

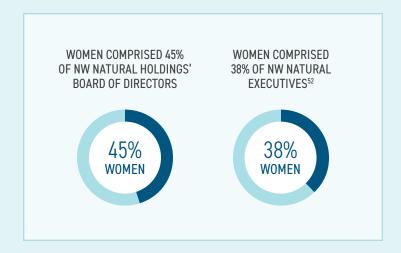
People and Culture Highlights

of NW Natural employees describe themselves as having a sense of belonging at work

(2022 employee satisfaction survey)



100% of employees who work more than 20 hours are eligible for all benefits including paid time off; employees who work more than 40 hours are eligible for additional benefits including full medical and dental coverage.





NW Natural Holdings has the highest gender diversity rating ("GB" for gender balanced) from 50/50 Women on Boards



Launched a redesigned mentoring program that includes diversity initiatives and aligns with NW Natural's commitment to equity and belonging



Added the Neurodiversity Network, our seventh Employee Resource Group (ERG)

NW Natural Holdings is one of 7% of publicly traded companies in the U.S. with a woman board chair 53



Launched the Community & Equity Advisory Committee to address energy inequity





Martin Luther King Jr. **Day and Veterans Day** celebrated as new paid company holidays



Expanded the Diversity, Equity, and Inclusion portion of orientation program for new hires, including content that introduces the concept of unconscious bias on day one



Launched a supplier diversity page on our website to highlight opportunities for diverse businesses to work with us and help them navigate the process of becoming a certified culturally or racially diverse business.

⁵³ According to the Women Business Collaborative April 2022 report



Average years of employment

45
Average age of employees

4.9%
Retirement rate

6%
Voluntary separation rate (not including retirements)

Employee benefits

NW Natural strives to offer competitive total compensation packages designed to attract and retain employees and meet the needs of our workforce. We continuously look for ways to enhance employees' physical, psychological and financial well-being, and this is reflected in the programs we offer to meet the needs of employees and help them care for their families. These benefits are outlined below.⁵⁴

Health coverage for all full-time staff. We provide multiple insurance carrier and health plan options for employees to choose from. All plans include outpatient and inpatient medical care, vision and dental insurance, and coverage for dependents.

Flexible work options. We offer a hybrid work model based on meeting individual employees' needs and working styles. According to the Society for Human Resource Management, flexible work options are the most sought-after work benefit today.

Generous vacation policy. NW Natural non-union employees start with 160 hours of vacation at beginning of employment, while the average for other utilities in the Northwest is 66 hours for new hires. ⁵⁵ Nationally, the average number of vacation leave hours reaches 160 only after 20 years of employment. ⁵⁶ Non-union NW Natural employees receive 248 hours of paid vacation (about six work weeks) after 15 years of service and union employees receive 208 hours of paid vacation after 13 years of service.

Paid holidays and leave. In addition to vacation time, employees have 10 paid holidays—including Martin Luther King Jr. Day and Veterans Day—plus three floating holidays. We also provide paid parental and bereavement leaves.

Paid sick time and disability insurance. Non-union employees get 80 hours of paid sick time annually, more than the national average reported by the U.S. Bureau of Labor Statistics. The company pays for short- and long-term disability insurance that provide some wage replacement when an employee is out for a qualifying health condition.



Career development. We invest in employees' career growth through tuition assistance, professional training programs and a robust mentoring program developed with an emphasis on cultural relevance for underrepresented groups. ERGs and other internal organizations help employees form connections and visualize what opportunities are available. All employees have access to LinkedIn Learning self-guided professional development modules.

Financial wellness. We provide 401(k) with employer match, automatic employer contribution to 401(k) for non-pension employees, stock purchase plan, pension for employees hired before 2007 (non-union) or 2010 (union).

Onsite offerings. We offer free fitness centers at our downtown Portland headquarters and most resource centers. The headquarters building features indoor bike parking, ergonomic workstations, lactation and quiet rooms and access to nature on our rooftop deck. Employees who work downtown can get a company-paid public transit pass.

