

# 2023 A look back at diversity, equity, inclusion, and accessibility at Cascade Energy in 2023 DEIA REPORT



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*Cascade Energy acknowledges that our offices across the country are located on the traditional lands of Indigenous people.*

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# Table of Contents

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<b>Our Commitment</b>	<b>3</b>
<b>Aligning With Our Clients</b>	<b>4</b>
<b>Diversity, Equity, Inclusion, and Accessibility at Cascade Energy</b>	<b>5</b>
<b>Annual Diversity Snapshot</b>	<b>7</b>
<b>2022 DEIA Goals and Accomplishments</b>	<b>8</b>
<b>Additional DEIA and Community-Focused Activities</b>	<b>13</b>
<b>What's Next?</b>	<b>17</b>
<b>Diverse Business Enterprise (DBE) Spend Report</b>	<b>20</b>
<b>Supplier Diversity Policy and Program</b>	<b>23</b>



# Our Commitment

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At Cascade Energy, we believe in doing the right thing, and we are committed to a culture valuing diversity, equity, inclusion, and accessibility (DEIA). Our practices and policies reflect this commitment. As an employee-owned company, our people are our priority and our most important competitive advantage.

Cascadians are a unique and varied group of talented, motivated, and engaged individuals. We respect our differences and recognize that diversity makes Cascade stronger. We have built a company where people take pride in their work and take advantage of a healthy work environment with opportunities for personal and professional growth.

We do not tolerate acts of discrimination by or against our team members, current or prospective. We strive to create diverse, equitable, inclusive, and accessible workplaces that align with our values. This DEIA Report provides an annual update on progress towards our yearly DEIA goals and a summary of DEIA-related activities at Cascade. It is a key tool for accountability as we work to put our values into action.

This DEIA Report includes our Diverse Business Enterprise (DBE) Spend Report, an annual snapshot of our employee demographics, an update on 2023 DEIA goals, an introduction to 2024 DEIA goals, and information about new and ongoing DEIA initiatives. These components ensure a holistic understanding of how we put our values in action around DEIA at Cascade.

In 2021, Cascade became a 100% employee-owned company by establishing an Employee Stock Ownership Plan (ESOP). We are committed to continuing to develop our ownership culture so that all employees who contribute to Cascade can experience the benefits of our collective growth. Multiple studies have shown that employee ownership programs can narrow racial and gender gaps in wealth. Reinforcing this commitment to developing an ownership culture, we use ‘employee-owners’ to refer to our employees throughout this report.



## Aligning with Our Clients

Cascade Energy partners with our utility clients to deliver programs that improve energy efficiency, decarbonize, engage new customers, motivate current customers to build energy-saving cultures, and deliver cost, resource, and emission savings. Some of our clients identify DEIA or community-focused preferences and requirements as part of their scopes of work. Of the 48 proposals for new work with utility clients our production team managed in 2023, 35.4% included DEIA preferences or requirements, which represents a roughly seven percent increase over 2022. The bulk of proposals with DEIA requirements were issued by utilities in the West and Midwest and focused on contracting to diverse business enterprises (DBEs) and outreach to disadvantaged customers. Evaluators of these proposals may favorably score organizations that provide partnership and subcontractor opportunities to certified DBEs, are located in or serve disadvantaged communities, can achieve diverse supplier spending goals, and/or are committed to improving outreach to and participation from hard-to-reach or historically marginalized groups.

Over 60% of our corporate-direct clients include DEIA language and preferences in their supplier codes of conduct, communicating that they are interested in working with organizations who prioritize DEIA. When we consider our clients who highlight their own DEIA practices in their environment, social, and governance (ESG) reports, this number climbs to nearly 70% of our corporate customers.



# Diversity, Equity, Inclusion, and Accessibility at Cascade Energy

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Cascade published our first Diversity Report in 2015. In 2020, we rededicated our DEI program and team to expand and include representation from across Cascade. Based on employee feedback, we added Accessibility to our DEI structure in 2022. Volunteer members of our DEIA Team represent a variety of backgrounds and levels of work experience, from new hires to the Leadership Team.



## DIVERSITY

We believe that diversity drives innovation, growth, and better outcomes for all and strive to increase diversity at all levels within our organization.



## EQUITY

We believe that everyone is different and equally deserving of fair treatment, opportunities, and outcomes across race, gender, class, and other human differences.



## INCLUSION

We believe that all voices and perspectives are important, and all aspects of our work, including the decision-making and planning processes, should strive to include representative voices and perspectives.



## ACCESSIBILITY

We believe that improved accessibility empowers Cascadians to wholly contribute to our work and makes experiences, services, and products better for everyone.



