

Diversity, Equity and Inclusion

For more than 20 years, NW Natural has been committed to creating a diverse, inclusive culture that reflects and supports the communities we serve. That means we strive to ensure a fair, just and safe workplace, with pathways of growth for everyone. We prioritize racial and gender equity in all aspects of our work, from the way we hire and operate every day, to how we support and interact with our customers and communities, to the biggest decisions we make as a business.



DEI Council and Employee Resource Group Leaders, (L-R) Mickey Lee, Darren Nakata, Victor Solis, Walter Fuller, Rebecca Mateo, Marsha Taylor, Tara Richard, Bruce Pan, Tracy Taylor

To accelerate our work in diversity, equity and inclusion, in 2017 we hired an outside consultant to review our progress. We convened focus groups and created an assessment and set of recommendations for our executives. Incorporating this feedback, in 2019 we introduced a comprehensive new diversity, equity and inclusion strategy focused on three pillars: people, partners and customers and community. The strategy is overseen by the Public Affairs and Environmental Policy Committee of our board of directors. We see the events of 2020 and the growing movement for racial equity as opportunities to accelerate our work and serve as an active force for change.



People: Our Workforce

Recruiting, promoting and retaining diverse talent, building inclusive teams, and creating a culture that embraces differences are at the core of our People strategy. We view this emphasis on empowering a diverse workforce as a solid business decision that makes our company stronger and more innovative. We have a diversity strategy for all levels in our organizations, including senior management. Our VP, human resources and chief 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.

2020 Highlights

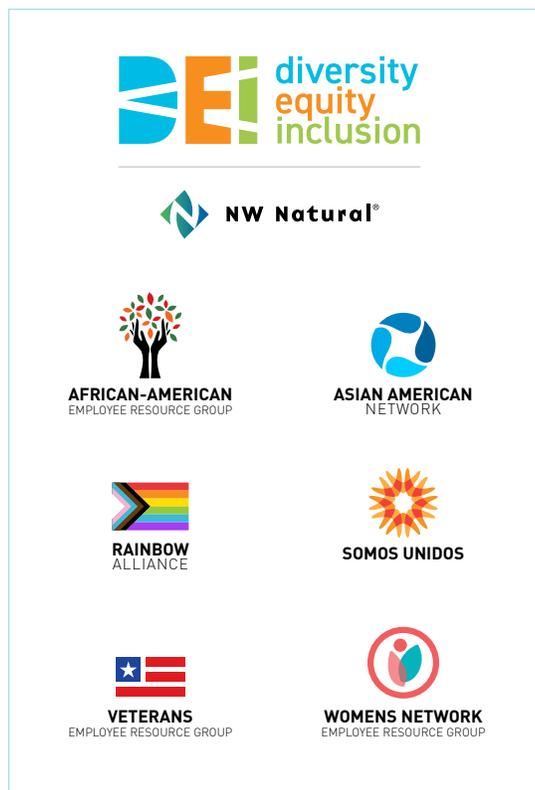
Strengthened efforts to increase the number of applicants and employees from underrepresented groups

- Increased the diversity of our recruiting pipeline for construction jobs to 56%, up from 27% in 2019.
- Continued to build relationships with DE&I community partners such as the [National Association of Minority Contractors](#), [Oregon Tradeswomen](#) and [Constructing Hope](#).
- Hosted two events at which we shared information about careers at NW Natural with the Urban League, including their new construction-centric career coach.
- Identified six NW Natural internship positions to be made available through [Emerging Leaders PDX](#), a Portland nonprofit that connects talented students of color with leadership-track paid internships.

Promoted DE&I values internally and through recruitment

- Replaced our previous website with a new Careers site that emphasizes messaging about DE&I principles.

- Amplified the voices of our diverse employees by launching five new ERGs, in addition to our longstanding Women's Network, that we'll support. These new ERGs are: Veterans, Asian American, Somos Unidos (Latinx), African American, Rainbow Alliance (LGBTQ+). Each ERG includes a member of our officer team that serves as their executive sponsor to support their work.



Increased employee feedback on DE&I topics

- Conducted focus groups with employees of color on their experiences at NW Natural.
- Added a question to our employee survey: "I feel like I belong at NW Natural."

Emphasized DE&I values through training and education

- Expanded new-employee orientation to underscore our diversity policy, highlight employee resource groups, and provide information on how to report workplace issues.
- Continued providing diversity and inclusion education throughout the year through management staff meetings, lunch and learn sessions, employee book club discussions. We offered employee workshops conducted by representatives from our Diversity, Equity and Inclusion Council and facilitated by external resources.



Brandon Lockheart,
NW Natural service
technician.

Not Just a Job, a Career

Brandon Lockheart joined NW Natural's Construction Internship Program in 2018 because he wanted "a career, not a job." He knew nothing about underground utilities or gas, but he committed himself to the program, which provides members of underserved populations with paid training in the skills they need to begin a construction career at NW Natural. He studied the operations manual on his own time, received positive evaluations from supervisors and crew members, and NW Natural immediately offered him a full-time job after he completed his internship. Today he is a fully certified construction employee, and five of his six fellow interns are his NW Natural colleagues.

Lockheart considers NW Natural "a great company to work for," and he intends to stay for the long term. The Construction Internship Program qualified him for a career in a field that might have been difficult for him to enter as an untrained candidate, and he knows of other program graduates with similar stories. Everywhere he goes, he looks for prospective interns and tells them it's possible to have a great career at NW Natural, even if you don't have the experience today.

