SUSTAINABILITY 2021 Supplemental Report

SJW Group

This 2021 ESG update shares our continued progress towards our ESG goals for 2021. This “mini” report is in addition to the existing 2021 Sustainability Report. In 2023, we will be reporting our 2022 ESG efforts.

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CEO LETTER

Letter from Eric Thornburg

At SJW Group, we are excited about the many ways in which our company continues to be a force for good in the communities we serve. As trusted, passionate and socially-responsible professionals, it is core to who we are and what we do. Our team is committed to delivering life-sustaining, high-quality water and exceptional service while protecting the environment, enhancing our communities and providing a fair return to shareholders.

In order to better disclose our impact, we will be shifting the timeline of future sustainability reports to better capture year-end calendar results. This will be more representative of our work to create a business that is not only financially sound, but strives to make a positive impact on our customers, our communities, our environment, and our employees. Additionally, having full-year data rather than relying on partial year data will put us on similar reporting timelines as our utility peers while giving investors and reporting agencies a clearer view of our operations.

This "mini report" includes data that was not yet available when we published our last report in early December 2021. It is intended to provide transparency around a complete calendar year of data for 2021, supplementing the work we reported on in our last annual sustainability report.

SJW Group will then issue a comprehensive report in 2023 with complete 2022 data to provide a full-year summary of our sustainability practices.

On behalf of our 700+ water professionals and over 1.5 million customers in California, Connecticut, Maine and Texas working to serve our customers, communities, employees, shareholders and the environment at world-class levels, I appreciate your interest in learning more about SJW Group's sustainability efforts. I hope that this reporting gives you additional clarity into who we are, what we do, and more importantly, how and why we do it.

Sincerely,

Eric W. Thornburg
Chair, President and CEO, SJW Group

> "Our success has its roots in our team's commitment to excellence in our environmental, social and governance strategies."