Our package options vary depending on date of hire and whether the employee is full-time, part-time or a union member. Employees who work more than 20 hours are also eligible for certain benefits

^{55 2022} Milliman NW Benefits Survey

⁵⁶ Average PTO In USA & Other PTO Statistics (2023) – Forbes Advisor

Healthcare & Insurance	Wellness	Financial	Work-Life Balance	Culture & Community	Employee Recognition & Discounts
Medical	Health screenings, Flu and COVID-19 shots	401(k) with employer match	Paid Time Off (PTO)	Seven Employee Resource Groups	Formal employee-recognition program
Dental	Free fitness centers (company headquarters &	Automatic employer contribution to 401(k) for employees not in pension plan (regardless of employee contribution)		Volunteer opportunities, recognition and financial support for volunteer work	Recognition of years of service (every five years)
Vision	certain resource centers)		Paid holidays (10)		20% off natural gas service
Flexible	Activity rewards program	Financial education workshops for all employees	plus three floating holidays	Sustainability and	Free public transit pass (company headquarters),
Spending Accounts	Tobacco cessation	Employee stock purchase plan Flexible and hybrid work		Equity Engagement Committee	bike room, and carpooling support programs
Health	Digital Wellness Library with resources on mental health, nutrition, seasonal health considerations	Pension for employees hired before January 1, 2007 for nonunion and January 1, 2010 for union employees	arrangements, based on employees' needs and working styles	Diversity, Equity & Inclusion Committee	Discounts on natural gas appliances and equipment at the NW Natural Appliance Center
Savings Account				Company match	
Life	Work Ready digital wellness and injury-prevention program, available to employees and families	NW Natural Scholarship program for children of employees — awards four scholarships toward full-time study at an accredited institution	Employee assistance program	for employee charitable giving	
Insurance			Education assistance	Casual attire dress code in the office	Vendor discounts
Short-Term and Long-Term Disability		PTO Buy-back Program (union employees)	Paid parental leave	Learning	on personal technology, sportswear, carsharing
	Wellness Advisory Committee	Tuition reimbursement program for employees seeking	Paid bereavement leave	opportunities, including lunch & learns	Discounts at
Transgender-inclusive benefits	Lactation & quiet rooms (company headquarters)	job-related degrees at an accredited institution	Predictable scheduling for hourly employees	Community and Equity Advisory Group	cultural and entertainment establishments

Pay equity

We strive to compensate all our employees equitably, and we have established multiple initiatives to help us achieve pay equity across our workforce.

- We do a comprehensive pay analysis for each new hire.
- To help identify opportunities for improving equity, an external consultant annually reviews all our regular employees' pay data, including protected characteristics such as gender and race.
- We periodically review pay to provide adjustments when needed during an employee's tenure. These reviews include: internal and external equity reviews, promotions, reclassifications and reorganizations.

Employee satisfaction

Every year we conduct an engagement survey to ask our employees how satisfied they are with their individual jobs, supervisors, work groups and the company overall. This feedback gives company leaders valuable guidance on ways to make NW Natural a more effective company and a better place to work. Every officer reviews the survey results, and frontline managers are encouraged to initiate meaningful dialogue with employees about the responses their teams provided. NW Natural CEO David Anderson and our officers regularly visit resource centers to answer questions and get input from field employees.

Results of our 2022 survey indicated that employees were highly engaged in their work in the face of a challenging year. Nearly 84% of employees described themselves as engaged in their work in 2022, compared with just 32% of American workers. About 77% of our workforce completed the survey—in contrast to the average response rate of 25-60% in U.S. companies. NW Natural donates up to \$1,500 to the Oregon Food Bank every year based on survey participation and in 2022 contributed the maximum amount.

2022 EMPLOYEE SURVEY RESULTS



EMPLOYEES ALSO AGREED OR STRONGLY AGREED WITH THE FOLLOWING:

- My work area operates with integrity and ethical conduct (96%)
- We demonstrate safe work practices in our work area (95%)
- We engage with customers and the community in a way that respects and values diversity and inclusion (94%)
- I understand the importance of my job to the success of NW Natural (93%)
- We provide excellent service to our external customers (91%)

While employee engagement slumped nationwide in 2022, NW Natural's engagement survey showed favorable responses⁵⁷ in every category, and more than half of all responses were above 80%. We did see modest declines in some areas, as employees contended with external and internal challenges including rapid inflation, rising gas prices, and customers' questions about rate increases. However, thanks to our dedicated employees, we successfully delivered essential utility services, with a focus on safety, reliability and customer service.

⁵⁷ Responses with a score of seven and above are considered favorable. Gallup's Exceptional Workplace Award winners averaged 70% employee engagement

Employees gave their immediate supervisors high marks for providing regular feedback (86%), sharing goals and priorities of the company (87%), following through (90%), allocating people and resources wisely (87%) and being open to feedback (90%).

A work model that works for employees

As we planned for the transition to a "new normal" after pandemic restrictions began to ease, we asked employees to give us their thoughts about what our workplace should look like going forward—and we listened. Based on their feedback, our officer team implemented a flexible hybrid work model that allows managers and supervisors to decide what's best for the people they lead, as long as work arrangements meet the company's goals and continue to support our high level of customer service.

