Executive Summary
Explore the report at: www.pgecorp.com/sustainability
PG&E Overview

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation, is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, the company delivers some of the nation’s cleanest energy to nearly 16 million people in Northern and Central California. PG&E Corporation had more than $60 billion in assets as of December 31, 2015, and generated revenues of nearly $17 billion in 2015.

<table>
<thead>
<tr>
<th>Headquarters Location</th>
<th>Service Area</th>
<th>Service Area Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Francisco, California</td>
<td>70,000 square miles in Northern and Central California</td>
<td>Nearly 16 million people</td>
</tr>
</tbody>
</table>

Customer Accounts (as of December 31, 2015)

- 5.3 million electric distribution accounts
- 4.4 million natural gas distribution accounts

Employees (as of December 31, 2015)

Approximately 23,000 regular employees

Approximately 13,500 employees are covered by collective bargaining agreements with three labor unions:

- 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

System

- 7,691 MW of owned hydroelectric, nuclear, natural gas, solar and fuel cell generation
- Approximately 142,000 circuit miles of electric distribution lines and approximately 18,400 circuit miles of electric transmission lines
- Approximately 42,800 miles of gas distribution pipelines, 6,700 miles of backbone and local gas transmission pipelines, and various gas storage facilities

PG&E’s 2015 Electric Power Mix Delivered to Retail Customers

<table>
<thead>
<tr>
<th>Composition of PG&amp;E’s 2015 Total Eligible Renewable Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind: 26%</td>
</tr>
<tr>
<td>Geothermal: 17%</td>
</tr>
<tr>
<td>Solar: 38%</td>
</tr>
<tr>
<td>Biomass and Waste: 15%</td>
</tr>
<tr>
<td>Eligible Hydroelectric: 4%</td>
</tr>
</tbody>
</table>

1. Due to rounding conventions, some data above sum to an amount greater or less than the totals provided.
2. Refers to PG&E’s owned generation resources and electricity generated under contracts with third parties.
3. Includes diesel oil and petroleum coke (a waste byproduct of oil refining).
4. Refers to electricity generated that is not traceable to specific generation sources by any auditable contract trail.
5. As defined in Senate Bill 1078, which created California’s Renewable Portfolio Standard, an eligible renewable resource includes geothermal facilities, hydroelectric facilities with a capacity rating of 30 MW or less, biomass, selected municipal solid waste facilities, solar facilities and wind facilities. These figures are preliminary and will not be finalized until verified by the California Energy Commission.
For PG&E, sustainability is about meeting the needs of today in a way that creates a better tomorrow—for our customers, communities, employees and the planet. As an energy provider with a mission rooted in public service, we embrace our role as a pioneer in the transition to a clean energy future and low-carbon economy. More than ever, we are also a committed partner in the local communities we are privileged to serve—focused on enabling economic vitality, sustainable growth and the overall well-being of our customers.

Bound together by our steadfast focus on safety, excellence in our operations and leadership on the environment, we are working together to build a better, more sustainable California.
Message from the Chairman and CEO

To Our Stakeholders:

For PG&E, sustainability starts with providing energy that is safe, reliable, affordable and clean to millions of Californians. As we fulfill our core mission, we also confront daily decisions that affect the environment, the communities we serve and society in general. With that combination comes responsibility—not just to act in sustainable ways, but to orient our business toward creating a sustainable world where all of our customers can prosper and thrive.

PG&E’s role in the energy economy, and the scale at which we work, means that we have a unique ability to take on big challenges—including the problem of climate change. Already, we are seeing the impact on our state from severe weather, wildfires and drought. These consequences affect businesses big and small, urban centers and rural communities, the most fortunate and the most vulnerable in society.

We know that finding the right solutions will require collaboration and partnership with others. It requires innovation. It requires sustained and smart investments. And it requires that we act at the local, state, national and international level.