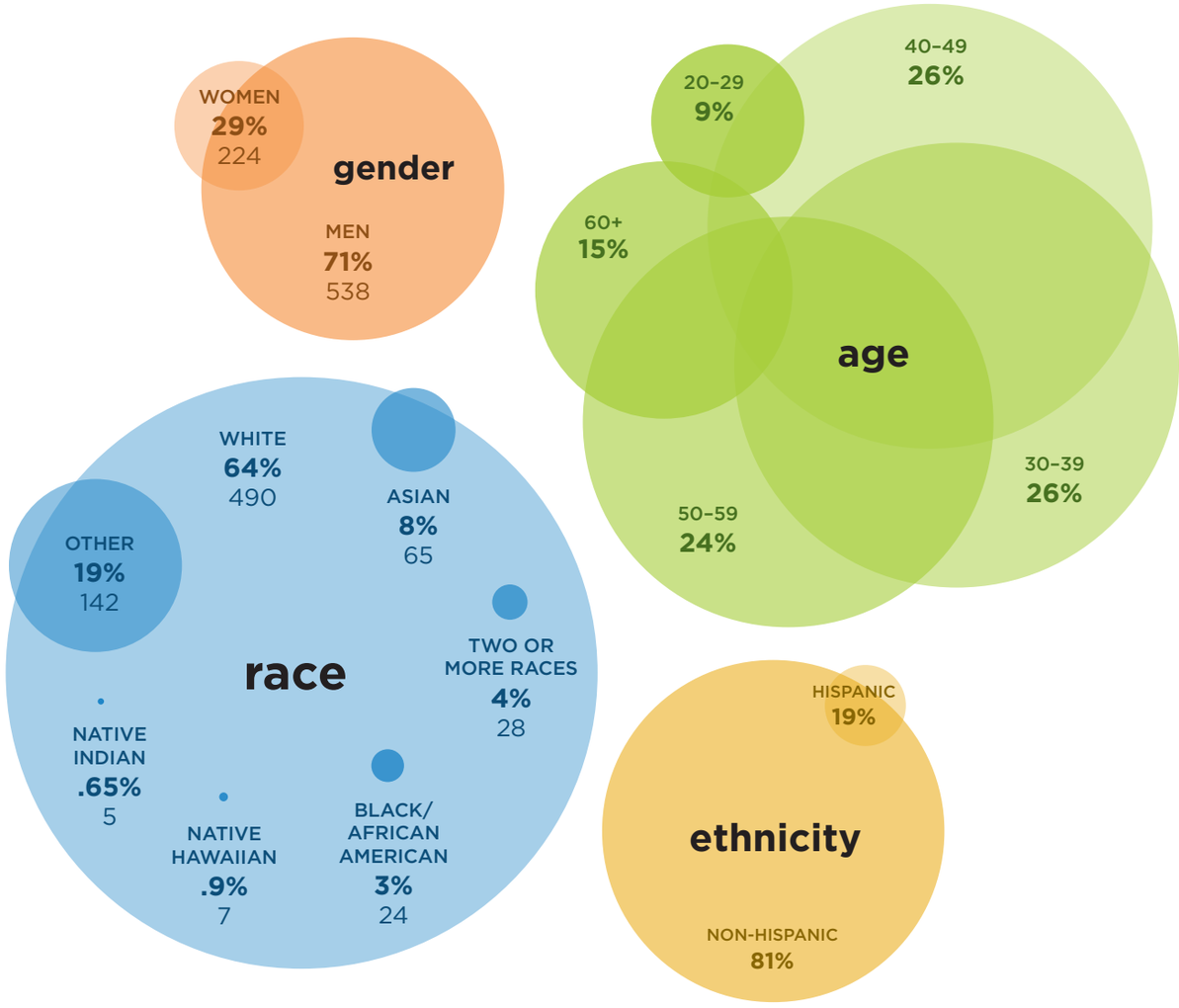
OUR TEAM

SJW Group is a team of over 770 employees who live and work in their communities and are passionate about delivering a reliable supply of high-quality drinking water and exceptional service.

Commitment to Ethics in the Workplace

At SJW Group, we hold ourselves to a high standard of ethical conduct and are committed to living our corporate values each and every day. One way we make sure that our own staff is aware of these standards is by requiring annual review and acknowledgment by all employees and the board of directors of our Code of Conduct. In this way, anti-corruption training is provided to all employees, including management. Additionally, our management completes quarterly Sarbanes Oxley (SOX) reviews that promote our ongoing commitment to ethical conduct. Executive oversight for our anti-corruption program extends to the board of directors. SJW Group encourages employees to report violations of any policy anonymously and without fear of retaliation or reprisal. A confidential whistleblower hotline and website are available for employees to report any violations of laws, SJW Group's Code of Conduct (including auditing matters), SJW Group's Human Rights Policy, or any of the commitments made to the Connecticut Public Utilities Regulatory Authority or the Maine Public Utilities Commission promoting local control of the Connecticut Water Company and the Maine Water Company. These reports will be viewed by leadership up to and including the board's Audit Committee.

There were zero inquiries to the hotline in 2020 or 2021.



The data in the charts above are based on voluntary employee disclosure.

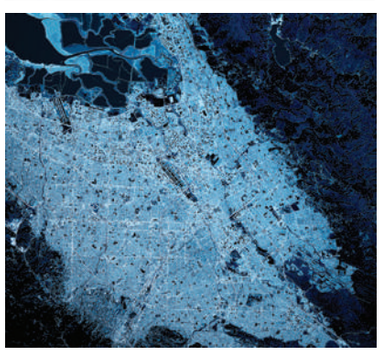
This anonymous **employee satisfaction and engagement survey** is distributed twice each year through an independent third-party survey provider. In addition to the semi-annual survey, anonymous surveys are conducted throughout the year to cover particular topics of interest.

	MIDYEAR 2020	YEAR-END 2020	MIDYEAR 2021	YEAR-END 2021
Employee Satisfaction Index	80.3%	81.5%	76.5%	80%
Great Place to Work Index	85.3%	86.2%	80.6%	80.1%

WATER LOSS

Unaccounted for Water, sometimes referred to as Non-Revenue Water, is a measurement of water loss throughout the water system. Water losses are largely a result of leaking pipelines and other system assets. While zero Unaccounted for Water may not be possible, because leaks do happen in distribution systems, SJW Group is constantly focused on infrastructure maintenance and improvement to prevent leaks, and leak detection to quickly locate and repair leaks.

SJW Group's 2021 Unaccounted for Water was 9.8%. The group strives to have no more than 15% Unaccounted for Water, inclusive of flushing for the combined organization. Nationally, water utilities average 16% Unaccounted for Water.



ADVANCED LEAK DETECTION

Conservation, whether mandatory in California or voluntary in other states, continues to emphasize reducing water loss by implementing cutting-edge leak detection programs and technologies. Our active leak detection programs across four-state operations continue to proactively catch leaks before they surface, preventing interruptions in water service and saving millions of gallons of water and costs associated with energy and water treatment.

SJW

The acoustic leak detections sensor system continued to expand in the drought-affected San Jose area. The total sensor count increased from approximately 6,000 sensors to over 8,200 in the past year. SJW saved an estimated 345 million gallons of water through its leak detection program for the 2021 calendar year.

SJWTX

SJWTX has invested in new leak detection correlators that have the capability of pinpointing leaks in plastic mains. SJWTX began using this technology in April and has already identified and resolved several large leaks.

