



# Human Capital Management

Xcel Energy employees are the driving force behind our company's success.

Every member of the Xcel Energy team plays an important role in delivering on our three strategic priorities—to lead the clean energy transition, enhance the customer experience and keep customer bills low.

Our industry is being transformed every day through technological innovations and employee ingenuity, and we are embracing both in our quest to become a net-zero energy provider by 2050. Over the next five years, we will invest more than \$500 million in industry-leading, employee-facing technologies that elevate our work culture and provide the business with more sophisticated data analytics for building and retaining our workforce. We are also pursuing strategies that promote innovation, collaboration and continuous improvement. Our agile approach to implementing these new strategies and tactics allows us to pivot as changes unfold internally or when unforeseen events occur in the world.

Regardless of how our environment changes, the core of who we are remains unwavering. As a team, we've worked hard to build an inclusive culture that supports and fosters diversity, growth, development and a sense of purpose. That sense of purpose and our core values—connected, committed, safe and trustworthy—guide everything we do to serve our customers, communities and our employees.

## Governance

The Governance, Compensation and Nominating (GCN) Committee of the board of directors oversees the company's human capital management and annually reviews our workforce strategy, including diversity, equity and inclusion initiatives, employee engagement survey results, and management's incentive plan. The GCN Committee is also responsible for ensuring succession plans are in place for executive management and critical roles and that development is ongoing to identify and prepare a strong, diverse pipeline of future leaders. Within Xcel Energy, the chief human resources officer is responsible for workforce strategy and reports to the CEO.

## Highlights

- For the ninth consecutive year, Xcel Energy is recognized as one of Fortune magazine's World's Most Admired Companies. For the 2022 listing, we are ranked as the second most admired electric and natural gas provider in the country.
- We have expanded our reach and attracted top talent from new markets and schools. In total, we interviewed more than 9,000 prospective employees this past year with a 93% acceptance rate from preferred candidates.
- Most of our recruiting is through job fairs and employment events in the states we serve. In 2021, 95% of new hires came from within those states, supporting our local communities.
- Nearly 7,900 employees participated in our fall 2021 employee engagement survey. This recurring survey enables us to quickly act on emerging issues and employee needs.
- More than 70% of eligible employees are currently on a flexible work schedule that enables them to split their time between working on-site and telecommuting.
- Our full-time and part-time employees completed 310,000 hours of training in 2021, an average of 25 hours per employee. Company leaders received 2,700 hours of training focused on managing their teams and their continued professional growth and development as leaders.
- Through Connect4 Performance, 98% of non-bargaining employees met with their leaders during the year to discuss their job performance and contribution to business objectives, as well as their professional development goals.
- Employees volunteered more than 12,000 hours in 2021 through our Volunteer Paid Time Off program, which offers full-time employees up to 40 hours a year of paid time to support eligible nonprofit organizations.
- As we move away from generating electricity with coal, we are partnering on strategies to support workers and communities currently dependent on coal. Xcel Energy's **Position Statement on Transitioning Out of Coal Responsibly** focuses on helping sustain local tax base and offering employees retraining and relocation opportunities. We work extensively with impacted employees throughout the company, engaging them in conversations and offering transition resources, identifying potential new career tracks, and analyzing skill gaps. To date, we've retired coal operations at seven plants with no layoffs.

## Returning to the Workplace

When the COVID-19 virus first emerged in early 2020, we quickly transitioned nearly 7,000 employees, approximately 60% of our workforce, to work from home. Throughout 2020 and 2021, we returned small groups of employees working from home back to the workplace so that necessary on-site work could continue.

In early 2022, the company determined that conditions were such that all remaining employees could safely return to the workplace effective March 7, 2022. We also lifted our mandatory social distancing and masking requirements in accordance with health and safety guidelines, making distancing and masking optional based on employee preference.

Our transition back to the workplace went very smoothly due to months of advance preparation. A dedicated intranet site provided employees with resources, such as a guidebook that outlined health and safety protocols, emotional well-being support resources, and technology tips for working in the new environment. Upon returning to the workplace, non-bargaining employees could choose to join a new hybrid flexible work program that enables them to work on-site part of their work schedule and telecommute the rest, depending on business needs. This hybrid model respects our employees' desire for increased workplace flexibility while also fulfilling the company's goal of in-person collaboration. In addition, we are piloting modern workspaces at our largest facilities to encourage collaboration when people are on-site.

