

Our Culture

# Values, Ethics & Compliance

At Dominion Energy, we sustain our devotion to doing the right thing through intentional effort. It is a frame of mind, an ethos that informs our choices from the smallest to the most momentous, and a constant thread woven into the fabric of our culture.



## Core Values

### Our Strategy:

To reinforce our culture of ethics and compliance through transparency, accountability and tone at the top.

### How We Performed:

In 2017, the company revised the Supplier Code of Ethics and Business Conduct to clarify and reinforce its expectations. In 2018, Dominion Energy added a fifth core value to its ethos — Embrace Change — and was recognized by the Center for Political Accountability for the transparency and disclosure of its political contributions.

#### 2018 TARGETS

To continue to reinforce the importance of ethics, employees will complete annual training in ethics and compliance. In addition, employees will certify annually that any potential compliance items have been reported or are already being addressed.

#### STATUS

Annual training is underway in ethics and compliance for our employees and the employee certification to identify any potential compliance items is complete for 2018. To reinforce our commitment to a workplace free from any form of harassment, leaders are participating in an extensive interactive training on detecting and preventing harassment in the workplace.



Our Culture

# Values, Ethics & Compliance

*Continued*

## Core Values

### Where We're Headed:

Annual training is underway in ethics and compliance for our employees. Employee certification to identify any potential compliance items is complete for 2018. To reinforce our commitment to a workplace free from any form of harassment, leaders are participating in extensive interactive training on detecting and preventing harassment in the workplace.

### Our Commitments:

To continue to reinforce the importance of ethics, our intention is that employees will complete annual training in ethics and compliance. In addition, employees will certify annually that any potential compliance items have been reported or are already being addressed.

## Our Moral Compass

Five core values guide the people of Dominion Energy: Safety, Ethics, Excellence, Embrace Change and One Dominion Energy — our term for teamwork. New employees learn them on day one. They are continually reinforced throughout the company and throughout everyone's career. They are part of who we are as a company.

### Safety

Safety is our highest priority — in the workplace and in the community. The work we do can be dangerous. So our first and fundamental goal is to send every employee home safe and sound, every day. That is the only acceptable standard of performance.

### Ethics

Integrity, individual responsibility and accountability go hand-in-hand with bottom-line results. We cannot and will not take shortcuts to achieve our goals and fulfill our obligations to stakeholders. Ethical behavior matters, and our reputation depends on it.

### Excellence

We set high performance standards and are committed to continuous improvement in all areas of our business. The

**Dominion Energy Five Core Values**



Safety



Ethics



Excellence



Embrace Change



One Dominion Energy

## Our Culture

# Values, Ethics & Compliance

*Continued*

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## Core Values

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odds of long-term success improve when we go beyond “good” and strive for “great.” Our aim is not to be the biggest energy company, just the best.

### **Embrace Change**

Transformation and growth are the keys to long-term prosperity. A culture of receptivity to change and ardor for innovation propels our company forward, ensuring that our stakeholders will continue to flourish and that our best days still lie ahead.

### **One Dominion Energy**

It’s about teamwork. It is a unifying outlook that transcends organizational boundaries and focuses on our shared mission and purpose. We know that strong, sustainable performance depends on how well we support one another in executing our business plan.

Each of these values plays an integral role in sustainability – by safeguarding the health and welfare of our employees and communities, the bond of trust between Dominion Energy and others, the company’s adaptability to new circumstances and the standard of execution necessary to ensure the well-being of all our stakeholders, today and long into the future.

## Our Culture

# Values, Ethics & Compliance

*Continued*

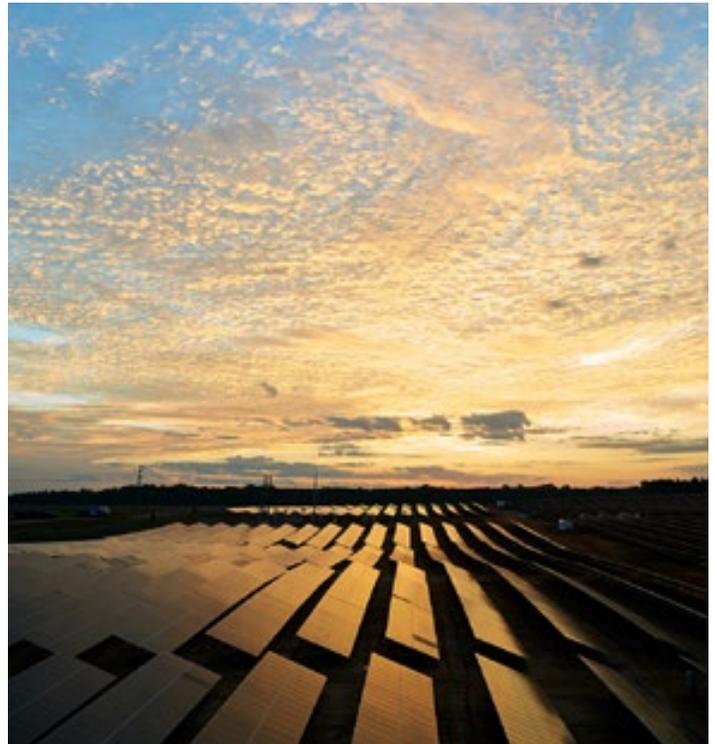
## Core Values

### Embrace Change

This year Dominion Energy added a fifth core value to guide our company: embrace change.

This embrace has re-shaped our company from the beginning. The company's corporate predecessors developed canals, made ice, and operated mule-drawn streetcars. Today, we conduct vastly different enterprises — and we retain our eagerness to shape the future. This embrace explains why roughly one-fourth of this report is devoted to Our Business for the Future. It shows why we place so much emphasis on innovation. And it accounts for our shift away from coal to cleaner natural gas and to zero-carbon energy sources such as solar, wind and nuclear power.

We embrace this change, while holding fast to a desire to sustain: to sustain the profitability of our business, to sustain the well-being of our customers and stakeholders, and to sustain the environmental health of the planet we all share.



Our Culture

## Values, Ethics & Compliance

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### Ethics and Compliance

We understand that we earn trust through our actions. That's one reason ethics is one of our company's core values. At Dominion Energy, keeping our trust with shareholders, customers, regulators and other stakeholders is crucial.

### Fostering Ethical Behavior

Trust rests on the foundation of strong ethical conduct. Our commitment is to always comply with laws and regulations, and to act consistently with our core values. To reinforce that commitment, employees complete annual training in ethics and compliance. Employees also certify annually that any potential compliance items have been reported or are being addressed.