CWC

Key leak detection activities in the Connecticut Water systems include the installation of 1,600 acoustic leak detection sensors in the Central and Guilford Systems. Leak detection activities identified and resolved 149 service leaks and main breaks, saving an estimated 150 million gallons of water.

MWC

Leak detection efforts in MWC were a collaborative effort between divisions as they shared labor, knowledge and equipment. They also hosted a leak detection training seminar with Eastcom Associates. Over 100 main and service leaks were found and repaired, with an estimated savings of over 25 million gallons.

SAFETY

Protecting our employees and making their time at work the safest eight hours of the day helps drive SJW Group's safety programs. All employees, from our office staff to field workers to water treatment plant operators, are provided the skills and training to make their workday safe from start to finish.

While the COVID-19 pandemic continued throughout 2021, SJW Group's leadership maintained a steady dedication to employee safety.

Engaging employees in the safety process is key to our program's success. Through training programs, safety hotlines, and weekly team meetings with safety messaging, our goal is to sustain a culture of safety across the organization. A dedicated cross-subsidiary team meets regularly to discuss safety initiatives, program results, and various training options to make sure all employees have what is needed to ensure a safe workplace.

Total Recordable Incident Rates (TRIR)

2021 SAFETY	SJW	CWC	MWC	SJWTX	TOTALS
2021 Number of Recordable Incidents	23	4	6	2	35
2021 Total Hours Worked	665,653	412,918	128,809	149,606	1,356,986
2021 TRIR	6.9	1.9	9.3	2.7	5.2
2020 TRIR	7.5	2.8	8.5	5.6	5.6

In 2021, our staff completed the American Water Infrastructure Act's (AWIA) reporting requirements. Risk and resilient assessments (RRA) and emergency response plans (ERP) were completed in a timely manner for all four subsidiaries.

SJW Group subsidiaries complied with U.S. Environmental Protection Agency and AWIA standards for risk assessments and emergency operation plans. The emergency response plans incorporate lessons learned that arise from any new or existing risks, and conduct periodic risk and resilience assessments.

SUPPLIER DIVERSITY

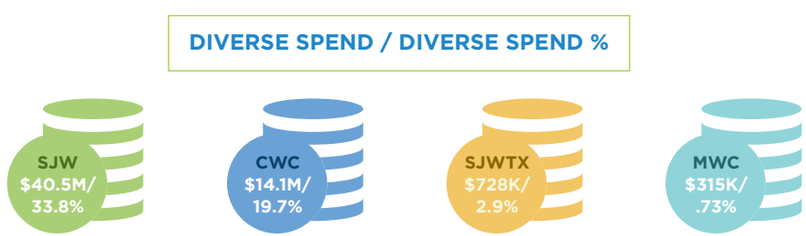
SJW Group is committed to expanding supplier diversity programs across the four subsidiaries. Just as our staff reflects the communities in which we live, our suppliers do as well. Using minority-owned, LGBT-owned, women-owned and other underrepresented business for procurement allows our communities to be economically stronger and more vibrant.

While each state had unique 2021 diversity spend goals and accomplishments due to the age of the program, all programs focused on enhancing outreach efforts, updating internal policies and procedures, and modifying contract and request for proposal (RFP) language. Across SJW Group, each subsidiary completed a vendor coding project, which allows for accurate reporting of diverse spend.

SJW's industry-leading supplier diversity program serves as a model for the organization. CWC has expanded its program with a committed effort to use diverse suppliers. Smaller operations like SJWTX and MWC have programs in earlier stages of development.

In 2021, SJW was responsible for $40.5M of diverse spend, representing 33.8% of addressable spend, a 41 percentage point increase in diverse dollars spent, when compared to 2020. For the second year in a row, SJW met all three diversity spend sub-goals for minority (15%), women (5%) and disabled veteran (1.5%):

- **Minority-owned Business Enterprise** spend was $29.8M, representing 24.9% of our 2021 addressable spend
- **Women-owned Business Enterprise** spend was $6.0M, representing 5% of our 2021 addressable spend
- **Disabled Veteran-Owned Business Enterprise** spend was $4.7M, representing 3.9% of our 2021 addressable spend



GREENHOUSE GAS INVENTORY

SJW Group is committed to reducing our carbon footprint and is actively working to meet our goal of reducing Scope 1 and Scope 2 emissions by 50% from our 2019 baseline. A summary of the organization's 2021 emissions is presented in the chart on the right.

