

WELCOME

Sustainability Solutions for the Future

July 12, 2022



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AGENDA

- Welcome
- What is sustainability?
- Practices & Culture
- Examples
- Conclusions

What is Sustainability?

Meeting the needs of our stakeholders:

- Communities
- Customers
- Employees
- Environment
- Investors

without compromising the ability to
meet their needs in the future



Practices and Culture

At SJW, Sustainability has been fully integrated into our operational practices and is shaping our organizational culture. Examples we will discuss include:

- Water supply & conservation
- Maintaining our infrastructure
- Managing water quality
- Decreasing our environmental footprint
- Integrating company values into our supply chain

Water Conservation — Water Pipes Flushing



Zero Discharge Flushing

- Purchased a Zero Discharge Flushing Truck in 2015
- Water saved annually > 4 MG
- Up to 240 miles/year of pipe flushed
- Cleaner pipe results in better water quality

Water Conservation — Water Audits

- Extensive outreach program & free water checkups
- AMI (smart water meters) will help customers conserve water and eliminate the need to manually read meters
- Customers can request audit by calling SJW's main number (408) 279-7900



Water Conservation – Recycled Water

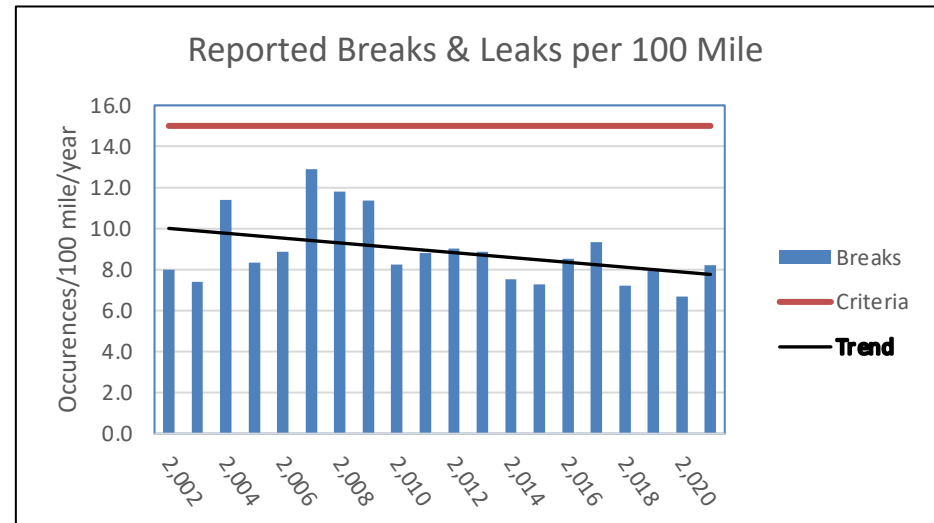
- SJW has invested in recycled water transmission mains.
- Recycled water accounts for 2% of the total water used by our customers.
- Recycled water is only used for irrigation and industrial uses. It is not blended with drinking water.
- SJW has collaboratively designed and built structures to allow groundwater recycling. When starting up wells, excess water is produced. In 2021, 3.7 MG were put to beneficial reuse.



Water Conservation — Mains Replacement

SJW replaces its distribution system pipes (mains) per the American Water Works Association (AWWA) guidance (1% annually)