"NW Natural is a great place to work, and the addition of flexible work schedules and hybrid capabilities is helping retain good employees and work life balance."

- 2022 Employee Engagement Survey respondent

In 2022, we continued supporting all our employees with psychological services, resiliency support, and frequent surveys. During catastrophic events, employees have access to a long-standing fund that assists with needs. While the majority of our employees work in the field and maintained their work schedules and locations throughout the pandemic, in 2022 most NW Natural office employees who had been working at home for three years began returning the company's downtown Portland headquarters at least part of the time. We conducted a survey at the end of 2022 to track how people were doing with the hybrid work model, and results were overwhelmingly positive, with 97% of employees saying their manager trusts them to manage their time and 93% saying their team is connected and productive while working a hybrid schedule.

Productive partnership with our union employees

More than half of NW Natural employees are represented by the Office and Professional Employees International Union Local 11. The company has a history of maintaining good relations with the union through communication and collaboration. Working together, union and NW Natural leaders reached a mutually beneficial agreement in 2019 that is in effect through May 31, 2024. During calendar year 2022, NW Natural did not experience any work stoppages (strikes or lockouts) and had zero idle days for the year.





New mentoring program aims to empower a diverse workforce, one relationship at a time

In keeping with our core value of caring, NW Natural first created a mentoring program in 2006. In 2022 we launched Mentoring 2.0, designed from the ground up in partnership with our Diversity, Equity & Inclusion Council and ERG leaders. The new program offers robust new growth and development opportunities and aligns with NW Natural's commitment to fostering an inclusive culture and ensuring racial, cultural, ethnic, and gender equity in all aspects of our work.

With a focus on reaching women and historically marginalized groups, Mentoring 2.0 helps mentees build professional relationships, identify potential career paths at NW Natural and develop strategies for advancement. Mentors receive nine training sessions to help them strengthen coaching and communication skills, listen effectively and engage productively with people who have different experiences and viewpoints. The first 25 mentor/mentee pairings were identified in 2022 and met in early 2023. The mentor group included four officers, and the mentees were 28% women, 40% of whom were culturally or racially diverse. Participation in the new program is on paid company time.

Growth and development

To help employees reach their full potential, NW Natural provides growth and development opportunities through programs designed to build skills and relationships. In 2022, the company offered many learning and development options including:

- Mentoring program In 2022 we launched an all-new mentoring program to provide a fresh path for employees committed to personal and professional growth to connect with mentors who have experiences to share. The program was designed from the ground up to offer robust opportunities for development and to increase cultural relevance for racially and culturally diverse employees.
- Scholarships and tuition Qualified employees are eligible for tuition support of up to \$5,250 per year for undergraduate and graduate degree programs. Employees have received more than \$700,000 in assistance for higher education over the past 10 years. NW Natural also awards four annual scholarships to children of employees seeking a degree at an accredited institution.
- Gas class Our internal class gives employees a chance to learn how the company operates, better understand how they contribute to achieving our key goals and see opportunities for career growth. For years the class was offered in-person only, which meant the class size was limited. In 2022 NW Natural's Organizational Effectiveness team redesigned the course as an online offering with a flexible, virtual format that makes it available to all employees.
- Leadership and employee development Many employees attend internal and continuing education courses relevant to their areas of expertise, as well as ongoing management and leadership training through a variety of programs. In 2023 we intend to expand our internal leadership learning program to reach all managers across the company.
- Our list of training and development programs include: University of Idaho Energy Executive Course, Portland Business Alliance (now Portland Metropolitan Chamber) Leadership Portland program, AGA Executive Leadership Development Program, Willamette Utility Management Certificate Program, WEI Business Acumen for Emerging Leaders, Willamette Leadership for Attorneys in Business, Executive Development Institute (EDI) programs, Executive Forum Advanced Leadership program, AGA Next Level Leadership Women's Program and Utility Finance for Non-Finance Professionals.
- Access to comprehensive learning programs Employees have full access to LinkedIn Learning's massive collection of online skill-building courses taught by industry experts.









Workplace culture and community engagement opportunities

We're continuously developing programs and ways to engage our employees, help them connect to their colleagues, and pursue their interests. In 2022 employees had the opportunity to participate in a range of activities to connect with their peers.

WELLNESS ADVISORY COMMITTEE – The committee helps guide the company's wellness program, offering advice, new ideas and feedback from their peers to further the health and well-being of all NW Natural employees.

SUSTAINABILITY & EQUITY ENGAGEMENT COMMITTEE (SEEC) – The employee-led SEEC builds a broad coalition around energy, equity and environment practices at NW Natural. The committee promotes sustainable practices within the company, and serves as a conduit to management as well as community partners working to address climate change and environmental equity. The SEEC presented a series of lunch and learn events to educate employees about Earth Month.