That was the consensus at the COP21 climate talks in Paris last year, when more than 190 countries came together to commit to significant greenhouse gas reductions in the coming years. PG&E was proud to be a part of California’s delegation to Paris, where we told the story of how companies like ours are joining with policymakers to slow climate change and begin building climate resilience, and do so with unprecedented success.

In the lead up to Paris, PG&E submitted our climate pledge, in which we committed to further deploy and integrate low-carbon, clean energy technologies and invest nearly $3 billion a year through 2020 to modernize the grid. This will both make the grid more resilient and facilitate PG&E’s vision of the Grid of Things™—an intelligent grid that will incorporate rising levels of distributed energy resources such as private solar, electric vehicles, battery storage and more.

We also pledged to increase use of our cutting-edge mobile gas leak detection system to find more natural gas leaks and fix them more quickly, both enhancing public safety and reducing the amount of methane released to the atmosphere.

Finally, we committed to continue collaborating with our many stakeholders to ensure all customers benefit from the distributed energy technologies becoming available today.

The point on collaboration is key. At PG&E, we recognize that sustainability involves more than addressing clean air and climate change. PG&E has expanded our definition of sustainability in recent years to include a complex array of interconnected issues ranging from public and employee safety to access to higher education, successful local businesses and thriving, resilient communities.

This report chronicles our progress in these areas and many more, which collectively comprise the sustainability journey that PG&E continues today.

We recognize that no company has all the solutions, that no one holds a patent on good ideas in safety or any other area, and that a diversity of perspectives will only help to broaden and better the discussion. Our approach to everything we do is to continue learning, from each other and the best companies around the world.
That’s why we established our Sustainability Advisory Council, a panel of experts and experienced leaders from across academia, community organizations, policymakers and environmental groups. Convened for the first time earlier this year, the council will help us think and act with the bigger picture in mind.

We partner regularly with the innovators of nearby Silicon Valley and across the country, working to integrate new technologies so that all customers can benefit from these advances in an equitable way.

As distributed energy alternatives gain momentum, bringing these technologies together with other solutions—such as those enabling grid automation, the integration of variable sources of renewable power and the processing of a vast amount of information—will require a central player, one with a big reach and the ability to test, pilot and scale solutions safely and affordably, and in a way that preserves grid reliability and stability.

PG&E stands ready to help drive this transformation toward a low-carbon economy and combat climate change. We do so mindful that the biggest challenges require even bigger solutions, and that those only come when we're working together, to build a better California, nation and world.

In that spirit, PG&E and our over 23,000 employees welcome your feedback on this report and our performance, and we thank you for your ongoing engagement in making sustainability a mainstay of our business.

Sincerely,

Tony Earley
Chairman, CEO and President
PG&E Corporation
Business

At PG&E, our promise of providing safe, reliable, affordable and clean energy to nearly 16 million customers means that we are continually investing in our energy infrastructure. As we add more clean and renewable power to our energy mix, we’re also modernizing our operations, strengthening our gas and electric systems, and building a smarter, safer and more resilient grid to meet our customers’ energy needs, as well as contribute to a more sustainable future for California.

Key Sustainability Indicators

Number of valves automated in 2015, bringing the total to 235 valves that enable remote-control shutoff of gas in an emergency:

27 valves

Average number of power interruptions per customer, the fewest in PG&E’s history:

0.871 interruptions
Convened an external Sustainability Advisory Council to guide our sustainability efforts.

Invested more than $5 billion to enhance our infrastructure and improve safety and reliability.

Delivered record electric reliability for the seventh straight year, with the average customer experiencing less than one outage during the year.

Made continued investments in solar, wind and other renewable energy resources—delivering an electric power mix comprised of nearly 30 percent eligible renewable energy under California’s Renewable Portfolio Standard.

Maintained the nation’s largest investor-owned hydroelectric system—with a focus on working collaboratively to manage these resources during California’s drought.

Created new governance bodies to help build a best-in-class ethics and compliance program under the leadership of our Chief Ethics and Compliance Officer.

