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INTRODUCTION



OUR COMMITMENT TO

CORPORATE RESPONSIBILITY

At Avista, we strive to be an innovative, community-based, essential energy company committed to compassionately serving our customers with sustainable solutions, while delivering competitive returns. In pursuit of this north star, our mission is to enable vibrant communities through safe, responsible and affordable energy, by putting those we serve at the center of everything we do.

These guiding principles, along with our shared values of trust, innovation and collaboration, serve as the foundation of our corporate responsibility. Whether it is our longstanding commitment to environmental stewardship, the care and support of our people, our dedication to the customers and communities we serve, or our steadfast adherence to principles of ethical governance, we believe that the integration of corporate responsibility into our business builds trust, forges lasting relationships,

strengthens morale, reduces risk, delivers enhanced value to our shareholders, and ultimately enables us to more effectively execute our mission and strategies.

At its heart, corporate responsibility at Avista is a commitment to manage the environmental, social and economic effects of our operations safely, responsibly, and affordably, while endeavoring to have a positive, lasting impact on the environment and society in which we operate.

We believe that, through these commitments, we can preserve and enhance our environment, inspire engaged and thriving employees, add value to our customers and communities, and grow the investments of our shareholders. For over 135 years, we recognize that the pursuit of these commitments is not a deterrent, rather they help us achieve our north star.

AVISTA'S COMMITMENT AREAS

Our Commitment to Our Environment

We are committed to sustainably conducting our business with respect for our shared natural resources while addressing the challenges and opportunities arising from the transition to a low carbon economy with innovation and mutual stakeholder benefits.

Our Commitment to Our People

We hire talented people and equip them with capabilities, tools and a culture that empowers them to pursue great ideas—ideas that engage the imagination, stretch us all and ensure that we continue to provide exemplary and cost-effective service while building the utility of the future.

Our Commitment to Our Customers and Communities

We are invested in the financial strength of our customers and local communities. We recognize that enabling vibrant communities extends beyond providing energy for our customers, that we must continue to create value from operational improvements, enhance products and services, and prioritize local investments and economic development.

Our Commitment to Ethical Governance

We maintain a strong foundation of corporate governance practices that promotes transparency, accountability, and engagement, and that ensures there is complete, transparent, and effective oversight of the affairs of our Company to protect and grow shareholder value.



TABLE OF CONTENTS

OUR ENVIRONMENT

- [07](#) Clean Energy Future
- [07](#) Clean Electricity Goal
- [15](#) Natural Gas Goal
- [17](#) Climate Policy Engagement
- [19](#) Innovation and Partnerships
- [23](#) Renewable Natural Gas and Hydrogen
- [24](#) Energy Efficiency
- [27](#) Facilities Management
- [28](#) Renewable Energy Upgrades
- [29](#) Green Fleet Program
- [31](#) Commute Trip Reduction
- [32](#) Environmental Policy
- [32](#) Environmental Management System (EMS)
- [34](#) Environmental Risks
- [35](#) Environmental Compliance
 - [35](#) Climate Change
 - [36](#) Air Quality
 - [37](#) Water Management
 - [39](#) Waste Management & Recycling
- [41](#) Natural and Cultural Resource Management
 - [41](#) Biodiversity Management
 - [42](#) Threatened and Endangered Species
 - [45](#) Historic and Cultural Resources
 - [48](#) Equitable Public Access

OUR PEOPLE

- [52](#) Safety Management System
- [53](#) Safety and Well-Being Engagement
- [53](#) Safety and Well-Being Resources
- [57](#) Equity, Inclusion & Diversity
 - [57](#) Equity
 - [59](#) Inclusion
 - [61](#) Diversity
 - [61](#) Employee Metrics

- [65](#) Compensation Structure
- [66](#) Employment Benefits
- [66](#) Development Opportunities
- [67](#) Craft Development
- [70](#) Avista Code of Conduct
- [70](#) Speaking Up and Reporting
- [70](#) Ethics and Compliance Program
- [71](#) Human Rights
- [72](#) Contractor Expectations
- [72](#) Contractor Code of Conduct
- [72](#) Supply Chain Engagement

OUR CUSTOMERS AND COMMUNITIES

- [75](#) Public Safety
- [76](#) Wildfire Resiliency Plan
- [78](#) Emergency Preparedness
- [79](#) Reliable Service
- [79](#) Western Energy Imbalance Market
- [79](#) Energy Affordability
- [80](#) Energy Assistance Programs
- [82](#) Energy Efficiency and Conservation
- [84](#) Customer Green Options
- [85](#) Smart Meters
- [86](#) Transportation Electrification
- [89](#) University District
- [89](#) Regional Efforts
- [92](#) Supply Chain
- [96](#) Philanthropic Support
- [97](#) Avista Scholarships
- [98](#) Employee Giving
- [99](#) Employee Gift Matching
- [100](#) Customers at the Center
- [100](#) Strategic Focus Areas
- [101](#) Customer Experience
- [102](#) Customer Satisfaction
- [102](#) Stakeholder Engagement

ETHICAL GOVERNANCE

- [109](#) Ethical Conduct
- [109](#) Governance Guidelines
- [109](#) Board Policy Adherence
- [111](#) Board Independence
- [111](#) Independent Vice Chair
- [113](#) Board Diversity
- [113](#) Board Composition
- [113](#) Board Refreshment
- [115](#) Board Performance
- [115](#) Executive Performance
- [116](#) Director Compensation
- [116](#) Executive Compensation
- [121](#) Recoupment Policies
- [121](#) Director Education
- [121](#) Succession Planning
- [122](#) Shareholder Engagement
- [122](#) Disclosure Practices
- [124](#) Board Contact Information
- [125](#) Board Oversight
- [125](#) Role of Management
- [125](#) Risk Management
- [126](#) Cybersecurity and Technology Risks
- [128](#) Climate Change Risks

APPENDIX

- [130](#) Our Commitment to Environmental Stewardship
- [133](#) Our Commitment to Workplace Safety & Well-Being
- [140](#) Our Commitment to Human Rights
- [143](#) EEO-1 Workforce Diversity Report
- [145](#) Forward-Looking Statement

COMMITMENT TO

OUR ENVIRONMENT



COMMITMENT TO

OUR ENVIRONMENT

We are committed to sustainably conducting our business with respect for our shared natural resources while addressing the challenges and opportunities arising from the transition to a low carbon economy with innovation and mutual stakeholder benefits. Our efforts and commitments include:

- 1.** Growing renewable energy generation and maintaining pipeline assets and fuels as a reliable and affordable energy choice in support of our aspirational clean energy goals.
- 2.** Engaging in collaborative climate policy development to promote equitable solutions to the low carbon transition while preserving the safety, reliability, and affordability of energy for our customers and local communities.
- 3.** Driving innovation and technology advancements for the developing dynamic energy ecosystem to support new sustainable products and services.
- 4.** Leading with energy efficiency, conservation, electrification and other system upgrades to increase business value from operational improvements while lowering our carbon footprint.
- 5.** Improving the sustainability of our business practices and promoting environmental stewardship of our shared natural resources.



1. Growing renewable energy generation and maintaining pipeline assets and fuels as a reliable and affordable energy choice in support of our aspirational clean energy goals.

Clean Energy Future

Since Avista's founding in 1889 as a producer of clean, renewable hydro power, environmental stewardship has meant conducting our business in ways that honor the integrity of the natural resources in the areas we serve. As a leader in clean energy and innovation, we are proud to continue these commitments to environmental stewardship and sustainability as we continue to meet the changing energy needs of our customers and communities. Our aspirational clean energy goals demonstrate that our vision of a clean energy future encompasses both electric and natural gas resources. We are actively working towards reducing greenhouse gases from the energy we deliver to our customers and the communities we serve.

Aspirational Clean Electricity Goal

Serve our customers with 100% clean electricity by 2045.

Aspirational Natural Gas Goal

To be carbon neutral by 2045.

Clean Electricity Goal

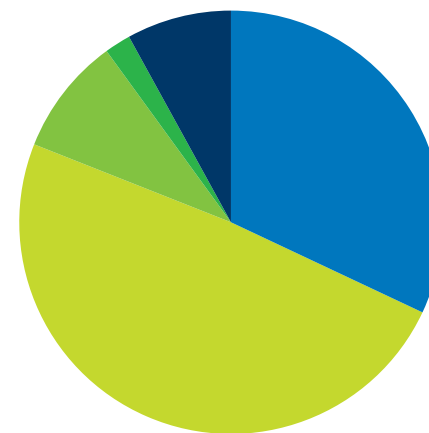
Our aspirational clean electricity goal helps focus our efforts as we continue to meet the energy needs of our customers and communities in both an environmentally responsible, affordable, safe and reliable manner. We have long been recognized by the Natural Resources Defense Council as one of the cleanest power producers in the country when it comes to greenhouse gases.

Our electrical generation capability is comprised of 59% renewable energy that includes hydroelectric, biomass, solar and wind resources. As a comparison, the US electric industry's generation capability is comprised of only 28% renewable energy¹.

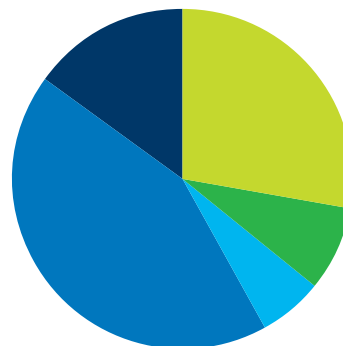
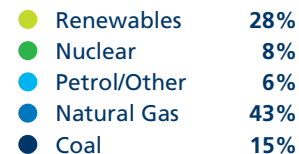
Avista 59% Renewable Energy



Electricity Generation Resource Mix as of 12/31/2023—Excludes AEL&P



US Electric Industry 28% Renewable Energy¹



¹ U.S. Energy Information Administration 2023 US electric industry generation capability: Renewables 28%, Nuclear 8%, Coal 15%, Natural Gas 43% and Petroleum/Other 6%.

Avista remains committed to meeting the need for reliable and affordable energy while advancing environmental stewardship, and our actions demonstrate these values. To help achieve our aspirational goal and add to our clean electricity portfolio, we have recently implemented the following renewable energy projects on behalf of our customers:

- 2012 Palouse Wind 105 MW 30-year Power Purchase Agreement (PPA)
- 2015 Community Solar Array 0.4 MW owned by Avista
- 2018 Lind Solar Farm 28 MW 20-year PPA
- 2020 Rattlesnake Flat Wind 144 MW 20-year PPA
- 2021 Incremental Hydro Contract 88 MW 10-year PPA (2024–2033)
- 2021 Incremental Hydro Contract 177 MW 20-year PPA (2026–2045)

- 2022 Columbia Basin Hydro Contract 146 MW (2023–2045)
- 2023 Clearwater Wind 97.5 MW 30-year PPA (2024–2054)

These renewable energy projects were targeted to comply with both the clean energy provisions of Washington's Clean Energy Transformation Act and to meet projected capacity deficits in both Idaho and Washington. Our intent was to secure the output from renewable generation resources and their associated environmental attributes. Our interest in acquiring these renewable energy resources was to offset market purchases and fossil-fuel thermal generation consistent with Avista's Electric Integrated Resource Plan (IRP), further reinforcing our aspirational clean electricity goal.

Avista's IRP, refreshed every two years, shapes our generation resource strategy and planned generation procurements for the following 20 years, resulting in a Preferred Resource Strategy (PRS). The PRS is a reasonable low-cost plan balancing cost, reliability,

and environmental goals and mandates. Some highlights of the 2025 IRP and near-term PRS include:

- Exit Colstrip Units 3 & 4 (-222 MW of baseload coal generation) at the end of 2025²
- Add 200 MW of Northwest wind renewable energy generation in 2029
- Add an additional 200 MW of Northwest wind renewable energy generation in 2030
- Add 100 MW of Montana wind renewable energy generation in 2031
- Add an additional 100 MW of Northwest wind renewable energy generation in 2031
- Add an additional 100 MW of Montana wind renewable energy generation in 2032
- Add 157 MW of Northwest wind renewable energy generation in 2033
- Greenhouse gas emission reductions of 82% by 2045 (from 5-year average level 2019–2023)

Completed Renewable Energy Projects



2012

Palouse Wind 105 MW 30-year Power Purchase Agreement (PPA)



2015

Community Solar Array 0.4 MW owned by Avista



2018

Lind Solar Farm 28 MW 20-year PPA



2020

Rattlesnake Flat Wind 144 MW 20-year PPA



2021

Incremental Hydro Contract 88 MW 10-year PPA (2024–2033)



2021

Incremental Hydro Contract 177 MW 20-year PPA (2026–2045)



2022

Columbia Basin Hydro Contract 146 MW (2023–2045)



2023

Clearwater Wind 97.5 MW 30-year PPA (2024–2054)

² Please see Avista's [2023 Annual Report](#), Note 22 of the Notes to Consolidated Financial Statements, for further details regarding Colstrip Units 3 & 4 exit from Avista's generation portfolio by 01/01/2026.

Avista's recent electricity portfolio changes and the PRS embodied in the 2025 IRP will significantly improve the Company's greenhouse gas related air emission profile and move us closer to achieving our aspirational clean electricity goal of serving customers with 100% clean electricity by 2045.

As highlighted on the previous page, the PRS currently anticipates greenhouse gas emission reductions of 82% by 2045 compared to the recent 5-year average level (2019 to 2023). While this represents a significant reduction from current levels, the PRS's greenhouse gas emissions are not expected to reach zero by 2045 due to several cost and reliability-related planning factors at this time.

Most notably, the Company's IRP planning models do not analyze how we could use our resources to only meet our customers' electricity load, but rather models and dispatches resources to serve the larger regional electricity loads to reflect future operations. This is because utilities do not dispatch resources to serve only their own customers' electricity load, but also load in the wholesale electric marketplace. This allows a utility like Avista to optimize its resource portfolio for the benefit of its customers by selling excess energy to others when prices are high and purchasing from the market when prices are lower. Such resource optimization is a core component of the IRP process to balance cost, reliability, and environmental goals and mandates.

From a reliability perspective, the IRP planning models solve for a planning load target (Planning Reserve Margin) which is higher than the expected load value to account for possible load variation and production risk. The planning load includes the risk of load exceeding expected extreme weather conditions and/or renewable energy volatility, such as hydroelectric, wind or solar, producing less generation than anticipated in a normal year, energy storage duration, and generation forced outages. Avista's primary focus

for reliability planning is to minimize the risk of failing to serve or procure the necessary resources to cover all load even during extreme weather conditions. Such peak load events or spikes in customer electricity needs are factored into the IRP planning models and the resulting resource selections may create excess energy in other time periods when not needed for our customers. This excess energy may further be optimized by selling to others in the marketplace when the resource is economic to operate.

Additionally, the Company's IRP planning models consider the latest information and projections for anticipating the commercial viability and timing of new and emerging technologies for resource considerations. These include cleaner burning fuels, large scale and long-duration batteries to small nuclear reactors, among others. New generation fuels such as green hydrogen and ammonia currently have no power generation-oriented supply chain in place in the Northwest, and large scale and long-duration batteries are not commercially available in scale or economic at this time. Similarly, small nuclear reactors are an emerging technology showing promise, but may not be commercially available for close to a decade or more. Given the time horizon for certain resource acquisition needs, Avista will continue to monitor the development of these and other technologies in future IRPs as they may result in future changes to our PRS over time which may further reduce our projected greenhouse gas emissions as well.

With these and other IRP planning-related factors in mind, we conducted a separate analysis to determine whether Avista's current PRS aligns with our aspirational clean electricity goal of serving customers with 100% clean electricity by 2045. For this analysis, we excluded regional market transactions and modeled whether the Company could serve the annual expected load of its customers with Company-controlled clean energy resources only. The resulting



chart below illustrates the expected clean energy resources as a percentage of expected customer load by year and by our operating jurisdictions. The chart compares total annual clean energy resource production for each state's allocated share of clean energy compared to its expected customer loads by state. Overall and on an Avista system basis, the current PRS resource portfolio by 2045 could generate over 10% excess clean energy as compared to expected annual average loads for our customers.

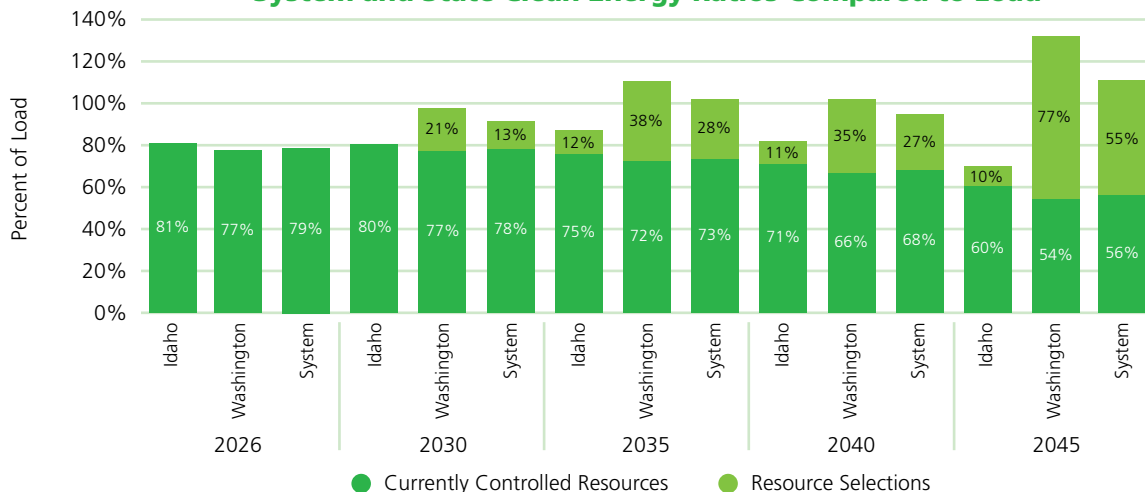
This analysis is a useful tool to aid in understanding how recent resource portfolio changes and our current PRS from the 2025 IRP align with our aspirational clean electricity goal of serving customers with 100% clean electricity by 2045. As we move forward, Avista will continue to consider all resource options, including market transactions, resource optimization, transmission infrastructure, maturing technologies, and the development of regional energy-related supply chains, among other factors, to meet future energy needs. Potential resource choices will continue to be based upon a reasonable

low-cost standard that balances cost, reliability and environmental goals and mandates.









Our actions demonstrate that we continue to make progress towards our aspirational clean electricity goal, as well as meeting our customers' needs now and into the future. To achieve our aspirational clean electricity goal, we continue to expect that long duration energy storage and other clean energy technologies, which are either not currently commercially available or are not cost-effective under the lowest reasonable cost regulatory standard, will advance such that it will allow us to meet our goals while also maintaining reliability and affordability for our customers. If the required technology is not available or not affordable in the future, we may not meet our goal in the desired timeframe. Meeting our aspirational clean electricity goal may also require accommodation from regulatory agencies.

For additional information regarding Avista's aspirational clean electricity goals, scenario constraints and assumptions, please refer to our [2025 Electric IRP](#) and our most recent [Annual Report](#).

System and State Clean Energy Ratios Compared to Load



Select Highlights of the 2025 IRP Near-Term PRS:

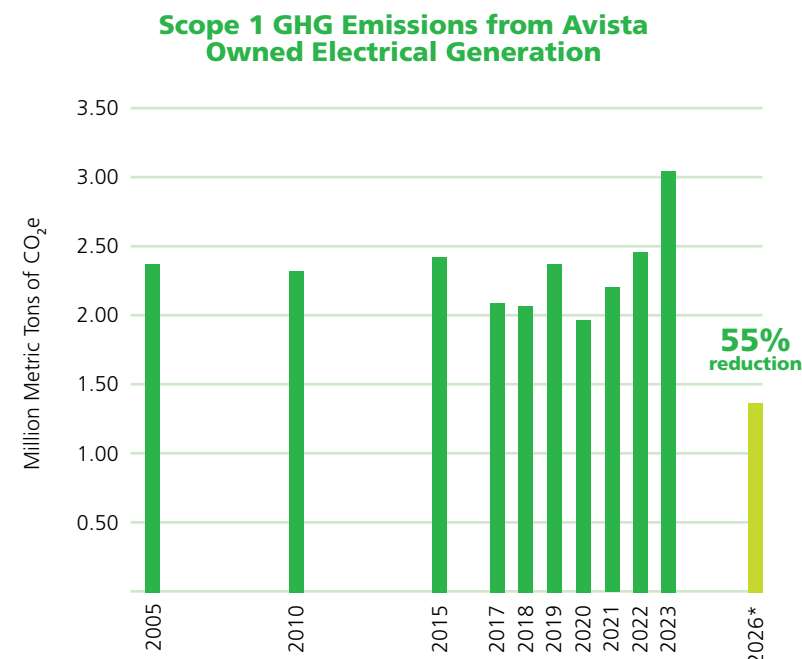
- 
2025
 Exit Colstrip Units 3 & 4 -222 MW of baseload coal generation
- 
2029
 Add new Northwest wind energy +200 MW of renewables
- 
2030
 Add additional Northwest wind energy +200 MW of renewables
- 
2031
 Add new Montana wind energy +100 MW of renewables
- 
2031
 Add additional Northwest wind energy +100 MW renewables
- 
2032
 Add additional Montana wind energy +100 MW renewables
- 
2033
 Add new Northwest wind energy +157 MW renewables
- 
2045
 Greenhouse gas emission reductions of 82% from the 5-year average level (2019–2023)

Coal Generation Exiting Avista's Generation Portfolio

The Colstrip plant, located in eastern Montana, consists of two coal-fired steam plants (Units 3 and 4). Avista currently owns 15% of Units 3 and 4. Avista's share of Colstrip has a maximum net capacity of 222 MW and represents our only coal-fired generation resource. Beginning on December 31, 2025, our ownership of Colstrip will be transferred to Northwestern Energy and therefore will no longer serve Avista customers. NorthWestern will assume all of Avista's Colstrip ownership along with its related interest in the plant, plant equipment, rights, and obligations.³

Avista's exit from the Colstrip plant will significantly reduce our Scope 1 greenhouse gas (GHG) emissions from Company-owned electrical generation. In 2023, Colstrip generation accounted for 55% of these Scope 1 GHG emissions. The chart to the right highlights the impact of this Colstrip exit agreement on our GHG emissions.

Emissions Year	Scope 1 Company Owned Emissions
2005	2.37
2010	2.32
2015	2.42
2017	2.09
2018	2.07
2019	2.37
2020	1.97
2021	2.20
2022	2.46
2023	3.04
2026*	1.37



*This emissions graph is not a complete representation of our forecasted greenhouse gas emissions' trajectory, as the 2026 figure is for illustrative purposes only. The 2026 illustrative figure is based on the Company's 2023 Scope 1 GHG emissions from owned electrical generation resources and removing 2023 Colstrip Units 3 & 4 emissions for 2026. This emissions graph does not include forecasted energy efficiency and demand response, or changes to customer load and regional emission forecasts as detailed in the Company's [2025 Electric IRP](#).