**The DEIA Team's charter establishes that:**

**The DEIA Team is responsible for identifying and implementing activities and initiatives that will help Cascade improve the state of diversity, equity, inclusion, and accessibility across the company, while being mindful of the development and health of our employees, the goals and objectives of our customers, and the greater impact to our communities.**

In mid-2022, we added a full-time DEIA Specialist position to drive and support our continued DEIA improvement. The DEIA Specialist is dedicated to advancing the state of DEIA at Cascade and collaborates with the DEIA Team and internal and external stakeholders to:

- achieve DEIA goals,
- provide avenues for employee education, involvement, and engagement on DEIA topics and activities, and
- provide key DEIA reporting and communication.

We encourage all our employee-owners to play an active part in improving DEIA at Cascade. We invite them to reach out to individual DEIA Team members or email the team collectively with any questions, concerns, or feedback related to the state of DEIA within our company. People can submit actionable ideas to improve DEIA through an opportunity register. Opportunity register suggestions are a key component to forming annual goals, creating new programs, and identifying new initiatives and processes.

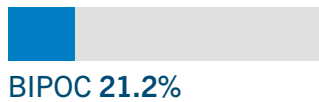
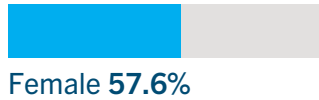
The DEIA Team is committed to maintaining the anonymity of contributors when requested, respecting privacy, and carefully considering all communications related to these suggestions. The DEIA Team meets regularly to share progress on current goals and initiatives, discuss feedback received from Cascadians, and consider opportunity register submissions. The team also manages an intranet site where Cascadians can read regularly published DEIA updates and access learning resources, DEIA and language best practice guides, and our past DEIA reports.



# Annual Diversity Snapshot

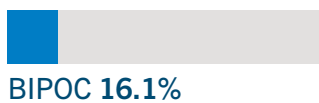
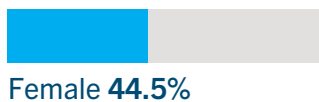
## Cascadians Hired

33 new employees  
from 01/01–12/31/2023



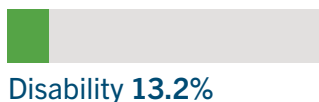
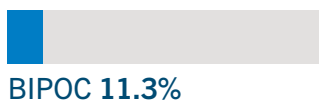
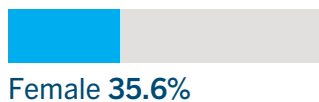
## Total Cascadians

218 employees  
as of 12/31/2023



## Manager Level or Higher

53 employees  
as of 12/31/2023



Cascade tracks our employee-owner diversity through our Human Resources Information System (HRIS) which allows employees to self-identify binary gender (male or female), ethnicity, veteran status, and disability status. Cascade acknowledges the multitude of personal traits and identities that drive individual diversity and that this snapshot, while extensive, is not a complete picture of our employee-owner demographics.

As of December 31, 2023, Cascade Energy had 218 employee-owners:

- 44.5% identify as female — a 1.9 percentage point increase from 42.6% in 2022.
- 16.1% identify as Black, Indigenous, or a Person of Color (BIPOC) — a 0.9 percentage point increase from 15.2% in 2022.
- 11.5% identify as having a disability.

Focusing on employee-owners at a manager level or higher, our overall number increased to 53, and we saw some mixed results in terms of diversity:

- 35.6% identify as female — a 9.7 percentage point increase from 25.9% in 2022.
- 11.3% identify as BIPOC — a 2.0 percentage point decrease from 13.3% in 2022.
- 13.2% identify as having a disability.

Throughout 2023, Cascade continued to focus on hiring candidates from a variety of backgrounds and experiences. Of the 33 new employee-owners that we welcomed in 2023, 57.6% identified as female, and 21.2% identified as BIPOC.

As the numbers show, Cascade continues to grow increasingly diverse each year. Continuing to track and monitor our organizational diversity helps us to maintain visibility and commitment to building an inclusive and equitable workplace where all employee-owners feel welcome and want to stay. Cascade’s overall change in diversity make-up is naturally limited by the volume of hiring and turnover at the company in any given year. While our pace of diversity change is slower than predicted in our 2021 report, we are delighted that the primary driver for this is a strong retention rate of over 90% with existing employees - an indicator of strong engagement and success with our inclusion and equity initiatives.

This is also the first year that we are reporting on the percentage of current staff and managers with disabilities. We appreciate the comfort that many staff have shown in self-identifying as having a disability, and we plan to include disability statistics in future reports.

# 2023 DEIA Goals and Accomplishments

## PUBLISH A DEIA BEST PRACTICES GUIDE (DBPG)

Our Diversity Best Practices Guide (DBPG) is a key resource for Cascadians who want to take action to bring our DEIA goals and mindset into their everyday lives and work. The guide covers a variety of topics, including a glossary of common terms, inclusive language, accessibility information, and a library of recorded training sessions. Cascadians outside of the DEIA Team have also contributed to this guide, suggesting sections on culturally specific language, idioms, and disability-related language use.