## Workforce Profile

Xcel Energy had 11,357 full-time and part-time employees supporting its eight-state service area at the end of 2021, with approximately 44% of the workforce represented by bargaining units.

### Xcel Energy Employees by State



Colorado **3,853**

Michigan **21**

Minnesota **4,644**

New Mexico **256**

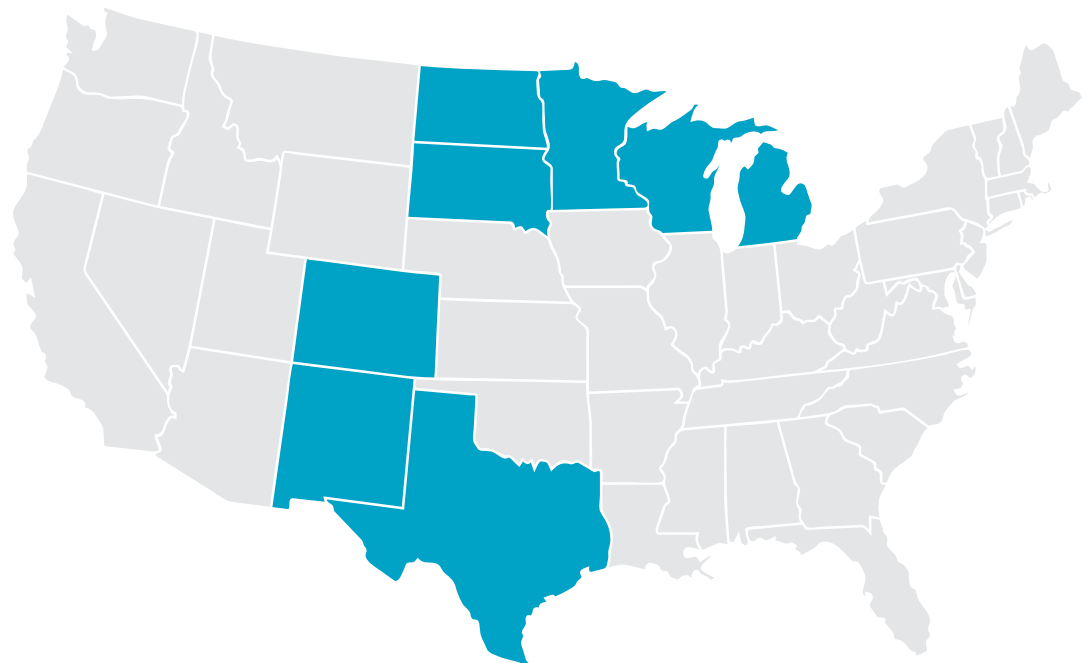
North Dakota **107**

South Dakota **95**

Texas **1,455**

Wisconsin **918**

Other **8**



For a more detailed breakdown of our workforce, please see the [Data Summary](#) in Xcel Energy's Sustainability Report.

## Strategic Workforce Planning

We take a strategic, data-driven approach to planning that ensures we have the right workforce size and skill set to serve our customers, engage with our stakeholders, meet business objectives and manage potential risks.

### Turnover Projections

The average employee turnover in 2021 was 8% for bargaining employees and 15% for non-bargaining employees. Approximately 31% of employee turnover was from retirements, 58% was from resignations and the remaining 11% included turnover for other reasons, such as unsatisfactory performance, misconduct, severance or death.

We project that approximately 26% of employees will be eligible to retire over the next five years and 40% over the next 10 years. Those projections are incorporated into our five- and 10-year workforce plans.

### Responsibly Managing the Transition to Clean Energy

As we early retire coal-fueled power plants and shift to cleaner sources of energy, this transition impacts our employees. We try to avoid negative impacts to our workforce by taking a proactive approach to managing plant retirements and have closed coal operations at seven plants to date with no layoffs.

Each transition is unique and requires special attention and consideration. To support employees in finding potential new career paths, we analyze skills and offer resources such as on-the-job training, upskilling or reskilling opportunities, and tuition reimbursement to address gaps. We give impacted employees time to explore potential roles and work locations and support their career aspirations through development discussions. We also work closely with bargaining unit management to help mitigate impacts to pay or seniority when employees transition roles, particularly when they are changing union locations or job classifications

### Succession Planning

We thoughtfully and deliberately provide career advancement opportunities to our employees while also hiring employees from outside the company to infuse new, skilled talent into our workforce. Positions are filled strategically with qualified internal and external candidates, based on company needs.

