



### Key Facts

Business address: **San Diego, California, United States**

Industry: **Natural Gas Distribution** (NAICS 221210)

SEC filer status: **Large Accelerated Filer** as of Sep 2020

Index member: **S&P 500, Russell 1000**

Market Cap: **\$35.3b** as of Jan 21, 2021

Annual revenue: **\$10.8b** as of Dec 31, 2019

### Corporate Governance

CEO: **Jeffrey W. Martin** since 2018

CFO: **Trevor I. Mihalik** since 2018

1st level

Board Chairman: **Jeffrey W. Martin** since 2018

Audit Committee Chair: **Jack T. Taylor**

2nd level

Auditor: **Deloitte & Touche LLP** since 1998

Outside Counsel (most recent): **Mayer Brown LLP**

3rd level

SEC Reviewer: **William H. Thompson**

4th level

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Information in this report is effective Jan 22, 2021 and is taken from the company's public financial and regulatory filings. Latest filing 10-Q filed 11/05/2020. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from [Audit Analytics](#).

Executive compensation data from [Shore Group and Intrinio](#).

Data from [Sharadar](#).

[Data from Barchart via Quandl](#).

[Data from Exchange Data International via Quandl](#).

Jan 22, 2021 Jan 1, 2020 Jan 1, 2016

RECENT PERIOD

HISTORICAL PERIOD

10-Q filed on Nov 5, 2020 for period ending Sep 2020

### Reporting Irregularities

RECENT		HISTORICAL
✓	Financial Restatements	✓
✓	Revisions	✓
✓	Out of Period Adjustments	✓
✓	Late Filings	✓
✓	Impairments	!
✓	Changes in Accounting Estimates	!
✓	Disclosure Controls	!
✓	Internal Controls	✓
!	Critical / Key Audit Matters	✓

### Anomalies in the Numbers

RECENT		HISTORICAL
✓	Benford's Law	✓
✓	Beneish M-Score	!
!	Accounting Disclosure Complexity	!

### Securities & Exchange Commission Concerns

RECENT		HISTORICAL
✓	SEC Oversight	✓
!	SEC Letters to Management	!
✓	Revenue Recognition	✓
✓	Non-GAAP Measures	✓

### Litigation & External Pressures

RECENT		HISTORICAL
✓	Significant Litigation	!
✓	Class Actions	!
✓	Securities Law	!
✓	Shareholder Activism	✓
✓	Cybersecurity	✓

### Management Review

RECENT		HISTORICAL
✓	CEO Changes	!
✓	CFO Changes	!
!	Insider Sales	!
✓	Mergers & Acquisitions	!
✓	Sales of Assets	✓