We are committed to covering additional topics in the DBPG in our plan for 2024, and we are excited to continue to receive feedback and recommendations from our fellow employee-owners.

PUBLISH A DEIA BEST PRACTICES GUIDE (DBPG)		Status
<p><b>Objective</b> Make Diversity Best Practice Guide available on our internal Cascade intranet.</p> <p><b>Results</b> We have made our guide available on our intranet with regularly updated resources that all Cascadians can access. Topics covered include inclusive language, inclusive email signature examples, accessibility tips, and best practices for meetings.</p> <p>To fully achieve this objective, there is still room to add sections for building and facility accessibility, event best practices, and workshop and program delivery considerations.</p>	<p><b>SOME PROGRESS MADE</b></p>	
<p><b>Objective</b> Make version of Diversity Best Practice Guide available externally on our website</p> <p><b>Results</b> We did not achieve this objective, as we decided to focus on our internal guide before drafting a printable external version of the guide. We may reconsider a version of this objective in the future, with the guide taking the form of a more general set of recommendations or principles.</p>	<p><b>NOT ACHIEVED</b></p>	

## POPULATE OUR THREE-YEAR LEARNING ROADMAP

While we did not frontload an entire three years’ worth of learning resources and DEIA content, we focused on providing timely resources that met Cascadians in the current moment. We also partnered with the Learning & Development Team to focus on asynchronous training options, microlearning, and setting new Cascadians up to understand our DEIA philosophy and goals.

In place of highlighting just one learning opportunity each quarter, we showcased resources, both internal and external, in weekly and monthly posts on our intranet. This evolution of the original goal helped to keep DEIA top of mind for employee-owners, while also allowing the DEIA Team to respond more readily to relevant topics as they came up.

POPULATE OUR THREE-YEAR LEARNING ROADMAP		Status
<p><b>Objective</b> Frontload three years’ worth of learning resources</p> <p><b>Results</b> The DEIA Team has published multiple learning and development resources, including asynchronous courses, articles, and explainer documents. We did not frontload an entire three years’ worth of resources.</p>	<b>SOME PROGRESS MADE</b>	
<p><b>Objective</b> Highlight one learning opportunity per quarter on our intranet</p> <p><b>Results</b> We highlighted learning and development opportunities each quarter, including a testimonial from a manager or above Cascadian for some quarters.</p>	<b>ACHIEVED</b>	
<p><b>Objective</b> Audit current DEIA learning opportunities for relevance, values, and updates</p> <p><b>Results</b> The DEIA Team regularly audits the opportunities that we share with employee-owners, updating the learning opportunities and resources that we have on our intranet.</p>	<b>ACHIEVED</b>	

## SUCCESSFULLY LAUNCH EMPLOYEE RESOURCE GROUPS (ERGS)

We introduced our ERG program at a company-wide meeting in March of 2023. In the following months, the DEIA Team supported interested individuals through the ERG application, creation, and operations process. All ERGs are led by Cascadians with the aim of fostering a diverse, inclusive workplace and supporting members’ experiences and growth at work.

Our women’s ERG, GROW (Guiding Remarkable & Outstanding Women), launched in June of 2023, and both member and non-member feedback has been positive. GROW hosted regular events in 2023, including a discussion around women in leadership, the Tall Poppy Syndrome, and gender bias in workwear. GROW members can also choose to participate in smaller mentorship groups. These mentor groups meet monthly and focus on professional development and resource sharing.

Our affinity groups — groups of employees centered around an identity that are not yet ready to become formal ERGs — have also gained traction in 2023. These groups connect individual Cascadians with a similar identity or life experience and offer a space to:

- share news, events, and resources,
- host discussions and ask questions, and
- process experiences while creating a sense of community among group members.

We offer organizational support to these groups so they can continue to increase their membership and momentum towards formal ERG creation. We believe well-established ERGs will help Cascade continue to be a welcoming place for all.

SUCCESSFULLY LAUNCH EMPLOYEE RESOURCE GROUPS (ERGS)		Status
<p><b>Objective</b> Launch at least one ERG</p> <p><b>Results</b> We successfully launched our ERG program in March 2023 and the Guiding Remarkable &amp; Outstanding Women (GROW) ERG launched in June. GROW expanded and developed throughout the year.</p>	ACHIEVED	
<p><b>Objective</b> Support employee-identified groups as they progress towards becoming ERGs</p> <p><b>Results</b> We have several employee-identified groups that have organizational support as they progress towards becoming ERGs. Some groups choose to operate as less-formal, conversational groups, rather than launch a full ERG with regular events and an administrative team. We support all groups regardless of their formality. As of the end of 2023, there are groups for Cascadians who identify as caregivers, LGBTQIA+, Latino/a/x/e, and having disabilities.</p>	ACHIEVED	

## PRIORITIZE UNDERSERVED COMMUNITIES IN PROGRAM DELIVERY

There is a lot of interest around including DEIA and prioritizing underserved communities in our program delivery work. This has led to many individual Cascadians proactively reaching out to the DEIA Team to better understand how they can integrate DEIA values and considerations into their program work. Program delivery is at the core of what Cascadians do each and every day, and making changes to our process takes time and careful consideration.