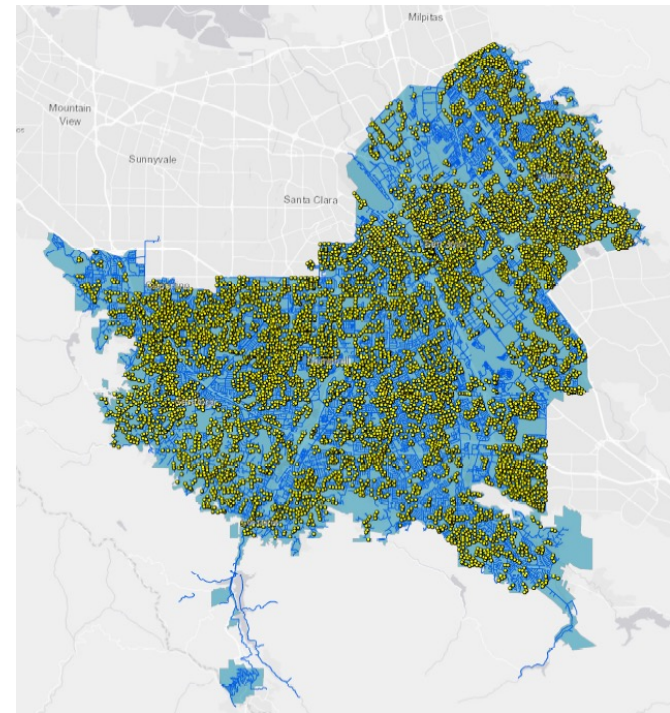
- Investing today in our infrastructure for future generations
- Reduces number of leaks
- Protects public health



Water Conservation — Leak Detection

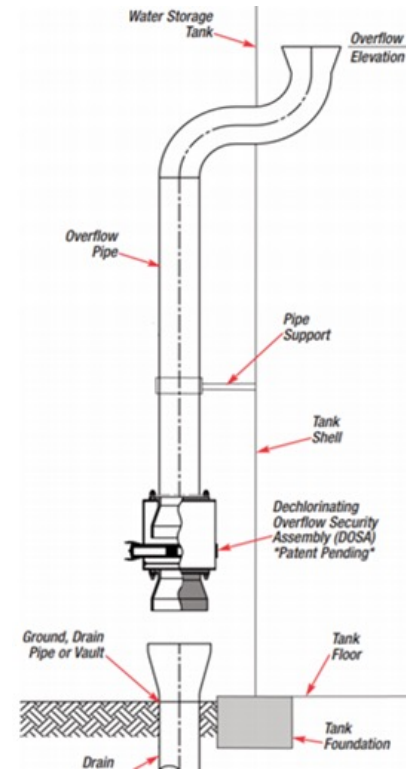
2021 Stats — Advanced Leak Detection

- ~8,000 acoustic sensors deployed
- 233 leaks detected/fixed
- Estimated 350 MG saved



Environmental Protection

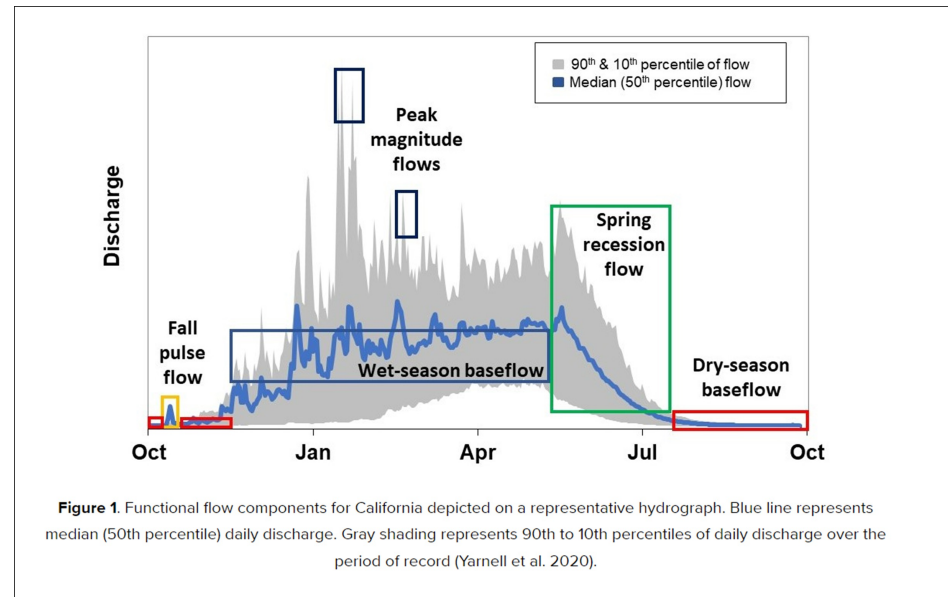
Newly deployed sensors identified a leak 1,000 feet from a previous leak. The prior leak resulted in a fish kill. Repair was performed before leak became catastrophic.