To support our goals around business continuity and intentional employee development, the company conducts annual talent reviews and comprehensive succession planning for key positions. Each business area analyzes its key jobs and identifies potential successors based on their long-term performance, leadership potential, skills and career aspirations. Nearly 2,000 leaders and individual contributors were reviewed in 2021, with approximately 1,000 "ready now" successors identified for various company positions. This includes 119 potential qualified successors for 166 of our most essential positions.

### Data Analytics

Human Capital Reports are regularly provided to senior leaders to make informed decisions on staffing. The reports include information on employee demographics, performance, headcount and attrition trends within their organizations. As needed, company-wide analyses and modeling is provided on potential operational scenarios for near- and long-term workforce planning discussions and decisions.

## Attracting Top Talent

Through our recruitment and workforce strategy, we help foster the culture and develop the skills and competencies needed to achieve our vision of providing energy with net-zero emissions by 2050.

### Recruiting Initiatives

Despite the logistical challenges brought about by the pandemic, our company was able to continue successfully building a strong talent pipeline and maintain our talent recruitment initiatives in 2021.

We attended 40 in-person career fairs and outreach events last year, plus 60 virtual events. By leveraging technology through the virtual sessions, we have expanded our reach and attracted top talent from new markets and schools. In total, we interviewed more than 9,000 prospective employees with a 93% acceptance rate from preferred candidates. External candidates filled approximately 70% of our open positions, with internal candidates filling the rest.

To support the communities where we operate and maximize our return on investment by reducing relocation costs, a significant portion of our recruitment outreach each year is through job fairs and employment events in the states we serve. In 2021, 95% of new hires came from within those states.

We also partner with schools, community and educational organizations to hire high school and college interns as part of our work to build a more diverse workforce and inclusive culture. Learn more about internship programs and recruiting in the [Diversity, Equity and Inclusion brief](#) in Xcel Energy's Sustainability Report.

### **Careers Website**

Employees have a multitude of opportunities at Xcel Energy to live out their values and make a positive impact on society. Conveying these messages can help attract top talent with values aligned with ours—committed, connected, safe and trustworthy—and who are equally passionate about making a tangible positive impact on our society, community and environment.

To attract highly skilled talent, we use our [Xcel Energy Careers website](#) to share our Employment Value Statement and bring it to life for prospective employees. The site provides easy access to all open positions and offers a look into different career paths, as well as opportunities for professional growth and recognition. Just as importantly, it conveys our sense of purpose. Through compelling stories, images, videos and testimonials, we reveal how we are working to shape the future of energy, partner on electric vehicles, protect wildlife habitats, and build strong communities and educate students. We added Xcel Energy's annual Sustainability Report to the Making a Difference section of the site in 2021 to increase awareness and transparency regarding how we manage our economic, environmental and social impact on issues important to our stakeholders.

## **Employment Value Statement**

### **You. Us. Together.**

At Xcel Energy, we're more than an energy company. We're reinventing how we power communities. Redefining how we care for customers. Reaffirming our commitment to the planet. We're committed to leading with equity and inclusion.

You're not waiting for change—you're creating it. You're driven to protect the environment, support your community, and seek innovation. You want a career that grows with you and an employer who values you. You are reliable, trustworthy and bring integrity to everything you do.

We are leading the way in clean energy. We're using technology and innovation in every facet of our company. We're providing safe, stable jobs with robust benefits. We keep our customers at the center of all we do. We're committed to hiring a workforce that reflects the communities we serve.

Together, we can provide carbon-free electricity by 2050. Together, we can take care of the environment and our communities. Together, we can create a place where everyone belongs. Together we're building a better tomorrow.

### **Workplace Flexibility**

We embrace the concept of flexible work and recognize that employees value having a more flexible work schedule. Where job responsibilities allow, we provide employees the opportunity to opt-in to a new hybrid flexible work program that allows them to work on-site part of their work schedule and telecommute the rest. Participating employees design their personal telecommuting schedules, in collaboration with their leaders. More than 70% of eligible employees are currently on a flexible work schedule.