PRIORITIZE UNDERSERVED COMMUNITIES IN PROGRAM DELIVERY		Status
<p><b>Objective</b> Analyze current program marketing and communication efforts to set a baseline for community engagement</p> <p><b>Results</b> The DEIA Team engaged in one-off interactions with Cascadians who are involved in program marketing and communication efforts. We also worked with our design team on new accessible designs and templates as a part of our best practices work and these were integrated in many program materials. Opportunity remains for a broad review across all forms of program marketing and communications.</p>	<p><b>SOME PROGRESS MADE</b></p>	
<p><b>Objective</b> Identify which of our program teams excel in community outreach and how they've achieved success, uncover any gaps, and share case studies across Cascade</p> <p><b>Results</b> We did not perform a systemic review to identify these program teams either excelling or with gaps in their community outreach. Some work was completed to identify ways that Cascadians were integrating DEIA into their programmatic work and stories shared, although not in the originally envisioned case-study format.</p>	<p><b>SOME PROGRESS MADE</b></p>	

## CREATE KEY PERFORMANCE INDICATORS (KPIs) FOR DEIA ACCOUNTABILITY

A critical first step in KPIs for DEIA accountability is establishing tracking systems and solid baselines. In 2023, Cascade implemented a new Human Resources Information System (HRIS). This new system integrates our recruiting pipelines and information on current and former employee-owners. Using reporting available from this tool, we have begun regularly tracking DEIA-related statistics across our organization. We have also been able to leverage this system for engagement surveys that integrate with existing demographic data, allowing us to compare employee-owner sentiment across a number of engagement questions and demographics.

CREATE KEY PERFORMANCE INDICATORS (KPIs) FOR DEIA ACCOUNTABILITY		Status
<p><b>Objective</b> Identify measurable and impactful KPIs for key functions</p> <p><b>Results</b> The DEIA Team worked with key functions, including the People, Recruiting, and Leadership Teams, to create measurable KPIs. Most notably, we implemented detailed metrics around the recruitment process. We are also continuing to track company diversity numbers for both employee retention, hiring, and terminations, and we have added demographic insights to our employee engagement surveying results.</p>	<p><b>ACHIEVED</b></p>	
<p><b>Objective</b> Help individual teams understand and create DEIA-related KPIs</p> <p><b>Results</b> The DEIA Team did not engage individual teams throughout Cascade outside of our People Team to establish separate KPIs and help them understand their impact on DEIA at Cascade.</p>	<p><b>NOT ACHIEVED</b></p>	



## Additional DEIA and Community-Focused Activities

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Cascade recognizes our ability to have a positive impact on underserved communities and historically marginalized groups through our business decisions and actions. In addition to work related to our annual goals, Cascade supported several DEIA-related projects and community-focused activities in 2023, including:

### RECRUITMENT EFFORTS

Recognizing the progress Cascade has made in how we recruit new staff, we continue to work towards improving our hiring process. The DEIA Specialist meets regularly with the Recruitment Team to review progress towards our DEIA goals and dive into trends we are seeing among candidates with various identities. We carried through our previous focus on recruitment and hiring goals into our work in 2023, ensuring that they remained key components of our overall DEIA picture.

Specifically, our Recruitment Team:

- reached out to local chapters of professional groups dedicated to the advancement of historically marginalized groups in engineering to enhance relationships and improve our hiring pipeline,
- surveyed hiring managers to better understand the various factors that contribute to a successful candidate in different roles, and
- provided education to hiring managers with the goal of diversifying views on successful candidate profiles.

## CANDIDATE REFERRAL PROGRAM

While Cascade recognizes the value of candidate referrals from existing employees, this approach can limit the diversity of candidate pools, as people tend to network with and refer candidates who are like themselves. This can impede diversity efforts, even if unintentional. The Candidate Referral Program supports Cascade's efforts to build diverse candidate pipelines. Both employees and those external to Cascade may participate in the referral program; this includes customers, vendors, and others we partner with in the community. Anyone who refers a successful hire to Cascade can direct a \$500 referral donation to a professional organization with a focus on serving historically marginalized communities. We seek to support and maintain relationships with organizations working to improve career opportunities for underrepresented groups, which in turn improves our diverse outreach and hiring capabilities. In 2023, employee referrers directed \$2,000 to four professional organizations: Project Syncere (Supporting Youth's Needs with Core Engineering Research Experiments), AISES (American Indian Science and Engineering Society), Oregon MESA (Mathematics, Engineering, Science, Achievement), and SWE (Society of Women Engineers).

