



EDISON
INTERNATIONAL®

Energy for What's Ahead®

2020 SUSTAINABILITY REPORT



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**MAJOR FOCUS: AFFORDABLE AND CLEAN ENERGY**

Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All

WHY IS THIS A PRIORITY

Our vision is to lead the transformation of the electric power industry toward a clean energy future. SCE is committed to delivering 100% carbon-free power in terms of retail sales by 2045 in accordance with California law. We are also investing in and partnering across a multistakeholder landscape to advance electrification across the economy, which our analysis and that of others shows to be among the most cost-effective ways to reach economywide GHG emissions reduction targets.

HOW WE'RE CONTRIBUTING

SDG Target 7.1: By 2030, ensure universal access to affordable, reliable and modern energy services

- SCE invests \$5 billion in capital expenditures annually to support the clean energy transition through a modern and resilient electric grid
- SCE has the lowest system average rate of the three California investor-owned utilities due to concerted focus on keeping operations and maintenance costs low
- SCE offers reduced energy bill programs to income-qualified customers, which make up nearly one-third of SCE customers
- SCE considers low-income customers and ESJ communities when designing programs and incentives to connect customers with clean energy technologies
- SCE's Reliability Roadmap, a three-year progress plan that ended in 2020, made lasting changes in four focus areas: performance management, work practices, engineering and technology
- SCE uses advanced analytics, including artificial intelligence and machine learning, to provide real-time insights into grid health to improve reliability.
- SCE's Reliability Operations Center creates algorithms that notify SCE of dozens of different wire-down scenarios, as well as their locations. In 2020, we saved 675,000 minutes of customer power interruption by proactively changing damaged transformers

MEASURING PROGRESS

We have set a goal to deliver 100% carbon-free power in terms of retail sales to SCE customers by 2045. In 2020, 43% of SCE's total delivered power came from carbon-free sources.



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- [Accelerating A Clean Energy Transition to Address Climate Change](#)
- [Operating with Excellence](#)

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- [Climate Change](#)
- [Serving Customers](#)

SDG Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix

- SCE is required by state of California law to meet the following retail sales requirements for the power it delivers to customers:
 - By 2020 — 33% of power from Renewables Portfolio Standard (RPS)-eligible resources (SCE met this requirement).
 - By 2030 — 60% of power from RPS-eligible resources.
 - By 2045 — 100% carbon-free power.
- SCE is advocating, as part of an economywide approach, for California to go beyond the current 2030 goal of 60% RPS-eligible power delivered to customers and to reach 80% carbon-free power.
- With more than 2,000 MW of energy storage installed or contracted, SCE has one of the largest energy-storage portfolios in the nation
- Edison Energy¹ has advised on over 6,700 MW of power purchase agreements (PPAs), including 2,187 MW of executed deals in 2020
- Since 2019, Edison Energy¹ has provided sourcing and negotiation expertise to Verizon for long-term renewable energy purchase agreements (REPAs) totaling nearly 1.7 GW of renewable energy capacity.
- In 2020, SCE interconnected approximately 41,500 behind-the-meter solar installations and 4,200 energy storage and solar paired systems to the grid.



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Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All

SDG Target 7.3: By 2030, double the global rate of improvement in energy efficiency

- Edison Energy¹ partners with large organizations globally, including 15 of the Fortune 50, to identify solutions to help them reduce their carbon footprints and reach their own sustainability and cost goals
- Edison Energy's "Insights Platform" provides organizations with unique transparency and intelligence to better manage energy activities and performance
- In 2020, 1,490 gigawatt hours (GWh) of energy were saved through the more than 90 energy efficiency programs that SCE offers. This translates into a reduction in GHG emissions of approximately 555,000 metric tons
- SCE has entered into a partnership with solar, battery storage and energy services provider [Sunrun](#) to support energy capacity needs through "virtual power plants"



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**MAJOR FOCUS: INDUSTRY, INNOVATION AND INFRASTRUCTURE**

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

WHY IS THIS A PRIORITY

HOW WE'RE CONTRIBUTING

MEASURING PROGRESS

SCE's role to provide safe, reliable, affordable and clean power underpins the southern California economy and fosters growth. It's imperative that the grid is resilient enough to withstand physical and cyber threats to ensure that businesses can continue to deliver goods and services to customers and innovate for the future.