Completed substantial work across our natural gas system, including deploying new, innovative technologies to find and fix gas leaks faster than ever before.

Announced a joint proposal with labor and leading environmental organizations that would increase investment in energy efficiency, renewables and storage while phasing out PG&E’s production of nuclear power in California by 2025.

Continued to plan for a future grid that can integrate even more solar and renewable energy, electric vehicles and batteries distributed across the system.

Supported public policies that promote clean energy, workforce development, grid innovation and infrastructure investment within California and the nation.
Safety

For PG&E, nothing is more important than the safety of the public and our workforce. Our commitment to safety is deeply ingrained in our business, guiding the operating strategies for today and our plans for tomorrow.

As we continue to institutionalize the lessons learned from the tragic gas pipeline rupture in San Bruno six years ago, PG&E’s progress can be seen in the substantial upgrades we’ve made to our energy systems, our close coordination with emergency officials and a culture where safety is the unwavering principle behind everything that we do.

Key Sustainability Indicators

Average response time to gas odor reports, top decile performance among natural gas providers:

20.33 minutes

Percentage of time PG&E personnel were on-site within 60 minutes after receiving a 911 electric-related call:

97.1%
Highlights

Continued to build a culture where employees feel empowered to speak up if they see any potential safety, security or compliance concerns.

Completed safety leadership workshops to align our leaders around PG&E's safety strategy and equip them with the tools they need to support their teams in building a safety-first climate.

Hosted nearly 700 training workshops to better prepare firefighters, police, public works officials and other authorities to respond to emergencies involving electricity and natural gas.

Conducted significant outreach to emphasize the importance of calling 811 before any excavation project.

Implemented a contractor safety program to ensure our commitment to public and workplace safety extends to anyone performing work for PG&E.

Maintained a publicly available dashboard of public safety metrics across our operating lines of business.

Continued to make safety performance the single largest driver for annual at-risk performance-based pay.

Partnered with local Fire Safe Councils on fire prevention efforts during California's wildfire season.

Conducted more than 2,900 interactive electric and gas safety demonstrations for students, youth groups, contractors, emergency personnel and customers throughout our service area.

Continued to integrate health and wellness into our safety organization to allow for a more comprehensive approach to evaluating health and safety programs.

Reducing methane emissions

PG&E is using emerging technologies to find and repair gas leaks—improving system safety and reducing methane emissions. Our efforts include using Picarro Surveyor™ leak technology, as well as leak detection technology pioneered with NASA’s Jet Propulsion Lab and the potential use of small drone aircraft to inspect infrastructure that may be difficult to reach. PG&E furthered its commitment by joining the U.S. Environmental Protection Agency’s Natural Gas Methane Challenge as a founding partner, joining with 40 other U.S. companies. This voluntary program, aimed at reducing emissions from the oil and gas industry, aligns with PG&E’s goals to deliver safe, reliable and clean energy resources to customers.
Customers and Communities

PG&E’s commitment to our customers starts with providing safe, reliable, affordable and clean energy. In today’s evolving energy landscape, we are working more closely than ever with our customers to understand and meet their energy needs, provide cleaner energy options and enable individual energy choices. By supporting local economic vitality, we remain focused on helping the communities we serve grow and thrive to create a more prosperous California.

Key Sustainability Indicators

Number of homes weatherized through the Energy Savings Assistance Program:

100,573 homes

Percentage of overall spending with diverse certified firms in 2015, totaling $2.5 billion:

44%
Highlights

Maintained our focus on improving the customer experience by relying on insightful data and our presence at the local level to anticipate and meet our customers’ ever-changing needs.

Brought the total number of interconnected private solar customers to more than 250,000—and achieved one of the nation’s fastest processing times to connect them to the grid.

Launched Step Up and Power Down, an initiative to engage owners, operators and employees of downtown businesses in San Francisco and San Jose in a community-wide movement to reduce energy waste.