## MENTORSHIP

As energy efficiency consultants, Cascade believes our knowledge and skills can benefit people, the planet, and the economy. We also believe our knowledge and skills can benefit the communities around us. In 2023, Cascade and Cascade employees were involved in several mentorship programs, including:

### 1. iUrban Teen

iEngineer/iUrban Teen is a program that offers BIPOC high school and college students learning and work opportunities in STEM fields. iEngineer is a newly formed program under the iUrban Teen umbrella focused on the engineering field. For the second year in a row, Cascade's Northwest Project Engineering Team participated in iEngineer's STEM summit that provided middle and high school students exposure to engineering with a focus on industrial energy efficiency. Following our successful internship through iUrban Teen in 2022, Cascade hired a college engineering intern for six months in 2023. During this time, they worked on a wide variety of projects and gained first-hand work experience. They made valuable contributions with a specific focus on energy measurement and data analysis.



## **2. De La Salle North (DLSN) Corporate Work Study Program (CWSP)**

Cascade has been a corporate partner in DLSN's CWSP since 2014. DLSN offers a college preparatory high school education to underserved students from the Portland, Oregon area. The CWSP connects students with corporate partners to fill entry-level jobs throughout the school year. These jobs are paid positions, with the money earned covering approximately 50% of a student's cost of education. In addition to offsetting tuition costs, students also benefit from learning valuable skills in a professional work environment. In the fall of 2023, Cascade sponsored two student interns, which brings the number of students supported through CWSP to 36.

## **3. Renewable Energy Scholarship Foundation (RESF)**

RESF is a 501(c)(3) public non-profit that provides undergraduate and graduate college-level academic scholarships to Oregon and Washington students who demonstrate success in their academic pursuits in any aspect of renewable energy, from the sciences to complementary fields like public policy, law, economics, and sociology. Cascade has continued sponsorship of a RESF scholarship since 2022, and our scholarship is one of three dedicated to a first-generation college student, a student with disabilities, a student from an underrepresented or historically marginalized group (including but not limited to BIPOC and LGBTQIA+ communities), and/or a student committed to DEIA.

## **4. US Department of Energy Industrial Assessment Centers: Women for Energy Efficiency (WE<sup>2</sup>)**

Ten Cascade engineers representing a variety of specialties mentored engineering students via the WE<sup>2</sup> mentorship program throughout the 2022–2023 program year, and six Cascadians are currently participating in the 2023–2024 program year. Through this mentorship program they meet monthly with assigned engineering students to develop professional skills, identify potential career paths, provide guidance and networking opportunities, and improve the representation of women in the energy and engineering industries.

## **DIVERSE BUSINESS ENTERPRISE (DBE) SPEND VISIBILITY**

Cascade is committed to using our market power to boost small and diverse enterprises in our business community while working towards our mission of making industrial energy efficiency and decarbonization happen in smart, measurable, and sustained ways. Our goal is to proactively identify and purchase goods and services from small businesses and enterprises owned or operated by



people with disabilities, people with historically marginalized racial and ethnic identities, women, veterans, and LGBTQIA+ individuals. During this process, we strive to build long-term, sustainable, and mutually beneficial relationships with these enterprises.

Our [Supplier Diversity Policy](#) helps us attract qualified small and diverse suppliers to support our business needs. As part of our commitment to supplier diversity, we routinely track and report on our company's spending with DBE subcontractors and vendors. A historic challenge with tracking progress towards Cascade's DBE spending targets has been understanding which company credit card charges are with certified DBEs. Last year, thanks to our Finance & Accounting Team, we added a 'DBE Vendor' checkbox field to our expense entry detail screen. This helps track credit card spend with DBE vendors, improving the data available for our DBE Report. We will continue to promote the use of the checkbox for relevant credit card spend, resulting in more reliable credit card spend data for future reports.

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*The [DBE Report](#) and [Supplier Diversity Policy](#) are included in this report, starting on page 20.*

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## What's Next?

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The DEIA Team identified five goals to achieve in 2024. We will work on these new goals while continuing to make progress on and support many of our previous DEIA annual goals.