More Information

Part I

- [Accelerating A Clean Energy Transition to Address Climate Change](#)
- [Operating with Excellence](#)

Part II

- [Climate Change](#)

SDG Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

- SCE's latest white paper, [Reimagining the Grid](#), published in 2020, is a comprehensive assessment of the grid changes needed to support California's GHG emissions reduction goals, while adapting to evolving customer and climate change-driven needs
- SCE is building the grid of the future to deliver 100% carbon-free power to customers by 2045, integrate distributed energy resources and other new technologies and services, and remain safe, reliable, affordable and resilient to climate change and cyber threats. SCE's systematic approach to Reimagining the Grid starts with understanding the availability and composition of renewable and carbon-free resources to supply power, future customer needs, and the potential impacts of climate change on the system
- SCE is shifting its grid planning and capabilities from a systemwide-only focus to one that meets multiple objectives based on specific and localized needs, while also addressing systemwide needs
- SCE is increasing its use of drones to gather images in the field, as well as artificial intelligence and machine learning to drive automation and data integration
- In 2020, SCE replaced more than 960 miles of overhead power lines with insulated wire and more than 6,090 poles with fire-resistant poles. We also installed fast-acting fuses at 3,025 locations and sectionalizing devices at 49 locations
- SCE was named to the [Smart Electric Power Alliance](#) Top 10 Utility Transformation Leaderboard for accelerating transformation to a carbon-free, modern grid

SCE invests \$5 billion in capital expenditures annually to support the clean energy transition through a modern and resilient electric grid.



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MAJOR FOCUS: SUSTAINABLE CITIES AND COMMUNITIES

Make cities and human settlements inclusive, safe, resilient and sustainable

WHY IS THIS A PRIORITY

HOW WE'RE CONTRIBUTING

MEASURING PROGRESS

Significant electrification of transportation and buildings, coupled with advanced energy efficiency, is necessary to achieve California's decarbonization goals. It also improves air quality in the communities most impacted by pollution and vulnerable to its effects. As California's only investor-owned electric utility without a natural gas distribution business, SCE is uniquely positioned to advance electrification initiatives.

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- [Accelerating the Clean Energy Transition to Address Climate Change](#)

Part II

- [Climate Change](#)
- [Environmental Stewardship](#)

SDG Target 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

- SCE's Pathway 2045 identified a clean power and electrification-led strategy as the most affordable way to achieve economywide net-zero GHG emissions
- In 2020, SCE advocated for and strongly supported the state of California's landmark actions around electrification policy
- In 2020, SCE collaborated with ESJ community stakeholders to advance local building decarbonization policies
- SCE is installing infrastructure to support electric vehicle (EV) charge ports to help customers switch to electric transportation
- SCE is electrifying its own fleet in line with Pathway 2045
- SCE promotes the electrification of commercial and residential buildings by educating people about the benefits of clean electric technologies and by promoting customer adoption of heat pumps and other efficient electric appliances and technologies
- In 2020, SCE installed more than 15,000 clean, efficient electric space and water heat pumps, replacing natural gas furnaces, through the Home Energy Efficiency Rebate (HEER) program for residential customers.
- Edison International has invested in a range of companies that accelerate the transition to electric transportation.

We have set electrification goals related to investing in infrastructure to support SCE customer adoption of electric vehicles, as well as electrifying SCE's own vehicle fleet.

¹ This goal is tied to Southern California Edison's Charge Ready Transport application, which was approved on May 31, 2018. The program was formally launched on May 20, 2019.