### **Talent Development and Learning**

Once employees join the Xcel Energy team, we want to provide challenging and rewarding work for them and support them in achieving their career goals. To enable that, we offer meaningful feedback through quarterly performance discussions and extensive training and engagement opportunities to develop their skills and help them grow professionally.

### **Performance Feedback**

Connect 4 Performance (C4P) is a progressive approach to performance management for employees. It focuses on open, meaningful and frequent conversations between employees and their leaders, which are proven to be more effective than traditional year-end annual reviews.

At the start of the year, our non-bargaining employees set performance goals that align with the priorities of the company and their business areas. Each quarter, they meet with their leaders to discuss their successes, progress made toward achieving performance goals, the impact of their work on the business, professional development plans, and how their work and performance demonstrates company values. In 2021, 98% of non-bargaining employees held Quarterly Connection C4P conversations with their leaders.

## Performance-based Incentives

Xcel Energy has a pay-for-performance philosophy that rewards top performers with larger incentives and other recognition. Exempt, non-bargaining employees who go above and beyond and achieve results aligned with company goals can earn cash-based awards through our Annual Incentive Plan.

- Year-end Awards reward eligible employees for achieving individual goals, as well as contributing to business area and company goals. This includes an employee’s contribution toward the company’s annual performance indicators, which in 2021 were associated with enhancing the customer experience, keeping bills low, improving reliability and safety, and achieving our diversity, equity and inclusion metric.
- I Deliver and Innovator Awards recognize eligible employees and work teams throughout the year for specific, outstanding contributions that deliver greater than expected results and move the business forward. The contributions typically include implementing innovative, high-impact solutions or projects that produce significant savings or other customer benefits.
- Non-exempt employees who go above and beyond are eligible for Spot-On cash bonuses.

Employees produced outstanding results in 2021 that contributed to Xcel Energy achieving its goals. To recognize their performance, we awarded over \$8 million in I Deliver and Innovator Awards to more than 40% of exempt employees and more than \$650,000 in Spot-On bonuses to 40% of non-exempt employees.

## Learning Opportunities and Job Training

We embrace continuous learning and are committed to building and maintaining a culture that fosters learning and growth and provides employees with support to pursue higher education, as well as extensive job specific training and professional development opportunities. Learning Central, our online company-wide hub for learning opportunities, makes it easy for employees and contractors to access our e-learning, virtual and instructor-led resources. Through Learning Management System technology, we streamlined our training assignment, tracking and reporting processes. Last year, our full-time and part-time employees completed 310,000 hours of training, an average of 25 hours per employee, including required training on topics such as safety, the Code of Conduct and cybersecurity.

In early 2022, we launched Degreed and LinkedIn Learning. Degreed is a skill-centric, learning-experience platform that enables employees to build custom skill profiles and access a wide range of learning and development content. LinkedIn Learning is a leading content provider for Degreed, offering a large selection of online, expert-led courses, articles and videos.

Learning Opportunity	What It Includes
Internal Training Programs and Learning Opportunities	<p>We offer employees nearly 18,000 resources and tools to increase their job skills and knowledge and support their personal and professional development. Depending on job responsibilities, some of these courses are mandatory. Offerings include technical and computer-application training, professional and management training, compliance-related education, safety and compliance-related classes, and more. To sustain nuclear excellence, we provide classroom, simulator and on-the-job initial and refresher training for 12 accredited programs through apprenticeships and the Nuclear Regulatory Commission.</p> <p>For our bargaining employees, we offer Line, Substation, Gas and Energy Supply initial on-the-job training apprenticeship programs, as well as refresher skills training.</p>
Rotational Career Development Assignments	<p>High-performing employees can expand their skills and knowledge through cross-functional experiences that allow them to learn on the job. Employees can view and pursue these experiential development opportunities through our internal job posting system.</p>
Higher Education Support	<p>Tuition reimbursement is provided to all full-time and part-time non-bargaining employees and to bargaining employees whose contracts provide for it. The program pays 80% of tuition for qualifying courses in approved degree programs at accredited higher education institutions (up to \$5,250 per year for full-time or \$2,625 per year for part-time employees).</p>

## Leadership Development

Inspirational and courageous leaders that hold employees accountable for achieving results are foundational to our workforce strategy. Company leaders received 2,700 hours of training last year on a broad range of topics, focused on their continued professional growth and development as leaders. We continuously update our development offerings for leaders, and those who aspire to be leaders, to help them grow throughout their careers at Xcel Energy.