### 2024 DEIA ANNUAL GOALS

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- 1 | **Bring DEIA to our Program Delivery Work**

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- 2 | **Continue to Improve our DEIA Learning Roadmap**

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- 3 | **Center and Enhance Accessibility**

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- 4 | **Expand our DEIA Best Practices Guide (DBPG)**

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- 5 | **Increase Transparency and Reporting for Accountability**

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### 1. BRING DEIA TO OUR PROGRAM DELIVERY WORK

Many Cascade clients have community-focused preferences or requirements, primarily focusing on outreach to underserved communities to support equitable access to and distribution of program resources. Cascade aims to meet these client expectations and bring our experience with us in all of our operations. We also acknowledge the inherent value in diversity, equity, inclusion, and accessibility being the right things to do, and we are excited to share this value with our partners.

## CASCADIAN DEIA LEARNING OBJECTIVES



Cascadians understand and embrace the value of diversity as a source for creativity, innovation, and productive collaboration.



Cascadians have the skills to identify, address, and improve inequitable and/or inaccessible work and learning environments



Cascadians demonstrate inclusive communication skills

One area we will focus on is establishing a baseline understanding of how our program delivery teams operate and where there are opportunities to integrate DEIA considerations into their work. We will collect feedback from program teams and research external standards to understand how others in the industry bring DEIA into their work. Once we have this understanding, we will work with program staff at Cascade to determine where it would be most feasible and impactful to weave DEIA considerations into our program delivery.

As programs integrate DEIA principles into their work, we will share out success stories and lessons learned, serving to both provide updates on our work to the entire organization and further develop program delivery skills. We also recognize that a large part of our DEIA efforts center on identifying and partnering with diverse business enterprises (DBEs). We will collaborate with program staff to catalogue our existing DBE partners, identify new ones, and understand where we can fill gaps in subcontractor and vendor representation.

At the core of this goal, we want to begin to equip customer facing Cascadians working on our programs with the right tools to be able to integrate DEIA into their work, all while being mindful of our central mission to reduce industrial emissions with efficient and cost-effective solutions.

## 2. CONTINUE TO IMPROVE OUR DEIA LEARNING ROADMAP

In building out our DEIA Learning Roadmap over the past couple of years, we have created and highlighted many resources for all Cascadians to access. These resources provide knowledge and training through a variety of delivery formats, and the topics support Cascadians in their work to achieve our three organization-wide DEIA Learning Objectives.

Our focuses for the upcoming year include ensuring our learning resources and activities are accessible to employee-owners with varied schedules and needs, advertising and spotlighting relevant learning opportunities as they are added, and showcasing leadership support of DEIA learning. In addition to our many virtual learning options, we will take advantage of our geographically distributed office spaces to host at least two in-person learning sessions, which will also have virtual options.

## 3. CENTER AND ENHANCE ACCESSIBILITY

In 2022, the DEIA Team added an 'A' to represent Accessibility, expanding the original DEI acronym. Accessibility at Cascade means that all employees, customers, and partners — current and prospective — can perceive, understand, navigate, and interact with Cascade's digital and physical resources and be active, contributing members of our work community.



We have made significant progress to center and expand accessibility in all that we do here at Cascade, and there is still more work to be done. With our recent move into a new Portland headquarters and an increased focus on hybrid work arrangements, we will explore and implement reliable and accessible audio and visual set-ups in our office locations. We will also reinforce a baseline understanding of accessibility to keep access a focus for everyone.

While accessibility is everyone's responsibility, there are core duties that the People Team is responsible for when it comes to reasonable accommodations. We are committed to exceeding our basic requirements under federal, state, and local statutes by increasing the number of touchpoints to proactively inquire with employees about disability accommodations. We will also increase self-service resources to improve understanding around eligibility for workplace accommodations, including guides covering various types of accommodations.

#### 4. EXPAND OUR DEIA BEST PRACTICES GUIDE (DBPG)

We are proud of the progress we've made so far on our DEIA Best Practices Guide. In the upcoming year, we will expand the DBPG to include more concrete recommendations beyond language and digital accessibility.

Another key focus will be how we construct, update, and share out the DBPG. We will first promote awareness of the existing resources in the guide. We will also add guidelines on accessibility and share examples of how to integrate DEIA considerations into business processes and decision making. To keep the guide up to date, we will review and update it quarterly.

#### 5. INCREASE TRANSPARENCY AND REPORTING FOR ACCOUNTABILITY

Past goals have focused on setting concrete DEIA KPIs across teams. We've realized that one issue with asking teams to set their own DEIA-related KPIs is the difficulty of doing so without consistent and transparent reporting from the DEIA Team about our baseline data, the progress that's being made, and where there are gaps in collected data.

In 2024, we will audit and improve the baseline employee-owner data we review in our HRIS, to create a solid foundation of DEIA-relevant data. We will use this foundation to publish and promote companywide dashboards and intranet pages that display core demographic metrics and updates on related goals. The DEIA Team will also regularly review and track these core metrics collected through our HRIS.