Helped save customers $227 million on their energy bills and avoided the emission of nearly 1.2 million metric tons of CO₂ through our energy efficiency programs.

Proposed a new program to expand electric vehicle charging infrastructure which, if approved, will allow PG&E to deploy 7,500 Level 2 charging stations at commercial and public locations.

Contributed $25 million to charitable organizations through our Better Together Giving Program—enriching educational opportunities, protecting our environment, advancing emergency preparedness, and supporting local economic and community vitality.

Achieved industry-leading supplier diversity results, helping thousands of businesses to grow and hire.

Collaborating on a low-carbon community microgrid

Blue Lake Rancheria, a Native American reservation in Humboldt County, is a long-standing partner for PG&E—from collaborating on energy efficiency to a new low-carbon microgrid. Funded in part through a California Energy Commission grant, the community microgrid will power facilities on the reservation and provide life, health and safety support.

Developed in partnership with Humboldt State University and others, the microgrid will be powered by a 0.5 MW solar photovoltaic installation, 950 kWh battery storage system, biomass fuel cell system and diesel generators.
Employees

Every day, PG&E employees are hard at work: putting our plans into action, partnering with customers and serving as ambassadors in our communities. Their efforts build essential relationships, strengthen our energy systems and ensure that PG&E is there around the clock. To position PG&E for success, we are focused on building and retaining an engaged, well-trained and diverse workforce ready to meet the challenges of our business while our industry faces unprecedented change.

Key Sustainability Indicators

Percentage of PowerPathway™ graduates hired into industry jobs: 90%

Number of employee volunteer hours: 87,000 hours
Highlights

Continued to create a workplace where every employee is empowered to speak up to share new ideas and raise concerns.

Implemented Leading Forward, a program designed to grow leaders at every level and support our goal of filling 75 percent of director-and-above vacancies from within PG&E.

Delivered more than 670,000 hours of technical, leadership and skills training for employees.

Continued to see a reduction in health care cost trends for PG&E with our health care plan, which focuses on preventive care and wellness.

Exceeded our goal for employee volunteerism, with employees logging 87,000 hours serving our communities by building homes and playgrounds, cleaning state parks and mentoring students.

Engaged more than 5,000 employees, about one-fifth of our workforce, in our Employee Resource Groups, which foster career development, leadership and a culture of inclusion.

Provided career opportunities for veterans and women through our pioneering PowerPathway™ workforce development program, including enrolling our first-ever class of active-duty military members.

Partnering to Step Up and Power Down

Step Up and Power Down is a collaboration designed to engage owners, operators and employees of downtown businesses in San Francisco and San Jose in a community-wide movement to reduce energy waste. The campaign seeks to save energy through participation in PG&E’s energy efficiency programs and from everyday behavior changes.

PG&E employees have embraced the challenge—adopting energy-saving campaigns within our offices to “adopt-a-light” and reduce plug loads through a variety of fun initiatives.
Environment

For decades, PG&E has embraced a commitment to environmental leadership that now serves as an essential element of our sustainability efforts. As we work to combat climate change and create California’s clean energy future, we are expanding supplies of renewable energy, pioneers new ways for customers to save energy and protecting sensitive habitats and species—always anchored in a commitment to fully meet all environmental requirements.

Key Sustainability Indicators

Reduction in water use at office facilities and service yards:

7.8%

Percentage of power from eligible renewable resources delivered to customers in 2015:

29.5%
Highlights

- Joined California's delegation at the COP21 Paris climate talks to voice our support and highlight the crucial role gas and electric providers can play in combating climate change.

- Published our first Climate Change Vulnerability Assessment, examining the risks we face from flooding during severe storms, sea level rise, heat waves, wildfire danger and other climate risks.

- Collaborated to address the impacts of California's drought, including conserving water in our facilities and helping customers save about 1.2 billion gallons through energy efficiency.

- Set a new five-year goal to achieve top decile reductions in energy, water and waste in our offices and service yards.