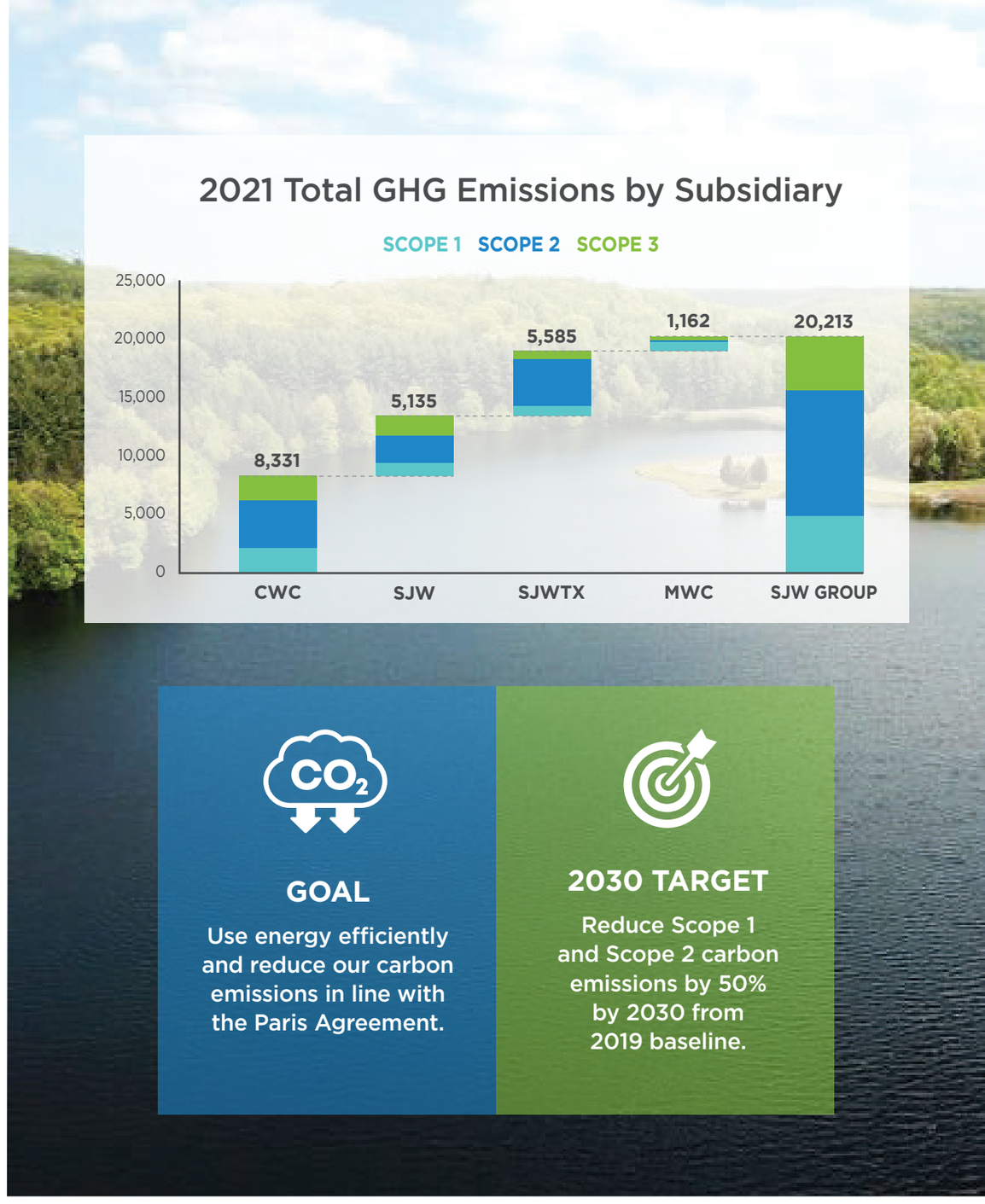
Each subsidiary is actively working to reduce their GHG emissions through various measures including:

- Minimizing energy use through the identification and implementation of operational efficiencies
- Eliminating waste from operations
- Generating renewable energy
- Electrifying its fleet
- Using biodiesel fuel where available

To ensure that SJW Group meets our 2030 reduction goals, all goals are reviewed annually and tracked in our *Sustainability Plan*. Plans for operational changes and the generation of renewable energy are used to project future reductions and to project the Group's anticipated progress towards meeting its 2030 emissions goals. This enables the SJW Group to adjust its actions to ensure that it can meet its 50% reduction goal by 2030.

Improved GHG Accounting for 2021

SJW Group's 2021 Scope 1 and Scope 2 emissions were audited by Ruby Canyon Environmental, an ANSI National Accreditation Board accredited organization under ISO 14066. In addition, we consolidated and simplified the reporting of our GHGs while adding details to our Scope 3 emissions. Of note, SJW Group now publishes our VOCs, SOx and NOx emissions. The Group has also developed plans to greatly reduce, and eliminate in some cases, its VOCs, SOx and NOx emissions. This will be accomplished in the short term by replacing diesel fuel with biodiesel and in the longer term by electrifying our fleet and our HVAC systems. In addition, solid and hazardous waste generation, as well as recycling of solid waste, are reported for all subsidiaries.



