



# Diversity, Equity and Inclusion

We aim to create an inclusive work culture where all employees are treated with respect and diversity is celebrated.

We strongly believe in the value that a diverse workforce brings and the importance of having employees who reflect the communities and customers we serve. We thoughtfully and intentionally work to create an environment where all employees feel they can be themselves, feel respected and genuinely are included and empowered to do their best work. Our most successful ideas and outcomes result from the collaboration between employees with a diverse set of experiences, backgrounds and perspectives. By viewing opportunities and challenges through multiple lenses, we are better able to leverage our strengths and achieve our strategic priorities.

Our senior executive team is comprised of 33% female and 22% ethnically or racially diverse leaders that set a strong example by fostering an open and accepting work environment. We are committed to building a workforce that reflects the communities we serve and creates an inclusive culture for all employees. This leadership extends beyond our company walls and guides how we interact and engage with our communities, suppliers and other stakeholders.

Every year, we set targets to further broaden our supplier base, encouraging businesses owned by women or veterans or whose owners are ethnically or racially diverse to participate in our procurement process. Through our community involvement programs, we have exponentially increased our support to educational and community organizations that advance diversity, equity and inclusion and have made it a key component of our giving focus areas.

## Governance

Xcel Energy's Board of Directors, as well as the board's Governance, Compensation and Nominating (GCN) Committee, annually review and provide oversight of the company's workforce strategy, including its diversity, equity and inclusion (DEI) initiatives. Within the company, the CEO and other senior executive leaders set a strong example in championing DEI. The chief human resources officer reports to the CEO and has overall responsibility for DEI initiatives, which are implemented and managed by the director of Inclusion and Diversity.

## Highlights

- As a result of our commitment to diversity, female representation increased 6% and diverse representation increased 5% over the past three years among Xcel Energy's senior leadership, including all vice presidents and above.
- Xcel Energy added an incentive-based metric to the corporate scorecard in 2021, tying a portion of incentive pay to diversity, equity and inclusion. We achieved all metric targets set for the year, which focused on the use of diverse interview panels in the hiring process, implementation of executive sponsorships, and employee feedback on inclusion in the workplace.
- This past year, 99% of employment offers were extended to job candidates who were interviewed by diverse panels of employees.
- Even through the pandemic, we continued to build a robust, diverse talent pipeline in 2021 by employing 185 college seniors, graduate students and law clerks as interns. Among these interns, 34% were women and 27% were ethnically or racially diverse. Through established partnership programs, we also hired diverse high school interns.
- We successfully achieved our goal to train 100% of employees on unconscious bias and microinequities, and the training is now provided to new employees.
- An Inclusion and Diversity Conversation Starter Guide was developed to assist managers in leading team conversations. The guide covers 13 topics related to inclusion and diversity that range from beginner to advanced-level conversations based on a topic's difficulty or sensitivity.
- Through our engagement with small and diverse suppliers, we estimate Xcel Energy contributed approximately \$2.9 billion to the U.S. economy and supported nearly 19,600 jobs in 2021.
- The Human Rights Campaign again named Xcel Energy one of the Best Places to Work for LGBTQ Equality in early 2022, with a perfect score on its Corporate Equality Index for the sixth consecutive year.
- We were recognized as a Military Times' Best for Vets employer for the eighth consecutive year, a 2022 Military Friendly Employer and a Disabled American Veterans (DAV) Patriot Employer. In addition, we are rated a 5-Star Employer through the VETS Indexes Employer Award and received the HIRE Vets Medallion Award for our exceptional commitment to hiring veterans.
- The company achieved a high score—90 of 100—on the Disability:IN survey, a comprehensive benchmarking tool for disability inclusion in the workplace.

# Xcel Energy Board of Directors and Workforce Representation



## Board by Gender, Ethnicity and Race\*



## Direct Reports to the CEO (Executive Team) by Gender, Ethnicity and Race\*



\*Board and CEO direct report figures as of June 1, 2022.