Worked with manufacturer to develop automatic dechlorination device for tank overflow. Retrofitted all tanks near streams.

Watershed Management

- Managing our watershed includes maximizing use of local sources during wet weather
- Collaborating with CDFW to balance water supply needs and protect downstream habitat



Managing Water Quality

SJW pro-actively manages water quality to meet regulations, in addition to providing the best possible water quality.

- Addressing the PFAS challenge
- Reducing DBPs
- Improving aesthetic characteristics
- Protecting public health



Supplier Diversity

Partnering with diverse businesses allows SJW to be more competitive and enhance the economies where we live, work and serve.

Diverse Business Enterprises include Women, Minority, Disabled Veteran, and Lesbian, Gay, Bisexual and Transgendered Business Enterprises.



33.8%

Amount SJW spent
(of its addressable spend)
on diverse suppliers

2021

35%

Amount SJW is on
track to spend
(of its addressable spend)
on diverse suppliers

2022

Green House Gases Reduction

SJW Science Based Target – Emissions Reduction



2030 Target Emissions

7,598

2030 Target Emission

Current Emissions

14,000

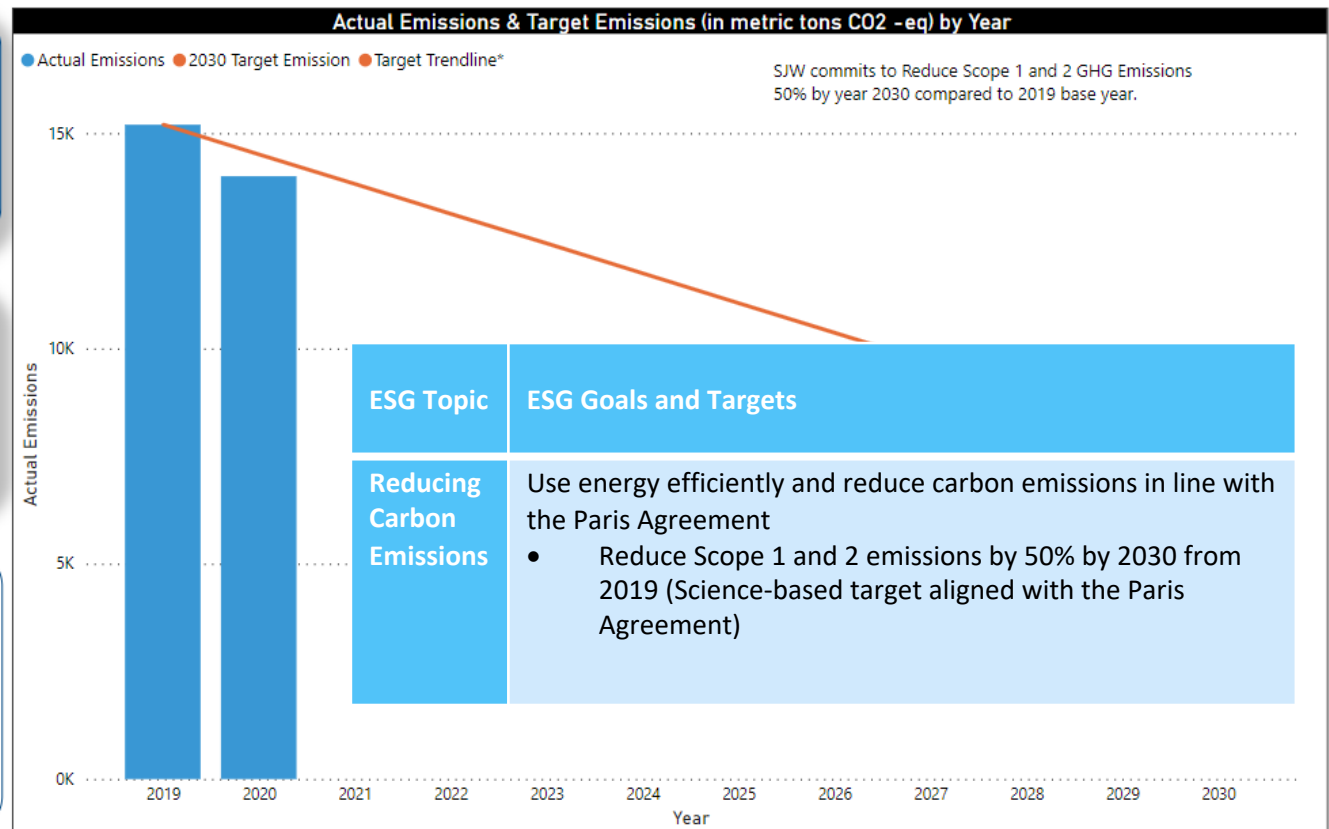
Actual Emissions

Percent Improvement
(Normalized Emissions):
Start year vs. End year

2019

2020

