

# APPENDIX A

## **Appendix A – Enhanced Employee Engagement**

In 2022 and 2023, SoCalGas initiated several efforts to share information and engage stakeholders in conversations on the 2EC Report, safety, and culture. We believe these initial activities help show SoCalGas efforts to learn and improve over the last several years and transition from a top-down approach to a dialogue framework and its efforts to continually learn and enhance its internal understanding of our challenges, culture, and opportunities to improve.

### **a. WE Lead Tour**

The WE (“With Everyone”) Lead Tours consist of SoCalGas executives visiting every SoCalGas base location to engage in conversations with employees. This phrasing was chosen to highlight the need to work together to advance our mission to build the cleanest, safest, and most innovative energy infrastructure company in America. The WE Lead Tours started in 2022 and have continued into 2023 and 2024. Over time, the WE Lead Tours have evolved toward more two-way dialogue.

Several learnings from the WE Lead Tours have informed our shared understanding of culture and shaping the following proposed actions in the Revised Plan:

- The importance of authentic interaction and listening between senior leaders and employees (Element 3).
- That following-up and responding to concerns being raised in a timely manner supports engagement and ownership (Element 2).
- The need to promote a comprehensive and uniform approach to safety (Element 1)
- Enterprise change activities (and ongoing, normal course activities) are leaving some employees feeling stretched thin (Element 3 and our change management strategy).

### **b. SoCalGas Union Leadership**

SoCalGas has been working with our Unions to share information and collaborate on our planned safety culture improvement efforts. This involves engagement with both local and national Union leadership to engage in dialogue on changes and solutions and to foster partnerships moving forward. Starting in 2023, SoCalGas began quarterly Safety Summits with Union leadership. These meetings include the Presidents of the six Union Locals at SoCalGas.

The meeting objective is to discuss safety successes, concerns, hear feedback and input on our safety culture journey, and engage in dialogues to elevate issues that have not been resolved at the local level. Early in the process, some union leaders expressed a feeling that the culture efforts are “white noise” until they see more tangible change – there was interest in fostering a more compassionate and empathetic culture, but “words on a page” do not do that. SoCalGas acknowledges this perception and hopes that our actions over the last few years, and planned action forward demonstrate a commitment to tangible change.

Examples of learnings from the Safety Summits that integrate into the Revised Plan include:

- Importance of transparency in sharing of information related to incidents and safety and culture improvement activities (Element 2).
- Focusing on local issues and leadership because culture is most impacted at the local level (Element 1).
- Value in memorializing changes and expectations in clear policy – for example, creating a standalone “Stop the Job” (Element 2).
- Concerns around disciplinary action, suggesting to improve discipline practices to promote consistency and learning (Element 1).

**c. Local Safety Committees**

In late 2022, members of the SoCalGas safety organization visited all SoCalGas’s Local Safety Committees to foster two-way communication, develop change agents and advocates, and build relationships for dialogues and collaboration in the future. Local Safety Committees were often combined to reach people more effectively. In total, 28 separate meetings were convened with the Local Safety Committees to discuss the 2EC Report and safety culture change and improvement efforts. These dialogues enabled SoCalGas to influence change and gather information and perceptions from the frontline workgroups related to the 2EC Report, including gaining suggestions for how to best shape future change initiatives. Some learnings from the engagement include:

- Need for more communications on the importance of reporting near misses and stop the jobs and resultant improvements (Element 2)
- Need to foster greater psychological safety for reporting (Element 1 and 2)
- Locations raised concerns that the focus on reporting created a “quota” or requirement that was not authentic (Element 1 and 3).
- Dialogues provide purposeful engagement (Element 1)
- Locations indicated a desire for greater engagement and leader and safety organization presence at base locations (Element 3).
- Some expressed feeling overlooked when it comes to safety and safety initiatives, and they suggested having more tailored departmental guidelines (Element 4).

**d. Manager and Supervisor Engagement**

In Q1 and Q2 2023, SoCalGas Safety Leaders next coordinated outreach meetings with management teams to share information and engage in conversations on the 2EC Report, safety, and culture. SoCalGas convened nine meetings of field and office managers and supervisors comprising approximately 550 employees attending. At these meetings, employees expressed a desire for:

- Clarity around goals and “what good looks like” for our safety and culture efforts (Element 1).
- Consistency in safety and culture training and messaging, with in-person training and coaching and focus on interpersonal, communication, and listening skills (Element 1)
- Need for greater transparency, collaboration across departments, and information to flow more freely within the company (Element 2 and 4)

- Clarify and set expectation that feedback is needed and welcomed and sharing how feedback/suggestions were acted on or the reasons why they were not acted upon (Elements 1 and 2)

**e. Base Location Outreach and Engagement**

In June and July of 2023, SoCalGas Safety and Diversity, Equity, and Inclusion (DEI) teams partnered to engage in base visits. SoCalGas partnered with DEI in this effort to reinforce a one culture approach. As part of this effort, SoCalGas visited 35 locations and participated in 55 separate meetings that included frontline employees and managers. In total, approximately 2,000 employees participated. These engagements were designed to increase awareness of SoCalGas culture objectives and share activity and progress. These engagements highlighted the following learnings:

- Noticeably more awareness of psychological safety, the importance of near miss reporting, and SoCalGas’s safety culture efforts (Element 1 and 2)
- Positive feedback on recent SoCalGas changes like learning teams (Element 3)
- Similar to what was heard in the manager and supervisor engagement, it was reinforced that employees want their ideas to be heard and acted upon; and if not implemented, they should be informed why not (Element 2).

**f. SoCalGas Safety Townhalls**

In 2023, SoCalGas began convening quarterly Safety Town Halls to share information with the organization. These Safety Town Halls rotate focus between Public, Employee, Infrastructure, and Contractor Safety to enable a more comprehensive safety conversation.

In addition to these rotating Safety Town Halls, SoCalGas convened two town halls focused on safety and culture. The first Town Hall occurred in February of 2023. During the first Town Hall, SoCalGas shared information on the 2EC Report and SoCalGas’s planned improvement efforts. In August of 2023, SoCalGas convened a culture town hall to discuss our collective focus on culture. This town hall involved Directors from the Safety Organization, Organizational Effectiveness, and DEI and covered a wide range of topics related to culture, with the intent of having a conversation about the interconnected nature of our culture efforts and goals. Some notable takeaways from these town halls include:

- A feeling that there is a disconnect between senior leaders and the broader employee population (Element 1)
- A sense that employees have ideas for improvements, but there is not enough effort to learn (Element 2)
- A belief that honest and candid feedback/questions are not encouraged, so learning/change does not occur (Element 1 and 2)