² This goal is tied to SCE's Charge Ready Pilot, approved on January 25, 2016, the Pilot's extension was approved on December 13, 2018, SCE's Charge Ready [State and Parks], approved on November 13, 2019 and SCE's Charge Ready 2 program, approved on August 27, 2020. Note that this goal has been updated from an estimated 52,700 charge ports across 4,150 sites to at least 41,000 charge ports across 2,200 sites to reflect the CPUC's authorized size for the Charge Ready 2 program.



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MAJOR FOCUS: CLIMATE ACTION

Take urgent action to combat climate change and its impacts

WHY IS THIS A PRIORITY

We believe we have a responsibility to respond to the climate challenge by working towards mitigation, while adapting our business to climate change-driven effects. Through programs, investments, analysis and partnerships with key stakeholders, we're committed to doing our part.

HOW WE'RE CONTRIBUTING

SDG Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

- SCE is evaluating the potential long-term impacts of temperature, precipitation, sea-level rise and wildfire hazards on its infrastructure and operations. To do so, we are using California-endorsed 10 Global Climate Models (GCMs) as the best representation of California weather patterns and the conservative, high-emissions "RCP8.5" global warming scenario to ground this assessment
- SCE will submit our first climate adaptation vulnerability assessment to the California Public Utilities Commission (CPUC) in May 2022
- SCE has partnered with a range of organizations, including the American Red Cross and Climate Resolve, as well as government agencies to develop community resilience programs
- Future climate projections are also being integrated into long-range planning as SCE works, in parallel, to achieve objectives outlined in Pathway 2045
- Through SCE's Wildfire Mitigation Plan, SCE is increasing grid resiliency against wildfire risks
- SCE's systematic approach to [Reimagining the Grid](#) starts with understanding its evolving customer needs, how the supply mix will change and the regional climate change effects that the grid will need to endure

MEASURING PROGRESS

See goals outlined in SDG 7, 9 and 11. In addition, SCE files a Wildfire Mitigation Plan every three years outlining wildfire mitigation activities.



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SDG Target 13.2: Integrate climate change measures into national policies, strategies and planning

- We partner with local, state and federal leaders to advance policies on climate change mitigation and adaptation, transportation and building electrification and innovation to advance clean energy technologies
- We also participate in national organizations and coalitions to advance climate and clean energy policy, with a particular advocacy focus on electrification
- In April 2021, Edison International joined a coalition of companies led by the [We Mean Business Coalition](#) and [Ceres](#) to urge [President Biden](#) to set a strong U.S. climate goal of at least a 50% reduction in GHG emissions from 2005 levels by 2030
- In 2020, Edison International signed onto collaborative efforts to address climate change, including “[America Is All In.](#)” We also signed onto a statement led by the [Center for Climate and Energy Solutions](#) (C2ES), to jointly urge President Biden and the new Congress to work together to enact ambitious, durable and bipartisan climate solutions
- In 2020, SCE advocated for and strongly supported the state of California’s landmark actions around electrification policy that will require in-state sales of new passenger vehicles to be zero emission by 2035
- Edison International’s public policy engagement is centered on influencing the political agenda to help deliver clean energy
- Edison International senior executives, including the President and CEO, hold several leadership positions to advance the company’s clean energy objectives
- SCE partners with the [Greenlining Institute](#) to convene the [Clean Energy Access Working Group](#) (CEAWG), consisting of key stakeholders to review clean energy-related policies, programs and projects targeting ESJ communities
- In 2020, SCE collaborated with ESJ community stakeholders to advance local building decarbonization policies
- SCE is installing infrastructure to support electric vehicle (EV) charge ports to help businesses, local government and members of the public switch to electric transportation



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Take urgent action to combat climate change and its impact

SDG Target 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

- SCE sponsors the [emPOWER program](#), which provides funding, training and other tools to community-based organizations for culturally appropriate and in-language education about the cost savings available from clean-energy programs
- SCE contributes to industry-wide thought leadership projects, including the [West Coast Clean Transit Corridor Initiative](#) and [Energizing an Ecosystem: The Electric Mobility Revolution in Southern California](#)
- Edison International has partnered with the [American Red Cross PrepareSoCal campaign](#) since 2012 and was a founding partner