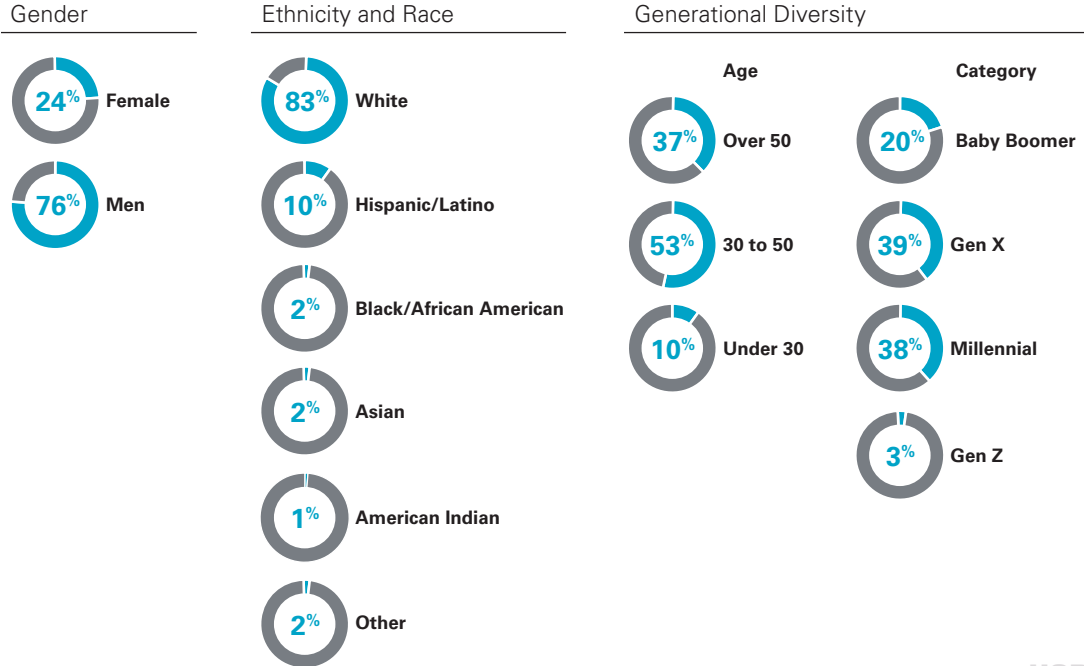
## Total Workforce

Xcel Energy had 11,357 full-time and part-time employees at the end of 2021.

## Management Diversity by Gender, Ethnicity and Race



## All Employees



## EEO-1 Report

Xcel Energy is committed to cultivating an equitable and inclusive work environment, with a skilled, engaged and diverse workforce that reflects the communities we serve. We also believe in the value of transparency and disclosure. For interested stakeholders, we provide our [Equal Employment Opportunity Employer Information Report \(EEO-1\)](#). The EEO-1 Report is federally mandated and requires our workforce data to be categorized differently from how our company tracks and measures progress using the metrics published here.

## Corporate Scorecard Metric

We began including an incentive-based diversity, equity and inclusion (DEI) metric to the annual corporate scorecard in 2021, directly tying a portion of incentive pay to DEI progress. The metric helps align and focus our efforts, ensure accountability, and reward success in building a more diverse and inclusive workplace.

The metric measures our results in three areas:

- Our hiring practices to build a diverse workforce, including the use of diverse interview panels. In 2021, we exceeded the target with 99% of employment offers extended to candidates who were interviewed through diverse interview panels.
- An inclusive culture, as measured by employee feedback on six questions in our annual employee engagement survey. Positive employee responses on the 2021 survey exceeded the target, and scores from our female and ethnically and racially diverse employees were even higher than those from our other employees.
- Providing visibility, growth and development for employees through an executive sponsorship program. During the inaugural year, 35 employees joined company leaders in sponsorship opportunities, with 11 sponsored employees moving into new roles to further their growth and development at Xcel Energy.

## Building a Diverse Workforce

At Xcel Energy, we believe in the value that a diverse and inclusive workforce provides and have many initiatives in place to assist us in attracting and hiring employees that reflect the makeup of our communities.

### Diverse Interview Panels

We use diverse interview panels in our hiring process, comprised of employees who vary from each other in some way, such as race, color, ability, national origin, gender, age or veteran status. These types of panels provide additional insight and perspectives on how a candidate's unique skills and experiences can contribute long-term value for the company. Job candidates who meet with diverse sets of interviewers personally experience our commitment to inclusion and are better able to envision working for Xcel Energy. Through this best practice, we continuously strengthen our inclusive workplace and build a talented workforce with values aligned to our own.