Development Opportunity	What It Includes
Leader Training for all Levels	Training is provided to leaders of all levels to help them learn, grow professionally, and ultimately achieve better results. In 2021, more than 330 leaders completed at least one core leadership course.
On Demand Development Resources	Our Manager Resources website is a one-stop shop for resources, information and collaboration tools to make the job of leading people and managing a function easier. The site provides access to development resources for more than 30 leadership topics, including new tools for leading virtually.
EXPLORE Pathway for Aspiring Leaders	An Exploring Leadership Learning Path (EXPLORE) is available for employees who aspire to leadership and want to learn more about being a successful leader. Using self-paced, easy-to-digest learning content, the program is designed around Xcel Energy's five Leadership Expectations: Strategist, Self-Management, Talent Management, Relationship Management and Operations Management. More than 170 employees began their EXPLORE journey in 2021, the inaugural year of the program.

## Employee Listening and Engagement

Two-way communication with the workforce is vital to providing a supportive and inclusive work environment. We use a variety of mechanisms to gather feedback and ideas from our employees, encourage collaboration, and improve throughout the year.

### Employee Listening Initiative

Since launching in 2019, our Employee Listening Initiative has included onboarding surveys, exit surveys and annual employee engagement surveys. That cadence enables us to obtain feedback throughout the year and at major milestones during an employee's career with Xcel Energy to identify where we are making progress and where additional action is required.

The engagement survey gathers feedback on a comprehensive set of work culture topics, including multiple questions on inclusion and safety—two of our top priorities. All bargaining and non-bargaining and full-time and part-time employees, as well as interns, are invited to participate and provide feedback. Nearly 7,900 employees participated in our last survey. Given increased turnover experienced by employers across the country in 2021, we added a question to gauge if employees intend to remain working at the company. We were pleased to receive an above-average score and many positive comments from employees.

### Employee Innovation Challenge

Innovation is a core tenet of how we work, and across the company, teams leverage their expertise to make our company even better and achieve our net zero goal. One way we celebrate the impact that innovation and engagement has on our business is through the Employee Choice Innovator Award, which honors projects in which employees collaborated to develop new ways of working that benefited Xcel Energy, our employees and customers. Each year we ask employees to tell us what efforts they thought made the strongest contributions. In 2021, three of the four nominated project teams were alumni of the last year's Innovation Challenge, in which employees pitched their ideas to senior leadership to earn investments of time, finances and other support. Employees made their voices heard and the 2021 Employee Choice Innovator Award went to the GPS Data Collection project, which promoted new technology for enabling more precise location of underground energy infrastructure.

## Progressive Non-salary Benefits

We offer progressive programs that help our employees manage their work and personal lives. The programs are assessed annually, and new features are added as needed to meet changing needs and maintain our leadership position in this area.

What We Offer	Description
Paid Parental Leave	We offer a parental leave policy, to new fathers and mothers. Our program provides up to four weeks of additional paid time off for full-time non- bargaining employees and two weeks of additional paid time off for part-time non-bargaining employees to help them bond with a new child in the family, whether it is through birth, adoption or fostering. In 2021, 219 employees took advantage of this benefit. More information on program participation and return to work rates is provided in the <b>Data Summary</b> in Xcel Energy's Sustainability Report.
Adoption Assistance	In addition to six to eight weeks of paid maternity leave, we offer an Adoption Assistance Program to help employees pay for services associated with adopting a child. Our program reimburses employees for eligible expenses up to \$2,000 for full-time employees and \$1,000 for part-time employees. It is available for non-bargaining employees and bargaining employees, as allowed by their negotiated bargaining agreement.
Dependent Care Referral	Employees can receive referrals to child and elder care providers in their area through our Employee Assistance Program (EAP).
Paid Time Off and Employee Assistance Donation Bank	<p>Paid Time Off (PTO) encompasses traditional vacation, personal-day and sick-day programs for non-bargaining employees. PTO can be used for a variety of reasons, such as illness, doctor visits, vacation or personal use.</p> <p>Xcel Energy also has a PTO donation program, designed to provide eligible non-bargaining employees with a means to donate earned and accrued PTO, as well as to apply for donated PTO. It is intended to assist employees who have exhausted their paid time off and are subject to severe loss of income because of continued absence from work due to a catastrophic event or serious health condition affecting them or their family members.</p>
Floating Holidays	Non-bargaining employees receive floating holidays to use in recognition of days that are personally important to them for religious, patriotic or other personal reasons.
Volunteer Paid Time Off	We provide all full-time bargaining and non-bargaining employees up to 40 hours of paid time off each calendar year for time spent during normal business hours volunteering to help an eligible 501(c)(3) or educational institution.
Military Time Away from Work	Xcel Energy provides enhanced military time away from work policies for employees currently serving in the National Guard or Reserves. While away, employees are paid the difference between their base pay and their base military pay for up to 24 months. They also have the option to use 15 days of military leave to ensure there is no interruption of pay during their mandatory two weeks of annual training.
Subsidized Mass Transit Monthly Passes	Xcel Energy offers discounted mass transit passes for employees at our two largest employee locations, providing them with cost savings and supporting community goals to improve air quality and reduce carbon emissions.