"The Construction Internship Program allowed me to learn and become confident, so that when I got a full-time job opportunity I would be ready. NW Natural really stands behind us."

— Brandon Lockheart, Construction

To continue promoting diversity within our field workforce, in 2021 we are resuming NW Natural's innovative Construction Internship Program, which was on pause in 2020 due to the pandemic. The paid internship provides members of underserved populations with on-the-job training to develop the skills they need to begin a construction career at NW Natural. The program recruits candidates through public schools, online channels, social media and community organizations focused on diversity, equity and inclusion. Internships include practical work experience for up to nine months, and can lead to full-time employment.

A significant focus going forward is to understand and increase awareness of internal systems and structures that could limit representation and equity for underrepresented employees. In 2021, we are developing a comprehensive "Philosophy & Practice" blueprint that includes: implementing new recruitment and hiring strategies, strengthening our community partnerships to increase our pool of BIPOC candidates, providing anti-bias training for HR and hiring managers, and creating an inclusive onboarding process. In collaboration with NW Natural's employee resource groups, we are revising our mentoring program to focus on career advancement for women and BIPOC employees to ensure it is culturally relevant.



Partners: Our Suppliers

The goal of NW Natural's supplier diversity program is to increase the number of diverse companies we do business with and the amount we spend with them. Working with companies owned by those who are BIPOC, women, veterans, disabled, and economically disadvantaged – as well as small businesses – allows NW Natural to broaden our partnerships and support our local economies. These efforts are led by our CFO and VP, controller and treasurer, who oversee our supply and procurement activities in conjunction with our chief diversity officer.

\$31.5 MILLION GOODS AND SERVICES

**PURCHASED FROM VERIFIED MINORITY-, WOMAN-
OR VETERAN-OWNED BUSINESSES IN 2020,
A 130% INCREASE SINCE 2014**

**\$26.3 MILLION PURCHASED
FROM SMALL BUSINESSES IN 2020**

In 2021, we're focused on revising our supply-chain policies to further expand our network of suppliers and provide more business to vendors owned by people of color and women. We're also continuing to build strategic relationships with partners that can help us achieve our objective, including Northwest Mountain Minority Supplier Development Council, National Association of Minority Contractors (NAMC), National LGBT Chamber of Commerce (NGLCC), Oregon Association of Minority Entrepreneurs (OAME), Oregon Native American Chamber (ONAC), Women's Business Enterprise Council (WBEC), and Latino Built, a trade association for Latino contractors in Oregon.

Not to be used for investment purposes—see NW Natural and NW Natural Holdings most recent Form 10-Ks as updated by the most recent 10-Q for information relevant to investment decisions.

Looking ahead, we are exploring tools to give diverse companies a better view of opportunities at NW Natural. We have plans to publish monthly purchasing objectives and reestablish an annual workshop to help minority suppliers build their skills to sell to companies like NW Natural.

Customers & Community

To serve our increasingly diverse community, our customers and community strategy is focused on building partnerships, providing financial support, and ensuring equitable access to natural gas programs and services. These efforts are embedded in multiple groups within our organization, including our customer service team, diversity council, and environmental and sustainability team. These groups work closely with our chief diversity officer.

2020 Highlights

- To better serve customers whose first language is not English, we expanded the Spanish Resource Team in our Customer Contact Center and added a full-service Spanish language interactive voice response (IVR) phone system. In 2020, the team maintained its high level of service while working from home.

- The Corporate Philanthropy group implemented a new granting process to help ensure that 100% of the nonprofits we support are aligned with DE&I values.
- Our support for organizations that advocate for minority communities' civil rights and economic access grew from 26 organizations to 36.
- In recognition of social justice movements, NW Natural made financial contributions to a number of organizations focused on social justice, including **Oregon Worker Relief Fund**, **MRG Foundation** and **Causa**, Oregon's immigrant rights organization. Several of these organizations were new to our programs and offerings.
- We began developing a deeper DE&I strategy to continue ensuring all customers have equitable access to natural gas programs such as weatherization, bill assistance and annual inspections.



Elevating the Customer Experience for Spanish-Speaking Customers

The Spanish Resource Team is a small group of Customer Contact Center employees who provide Spanish-speaking callers with the high-quality customer service NW Natural is known for. Their work has increased first-call resolution, reduced the number of escalated calls in the Customer Contact Center, and cut costs by handling calls that previously would have required a third-party translation service. Most important, Spanish-speaking customers can make a direct connection with a NW Natural employee rather than sitting on hold while a service representative calls an outside interpreter line. The team also supports other NW Natural groups and translates calls for the Emergency Contact Center to help expedite a response when Spanish-speaking customers report an emergency.

“You get a lot of satisfaction from how happy the customer is to talk with someone who can speak to them in their language.”

— Salvador Ibarra, Spanish Resource Team member

Spanish Resource Team, (L-R) Liz Markle, Salvador Ibarra, Joel Rojas, Maribel Martinez, James Landrum

Human Rights, Equal Opportunity and Prohibition on Discrimination

At NW Natural, we believe that human rights are fundamental freedoms and standards of treatment to which all people are entitled. We have adopted several company policies to uphold and respect human rights, including our Human Rights, Equal Employment Opportunity, and Prohibition on Discrimination and Harassment policies.

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 our equal employment opportunity policy and prohibition on discrimination and harassment to further of our intentions of fostering a culture of inclusivity and supporting employees' right to work in an environment free of discrimination and harassment.

FOR MORE INFORMATION SEE ALSO:

- [Diversity, Equity & Inclusion](#)
- [Human Rights Policy](#)
- [Employees](#)