"This transaction is the result of several years of work and discussions among all owners of Colstrip, through which we have looked for commercial solutions that would allow Avista and others to exit Colstrip by the end of 2025, while also meeting the needs of other owners and stakeholders, including NorthWestern and the state of Montana. Avista has been in Montana for decades and will be in Montana long after its exit from Colstrip is completed; thus, it was important to us that

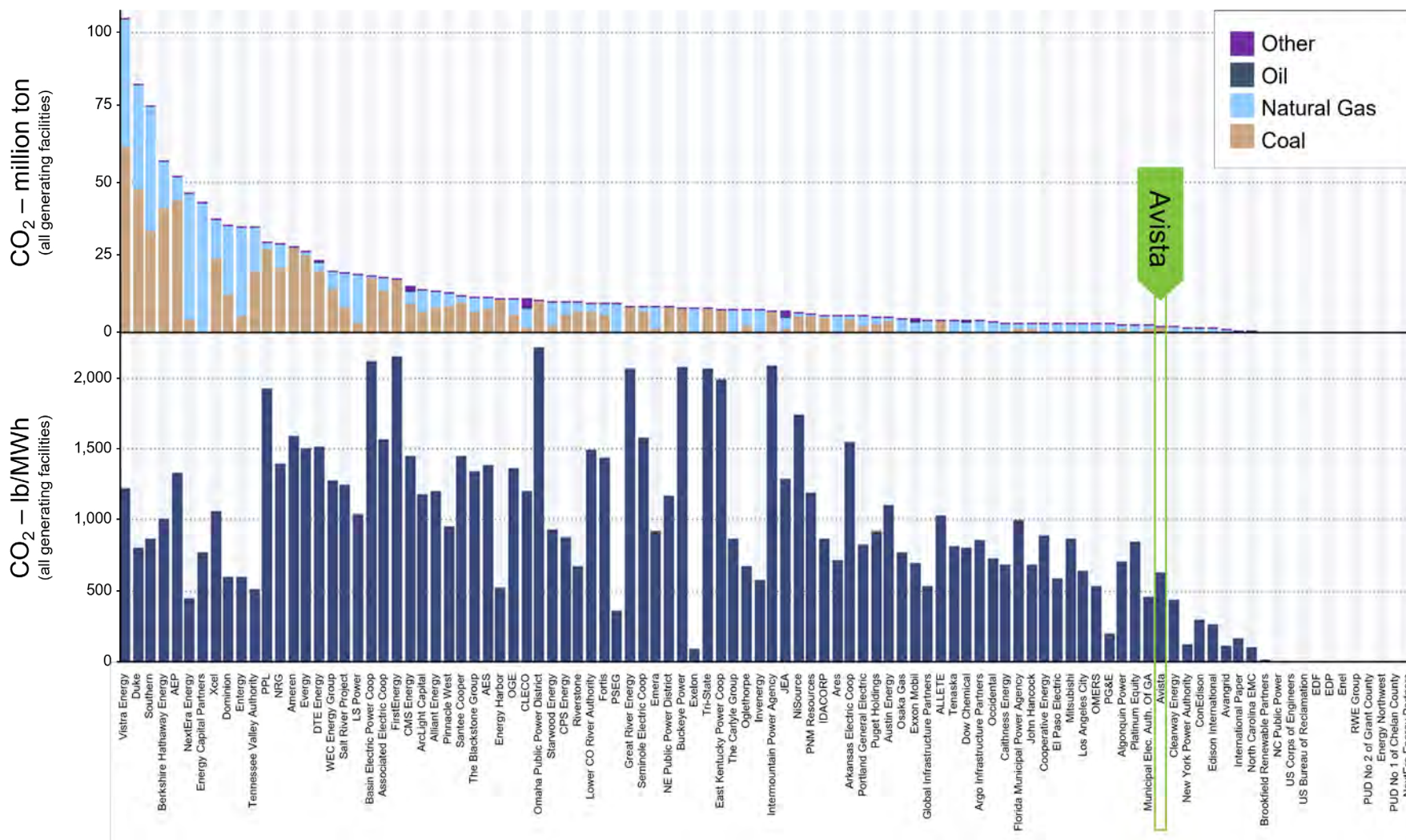
any agreement regarding Colstrip address the needs of Montanans in addition to the needs of our customers and the interests of the states we serve. It is indicative of our commitment to Montana that we have previously committed to contribute \$3 million for the betterment of the Colstrip community's future."

—Jason Thackston, Avista's Senior Vice President, Energy Policy and Chief Strategy Officer

³ Please see Avista's [2023 Annual Report](#), Note 22 of the Notes to Consolidated Financial Statements, for further details regarding this agreement.

Air Emissions of the 100 Largest Electric Power Producers in the US

CO₂: 2021 total emissions and emission rates



Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States (November 2023) www.erm.com

Renewable Energy Credits (RECs)

Avista is subject to the Washington State Energy Independence Act, a renewable portfolio standard (RPS). This RPS requires us to obtain a portion of our electricity from qualifying renewable resources or through purchase of RECs. A REC is a market-based instrument that represents the property rights to the environmental, social, and other non-power attributes of renewable electricity generation and are issued when one megawatt-hour (MWh) of electricity is generated and delivered to the electricity grid from a renewable energy resource.⁴

From our qualifying company owned generation and contracted power purchase agreements, we are awarded RECs each year based on the amount of renewable energy that we generate and acquire. A portion of these RECs are retained to comply with Washington State's RPS, while the remaining RECs are sold into the open market to offset electricity costs, especially important as a way to minimize rate impacts on our customers as we transition to cleaner electricity.

As we sell RECs into the open market to lower the costs of providing electricity to our customers, we cannot claim all the environmental, social, and other non-power attributes of our renewable electricity. Our overall generation resource mix, calculated by generation potential, does not represent the actual amount or source of electricity delivered to our customers due to proper REC accounting rules. For additional information and yearly Avista fuel mix disclosure reports, please visit the Washington State Department of Commerce [Fuel Mix Disclosure Site](#).

⁴ Renewable Energy Certificates (RECs) definition provided by the [United States Environmental Protection Agency](#).

MY CLEAN ENERGY PROGRAM

A man in a white t-shirt and jeans is running through a field of tall, golden grass. He is carrying a young girl on his shoulders. She is holding a large, colorful kite that is flying in the air. The background shows rolling hills under a bright, sunny sky.

Lower your carbon footprint by joining

[My Clean Energy:](#)

- It is affordable—green your electricity for as little as \$.01 per kWh
- It is for everyone—whether you rent or own
- No contracts required—start or cancel at anytime

What is My Clean Energy?

An optional solution that offers all Avista electric customers an opportunity to participate directly in the benefits of renewable energy. Participants can green their electricity use with emission offsets that come from either regional or national clean electricity projects. Each option provides you the opportunity to offset some or all the carbon associated with your electric usage depending on your level of participation. Your contributions go towards the purchase of Renewable Energy Credits (RECs) with a mix of wind, solar and other clean generation sources.

Natural Gas Goal

In 2021, we announced our aspirational goal to be carbon neutral by 2045. This aspirational natural gas goal demonstrates that our vision of a clean energy future encompasses both electric and natural gas resources.

Natural gas has played a key role in reducing greenhouse gas emissions in the United States as electrical power plants have converted from coal to cleaner burning natural gas. In addition, the direct use of natural gas by customers in their homes is a more efficient use of the energy as compared to its use for generating electricity to meet the same need. And when compared to burning wood, heating oil and other combustible fuel sources, natural gas emits fewer air pollutants. While natural gas may be a cleaner fuel than some other sources, we recognize there is an opportunity to further improve and lower our natural gas emissions going forward.

We have developed a strategy for carbon reduction from our natural gas operations and have identified several pathways to get us there. The three primary pathways included in our strategy are:

- **Diversify and transition from conventional fossil fuel natural gas to renewable natural gas (RNG), hydrogen, and other renewable biofuels**
- **Reduce consumption via conservation, energy efficiency, and new technologies**
- **Purchase carbon offsets as necessary**

Avista remains committed to meeting the needs for reliable and affordable energy while advancing environmental stewardship, and our actions demonstrate these values. To help achieve our aspirational goal and to reduce our carbon emissions from our natural gas operations, we have been

actively pursuing renewable natural gas (RNG) projects in alignment with our strategies.

RNG is derived from organic waste streams that would otherwise release methane to the environment as they decompose. These sources include, for example, landfills, wastewater treatment plants and food waste. RNG is produced by capturing that methane that would otherwise escape to the atmosphere and purifying it to make it very similar to conventional natural gas. Avista has recently entered into long-term purchase agreements to acquire the environmental attributes associated with the produced RNG from the following regional and national projects on behalf of our customers:

- **Horn Rapids Landfill (Richland, WA)—project producing 1.6 million annual therms of RNG**
- **Blackhawk Landfill (Waterloo, IA)—project producing 2.6 million annual therms of RNG**
- **Bayview Landfill (Elberta, UT)—project producing 2.5 million annual therms of RNG**
- **Quad Cities Landfill (Milan, IL)—project producing 3 million annual therms of RNG**

In all, Avista has contracted for the Renewable Thermal Certificates (RTCs) associated with these 9.7 million therms of produced RNG on an annual basis from these landfill projects, which is equivalent to the annual amount of natural gas used by approximately 17,500 of our customers.

Like Avista's Electric IRP, our [Natural Gas IRP](#) is refreshed every two years and shapes our natural gas procurement strategy, resulting in a Preferred Resource Strategy (PRS) to meet system energy demand and emissions compliance legislation over the next twenty years. This PRS addresses the resources available to meet our customers' natural gas needs across our service territories and how we will meet emissions compliance legislation as well.



The current natural gas IRP demonstrates that Avista can meet expected state loads, including in Idaho where customer growth is highest, in step with a low carbon transition. This PRS is an important step to ensure that Avista continues delivering reliable natural gas service to our customers.

As with reductions in emissions associated with our aspirational clean electricity goal, reaching our aspirational natural gas goal will require further improvements in costs, technology, and reliability associated with renewable fuels and hydrogen. If these required improvements are not realized or not affordable in the future, we may not meet our aspirational goal in the desired timeframe. Meeting our aspirational natural gas goal may also require accommodation from regulatory agencies insofar as we may need to acquire carbon offsets to meet our aspirational goal.

The natural gas industry has served a vital and essential role in delivering reliable and affordable energy to millions of customers, businesses and industries throughout our country and the world. This industry has evolved and will need to continue evolving to meet the real climate change challenges confronting us all.

We will continue to engage in collaborative, solutions-oriented discussions with stakeholders to highlight the importance of maintaining our pipeline assets and fuels as a reliable, affordable consumer choice and as a valuable resource for handling our region's peak energy demand. We anticipate natural gas will be a vital part of our energy mix as we continue our transition to a lower carbon future, and both [our electric and natural gas IRPs](#) demonstrate the role of natural gas in serving our customers and communities into the future.

Renewable Natural Gas Program for Customers

For our customers who are looking to offset the carbon footprint associated with their natural gas usage, we offer a voluntary RNG program. Subscribers to this program can purchase RNG blocks in monthly increments of five dollars. Each RNG block is comprised of 1.5 Renewable Thermal Certificates (RTCs), which represent the environmental attributes associated with RNG and serves as evidence that the natural gas originated from renewable resources. This option combines the environmental attributes of renewable energy with the reliability of natural gas to meet the needs of our customers. By investing in renewable energy projects like this voluntary RNG Program, Avista and our customers are leading the energy transformation towards a lower carbon future. For more information regarding our voluntary customer RNG program, [visit us online](#).



2. Engaging in collaborative climate policy development to promote equitable solutions to the low carbon transition while preserving the safety, reliability, and affordability of energy for our customers and local communities.

Our North Star

At Avista, we strive to be an innovative, community-based, essential energy company committed to compassionately serving our customers with sustainable solutions, while delivering competitive returns. In pursuit of this north star, our mission is to enable vibrant communities through safe, responsible and affordable energy, by putting those we serve at the center of everything we do. As part of these commitments, we have carefully considered how our business intersects with the environment for decades, as witnessed by our strong environmental record and as one of the cleanest power producers in the country. Our aspirational clean energy goals are another important step in environmental stewardship while meeting the energy needs of our customers.

All of us play a role in addressing climate change and being good stewards of our shared natural resources. As part of this effort, we will continue to work together with our customers, communities and other stakeholders toward a lower carbon future while keeping our system safe, affordable and reliable while considering the economic impacts to our customers and local communities.

Climate Policy Engagement

With the growing emphasis on climate change and demands for action, we are witnessing numerous,

and at times, competing measures arising from consumer advocacy groups, environmental groups, federal, state, and local government positions and legislative actions that may affect Avista, and the energy prices paid by our customers.

Through active monitoring and engagement of these emerging issues, we seek to best represent our stakeholders' interests to ensure that proposed solutions do not adversely impact one stakeholder for the benefit of another or result in required actions that do not represent cost effective solutions for our customers.

Multiple departments within Avista actively work to mitigate risks and pursue opportunities related to climate change and the transition towards a low carbon future. Climate change adds uncertainty to existing risks that we have historically managed and mitigated. These efforts are reflected in our electric and natural gas operations and investments in assets and asset reliability and resiliency across the Company's operations.

Our Power Supply staff, as a regular course of business, monitor items such as snowpack and broader precipitation conditions, patterns and modeled or predicted climate change scenarios. These and other assessments are incorporated into our [IRP processes](#). Environmental Affairs, Governmental Affairs and other departments monitor policy and regulatory developments that may relate to climate change to engage these efforts constructively and

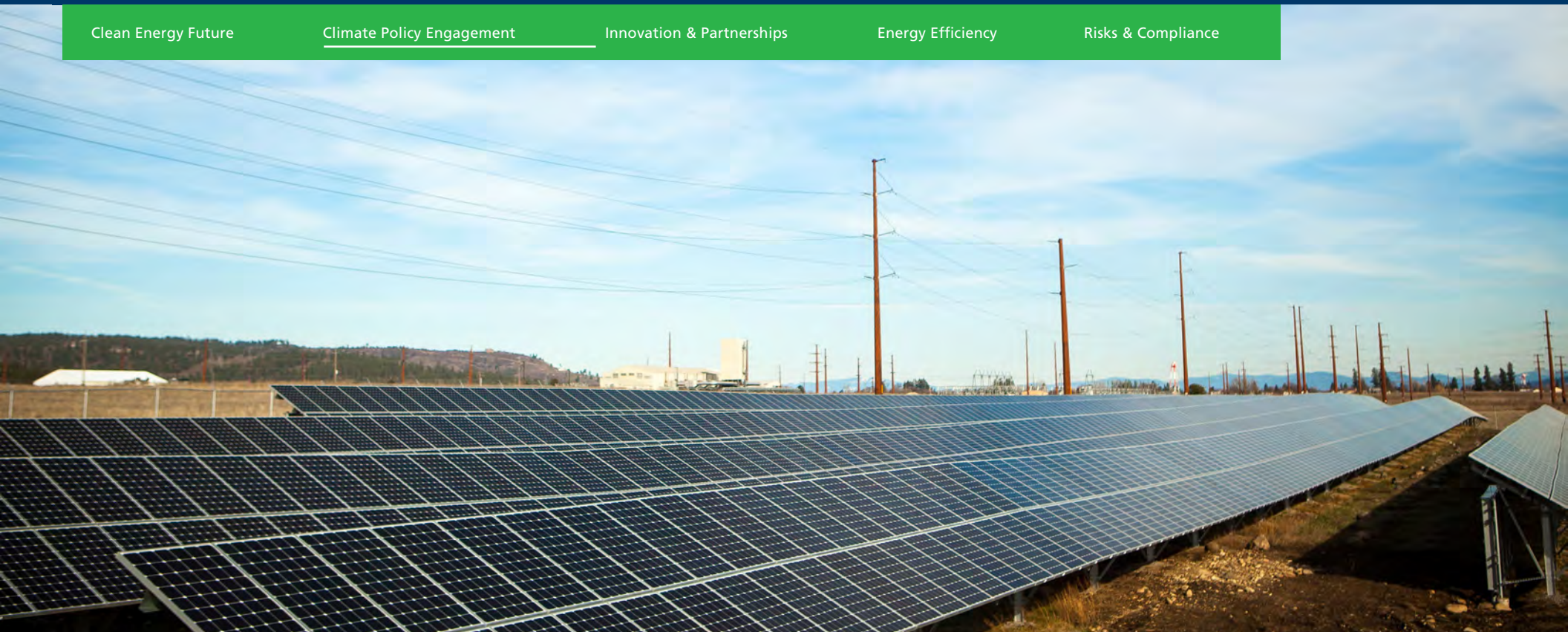
prepare for compliance matters. [Avista's Wildfire Resiliency Plan](#) was also developed to mitigate the increased wildfire risk associated with climate change.

In representing the interests of our customers and communities, we strive for collaborative and respectful interactions with stakeholders during these important climate policy development discussions. This is especially important when proposed measures have a direct bearing on future costs of our customers' energy. We are there to ensure that all parties recognize the economic realities facing our customers and communities.

Our Perform Council

Our Perform Council aids the Company in managing these complex issues. This council meets regularly and is comprised of senior executive leadership, management and other key personnel from departments across the Company to discuss, assess and manage current issues associated with the Company's performance. A key area of focus for the Perform Council is potential risks and opportunities associated with long-term global climate change.

Among other things, the Perform Council also facilitates internal and external communications regarding climate change and related issues, analyzes policy impacts, anticipates opportunities, evaluates relevant strategies for Avista, develops recommendations on climate related policy positions



and action plans, and provides direction and oversight with respect to our aspirational clean energy goals.

In addition to engaging in regulatory and legislative policy making regarding climate change policies, we are preparing for future opportunities related to innovations in electric transportation, distributed generation, and more; all of which can help further reduce our carbon footprint and the carbon footprint of our customers and communities as well.

Going forward, we will continue to keep our same focus and commitments by placing the interests of our customers and communities at the forefront of our business as we engage in climate policy making. Our approach today is consistent with the way we have done business for over 135 years. We believe that all of us play a role in finding solutions to these complex issues, and that innovation and collaboration will remain key strategies as we progress towards our collective goals around climate change.

Integrated Resource Plan (IRP)

Avista's Integrated Resource Plan (IRP) for electric and natural gas services guides our energy resource acquisition strategies over a 20-year planning horizon. It is also key part of how we plan for and determine how to meet the future energy needs of our customers in a reliable and cost-effective manner. A Technical Advisory Committee (TAC) guides the development of the IRPs. TAC members include customers, Avista staff, consumer advocates, academics, utility peers, government agencies, environmental groups, public utility commission staff and other interested parties.

The TAC provides significant input on modeling, resource assumptions and the general direction of the planning process. Public participation is an important part of the IRP development process. The experience of this group provides a robust forum for the exchange of ideas and discussion of issues and risks that affect the planning process. Regulators ensure that reliability, environmental impact, conservation, efficiency, and cost are factored into the IRP forecasting and the decisions that we implement to support our customers and communities.

3. Driving innovation and technology advancements for the developing dynamic energy ecosystem to support new sustainable products and services.

Eco-District

Avista set out to create “the five smartest blocks in the world” by creating a place to partner with others to reimagine our energy future, and advance energy innovation. The resulting **Eco-District**, anchored by the Scott Morris Center for Energy Innovation and the Catalyst building, are intended to show the utility industry—and the world—what’s possible.

Most buildings are constructed one at a time, each with a dedicated heating and cooling system and their own connection to the grid. But Avista and partner McKinstry are evaluating a new shared energy model, called an Eco-District, where a centralized heating, cooling and electrical system can serve the energy needs of a group of buildings.

The heart of the Eco-District is the central power plant located in the Scott Morris Center for Energy Innovation building. This building also includes on-site solar panels, battery and thermal storage, plus thousands of sensors throughout the buildings to track its conditions in real-time.

Located within the Morris Center, Avista’s Energy Innovation Lab is using a real-time grid simulator to help us fast-track the pace of innovation and accelerate our ability to test new ideas and deploy them with confidence at utility-scale. Innovations like these maintain Avista’s reputation as an industry thought leader.

The adjacent Catalyst building and the Morris Center have been designed from the ground up to interact with each other. They “talk” to each other and with the energy grid. When building operators and utilities share information, they can actively manage energy to maximize the building efficiency and make the best use of the grid—all while keeping the building’s occupants comfortable.

The Eco-District acts as a living laboratory, where we can test ideas and gain insights that can help Avista provide reliable, clean and affordable energy for our customers. For example, at night, when energy usage is low, the Eco-District can pull energy from the grid to recharge onsite batteries and thermal storage tanks at times when there is excess grid capacity. This energy is stored and used to operate the building when energy demand is high. Such flexibility lets the utility make the best use of the existing grid.

Ultimately, the Eco-District will enable us to innovate about how best to share energy. What we learn could not only shape how the grid of the future will operate, but also may provide a transformative new model for the entire utility industry. This effort demonstrates Avista’s commitment to investing in bold ideas, new technologies and innovative partnerships to leverage the grid in new ways for a more sustainable energy future.





Urbanova—Smart City Solutions

Located in Spokane's University District, Urbanova's smart city projects harness data to gain insights, empower people and solve urban challenges in new ways—all with the goal of enabling healthier citizens, safer neighborhoods, smarter energy infrastructure, and a stronger and more sustainable economy. As a founding member of Urbanova, we are developing a living laboratory where companies and other innovators are working on smart city solutions.

Current projects include an energy equity and environmental justice project, an innovative shared energy model that uses a centralized heating, cooling and electricals system to serve the energy needs of multiple buildings, and a project to strengthen Avista's data sharing platform for increased partner agility and collaboration, among others.

Another active project includes the Connected Communities demonstration project in Spokane, funded in part by a \$6.65 million grant from the US Department of Energy. In partnership with Urbanova, Avista, Edo, McKinstry and Pacific Northwest National Laboratory, the project is designed to demonstrate an innovative model to meet regional and local grid needs. By utilizing a mix of grid-interactive efficient buildings, energy efficiency programs and distributed energy resources, such as solar photovoltaics and battery storage, the program is focusing on when energy is used and how to better utilize the existing grid, to defer major capital investments and make energy more affordable. The lessons learned from the demonstration project will be published to help other communities scale up and replicate the project design.

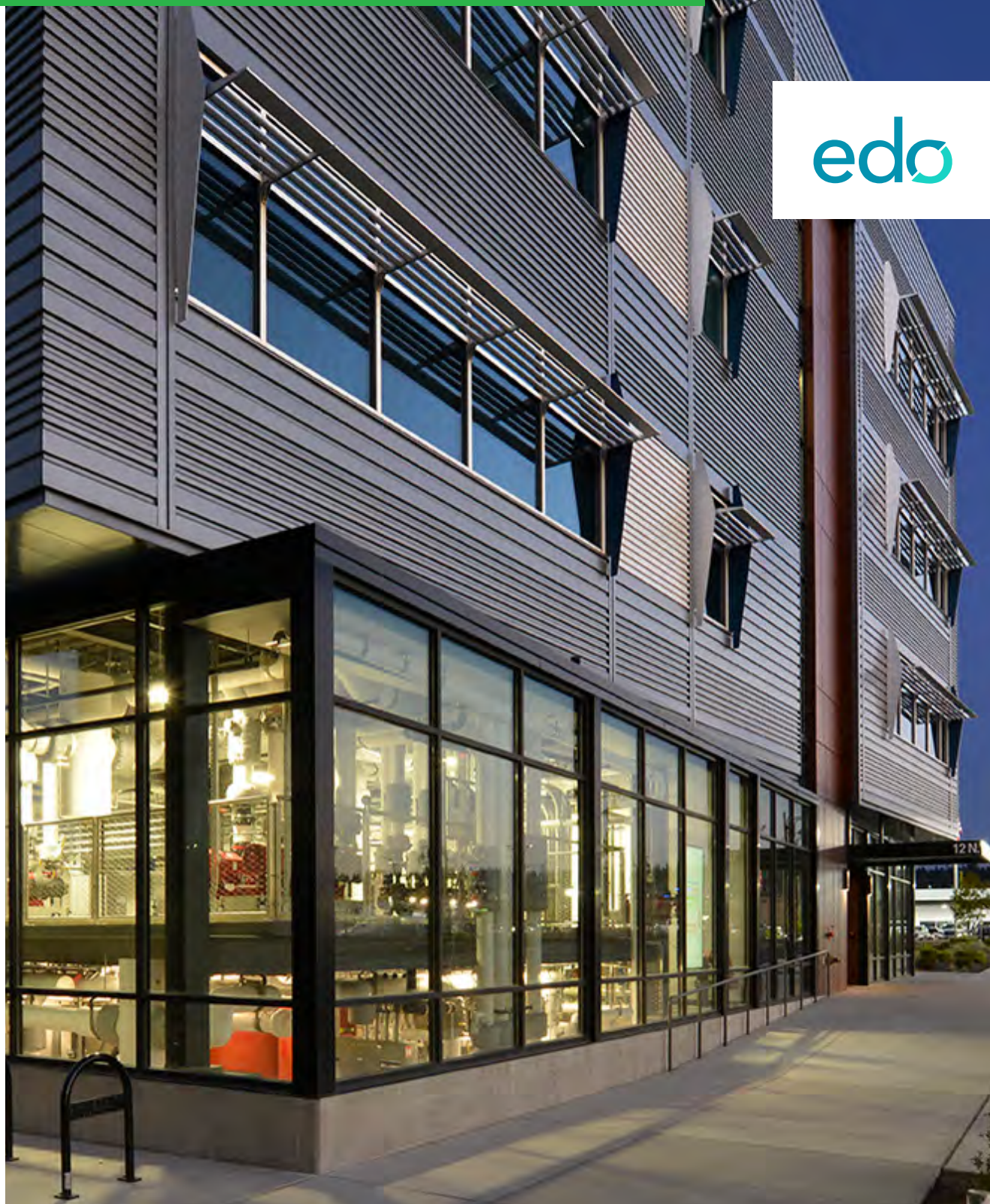
Visit [Urbanova](#) online to learn more about these smart city projects.

Edo

Avista and McKinstry launched **Edo** in 2021, a joint venture combining more than two hundred years of expertise to deliver on the promise of grid-integrated buildings. With commercial customers usually paying higher rates than residential customers, and commercial buildings consuming significantly more energy, there are many opportunities to optimize facility performance, increase energy efficiency and save costs. By analyzing facility operational and grid data together, Edo looks deliver support and technology solutions needed to create a synchronized, optimized platform that spans both sides of the meter.

By understanding and demonstrating how commercial buildings can operate more efficiently in tandem with the grid, it unlocks the possibility of saving energy and costs for owners and may help utilities to relieve stress on distribution feeders and substations, leverage distributed energy and storage resources and become a grid-flexible asset.

Energy efficiency and grid-flexible assets are key to decarbonizing our electricity system and reducing our collective greenhouse gas emissions. Edo's partnership model aims to unlock rapid innovation toward the grid of the future, creating an energy system that is reliable, equitable and carbon-free. This is just another example of how Avista is working to grow our business, leverage our history of innovation and enable our clean energy commitments.



edo



Energy Impact Partners

Collaboration is a key strategy that we employ to leverage the experience and technical expertise across a broader range of companies. Illustrative of this approach is our partnership with Energy Impact Partners (EIP) to further develop leading-edge energy solutions. EIP seeks to bring the best companies, experiences and vision in the energy industry to tackle the issues around our emerging energy landscape. Key focus areas include energy efficiency, sustainable generation, energy storage, connected devices, big data and software solutions, and energy management.