COMMUNITY & EQUITY ADVISORY GROUP (CEAG) – Established in 2022, CEAG focuses on energy equity, specifically aiming to expand energy access and remove barriers for underserved customers. Led by employees, this group seeks out and engages with diverse organizations and underrepresented voices within our community to bring a racial equity and environmental justice lens to our energy and operational planning.

ECOCHALLENGE – NW Natural employees embraced the Ecochallenge in 2022, integrating sustainable actions into their daily lives while earning points and winning prizes. The SEEC, in partnership with the Wellness Committee and the DEI Council, connected employees with a 21-day event run by Ecochallenge.org, a social change platform that encourages a more sustainable way of living.

DOWNTOWN CLEANUP – NW Natural employees volunteered in the second annual cleanup event sponsored by SOLVE to help remove 4,715 pounds of trash and revitalize downtown.

BIKE CHALLENGE – The SEEC encouraged employees to reduce their carbon footprint, connect with others and get moving in the 2022 Bike Challenge. Participants logged their miles via an app, and every ride counted, whether for fun, fitness or a commute to work.

ROSE CITY 5K – NW Natural was the start line sponsor of the annual Rose City 5K run, which returned in 2022 after a COVID-19 hiatus. The company's sponsorship allowed employees to register for free and attend a post-race celebration in Portland's Waterfront Park.

COMPANY PICNIC – After a two-year break during the pandemic, the NW Natural company picnic returned to Portland's Oaks Amusement Park in July 2022. Employees, retirees and their families attended the event, which featured rides, craft activities and food prepared and served by the NW Natural catering team.

Diversity, Equity & Inclusion Strategic Focus

At NW Natural, we know all of us benefit when we amplify underrepresented voices, celebrate our differences and create an environment where everyone can contribute, thrive and prosper. We prioritize cultural, racial, and gender equity in all aspects of our work, from our hiring and daily operations, to the way we interact with our customers and communities, to the biggest decisions we make as a business.

To accelerate our work in this area, we hired an outside consultant to review our progress on diversity. We convened focus groups and created an assessment and a set of recommendations for our executives. Incorporating this feedback, in 2019 we introduced a comprehensive DEI strategy overseen by the Public Affairs and Environmental Policy Committee of our board of directors. We view events of recent years and the growing movement for racial equity as opportunities to accelerate our work and serve as an active force for change.

"Diversity is critical to NW Natural's future success and an important part of our culture and values. We know that a broad base of perspectives, experiences, and ideas will be our strength in a changing world – and a critical component to achieving the company's strategic plan."

David Anderson, NW Natural CEO

People

We actively work to build a diverse workforce that reflects the communities we serve. We have a diversity strategy for all levels in our organization, including senior management. Our VP, chief HR and diversity officer leads these efforts and reports directly to the CEO because we believe a diverse, equitable and inclusive workplace is vital to our long-term success.

LEADERSHIP. Diversity starts at the top, and we are proud to have racially or culturally diverse individuals and women in leadership positions. In 2022 our board received the highest gender diversity rating ("GB" for gender balanced) from 50/50 Women on Boards; only three companies in Oregon and 11% of Russell 3000 companies were rated as gender-balanced. According to the investment research firm Morningstar, better stock price performance and value-creation strategies are associated with greater women representation on boards and management teams.⁵⁸

Women hold 45% of the seats on NW Natural Holdings' board of directors, and our board chair is a woman. Nationally, women hold 28% of seats on the boards of publicly traded companies,⁵⁹ and only 7% of publicly traded companies have a woman board chair.⁶⁰

	NW Natural Holdings	Russell 3000 Companies
Percentage of board members that identify as racially or culturally diverse	27%	17%61
Percentage of board members that identify as women	45%	28%62
Percentage of women that hold C-suite positions	38%	32%63

NW Natural Gender 2022	NW Natural Holdings' Board	Executive Management	Mid & Other Management	All Employees
Women	45%	38%	30%	27%
Men	55%	62%	70%	72%
Nonbinary	0%	0%	0%	<1%
Decline to Respond	0%	0%	0%	<1%

⁵⁸ Morningstar Sustainability Matters, March 2023

⁵⁹ As calculated by 50/50 Women on Boards, through September 2022

⁶⁰ Fortune - More women are on boards, but few are chairs or lead directors, February 2023