2023

# DIVERSE BUSINESS ENTERPRISE (DBE) SPEND REPORT

## WHY TRACK DBE SPEND?

Cascade's Supplier Diversity Program supports our commitment to DEIA. We provide this annual accounting of diverse supplier spend for clarity and accountability within that program. We compare our stated goals with actual results and analyze both our successes and our challenges. In alignment with our company values of *Do the Right Thing, Put Others First, and Seek Shared Success*, Cascade is committed to using our market power to boost small and diverse enterprises in our business community while working towards our mission of making industrial energy efficiency and decarbonization happen in smart, measurable, and sustained ways.

## ANNUAL DBE SPEND SNAPSHOT

Cascade Energy is committed to supporting diverse suppliers and creating opportunities for businesses run by those with historically marginalized identities. As a part of that commitment, we annually track and report on our company's spending with diverse business enterprises (DBE)<sup>1</sup>.

In 2023, Cascade Energy increased the number DBE suppliers we partnered with for program delivery, but we did experience a slight drop in the number of DBE suppliers for internal operations. The number of DBEs supporting program delivery increased from 16 to 19, and the number of DBEs supporting internal operations decreased from 11 to 8. The drop in internal vendors was largely due to an administrative change in purchasing - some spending transitioned from invoicing to our corporate credit card, and the latter is not tracked in this report.

<sup>1</sup> Diverse Business Enterprise (DBE) – A for-profit business where socially and/or economically disadvantaged individuals own at least 51% interest and/or control management and daily business operations. Cascade Energy recognizes DBEs as businesses owned by individuals from historically marginalized groups, including but not limited to women, veterans, LGBTQ+ individuals, individuals with disabilities, and/or individuals from underrepresented racial or ethnic groups. Please note that our clients and partners may define DBE differently. These definitions can be determined wholly by our contracting partners, by federal or state programs, or by independent certification bodies.

The following table titled **Annual DBE Spend** summarizes our DBE spend data since 2020. Overall, our corporate spending with DBE suppliers and vendors has continued to increase each year. In 2023, we saw our DBE spending increase, drastically improving our DBE spend as a percentage of Total Spend and increasing our DBE spend as a percentage of Total Spend minus Excluded Spend. You can find definitions of each spending category in the footnotes associated with the chart. We will continue our work to improve DBE Spend in both program and internal categories by increasing efforts to identify and partner with DBE vendors on new and expanded work.

Identifying DBE suppliers in internal and fixed overhead categories is based on limited survey responses. Several internal and program teams are working to improve reporting accuracy in these categories.

<b>ANNUAL DBE SPEND</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023<sup>6</sup></b>
<b>Spend<sup>2</sup> Total</b>				
DBE % of Total Spend	17.5%	19.4%	15.8%	25.9%
<b>DBE % of Total Spend minus Excluded Spend</b>	<b>26.9%</b>	<b>26.6%</b>	<b>32.7%</b>	<b>37.1%</b>
<b>Program Spend<sup>3</sup></b>				
Program % of Total Spend	46.4%	40.0%	42.6%	63.1%
DBE % of Program Spend	35.3%	46%	31.5%	39.9%
Program Total DBE Count	9	7	16	19
<b>Internal Spend<sup>4</sup></b>				
Internal % of Total Spend	18.4%	31.4%	57.4%	6.7%
DBE % of Internal Spend	6.0	3.1%	5.0%	10.9%
Internal Total DBE Count	10	7	11	8
<b>Excluded Spend<sup>5</sup></b>				
Excluded % of Total Spend	36.5%	28.8%	48.2%	40.2%

2 Spend – Money paid to a vendor, contractor, or subcontractor during the annual fiscal year.

3 Program Spend – Business expenses used to directly fulfill contractual obligations rather than general operating expenses or overhead.

4 Internal Spend – Costs that support our internal needs, are required for ongoing business operations, and help us deliver work but cannot be directly attributed to a specific business product or service. For example: human resources, accounting, legal, software and computers, etc.

5 Excluded Spend – Overhead expenses that are immutable or extremely difficult to shop for on the open market in a way that would allow us to seek DBE providers. For example: rent, insurance, membership in trade organizations, etc.

6 For 2023, we are calculating 'Internal Spend' separately from 'Excluded Spend. Due to this change in how we portray our data, percentages for 2023 spend will now add up to 100% and increase data legibility.