2021 DATA SUPPLEMENT

Emissions

Greenhouse Gas Emissions by Scope				
DATA	MEASUREMENT	2021	2020*	2019*
Customers				
Total Customer Connections	**Number**	**398,000**	**393,000**	**389,000**
GHG Emissions by Scope				
Total GHG Emissions (Scopes 1 and 2)	**Metric tonnes of CO2e**	**15,609**	**14,000**	**15,197**
SJW Group Direct GHG Emissions (Scope 1)	Metric tonnes of CO2e	4,856	4,786	5,748
Connecticut Water	Metric tonnes of CO2e	2,246	2,400	2,574
Maine Water	Metric tonnes of CO2e	796	755	838
San Jose Water	Metric tonnes of CO2e	1,055	966	1,252
SJWTX	Metric tonnes of CO2e	760	664	1,083
SJW Group Indirect GHG Emissions (Scope 2)	Metric tonnes of CO2e	5,609	9,215	9,449
Connecticut Water	Metric tonnes of CO2e	3,980	3,804	4,342
Maine Water	Metric tonnes of CO2e	113	120	115
San Jose Water	Metric tonnes of CO2e	2,443	2,403	1,718
SJWTX	Metric tonnes of CO2e	4,216	2,887	3,275
Other Indirect GHG Emissions (Scope 3)	**Metric tonnes of CO2e**	**4,604**	**4,456**	**4,008**
Total GHG Emissions (Scope 1, 2 & 3)	**Metric tonnes of CO2e**	**20,213**	**18,456**	**19,205**
GHG Emission Intensity				
Total GHG emissions by customer	Metric tonnes of CO2e	0.039	0.036	0.039

Chart data has been rounded to the nearest whole number.
*Data for 2019 and 2020 has been updated for this report.

Criteria Pollutants				
DATA	MEASUREMENT	2021	2020	2019
Total VOCs	**lbs**	**418**	**-**	**-**
Connecticut Water	lbs	101	-	-
Maine Water	lbs	95	-	-
San Jose Water	lbs	56	-	-
SJWTX	lbs	166	-	-
Total SOx	**lbs**	**550**	**-**	**-**
Connecticut Water	lbs	387	-	-
Maine Water	lbs	25	-	-
San Jose Water	lbs	101	-	-
SJWTX	lbs	38	-	-
Total NOx	**lbs**	**12,871**	**-**	**-**
Connecticut Water	lbs	2,869	-	-
Maine Water	lbs	1,494	-	-
San Jose Water	lbs	1,114	-	-
SJWTX	lbs	7,393	-	-