In working with EIP and their coalition of other progressive utilities, we are working to ensure that innovation remains firmly at the core of our business as we continue to drive technology advancements with the goal of increasing energy efficiency for our customers and communities and reducing emissions as we transition to a lower carbon future. EIP is focused on achieving the largest possible near-term environmental impact by identifying innovative solutions that can be immediately adopted within their utility partners' operations to drive progress and enable other industries to accelerate decarbonization.

EIP is also committed to driving transparency, inclusion and collaboration throughout the venture capital industry in addition to accelerating the clean energy transition. In their sixth annual [Impact and ESG Performance Report](#), EIP discloses the impact of its strategic investment partners, including Avista, and their collective impacts within the utility industry and overall US economy-sector carbon reductions. Visit [Energy Impact Partners](#) online to learn how they are leading the energy transition towards a cleaner, better energy future.

Energy Capital Ventures

Launched in 2021, Energy Capital Ventures (ECV) is an early-stage venture fund focusing on the sustainability and resiliency of the natural gas industry. As a founding strategic limited partner, Avista is supporting and enabling the innovation of other companies that could bring new technologies to market to help advance low carbon solutions for our energy industry.

ECV invests in companies and technologies that advance the sustainability and resiliency of natural gas by advancing carbon-cutting technologies such as renewable natural gas, hydrogen, methane capture and detection, carbon capture and sequestration, decarbonization, energy efficiency, advanced gas infrastructure, heat pumps, and the utility of the future, among others.

Avista's collaborative partnership and investments with ECV and their partners further reinforce our ongoing commitments to support and enable emerging clean technologies for our natural gas business. Together, we can move forward toward the clean energy future we all want.

Visit [Energy Capital Ventures](#) online to learn how they are bringing the latest innovations and technological advancements to our energy industry.

Renewable Natural Gas and Hydrogen

We are actively preparing for new technologies and energy sources for our natural gas operations. Renewable natural gas (RNG) is being analyzed as a near-term supply resource for our natural gas local distribution company (LDC). RNG typically refers

to a mixture of gases produced by the biological breakdown of organic matter in the absence of oxygen and may be produced by anaerobic digestion or fermentation of biodegradable materials such as wood biomass, manure or sewage, municipal waste, green waste and energy crops.

Regardless of the type of RNG, the captured methane gas yields substantial greenhouse gas emissions savings and is considered a renewable energy resource. Once contained, RNG can be used by boilers for heat, as power generation, compressed natural gas vehicles for transportation or directly injected into the natural gas grid for customer end use. RNG increasingly becomes a cost-effective supply resource when located within our natural gas LDC area as this proximity reduces siting, infrastructure and transportation related costs.

Hydrogen is another fuel source with potential to help solve our future energy needs. While hydrogen remains a longer-term supply resource option for our natural gas LDC, expanding renewable electricity production to create green hydrogen is moving from concept to market throughout the world. Further, green hydrogen can be combined with a carbon dioxide source to produce methane, referred to as methanation, and then injected in the natural gas grid for customer end use—a process known as power to gas. This process can also be used for seasonal energy storage needs.

Avista continues to analyze and prepare for these emerging technologies for our natural gas operations. For additional information, please see Chapter 4 of our [2023 Natural Gas IRP](#). We view RNG and hydrogen as an important component of our natural gas goal and corporate strategy moving forward. These emerging technologies will provide our customers with low carbon fuel choices, delivered seamlessly through our existing natural gas system.



ENERGY CAPITAL VENTURES

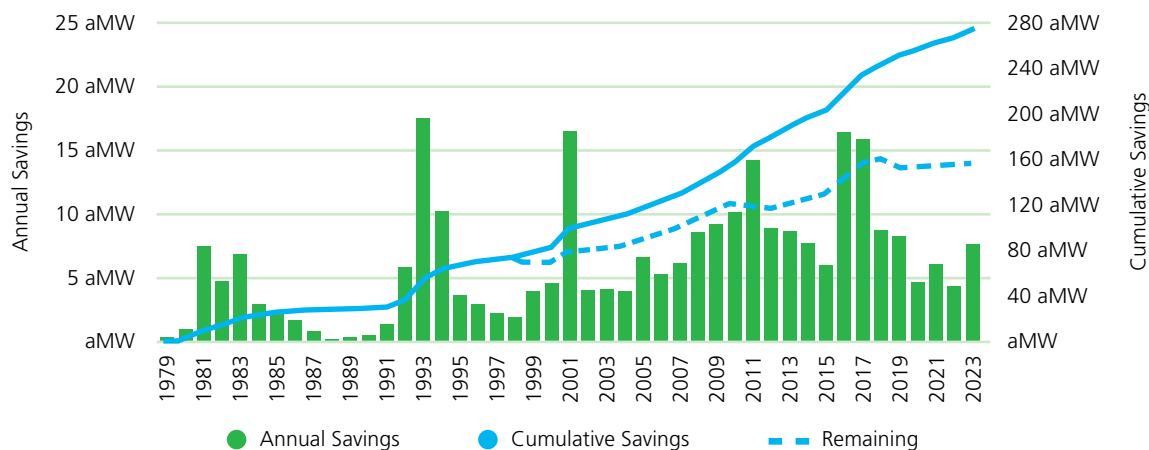
4. Leading with energy efficiency, conservation, electrification and other system upgrades to increase business value from operational improvements while lowering our carbon footprint.

Electric Energy Efficiency

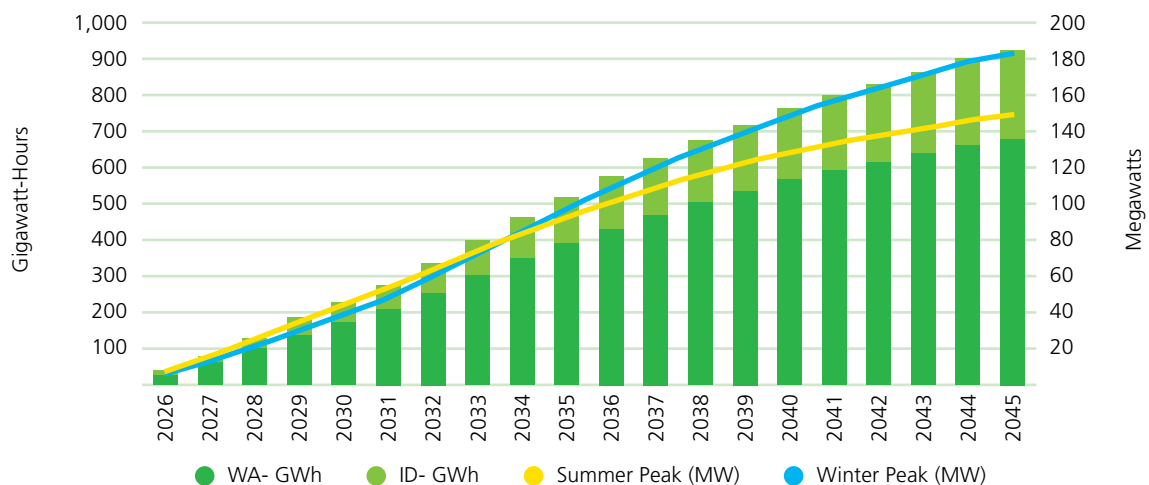
We began offering energy efficiency and conservation programs to our electrical customers back in 1978. These programs are cost effective strategies to reduce customer’s usage within the prevailing market and economic conditions. Recent programs with the highest impacts on electrical savings include residential and non-residential prescriptive lighting, residential fuel efficiency, site specific lighting, and small business projects.

The chart on the top right illustrates Avista’s historical electric conservation acquisitions. Avista has acquired 275 aMW of energy efficiency since 1978; however, the 18-year average measure life of the conservation portfolio means some measures are no longer reducing load. The 18-year measure life accounts for the difference between the cumulative and online trajectories. Currently 156 aMW of electrical energy efficiency is benefiting our customers.

Historical Electric Conservation Acquisitions



Electric Energy Efficiency Annual Forecast



This 156 aMW of energy efficiency programs reduce our current customer electrical loads by nearly 12.2% in 2023. In addition, we are avoiding the associated greenhouse gas emissions of these avoided 156 aMW of electrical generation due to the energy efficiency and conservation actions of our electrical customers.

Going forward, Avista's preferred resource strategy forecasts 870 cumulative gigawatt-hours are saved through energy efficiency programs between 2026 and 2045, illustrated in the bottom chart on the previous page. This translates to meeting 32% of our future load growth through energy efficiency and conservation measures, thereby reducing our customer loads by 105 aMW through 2045.

Natural Gas Energy Efficiency

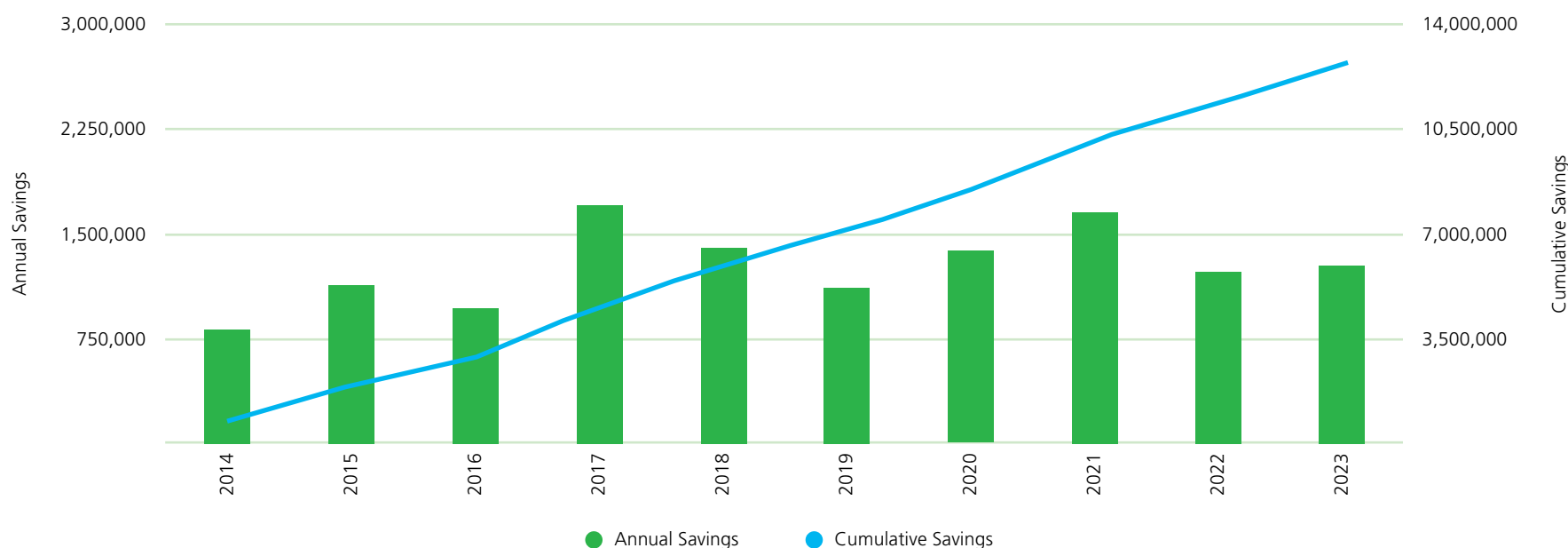
On the natural gas side of our business, we are similarly committed to offering energy efficiency and conservation programs to our natural gas customers. These programs are economically feasible strategies to reduce customer's usage of natural gas. We began offering natural gas energy efficiency programs in 1995 including prescriptive standard offerings and site-specific offerings.

Avista's prescriptive programs provide cash incentives for standardized products such as the installation of qualifying high-efficiency heating equipment. Recent energy efficiency program expansion includes additional programs such as On-Bill Repayment, Home Energy Audits, and incentives offered through midstream channels. Our site-specific programs are

comprehensive offerings for our non-residential customers. Avista's Account Executives collaborate with our non-residential customers to identify opportunities, determine potential energy and cost savings and estimate incentives for participation. Other delivery methods build off these approaches and may include upstream buy downs of low-cost measures, free-to-customer direct install programs, and coordination with regional entities for market transformation efforts.

The chart below illustrates our natural gas conservation acquisitions over the past ten years. With over 12 million cumulative therms of natural gas consumption avoided through energy efficiency measures, our customers are not only benefiting from lower energy usage, but we have also eliminated their associated greenhouse gas emissions as well.

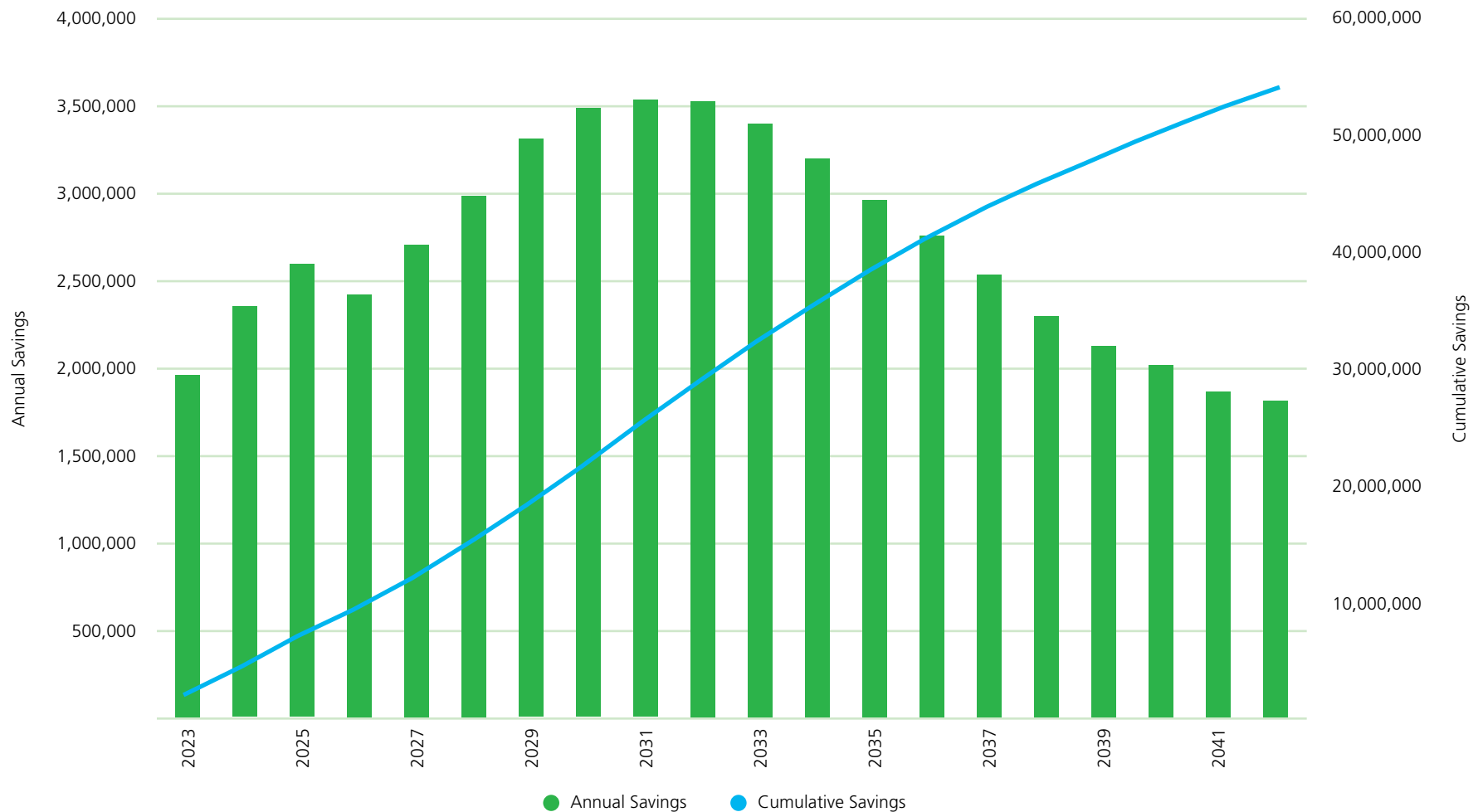
Historical Natural Gas Conservation Acquisitions in Therms



Going forward, Avista's natural gas preferred resource strategy forecasts 54.1 million therms of cumulative savings through energy efficiency programs between 2023 and 2042, illustrated by the chart below.

See Chapter 3 of the [2023 Natural Gas IRP](#) for additional details regarding forecasted energy efficiency programs and their planning analysis for Washington, Idaho and Oregon.

Natural Gas Energy Efficiency Annual Forecast in Therms



Facilities Management

We like to practice what we preach. Avista also participates in energy efficiency efforts and conservation measures within our own operations. Over the past decade, we have implemented numerous best practice energy efficiency and conservation measures to reduce our facilities' energy consumption and reduce these associated greenhouse gas emissions.

These energy efficiency and conservation projects across our facilities include lighting retrofit projects, HVAC system replacements, new building control technology, automated energy management products, enhanced roofing and wall insulation and better insulated windows that reduce energy loss through the envelope of the building. At our main corporate campus, we replaced our 50-year-old HVAC system with a closed groundwater heat exchange loop system and reinjection wells. The result of this and other energy efficiency projects has been a 60% reduction in our energy usage and an 80% reduction in our water use at our main corporate campus.

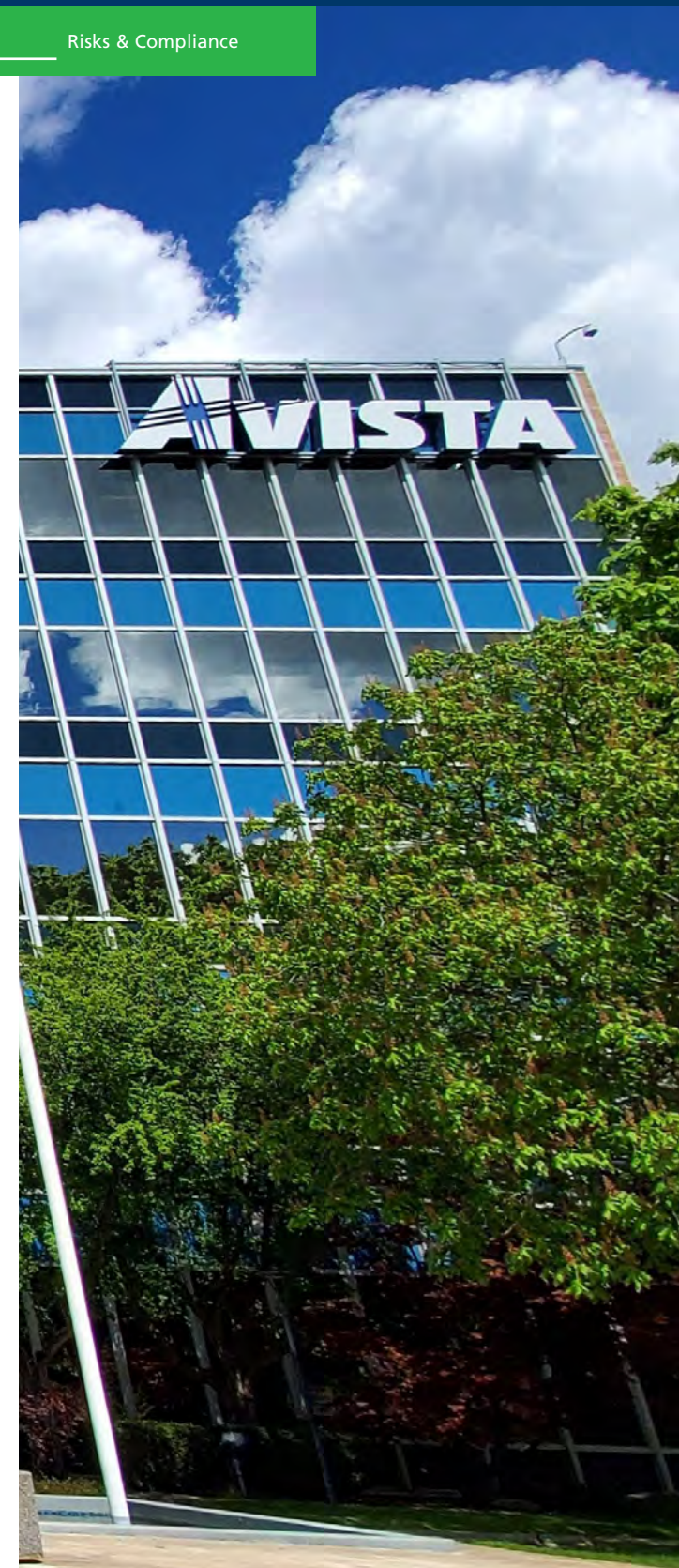
The table to the right lists the total annual and cumulative annual energy savings realized over the past ten years as a result of our implemented energy conservation projects. The realized 1.69 million kWh of energy currently being saved each year represent those energy conservation measures that qualified for and received energy efficiency savings rebates. During this same timeframe, we implemented numerous additional energy efficiency and conservation measures that while they did not qualify for the prescriptive energy efficiency savings rebates, they nonetheless realized and continue to realize even more energy savings for Avista's facilities than what is listed in the table. We also operate a 4.2-kilowatt solar distributed energy resource at our main corporate campus.

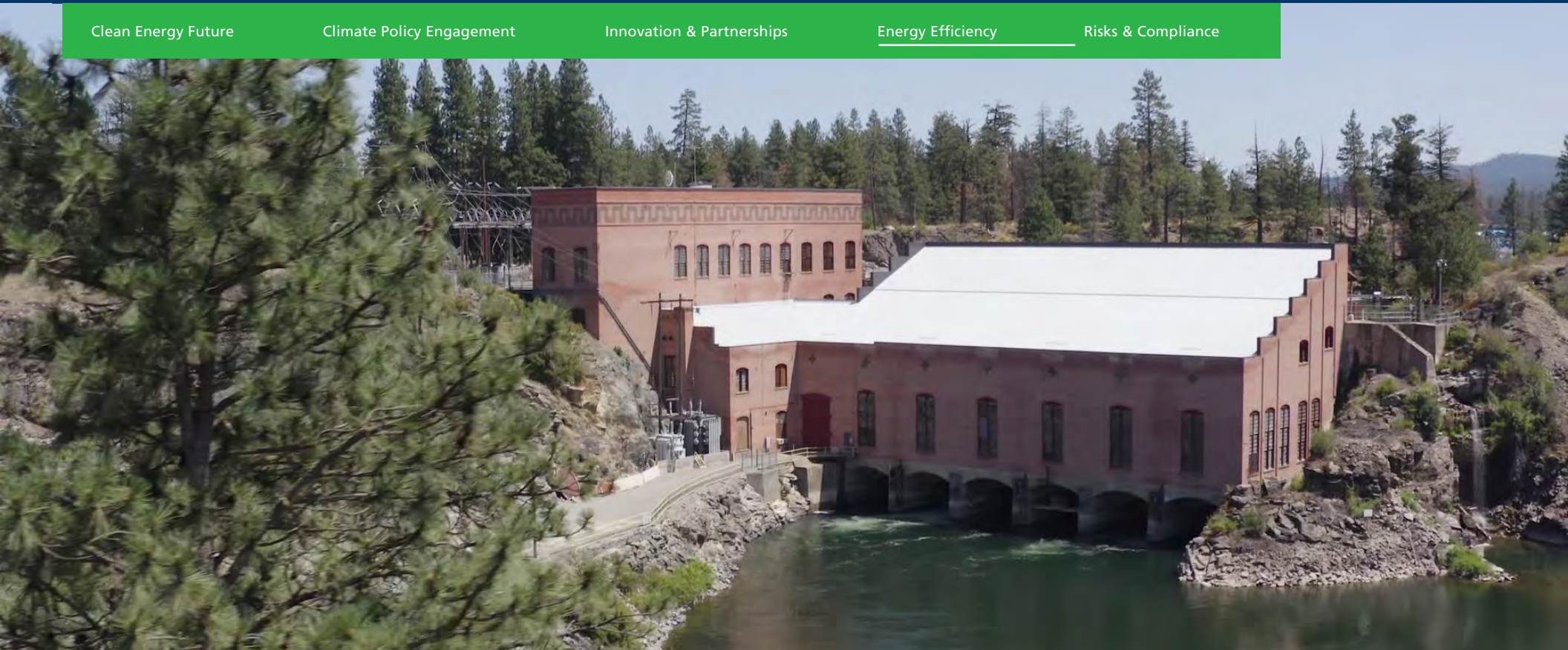
Avista Facilities Management Energy Efficiency Savings (in kWh)

Year	Annual Savings	Cumulative Annual Savings
2014	1,816	1,816
2015	86,128	87,944
2016	1,201,492	1,289,436
2017	203,957	1,493,393
2018	6,456	1,499,849
2019	30,726	1,530,575
2020	16,099	1,546,673
2021	27,437	1,574,110
2022	-	1,574,110
2023	118,125	1,692,235

These efforts have been recognized by various organizations for our energy savings and energy efficient operations including, LEED Gold certification, Energy Star rating, and the Building Owners and Managers Association BOMA 360 designation. Our earned Energy Star rating of 99 places us in the nation's top 1% for energy efficiency building design and operations.