### Auditor Assessment

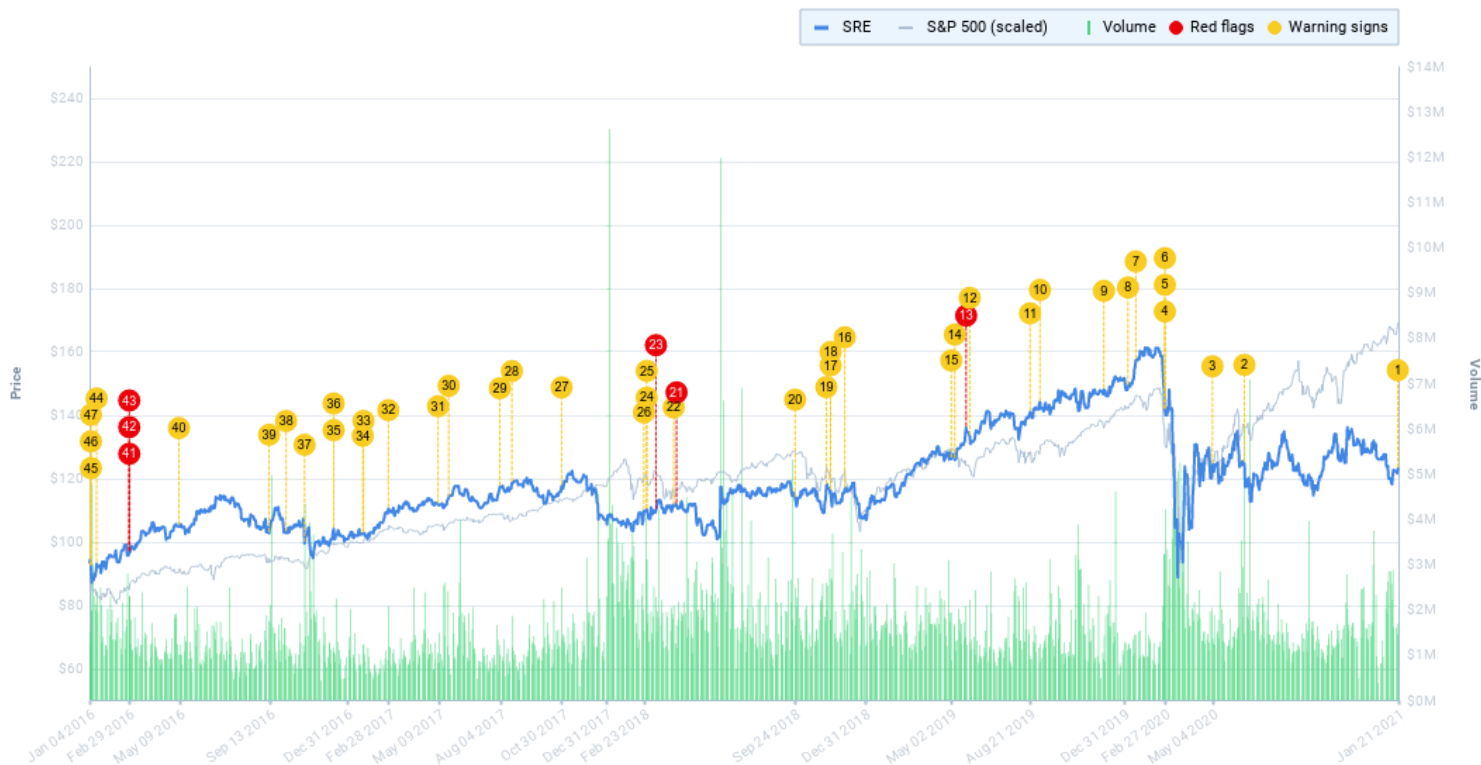
RECENT		HISTORICAL
✓	Auditor Changes	✓
✓	Auditor Experience	✓
✓	Auditor Tenure	✓
!	Audit Fees	!
✓	Non-Audit Fees	✓



## Overview

### Price and Volume History

This graph shows the price and trading history for Sempra Energy. Warning signs and red flags are marked on the graph according to their disclosure dates.



- 1 Jan 20, 2021 - Insider Sale
- 2 Jun 18, 2020 - Insider Sale
- 3 May 4, 2020 - Insider Sale
- 4 Feb 27, 2020 - Critical / Key Audit Matters
- 5 Feb 27, 2020 - Critical / Key Audit Matters
- 6 Feb 27, 2020 - Critical / Key Audit Matters
- 7 Jan 17, 2020 - Insider Sale
- 8 Jan 6, 2020 - Insider Sale
- 9 Dec 3, 2019 - Insider Sale
- 10 Sep 4, 2019 - Insider Sale
- 11 Aug 21, 2019 - Insider Sale
- 12 May 28, 2019 - Insider Sale
- 13 May 23, 2019 - Insider Sale
- 14 May 7, 2019 - Change in Accounting Estimates
- 15 May 2, 2019 - Insider Sale
- 16 Dec 3, 2018 - Insider Sale
- 17 Nov 13, 2018 - Insider Sale
- 18 Nov 13, 2018 - Insider Sale
- 19 Nov 7, 2018 - Change in Accounting Estimates
- 20 Sep 24, 2018 - SEC letters to management
- 21 Apr 10, 2018 - Change in CFO
- 22 Apr 6, 2018 - Insider Sale
- 23 Mar 12, 2018 - Change in CEO
- 24 Feb 27, 2018 - Impairment
- 25 Feb 27, 2018 - Impairment
- 26 Feb 23, 2018 - Insider Sale
- 27 Oct 30, 2017 - Disclosure Controls
- 28 Aug 21, 2017 - Mergers & Acquisitions
- 29 Aug 4, 2017 - Disclosure Controls
- 30 May 24, 2017 - Insider Sale
- 31 May 9, 2017 - Disclosure Controls
- 32 Feb 28, 2017 - Disclosure Controls
- 33 Jan 24, 2017 - Insider Sale
- 34 Jan 23, 2017 - Insider Sale
- 35 Dec 13, 2016 - Insider Sale
- 36 Dec 13, 2016 - Insider Sale