- Announced a comprehensive climate pledge as part of an Obama Administration initiative to rally U.S. companies behind the need for action on climate change.

- Joined EPA’s Natural Gas Methane Challenge as a founding partner to further reduce emissions from our natural gas transmission and distribution systems.

- Pledged to invest $100 million over the next five years to electrify our vehicle fleet.

- Made additional land transfers as part of the Land Conservation Commitment, which ultimately will permanently protect 140,000 acres of PG&E-owned watershed lands.

Building climate resilience

PG&E is working to build greater resilience to the challenges posed by climate change—from flooding and sea level rise to extreme temperatures and wildfires. As an example, PG&E is partnering with the University of California, Berkeley and Department of Water Resources to install equipment to help improve our forecasts of hydro conditions in light of a changing climate.

We are working together to install a next-generation hydrographic data network that will better measure and monitor snowpack, climate, soil moisture and other factors to improve monitoring and predictive tools, reduce uncertainty in water forecasts and help adapt to climate change.
## Key Sustainability Indicators

In our Corporate Responsibility and Sustainability Report, we share our progress on a set of Key Sustainability Indicators for which we set annual targets. We also share data on our performance across additional environmental, social and economic measures.

### Business

<table>
<thead>
<tr>
<th>Metric</th>
<th>2015 Target</th>
<th>2015 Result</th>
<th>Meets Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAS OPERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strength-Tested Transmission Pipeline (miles)</td>
<td>74</td>
<td>79</td>
<td>✓</td>
<td>80</td>
</tr>
<tr>
<td>Transmission Pipeline Replacement (miles)</td>
<td>11</td>
<td>19</td>
<td>✓</td>
<td>8</td>
</tr>
<tr>
<td>Valves Automated (valves)</td>
<td>27</td>
<td>27</td>
<td>✓</td>
<td>26</td>
</tr>
<tr>
<td>Retrofitted Transmission Pipeline (miles)</td>
<td>55</td>
<td>72</td>
<td>✓</td>
<td>111</td>
</tr>
<tr>
<td>Gas Dig-Ins(^1) (dig-ins per 1,000 Underground Service Alert tickets)</td>
<td>2.06</td>
<td>2.11</td>
<td>—</td>
<td>2.03</td>
</tr>
<tr>
<td><strong>ELECTRIC OPERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>System Average Interruption Frequency Index (SAIFI)</td>
<td>0.957</td>
<td>0.871</td>
<td>✓</td>
<td>0.892</td>
</tr>
<tr>
<td>System Average Interruption Duration Index (SAIDI)</td>
<td>106.6</td>
<td>96.0</td>
<td>✓</td>
<td>96.3</td>
</tr>
<tr>
<td>Customer Average Interruption Duration Index (CAIDI)</td>
<td>111.4</td>
<td>110.2</td>
<td>✓</td>
<td>108.0</td>
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<tr>
<td><strong>NUCLEAR OPERATIONS</strong></td>
<td></td>
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</tr>
<tr>
<td>Unit 1 Performance Indicator(^2)</td>
<td>94.20</td>
<td>99.44</td>
<td>✓</td>
<td>98.70</td>
</tr>
<tr>
<td>Unit 2 Performance Indicator(^2)</td>
<td>94.20</td>
<td>99.83</td>
<td>✓</td>
<td>98.70</td>
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<tr>
<td><strong>COMPLIANCE AND RISK MANAGEMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees Completing Annual Compliance and Ethics Training</td>
<td>99.8%</td>
<td>99.9%</td>
<td>✓</td>
<td>99.9%</td>
</tr>
<tr>
<td>Management Employees Completing Annual Code of Conduct Training</td>
<td>99.8%</td>
<td>99.8%</td>
<td>✓</td>
<td>99.8%</td>
</tr>
</tbody>
</table>

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1. Total number of third-party dig-ins—damage from a third party resulting in repair or replacement of an underground facility. Definition of exclusions slightly adjusted in 2016 to align with benchmarks.