### 2021 Hiring Representation by Gender and Ethnicity and Race

#### New Hires



Female

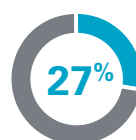


Diverse

#### Interns



Female



Diverse

### Community Outreach, Partnership and Training Programs

To reach prospective employees, we seek out targeted job fairs and employment events in our communities. We partner with state workforce centers and organizations, such as Diversity Minnesota and the online job network, Circa. We also maintain relationships and engage with schools and organizations that hold job fairs specifically for diverse populations.

To attract applicants for open positions, we also work with diverse student groups, including the National Society of Black Engineers, Society of Women Engineers, Society of Hispanic Professional Engineers, and Society of Asian Scientists and Engineers. Through these partnerships, we continuously improve our candidate pool, reduce the need for candidate relocation and support our local economies. More than 40 of our recruiting events in 2021 were focused on hiring diverse candidates.

In addition, we support training and curriculum that prepares students for skilled jobs in the energy industry through our membership with the Center for Energy Workforce Development (CEWD). We worked with CEWD to implement the Legacy I-3 training program. The program builds a pipeline of skilled, diverse candidates with a focus on power line worker positions with high school students and young adults in the Twin Cities.

## **Internship Programs**

We hire university interns and also partner with schools and community organizations to place high school students in positions across our business areas. A significant number of our high school interns come through our partnerships with Denver Public Schools' Launch, Minneapolis' Step Up, and Saint Paul's Right Track programs. We also hire interns through community organizations, such as Genesys Works, Cristo Rey and Girls Inc.

## **Military and Veteran Outreach**

Our commitment to hiring veterans and those currently serving in the National Guard or Reserves remains strong, with veterans making up 10% of our new hires in 2021. We continue to build strategic partnerships with veteran organizations and support activities that maintain our visibility as a preferred employer for veterans. Last year, Xcel Energy participated in more than 45 job fairs and events targeting military veterans and participated in the Department of Defense SkillBridge program, as well as the Hiring our Heroes Corporate Fellowship Program.

Approximately 10% of current employees are veterans. Many are actively involved in our Military Ombudsmen for Veterans and Employees (MOVE) business resource group and volunteer to help with veteran recruiting, as well as the development, retention and mentoring of current veteran employees.

## **Fostering an Inclusive Workplace**

Our commitment to an inclusive workplace starts with our board of directors and extends through all levels of the organization, influencing the service we provide customers, the experiences of our employees, and our work with communities, including suppliers and other partners. We strive to foster an inclusive culture that welcomes diversity of thought, background, experiences, ethnicity and race. This helps us better assess business risks and opportunities from different viewpoints and elevates and nurtures the best ideas. Recognizing and celebrating our differences and championing an inclusive culture strengthens our organization and society in general.

## **Employee Training on Unconscious Bias and Microinequities**

Mitigating the negative effects of unconscious bias is an important component to fostering an open, creative work environment and inclusive culture. All Xcel Energy employees receive training on unconscious bias and microinequities to increase their understanding of bias and their knowledge, insight and skills to help mitigate its impact in the workplace. Additional, ongoing training on how to avoid bias is incorporated into all our talent processes—hiring, performance management, investment decisions and succession planning. At the end of 2021, we achieved our target to train 100% of employees on unconscious bias and microinequities, and new hires take the training when they join the company.

## **Executive Sponsorships**

Our executive sponsorship program provides senior leaders an additional opportunity to contribute to our inclusive culture, celebrate diversity and develop and retain top talent. Executives are matched with employees who are diverse from themselves. Through reoccurring and meaningful engagements, the sponsored employees have opportunities for professional exposure, growth and development. At the same time, executives gain different perspectives and broaden their worldviews. Sponsorship is viewed as a triple win—providing value for sponsored employees, sponsors and the company.

## **Employee Feedback**

One of the most important things we can do is listen to our employees and take meaningful action based on their feedback and ideas. In our employee engagement survey, six questions make up our Inclusion Index. These questions gather employee perceptions of the work culture and the company's effectiveness in appreciating differences and encouraging authenticity, belonging, empowerment, recognition and speaking up. The results help our organization understand where we meet employee needs and where additional work is required. This past year, our highest Inclusion Index ratings came from our female and ethnically and racially diverse employees.