- 37 Nov 2, 2016 - Disclosure Controls
- 38 Oct 7, 2016 - SEC letters to management
- 39 Sep 13, 2016 - Change in CFO
- 40 May 9, 2016 - Insider Sale
- 41 Feb 29, 2016 - Lawsuit: Plumley v. Sempra Energy et al
- 42 Feb 29, 2016 - Class Actions Lawsuit: Plumley v. Sempra Energy et al

- 43 Feb 29, 2016 - Securities Law Lawsuit: Plumley v. Sempra Energy et al
- 44 Jan 14, 2016 - Insider Sale
- 45 Jan 6, 2016 - Insider Sale
- 46 Jan 6, 2016 - Insider Sale
- 47 Jan 6, 2016 - Insider Sale

## Notifications

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

**There are no notifications for Sempra Energy at least since 2016.**

## Peer Group

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

### Peer Group

Company	Ticker	Market Cap
Adobe Inc.	ADBE	\$229b
Thermo Fisher Scientific Inc.	TMO	\$203b
Qualcomm Inc.	QCOM	\$186b
Nextera Energy Inc.	NEE	\$164b
Danaher Corp.	DHR	\$160b
Bristol Myers Squibb Co.	BMJ	\$149b
Starbucks Corp.	SBUX	\$123b
Micron Technology Inc.	MU	\$97.2b
Estee Lauder Companies Inc.	EL	\$90.6b
Sempra Energy	SRE	\$35.3b

### Companies Who Named Sempra Energy as a Peer

Company	Ticker	Market Cap
Nextera Energy Inc.	NEE	\$164b
Southern Co.	SO	\$63.4b
Exelon Corp.	EXC	\$40.5b
American Electric Power Co. Inc.	AEP	\$39.4b
Sempra Energy	SRE	\$35.3b
Kinder Morgan, Inc.	KMI	\$34.5b
Xcel Energy Inc.	XEL	\$34b
Eversource Energy	ES	\$29.9b
Public Service Enterprise Group Inc.	PEG	\$29.5b
Consolidated Edison Inc.	ED	\$23.2b



## Peer Flag Comparison

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does Sempra Energy's accounting quality compare to its peer group?

	SRE	PEER GROUP FLAGS		
<b>Reporting Irregularities</b>				
Financial Restatements	✓	9		
Revisions	✓	7	2	
Out of Period Adjustments	✓	6	3	
Impairments	!	3	6	
Changes in Accounting Estimates	!	3	6	
Disclosure Controls	!	2	6	1
Internal Controls	✓	8		1
Critical / Key Audit Matters	!		6	3
<b>Anomalies in the Numbers</b>				
Benford's Law	✓	8		1
Beneish M-Score	!	8		
Accounting Disclosure Complexity	!	5	2	2
<b>Securities &amp; Exchange Commission Concerns</b>				
SEC Oversight	✓	9		
SEC Letters to Management	!		3	6
Revenue Recognition	✓	3	6	
Non-GAAP Measures	✓	9		

	SRE	PEER GROUP FLAGS		
<b>Litigation &amp; External Pressures</b>				
Significant Litigation	!	1	1	7
Class Actions	!	3		6
Securities Law	!	4		5
Shareholder Activism	✓	8	1	
Cybersecurity	✓	6	3	
<b>Management Review</b>				
CEO Changes	!	5	1	3
CFO Changes	!	2	4	3
Insider Sales	!	1	3	5
Mergers & Acquisitions	!	1	7	1
Sales of Assets	✓	9		
<b>Auditor Assessment</b>				
Auditor Changes	✓	8	1	
Auditor Experience	✓	9		
Auditor Tenure	✓	3	6	
Audit Fees	!	5	4	
Non-Audit Fees	✓	5	4	



## About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

### Our management team is:

**CEO:** Brian Lawe. Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

**CTO:** Radu Cugut. Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

**Chief Content Officer:** Joseph Burke, Ph.D. is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

**Director of Research:** John Cheffers. John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



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