replacement and integrity management programs. To reduce emissions from our gas operations, we rely primarily on four approaches:

- Replacing targeted infrastructure and equipment with new, lower-emitting or emission-free equipment.
- Reducing or eliminating gas venting during planned maintenance and inspections. For instance, we use Zero Emissions Vacuum and Compressor (ZEVAC®) technology to capture natural gas before maintenance activities or inspections so it can be recycled.
- Expanding voluntary leak detection and repair (LDAR) programs to address minor sources of emissions.
- Adopting innovations such as Pipetel in-line inspection robots to inspect gas pipelines not accessible through our usual smart-pigging process.

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. In addition, Dominion Energy has formed the largest renewable natural gas (RNG) partnership in the country to collect methane emissions from agriculture and convert them into carbon-beneficial natural gas for our customers.

More information on methane emissions and our strategy can be found in our [Methane Report](#), which is published with our annual SCR Report.

## Index of Links

<b>Subject</b>	<b>Report/Resource</b>
ESG/Sustainability governance	<a href="#">Sustainability and Corporate Responsibility Report</a> <a href="#">ESG Website</a>
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	<a href="#">Diversity, Equity, and Inclusion Report</a>
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>
Integrated Resource Plans	<a href="#">Dominion Energy Virginia IRP</a> <a href="#">Dominion Energy South Carolina IRP</a>