At a growing number of our facilities, we have also been busy installing electric vehicle charging stations—an investment that will encourage the transition to electric vehicles among our employees, help us prepare for the arrival of more battery-powered vehicles in the decades to come, and help us capture the associated benefits of avoided greenhouse gas emissions. Learn more about our commitments around electric vehicles and our [Transportation Electrification Plan](#).

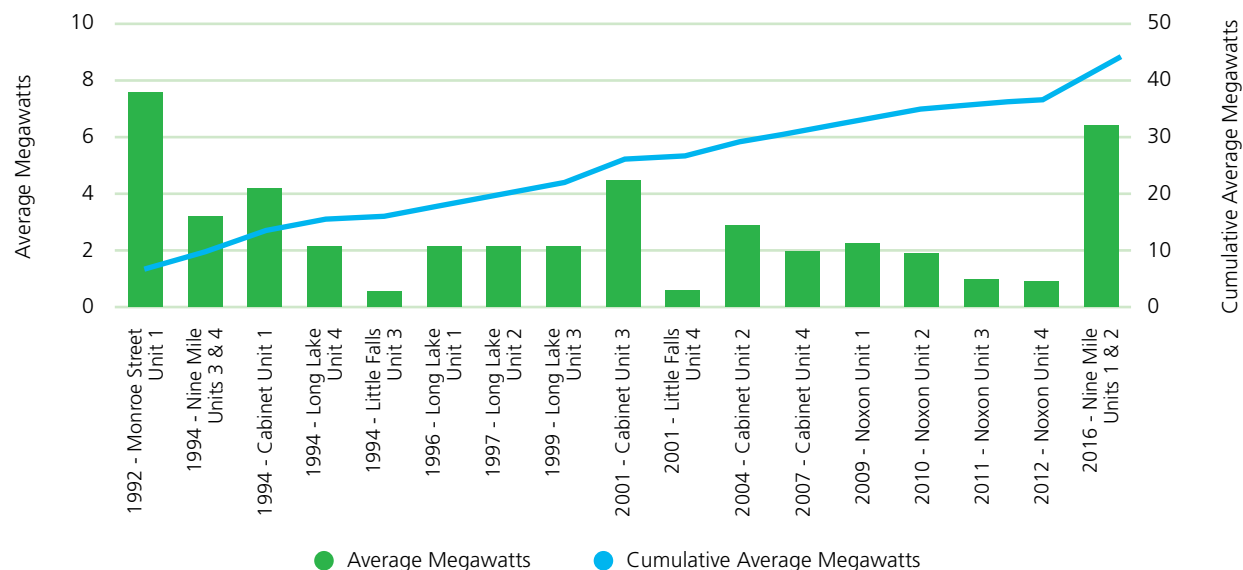




Renewable Energy Upgrades

Since our founding on clean, renewable hydro power in 1889, we continue to recognize the importance of our existing renewable energy projects, especially our hydroelectric projects, in positioning us towards our aspirational clean energy goals. While new renewable energy projects often get the most attention, we take considerable pride in the operation, maintenance, and plant upgrades that have been occurring at some of our hydroelectric plants, bringing more clean renewable energy online for our customers. The figure to the right illustrates Avista's recent hydroelectric upgrades that have resulted in the addition of 46.8 aMW of zero emission hydroelectric renewable energy since 1992.

Historical and Planned Hydro Upgrades



LED Streetlight Program

We have completed the installation of energy efficient LED streetlights across our electric service territory as part of our streetlight change out program. This program included the replacement of nearly 30,000 company-owned streetlights with new high energy efficient LED lights. These new LED streetlights use about 50 percent less energy than the previous high pressure sodium lights and last two to three times longer as well, which will reduce operational and maintenance costs going forward.

Not only do these new LED streetlights provide more uniform light and improve nighttime visibility for motorists and pedestrians, but they also do not produce ultraviolet light which attract nocturnal insects. In addition, they do not contain toxic materials like mercury and are 100% recyclable.

The annual energy savings associated with this LED streetlight program are estimated to be over three megawatts each night. That is enough energy to power about 2,300 homes. In addition to the hundreds of thousands of dollars in energy savings and reduced maintenance costs for our customers and communities, we all benefit from the reduction of associated greenhouse gas emissions due to the lower energy use of these LED streetlights. To learn more about this program, please visit our [Street and Yard Light Program](#) online.

Green Fleet Program

To manage the impact of our fleet of vehicles on the environment and our local communities, we created a Green Fleet Program back in 2010. Our intent of the program was to research, invest in and implement cleaner vehicle technologies and practices that would

serve as our foundation for a more sustainable fleet of the future.

Since then, we have managed our fleet resources in a manner consistent with these intentions with a sharp focus on emerging vehicle and equipment advancements, enhanced fuel options and further emission reduction opportunities and technologies to best align our operational and maintenance requirements, safety and performance objectives, and environmental considerations. Efforts from our initial Green Fleet Program include:

- Early adoption of plug-in hybrid electric vehicle (PHEV) and electric vehicle (EV) passenger vehicles to gain experience and information on the performance of electric vehicles and their possible fit within our fleet operations.
- Exploration of alternative vehicle fuel technologies including the use of compressed natural gas (CNG) and renewable diesel options.
- Implementation of electric battery powered components on larger fleet vehicles reducing engine idling at job sites: electric power take-off (ePTO) to power aerial booms on bucket trucks.
- Battery technologies to support exportable power for field equipment use.
- Founding member of Edison Electric Institute's 2014 commitment targeting 5% of fleet budgets for electrification development and implementation.

In order to further enhance our environmental stewardship and reduction of vehicle emissions, we are working towards a commitment to convert a portion of the Company's light duty pickup trucks to all electric pickup trucks. Our fleet electrification





commitment is dependent on the continued development and availability of cost effective electrified pickup trucks that will meet our utility fleet's operational requirements.

To date, a limited supply of electrified light duty pickup trucks that meet our operational needs has become available, however, the price of these electric pickup trucks is 40–50% more than a similar internal combustion engine (ICE) model, raising prudence and cost concerns. Fortunately, we are now seeing electric vehicle product lines expand and other light duty vehicles becoming available. Working with our operations groups, we have purchased and are placing in-service our first mid-sized electric SUVs. These vehicles meet multiple operational criteria and are priced comparably to ICE powered pickups.

Our electrification commitments are also impacted by state zero emission vehicle (ZEV) goals. Both Washington and Oregon have adopted state-wide aggressive ZEV mandates. Beginning in 2025, these two states will begin requiring a minimum percentage of vehicles sales within their state to be ZEVs. This percentage of sales of ZEVs will increase annually through the late 2030s until it reaches 100 percent of new vehicle sales. These mandates impact multiple classes of cars and trucks that are represented in Avista's utility fleet. As such, and in support of our own fleet electrification commitment, we will continue to engage with our states' requirements to comply with these ZEV mandates.

Another element of our Green Fleet Program is **CNG**. We continue to support a portion of our fleet using CNG as a fuel in light duty trucks. When natural gas is compressed to less than 1% of its volume, it officially becomes CNG and may be used in place of gasoline and diesel. Avista has CNG refueling stations for our on-road compatible CNG fleet vehicles as well as most of our forklifts.

Commute Trip Reduction

As part of our commitment to reducing vehicle related emissions, improving air quality, avoiding traffic congestion, and minimizing energy consumption in our local communities, Avista actively promotes and manages a Commute Trip Reduction (CTR) program in collaboration with our local planning and transportation agency Commute Smart Northwest.

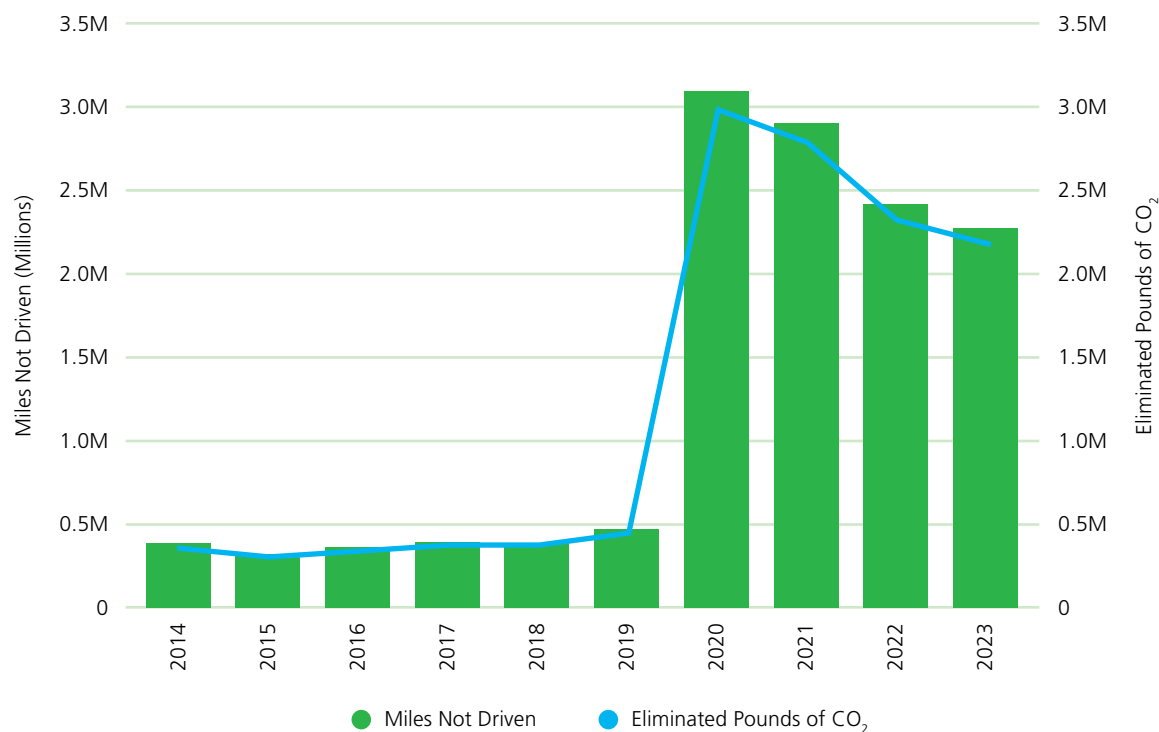
Since 1993, we have educated and encouraged employees to make informed decisions about reducing their “drive alone” miles to and from work and reducing the number of single occupant vehicles on our roads. Targeted commute reduction modalities include riding the bus, carpooling, vanpooling, bicycling, walking, tele-commuting, compressed work weeks and other flexible work schedules reducing the amount of mileage traveled by employees.

Through new hire training, CTR promotional events and regular outreach and employee recognitions, our CTR program continues to attract participants and positively impact our local environment. In 2019, our CTR program had recorded its highest levels of avoided miles driven and eliminated pounds of carbon dioxide. Then the COVID-19 global pandemic struck.

Over the course of the COVID-19 Pandemic, more than 1,200 employees transitioned fully to work from home to reduce the spread of Covid, while still delivering safe, reliable energy to our customers. This resulted in 8,385,822 miles not driven and 8,050,388 eliminated pounds of carbon dioxide over the 2020–2022 time period. As Pandemic restrictions loosened and in-person work became safe again, we continue to offer flexible work schedules and remote work options which continue to positively impact our CTR efforts going forward.

Over the past 10 years, Avista’s Commute Trip Reduction program has eliminated over 10 Million Pounds of carbon dioxide emissions from our atmosphere.

Avista Commute Trip Reduction Results



5. Improving the sustainability of our business practices and promoting environmental stewardship of our shared natural resources.

Our Commitment to Environmental Stewardship

Avista's environmental responsibility is as core to our business as the wires and pipes that deliver energy to our customers and the communities we serve. Environmental stewardship has long shaped our operations and we are committed to conducting our business in ways that honor the integrity of the natural resources in the areas we serve.

To learn more about these commitments, please refer to our Environmental Policy: [Our Commitment to Environmental Stewardship](#).

Environmental Management System

Building from Our Commitment to Environmental Stewardship, Avista's Environmental Management System (EMS) serves as our management framework for delivering effective environmental compliance programs and operational results designed to protect and enhance our environment. We are committed to conducting our business in ways that honor the integrity of the natural resources in the areas we serve.

Avista's EMS supports our Environmental Affairs department by providing a consistent, transparent and actionable framework for managing the Company's environmental risks. Specifically, our EMS:

- Integrates with Avista's Enterprise Risk Management (ERM) program for the identification, tracking and evaluation of environmental risks and potential impacts both on the Company and on the environment.
- Aids in the prioritization of and resource allocation for our environmental and operational objectives and underlying strategies to mitigate these risks.
- Supports the development and management of environmental compliance programs to manage significant environmental risks.
- Enables a clear hierarchy of roles, responsibilities and reporting obligations.
- Provides a transparent and consistent regulatory approach to meeting the specific environmental requirements through compliance management plans.
- Ensures best practices are adopted, incident learnings occur, and regular communication occurs between environmental compliance programs and operations.
- Facilitates general awareness training and progress updates regarding our environmental commitments and strategies.
- Provides consistent documentation and change management processes.

Within our environmental compliance program areas, our EMS framework incorporates compliance management plans and operational guides which are designed to support the underlying and specific regulatory requirements or legal operating agreements and conditions related to our environmental risk areas. It is important to note that the context for some of our environmental compliance program areas include long-term agreements with state and federal regulatory agencies, regional American Indian Tribes and other stakeholders that were collaboratively developed to reduce environmental risks and to achieve better outcomes than those prescribed solely by current regulatory requirements.

In addition to identifying and describing the actual compliance requirements or agreement provisions, these compliance management plans and related operational guides document the compliance related processes and procedures, roles and responsibilities, preventive and corrective controls, emergency procedures if applicable, monitoring and reporting requirements, training for competency and general awareness communication elements, internal review and assessment processes and document identification and records management.

EMS Governance

Avista's Board of Directors has established a committee to oversee environmental issues and to assess and manage environmental risks. Pursuant to its charter, the Environmental, Technology and Operations Committee (ETO) is responsible for the

oversight of Avista's environmental commitment policy, strategies and the development and implementation of compliance management programs. The ETO Committee is also responsible to oversee environmental performance and responses to audit findings, and to oversee the development and implementation of programs, policies and procedures with respect to the Company's aspirational clean energy goals.

Avista's management team is responsible for the day-to-day operations and performance of its environmental objectives and risk management activities. The Company's Senior Vice President, Chief Strategy and Clean Energy Officer is responsible to oversee the execution of the EMS. The Company's Senior Director of Environmental Affairs is responsible for developing and implementing the EMS within the Environmental Affairs department to fulfill our environmental strategies, objectives and risks management activities.

Program Managers within the Environmental Affairs department have specific areas of environmental compliance responsibilities and manage a staff of scientists, compliance personnel, and field and administrative personnel, among others. These Program Managers serve as the Company's subject matter experts and are responsible for the development and implementation of compliance management plans.

Per our EMS, compliance management plans identify environmental regulatory requirements and legal operating agreements and conditions, compliance processes and procedures, control and monitoring activities, training and communication activities, ongoing assessments, reporting obligations and identification and tracking of related plan documentation. Program Managers are also responsible for monitoring and assessing regulatory changes, developing strategies for meeting

compliance and operational objectives and for ensuring that Company employees meet compliance requirements through operating standards, training and communication, other operational guidance, inspections and audits.

In addition, Avista has created four councils that are centered around our primary focus areas: our customers, our people, perform and invent. The Perform Council is an interdisciplinary team of Company officers, management, and other employees which regularly meets to discuss, assess and manage current and emerging issues associated with the Company's performance. A key area of focus for the Perform Council is potential risks and opportunities associated with long-term global climate change and other environmental risks posed by our operations.

Among other things, the Perform Council facilitates internal and external communications regarding climate change and other environmental issues, analyzes policy effects, anticipates opportunities and evaluates strategies for the Company, develops recommendations on climate change and environmental policy positions and action plans and provides direction and oversight with respect to the Company's aspirational clean energy goals and environmental obligations.

On a quarterly basis or more often if needed, representatives from Environmental Affairs or the Perform Council will report on the performance of our aspirational clean energy goals and environmental issues to the ETO Committee, to another appropriate Board committee or to the full Avista Board. Additionally, environmental compliance audits and investigations and their outcomes are tracked and reported to the Audit Committee on a quarterly basis.





Environmental Risks

As an electric and natural gas utility covering 30,000 square miles across four Pacific Northwest states, we are subject to environmental regulation by federal, state and local authorities. From our generating plants, electric transmission and natural gas pipeline corridors, electrical substations to our electric and natural gas distribution systems, our operations pose and are subject to environmental risks relating to climate change, air and water quality, waste management, habitat and biodiversity, threatened and endangered species, historic and cultural resources, and public access, among others.

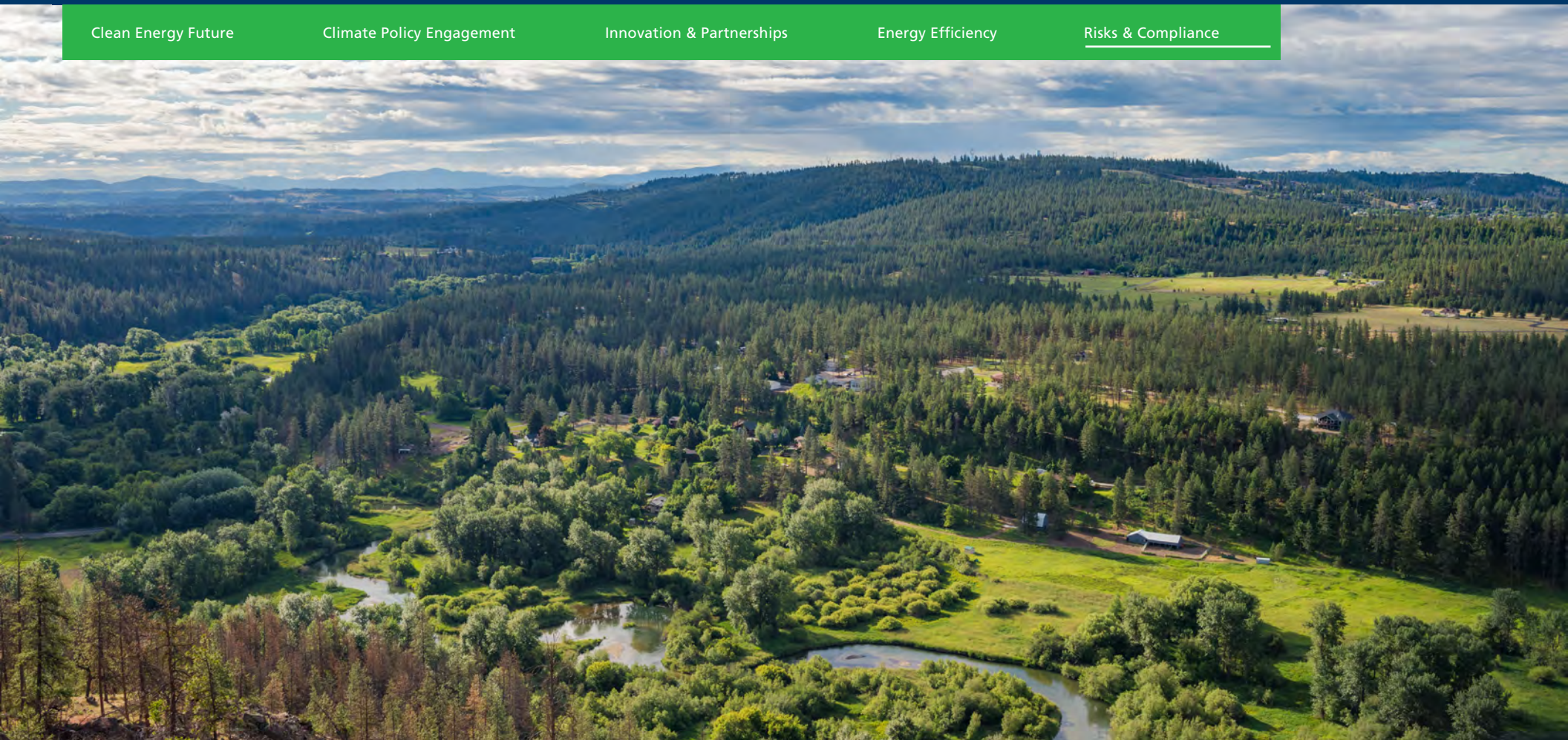
Avista's Environmental Affairs department manages these environmental risks through two major compliance program focus areas: Environmental Compliance and Natural and Cultural Resource Management. By implementing our EMS framework and its underlying compliance management plans and operational guides, we manage our operations and facilities in ways that honor the integrity of the natural resources in the areas we serve.

Environmental Compliance:

- Climate Change
- Air Quality
- Water Management
- Waste Management and Recycling

Natural and Cultural Resource Management:

- Biodiversity Management
- Threatened and Endangered Species
- Historic and Cultural Resources
- Equitable Public Access



Environmental Compliance

Climate Change

Avista has carefully considered how our business intersects with the environment for decades, as witnessed by our strong environmental record and as one of the cleanest power producers in the country when it comes to greenhouse gas emissions. Regarding the global effort to reduce greenhouse gas emissions that contribute to climate change,

we are starting from a position of strength, as our electrical generation capability is already comprised of 59% renewable energy as compared to the US electric industry's generation capability of 28% renewable energy.⁵

Furthermore, our aspirational clean energy goals as highlighted earlier in this report, clearly demonstrate our commitments and strategies to continue and build upon our efforts to reduce greenhouse gas emissions across our business. In those jurisdictions in which we operate, there are numerous local initiatives, as well as state and federal legislative

and regulatory measures concerning climate change that directly impact Avista today.⁶ Specifically, the Washington State Legislature passed the Clean Energy Transformation Act in 2019 requiring Washington electric utilities to:

- Eliminate coal generation to Washington customers by the end of 2025
- Supply Washington customers with carbon-neutral electricity by 2030
- Supply Washington customers with 100% carbon free electricity by 2045

⁵ U.S. Energy Information Administration 2023 US electric industry generation capability: Renewables 28%, Nuclear 8%, Coal 15%, Natural Gas 43% and Petroleum/Other 6%.

⁶ For additional information related to climate change-related state and federal legislative and regulatory actions that are applicable to Avista, please review our most recent [Annual Report](#) available online.



Avista's [2025 Electric Integrated Resource Plan \(IRP\)](#) provides our generation resource strategy for the next 20 years based on reasonable low-cost options, reliability and environmental requirements. As detailed in the IRP, our pathway towards our aspirational clean electricity goal includes the acquisition of additional renewable energy, the elimination of our only coal-fired thermal generating resource (Colstrip Units 3 & 4⁷) from our portfolio, energy efficiency and conservation measures, and upgrades to our existing hydroelectric and biomass plants.

Our aspirational natural gas emission reduction goal highlighted earlier in this report, detail additional commitments and strategies to reduce greenhouse gas emissions across our business. Avista was a charter member of the EPA's Methane Challenge Program, reflecting our prior voluntary efforts to reduce natural gas fugitive emissions. As part of our aspirational natural gas goal, we are focusing on:

- Diversifying and transitioning from conventional fossil fuel natural gas to RNG, hydrogen and other renewable biofuels
- Reducing consumption through conservation, energy efficiency and new technologies
- Purchasing carbon offsets as necessary

Throughout this Corporate Responsibility Report, we present commitments and strategies to reducing greenhouse gas emissions that contribute to climate change. Our actions, such as identifying and executing on our aspirational clean energy goals, engaging in climate policy development, investing in smart-grid technologies and capabilities, completing energy efficiency projects within our facilities, growing our green fleet program, to reducing our employees' commute-related emissions, reflect a

strong record of taking meaningful steps to combat climate change.

However, our climate change actions do not stop there. We are also responsible for the development of programs and resources for our customers and communities to leverage to further reduce our collective greenhouse gas emissions. In addition to taking proactive steps to reduce the carbon intensity of our energy products, we also provide conservation and energy efficiency products and services, optional renewable energy programs, distributed energy products and services and a robust electric transportation infrastructure program. Together, these customer and community facing features aid our region in reducing greenhouse gas emissions and mitigating the impacts of climate change.

In addition to these climate change-related actions documented in this Corporate Responsibility Report, we also prepare an annual report based on the Task Force on Climate-related Financial Disclosures (TCFD) framework. Our TCFD Report details how we manage climate change-related risks and opportunities, both in terms of managing and reducing our impacts to climate change, but also how we manage the effects of climate change on our Company's operations. We also disclose the Sustainability Accounting Standards Board (SASB) industry specific ESG metrics as part of our annual TCFD report. For additional information concerning Avista's climate change-related risks, opportunities and metrics, please view [Avista's TCFD Report](#).