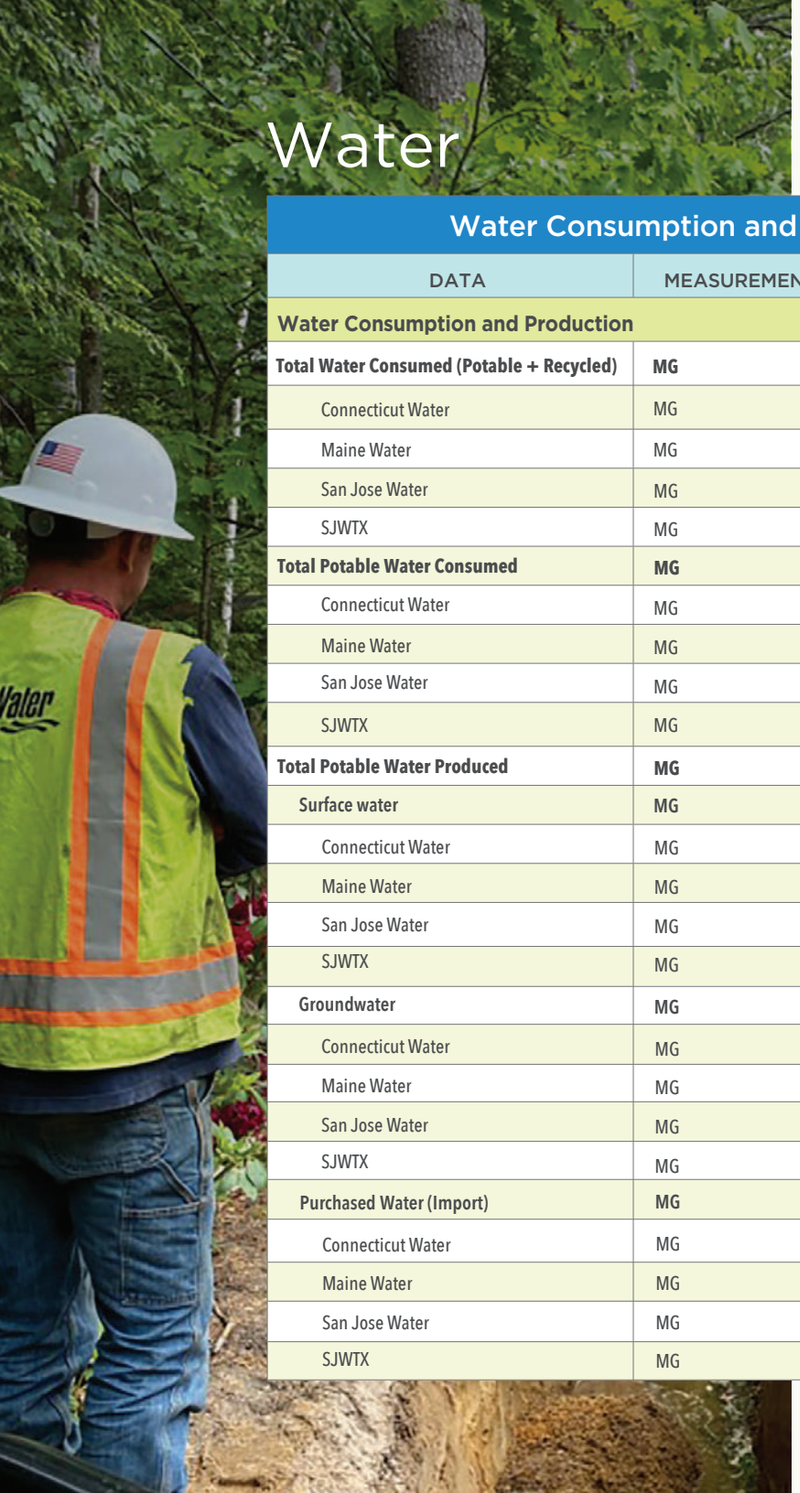
Waste

Hazardous and Non-Hazardous Waste

DATA	MEASUREMENT	2021	2020	2019
Hazardous Waste				
Total Hazardous Waste Generated	**Metric tonnes**	**128**	**188**	**24**
Non-Hazardous Waste				
Total Non-Hazardous Waste Disposed	**Metric tonnes**	**1,027**	**425**	**251**
Landfill	**Metric tonnes**	**836**	**413**	**242**
	% of total	**81%**	**97%**	**96%**
Connecticut Water	Metric tonnes	253	218	218
Maine Water	Metric tonnes	38	-	-
San Jose Water	Metric tonnes	266	182	22
SJWTX	Metric tonnes	279	12	1
Combusted	**Metric tonnes**	**18**	**6**	**8**
	% of total	**2%**	**2%**	**3%**
Connecticut Water	Metric tonnes	-	-	-
Maine Water	Metric tonnes	18	6	8
San Jose Water	Metric tonnes	-	0.07	0.02
SJWTX	Metric tonnes	-	-	-
Recycled	**Metric tonnes**	**174**	**6**	**2**
	% of total	**17%**	**1%**	**1%**
Connecticut Water	Metric tonnes	113	-	-
Maine Water	Metric tonnes	11	-	-
San Jose Water	Metric tonnes	49	6	2
SJWTX	Metric tonnes	-	-	-

Wastewater Discharge

DATA	MEASUREMENT	2021	2020	2019
Wastewater Discharge				
Total Wastewater Volume	**Gallons**	**316,125,154**	**38,479,149**	**93,909,488**
Connecticut Water	Gallons	271,190,115	-	-
Maine Water	Gallons	21,635,227	-	-
San Jose Water	Gallons	23,299,709	38,479,065	93,909,409
SJWTX	Gallons	104	84	79
SJW NPDES Details (San Jose + Cupertino)				
Total wastewater volume	Gallons	21,730,000	26,910,000	46,500,000
Beneficial Reuse	Gallons	3,710,000	8,550,000	10,810,000
% Beneficial Reuse	%	17%	32%	23%