^{61 5050}WOB-Q4-22-Infographic-Final

^{62 5050}W0B-Q4-22-Infographic-Final

⁶³ Women in business 2022 | Grant Thornton insights



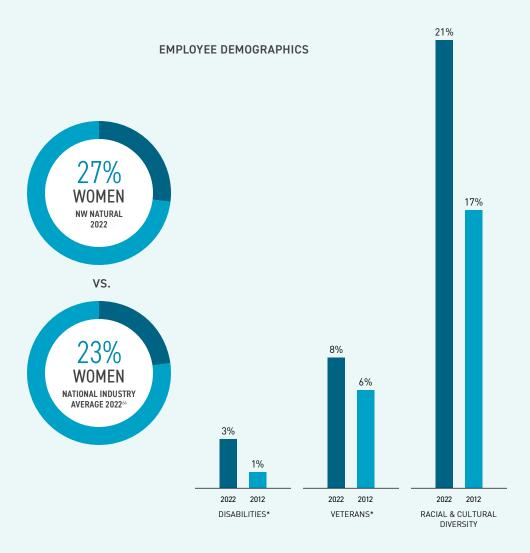




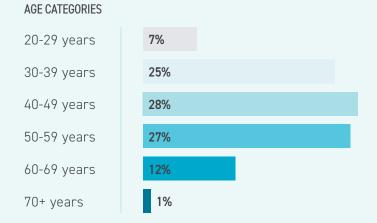
WORKFORCE DEMOGRAPHICS. NW Natural highly values every employee from every generation, background, and way of life. Our diverse skills, deep company knowledge, unique perspectives, and broad experience help us meet customers' needs. In 2022 nearly 21% of our employees self-identified as racially or culturally diverse—an increase of more than 23% since 2012. NW Natural maintains affirmative action plans and these programs have been in compliance with every federal audit since 2017.

Actively building a workforce that reflects our communities

Race/Ethnicity	NW Natural 2022	<u>Oregon 2020</u> (Census Data)
American Indian or Alaska Native	3%	1%
Asian	6%	5%
Black or African American	4%	2%
Decline to Respond	1%	N/A
Hispanic or Latino	5%	13%
Native Hawaiian or Other Pacific Islander	1%	0%
Two or More Races	2%	4%
Undeclared/unknown	<1%	N/A
White	78%	75%



A MULTIGENERATIONAL WORKFORCE





^{*}Disabilities and Veterans' data is collected via voluntary employee disclosure beginning in 2015 and may be underreported.

⁴⁴ U.S. Bureau of Labor Statistics, 2022 Labor Force Statistics from the Current Population Survey. Employed persons by detailed industry, sex, race, and Hispanic or Latino ethnicity: U.S. Bureau of Labor Statistics [bls.gov]

Workplace culture and community

NW Natural offers a multitude of ways for employees to pursue their interests and connect with their colleagues. In 2022, employees participated in a range of activities that strengthened and celebrated our work community.

DIVERSITY, EQUITY & INCLUSION COUNCIL – Founded 23 years ago, the DEI Council is a group of employees from across the company who work to make NW Natural a more diverse, inclusive and welcoming workplace for everyone. The council supports this vision through education, outreach, advocacy and action. In addition to being a force for positive change, employees who join the council have opportunities to learn new skills and grow in their careers.

EMPLOYEE RESOURCE GROUPS (ERGS) – The DEI Council developed NW Natural's ERG program in 2020 to provide employees—especially historically underrepresented groups—with a space to foster connections and create a sense of community at work. In addition to helping their NW Natural co-workers understand and value differences, ERGs engage in community outreach, partnerships, and support recruiting, development and advancement of diverse employees within the company. Job seekers tell our recruiters that the ERGs have been a positive factor in choosing to work for the company.

CURRENT ERGs















In 2022 NW Natural:

- Launched our new Neurodiversity Network ERG, bringing our total number to seven
- Hosted a PDX ERG event in Portland, bringing together 60 participants from 11 different companies to discuss DEI training ideas and best practices
- Conducted leadership training for ERG members to build their strengths as ERG leaders and prepare them for future leadership roles within the company





ERG-SPONSORED ACTIVITIES IN 2022 INCLUDED:

Celebrating Black History Month – Sponsored by NW Natural's African American ERG, this celebration featured a month of profiles, videos and other content to shine a light on the many ways Black Americans have shaped U.S. history, politics, culture and more.

Women's History Month – NW Natural's Women's Network held a monthlong celebration of the economic, cultural and political achievements of women, with events to engage employees in discussions focused on empowering them in their lives and careers and contributing to a workplace where everyone feels respected and supported.

Honoring Asian American heritage – To celebrate Asian Pacific American Heritage Month, NW Natural's Asian American Network ERG curated a lineup of virtual events, documentaries and articles that showcased the struggles and achievements of Asian Americans and gave employees an opportunity to explore and experience the diverse aspects of Asian and Asian American culture

Pride Parade – In July 2022, NW Natural employees took to the streets in the Portland Pride Festival and Parade and celebrated at an after-party hosted by the Rainbow Alliance ERG.