Air Quality

At the federal level, the Environmental Protection Agency's Clean Air Act (CAA) establishes the structure for regulating the discharge of air pollutants into the atmosphere. State and local agencies are delegated

⁷ Please see Avista's [2023 Annual Report](#), Note 22 of the Notes to Consolidated Financial Statements, for further details regarding Colstrip Units 3 & 4 exit from Avista's generation portfolio by 01/01/2026.

the lead authority for most applicable areas of CAA compliance. Our facilities that emit air pollution are subject to air quality operating permits issued by the appropriate jurisdictional agency. These permits describe the operating and periodic reporting requirements depending on type of facility; major stationary source (Title V), minor stationary source or simple source registration permits.

Avista must also comply with rules set forth by other jurisdictional agencies which are intended to comprehensively control and reduce greenhouse gas emissions from the power sector. As part of our Environmental Management System, we have compliance programs in place to secure these permits, to operate and maintain our facilities in compliance with their permits and other agency rules and to conduct periodic reviews and audits of our facilities and operations to ensure ongoing compliance. These requirements can change over time as the CAA or other jurisdictional agency rules, or applicable implementing regulations are amended, and new permits are issued. We actively monitor legislative, regulatory and other developments of the CAA and related agency programs that may impact our facilities.

Avista's commitments and progress towards our aspirational clean energy goals work in unison with the objectives of these clean air initiatives and compliance requirements. As we continue to move towards our 100% clean electricity goal, we are reducing our greenhouse gas emissions and other related air pollutants such as Nitrogen Oxide (NOx), Sulfur Dioxide (SO₂), Particulate Matter (PM), Lead (Pb), and Mercury (Hg), among others.

Avista's [Equity Advisory Group \(EAG\)](#) was established in 2021 and is comprised of Company representatives, customers, community members, environmental justice and public health advocates, regional American Indian Tribes, highly impacted

communities, vulnerable populations, and other interested external parties to aid us in ensuring an equitable transition to a cleaner energy future. It is important that communities impacted by adverse socioeconomic conditions, pollution and climate change—as well as those who may experience a disproportionate cumulative risk of environmental burdens—are identified within Avista's service territory. Collectively, we can better utilize current programs or design new programs and select resources to effectively ensure that the benefits of the clean energy transition go to communities that need it most.

Water Management

Our service territories, located in the Pacific Northwest, have not been immune to the effects of climate change. Our regions are seeing evidence of rising temperatures, changing precipitation patterns and instances of drought conditions. Coupled with the fact that we rely on hydroelectric resources for over half of our electrical generation capabilities, we must ensure that we operate our business in a manner that protects, conserves and honors our shared water resources. This includes managing our hydro facilities to provide minimum flows in the Spokane and Clark Fork Rivers to support water quality, fisheries, recreation and aesthetic goals.

Currently, none of Avista's facilities or generating plants are located in areas listed as High or Extremely High Baseline Water Stress by the World Resources Institute's (WRI) Water Risk Atlas Tool, Aqueduct. The Company's hydroelectric plants are located within two different water basins, along the Clark Fork River in northwestern Montana and northern Idaho and along the Spokane River in northern Idaho and eastern Washington. Neither river system is expected to experience significant water stress in the foreseeable future, especially compared to other river systems located in southwestern regions



of the United States. Our hydro resources benefit from a combination of higher-altitude snowpack and upstream reservoirs. Current climate modeling, with significant uncertainty, predicts slight increases in overall precipitation for our region, although with earlier runoff and the possibility of reduced summer precipitation.

Avista manages its access to water for its operations, both for the generation of electricity and other operational uses in the course of its business, by securing necessary water rights. The Company's service territories and generating plants are all located in states which recognize water rights through prior appropriation, and we currently have water rights secured for our existing generation portfolio and other operational needs. Most of our non-generation consumptive water use is associated with office locations within municipalities that provide water service as a local utility. Going forward, Avista will continue to partner with our local and state agencies in complying with our existing water rights.

We protect and improve water quality in the Clark Fork and Spokane River watersheds as part of our Federal Energy Regulatory Commission (FERC) operating licenses for the operations of our hydroelectric facilities. Avista collaborates with our license partners in the following water quality measures, among others:

- **Monitor and analyze water quality in project rivers, lakes and tributaries**
- **Improve dissolved oxygen levels in the Spokane River and Lake Spokane**
- **Remove invasive fish that compete with native fish and cause excess nutrient accumulation**
- **Improve and monitor total dissolved gas levels below certain dams**
- **Install riverbank erosion control activities to reduce sediment and nutrient loading**

- **Partner with landowners of riparian lands to reduce erosion**
- **Facilitate homeowners' replacement of concrete bulkheads with natural shoreline measures**
- **Remove invasive aquatic weeds and coordinate weed control among other entities**
- **Operate the hydroelectric facilities to promote the benefits of minimum flows and discharges**

As part of our EMS, we have compliance programs in place to fulfill our FERC operating licenses that include the operation and environmental management of our hydroelectric facilities and our water quality compliance requirements. Through ongoing engagement with our regulatory agencies, regional Tribes, landowners and other stakeholders, we implement these protection, mitigation and enhancement measures for the benefit of our shared natural resources. [Click here to learn more](#) about our Clark Fork and Spokane River compliance programs and FERC project requirements.

Avista operates several compliance programs to manage and protect water quality throughout the rest of our operations. These compliance programs ensure that our facilities and activities comply with the federal Clean Water Act and related programs such as the National Pollutant Discharge Elimination System and Spill Prevention, Control, and Countermeasures regulations, which form the regulatory structure for the administration of water discharges and protection of surface waters of the United States. We also deploy extensive stormwater management measures at numerous facilities and preventative measures at construction sites to protect surface and ground water. Avista compliance staff conduct training, monitoring, reporting and permitting for construction projects as well as ongoing operations and maintenance activities to

protect surface and ground waters, prevent storm water run-off, prevent spills and contain and respond to any potential spilled pollutant before entering our waterways.

We have implemented numerous water-saving and protection measures at our corporate facilities over the years as well. Our aim is to protect and improve on-site water quality by capturing, filtering and recharging our water basins. We have accomplished these steps through multiple facilities improvements such as bio-filtration swales and water-oil separator catch basins, among others. At our main corporate campus, we replaced our 50-year-old HVAC system with a closed groundwater heat exchange loop system and reinjection wells, which resulted in an 80% reduction of our corporate main campus water use. We also implemented water-conserving equipment throughout the campus as part of achieving a LEED Gold certification.

Spill Response / Pollution Prevention

The Environmental Compliance group at Avista is on call 24 hours a day, seven days a week to respond immediately to environmental emergencies. In the case of an oil spill originating from any of our facilities, power lines or poles, we immediately implement emergency spill procedures and begin working with the appropriate local, state and federal agencies to assess the situation and begin clean-up. Avista responds to all spills, regardless of size, location or oil type. The goal is to safely and efficiently prevent any potential harm to fish, wildlife, natural resources, water supplies or people.

Waste Management and Recycling

Avista employs a comprehensive approach to reducing and managing solid and hazardous waste. Our approach begins upstream by making diligent product selections and constantly evaluating our work practices to avoid generating unnecessary waste. Despite these best pollution prevention efforts, several types of solid and hazardous wastes are generated across our service territories by our field operations, service centers, generation stations and office environments.

Our waste management and recycling programs are designed to comply with local, state and federal laws governing the disposal of solid and hazardous waste. The federal Resource Conservation and Recovery Act (RCRA) defines our responsibility to control hazardous waste from the time it is generated until it is ultimately disposed of—in effect, from “cradle to grave.” Avista also maintains hazardous waste generator permits where required across our operations. In addition to RCRA, the Toxic Substances Control Act (TSCA) further requires Avista to maintain records, testing procedures and reporting requirements relating to hazardous and non-hazardous chemical substances and mixtures.

Our operational center in Spokane, WA, is representative of our lifecycle approach to waste management and recycling. Equipment and materials are distributed from this center across four states to support our operations. When the operational work is complete, left-over materials and generated waste are returned to Spokane to be processed through our Waste and Asset Recovery (WAR) and Investment Recovery departments. These departments also process materials and generated waste from our office environments as well.

Avista’s WAR is housed in a state-of-the-art waste handling facility designed and built to safely and efficiently sort, handle, and classify our various solid and hazardous waste streams for final disposal. Importantly, Avista made the decision to process all solid and hazardous waste streams at our Spokane operational center, regardless of state of origin. As Washington state is our most stringent regulatory environment for managing solid and hazardous waste, we are diverting the potential disposal of hazardous waste that would have otherwise legally gone into landfills in our other operating states.

Through a 30-year-plus partnership with a community nonprofit organization, Avista’s recycling program, Investment Recovery, employs a number of intellectually or developmentally disabled workers who help us recycle paper, corrugated cardboard, aluminum cans, plastic, magazines, newspapers, wood reels, phone books and batteries. Avista is

also committed to recycling non-hazardous electrical equipment and materials. Working closely with recycling companies, aluminum, copper, lead, and other ferrous and non-ferrous metals are reclaimed and recycled. Other materials are prepared for re-use within our own system or offered to others for re-use. Not only is it good for the environment, but our recycling efforts have saved Avista thousands of dollars in disposal costs. Materials from our field operations, service centers, generation stations and office environments are processed for recycling through Investment Recovery.

Managed Solid and Hazardous Waste (Pounds)

Category of Waste	2019	2020	2021	2022	2023
Solid Waste (Non-RCRA)	143,673	95,459	120,994	115,365	85,979
Hazardous Waste (RCRA)	6,857	3,660	6,382	4,933	2,926
Hazardous Waste (WA State)	25,419	9,520	566	2,433	224
Universal Waste (RCRA Exempt)	10,671	4,625	5,654	5,288	9,665

Investment Recovery Recycled Scrap Materials

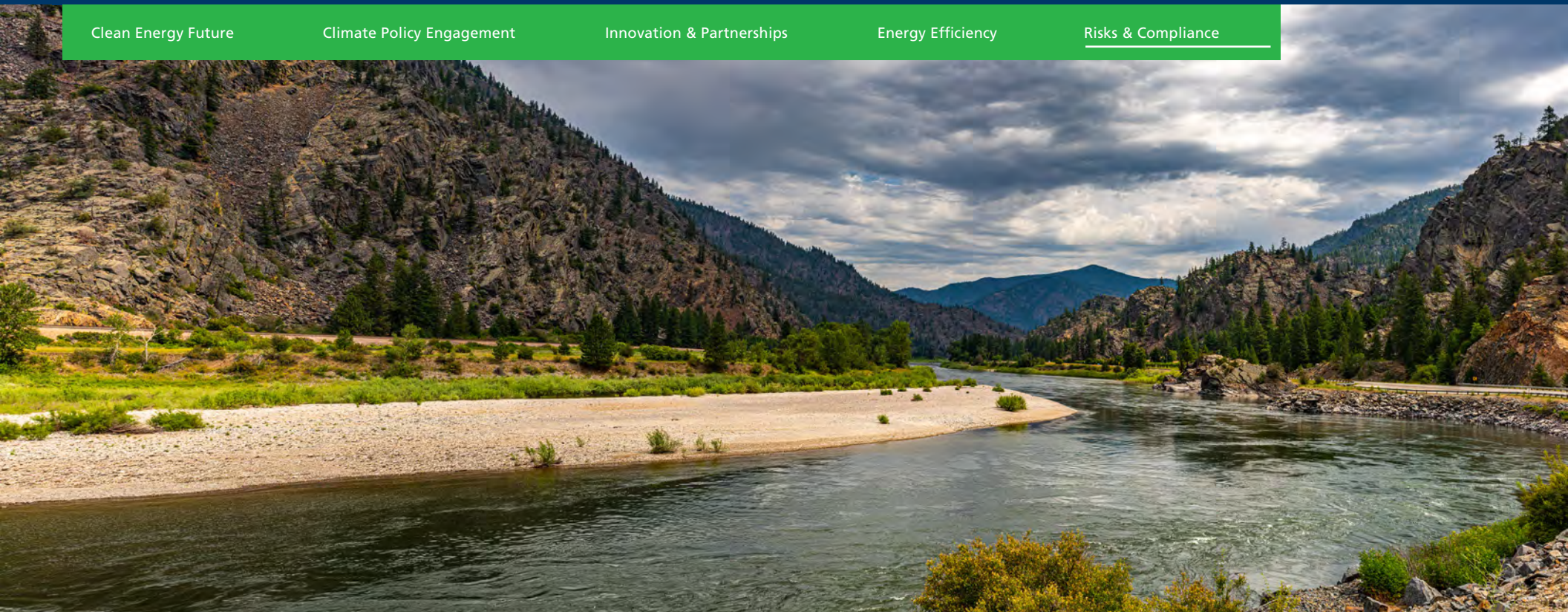
Investment Recovery Recycled Scrap Materials	2019	2020	2021	2022	2023
Total Weight of Recycled Scrap Materials (Pounds)	1,533,707	1,374,429	2,151,284	1,523,933	1,281,524
Total Sales of Recycled Scrap Materials	\$460,010	\$431,539	\$899,681	\$860,331	\$594,380

Managing Polychlorinated Biphenyls (PCBs)

Avista manages PCBs and mineral oil that contains low levels of PCBs in a manner that meets or exceeds the standards of the TSCA and Washington state's stringent regulations. Our goal is to minimize risk associated with PCBs, to avoid spills or releases, and to clean up any releases to levels of non-detection. Federal and state regulations allow the ongoing use of PCB-containing electrical equipment. However, we decided to take a more conservative and proactive approach to reducing risks associated with PCBs. The vast majority of the equipment in service at Avista is non-PCB.

We are now in the final stages of a multi-year project to remove and replace all electrical distribution equipment with any detectable levels of PCBs—an approach that exceeds any applicable regulatory requirement. We are unaware of any other investor-owned utility in the United States which has implemented such an effort. We are, once again, conducting these efforts in concert with system and efficiency upgrades and in coordination with our wood pole management, grid modernization and other asset maintenance programs. In this way, we are achieving increased environmental protection along with reliability improvements in a cost-effective manner, benefiting our customers and our communities.





Natural and Cultural Resource Management

Biodiversity Management

Our operations stretch 30,000 square miles across four Pacific Northwest states. From our generating plants, electric transmission and natural gas pipeline corridors, electrical substations to our distribution systems, we intersect with a tremendous amount of diverse habitat and wildlife. Avista implements specific programs, projects and stakeholder agreements with oversight from federal, state and local agencies to protect and enhance this habitat and the wildlife that it supports.

Since implementing the Clark Fork Settlement Agreement (CFSA) as part of our FERC hydroelectric license, we have upgraded over 20 recreational

facilities, created seven new recreational facilities, completed over 47 stream habitat restoration projects spanning 25 different tributaries and protected over 92,000 acres of Bull Trout habitat, wetlands, riparian and associated upland habitats.

During this same time, we have also developed and helped to grow the number of local watershed councils from two to nine along the Clark Fork River. These local watershed councils provide a forum for local landowners and the public to meet, review and make informed decisions regarding issues associated with their natural resources. Avista helps to fund the administrative costs of these councils and supports grant funding opportunities. Over the past 24 years, Avista's grant writing on behalf of the CFSA partners has secured over \$13 million of grant funding for additional habitat restoration projects. These grants and additional projects do not reduce Avista's own CFSA financial obligations, rather they provide

additional opportunities for enhancing our shared natural resources.

Avista similarly supports federal and local agencies on a habitat and wetland restoration effort at the mouth of the Clark Fork River where it meets Lake Pend Oreille and in the Bull River Valley in Montana. The Clark Fork restoration effort included the placement of more than 50,000 tons of rock for rebuilding shorelines and the planting of approximately 90,000 trees and shrubs in the restored areas. These wetlands are now rebuilding themselves, providing natural habitat for fish, birds and other wildlife.

Since implementing the Spokane River FERC hydroelectric license back in 2009, Avista has purchased over 5,100 acres of wetland riparian and associated upland habitat in the Spokane River watershed as part of our ongoing efforts to enhance plant diversity and wetland functionality.

Land management protection efforts include maintaining a 200-foot buffer along 14 miles of Lake Spokane shoreline and managing it as conservation land. Additionally, Avista placed conservation easements on 109 acres along the West Branch of the Little Spokane River and 1,440 acres of shoreline at the lower portion of Lake Spokane to protect these properties in perpetuity.

Shoreline stabilization efforts include restoring over 11,000 linear feet of eroding shorelines along the St. Joe, Coeur d'Alene and Spokane Rivers. Over 25,000 trees and/or shrubs have been planted in the Spokane River watershed. Avista and the Idaho Department of Fish and Game have acquired and/or placed 183 acres in conservation easements to preserve cold water refuge areas for native salmonids along the Coeur d'Alene River and its tributaries.

We continue to engage shoreline homeowners within the Spokane River watershed on the importance of lawn area reduction, reduced fertilizer use, bulkhead removal and installation of natural vegetative buffers along the shoreline. All these efforts have led to the establishment of a growing vegetative buffer, which reduces erosion, increases shade, encourages fish habitat, and stabilizes the shoreline along with improving water quality within the watershed.

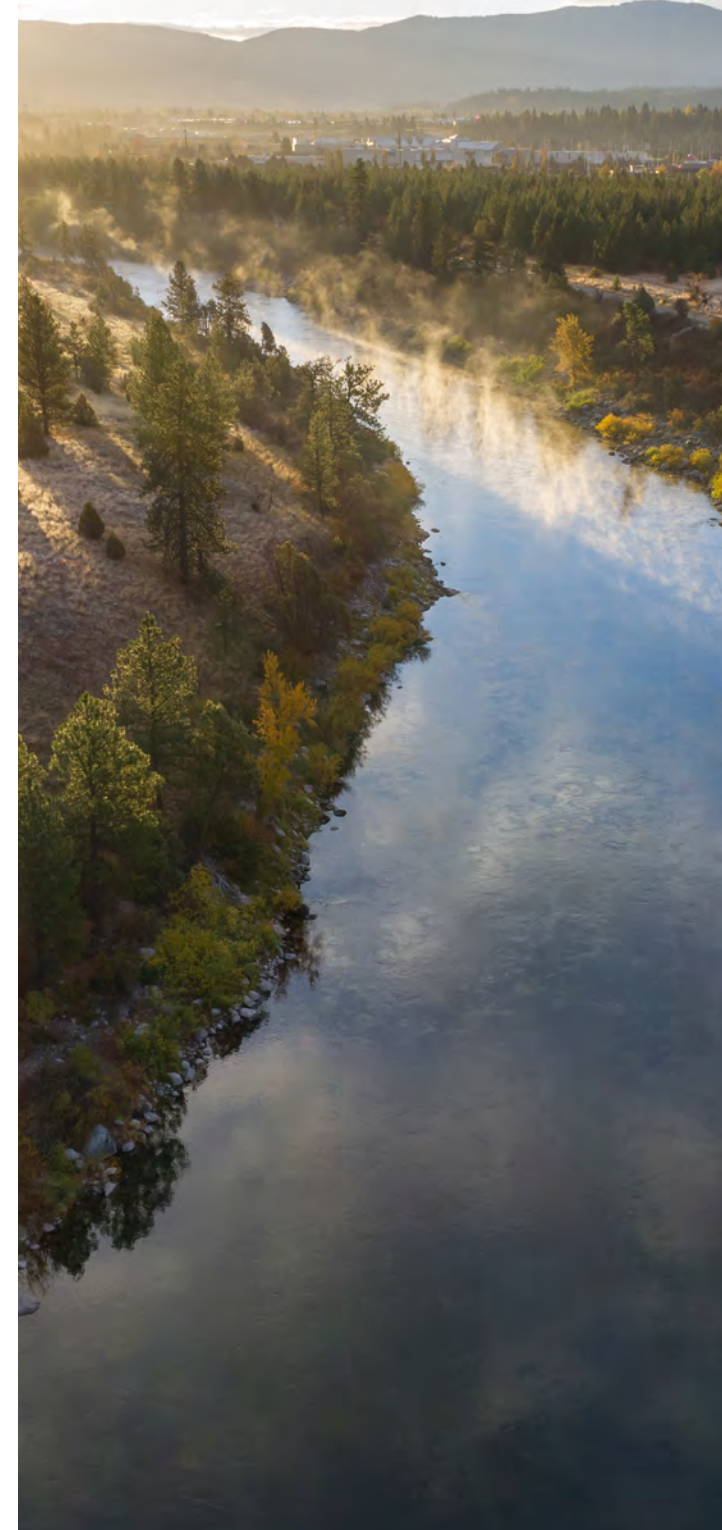
Throughout our facilities and project areas, we manage noxious weeds and nuisance plant species, including non-native species, in partnership with our state and local agency weed control boards. When implementing projects, whether new construction projects, habitat enhancements or restoration efforts, native vegetation and locally desirable plants are used. We also manage fire fuels on project lands, including monitoring, collection and removal to reduce the risk of wildfires that could damage habitats and wildlife.

Our service territories have not been immune to the effects of climate change. We are seeing evidence of rising temperatures, changing precipitation patterns and instances of drought in areas in which we operate. These climate change impacts are creating conditions that increase the risk of wildfires. To respond to this threat, Avista has implemented a [Wildfire Resiliency Plan](#). This plan seeks to further minimize the possibilities of wildfires and their related impacts on our habitat and wildlife through the expansion of our current safeguards for preventing, mitigating and reducing the impact of wildfires. Our 10-year Wildfire Resiliency Plan emphasizes grid hardening, vegetation management, partnerships with emergency providers and fire agencies, and provide helpful resources and tips to protect public and private property in order to prevent wildfires.

Threatened and Endangered Species

Due to the nature and location of our operations, we are aware of threatened and endangered species and issues related to them that could be impacted by our business and we make every effort to comply with all laws and regulations relating to these threatened and endangered species. For example, several species of fish in the Pacific Northwest are listed as threatened or endangered under the Federal Endangered Species Act.

One such threatened species is Bull Trout, a salmonid that is native to the Clark Fork River, among other area waters. As part of our comprehensive CFSA, a collaborative process involving the U.S. Fish and Wildlife Service, Native American Tribes, the states of Idaho and Montana, and numerous others, we have been implementing a Bull Trout restoration program for more than 20 years. Many of our protection, mitigation and enhancement measures of the natural resources along the Clark Fork River focus on improving native Bull Trout habitat, including





those highlighted efforts in the preceding Biodiversity Management section.

To increase Bull Trout populations, we developed a genetic testing process to identify their stream of origin and have implemented programs to facilitate their return migration. We also operate fish traps in several key tributaries to capture and transport juvenile Bull Trout downstream as a part of our overall efforts. Together, these and other activities have already seen increases in Bull Trout recovery.

Fish passage of Bull Trout around our Cabinet Gorge Dam has been a long-term priority for Avista and our partners. Following years of research, design and several experimental efforts with federal and state agencies, and local Tribes, we jointly decided to build a permanent fish passage facility.

This new fish passage facility, which began operations in summer of 2022, is designed to enhance the return migration of adult Bull Trout and other native fish species. Once reaching adulthood in Lake Pend Oreille, Bull Trout will swim upstream and reach the Cabinet Gorge Dam Fishway. The migrating Bull Trout are collected in the Fishway and transported to their native streams in Montana to spawn.

Various statutory authorities have established regulations for the protection of threatened or endangered birds, as well as migratory birds protected under the Migratory Bird Treaty Act. Because we operate facilities that can pose risks to a variety of such birds, we have implemented an Avian Protection Plan and a Bald Eagle Management Plan. The purpose of these plans is to help reduce operational and wildlife risks that result from avian interactions with our electrical facilities and to monitor bald eagle nesting metrics.

Our Avian Protection Plan incorporates avian safety designs into our electrical system, both to power lines and electric substations in avian protection zones. In conjunction with the US Fish and Wildlife Service and our state agencies, our plans also guide permitting obligations, training, monitoring and reporting of avian incidents with our electrical system. Avian incidents are analyzed to determine if further protection enhancements may reduce the likelihood of similar incidents going forward.

Through our Bald Eagle Management Plan, we monitor population metrics of bald eagles that nest within designated areas in and around our hydroelectric facilities and their respective water reservoirs. This is done to ensure that Avista's hydroelectric facilities are not impacting bald eagles and their nesting conditions. Since 2012, bald eagle nesting territories within our monitoring areas have more than doubled, increasing from 19 to 46 nesting territories in 2023, and the percentage of successful nests have been stable over this timeframe as well, with annual success rates ranging between 70% to 100%. Currently, the Company's Bald Eagle Management Plan has not identified any negative impacts to bald eagle nesting conditions due to our hydroelectric facilities.

We also engage with our local communities through public outreach and safety events to raise awareness and provide educational resources to build better relationships between the public and our protected wildlife.