How do we reinforce good values? We operate a comprehensive Ethics and Compliance group to support our expectation that our leaders, employees and suppliers act with integrity, respect and good judgment – and in compliance with the law. Our Ethics and Compliance Program defines responsibilities, provides resources and, when necessary, requires disciplinary action. The program has the following key elements.

#### Management Oversight

The Board of Directors oversees ethics and compliance through its Audit Committee. To address ethics issues on a day-to-day basis, the company's chief compliance officer has established a Compliance Council. Its members are senior officers representing our business units and key areas of responsibility. Additionally, our compliance attorneys work to ensure that Dominion Energy follows all applicable laws, regulations, and company policies, and maintains high ethical standards in its business activities.

#### Training

All employees, officers and board members receive comprehensive annual training on the company's Code of Ethics and Business Conduct. New hires also must receive this training. Other types of interactive ethics and compliance training sessions are held regularly at different company



Ethical behavior provides the foundation for everything we do.

## Our Culture

# Values, Ethics & Compliance

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## Ethics and Compliance

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locations. The code requires employees to know and comply with all regulatory requirements that apply to their business areas. Those affected by various regulatory requirements receive training on federal and state codes and standards of conduct, electric reliability standards and other applicable regulations.

### Advice and Guidance

The Ethics and Compliance Program receives numerous questions from employees seeking advice on ethical matters. Since a variety of scenarios can implicate questions of ethical conduct, we encourage employees to ask whenever they are unsure about a situation, to avoid even the perception of a conflict of interest. Employees may use a dedicated e-mail account to ask questions or seek guidance about ethical concerns and compliance issues.

### Reporting and Addressing Concerns

Employees have a duty to report any concerns whenever they suspect misconduct or illegality. In all cases, retaliation for good-faith reporting is strictly prohibited. We provide a variety of reporting options. A dedicated, confidential compliance telephone line and website allow employees to remain anonymous, if they wish. Employees also may report concerns by contacting the ethics and compliance staff and other appropriate personnel. Each year, we distribute a survey to employees to help identify and address potential compliance concerns. In addition, employees must certify annually that any potential compliance items have been reported or are being addressed.

Dominion Energy stakeholders can report concerns by contacting the compliance line or by communicating directly with independent members of the board of directors through the company's website or the U.S. mail. We categorize reported concerns by type of allegation to facilitate investigation by appropriate company representatives and review every question and concern to determine if it is covered under the Ethics and Compliance Program. This also promotes our ability to identify, monitor and address any trends by category of allegation. A compliance attorney oversees all ethics and compliance investigations. Questions and concerns that raise ethical or compliance issues are investigated and resolved under the guidance of the program.

### Supplier Code of Ethics and Business Conduct

Dominion Energy expects all suppliers to share our commitment to ethics and compliance. Our Supplier Code of Ethics and Business Conduct outlines these minimum expectations. Its purpose is to promote lawful and ethical behavior in all of our business dealings.

In 2017, the company revised the Supplier Code of Ethics and Business Conduct to clarify and reinforce its expectations of suppliers with regard to (1) human labor practices; (2) responsible sourcing; and (3) the health and safety of suppliers' employees.

## Our Culture

# Values, Ethics & Compliance

*Continued*

## Political Participation

Because government decisions can profoundly affect our company, we give our employees the freedom to participate in the political process through our political action committee (PAC). In the interests of transparency, we scrupulously report our political giving.

## Devoted to Openness

Dominion Energy bears a responsibility to a wide range of stakeholders. Those include our shareholders – the company’s owners – as well as its employees, customers, contractors, retirees and the countless individual investors who rely on Dominion Energy for income after their working years are done.

These and other stakeholders depend on the company’s long-term stability for their financial security. The decisions of local, state and federal policy-makers can affect our company’s operations immensely, so we owe it to them to stay abreast of political and policy developments that could affect the company’s fiscal health, and to exercise the constitutional right to petition government on our own and their behalf.

Some of the company’s employees feel called to do even more. So Dominion Energy also operates a political action committee, or PAC. Participation is strictly voluntary and nonpartisan. Membership is open to employees and the Board of Directors. The PAC aims to articulate the company’s views at all levels of the political process.

In the interest of transparency, every year we [voluntarily report](#) the corporate political contributions we make to tax-exempt 527 organizations, as well as the lobbying portion of trade association payments and dues. In addition, we disclose our political contributions on the website of the Federal Election Commission and the electoral board website of the states in which we contribute to state and local elections. Because of such efforts, the Center for Political Accountability recognized Dominion Energy as a trendsetter for transparency and disclosure with regard to political contributions in 2018.

[2017 Dominion Energy Political Contributions and Lobbying Expenses \(PDF\)](#)



In 2018 the Center for Political Accountability recognized Dominion Energy for the transparency of its political activity.

Our Culture

# Corporate & Sustainability Governance

Most of what goes right with an enterprise – and most of what goes wrong with it – can be traced back to decisions made at the top. For an organization to flourish and help others flourish, it must have solid leadership. In the business world, the term for that is good corporate governance.

## Governance Structure

Good corporate governance ensures that Dominion Energy remains a proficient and trustworthy steward of the resources entrusted to our care.

This accountability goes hand-in-hand with our core values of safety, excellence, ethics and teamwork, and is essential in preserving the long-term value and sustainability of Dominion Energy for our shareholders, employees, customers, the communities in which we work, the natural environment in which we operate and other constituencies.

### Our Strategy:

To ensure strong and ethical leadership at every level of the organization, and to oversee and manage risk.

### How We Performed:

We review our governance documents and policies regularly and propose changes whenever new rules or regulations are introduced; or whenever changes are consistent with good governance practice and in the best interests of our company and our shareholders.

#### 2018 TARGETS

The Board of Directors will receive an annual report on our sustainability targets, strategy and progress.

#### STATUS

The report to the Board of Directors is planned for December 2018.



The Board of Directors has a separate committee devoted to sustainability and corporate responsibility.

Our Culture

# Corporate Sustainability Governance

Continued

## Governance Structure

### Where We're Headed:

The Board has continued to engage on Environmental, Social & Governance (ESG) matters during each regularly scheduled Board meeting. Later this year the board of directors will receive an annual report on our sustainability targets, strategy and progress. In October 2018, the Board of Directors established a new Sustainability and Corporate Responsibility Committee to further assist of oversight of these matters. The committee will review Dominion Energy's approach to environmental, social, economic and reputational issues that affect the company's business and performance as well as our communities and stakeholder groups. The strategies and initiatives within the committee's scope include (1) the company's protection and improvement of the quality of the environment, its climate change program and its broader environmental policies and program; (2) diversity, inclusion, talent management and supplier engagement; and (3) community and stakeholder engagement.