## **Leader Inclusion and Diversity Conversation Starter Guides**

As we work to build a more inclusive culture, we encourage employees to tackle tough issues and have honest and open conversations about timely events related to inclusion and diversity. We also encourage leaders to create a safe environment for those conversations and developed a detailed Inclusion and Diversity Conversation Starter Guide to support leaders in these efforts. Topics include, holidays and celebrations, recognition, authenticity, cultural awareness, appreciating differences, bias and stereotypes, allyship and speaking up. Through these crucial conversations, employees reflect on the lives and perspectives of others who are different from themselves, learning from one another, and gathering personal takeaways to incorporate into their future interactions.

## Business Area Inclusion & Diversity (I&D) Champion Teams

I&D champion teams in several of our business areas help drive progress on inclusion and diversity at the working level. The teams assess the diversity data for their organizations, including population, turnover and movement. They identify areas that need additional focus and develop targeted programs for driving change, such as new recruiting events or professional development programs.

## Career Launch Program

We created a new Career Launch program where early career employees are hired and developed through two-year rotations in four different business areas before moving into a longer-term role. In 2021, 12 employees were hired into the program and 12 additional employees were added in early 2022.

## Online Resources

Employees can increase their awareness around diversity, equity and inclusion, and learn ways to provide or ask for help on different topics by accessing our online resource hub created by employees. Leaders also are provided with unique online resources designed to help them lead inclusively.

## Health Plan Benefits

Xcel Energy offers progressive programs to help employees manage their work and personal lives, as well as multiple benefits that support physical and emotional well-being. Our High Deductible Healthcare Plan (HDHP) benefits include coverage for cross-sex hormone therapy and surgeries for Gender Dysphoria. Find more information on our programs and benefits in the [Human Capital Management brief](#) in Xcel Energy's Sustainability Report.

## Business Resource Groups and Council for Diversity and Inclusion

Our Business Resource Groups give employees an inclusive and supportive outlet for personal and professional growth. They offer opportunities for cultural exchange and community outreach. Additionally, through the Council for Diversity and Inclusion, leaders of our Business Resource Groups collaborate with business area leaders to solve business challenges and achieve goals. We currently have 11 Business Resource Groups, listed below.

- **AAP (Asian American and Pacific Islander Alliance):** Encourages Asian American and Pacific Islander employees and allies to bring their full identities to the workplace by educating the workforce regarding AAP cultures and professional experiences (allyship), facilitating professional development and career growth, and creating a sense of unity between AAP employees, allies and the community.
- **BLAX (Black Employees at Xcel Energy):** Promotes career development, continued education, training, cultural awareness, and addresses the issues and concerns of people of color.
- **ECN (Employee Connection Network):** Connects new and existing employees and broadens employee understanding of Xcel Energy through networking and community service opportunities.
- **GROW (Growth and Retention of Women):** Identifies and implements innovative ideas and strategies for recruiting, developing, promoting and retaining women in non-traditional roles within the Energy Supply business area. Works with schools to increase girls' and women's awareness of such opportunities.
- **MOVE (Military Ombudsmen for Veterans and Employees):** Sustains awareness on issues of interest to veterans and active military employees in our workforce and promotes programs and policies that support the welfare of veterans and their families.
- **NAYGN (North American Young Generation in Nuclear):** Provides opportunities for nuclear enthusiasts to develop leadership and professional skills, create life-long connections, engage and inform the public, and inspire today's nuclear technology professionals to meet the challenges of the 21st century.
- **Pride Alliance:** Advocates for the company's leadership in diversity and inclusion by addressing issues related to sexual orientation and gender identity.
- **Tribal Wind:** Supports Native American employees through professional development resources, mentoring and networking. Strives to increase cultural understanding and awareness.
- **WIN (Women's Interest Network):** Strives to improve the lives of women and make Xcel Energy the workplace of choice for women. Focuses on professional development and work-life balance issues.

- **Xcelente:** Shares the Latino culture through awareness, inclusion and celebration; promotes the company's image throughout the community; provides networking and mentoring opportunities.
- **XE WiN (Women in Nuclear):** Explores and develops programs that help all employees working within our nuclear organization to expand their leadership skills, network and create positive visibility for the nuclear industry within the communities we serve.