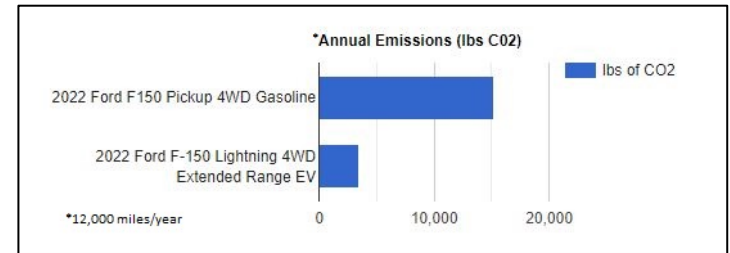
7.87%



Wednesday, March 02, 2022

Electrification of our Fleet

- 12,000 lbs. CO₂ Annual Reduction (Light duty truck)
- Zero to little maintenance for first 100K miles
- Fuel savings of \$2,700/year
- Labor savings of \$900/year (fueling, maintenance staff time)
- Successful Chevrolet Bolt BEVs Pilot
- Planning to electrify entire fleet as functional equivalents become available



Solar Generation

Working to install solar to:

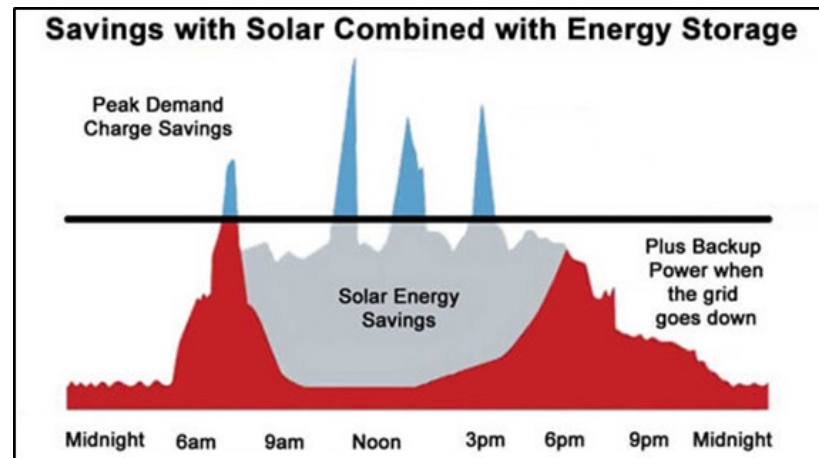
- Reduce GHG emissions
- Mitigate power cost increases
- Increase reliability when combined with energy storage



| LOCATION | MWhr/ YEAR | VALUE OF ENERGY |
|------------------------------------|---------------|--------------------|
| McLaughlin | 637 | \$108,290 |
| Montevina | 725 | \$123,250 |
| Vickery | 530 | \$90,100 |
| Overlook | 109 | \$18,530 |
| Belgatos | 50 | \$8,500 |
| Three Mile | 1770 | \$300,900 |
| Potential Savings (\$0.17/kWhr) | | \$649,570 |

Energy Recovery, Storage & Generation

- GHG reductions
 - Energy recovery/generation
- Operational reliability
- Cost savings



Embracing the Future

- Strengthening current programs
- Leveraging innovation to achieve goals
- Check out our Sustainability Report on www.SJWGroup.com/2021CSR



Questions?

Thank You!

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