The Avian Power Line Interaction Committee (APLIC)

Avista is a member of the APLIC which leads the electric utility industry in protecting avian resources while enhancing reliable energy delivery. The APLIC works in partnership with utilities, resources agencies and the public to:

- Develop and provide educational resources
- Identify and fund research
- Develop and provide cost-effective management options
- Serve as the focal point for avian interaction utility issues

White Bluffs Bladderpod

As part of our construction permitting processes, habitat and wildlife impact assessments are performed to ensure that our operations do no harm to the environment. One such assessment related to a transmission line rebuild identified the White Bluffs Bladderpod, a threatened native plant listed under the Endangered Species Act. In conjunction with our local agencies, we were able to modify our construction project schedule, processes and implement numerous protection and enhanced mitigation measure to avoid damaging plants and their critical habitat.

The actions that we took to protect the White Bluffs Bladderpod include:

- Scheduled work during the plant's seasonal dormant period
- Minimized vehicle and equipment access and use within the critical habitat zone
- Ensured that equipment and personnel were not introducing invasive plants
- Enhanced soil erosion, storm water and fire suppression mitigation activities
- Utilized helicopters rather than large equipment on the ground to install transmission poles

Historic and Cultural Resources

The history of the Pacific Northwest is all around us, in people and in places that we frequent. To preserve our unique and important cultural resources for our future generations, we have established partnerships with our neighboring American Indian Tribes, as well as local and state historic preservation offices. Together, we plan and execute initiatives to preserve historical and cultural resources in addition to protecting wildlife and the environment.

A majority of our cultural resource work is performed before any action is taken out in the field, with an overall goal of avoiding impacts. We conduct pre-construction cultural assessments as part of our internal permitting and project management processes. Depending on the location and scope of the proposed project, our regional Tribes and local agencies will perform or review site surveys prior to construction commencing. Oversight of any protected, sensitive or culturally significant resources that were identified during the site surveys may need to be monitored throughout the project to ensure its protection and restoration.

Avista is committed to managing and protecting the cultural resources of our area in a manner that balances operational needs, environmental requirements and public access needs to recreational sites with appropriate levels of cultural and natural resources protection in partnership with our stakeholders. Facilities, projects and recreational access will be sited and constructed in locations and through means that ensure impacts to natural and cultural resources are avoided, minimized and mitigated appropriately.

As part of our Clark Fork and Spokane River FERC operating licenses for the operations of our hydroelectric facilities, Avista developed comprehensive Programmatic Agreements and Cultural/Historical Property Management Plans. Under these plans, Avista engages and consults with our regional American Indian Tribes in numerous cultural resource protection and restoration initiatives, along with State Historic Preservation offices.

In addition to typical approaches to protecting historical, cultural, and often archeological resources, our efforts extend to protecting and enhancing fish habitat and supporting cultural releases of salmon in local waterways, acquiring over 4,900 wetland and associated upland acres titled to the Coeur d'Alene Tribes for wetland restoration efforts and the development and administration of cultural programs from traditional fishing practices, canoe building to harvesting water potatoes, a traditional food source of one Tribe.

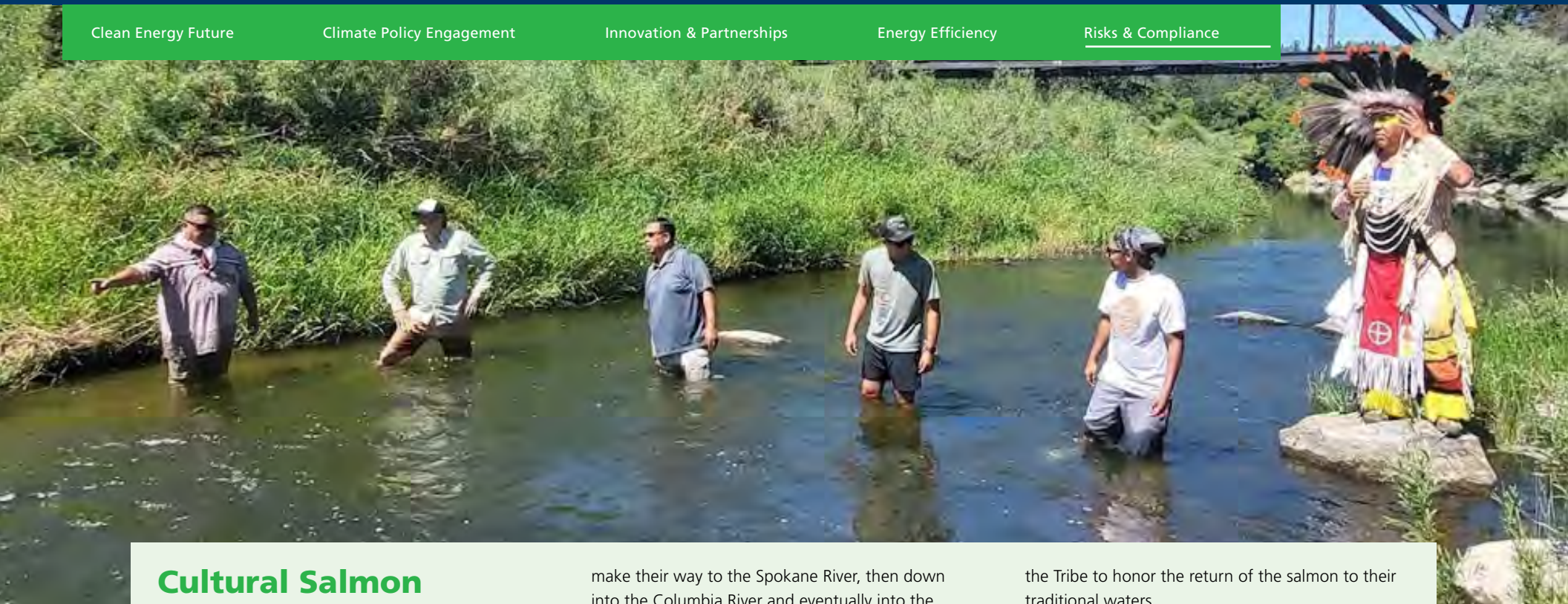
We have also created compliance management plans for many of our historical properties. The management and protection of these cultural resources are consistent with our other project and land management measures. Our approach for managing our historical sites apply to those sites currently listed on or determined to be eligible for recognition through the National Register of Historic Places.



Native American Interpretive Display

Located along the shores of the Clark Fork River near the town of Noxon, Montana, Avista manages Pilgrim Creek Park. In addition to normal amenities such as playgrounds, sport fields, open grassed areas, picnic areas, washrooms, benches and walking trails, this park also contains

a simulated American Indian encampment. This interpretive and educational display was designed and developed in conjunction with the Confederated Salish and Kootenai, Kalispel, Kootenai of Idaho, and the Coeur d'Alene Tribes of Indians to highlight traditional resources and cultural practices. This interpretive display represents a single Tribal family's encampment by the river, sojourning to catch and dry fish for the winter ahead.



Cultural Salmon Releases

In partnership with the Colville Confederated Tribes, Spokane Tribe of Indians, and the Coeur d'Alene Tribe, Avista participates in the cultural release of juvenile Chinook salmon in the Spokane River, Little Spokane River, Hangman Creek, and Tshimakain Creek. The salmon releases are made possible, in part, through projects funded by Avista's Spokane River license agreements.

In one example, since 2020, the Coeur d'Alene Tribe has been releasing juvenile Chinook salmon into Hangman Creek. From here, the juvenile salmon

make their way to the Spokane River, then down into the Columbia River and eventually into the Pacific Ocean, traveling 700 river miles along the way. In summer 2022, an adult female Chinook salmon that was part of the original juvenile release group was detected back in the Columbia River near Chief Joseph Dam. It was captured and transported back upstream around dams that do not have fish passage.

Avista joined the Coeur d'Alene Tribe in celebrating the return of this traditionally important species and the release of the salmon into her natal stream Hangman Creek, so she can continue her journey. This program provides a rare experience enabling

the Tribe to honor the return of the salmon to their traditional waters.

In 2023, the federal government and the Upper Columbia United Tribes, of which the Spokane Tribe, Coeur d'Alene Tribe and Colville Confederated Tribes are members, announced a historic agreement to restore salmon populations in the Upper Columbia River Basin. Federal, state and tribal funding has been pledged in support of salmon reintroduction efforts. Avista continues to partner with the Tribes to engage and collaborate on the salmon reintroduction efforts in particular as they relate to the Spokane River watershed.



Equitable Public Access

In addition to generating clean, renewable hydropower, our Clark Fork and Spokane River hydroelectric projects provide abundant recreational opportunities for our customers and local communities. These generating facilities, and the waters and lands associated with them, provide outdoor recreational activities such as boating, camping, fishing, bird watching, swimming, hiking, and more.

As part of the Clark Fork and Spokane River Project Licenses, we implement recreation plans with our agency partners, including customer and community involvement, to determine recreational project priorities, ongoing maintenance requirements and the planning, design, and construction of new or enhanced recreation projects.

Enhancements to existing recreation projects take on many different forms depending on the current condition of the existing amenities and the identified priorities of our agency partners. The goal of these enhancement projects is to ensure the continued care, maintenance and expansion of quality amenities that our communities desire, ensuring that they will continue to be available for the enjoyment of our customers and communities for generations to come. Our recreation project improvements include:

- Americans with Disabilities Act compliant access including enhanced parking, paved walkways, access ramps and overlooks.
- Trail improvements and the installation of project, interpretive and cultural signage.

- Landscaping, fencing, lighting, picnic tables and refuse and recycling facilities.
- Campsite and day use area improvements and restroom facilities.
- Shoreline stabilization, boat ramp and dock construction or extensions.

Anglers visit Avista project waters from across the region to take advantage of the benefits of our, and our partners' aquatic management. We also stock Lake Spokane and other sections of the Spokane River with more than 150,000 rainbow trout each year. Stocking with sterile trout provides excellent fishing opportunities while reducing pressure on native stocks.

We invite local community members and new visitors to our backyard to explore the abundance of recreational opportunities that Avista has the honor of providing and supporting along our Clark Fork River and Spokane River projects. Plan your next adventure by visiting our recreational facility and amenity interactive maps:

[View Clark Fork River interactive map](#)

[View Spokane River interactive map](#)

Clark Fork Project Recreation Amenities:

- 5,000 acres open to the public
- 57 public recreation sites
- Campgrounds and day use areas
- 11,140 surface acres of water
- 16 boat launches

Located on the Spokane River next to Spokane's city hall and bordering Riverfront Park, we developed the Spokane Tribal Gathering Place as a gift to our community. This urban plaza features views and access from downtown to the Spokane River, amphitheater seating, water features and several terraced gathering spaces. The Spokane Tribal Gathering Place also connects the public to our Huntington Park that underwent significant renovations in conjunction with the development of the plaza. Avista's Huntington Park frames the amazing power of the Spokane River for visitors as the river plunges down the lower falls and incorporates themed structures, hydroelectric dam artifacts, and period light fixtures to highlight the history of our River City.

Spokane River Project Recreation Amenities:

- 3,000 acres open to the public
- 101 public recreation sites
- Campgrounds and day use areas
- 5,655 surface acres of water
- 4 boat launches

We are continuing our legacy of enhancing public access and recreational opportunities among our natural resources with our development of Upriver Park. This recently opened new park provides additional public access to the Spokane River, enhances the ecological health of the shoreline and improves public safety along the adjacent Centennial Trail.

Upriver Park includes amenities such as a launch area for paddlers, park benches, interpretive signs, picnic tables, bike racks, lighting and a plaza greeting park visitors at each of the two entrances, along with the plantings of native trees and shrubs.



COMMITMENT TO

OUR PEOPLE



COMMITMENT TO

OUR PEOPLE

We hire talented people and equip them with capabilities, tools and a culture that empowers them to pursue great ideas—ideas that engage the imagination, stretch us all and ensure that we continue to provide exemplary and cost-effective service while building the utility of the future. Our efforts and commitments include:

1. Ensuring a safe and healthy work environment by proactively reducing workplace risks and hazards so that all Avista employees return home healthy and whole.
2. Fostering a culture that values trust, and respect based on equity, inclusion, and diversity, and offering all employees the chance to enrich their lives and careers through a shared commitment to company success.
3. Valuing the contribution of our employees by focusing on creating and maintaining an employee experience that attracts, develops, motivates, retains and rewards our employees.
4. Leading with integrity while conducting our operations in compliance with the laws, rules, and regulations that govern our business.
5. Holding our contractors accountable to the same ethical and compliance standards to which we hold ourselves.



1. Ensuring a safe and healthy work environment by proactively reducing workplace risks and hazards so that all Avista employees return home healthy and whole.

Safety and well-being are an essential part of our mission. For us, it means providing safe and reliable energy to our customers and communities 24/7, 365 days a year while protecting ourselves and others from harm. Avista prioritizes the safety and well-being of our employees and likewise expects employees to place their own personal safety, the safety of their co-workers and the safety of our customers and communities at the forefront of their decisions and actions.

We collaborate with our employees to build this personal responsibility regarding safety and well-being measures to ensure a safe work environment. We also require that if someone witnesses a situation that may endanger themselves, other employees, customers or community members, or threatens to damage an Avista asset or piece of equipment, they take immediate action to stop the unsafe situation. All employees and contractors of Avista have the authority to immediately stop work without fear of retaliation through our Authorization to Stop Work program.

Safety Management System

Avista has adopted the National Safety Council's Safety Management System (SMS) and the Pipeline Safety Management System (PSMS) to provide an overall framework for the Company's implementation of its safety and well-being programs for employees, our systems, and the public. From hazard identification, regulatory compliance requirements, policies and procedures, training and awareness communications, incident tracking and analysis, safety checks and inspections to program assessments, Avista's use of these Safety Management Systems provides a consistent and structured approach to our safety and well-being programs and affords us the opportunity to continuously learn, improve and ensure that our workplace is safe, secure and healthy.

We generally perform biennial assessments of our safety and well-being programs which include overall maturity and effectiveness levels, how changing or emerging safety initiatives are being addressed, evaluating results of our new initiatives or campaigns, and tracking current data and metrics against baseline and historical measures. Feeding into these

assessments are the results of our Company-wide safety and well-being survey. This voluntary survey is an anonymous and confidential means for our employees to provide critical insights regarding our program structure and performance. Survey topics include management commitment, supervisor engagement, employee involvement, safety support activities, safety support climate and overall organizational culture among other topics. We are committed to understanding how we may improve our programs and initiatives to ensure that our employees return home safely at the end of the day.

Avista's safety and well-being commitments, policy and requirements are presented in the Company's [Commitment to Workplace Safety and Well-Being](#). At Avista, we pride ourselves in our mindset that everyone is a safety leader whose role is to ensure the safety of ourselves and of those around us. We all have a responsibility to question, challenge, and fix any situation that we feel is not in compliance with safe practices or safety policies. Our work must be performed in the safest possible manner consistent with our safe work practices, policies and requirements.

Safety and Well-Being Engagement

To ensure that our safety and well-being commitments remain at the forefront our business decisions and actions, Avista has implemented an all-inclusive approach consisting of employee representation across all levels of the organization. Collaboration and engagement are prioritized to effectively operate our safety and well-being programs in the following structure:

Further, our safety and well-being commitments and program requirements are key topics addressed in our formal agreements with trade unions that represent our bargaining employees. Our Labor and Management Committee regularly meets to promote collaboration and open dialogue to review and work through safety, well-being, performance and other action items. In addition to the collaborative work and focus on safety and well-being topics within the Joint Safety Committees, Avista's formal agreements with trade unions also include grievance and arbitration provisions to address any raised safety and well-being concern or complaint.

Safety Council	<ul style="list-style-type: none"> • Advances Avista's culture of safety and well-being. • Provides strategic direction through the Company's Safety Management Systems (SMS). • Working group comprised of senior management. • Monitors organizational safety performance. • Recognizes safety excellence. • Quarterly reporting to Board of Directors.
Safety Leadership Team	<ul style="list-style-type: none"> • Implements safety and well-being initiatives across the organization to support our SMSs. • Working group comprised of safety leaders. • Coordinates and monitors safety and well-being performance.
Safety Team	<ul style="list-style-type: none"> • Supports employees by implementing safety and well-being initiatives across the organization. • Provides safety expertise and guidance. • Working group comprised of Public and Safety Specialists, Industrial Hygiene, Human & Organizational Performance and Safety Administration.
Joint Safety Committees	<ul style="list-style-type: none"> • Focus on safety and well-being issues related to their specific functioning areas across the organization. • Comprised of bargaining and non-bargaining employees.
Operations Teams	<ul style="list-style-type: none"> • Monthly team meetings led by Safety Chairs / Co-Chairs. • Responsible for awareness and providing updates to new or changing items and for the collection of safety concerns.

Safety and Well-Being Resources

To support and equip our employees with the necessary knowledge, skills and resources to perform their work in a safe and healthy manner, Avista administers regular trainings, communications, reports and metrics, safety alerts and lessons learned based on human performance and organizational improvement principles and ongoing performance management. Training is delivered through a combination of Avista instructor-led, third party-led and online training programs. We also supply the following resources to our employees for their continued safety and well-being:

- Avista's new hire orientation program includes a safety onboarding component which is delivered by members of the Safety Team
- All new hires must complete mandatory safety and well-being training
- Contract employees receive a safety orientation before commencing work on any Avista property
- Personal protective equipment
- Ergonomic tools and equipment to reduce fatigue, strain or potential injuries
- Operator qualification training for our natural gas employees for safe operation of gas systems
- Substance abuse prevention program including pre-employment, random, for-cause and post-incident testing and monitoring
- Confidential Employee Assistance Program administered by a third-party provider supports our employees and their families in resources needed to maintain healthy and productive lives

Safety and Well-Being in Action

To further engrain and ensure the safety and well-being of our employees, we have been active in operationalizing our proactive safety and well-being measures through targeted actions including:

- Daily safety tailboard meetings for field crews
- Structured safety tailboard meetings for field crews at the start of each new project
- Weekly safety huddles among work groups
- Monthly department safety meetings
- Monthly Joint Safety Committee (JSC) meetings with management and bargained employees focusing on actionable safety and well-being items
- Reporting of near misses or potential safety concerns are encouraged and shared with all employees through Safety Alerts and Lessons Learned
- Incident assessments based on the Human & Organizational Performance methodology to reduce incident consequences or eliminate hazards entirely
- Lessons learned from incident assessments are shared company-wide for employees to learn safe practices at work and at home
- Monthly safety newsletter including performance metrics
- Safety and well-being information management system accessible to all employees for reporting incidents, accidents and near misses as well as real-time access to safety metrics and action item status

- Annual safety conference reinforcing our commitments to safety through learning, sharing and reflecting on our continuous efforts to improve safety performance.
- Safety medallion recognitions for outstanding service to safety
- The MoveSafe® program, which is a comprehensive initiative that promotes physical activity and healthy living to support proper body movement and prevent injuries.

Preventive Safety and Well-Being

At Avista, we recognize the critical role that Human and Organizational Performance (HOP) play in safeguarding our operations and employees.

By proactively addressing potential workplace hazards such as human errors, safety incidents, or possible latent organizational conditions, we fortify our defenses against accidents and operational disruptions. Our commitment to HOP is not just about complying with safety and well-being requirements; it's about growing a culture of preventive resilience. We actively involve our employees in the learning process of reported near misses and actual safety incidents. Employee participation in assessing potential or actual events, sharing lessons learned, and developing mitigating recommendations is critical to both understanding safety and well-being risks and being vigilant about recognizing potential hazards that we may face during our work. This collaborative and proactive approach not only enhances our safety and well-being strategies and implementation work, but also fosters a sense of ownership and engagement among our employees. We continue to strive for a safe work environment that focuses on preventive resilience, continuous learning and improvement.

The MoveSafe® program is a further example of our commitment to preventive safety and well-being practices. Initiated in 2023, the MoveSafe® program has been administered to our workforce, for both our field and office employees. This proactive initiative provides comprehensive safety and well-being benefits by educating our employees on integrating healthy movement habits into their daily routines, both at work and at home. The program emphasizes ergonomic workspaces and preventative stretching and proper body positioning and movement to alleviate unnecessary stresses on the body, regardless of the nature of their work. The program not only fosters long-term safety and well-being for our employees but also contributes to reducing potential workplace hazards, which aligns with our commitment and efforts to continue building a safe work environment.

The Company's execution of HOP and the MoveSafe® program represent key components of our commitment to preventive safety and well-being practices. Likewise, our continued emphasis on near miss reporting further highlights the development and execution of proactive measures designed to reduce workplace risks and hazards to reduce workplace accidents and operational disruptions. To ensure these and other proactive measures are successfully executed across the organization, they are included in leading metrics which are tracked and internally reported to all employees on a monthly basis in the Company's SafetyNet publication. The SafetyNet monthly publication also details and tracks employee safety and well-being initiatives such as safe driving training courses and vehicle safety metrics, in the field safety inspections and metrics, and leader engagement and field safety visits and metrics. These leader field safety visits offer an opportunity to reinforce the Company's commitment to safety and well-being and to directly learn about the hazards and safety challenges that employees may face particularly when out in the field.

Through this engagement, leadership has gained valuable insights into the risks and hazards and how best to provide mitigating resources to ensure a safe work environment.

We know the safety and well-being journey is one that never actually ends. Ultimately, all parties must continue their safety vigilance every day to keep our workplace safe and healthy. From leadership and management to our employees in the field and in the office, it takes a concerted effort to properly identify workplace hazards and safety challenges and then to find ways to proactively mitigate these risks that are inherent in the work we do. Together, we are committed to building a safe work environment focusing on preventive resilience, continuous learning and improvement.

Our Safety Intent Statement

As an Avista safety leader, I am committed and responsible for my safety and the safety of those around me. I am focused on the task at hand and recognize that no situation is routine. I am vigilant in maintaining my hazard awareness because something can always go wrong.

I am always learning and seeking safer ways to complete my work. I step in and speak up when I observe at-risk actions and welcome

constructive feedback from others. I support others when they are doing it right.

All of my decisions focus on integrating safety into the work I do. I am well-trained and follow safe work practices in my job and in my life.

My family can rely on me to come home healthy and whole.

Safety Metrics ¹	2019	2020	2021	2022	2023
Recordable Injury Rate (RIR): Recordable injuries per 200,000 hours worked	3.57	3.27	4.12	3.50	4.57
Lost Time Injury Rate (LTIUR): Lost-time injuries per 200,000 hours worked	1.31	1.49	1.61	1.90	2.17
Near Miss Frequency Rate (NMFR): Near Misses per 200,000 hours worked	N/A ²	0.53	1.55	3.38	2.57
Recordable Vehicle Accident Rate (RVAR): Recordable Accidents/1,000,000 miles driven	5.20	5.80	4.48	7.09	8.91
Preventable Vehicle Accident Rate (PVAR):³ Preventable Accidents/1,000,000 miles driven	3.51	4.16	3.43	5.17	5.94
Employee fatalities	0	0	0	0	0

Safety Metrics include data from all employees; full-time, part-time, seasonal and temporary employees.

¹ Safety Metrics exclude COVID-19 related cases that were separately recorded during 2020–2022.

² 2020 was the first year of formally tracking near misses.

³ A preventable vehicle accident is a vehicle accident where the Avista driver did not take all appropriate steps to prevent the accident.

Our ultimate goal is best summed up in our employee-created slogan:

**Safety for family.
For work. For life.**



2. Fostering a culture that values trust, and respect based on equity, inclusion, and diversity, and offering all employees the chance to enrich their lives and careers through a shared commitment to company success.

Equity, Inclusion and Diversity Commitment

We take pride in our workplace culture, a culture that values trust and respect, and that guides our overall commitment to doing what is right. Our people are committed to conducting business ethically and honestly and we are committed to providing a trusting and respectful work environment centered around equity, inclusion and diversity for all.

We believe that diversity in our backgrounds and experiences makes us stronger as a Company and as a community. With diversity of backgrounds and experiences, Avista gains the benefit of looking at our business from different perspectives, leading to innovative breakthroughs for our customers and an engaging employee experience. Our goals can best be achieved by bringing forward a truly equitable, inclusive and diverse workforce where employees feel they belong and are valued and empowered to fully engage in their work every day.

Avista's commitment to equity, inclusion and diversity begins at the top. Our officer team is committed to continuing to find ways to encourage our people to expand their knowledge and gain new experiences. Avista's Our People Council is made up of a large and diverse group of employees and officers from across the company. Together, we aim to support a diverse and engaged workforce that enables us to execute on our strategies.

Each year, we target actionable goals within each area of our Equity, Inclusion and Diversity Strategic Plan. In 2024, focus was given to strengthen employee retention initiatives with specific pay equity and new employee onboarding projects, as well as updating important practices in recruiting and hiring focused on equity and inclusion in our processes.



Equity

Fair treatment and equality of opportunity with a focus on the structures and systems that can lead to inequity.



Inclusion

Behaviors and norms of others and how the environment is set up to make room for everyone.



Diversity

Seeking out a broad range of people to work at Avista recognizing that each of us bring unique strengths.

Belonging

We want to create a culture of belonging where **EVERYONE** is valued.

Equity

We are proud of our ongoing work to support fair and equitable treatment across all areas of the employee experience, from the time individuals take interest in working with us, until they retire. We enjoy a high retention rate for those who join Avista, and many spend their careers with us. As external competition for talent becomes more competitive, we are setting the bar even higher with additional practices that ensure fair treatment and equity of opportunities remain differentiators for Avista.