### Our Commitments:

Engagement with directors on ESG matters will continue at each regularly scheduled Board of Directors' meeting. We will continue to improve our communications channels and transparency on ESG matters with stakeholders.

## Board of Directors

At the top of the leadership pyramid sits the Board of Directors. It has a fiduciary duty to oversee the management of the company's business and uphold shareholder interests. Accordingly, our Board of Directors has oversight of the company's environmental performance and sustainability initiatives, along with our long-term growth strategy — which addresses the interests of shareholders and stakeholders, including customers, employees, suppliers, our neighbors in the communities we serve and the environment.

We have a well-rounded and diverse board in the broadest sense — one that reflects a diversity of gender, age, board tenure, professional experience, community involvement, skills and other attributes. In accordance with our Corporate Governance Guidelines, the Compensation, Governance and Nominating (CGN) Committee recommends director

candidates who represent a mix of backgrounds and experiences that will enhance the quality of the board's deliberations and decisions. We have always provided biographical information, including key experience and qualifications, for each of our directors in our proxy statement. In continuation of transparency of disclosure, we have provided a summary of key attributes and skills of the full board [on our website](#). The board operates through four committees: Audit, CGN, Sustainability and Corporate Responsibility, Finance and Risk Oversight. All four committees are composed entirely of independent directors, and we also have an independent lead director who leads the executive session of our independent, non-management directors at each regularly scheduled board meeting.

As of December 31, 2017

11

**INDEPENDENT DIRECTORS**  
plus our Chairman,  
President and CEO

25

**PERCENT**  
of our Board Members are  
Woman

63

**AVERAGE AGE**

7.1

**YEARS**  
of average tenure, ranging  
from newly elected in 2017  
in 19 years

**Lead Director**  
who is independent and  
elected annually by the Board

**Majority Vote**  
is a standard for uncontested  
elections—all Directors are  
elected annually

**Independent Directors**  
make the entirety of all Board  
Committees

**Self-Assessments**  
are conducted annually  
by all the Board and its  
Committees

## Our Culture

# Corporate Sustainability Governance

*Continued*

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## Governance Structure

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The Board's structure and responsibilities are outlined in its Corporate Governance Guidelines, which also include the duties and responsibilities of our lead director and our director independence standards.

We review our governance documents and policies regularly and propose changes whenever new rules or regulations are introduced; or whenever changes are consistent with good governance practice and in the best interests of our company and our shareholders.

The Corporate Governance Guidelines, each committee's charter, and other governance policies can be [found on our Governance webpage](#).

Stakeholders may contact our non-management directors by [clicking here](#)

OR at

Board of Directors  
c/o Corporate Secretary  
Dominion Energy, Inc.  
P.O. Box 26532  
Richmond, VA 23261

## Corporate Sustainability Governance

*Continued*

### Human Rights

Dominion Energy believes every person has a right to be treated with dignity and respect; to exercise autonomy and self-determination; to receive fair and equal treatment; and to work in a safe and supportive workplace regardless of individual attributes or membership in a demographic class. This commitment to human rights is consistent with our company's core values and cuts across all of our operations.

### Workplace Expectations

Dominion Energy demands a humane workplace free from discrimination, harassment, physical coercion, hazing and any form of violence. Our values include promoting an inclusive, productive and ethical work environment. This means that everyone should always act in a professional manner and treat one another with respect, honesty and decency. Respect in the workplace includes fostering a culture of diversity and inclusion, and that is everyone's responsibility. An inclusive environment encourages the coming together of different talents, thoughts and energies.

Under no circumstance should any employee, contractor or other agent or job applicant be treated less favorably because of race, color, ancestry, sex, gender, religion (including religious dress and grooming practices), national origin, age, actual or perceived physical or mental disability, medical condition, genetic information, sexual orientation, gender identity or expression, military or veteran status, marital status, status as a victim of domestic violence, or any other classification protected by state, federal or local law.

As part of our commitment to safety, we will not tolerate any form of workplace violence. Violence includes any verbal or physical conduct that causes someone to fear for his or her personal safety, the safety of coworkers, or the safety of company property.

Supervisors have an additional responsibility to set an example through their own conduct. Leaders are expected to keep lines of communication open so that employees feel comfortable asking questions and reporting concerns. Leaders must ensure that employees are fully trained about the company's policies regarding individual rights, non-discrimination, diversity and inclusion.

Employees who have concerns can contact the Dominion Energy Compliance Line (1-800-628-1798) 24 hours a day, seven days a week or go online to [www.DConcern.com](http://www.DConcern.com). Employees who know of workplace violence or suspect it might be imminent should contact corporate security.

Dominion Energy values openness and respects the contributions of employees who help enforce its code of business conduct. The company does not tolerate retaliation against any employee who in good faith reports suspected unethical conduct or violation of laws, rules, regulations or company policies, or anyone who cooperates with the investigation of a concern.



Our workplace culture requires inclusion, respect, honesty and decency.

## Corporate Sustainability Governance

*Continued*

### Human Rights

#### Supplier Expectations

Dominion Energy contracts with hundreds of suppliers. Where we can, we use local suppliers and small, minority, and women-owned businesses. For more details, see the “Supplier Diversity” section of our chapter on Community Development.

We hold all our suppliers to the same expectations, beginning with full adherence to all applicable legal and regulatory obligations, including those governing consumer and environmental protection, labor relations and employee welfare. In addition, we have our own Supplier Code of Ethics and Business Conduct. It outlines our standards and expectations with regard to safety, workplace conduct, supplier diversity, conflicts of interest, environmental stewardship, antitrust and privacy.

Suppliers must comply with Dominion Energy’s commitment to a humane workplace free from discrimination, harassment, physical coercion, and any form of workplace violence. Suppliers have a responsibility to uphold Dominion Energy’s commitment and report any acts of harassment, intimidation or coercion related to race, color, ancestry, sex, gender, religion (including religious dress and grooming practices), national origin, age, actual or perceived physical or mental disability, medical condition, genetic information, sexual orientation, gender identity or expression, military or veteran status, marital status, status as a victim of domestic violence or any other classification protected by law.

Dominion Energy’s suppliers shall support and respect internationally recognized human rights. Suppliers shall not use, or participate in, the exploitation of workers, forced or involuntary labor. Child labor is not acceptable. Suppliers shall not employ any person under the minimum legal age for employment as prescribed by the local authority, and no workforce members under the age of 18 shall perform work that may expose them to inappropriate hazards. Suppliers are expected to ensure that wages, benefits and hours of work comply with all applicable laws and regulations.