Long-term Financial Well- being	<p>Xcel Energy is committed to supporting employees' long-term financial well-being, for both bargaining and non-bargaining employees. We offer a defined benefit pension plan, in addition to a 401(k) savings plan and match. We continue to contribute to these plans at market-appropriate levels and partner with employees to help them save for the future, unlike many employers who have frozen pension plans or reduced contributions to 401(k) accounts.</p> <p>Our pension plan is 100% funded by the company and includes a 5% cash balance plan for new employees and legacy formulas for employees under previous plans.</p>
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## Employee Health and Safety

### Physical Well-being

We offer multiple benefits to support the health of our employees, including medical, dental and vision plans, as well as programs to encourage healthy lifestyles.

Our medical plan provides comprehensive coverage and encourages preventive care to identify health issues early. The plan also offers employees and their covered dependents the option for online and virtual or telephone visits with a medical professional 24 hours a day, seven days a week.

The plan for bargaining and non-bargaining employees includes the following\*:

- High Deductible Healthcare Plan (HDHP) with reasonable and affordable premiums and pretax Health Savings Account (HSA)
- Dental plan that includes subsidized basic and enhanced dental plan options
- An optional vision plan
- Well-being programs that support healthy behaviors and offer fitness center reimbursements, wellness coaching, tobacco cessation, weight management, diabetes management and flu shots

\*Bargaining unit benefits are based on contracts negotiated with specific local unions. The Southwestern Public Service bargaining unit is on a different medical plan than the rest of the company, per its negotiated contract.

### Emotional Well-being

Beyond supporting physical health and our medical plans, Xcel Energy provides all employees with a wealth of resources to support their mental health and emotional well-being. These resources include the Employee Assistance Program (EAP) and on-demand, virtual wellness resources from vendor partners such as meQuilibrium and Sleepio. Starting in 2022, we enhanced the EAP to make it easier and faster for employees and their families to get the support they need. The network was expanded to include additional digital resources and virtual coaching. A new program was added to enhance the support available for families with children and teens. Through the EAP enhancements, we are addressing health equity by making the programs available to all employees at no cost. Employees can access all mental health resources through our user friendly Xcel Energy Emotional Well-being website.

### Employee Safety

Based on the latest research and best practices for preventing serious injuries, we focus on building a culture where our employees and partners have open, transparent conversations and where they feel comfortable sharing details about their injuries and near misses so that we can learn from those situations and collaborate to prevent future occurrences. We provide details on our Safety Always approach in the [Employee Safety brief](#) in Xcel Energy's Sustainability Report.

## A Culture of Respect and Freedom of Association

Xcel Energy is committed to upholding the human rights and ethical treatment of employees and contractors. Part of living our core values means we treat others with respect, professionalism and dignity. This includes maintaining a work environment free from harassment and discrimination or any other unacceptable behavior.

### Policies to Support Human Rights and International Labour Organization (ILO) Conventions

Xcel Energy's [Human Rights Position Statement](#) confirms our long-standing commitment to the advancement and protection of human rights throughout our operations, consistent with the general principles set forth in the International Labour Organization conventions and all U.S. human rights laws. Among other things, the statement includes our support of employees' freedom of association. We expect all employees, suppliers and partners to abide by our position.

Xcel Energy also has an [Equal Employment Opportunity Policy](#) and [Code of Conduct](#) that apply to all employees, as well as a Supplier Code of Conduct. Our Anti-Retaliation Policy strictly prohibits 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.