## REVIEW OF THREE-YEAR DBE SPEND GOALS | 2021–2023

In 2021, Cascade set three goals for our Supplier Diversity Program to achieve by the end of 2023. The table below shows the status of the goals, along with some brief commentary:

THREE-YEAR (2021–2023) DBE SPEND GOALS		Status
<p><b>Objective</b> Increase total Program Spend with DBEs to 40%</p> <p><b>Results</b> We are at just about 40% of our Program Spend being allocated to DBEs, reaching our objective.</p>	<b>ACHIEVED</b>	
<p><b>Objective</b> Maintain 40% of top 10 highest spend subcontractors as DBEs</p> <p><b>Results</b> We surpassed this goal, with 50% of our top 10 highest spend subcontractors being DBEs. One additional subcontractor within the 10 top is a women-led nonprofit organization, bringing us to 60%.</p>	<b>ACHIEVED</b>	
<p><b>Objective</b> Double the total number of diverse suppliers for internal spend from 10 to 20</p> <p><b>Results</b> We did not achieve this goal outright, with our number of DBE suppliers for internal spending decreasing to 8. However, this is largely due to an administrative change in how we categorize internal spending, so we may be undercounting DBE suppliers for internal spending.</p>	<b>NOT ACHIEVED</b>	





2024

# SUPPLIER DIVERSITY POLICY AND PROGRAM

## OUR COMMITMENT

Cascade Energy partners with many small and diverse business enterprises (DBEs) to help advance our goal of making industry more efficient. We are committed to using our market power to boost traditionally marginalized, diverse enterprises in our business community while advancing this goal. Through our [Supplier Diversity Program](#), we strive to increase these partnerships and collaborate with more DBEs as vendors and subcontractors. Our clients value, encourage, and sometimes require a diverse working team and a robust plan from their contractors like Cascade to improve diversity in their program delivery. We seek partners and clients that share Cascade's values regarding diversity, equity, inclusion, and accessibility.

We recognize that having a diverse supplier pool is a competitive advantage and a powerful business strategy. Our mission is to proactively identify and purchase goods and services from small businesses owned or operated by people from historically marginalized groups. During this process, we strive to build long-term, sustainable, and mutually beneficial relationships with these businesses. We are committed to ensuring that diverse suppliers have an equal opportunity to be included in our strategic sourcing and procurement process. Companies that seek to do business with us must demonstrate their ability to add value and provide high-quality goods and services that are competitively priced, reliable, and aligned with our superior level of service.

## OUR OBJECTIVE

Our Supplier Diversity Policy and Program are intended to identify business areas with opportunities for new suppliers, increase the amount of money we are spending with diverse suppliers, and grow the number of diverse suppliers with which we do business.

To help us achieve these objectives, we will:

- Research, identify, and compile information about diverse suppliers that can provide competitive, high-quality goods and services.
- Invite diverse suppliers to participate in our strategic sourcing and procurement process.
- Communicate the value of supplier diversity within Cascade and with our partners, clients, and stakeholders.
- Leverage a diverse supplier network to meet our clients' supplier diversity requirements.
- Measure program success based upon our ability to meet these objectives.

## PROGRAM OVERVIEW

Our program includes internal and external activities to help ensure success. These activities include:

### **Dedicated internal support**

Cascade's Board of Directors and Leadership Team endorse our Supplier Diversity Program, and our Vice President of Technology and Internal Operations oversees the program and provides direction for its ongoing management. The program provides robust direction and assistance to internal departments and teams seeking suppliers.

### **Clear objectives**

We have company and departmental goals that support our overall DBE supplier strategy.

### **Tracking and reporting**

We assess our progress toward achieving our DBE spend goals quarterly, with a strong emphasis on continuous improvement and development. An annual survey helps us identify qualified DBEs in our supplier pool. We share DBE survey and spend results annually on our public website and our company intranet.

## Outreach

We seek to build a diverse supplier network by identifying organizations that provide DBE support, including diversity certification, and fostering collaboration between such businesses and our DBE partners. Our business development and program delivery managers provide research and outreach support to assist with identifying supplier opportunities and locating qualified DBE companies to fulfill these needs.

## Communications

We share our Supplier Diversity Policy and Program with our employees, our clients, the diverse suppliers with which we seek to partner, and members of the communities in which we live and work.

## Supplier support

We work with our supplier pool to increase opportunities and assist with DBE certification processes. Cascade helps small contractors in its network build capacity by engaging in supportive, practical, detailed dialogue during the contracting process about topics like information security, safety, insurance, and non-discrimination. Support we have offered since 2018 includes 1) an information security review and gap analysis plus practical suggestions for addressing gaps; 2) a practical guide for technology start-up; 3) defining reasonable insurance requirements and helping source cost-effective coverage; and 4) offering training regarding the prevention of discrimination and harassment.

## Priority

The Vice President of Technology and Internal Operations is responsible for ensuring the importance and relevancy of our Supplier Diversity Program is well understood and visible to our Board of Directors and Leadership Teams.

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*Requests for further information about our Supplier Diversity Policy and Program can be directed to [barbara.dusicka@cascadeenergy.com](mailto:barbara.dusicka@cascadeenergy.com).*

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