## Equal Employment and Anti-Discrimination

Xcel Energy respects the right of all people to be treated ethically, with dignity and without discrimination. We strive every day to demonstrate our commitment to those rights, as well as to our core values of connected, committed, safe and trustworthy, as we conduct business and interact with our employees, customers, communities and other stakeholders.

### Equal Employment Opportunity Policy

We recognize that our continued success depends on the unified strengths of our employees. As an equal opportunity employer, Xcel Energy's policy is to provide equal opportunity in hiring, promotion and other terms and conditions of employment, without regard to race, color, religion, creed, national origin, sex, age, disability, veteran status, sexual orientation, gender identity, genetic information or any other protected class status in accordance with applicable federal, state and local laws. We seek to attract qualified job applicants and candidates who reflect the diversity of the qualified labor market. We base our selection of successful candidates upon merit, qualifications and other job-related criteria.

### Anti-Discrimination, Human Rights and the International Labour Organization Conventions

Xcel Energy stands steadfast against racism, intolerance, discrimination and harassment, as stated in our [Human Rights Position Statement](#), which affirms our long-standing commitment to the advancement and protection of human rights throughout our operations, consistent with the principles set forth in the International Labour Organization Conventions and all U.S. human rights laws.

Our [Code of Conduct](#) applies to every employee and promotes inclusion, diversity and respect and prohibits harassment or discrimination and retaliation against an employee who reports a violation or suspected violation of the law, Code of Conduct or any other policy, participates in an investigation, or exercises any other lawful right. The process for reporting and investigating concerns is provided in the [Corporate Compliance and Business Conduct brief](#) in Xcel Energy's Sustainability Report.

### Supplier Diversity Program

We have always believed that it is in our best interest to encourage a broad base of supplier relationships. That is why for more than two decades, we have actively encouraged diverse suppliers to participate in our procurement process, including businesses owned by women or veterans or whose owners are disabled, racially or ethnically diverse, or lesbian, gay, bisexual or transgender.

By doing business with diverse suppliers, we expand our supply lines and provide opportunities for everyone to participate and prosper, creating a multiplier effect that results in additional jobs across the economy and in our communities. We purchased \$1.5 billion in goods and services from small and diverse businesses in 2021, including nearly \$560 million from diverse suppliers. As a result, we estimate our program supported nearly 19,600 jobs, providing employee earnings of approximately \$1 billion. Considering the cumulative revenues of all businesses impacted, the program produced a total economic impact of \$2.9 billion across the economy. Full results are published in our [2021 Supplier Diversity Economic Impact Report](#).

Our corporate supplier diversity policy underscores our commitment and assures that we develop and strength our relationships with diverse suppliers by:

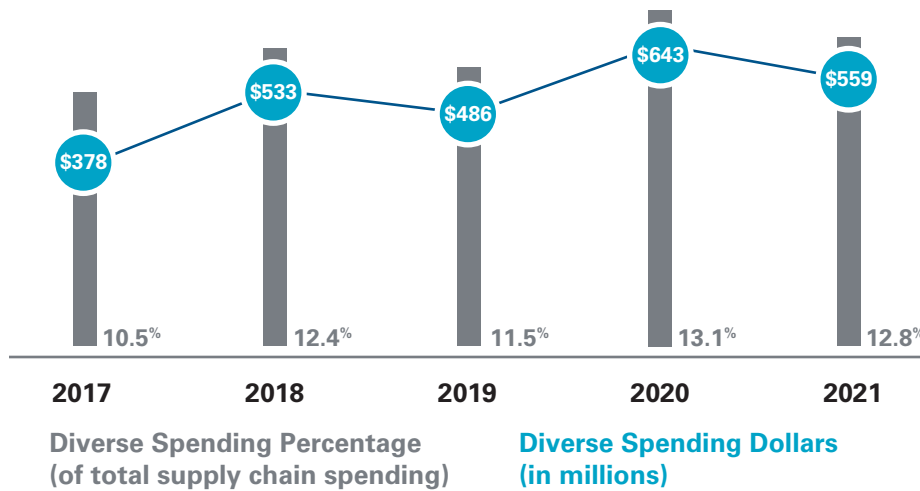
- Conducting outreach efforts to seek, identify and encourage supplier diversity in our procurement processes
- Facilitating alliances and partnerships
- Educating businesses about our procurement and business processes
- Identifying and encouraging subcontracting opportunities with major suppliers when direct participation is not possible

Xcel Energy is an active member of the Edison Electric Institute’s Supplier Diversity Best Practices Group and participates in other national and regional associations, including Mountain Plains and North Central Minority Supplier Development councils, Women’s Business Enterprise National Council, Women’s Business Development Center, Women’s Business Enterprise Council-West, National Veteran-Owned Business Association, National Veteran Business Development Council, Veterans in Business Network, National LGBT Chamber of Commerce, Disability:IN, and Association of Women Contractors.