Water

Water Consumption and Production

DATA	MEASUREMENT	2021	2020	2019
Water Consumption and Production				
Total Water Consumed (Potable + Recycled)	**MG**	**101,534**	**106,472**	**97,314**
Connecticut Water	MG	16,238	17,227	14,340
Maine Water	MG	6,080	6,140	6,067
San Jose Water	MG	71,737	76,109	71,598
SJWTX	MG	7,479	6,996	5,309
Total Potable Water Consumed	**MG**	**46,912**	**49,015**	**44,857**
Connecticut Water	MG	7,353	7,846	6,425
Maine Water	MG	2,753	2,744	2,707
San Jose Water	MG	34,767	36,525	34,478
SJWTX	MG	2,039	1,900	1,247
Total Potable Water Produced	**MG**	**54,662**	**57,457**	**52,458**
Surface water	**MG**	**10,291**	**10,970**	**14,430**
Connecticut Water	MG	4,249	4,229	4,131
Maine Water	MG	3,052	3,138	3,020
San Jose Water	MG	448	1,275	5,333
SJWTX	MG	2,542	2,328	1,946
Groundwater	**MG**	**23,240**	**23,570**	**15,328**
Connecticut Water	MG	4,148	4,637	3,302
Maine Water	MG	214	189	275
San Jose Water	MG	17,429	17,360	10,693
SJWTX	MG	1,449	1,384	1,058
Purchased Water (Import)	**MG**	**21,091**	**22,917**	**22,699**
Connecticut Water	MG	488	515	482
Maine Water	MG	61	69	65
San Jose Water	MG	19,093	20,949	21,094
SJWTX	MG	1,449	1,384	1,058

Water Recycling and Reuse

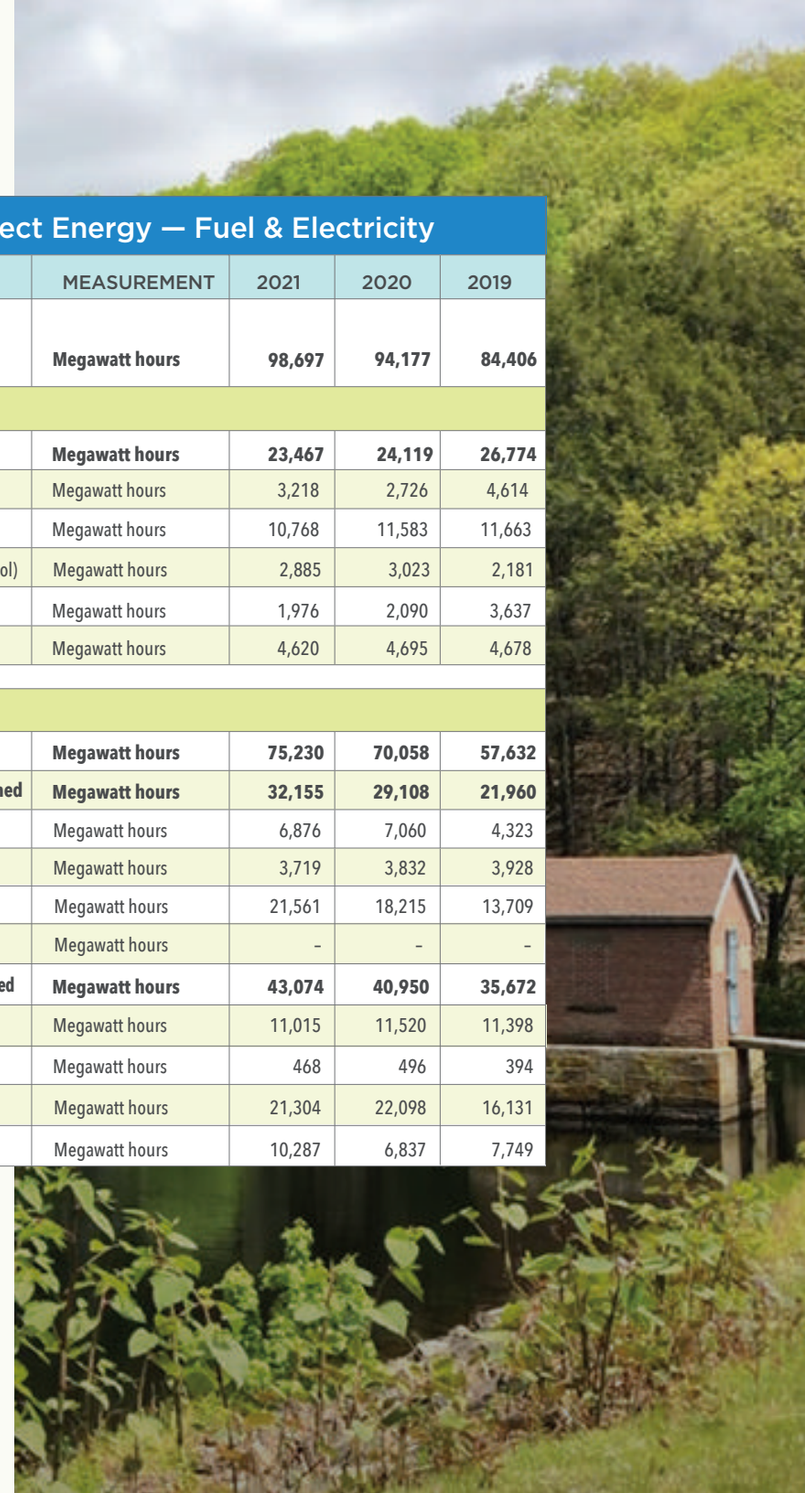
DATA	MEASUREMENT	2021	2020	2019
Water Recycling and Reuse				
Recycled Water	**MG**	**848**	**798**	**732**
Connecticut Water	MG	–	–	–
Maine Water	MG	–	–	–
San Jose Water	MG	848	798	732
SJWTX	MG	–	–	–
% Recycled of Total Water Delivered	**%**	**–**	**–**	**–**
Connecticut Water	%	–	–	–
Maine Water	%	–	–	–
San Jose Water	%	2.4%	2.1%	2.1%
SJWTX	%	–	–	–
Reused Water	**MG**	**98**	**84**	**84**
Connecticut Water	MG	–	–	–
Maine Water	MG	–	–	–
San Jose Water	MG	–	–	–
SJWTX	MG	98	84	84
% Reused	**%**	**–**	**–**	**–**
Connecticut Water	%	–	–	–
Maine Water	%	–	–	–
San Jose Water	%	–	–	–
SJWTX	%	95%	95%	95%