Paying tribute to Veterans – On Nov. 11, 2022, NW Natural employees for the first time celebrated Veterans Day as a paid holiday to acknowledge those who have served in the armed forces.

Honoring Juneteenth – 2022 marked the first year Oregon has observed Juneteenth as a state holiday. Juneteenth commemorates the end of slavery in Texas, the last state in the U.S. to comply with the Thirteenth Amendment. NW Natural's DEI Council and the African American ERG invited their fellow employees to join in recognizing Juneteenth and provided resources with information about celebrations throughout Oregon.

Hispanic Heritage Month celebration – Honoring the contributions and achievements of Hispanic and Latin Americans, the four-week event at NW Natural showcased the rich diversity of these cultures. Somos Unidos, NW Natural's Hispanic and Latin American Employee Resource Group, kicked off the month with a special rooftop fiesta at the company's downtown Portland headquarters, where attendees lunched on fare from local Hispanic and Latin American businesses and homemade dishes provided by Somos Unidos members.

Indigenous People's Day – "Honoring Indigenous People" was the focus of the October 2022 "Be the Change Challenge" through the Virgin Pulse digital health and wellbeing program available to all NW Natural employees. Participants could watch a video, read articles, listen to a podcast, and/or support a nonprofit related to Indigenous People.

Spotlight on gender awareness – During Non-Binary Awareness Week, NW Natural's Rainbow Alliance ERG invited employees to learn about and support individuals whose identity falls outside traditional gender norms. The alliance sponsored a free workshop, Understanding Gender 101.

March for Babies – NW Natural's African American ERG and Women's Network ERG sponsored the company's team in the March of Dimes annual March for Babies walk, which raises funds to create positive change for moms and babies everywhere, especially those most at risk.





Neurodiversity Employee Resource Group celebrates diverse perspectives

In 2022 employees spearheaded the creation of a Neurodiversity ERG to encourage the view that human brains function in diverse ways that should be recognized and respected as differences rather than deficits. The group's vision is to raise awareness, build acceptance and increase openly neurodivergent representation in company leadership and programs. A top priority is to provide a welcoming atmosphere for neurodivergent people from communities that have been marginalized. The ERG also supports employees who have neurodivergent family members or dependents, offering resources and connections to help caretakers create a happier life outside work and focus more effectively when they're on the job.

"Neurodivergent employees make unique contributions in the workplace. They may have skills like creativity, perseverance, pattern-recognition, keen memory and acute observations. Having someone who's neurodivergent on your team can help keep the team robust and healthy."

 Vance Voyles, Engineering Technical Coordinator and Neurodiversity Network ERG co-founder

Recruiting more diversity into NW Natural - 2022 highlights

Increasing the diversity of our workforce through recruitment is a top priority at NW Natural. A significant focus is to understand and increase awareness of systems and structures that could limit representation and equity for prospective employees. We have a comprehensive approach that includes implementing new recruitment and hiring strategies, increasing our pool of diverse candidates through our community partnerships and providing anti-bias training for HR and hiring managers. We achieved the following results in 2022:

- Increased the diversity of NW Natural's construction team by 11% from 2018 to 2022; now 29% of employees on the team are from historically underrepresented groups.
- Offered full-time positions at NW Natural to 83% of participants in our Construction Internship Program, which provides paid on-the-job training for members of underserved populations.
- Launched a new, union-endorsed internship program for Construction Field Services
- Leveraged our partnerships with local agencies to raise awareness about our commitment to building an inclusive, welcoming workplace for everyone.
- Partnered with Urban League Construction Careers Training Institute to inform job candidates about opportunities in construction and Customer Field Services at NW Natural.
- Strengthened relationships with Urban League and other community partners such as National Association of Minority Contractors, Oregon Tradeswomen, and Constructing Hope.

Diversity in the field

To serve our communities and promote diversity within our field workforce, we work to create employment opportunities for underserved populations. We launched an innovative Construction Internship Program in 2018 to seek out high-quality prospective employees who might not have the background to qualify for—or even find out about—a well-paying construction job. Every year the program provides up to 12 interns with nine months of paid on-the-job training and practical work experience that can lead to full-time employment at NW Natural. We recruit applicants through local public schools, careers fairs, online channels, social media and community organizations. All our 2022 interns were diverse employees, and 83% were offered full-time positions at NW Natural at the end of the program.