Dominion Energy has a responsibility to safeguard the personal information of its stakeholders, and it expects

its suppliers to do the same. Suppliers who are provided with confidential information regarding Dominion Energy’s customers, shareholders or employees have an ethical and legal responsibility to preserve the privacy, confidentiality and security of this information, and use it only for appropriate business reasons and in compliance with applicable privacy laws and contractual requirements. At Dominion Energy, privacy is an important part of how we do business, and we expect our suppliers with access to personal information to protect it and collect, maintain and transmit such information securely.

If a supplier becomes aware of any violation of legal requirements, Dominion Energy policies or the Supplier Code of Ethics and Business Conduct, the supplier should notify Dominion Energy’s Supply Chain Management by calling the Dominion Energy Compliance Line at 1-800-628-1798 or by using the [Dominion Compliance Line](#) online.



We hold our suppliers to the same high standards we set for ourselves.

## Corporate Sustainability Governance

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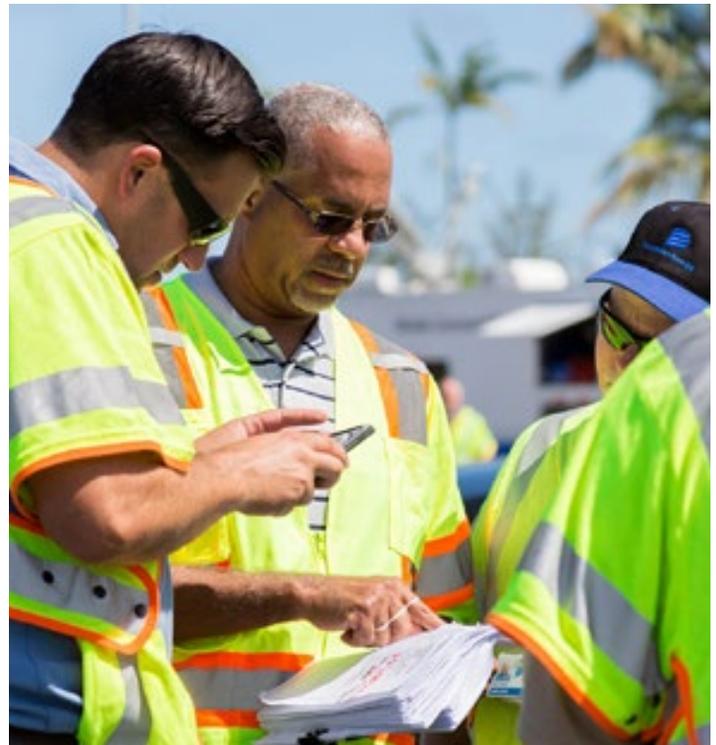
### Risk Oversight

At Dominion Energy, we recognize that no enterprise can ever be entirely free of risk – it’s a fact of life. So we are dedicated to minimizing and managing risk through careful analysis, prudent foresight, and strict internal controls.

### Risk Management

Dominion Energy’s Board oversees the company’s management, business, environmental and all other affairs on behalf of shareholders. The Board and management both recognize that the company’s interests are advanced by responsibly addressing concerns about perceived risks, no matter who raises them — employees, customers, the communities in which Dominion Energy operates or external observers such as non-governmental organizations (NGOs) and advocacy groups. The value of diversity lies in the varied and distinct perspectives that are brought to bear on an issue from different vantage points. Dominion Energy’s Board and management rely on input from a multiplicity of frames of reference to inform their understanding of the various risks facing the company.

While the Board and its committees oversee risk policies, company management carries them out. The company has robust internal processes and an effective internal-control environment that help identify and manage risk. The Board and its committees regularly receive and discuss reports from members of management, including the chief risk officer, chief information officer and chief environmental officer, who are involved in risk assessment and risk management on a daily basis. These reports cover a wide range of topics including safety; environmental, employee, customer and social issues; and financial performance, economic issues and long-term strategy.



We take concerns about perceived risks seriously, no matter who raises them.

## Our Culture

# Corporate Sustainability Governance

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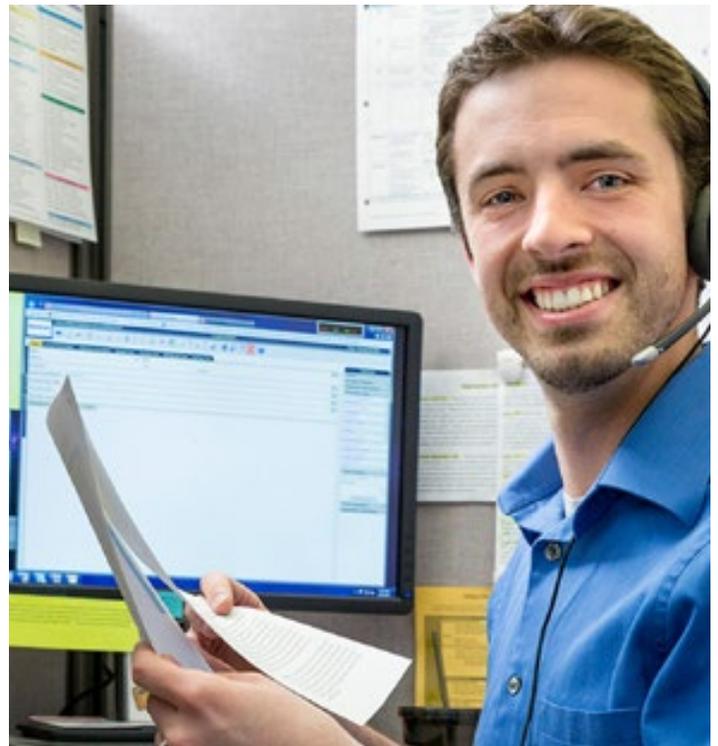
## Risk Oversight

### The Precautionary Principle

Dominion Energy takes all of these potential risks extremely seriously. The company also recognizes that it cannot foresee every conceivable eventuality. The company identifies and assesses, at least annually, major risks associated with each of its key business units (Gas Infrastructure, Power Delivery, and Power Generation). Risk assessments also are conducted for Dominion Energy, Inc.

Risk assessments consider future risk trends; direction and pace of movement; and unknown and uncertainty elements. A key focus of these annual risk assessments entails using mitigation measures to address threats. For many – if not most – of the major risks, it is challenging to predict potential eventualities. Therefore, the company’s approach has always been to employ the Precautionary Principle – which is to minimize known risks and mitigate risks that are not yet fully understood, but for which “road signs” provide some indication of a possible future event or outcome.

When a new development is required based on customer needs and/or expectations, Dominion Energy has a long history of working well in advance of the development with environmental agencies to find the best solution. Although future risks are not always known, Dominion Energy and agencies discuss potential threats and strive to mitigate potential impacts.