2. Refers to 12 performance indicators for nuclear power generation reported to the Institute of Nuclear Power Operations and compared to industry benchmarks.
### Safety

<table>
<thead>
<tr>
<th>Metric</th>
<th>2015 Target</th>
<th>2015 Result</th>
<th>Meets Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PUBLIC SAFETY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leak Repair Performance¹ (number at year-end)</td>
<td>100 or fewer</td>
<td>94</td>
<td>√</td>
<td>100 or fewer</td>
</tr>
<tr>
<td>Gas Emergency Response² (minutes)</td>
<td>21.00</td>
<td>20.33</td>
<td>√</td>
<td>21.00</td>
</tr>
<tr>
<td>Transmission &amp; Distribution Wires Down³ (number of instances)</td>
<td>2,540</td>
<td>2,572</td>
<td>—</td>
<td>2,572</td>
</tr>
<tr>
<td>Electric Emergency Response⁴ (percentage within 60 minutes)</td>
<td>95.0%</td>
<td>97.1%</td>
<td>√</td>
<td>97.5%</td>
</tr>
<tr>
<td><strong>WORKPLACE SAFETY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lost Workday Case Rate⁵</td>
<td>0.330</td>
<td>0.372</td>
<td>—</td>
<td>0.320</td>
</tr>
<tr>
<td>Serious Preventable Motor Vehicle Incident Rate⁶</td>
<td>0.239</td>
<td>0.266</td>
<td>—</td>
<td>0.239</td>
</tr>
<tr>
<td>Timely Reporting of Injuries⁷</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>67.1%</td>
</tr>
</tbody>
</table>

1. Number of grade 2 and 2+ leaks open at year-end. Grade 2 and 2+ leaks are minor and non-hazardous.
2. Average response time that a Gas Service Representative or a qualified first responder takes to respond to the site of an immediate response gas emergency order.
3. Number of instances where an electric transmission or primary distribution conductor is broken and falls from its intended position to rest on the ground or a foreign object (e.g., trees, vehicles, fences or other structures).
4. Percentage of time PG&E personnel are on-site within 60 minutes after receiving a 911 electric-related call, with on-site defined as arriving at the premises where the 911 agency personnel are standing by.
5. Number of Lost Workday cases incurred per 200,000 hours worked. A Lost Workday case is a current year OSHA Recordable incident that has resulted in at least one lost workday.
6. Measures only those incidents considered to be serious, rather than all incidents that were otherwise preventable.
7. New measure for 2016. Measures percentage of work-related injuries reported to PG&E’s 24/7 Nurse Report Line within one day of the incident.
### Customers and Communities

<table>
<thead>
<tr>
<th>Metric</th>
<th>2015 Target</th>
<th>2015 Result</th>
<th>Meets Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CUSTOMER SATISFACTION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Satisfaction Score(^1)</td>
<td>77.2</td>
<td>75.5</td>
<td>—</td>
<td>75.7</td>
</tr>
<tr>
<td>Gas and Electric Meter Billing Accuracy(^2) (percentage of bills)</td>
<td>99.75%</td>
<td>99.80%</td>
<td>√</td>
<td>99.73%</td>
</tr>
<tr>
<td><strong>ENERGY AFFORDABILITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy Savings Assistance Program (number of homes weatherized)</td>
<td>100,000</td>
<td>100,573</td>
<td>√</td>
<td>100,000</td>
</tr>
<tr>
<td>California Alternative Rates for Energy (number of eligible customers enrolled)</td>
<td>1,390,000</td>
<td>1,423,989</td>
<td>√</td>
<td>1,419,000</td>
</tr>
<tr>
<td><strong>CUSTOMER ENERGY EFFICIENCY(^3)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity Saved (GWh)</td>
<td>980</td>
<td>1,392</td>
<td>√</td>
<td>1,236</td>
</tr>
<tr>
<td>Natural Gas Saved (million therms)</td>
<td>15.4</td>
<td>23.4</td>
<td>√</td>
<td>18.4</td>
</tr>
<tr>
<td>Generation Capacity Avoided (MW)</td>
<td>154</td>
<td>295</td>
<td>√</td>
<td>226</td>
</tr>
<tr>
<td><strong>COMMUNITY INVESTMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable Contributions (percentage of pre-tax earnings from operations)</td>
<td>1.1%</td>
<td>1.3%</td>
<td>√</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>SUPPLIER DIVERSITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spending on Certified Diverse Suppliers (percentage)</td>
<td>41.0%</td>
<td>44.0%</td>
<td>√</td>
<td>42.0%</td>
</tr>
</tbody>
</table>