In 2022 we expanded our outreach by building on our strong relationship with Urban League of Portland. NW Natural became a regular presenter at the Urban League's Construction Careers Training Institute, and one of the institute's graduates subsequently joined the company as a construction intern and has been hired as a full-time employee. Based on the success of the program, we created a Construction Field Services internship program in 2022.

Employees engaged in recruiting diverse candidates

NW Natural employees attended or hosted many events in 2022 aimed at recruiting women and racially and culturally diverse employees. These included:

- "Say Hey" virtual networking events sponsored by Partners in Diversity to welcome culturally or racially diverse professionals who are new to Oregon and Southwest Washington. NW Natural is a founding member of Partners in Diversity, and our VP, chief human resources and diversity officer serves on the organization's board.
- The Urban League of Portland Career Connections Job Fair, which focuses on diverse job seekers.
- Urban League's Construction Careers Training Institute, where candidates gain the skills necessary to enter the construction field.
- Constructing Hope, which supports women and culturally and racially diverse people in various industries.
- Centro Cultural held a networking gala that was sponsored and attended by NW Natural employees.
- Participated in the Military Western Regional Virtual Career Fair hosted by Military X. The career fair is for active and retired military personnel looking for jobs in the civilian world.
- Happy hours sponsored by Portland Women in Tech, which helps empower women, nonbinary and underrepresented people to join and remain in the technology field.
- Used the Handshake platform to share NW Natural job listings with colleges and universities, including culturally diverse institutions of higher education.





Constructing a career

When she was in high school Amanda Sears Wyman knew she wasn't interested in the college degree her counselors and teachers seemed to be promoting. "My family can't afford college, and it was just not something I saw myself doing," she said. "I never wanted to be in an office. I wanted to be outside doing something physical."

After graduating she was accepted for a job as a traffic-control flagger with NW Natural's main flagging contractor. Working alongside NW Natural construction crews, she watched the skilled work they were doing and knew she wanted to pursue a career in construction. "I asked a lot of questions about what it would take for me to work at the gas company," she said. "I had no construction background—I'd never even held a shovel." She applied for the Construction Internship Program and was hired into the program in 2021 at age 22. The learning curve was steep, the work often physically grueling and she excelled. "What helped me through was my work ethic and my attitude—always being willing to learn and to help wherever needed," she said. After completing just six months of the nine-month internship, she was offered full-time employment at NW Natural. She now works as a pipefitter and was recently promoted. Along the way she has had supportive mentors and a crew that treated her as a valued colleague in the field. "We're all one team here," she said. "Sharing the work is a big thing at this company, and we do a really good job of it."

In 2023 Amanda spoke with high school students at the Oregon Tradeswomen Annual Career Fair about her career at NW Natural. "I wish schools would push the trades the way they push college," she said. "Most people my age aren't doing what I do or making as much money as I do. I'm saving for a house, and my friends graduating college right now are in debt instead." She sees NW Natural as a place where she can continue to grow professionally. "Maybe one day I'll want to go into the training department," she said. "But not anytime soon. I show up every day with a smile on my face and I'm always learning new things. My plan is to stick with this."

Partners—Our Suppliers

We actively work to expand the diversity of our supplier network and increase our purchasing from businesses owned by women, veterans, and other traditionally underserved and underrepresented groups. We also encourage our suppliers to use diverse subcontractors while performing work on NW Natural's behalf. Our CFO and our VP controller and treasurer works with our chief diversity officer to oversee our diversity procurement activities.

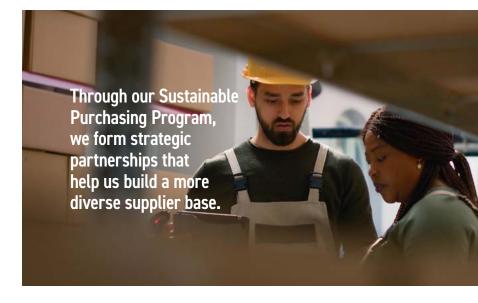
2022 DE&I Highlights—Partners

- Implemented an enterprise technology upgrade that gives us tools to better measure and track our work with diverse suppliers
- Began using third-party supplier-diversity data for more accurate and robust vendor analysis
- Introduced new reporting to measure our suppliers' spend on second-tier subcontractors and determine the impact on our diversity goals
- Launched a supplier diversity page on our website to highlight opportunities for diverse businesses to work with us and help them navigate the process of becoming a certified culturally or racially diverse business. In 2022, 26% of supplier inquiries submitted through our website were from diverse businesses

\$23.7
MILLION

in goods and services from verified culturally or racially diverse-, woman- or veteranowned businesses in 2022 \$202.3

from small businesses in 2022



Through our Sustainable Purchasing Program, we form strategic partnerships that help us build a more diverse supplier base. These relationships support the communities we serve. Our current partners include:

- Northwest Mountain Minority Supplier Development Council
- Oregon Native American Chamber
- National Association of Minority Contractors
- Latino Built An Association for Latino Contractors in Oregon
- Women's Business Enterprise Council
- National LGBT Chamber of Commerce
- Oregon Association of Minority Entrepreneurs

Our Corporate Purchasing and Expenditures Policy sets forth certain business requirements, including diversity, that we consider when reviewing purchase orders. When evaluating requests for proposals (RFPs), we consider the prospective supplier's ability to help NW Natural achieve our business requirements along with our goals for supplier diversity and we request information that includes the prospective supplier's certification as a culturally or racially diverse-owned, women-owned, underrepresented, or emerging small business, as well as its own diverse-supplier program and opportunities to use diverse subcontractors.

Customers & Community

To serve our increasingly diverse community, we have a customers and community strategy focused on ensuring all customers have equitable access to natural gas programs. We're also focused on fostering DEI in our communities through partnerships, volunteering and financial support. Multiple groups within our organization work to execute these strategies, including our customer service team, our DEI Council, and our Environmental Management and Sustainability team. These groups work closely with our chief diversity officer.

2022 DE&I Highlights - Customers & Community

- Launched a Community and Equity Advisory Group to better incorporate
 underrepresented voices into our processes and programs. The group provides
 NW Natural with feedback and recommendations related to low-income and
 arrearage programs, company philanthropic investments, system planning
 and renewable resource development.
- Introduced a bill discount program for income-qualifying residential customers, which incorporated their feedback, in keeping with NW Natural's commitment to improving energy equity and easing the energy burden for our low-income customers.
- Produced outreach materials in our service territory's five most commonly spoken languages to inform customers of bill assistance programs.
- Conducted our first low-income needs assessment to better understand the low-income customer base in our region.
- Continued to employ an equity lens in the way we engage externally as a funder, community partner and energy provider. In our philanthropic activities, this means we seek out and fund nonprofit partners that demonstrate a shared commitment to DEI.
- Redesigned and reestablished a competitive grant program that increases, expands and accelerates funding for weatherization projects for income-qualified customers.
- Proactively worked with our ERGs to identify and fund new partners in the energy justice, social justice and community-specific space and create programs for corporate philanthropy to match the funds ERGs raise for these initiatives.
- Completed a landmark mural, initiated by the DEI Council, at NW Natural's Portland headquarters. Called "Inheritance" by local artists Alex Chiu and Jeremy Nichols, the massive 52-by-50-foot art piece is 11 stories up and can be seen from many vantage points across Portland.

91% of NW Natural employees feel their work group engages with customers and the community in a way that respects and values diversity and inclusion





NW Natural-sponsored series features inspiring stories of Black Oregonians

NW Natural was one of five sponsors of a locally produced video series, "Expressions in Black," that focuses on creative, successful Black Oregonians and their inspiring stories. The show's creators sought to widen the lens through which the Black community is often viewed. Portland's Heart & Hustle Productions created the series with a team that produces cuttingedge video content for brands like NIKE, the NBA and Jordan Brand.

"NW Natural is excited to continue supporting the 'Expressions in Black' series and amplifying the voices, experiences and contributions of the Black Oregonians featured in this year's episodes."

> Melinda Rogers, Vice President and Chief HR and Diversity Officer

Community and Equity Advisory Group

NW Natural launched CEAG in 2022 which focuses on energy equity by directly engaging with diverse voices in the community to help us enhance the company's feedback channels, processes and programs. From a place of listening and learning, this panel of representatives from community-based organizations across our service territory seeks to elevate historically underrepresented perspectives, bringing a racial equity and environmental justice lenses to the company's energy and operational planning. Through this deeper community engagement, NW Natural works to uncover and address barriers to energy equity and ease the burden for our most low-income customers.

Human Rights, Equal Opportunity and Prohibition on Discrimination

At NW Natural, we believe human rights are fundamental freedoms and standards of treatment to which all people are entitled. Our Human Rights Policy was reviewed and approved by our board of directors and articulates our commitment to identifying, preventing and mitigating human rights risks, including: prevention of harassment and discrimination; commitment to diversity; freedom of association; safety and security; land rights and biodiversity; and prohibition of child or forced labor, among other things. We also maintain policies on equal employment opportunity and prohibition of discrimination and harassment, in keeping with our intention to foster a culture of inclusivity and support employees' right to work in an environment free of discrimination and harassment.



For more information see also:

Diversity, Equity & Inclusion
Careers at NW Natural
Human Rights Policy