Our Culture

# Attracting, Developing & Retaining Talent

We want to hire diverse employees who represent the communities we serve, then help them develop to their full potential so that they enjoy long, healthy and fruitful careers with us.

## Talent Strategy

A company that hopes to have a successful future must attract strong candidates and retain talented employees. The more than 16,000 Dominion Energy employees who provide energy to our customers and communities make up one of our greatest strengths. To ensure that we sustain that excellent work force, we continue to improve how we attract new talent, develop employees and future leaders and ensure that the work environment is diverse and inclusive.

### Our Strategy:

To continually craft a vibrant, forward-looking company that attracts the best people for the job no matter who they are, that welcomes diverse candidates and that is inclusive of everyone.

### How We Performed:

We hired a diverse group from our 2017 intern class, increased the reimbursement amount of our Education Assistance Program by 30 percent, overhauled our performance-assessment system and upgraded work spaces for hundreds of employees.

To provide a positive work environment for employees, we will strive for Leadership in Energy & Environmental Design (LEED) construction standards in all new office spaces.

Construction is underway for a number of buildings designed for LEED standards: 600 Canal Place in Richmond, Virginia; Oakford, Pennsylvania; Petersburg, Virginia, District Office; and the Greenville, Virginia Power Station administrative building. Our Summersville, West Virginia building is complete and LEED certification is expected.

#### 2018 TARGETS

#### STATUS

Leaders and employees will complete training in diversity and inclusion.

Training on diversity and inclusion is underway for employees and leaders.

Our Culture

# Attracting, Developing & Retaining Talent

Continued

## Talent Strategy

### Where We're Headed:

In the fall of 2018 we began conducting our biannual employee survey, which proved to be a fruitful source of ideas for change in 2016. We will continue to diversify our workforce to better reflect the changing demographics of the communities in which we do business. We will continue to seek out top diverse candidates and veterans, and to train and educate current employees for advancement. In 2019 we intend to expand our teacher externship program.

### Our Commitments:

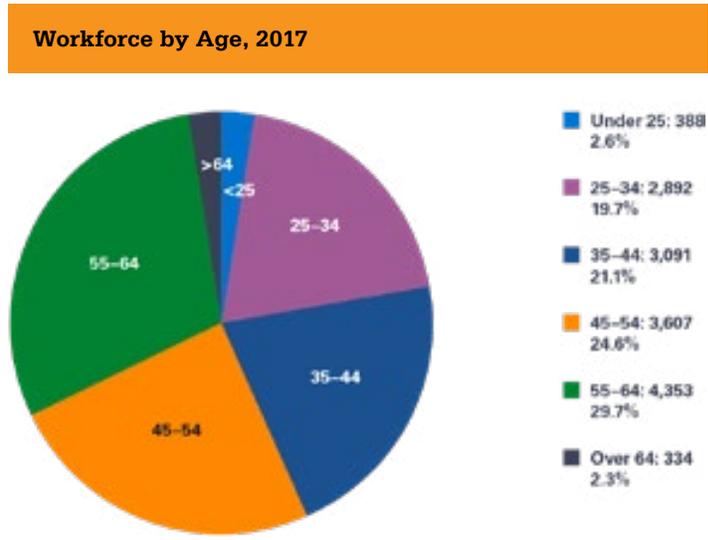
We aim to have 100 percent of staffing and hiring managers of interns complete a series on unconscious bias in our online development platform by the end of 2019.

Our target for recruitment is to match the representation of the communities we serve. We have a multi-year strategy to support meeting this goal.

To assist with the recruitment of skilled workers, we intend to host 10 teachers across the company for teacher externships in 2019.

We aim to increase the training provided to employees by 10 percent or more in 2019 over 2017 levels.

We expect to have more than 100 graduates or graduates-in-training of the Emerging Leader program by the end of 2019.



## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Attracting Talent

We're interested in capable individuals from all walks of life.

#### Recruitment

Dominion Energy has always sought out top performers. But while excellence is a necessary condition, it is not sufficient. A Dominion Energy workforce that reflects the communities we serve is critical for the sustainability of both our company and society at large.

The United States is seeing a major shift in the generational, gender and cultural makeup of our national workforce. Our company is seeing the same changes. Nearly one-third of our workforce is above age 55 — and therefore eligible to retire soon. Today's minority populations will become the majority around the year 2030, according to the U.S. Census Bureau. By 2043, today's minority will become the majority of all adults. This means that changing demographics and skilled-labor shortages could have an even greater effect on our long-term success than technology, commodity prices or competitive pressures.

The demographic makeup of our work force must change as well. This requires us to be intentional with our hiring and retention strategies, and to focus on recruiting and retaining top diverse talent.

#### Diversity Recruitment

Dominion Energy aims to hire and retain millennial talent and promote minorities and females within the utility industry by awarding \$5,000 scholarships to up to 50 diverse students each year. Recipients take part in additional opportunities, including innovation and leadership development events, a formal mentoring program, and Dominion Energy Scholarship Days.

#### Military Recruitment

We make a special effort to recruit veterans and people with military experience. Dominion Energy has established relationships with state departments of veterans' affairs and services, military installations, representatives of the National Guard and Reserves and other veteran-service organizations.



Dominion Energy has been recognized as one of the country's Best Employers for Diversity.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

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## Talent Strategy

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As a result, several publications that serve the military – including *GI Jobs*, *Military Times* and *U.S. Veterans* – repeatedly have recognized our company as one of the nation’s leading private employers for veterans. Dominion Energy also has received numerous [awards \(PDF\)](#) for its support of veterans and service-member employees, including the 2017 Triumph Award from the Virginia Department of Veterans’ Services.

From 2010 to 2017, Dominion Energy hired nearly 1,100 veterans – almost 20 percent of all new hires during that period. As of April 2018, we employed 1,729 veterans. That’s more than 10 percent of our total workforce and is aligned with industry norms for veterans in the workforce.

### Technical Recruitment

More than half the positions we need to fill do not require college degrees. So we are partnering with career and technical education high schools to create a pipeline for many of those jobs. In 2018, we launched a Teacher Externship pilot program, bringing in three teachers for the summer to learn about our positions and the day-to-day roles of our employees. Our goal for 2019 is to host 10 teachers for similar externships across the company. We also are working with community colleges, and community organizations such as Goodwill, to help develop trained individuals from the communities we serve. The main objective is to ensure that high school students understand they have alternative paths to rewarding careers in the energy industry.

### Interns

Dominion Energy hires hundreds of students each year to participate in paid internships. In 2018, our intern cohort represented 81 majors at 75 universities in 24 states.

Our internships involve more than a few weeks on the job and a project or two. Over the course of the summer, interns gain practical experience in their chosen field, test classroom theories in real-world settings, and develop their professional skills.