Avista's current practices, incorporating pay equity, incentive pay opportunities, benefits, rewards programs and performance management are all integral to maintaining and improving equity across our organization. We regularly evaluate and analyze our current processes for additional opportunities to improve our equity practices aiming to enhance the Employee Experience of our workforce.

As part of these efforts in 2024, we continued to execute on our multi-year pay equity project. Following the completion of updating our job profiles and role-to-role comparisons for pay equity work, we identified several new areas of focus:

Pay Equity Gaps—We recently conducted an initial gender pay equity analysis. Based upon 2023 employment data, our adjusted gender pay gap is \$0.99/\$1.00, meaning that women earn \$0.99

compared to each dollar earned by men for those in similar jobs, tenure, and experience. This minimal gap reflects a high level of gender pay equity among our workforce, demonstrating our continued efforts towards ensuring equal pay for both genders. We are committed to maintaining our pay equity efforts going forward.

Pay Equity at Avista

(2023 adjusted pay gap)

\$0.99

Women

\$1.00

Men

Compensation Structure and Practices—

We further strengthened the alignment of our compensation philosophy to our practices by centralizing compensation reviews and decisions. Pay changes, including job offers, promotions, and other pay increases, are centrally evaluated within Human Resources to ensure internal equity is maintained. Additionally, ongoing compensation reviews are conducted and include monitoring the industry and market data compared to Avista roles and reviewing our employee job profiles on a minimum 3-year cycle. To aid these processes, we have also worked to simplify our job architecture and have consolidated job profiles across departments.

Information Sharing—To further support our ongoing pay equity efforts, we developed additional training and reference materials and began the outreach process of sharing this updated information. This builds upon other recent transparency work in this space that we brought to the Company's internal and external job postings which now include compensation ranges and full benefit details.

At Avista, equity is not a “one and done,” nor does it simply mean adhering to our Equal Employment Opportunity and Affirmative Action programs. Our equity journey will continue to evaluate our employee systems and programs over time. Throughout this journey, we will continue to engage with our employees, as well as external resources, as we build upon our current equity practices.



Equity Goal:

Our systems, programs and processes are designed to support all of our people so that every person has opportunities and access for growth.

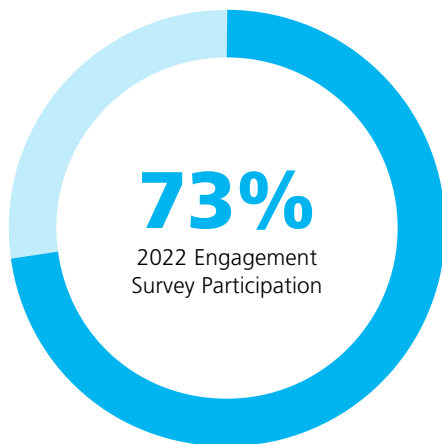
Aspiration:

9 out of 10 employees will agree with the Engagement Survey response to “I feel that I am treated with fairness and respect, regardless of background or position.”



Inclusion

At Avista, we consistently receive positive scores around employee engagement and many of its drivers. We strive to move even further with our positive employee engagement and workplace culture in support of equity, inclusion, diversity and belonging. For example, Avista's 2022 Employee Engagement Survey shows that 75% of our people agree with the statement "I feel like I belong here." And 78% of Avista's employees are significantly engaged—an emotional state where they feel passionate, energetic and committed towards their work and fully invest in their best selves. We also increased our overall employee participation in this survey, increasing to 73% in 2022. We continue to want to do more. We want everyone to feel like they belong at Avista, are engaged and that they are heard, respected and valued. Our next employee engagement survey is scheduled in 2025.



The purpose of the engagement survey is to provide employees at all levels of the organization with an opportunity to confidentially share their perspectives about their experiences working at Avista and our workplace culture. In conjunction with this latest

engagement survey, an Employee Experience Core Team was established to respond to the survey results and other feedback channels to implement improvements to our employee experience. As a result of these efforts, a New Employee Onboarding Program was launched in 2024. The program has been well-received by leaders and new employees

alike. The program includes a consistent onboarding experience which provides for a smoother transition and entry for new employees. The program ensures consistent information sharing and opportunities for engagement and introduction to our collaborative culture, dissemination of Company policies and procedures and training resources, and the timely

Highest Scoring Engagement Survey Questions	2019	2022
The people I work with treat me with respect.	87%	89%
I enjoy working with the people on my team.	86%	89%
I'm willing to go beyond the requirement of my job to help Avista succeed.	93%	89%
The people on my team collaborate and help each other.	82%	85%
The people I work with have a passion for doing their best and serving the customer.	82%	84%
I have the freedom to choose how to best perform my job.	81%	84%

78%

Overall Avista employee engagement score

27%

Fully Engaged

Highly-motivated group of employees characterized by strong discretionary efforts, organizational pride and innovation.

51%

Key Contributor

Satisfied group of employees considered the "strong and steady" population.



distribution of job-related tools, resources and equipment, among others.

We have also been intentional about creating a work environment where employees feel valued. In 2024, we piloted a new Craft Leader development program which focuses on continuing the development of our craft employees beyond their initial apprenticeship stage. This pilot was well-received by participating craft employees and will become a formal program beginning in 2025.

Deepening our commitments to belonging, Avista continues to support the development of Employee Resource Groups (ERG). Each group supports inclusion and belonging through the activities both within Avista and in our communities. As examples, the Women of Avista ERG hosts book clubs and celebrates International Women's Day each year, among many other activities. The Women of Avista and the Veterans of Avista ERGs jointly hosted a celebration of Women Veteran's Day in 2024. The Veterans of Avista also began a mentorship program for new employees entering the Company from a military background, and they often volunteer in the community as a group.

The Diversity Awareness ERG once again helped to organize and sponsor Avista's participation in local community events celebrating diversity, including the Martin Luther King, Jr. Unity Rally and March, the Pride Parade and Festival, and the Unity in the Community. They also worked collaboratively with Human Resources to develop and facilitate Listen & Learn events for the Avista Officer Team and an all-employee opportunity.

Finally, the History of Avista ERG is developing intake and storage methods to preserve and share the history of our Company through stories, photos, and other historical artifacts, which includes capturing the deep history of diversity within the Company.

Numerous photos, stories and artifacts have already been collected. ERG members have also connected with retirees and family members of past employees who eagerly bring in artifacts for the preservation and sharing with future generations. The History of Avista ERG recently organized a display of artifacts during Avista's 135th anniversary celebrations.

We are committed to supporting our employees and are excited to see the positive impacts that these Employee Resource Groups have in our workplace culture.



Inclusion Goal:

Avista is where everyone is valued.

Aspiration:

9 out of 10 employees will agree with the Engagement Survey response to "I feel like I belong here."

Diversity

At Avista, a source of pride is that we have long focused on attracting, retaining and supporting a diverse workforce. And we strive to raise the bar higher to better mirror the changing demographics in

both the available workforce for the types of jobs we have as well as the communities we serve.

We would first like to provide a view into some aspects of the diversity make-up of our employee population. The breakdown shows gender, race

and ethnicity, tenure, age and generational diversity metrics—areas with more available data.

Female Representation, Racially & Ethnicity Diverse, Racially & Ethnicity Diverse Breakdown, Employee Tenure, Generational Diversity, and Age Distribution

Female Representation ¹	Avista %	Workforce Availability % ²
All of Avista	29%	50%
Craft Employees ³	2%	10%
Non-Craft Employees	40%	50%
All Leaders ⁴	29%	N/A
Manager or Directors	30%	28%
Executives ⁵	17%	27%

Racially and Ethnically Diverse Representation ¹	Avista %	Workforce Availability % ²
All of Avista	9%	7%
Craft Employees ³	6%	13%
Non-Craft Employees	11%	11%
All Leaders ⁴	8%	N/A
Manager or Directors	7%	7%
Executives ⁵	17%	7%

Racially and Ethnically Diverse Breakdown ¹	Avista %	Workforce Availability % ²
White	90.7%	89.1%
Black or African American	0.7%	2.8%
American Indian or Alaskan Native	0.9%	1.5%
Asian	1.6%	3.0%
Native Hawaiian or Other Pacific Islander	0.2%	0.5%
Two or More Races	2.3%	3.1%
Hispanic or Latino	3.6%	N/A

Avista employee data is as of 01/01/2024 and includes all regular full-time and part-time employees, including temporary workers and student interns.

Avista Employee Tenure	%
Less than 1 Year	10%
1 to 4 Years	25%
5 to 9 Years	20%
10 to 19 years	29%
20 to 29 Years	13%
Over 30 Years	3%

Avista Generational Diversity	%
Generation Z (1996 to Present)	9%
Millennial (1981–1995)	40%
Generation X (1965–1980)	41%
Baby Boomer (1946–1964)	10%

Avista Employee Age Distribution	%
Under 18 ⁶	0.05%
18–29	12.55%
30–44	41.79%
45–60	39.49%
Over 60	6.12%

¹ Female, Race and Ethnic figures are based on the categories reported in our Federally required Affirmative Action Plan. This information is provided through employee self-identification.

² Workforce Availability is defined as individuals in the greater Spokane area of working age (18), based on data from the 2010 US Census data.

³ Craft Employees is defined as an employee who develops specific skills and a comprehensive knowledge of work processes which are acquired through on-the-job training, experience and apprenticeships, or other formal training programs.

⁴ All Leaders is defined as supervisors or higher.

⁵ Executive is defined as vice president or higher.

⁶ Comprised of high school seniors participating in our Craft Student Program to work part-time earning high school credit, work experience and industry credentials.

In addition to these diversity metrics, on an annual basis we file the Equal Employment Opportunity Report (EEO-1) with the U.S. Equal Employment Opportunity Commission (EEOC). This report further breaks down our employees' diversity demographics and our most recent report is available in the [Appendix](#) of this report. Avista Corporation's EEO-1 report contains employment metrics for both Avista Utilities and Alaska Electric and Light Power.

We recognize that diversity comes in additional forms than are presented here. We plan to expand our understanding and awareness of other areas such as veterans, LGBTQ+ and individuals with disabilities, just to name a few. Avista will continue to encourage employees to self-identify in these aspects of diversity so that we can more fully understand our current workforce and assess future progress.

As part of our diversity commitments, we work under robust recruiting plans that include a strong focus on building diverse recruitment pipelines into craft positions and engineering roles, among others. By engaging with regional American Indian Tribes, veteran and military programs and building partnerships with local organizations serving people of color, women, LGBTQ+, and persons with disabilities, we are purposeful in our recruitment approach to access all members of our community.

In 2024, we jointly hosted the first Avista-Spokane Tribe of Indians Career and Education Fair with vendors from employers, educational institutions, training organizations, service and government agencies. Beyond engaging with these vendors, high school and adult attendees were able to participate in workshops aimed to assist in the financial aid process for higher education, learn about careers in the craft trades, understand how to obtain a commercial driver's licenses, and better learn job searching skills and interviewing techniques.

Additionally, we enhanced our 'Best Practices in Recruiting & Hiring' program in 2024. This program includes a stronger partnership between our recruiters and hiring managers, enhanced applicant screening tools and training, requirements for diverse interview panels, an interview question databank, and a verbal job offer toolkit, among other features. To better support our goal of having diverse interview panels, the program specifically addresses the gender diversity requirements of our interview panels to ensure that diverse perspectives and experiences are better represented on the interview panel.

We will continue to implement further practices, assessments, and comprehensive strategies to make progress in support our diversity aspirations. This aspirational goal will help us to focus our efforts and support forward progress, setting the direction and raising the bar higher for our diversity efforts.



Diversity Goal:

Our People at Avista will be representative of the communities we serve.

Aspiration:

We aim to:

- Increase diversity in craft employees (10% female and 13% racially diverse)
- Increase non-craft and leader diversity (50% female and 11% racially diverse)

Going Forward

Avista's workplace culture is starting from a position of strength as we continue to challenge and grow our commitments to equity, inclusion and diversity. Ensuring our employees feel they belong here is central to our abilities to execute on our strategies across the Company. While we continue to make progress and have many points of pride, we also recognize the need for ongoing improvement and have established some ambitious aspirational goals, strategies and actions that will guide us forward.

Like other strategic plans and aspirational goals at Avista, progress around equity, inclusion and diversity efforts will take time. It will also require our collective commitment, dedication and actions for us to move forward in this critical work. Ultimately, we all benefit when ensuring a culture of belonging. Having various voices and perspectives help generate better ideas to solve the complex problems of a changing and increasingly diverse world. An engaged workforce benefits all our stakeholders.

As we journey forward, we will provide updates, progress and results of our work towards these important aspirational goals.



Heather Rosentrater Named Avista CEO

Heather Rosentrater was named the first female CEO in the Company's history effective January 1, 2025. As CEO, Rosentrater will retain the role of president and has also been appointed to the board of directors.

Rosentrater has spent her entire professional career at Avista, beginning in 1996 as a student engineering technician for Avista Labs. This fuel cell subsidiary business was later sold and became ReliOn. In 1999, Rosentrater joined Avista Corp as an electrical engineer and was quickly promoted to leadership roles that built her expertise across Avista's

electric and natural gas businesses. She's managed departments and projects in electric transmission and distribution, system operations, natural gas supply, and business process improvement before being named Vice President of Energy Delivery in 2015.

In 2019, Rosentrater was named Senior Vice President of Energy Delivery and Shared Services. In August 2022, her responsibilities expanded to Senior Vice President and Chief Operating Officer. Rosentrater was promoted to President and Chief Operating Officer on October 1, 2023.

"My family's history in the area extends back to the founding of Avista, what was then called Washington Water Power, and the Spokane Falls has been the backdrop of my career," said Rosentrater. "Having grown up in the area, including attending Gonzaga University, I am extremely honored to help continue Avista's long-standing legacy of supporting community vitality through energy. It's an incredible time to be in the energy industry. We have important work ahead of us to achieve our clean energy goals safely, responsibly, and affordably while remaining focused on our financial results. I'm excited to support Avista's dedicated and skilled employees and to partner with our communities, customers, and other stakeholders to advance that effort. As Avista celebrates its 135th anniversary this year, I'm confident that our trustworthy, collaborative, and innovative values set Avista up for success for the next 135 years."

—Heather Rosentrater

Women in STEM Careers

Avista is a foundational sponsor of Gonzaga University's School of Engineering and Applied Science Summer Immersion Program (SSIP). This program introduces high school women in our region with an interest in math and science to STEM career opportunities, including engineering and computer science. While working through various hands-on projects, SSIP students engage with successful local women engineers and computer scientists and visit several Spokane engineering workplaces and projects.

Avista's President and Chief Operating Officer, Heather Rosentrater, a Gonzaga University Electrical Engineering Graduate, and other Avista women engineers regularly participate in the program and share their personal and career journeys with SSIP students. The program hopes to inspire more women to enter these STEM-related fields of study, which have historically been heavily occupied by men. Visit [Gonzaga University's SSIP Program](#) to learn more.



3. Valuing the contribution of our employees by focusing on creating and maintaining an employee experience that attracts, develops, motivates, retains and rewards our employees.

Our Values

Essential to our ability to deliver clean, reliable and affordable energy over the past 135 years are the talented and dedicated employees of Avista. Together, we have been woven into the fabric of the everyday lives of our customers and communities who rely on and trust us to meet their energy needs.

Avista employees work cooperatively, decisively, and strategically, guided by a simple principle: we do what is right. Our success lies in hiring talented people and setting them free to pursue great ideas—ideas that engage the imagination, stretch us all, explore what is possible, and prepare us for the future in support of our values:

Trustworthy:

Our word is reliable; we act with integrity.

Collaborative:

We are respectful and at our best when working together to achieve results.

Innovative:

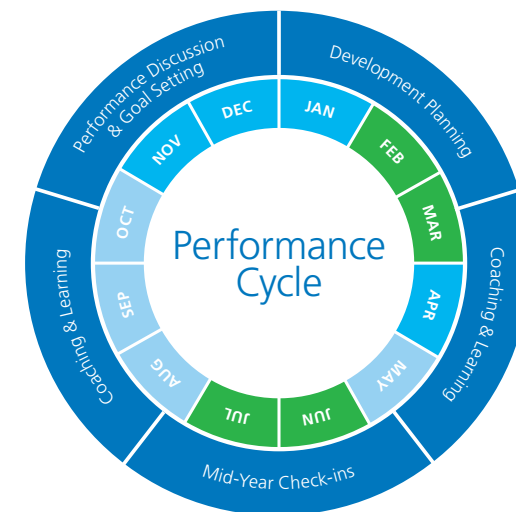
We continuously improve and find better ways to get things done.

Compensation Structure

Avista believes it is important to provide an equitable compensation structure that is competitive within the industries and regions in which we compete for talent. We target compensation levels near the market median; pay components for an individual may be higher or lower depending on an individual's role, responsibilities, experiences and performance within the Company.

Managers review base pay for non-bargaining employees annually through a merit process following the conclusion of a performance management process. We believe in, and practice, effective performance management through ongoing, meaningful conversations between leaders and employees around performance, goal setting and development planning. Included in this process are specific tools and training resources for employees to maximize their preparation and development planning opportunities. Avista believes this target positioning and active performance management practices are effective tools to attract, retain, motivate and reward our employees for their contributions.

The Avista Employee Incentive Plan is similarly designed to help motivate and focus employees on our customer service, reliability, and operational cost goals that benefit our customers and communities. Our incentive plan seeks to tie employee efforts to



our organizational goals that are mutually beneficial for all stakeholders. The incentive plan is also an essential element of our overall compensation and in the Company's alignment of a competitive compensation structure with comparable companies within the utility industry.

As our employees continue to find new and innovative ways to excel, we have kept pace as a Company to reward their ingenuity. In addition to our compensation structure, performance management and incentive plan, we have several other recognition channels and awards that serve to honor performance and accomplishments of our people, particularly when it comes to innovation, safety and

customer service. Some of our additional recognition programs include:

- A “Pacesetter” Cash Reward Program
- Medallions and other recognition methods for acknowledging safety, customer service and cross-company collaboration efforts
- President’s Leadership Awards for outstanding excellence in customer experience, innovation and safety

This ecosystem of recognition provides multiple venues for employees to nominate others for consideration as well as giving leaders options for reinforcing behaviors that contribute to our success.

Employment Benefits

In addition to our compensation structure, performance management and incentive plan, Avista believes our employment benefits are also a key strategy in our ability to attract and retain the talent we need to succeed. Avista’s benefits package includes:

- Medical, dental, vision, life, and disability coverage
- Retirement benefits including a pension plan and/or 401k
- Time-off programs, including military absences
- Tuition benefits, continuing education, and training
- Well-being Program including incentives
- Adoption support
- Free telemedicine program
- Flexible work arrangements
- Ergonomic workstations
- Employee Assistance Program

Critical Incident Stress Management (CISM) Program

Due to the nature of utility work, our employees are regularly out in the field performing their work and engaging with our customers and other members of our shared communities. As such, our employees are highly visible, accessible and mobile, and are often called upon by the public for assistance in the event of an accident or a dangerous situation.

While first aid and emergency response training and protocols are designed to help in the moment, we recognized the need for additional support if employees encountered traumatic or stressful events during their work. We sought to complement our existing Employee Assistance Program, available to aid in numerous well-being, mental health and family concerns, to provide a rapid and hands-on way to

engage with employees to help reduce and respond to trauma and stress.

In response, we adopted a Critical Incident Stress Management (CISM) program. CISM is a peer led, structured process, aimed to help individuals share their experiences and emotions, learn about stress reaction and symptoms, receive coping tools, and be given referral for additional professional help if needed.

Avista’s trained peer support members proactively reach out to impacted employees following a critical or traumatic incident to engage and offer support. Depending on the level of need, we may also refer the employee to our licensed Mental Health Professional who provides clinical oversight to our CISM program.

Development Opportunities

Continuous learning plays a large part in fostering collaboration and innovation among our employees and is pervasive throughout Avista. Our development opportunities are created to prepare our employees at all levels to ensure they have the skills, knowledge and experience to perform today and well into the future. Keeping our workforce equipped to succeed is imperative to meet the emerging challenges that lie ahead. We develop and curate training that is relevant, necessary and in demand for our organization. Training may be delivered through instructor-led courses, self-service topics, computer-based learning modules, and field based, hands-on workshops that cover the range of our operations.

Avista helps employees understand how they can drive and maximize their development for current roles and to prepare for future opportunities through a robust development planning toolset and a menu of continuous learning and development suggestions. Employees have access to a variety of learning opportunities as part of our overall professional and leadership development programs. Examples of topics include leadership, business process improvement, presentation skills, project management, industry standards, coaching skills, emerging technologies, natural instincts, and leading change.

In addition to our internally led courses, we also provide opportunities for our people to attend industry events and certification programs, courses or programs offered through energy related organizations such as the Western Energy Institute, the American Gas Association and the Edison Electric Institute, as well as to our local colleges

and universities such as the University of Idaho, Willamette University, Gonzaga University and others.

Our Aspiring Leader Program entered its 21st session and continues to provide an immersive development opportunity for employees preparing for future leadership roles. This one-year program provides selected employees exposure to a variety of departments, training, leadership concepts and mentoring. The program includes a team project designed to provide experiential leadership learning. Graduates of Avista's Aspiring Leader Program are found throughout all levels of leadership in the organization, including several of our Company Officers and senior leaders.

Craft Development

Craft employees are an essential part of our workforce and our ability to deliver energy safely, responsibly, and affordably. We value and support our workforce's rights to associate freely and bargain collectively and strive to work collaboratively with our union representation. Avista has a long-standing history of supporting and working collaboratively with our local unions, represented by the International Brotherhood of Electrical Workers, Local 659 (Oregon) and Local 77 (Washington/Idaho/Montana). The Company participates in regular Labor-Management Committee meetings with each of the local unions to proactively address potential concerns as well as to

work together to improve the safety, well-being, and development of our craft employees. Currently, 36% of our Avista employees are covered by collective bargaining agreements.

For our craft employees, Avista has a dedicated training department to provide training required by regulatory agencies in our electric and natural gas operations and other Company specific training. Our craft training programs are administered to ensure that our employees can safely perform their duties in compliance with construction, operation and maintenance requirements.

As part of our commitment to our craft workforce development, we currently provide 13 active apprenticeship programs. These apprenticeship programs, which typically take 2–4 years to complete, provide participants with classroom, workshop and on the job training to gain the background and experience required to advance within their fields while maintaining their employment with Avista. These apprenticeship programs represent a wide range of focus areas across our operations, ranging from electrical mechanics and lineman to hydroelectric operators and communication technicians.

Avista Training Program Metrics	2023			
Select Computer-Based and Instructor-Led Trainings	Completed Minutes	Completed Hours	Minutes per Employee	Hours per Employees
Company Policy Trainings	178,115	2,969	85	1.4
Safety & Well-Being Trainings	939,049	15,651	450	7.5
Job Specific Trainings	2,756,593	45,943	1,969	32.8
Career Development Trainings	79,693	1,328	217	3.6
Leader Specific Trainings	66,474	1,108	301	5.0

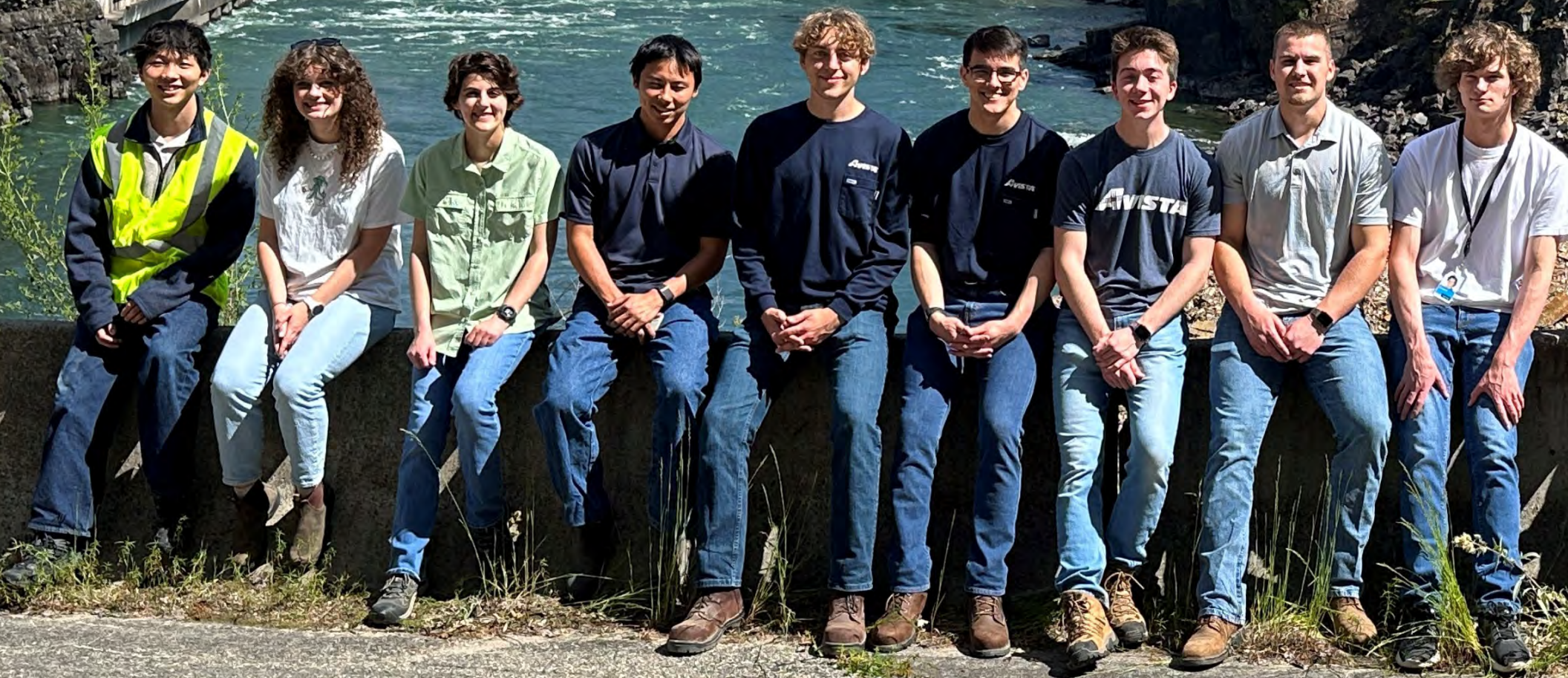
Craft Training Program Metrics	2019	2020	2021	2022	2023
Apprentices—All Crafts:					
Total number of apprentices trained	74	80	69	70	67
Number of active programs	11	11	11	11	13
Hours of training on the job	153,920	132,838	140,033	145,600	139,360
Hours of classroom training	10,967	9,235	9,735	10,640	9,916
Journeyman Training:					
Electric/Generation - hours	8,764	3,192	6,757	10,549	8,294
Gas refresher - hours	3,380	2,882	2,228	3,245	2,478



Craft Student Development Program

Our Craft Student Development Program engages with high school seniors to work part-time earning high school credit, work experience and industry credentials all at the same time. Students learn theory, become familiar with equipment and understand what working as a safe and effective team member means. As part of this development program, students are tasked with earning their grades by building competency and completing

training related to our operations. We view this as another way to raise awareness to the rewarding opportunities available within the utility industry. We also see this development program as a means for students to explore these careers, especially in our rural communities. Our goal is for these students to connect with the work and, upon graduation begin pursuing a position or apprenticeship in one of our many craft areas.