### Process for Employees to Report Concerns

We provide multiple options for employees to report any concerns or grievances about potential violations of Xcel Energy's policies and provide the opportunity to do so confidentially. All concerns are formally investigated, tracked and processed through a case management system that provides a comprehensive review of allegations. We provide more information on this in the [Corporate Compliance and Business Conduct brief](#) in Xcel Energy's Sustainability Report.

### Collective Bargaining Agreements and Grievance Procedure

We recognize the right of all employees to select union representation, in accordance with applicable laws.

We communicate to employees their right to associate freely and bargain collectively by posting notices about that right in high-traffic common areas, such as break rooms. Through collective bargaining, we facilitate positive union relations and promote collaboration on business challenges that impact our operations and workforce.

Each Xcel Energy operating company has separate collective bargaining agreements, negotiated with the local unions. Xcel Energy bargaining agreements include equal opportunity clauses, and we operate in compliance with the policies and regulations established by the National Labor Relations Board and the statutes of the National Labor Relations Act. All our collective bargaining agreements are posted on our company intranet for employee viewing. In addition, the company provides paper copies to supervisors and managers of bargaining employees and the union provides copies to bargaining unit members.

Approximately half (44%) of our workforce is currently represented by unions. Most of our bargaining workforce has had union representation for more than 70 years.

Operating Company	Initial Year of Collective Bargaining Agreement
Public Service Company of Colorado	1946
Southwestern Public Service Company	1947
Northern States Power-Minnesota and Northern States Power-Wisconsin	1936-2012 (12 separate bargaining units)

## Notice Periods

We provide at least one pay period advance notice for significant operational changes and try to provide additional notice when operationally able. For example, we tried to provide four weeks notice when asking employees to return to the workplace after being sent home during the COVID-19 pandemic.

All the Collective Bargaining Agreements (CBAs) for our three bargaining units have expiration dates. Each of the CBAs specifically speak to notice periods for changes desired prior to the expiration date. Either the company, the union or both are compelled to give the other party 90 to 120 days or 60 days written notice of desired specified changes.

## Collaboration

Our long-standing relationships based on mutual respect have allowed us to form strategic alliances and pursue mutual goals.

Safety is a top priority for both our company and local unions. Together, we are working to create a Safety Always culture built on open and honest conversations, collaboration and sharing learning events to protect the workforce and ultimately eliminate life-altering injuries. Foundational to our safety approach are five **Human and Organizational Performance Principles** which acknowledge that people make mistakes, blame fixes nothing, and we gain the most by improving systems to make errors less likely.

We also are partnering with unions in Colorado on implementation of the state's just transition legislation, which was developed to assist employees impacted by the early retirement of coal-fueled power plants. Through our proposed Clean Energy Plan for Colorado, we are working with union leaders to manage the transformation of our system through attrition, retirement and retraining of employees. In other parts of the company, we have collaborated with unions on innovative projects, including a Generation Traveling Turbine Team and Nuclear Traveling Maintenance Services pilot.

## Mechanisms for Grievance Filing, Escalation and Tracking

For each operating company or jurisdiction, the local unions that represent employees negotiate formal grievance procedures on behalf of their members. The grievance procedures for each represented unit are communicated to those employees via publication in their local Collective Bargaining Agreement.

- **Filing:** To file a grievance, represented employees submit their concerns in writing with their elected union representatives. Alternatively, employees can use the company hotline to report grievances confidentially.
- **Escalation:** Each operating company or jurisdiction has a written procedure to escalate grievances filed with the union until resolution is reached. The details of the grievance escalation procedure in each company or jurisdiction varies based on negotiations with the local union, but all include at least three stages of escalation, as shown below.
- **Tracking:** For grievances filed through the union, the union keeps the employee informed of the status as the grievance goes through the process.

### Generally, there are three stages of escalation for resolving grievances.

1. Resolution with an immediate supervisor is the first step toward resolution. The mechanism used at this stage is a meeting between the union steward, company workforce relations representative, employee and the employee's immediate supervisor.
2. Escalation to higher levels of management takes place if a grievance is not resolved in the first step. At this stage, the mechanism used is a meeting between the employee, union steward, company workforce relations representative and the higher level of management.
3. Arbitration is the mechanism used for resolution in the final stage.