The intern program provides a strong pipeline for entry-level professional roles. More than 70 percent of our interns return

for multiple summers, and 75 percent of our seniors receive offers of employment. In 2017, we made offers to 83 percent of students, and 53 percent of those offers were to diverse candidates.

Dominion Energy also seeks opportunities to expand the internship program throughout the company. For example, Dominion Energy Ohio, in partnership with Utility Workers Union of America Local G555, developed an internship program specifically for an area of the business with positions that do not require a bachelor’s degree.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Developing Talent

We want people to achieve and advance at Dominion Energy, so we devote considerable resources to employee and leader development.

#### Directed Learning

To help employees hone their skills, Dominion Energy also offers – and sometimes requires – substantial training. Across the company, Dominion Energy employees and leaders received more than 300,000 hours of training in 2017. Our goal is to increase this by 10 percent or more in 2019.

In 2018 we increased the reimbursement amount of our Education Assistance Program – thanks to polling feedback from participating employees. The annual reimbursement for non-union employees is rising from \$5,250 to \$7,500. All regular active, full-time and part-time non-union employees who work at least 1,000 hours a year are eligible to take advantage of this benefit.

In 2017 we revamped employee performance reviews, replacing an older system that relied heavily on documentation and numeric ratings, and adopting a more forward-looking model called “Performance Connections.” The new approach focuses on quarterly discussions between employees and their supervisors about accomplishments, strengths, growth opportunities and action plans to create a sense of shared accountability for timely feedback and progress toward established career and skill development targets and team business goals.

A Learning and Development group oversees the company’s approach to talent development, along with a Training Council that includes representatives from each business unit’s training organization. The goal is to provide a consistent and progressive approach to training that engages the workforce and fosters a culture of learning company-wide. The Training Council implemented an Emerging Leaders program in September 2018. The intent is to prepare future leaders before they are promoted.



Training and education provide employees with many opportunities for advancement.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Self-Guided Learning

In addition to traditional programmatic training, a new and creative approach to engage employees in their own development launched in all locations and at all levels of the company in June 2018. Employees are encouraged to access this unprecedented training platform through an on-line tool that offers unique and relevant topics and learning methods designed to enhance employees' knowledge in a variety of areas. Over 75 percent of employees accessed this platform within the first month of its implementation. Our goal is to increase the access rate to 85 percent by mid-2019.

Employees can make use of the Dominion Energy Career Center, which encourages them to take an active role in planning their careers by assessing their skill sets and interests, while enhancing their awareness of positions in the company for which they are qualified. The Career Center offers career counseling, interview coaching, goal setting, résumé development and more. The company also provides workshops on request covering topics such as interview preparation, résumé building and personal branding.

All business groups work to identify and develop candidates for positions of leadership. As employees advance, they participate in a sequence of training modules to develop a consistent understanding of fundamental leadership principles. As they advance to higher levels in the company, leaders participate in a multi-month journey focused on even higher levels of learning and exposure to broader Dominion Energy strategies.



The company encourages employees to take an active role in their career development.

Our Culture

## Attracting, Developing & Retaining Talent

*Continued*

### Talent Strategy

## Retaining Talent

In 2016 we conducted a biannual, company-wide survey of all employees – union and non-union alike – to hear what they think and feel about working at Dominion Energy. More than 7,000 employees participated.

Their responses revealed strong support for the company’s core values. Employees feel a general sense of pride in working for Dominion Energy. They also pointed out several opportunities for improvement, such as more training opportunities and frequent, clear communications from senior leadership.

Based on that feedback, we made several changes. We revised our hiring policy and promotion process and created “Dominion Energy Town Hall Meetings” with company executives. The 2018 survey was conducted in the fourth quarter of 2018.



Employee survey results show a general sense of pride in working for Dominion Energy.

## Accommodating Families

### Parental Leave

At Dominion Energy we understand the value of providing the opportunity for new mothers and fathers to bond with their newborn or newly adopted child without worrying about work. The company offers up to 120 hours of paid parental leave for eligible full-time employees and up to 60 hours of paid parental leave for eligible part-time employees.

### Flexible Work Schedules

The company understands the importance of work/life balance by offering a wide range of flexible work schedules in business areas that are able to accommodate diverse schedules that are unlike the traditional workweek (five eight-hour days).



Our Culture

## Attracting, Developing & Retaining Talent

*Continued*

### Talent Strategy

## Improving Workspaces

Modernizing the workplace also helps attract and retain talent, ensuring that we remain a strong, successful company for many years to come. The Dominion Energy Workplace Plan is a company-wide effort to modernize workspaces to best meet the needs of employees, customers and communities — now and in the future.

Planning and research for this transformative effort began in 2014. New workplace standards were developed through research, testing and employee feedback.

Through either new construction or renovation of existing properties, Dominion Energy upgraded the work spaces of 190 employees in 2017. By the end of 2018, we will have upgraded the work spaces of 760 more – and will follow that up by upgrading work spaces for 1,360 employees in 2019.

At the same time, as we build new offices we are reducing our environmental footprint by producing more energy-efficient, healthy and cost-effective buildings that will allow us to seek LEED (Leadership in Energy and Environmental Design) certification.



Employee feedback is helping us design new workspaces.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

Diversity is about making sure our company reflects the communities we serve. Diversity and inclusion have *intrinsic* value: They do not require external justification. But they also have *instrumental* value to any company that cares about sustainability.

### Why It Matters

Companies in the top quartile for gender or racial and ethnic diversity are 21 percent to 33 percent more likely to produce profits higher than their industry norms. That's according to "[Delivering Through Diversity](#)," a report by the management-consulting firm McKinsey & Company that shows a clear connection between diversity and the bottom line.

Yet the importance of diversity and inclusion extends well beyond the income statement. A diverse workforce increases the likelihood that business decisions will be filtered through a rich variety of perspectives — raising internal awareness of how Dominion Energy's activities could affect communities of color, the elderly, veterans, indigenous peoples, low-income individuals, persons with disabilities and many others.

### Our Strategy:

To create a diverse and inclusive workplace that reflects the communities we serve.