We are also members of many local diverse chambers of commerce in our service areas, including Albuquerque Chamber of Commerce, Amarillo Hispanic Chamber of Commerce, Colorado Asian Chamber of Commerce, Colorado Black Chamber of Commerce, Colorado Hispanic Chamber of Commerce, Colorado LGBT Chamber of Commerce, Colorado Women’s Chamber of Commerce, Minnesota American Indian Chamber of Commerce, Minnesota Black Chamber of Commerce, Quorum Twin Cities LGBT Chamber of Commerce and Rocky Mountain Indian Chamber of Commerce. Our membership engagement includes board roles, working groups and committees, and sponsorship and attendance at both national and regional networking events.

**As part of our commitment to diversity, equity and inclusion, we’ve spent approximately \$2.6 billion with diverse suppliers since 2017.**

**Five-year Annual Trend in Spending with Diverse Suppliers**



For the past several years, diverse suppliers played a major role in helping construct new wind energy projects on our system, which increased our spending in 2018 and again in 2020 by more than \$250 million. For 2022, our goal is to spend nearly \$600 million with diverse suppliers, roughly 13% of total anticipated supply chain spending.

To support our spending goal with diverse suppliers, we developed an educational tutorial for employees on our Supplier Diversity Program. The online course is currently required training for all Supply Chain employees and is also available for all Xcel Energy employees to take.



## Community Leadership

Addressing racial equity is one of the most important things we can do to support the communities where we live, work and do business. Now and into the future, we plan to continue listening and taking meaningful action to be part of the solution.

Several years ago, we renewed our commitment to supporting community programs and organizations that address diversity and inclusion. In early 2022, we launched the Xcel Energy Foundation's revised giving framework—Energizing Our Future—which formalizes this commitment. Diversity, equity and inclusion is now a key component within each of the foundation's three focus areas—STEM Career Pathways, Environmental Sustainability and Community Vitality—and are incorporated in the following ways:

- **STEM Career Pathways:** Investing in programs and organizations that support women and girls, and people of color.
- **Environmental Sustainability:** Improving natural habitats of historically income-qualified neighborhoods or focusing on environmental justice.
- **Community Vitality:** Providing free arts and culture offerings to historically marginalized groups or supporting the entrepreneurial efforts of ethnically and racially diverse or underserved business leaders.

We began accepting grant applications under Energizing Our Future in March 2022, with final grant awards announced in June 2022.

Highlights from our community partnerships in 2021 include:

- **Minnesota Chamber of Commerce Diversity and Inclusion Initiative:** A \$150,000 grant from the Xcel Energy Foundation will support the chamber in developing a clearinghouse of expertise, techniques and proven methods for promoting diversity and inclusion programs across chamber member organizations.
- **HandsOn Twin Cities:** Through a 12-week pro bono project, Xcel Energy employees leveraged their expertise to help three organizations overcome unique challenges in Minnesota communities. Combined, they volunteered 520 hours, delivering a value of more than \$100,000.
- **Minnesota Private College Foundation Black Men's Success Initiative:** The Xcel Energy Foundation donated \$50,000 to support Black men attending Minnesota private colleges. The program combines scholarships with leadership and personal development opportunities focused on helping Black men graduate ready to launch their post-baccalaureate careers. More than 100 students from ten institutions have taken part to date.
- **Chippewa Valley Technical College Foundation:** A \$50,000 grant from the Xcel Energy Foundation will provide a full scholarship for a student from an underrepresented racial or ethnic group in Chippewa Valley Technical College's Electric Power Distribution or Gas Utility Technician Program in Eau Claire, Wisconsin. The scholarship includes all tuition, materials, fees and expenses for the program. Upon graduation and successful testing, the student can join Xcel Energy in Wisconsin or Michigan as an apprentice.