1. Overall satisfaction of customers with the products and services offered by PG&E, as measured through a quarterly survey. Each year, we calibrate our customer satisfaction performance using results from J.D. Power’s Utility Customer Satisfaction Studies. This comparison helps us set our goal each year, as we aim to achieve second-quartile performance in customer satisfaction.

2. Refers to the percentage of bills that are not adjusted after being mailed to the customer. Each year, a very small percentage of bills must be estimated, largely due to intermittent connectivity (similar to a cell phone temporarily losing its connection).

3. Data refers to annual energy savings or the first-year impacts associated with installed customer energy efficiency projects. Targets are based on mandated energy efficiency savings as agreed upon with the California Public Utilities Commission.
### Employees

<table>
<thead>
<tr>
<th>Metric</th>
<th>2015 Target</th>
<th>2015 Result</th>
<th>Meets Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMPLOYEE ENGAGEMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Engagement Index¹,²</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>76</td>
</tr>
<tr>
<td>Employee Volunteer Hours</td>
<td>79,000</td>
<td>87,000</td>
<td>√</td>
<td>90,000</td>
</tr>
<tr>
<td>Employee Giving Campaign Pledges/Donations ($ million)</td>
<td>$7.7</td>
<td>$7.9</td>
<td>√</td>
<td>$7.9</td>
</tr>
<tr>
<td><strong>CAREER PATHWAYS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Effectiveness³</td>
<td>4.31</td>
<td>4.44</td>
<td>√</td>
<td>4.45</td>
</tr>
<tr>
<td>PowerPathway™ graduates hired into industry jobs (percentage)</td>
<td>82%</td>
<td>90%</td>
<td>√</td>
<td>82%</td>
</tr>
<tr>
<td><strong>HEALTH AND WELLNESS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce Unavailable Due to Health⁴</td>
<td>7.5%</td>
<td>7.4%</td>
<td>√</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

1. Percentage of favorable responses to questions on employee survey that measure employee engagement.
2. There is no 2015 target or result because PG&E’s employee survey is fielded every two years, a best practice among companies, to allow more time to execute on action plans to address issues identified in the survey.
3. Measures the effectiveness of PG&E’s internal training program on a 5-point scale through client surveys on predictive data from employees on their ability to use training on the job.
4. Percentage of full-time employees unavailable for work either due to long-term or short-term health reasons.