### How We Performed:

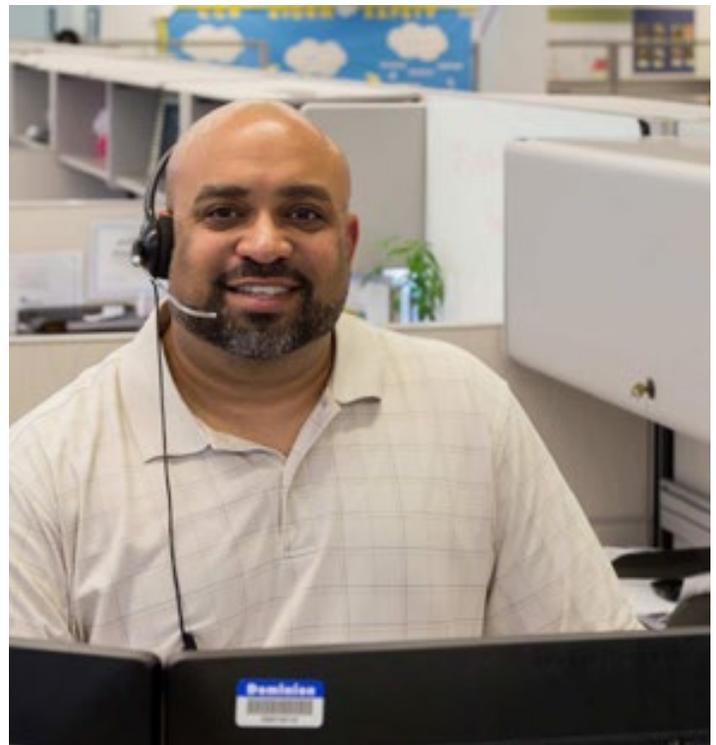
Recognized by *Forbes* in 2018 as one of the best places to work for women and one of the best employers for diversity. In 2017, we made offers to 83 percent of student interns, and 53 percent of those offers were to diverse candidates. The Defense Department recognized Dominion Energy's efforts by bestowing its "Employer Support of the Guard and Reserve" Patriots Award on the company.

### Where We're Headed:

100 percent of staffing and hiring managers of interns will complete a series on unconscious bias by the end of 2019. We will conduct periodic surveys with employees to measure engagement, and track employee hours committed to Employee Resource Group (ERG) efforts, and add an innovation focus area to each group.

### Our Commitment:

Leaders and employees will complete training in diversity and inclusion.



A diverse workforce increases the likelihood that business decisions will be filtered through a rich variety of perspectives.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

### Our Diverse Culture

Our customers, and the world, are becoming increasingly more diverse. It is important to Dominion Energy that our customers know we are committed to having a diverse and inclusive company culture. Our customers are watching us and they hold us to high standards. Our customers are part of the reason we support diversity through our charitable giving, educational programs and volunteer outreach. Our philanthropy helps our communities thrive because it fosters an appreciation of diversity, revitalizes neighborhoods and ensures vibrant community life through the support of cultural endeavors.

When we seek diversity in our supply chain we help small businesses, minority- or women-owned businesses, and other traditionally disadvantaged businesses prosper. This is smart business — and the right thing to do. We have a responsibility to develop diverse suppliers to be able to provide the best products and services at low prices. We support continued economic growth in our communities, and our partnerships with diverse suppliers translate into economic growth and increased employment opportunities. We set supplier diversity goals to lead to improved supplier performance, competitive pricing, creativity and innovation. Our communities invest in us and we hold ourselves accountable to returning some of that investment to allow all to prosper.

The company promotes diversity at every level within the organization through diversity councils at both the executive and business-unit level. Those efforts have received national recognition; in August of 2018 *Forbes* magazine [listed Dominion Energy](#) among the top 300 companies considered the best places to work for women, as measured by employee voting and the diversity of both “boards [of directors] and executive ranks.” In September, *Forbes* listed the company among the best 200 companies for diversity.



The country is growing more diverse, and so are we.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

### Bringing People Together

Dominion Energy enables numerous Employee Resource Groups that bring together employees with shared backgrounds, interests or perspectives, to create a sense of community and “make a small place out of a big place.” The resource groups – for women, African-Americans, Latinos, LGBTQIA employees, veterans and young professionals – focus on community outreach, recruitment, networking, professional development, education, the exchange of ideas and support. They also improve employee engagement and raise awareness of potential barriers to creating a diverse workplace.

The Executive Diversity Council is a management committee whose members represent each business unit and are appointed by the CEO of Dominion Energy. It designs and oversees the company’s diversity and inclusion strategy, and monitors corporate performance against marketplace benchmarks and best practices.

Making our workforce reflect the communities it serves is vital, and we expect all leaders to get involved. To that end, annual bonus plans for all leaders have been updated to include diversity awareness and training goals. Our 2017 annual incentive program also included a diversity goal requirement that 95 percent of all our leaders participate in an awareness session on the business case for diversity and inclusion. In 2017 all leaders – beginning with the executive team – had an opportunity to participate in a live, facilitated leadership training and awareness session on that topic.

Diversity in our supply chain helps minority- or women-owned businesses and other traditionally disadvantaged businesses prosper. That enhances the prosperity of their communities as well.



Dominion Energy employees participated in the Utah Pride Festival in June, 2018.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

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## Diversity and Inclusion

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Our strategic plan includes three core components:

1. *Workforce Diversity.* We will reflect the communities we serve.
2. *Workforce Inclusion.* We will create a workplace environment where all employees are respected and valued.
3. *Culture of Inclusivity.* We will foster an environment where employees can utilize their unique strengths, skills, passions, attitudes, personalities and life experiences.

Some actions taken to date to promote workforce diversity and attract qualified, diverse talent include targeted recruitment activities at conferences, colleges and community events such as BEYA (Black Engineer of the Year Awards), the University of Puerto Rico and PRIDE festivals.

To further demonstrate and reinforce our commitment to diversity and inclusion, Tom Farrell, chairman, president and chief executive officer, became one of 400 CEOs of the world's leading companies to join the [CEO Action for Diversity & Inclusion Initiative](#).

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**“The CEO Action Pledge aligns perfectly with our core values, and we are proud to share our experience of being ‘One Dominion Energy’ with all participating companies.”**  
— Thomas F. Farrell II,  
Chairman, President and Chief Executive Officer

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Dominion Energy also joined industry leaders by becoming a signatory on the Edison Electric Institute's (EEI) Diversity and Inclusion Commitment. This three-year plan aims to incorporate initiatives and metrics to improve the industry's overall representation results. As part of this initiative, Dominion Energy will work to enhance the electric power industry by helping to transform the workforce through our dedication to attracting, recruiting and retaining diverse, highly-skilled talent. Our goal is to better represent the communities we serve, which will further ignite an energized work environment filled with innovative ideas, collaboration and impactful actions.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