Water (cont'd)

Freshwater Use and Intensity

DATA	MEASUREMENT	2021	2020	2019
Freshwater Use and Intensity				
Freshwater Use	**MG**	**51,588**	**54,672**	**50,421**
Connecticut Water	MG	8,749	9,336	8,781
Maine Water	MG	3,327	3,396	3,360
San Jose Water	MG	36,970	39,585	36,334
SJWTX	MG	2,542	2,355	1,946
Net Sales (Operating Revenue)	**mUSD**	**553**	**542**	**533**
Connecticut Water	mUSD	105	101	94
Maine Water	mUSD	23	21	20
San Jose Water	mUSD	401	397	399
SJWTX	mUSD	23	22	21
Freshwater Use Per Net Sales MG/mUSD	**MG/mUSD**	**432**	**460**	**450**
Connecticut Water	MG/mUSD	83	92	93
Maine Water	MG/mUSD	146	163	171
San Jose Water	MG/mUSD	92	100	91
SJWTX	MG/mUSD	111	106	94
Freshwater Use Per Net Sales m3/mUSD	**m3/mUSD**	**1,633,910**	**1,742,873**	**1,703,169**
Connecticut Water	m3/mUSD	314,278	349,665	353,576
Maine Water	m3/mUSD	552,371	615,673	648,597
San Jose Water	m3/mUSD	348,709	377,019	344,856
SJWTX	m3/mUSD	418,552	400,516	356,140

Energy



Direct and Indirect Energy — Fuel & Electricity

DATA	MEASUREMENT	2021	2020	2019
Total Direct and Indirect Energy Consumed Within Organization	**Megawatt hours**	**98,697**	**94,177**	**84,406**
Fuel Consumption				
Total Direct Energy Consumed	**Megawatt hours**	**23,467**	**24,119**	**26,774**
Diesel	Megawatt hours	3,218	2,726	4,614
Gasoline	Megawatt hours	10,768	11,583	11,663
Biofuels (renewable diesel, biodiesel, ethanol)	Megawatt hours	2,885	3,023	2,181
Natural gas	Megawatt hours	1,976	2,090	3,637
Other fuels (propane and fuel oil)	Megawatt hours	4,620	4,695	4,678
Electricity Consumption				
Total Indirect Energy Consumed	**Megawatt hours**	**75,230**	**70,058**	**57,632**
Total Indirect Renewable Electricity Consumed	**Megawatt hours**	**32,155**	**29,108**	**21,960**
Connecticut Water	Megawatt hours	6,876	7,060	4,323
Maine Water	Megawatt hours	3,719	3,832	3,928
San Jose Water	Megawatt hours	21,561	18,215	13,709
SJWTX	Megawatt hours	-	-	-
Total Indirect Non-Renewable Electricity Consumed	**Megawatt hours**	**43,074**	**40,950**	**35,672**
Connecticut Water	Megawatt hours	11,015	11,520	11,398
Maine Water	Megawatt hours	468	496	394
San Jose Water	Megawatt hours	21,304	22,098	16,131
SJWTX	Megawatt hours	10,287	6,837	7,749


SJWTX
SJW SAN JOSE WATER
SJW Group
MaineWater
ConnecticutWater