### Environment

<table>
<thead>
<tr>
<th>Metric</th>
<th>2015 Target</th>
<th>2015 Result</th>
<th>Meets Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COMPLIANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency Inspections Without a Written Enforcement Action</td>
<td>90%</td>
<td>91%</td>
<td>√</td>
<td>90%</td>
</tr>
<tr>
<td><strong>BUILDINGS AND OPERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Energy Use Reduction¹</td>
<td>2.5%</td>
<td>1.9%</td>
<td>—</td>
<td>2.0%</td>
</tr>
<tr>
<td>Additional Water Use Reduction²</td>
<td>4.5%</td>
<td>7.8%</td>
<td>√</td>
<td>3.5%</td>
</tr>
<tr>
<td>Waste Diversion Rate³</td>
<td>80%</td>
<td>79%</td>
<td>—</td>
<td>80%</td>
</tr>
<tr>
<td><strong>NATURAL RESOURCE STEWARDSHIP</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>“Bird-Safe” Utility Pole Retrofits</td>
<td>2,000</td>
<td>2,161</td>
<td>√</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>CLEAN ENERGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Portfolio Standard (average percentage of renewable energy delivered to customers, 2014 to 2016)</td>
<td>23%</td>
<td>29.5%</td>
<td>√</td>
<td>Average of 23% over 2014 to 2016 period</td>
</tr>
<tr>
<td><strong>SUPPLIER SUSTAINABILITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplier Environmental Performance Standards⁴</td>
<td>65%</td>
<td>74%</td>
<td>√</td>
<td>70%</td>
</tr>
</tbody>
</table>

1. Energy use is measured in MMBtus, and the 167 sites include offices and service yards. In 2016, PG&E changed its methodology to measure energy use reduction on a square-foot basis.
2. Water use is measured in gallons, and the 132 sites include offices and service yards. In 2016, PG&E changed its methodology to measure water use reduction on a square-foot basis.
3. The waste metric measures the diversion rate in the final quarter of each year and includes all non-hazardous municipal waste at 115 office facilities and service yards.
4. 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, using supplier responses to an annual survey conducted by the Electric Utility Industry Sustainable Supply Chain Alliance.
Recognition

In 2015, PG&E was honored to be recognized for our commitment to excellence in three major areas: corporate sustainability and environmental leadership; diversity and inclusion; and innovation, operations and community engagement.

Corporate Sustainability and Environmental Leadership

- **S&P Climate Disclosure Leadership Index**—A perfect score of 100 and one of only four U.S. utilities to make the index
- **National Hydropower Association**—Outstanding Stewards of America’s Waters Award
- **Corporate Responsibility Magazine’s 100 Best Corporate Citizens**—No. 2 among utilities and No. 58 overall
- **Newsweek Green Rankings**—No. 3 among electric and gas utilities and No. 42 overall
- **Energy Intelligence**—No. 23 on El New Energy’s Global Top 100 ranking
- **Solar Electric Power Association Utility Solar Rankings**—Top utility in the U.S. (Solar Megawatts)

Diversity and Inclusion

- **Black Enterprise magazine**—One of the top 40 best companies for diversity
- **Disability Equality Index**—A perfect score of 100 percent
- **DiversityBusiness.com**—One of the top 50 organizations for multicultural business opportunities
- **DiversityInc**—One of the top five utilities for diversity efforts
- **Electric Power Conference**—Faraday Award given to PG&E’s PowerPathway™ program for employment of veterans
- **G.I. Jobs magazine**—Top 100 Military Friendly Employer®
- **Human Rights Campaign**—100 percent rating on the Corporate Equality Index
- **LATINA Style magazine**—One of the LATINA Style 50
- **Minority Business News magazine**—Named PG&E Chairman, CEO and President Tony Earley to “Best of the Decade” list and Director of Supply Chain Responsibility Joan Kerr to Circle of Honor
- **National Affinity Leadership Congress**—Above and Beyond Awards to Latino and Women Employee Resource Groups (ERG)
- **Project SEARCH**—Most Productive Program for internships for individuals with intellectual and developmental disabilities
- **U.S. Department of Defense**—For long-standing support of employees serving in the National Guard and Reserve
- **U.S. Hispanic Chamber of Commerce**—Million Dollar Club and Top Hispanic ERG

Innovation, Operations and Community Engagement

- **ARCOS**—Innovation Award for implementation of automated emergency response technology
- **Edison Electric Institute**—Emergency Recovery Award
- **Cal Poly Society of Hispanic Professional Engineers**—Company of the Year
- **Napa Chamber of Commerce**—Large Business of the Year
- **CIO magazine**—CIO 100 Award
- **San Francisco Chinese Chamber of Commerce**—President’s Award