### Into Action

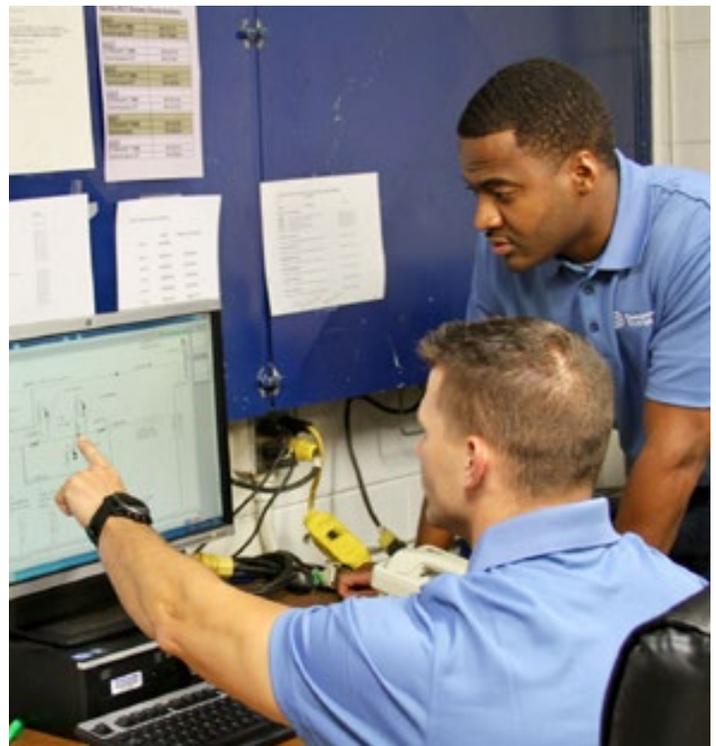
In addition to the Executive Diversity Council, each of Dominion Energy's business units established its own diversity council. While each business-unit council has its own approach, they all share a mission to ensure consistency and align with the corporate diversity and inclusion strategy.

The efforts and actions of the diversity councils led to the formation of our Employee Resource Groups (ERGs). These are self-governed groups composed of employees who come together based on similar experiences, interests or demographics. Employee participation in ERGs improves engagement, increases awareness of barriers to creating an inclusive workplace, and provides assistance with recruiting and community outreach. The groups also enable employees to feel a sense of belonging and enjoy increased opportunities for networking, professional development and education. For 2019, we will conduct periodic pulse surveys with employees to gauge engagement levels across the enterprise. Engaged employees are best able to provide honest feedback and help us identify business programs that address the needs of diverse consumers on new ideas and initiatives.

Dominion Energy has six ERGs, which are open to all employees: We3 (women), Veterans Resource Group, African- American Resource Group (AARG), iHola!, Young Professionals and PRIDE. For 2019, we will track employee hours committed to ERG efforts and add an innovation focus area to each group.

All leaders and employees must undergo diversity and inclusion training. In addition, the company's business-unit diversity councils and ERGs participate in or sponsor a host of diversity and inclusion initiatives.

These extensive initiatives include an annual "A Taste of Diversity" event, a student art contest, panel discussions on the female perspective of successfully operating on a predominantly male team, benefit seminars for veterans, workshops on youth leadership and personal branding, networking opportunities through business socials and athletic events, and sponsorship of diversity-related community events.



Everyone at Dominion Energy undergoes diversity and inclusion training.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Employee Health & Wellness

Sustainability is often thought of in systemic terms: companies, communities and ecosystems. But systems are made up of their constituent parts. The most basic part of any company is the individual employee. Dominion Energy wants to do what it can to help every employee lead a long and fruitful life.

## A Proactive Approach

### Our Strategy:

To promote a culture of wellness and professional development.

### How We Performed:

We provide a robust wellness program that encourages employees to improve their physical, emotional and financial health. In 2018 we added supplementary offerings to our benefits package.

### Where We're Headed:

Dominion Energy has implemented a 15 percent increase in adoption assistance reimbursement, from \$11,650 to \$13,810 per child. This amount is much higher than that offered by some of our industry peers. The change will take place on January 1, 2019.

No single approach will fit every employee's needs. As our workforce changes and grows more diverse, our wellness programs must evolve over time to serve and promote our company's culture.

Our "Well On Your Way" wellness program focuses on physical, emotional and financial health. We provide employees and their dependents a wide range of wellness offerings and health management services to encourage preventive care and to support work/life balance. The program provides support for employees with health and work/life issues, including coaching programs offered by StayWell Health Management and The Life Resources Center partner Beacon Health Options.

In 2016 we added some friendly competition, including a "10K a Day" challenge, in which employees were encouraged



Dominion Energy's wellness program focuses on emotional and financial health as well as physical health.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

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## Employee Health & Wellness

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to walk at least 10,000 steps each day to promote physical activity and wellness. More than 2,700 employees and 270 spouses participated. In 2017 we added “Slam Dunk,” linked to the NCAA March Madness basketball tournament. Employees created teams and earned prizes for engaging in health- and wellness-related activities.

In 2018 we are offering supplemental voluntary benefits, including critical illness and accident insurance, ID theft protection and home and auto insurance. We also offer employees a telemedicine service that provides access to medical professionals on mobile devices. Employees can chat at any time with board-certified physicians who are qualified to answer questions, make diagnoses, and even prescribe basic medications as permitted by state law. The program includes behavioral health and support for new mothers.

Dominion Energy’s benefits package includes other health benefits as well – such as free seasonal influenza shots to employees, discounted shots for dependents and contractors and access to fitness centers at many company locations.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Labor Relations

Dominion Energy respects and recognizes the right of its employees to bargain collectively through representatives of their own choosing for rates of pay, wages, hours of employment, working conditions and other employment-related issues.

## Good-Faith Bargaining

Nearly one-third of our employees are union members, and we are committed to building and maintaining relationships with the local unions in eight states that represent them. The company bargains collectively and in good faith with the following locals in accordance with the National Labor Relations Act and consistent with the highest ethical standards:

- International Brotherhood of Electrical Workers – Local Union 50
- Utility Workers Union of America (Gas Workers Union), Local G-555, AFL-CIO
- Utility Workers Union of America (United Gas Workers' Union), Local 69, AFL-CIO
- Utility Workers Union of America, Local 310, AFL-CIO

In late 2017 the Atlantic Coast Pipeline (ACP) signed Project Labor Agreements with the nation's four leading building-and-construction trade unions. The agreements reaffirm the ACP project's commitment to hiring skilled union workers. Under the agreement, the four trade unions are responsible for hiring and training the 13,000 workers needed to build the pipeline. The unions have committed to hiring at least half of the construction workforce through local union membership in West Virginia, Virginia and North Carolina, and to hire at least 25 percent of new hires (persons joining the trade unions for the first time) from local communities along the pipeline route.

The four trade unions are:

- The Laborers' International Union of North America (LIUNA)
- Teamsters National Pipeline
- International Union of Operating Engineers; and
- United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States.



Nearly one-third of the company's employees belong to a union.