Student Engineering Development Program

Avista's Student Engineering Development Program (SEDP) provides opportunities for engineering students to develop their skills, gain insights into the energy industry, acquire valuable working experience, and explore future professional opportunities. These engineering students spend several months working with Avista where they participate in meaningful projects and prepare for the next steps in their careers. All students in the SEDP are paired with Avista engineering mentors, where we strive to match Avista female engineers with female students. This program is mutually beneficial for Avista and these engineering students. Students are exposed to our culture, professional engineering work, and utility operations and they bring their fresh ideas and insights into the latest technology and principles being taught in our colleges and universities. This program supports Avista's diverse recruiting strategy by intentionally providing opportunities for diverse and female engineering students. With significant participation rates of diverse and female students over the years, our SEDP has strengthened the diverse and talented pipeline to our internal Engineering Development Program.

4. Leading with integrity while conducting our operations in compliance with the laws, rules, and regulations that govern our business.

Avista Code of Conduct

Avista is committed to conducting its business with the highest level of integrity by doing what is right for our customers and our communities because we know they rely on us. This commitment is reflected in our culture and embraced by our employees. Avista's Ethics and Compliance Program (Program) sets expectations for employees which are reinforced through a blend of training and outreach activities designed to engage employees and enhance understanding. The Program promotes an ethical corporate culture and provides the framework to enable business areas to achieve compliance while pursuing Company initiatives.

Avista's [Code of Conduct](#) (Code) defines our culture, reflects our values and guides our actions and business decisions. All employees and our Board of Directors are required to complete annual training on the Code. Corporate policies address risk related topics such as fraud, anti-corruption, anti-trust, insider trading, and data privacy. Employees are held accountable for their actions by using investigative protocols.

Speaking Up and Reporting

Avista actively promotes a speak-up culture by encouraging employees and others to ask questions, voice concerns, and report potential violations

of ethics, Company policies, laws, or regulatory requirements. Retaliation against anyone who reports a concern is strictly prohibited. Avista provides several channels for raising concerns. A 24/7 confidential hotline is available that allows anonymous reporting. An Investigation Process Guide drives consistency and transparency to our formal investigations. Hotline reporting metrics are made available to our employees and our Board of Directors.

Corporate Ethics and Compliance

Avista's Senior Vice President, General Counsel, Corporate Secretary, and Chief Ethics/Compliance Officer oversees Avista's Ethics and Compliance Program. Our ethics and compliance managers partner with Internal Audit, Human Resources, Legal, and Enterprise Risk Management to coordinate ethical and compliance related activities across the organization.

Avista conducts regular assessments to evaluate Program effectiveness and employee adherence to our Code, policies and procedures. As part of this process, we actively monitor data sources such as training results, discipline, hotline reports, culture surveys, and investigations. Avista also benchmarks its ethics and compliance activities against other industry and non-industry entities to gain a broader perspective on best practices.





Dedicated support from Avista’s leadership and our Board of Directors helps drive the success of our Ethics and Compliance Program. Our commitment to ethics and compliance is reflected in the Company’s recent recognition as a five-time recipient of the [“World’s Most Ethical Companies”](#) by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, corporate character, integrity, transparency and corporate trust.

Hotline Contact Information:

Avista Hotline: 1-877-861-6690

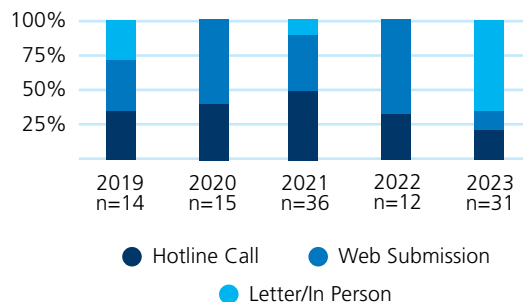
Website:

www.avistacorp.ethicspoint.com

Our Commitment to Human Rights

Avista is committed to conducting business ethically, honestly and with mutual respect for the rights of all people. Our commitment to preserve and respect the rights of all people are inclusive of those human rights principles articulated in the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. [Click here to learn more about Our Commitments to Human Rights.](#)

Hotline Inquiries by Reporting Channel



Hotline Inquiries by Reporting Channel	2019 n=14	2020 n=15	2021 n=36	2022 n=12	2023 n=31
Hotline Call	36%	40%	50%	33%	23%
Web Submission	36%	60%	39%	67%	13%
Letter/In Person	29%	0%	11%	0%	64%

n=Number of Inquiries

5. Holding our contractors accountable to the same ethical and compliance standards to which we hold ourselves.

Contractor Expectations

Providing clean, safe, and reliable electricity to 418,000 customers and natural gas to 382,000 customers across 30,000 square miles and four northwestern states is a big job. When we need extra help to get the job done, that is where our contracted employees, suppliers and other business partners come into play.

Whether delivering goods or performing services on behalf of Avista, we expect all our third parties to uphold the highest standards of conduct and behave in the same ethical and compliant manner as our own employees. As such, they are subject to the same obligations and responsibilities outlined in Avista's [Code of Conduct](#) (Code).

In addition to adhering to Avista's Code, our contractors may be subject to specific regulatory compliance requirements, including mandatory trainings, background checks, drug and alcohol testing and safety related measures and performance.

Contractor Code of Conduct

Avista continues to advance the design and impact of its supply chain. Due diligence is performed to assess a potential supplier's ability to meet Avista policy and contractual requirements in addition to their ability to provide the requested goods or services. With a focus on Corporate integrity, responsible sourcing and the

safety and well-being of workers across the supply chain, Avista has implemented its [Contractor Code of Conduct](#), which sets forth contractual provisions covering such topics as worker health and safety, labor and human rights, compliance and ethical conduct, conflicts of interest, environmental practices, and speak-up and reporting requirements among others.

Supply Chain Engagement

While we pay attention to all our vendors, special focus is placed on Avista's Tier 1 Vendors—those vendors with an annualized spend in excess of \$2M, or those who may be of strategic importance to our operations, or those that may be difficult or costly to replace. Our Tier 1 Vendors must provide a copy of their own organization's code of conduct or business ethics policy for Avista's review. In addition, through our Supplier Relationship Management program, we work with our Tier 1 Vendors to formally integrate our values into the supply chain.

For these Tier 1 vendors, we monitor their commitments to our values and evaluate their performance in addition to their business results. This is accomplished by using a supplier scorecard that includes an analysis of activities such as safety, quality and service, schedule performance, risk mitigation, innovation, sustainability, environmental practices and diversity spend programs, among others.

Consistent with our supplier scorecard process, we request and review the formal corporate sustainability

programs of our Tier 1 Vendors as well to ensure alignment of ESG-related goals and stakeholder involvement among our business partners. Not only is the presence of a corporate sustainability program a requirement, but the development of actionable ESG-related goals, strategies, and reliable methods and metrics to disclose progress and results are documented, monitored and evaluated by Avista during the supplier scorecard process.

Our business partners are a valuable and integral part of our operations. Their alignment with our mission, values and Corporate Responsibility further enables us to deliver our commitments to our customers and the communities we serve. [Click here to learn more about how to do business with Avista.](#)

COMMITMENT TO

OUR CUSTOMERS & COMMUNITIES

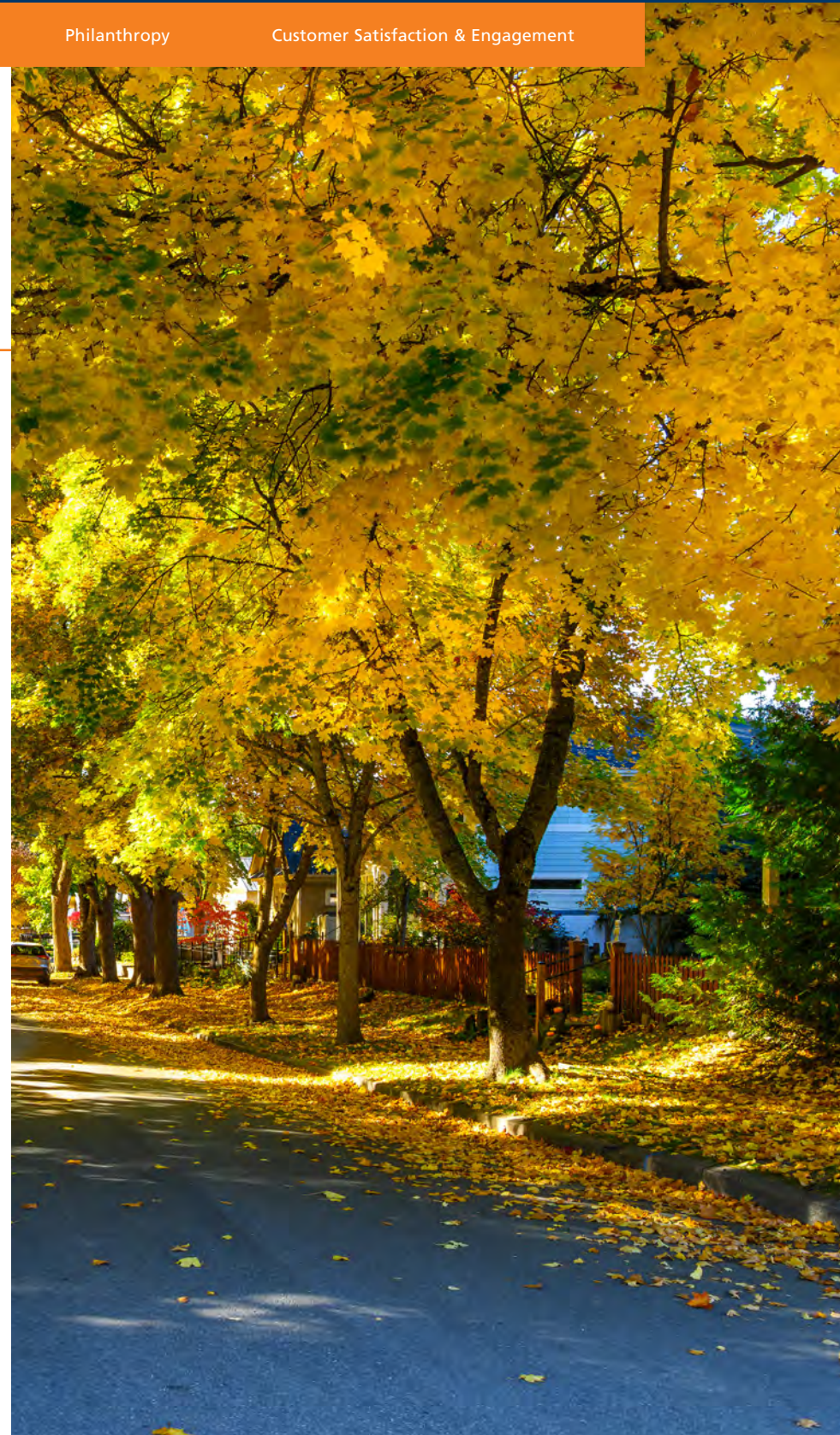


COMMITMENT TO

OUR CUSTOMERS & COMMUNITIES

We are invested in the financial strength of our customers and local communities. We recognize that enabling vibrant communities extends beyond providing energy for our customers, that we must continue to create value from operational improvements, enhance products and services, and prioritize local investments and economic development. Our efforts and commitments include:

1. Providing safe and reliable service that is there when needed, and that is affordable for our customers and our local communities.
2. Creating value for our customers through products, services, and programs that deliver sustainable and cost-effective solutions that help to enrich our customers' lives.
3. Investing in our local communities through active partnerships in the shared energy economy, regional economic development, and driving local and diverse supplier relationships to grow jobs and improve the quality of life in our region.
4. Providing meaningful philanthropic support to our local community organizations to strengthen and broaden their reach and impact in the lives of our customers and communities.
5. Holding the interests of those we serve at the center of everything we do by operating our business with transparency, genuine care, and ease of conducting business—our stakeholders can rely on us.



1. Providing safe and reliable service that is there when needed, and that is affordable for our customers and our local communities.

Public Safety

Our commitment to safety encompasses our customers and communities throughout our service territories. The infrastructure of Avista's energy systems is wide-ranging, complex and embedded within our communities, from hydroelectric dams to natural gas pipelines and electric power transmission and distribution lines. The design, construction, operation and maintenance of these energy systems is conducted in a manner to continuously improve the safety of our systems to ensure that we meet our customer's energy needs safely and reliably. At the end of the day, we want everyone who lives or works near our electric and natural gas systems to be safe.

Throughout our service territories, buried electric and natural gas lines may be located adjacent to and within our customers' properties. In order to prevent and minimize the risk of public injury caused by accidentally digging into one of these underground services, Avista's Public Safety Program provides ongoing training, outreach and resources to our customers and local community members. Through our awareness campaigns and informational resources, we highlight the national 811 call-before-you-dig phone number to use before starting any digging projects. With proper locates of underground services through the 811 program, customers may greatly reduce accidental dig-ins and potential risk of injury.

Located along two of our region's larger rivers, Avista's eight hydroelectric dams provide the bulk of our clean renewable energy for our customers.

Public Safety Program: Number of Dig-Ins	2019	2020	2021	2022	2023
Number of Underground Service Locates Performed	116,323	120,518	133,736	112,643	102,424
Dig-Ins to Avista Underground Natural Gas Lines	517	531	619	533	471
Dig-In Rate per 1,000 Locates	4.44	4.41	4.63	4.73	4.60

These facilities also support numerous recreational areas for boating, swimming, waterskiing and fishing opportunities. To ensure the public's safety and continued access to these natural resources, the Company's Hydro Dam Safety Program provides physical safety and awareness measures in and around our dams. This program includes training and emergency response coordination among our local, state and federal agencies. We also provide ongoing general public safety training and outreach through our Hydro Public Safety Program. This program targets our local community members through organized events, focused advertising, school presentations and distribution of water and boating safety resources. In addition, we partner with local agencies to provide focused classes on such topics as cold-water safety.

In addition to [Avista's Public Safety](#) programs and materials, we actively perform system inspections of our electric and natural gas infrastructure, administer natural gas pipeline integrity management programs, protect the public from dangerous equipment and locations through physical security measures and implement asset maintenance and replacement programs. One such replacement program is our ambitious 20-year natural gas pipeline replacement program. This replacement program recently passed

its half-way point and is the result of our commitment to maintaining a safe and reliable natural gas system. To date, we have replaced over 450 miles of our targeted 730 miles of natural gas pipeline which was installed prior to 1987.

Put simply, we are committed to keeping people, property and our communities safe.

Avista's Public Safety Programs and Materials

- Dial 811 Before You Dig
- Safety Around Dams
- Tree Pruning
- Protect Against Wildfires
- Natural Gas Safety
- Electric Safety
- Beware of Scams
- Emergency Responders
- Public Officials
- Safety Videos
- Kid's Center



Wildfire Resiliency Plan

Our proactive approach to Public Safety continues to align with industry objectives and respond to the changing environment as demonstrated through our [Wildfire Resiliency Plan](#). Western utilities and communities are facing increased frequency and size of wildfires due to the effects of climate change. And at the same time, we are witnessing residential developments expand into forested areas and other high fire-risk locations. Avista's Wildfire Resiliency Plan seeks to mitigate the probability of wildfires and their related impacts on our customers and communities through the expansion of our current safeguards for preventing, mitigating, and reducing the impact of wildfires. Avista's Wildfire Resiliency Plan emphasizes grid hardening, vegetation management, situational awareness, operating strategies, partnerships with emergency providers and fire agencies, and customer engagement including providing helpful resources and information to protect property and prevent wildfires.

Wildfire Resiliency Plan Elements



Grid Hardening—Replace and/or strengthen electric transmission and distribution infrastructure in high fire threat districts to protect infrastructure from possible damage and to reduce the likelihood of spark-ignition sources. Current efforts include:

- New transmission lines constructed with steel poles—more resistant to fire and severe weather such as high winds as well as damage caused by humans and animals.

- Accelerate replacement of wooden transmission poles with steel poles across our system, with a focus on high fire threat areas.
- Install fire-retardant wire mesh around the bottom of wooden transmission poles—protects against ground fires in low vegetation areas.
- In high-risk fire areas on the distribution system, replace wooden crossarms with fiberglass crossarms, replace small and outdated conductor, install animal guards, add special connectors or other equipment to help strengthen our system.
- Replace wood distribution poles with metal poles at critical points such as corners or road /rail/river crossings.
- Enhance transmission line inspections, including with aerial surveys, by considering additional risk factors such as nearby wood debris, adjacent logging and construction activities, and other possible hazards.



Vegetation Management—

Perform risk tree inspections across our entire system each year to identify dead, dying, diseased, or defective trees within strike distance of a powerline. These efforts include:

- Accelerate removal of dead and dying trees that may create risk to the power grid. Over the past two years, nearly 18,000 risk trees have been removed from the distribution system each year and over 3,000 risk trees on the transmission system.
- Add a customer-based Safe Tree Program to remove trees at risk to powerlines that reside on private property.

- Coordinate with state agencies, Tribes, and the US Forest Service to remove vegetation and undergrowth on their properties located adjacent to our infrastructure.
- Maintain regular field and ground inspections.
- Introduce aerial surveys using LIDAR (light detection and ranging) and satellite imaging to digitally identify tree/vegetation encroachments on powerlines and identify tree health risk areas.
- Increase the use of herbicides in fire-prone areas to prevent growth of problem vegetation near our facilities.



Situational Awareness—Improve operational decisions by increasing our ability to assess and react to potential fire risks. Current efforts include:

- Summer specific electric line operations to help prevent fire-ignition during outages—referred to as Fire Safety Mode, in use for the past 20 years.
- Add Public Safety Power Shutoffs to allow de-energizing powerlines in extreme fire threat situations in order to protect communities from the potential for a utility-caused wildfire event.
- Leverage or add to existing systems that monitor, communicate with, and remotely control the power grid to help us prevent and respond to wildfires.
- Develop a fire-weather monitoring system to enhance fire-risk assessment by combining elements of the National Weather Service forecasts and powerline metrics. This information is vital to adapting operations and coordinating with local fire protection

agencies in times of extreme weather events that could cause a wildfire.

- Use our Wildland Urban Interface (WUI) map to prioritize our wildfire efforts in areas where human population and development encroaches on forested areas and results in elevated fire risk.



Operations and Emergency

Response—Preparing for, reacting to, and collaborating with critical partners related to wildfire events in a holistic and unified way and providing the equipment that allows automated response to fire threat conditions. Current efforts include:

- Patrol outage areas during certain hot, dry and windy conditions to mitigate the risk of sparks before re-energizing a line. This requires more time to restore service, especially if there has been a fire, as fire officials may restrict access within a fire zone.
- Incorporate advanced training and event simulations to better prepare Avista personnel to work with fire professionals during a wildfire event.
- Regularly engage with other regional utilities, state and federal agencies, fire professionals, and our utility commissions to leverage and exchange best practices.
- Coordinate closely with fire protection agencies in planning for and in response to fire events.



Worker and Public Safety—

Increase overall safety by creating partnerships with emergency first responders and fire agencies to share wildfire responsibilities, knowledge, training, and best practices. Current efforts include:

- Provide Avista's electric line workers, who are already trained as emergency responders, with basic fire training taught by fire agency professionals.
- Embed Avista field personnel into the Fire Service Incident Command System (ICS) to act as a liaison between Avista and the ICS fire commander in the event of a fire.
- Avista's Expedited Response program covers nearly 100% of our service territory. The program allows Avista to call 911 whenever an isolated transmission fault occurs during fire season so that trained fire fighters can investigate and extinguish a possible fire before it can spread.
- Participate in fuel reduction and public awareness campaigns like Washington State's "Fire Ready Neighbor" program.
- Provide the Safe Tree Program, available to qualified customers in high-risk fire areas. This program enables customers to hire certified arborists to remove risk trees residing on their private property and Avista will cover the costs.

Emergency Preparedness

Avista operates in a part of the country where severe weather or natural disasters, including avalanches, windstorms, wildfires, earthquakes, extreme temperature events, snow and ice storms may occur. In addition to these natural threats to normal business operations, Avista must also consider possible human-caused threats such as sabotage, terrorism, cyberattacks or other malicious acts that could disrupt or cause damage to our utility assets. To ensure our continued utility operations, we have implemented numerous emergency preparedness solutions. They are designed to safeguard life, property and to provide for the restoration of electric and natural gas services and the continuation of business functions critical to the support of our operations.

Emergency Operating Plan (EOP)

Critical departments that provide essential services as part of our operations have developed Emergency Operating Plans (EOP). These plans are designed to enable us to successfully respond to an emergency or severe service disruption, resuming operations in a timely and orderly fashion. Emergency response activities are focused on responding to the initial event and subsequent impacts to prevent further damage to life, property, and the environment, and to stabilize the situation by activating recovery and back-up process and procedures.

Emergency Action Plans (EAPs)

While the probability of structural emergency at one of our hydroelectric facilities is remote, we

have developed Emergency Action Plans (EAPs) to help ensure public safety under the terms of our operating licenses. These EAPs are designed to minimize potential dangers to people and property downstream of our hydroelectric dams. Based on computer simulations, the EAPs provide guidelines for notification and early warning systems in the event of an actual or potential structural emergency at one of our dams. Our EAPs are evaluated annually, inspected by the Federal Energy Regulatory Commission, and regularly exercised with local first responders and other local community members.

Enterprise Business Continuity Program (EBCP)

Avista has developed an Enterprise Business Continuity Program (EBCP) to facilitate emergency response, business continuity, and disaster recovery activities simultaneously across multiple departments in response to any scope of disruption to normal business operations. The purpose of the EBCP is to provide an all-hazards framework for crisis communications, emergency response, business continuity, and disaster recovery activities in response to a human-caused or natural event, and, when necessary, specific communications and operational procedures for implementing certain emergency response activities. It serves as the governing structure for the coordination of Avista's EOPs during an emergency response situation, using the Incident Command Structure for enhanced coordination, planning and response execution. Business continuity and disaster recovery activities occur concurrently with the emergency response activities of the EOPs and are focused on sustaining Avista's essential business processes. Our EBCP ensures that emergency response activities occur in a coordinated and timely fashion, maximizing resources and reducing further disruption to normal business operations.

Emergency Preparedness in Action

As part of Avista's emergency preparedness program, we actively participate in internal and external exercise activities to further develop our capabilities to respond to unplanned events. Recently, Avista conducted a corporate-wide wildfire exercise and seminar. Through this effort, we brought together a cross-sector of Avista response teams, public sector partners and emergency management agencies to provide them with an opportunity to conduct a coordinated response following a simulated significant wind event and associated extreme wildfire risks across our service areas. This exercise demonstrated Avista's commitment to safety and reliability for our customers and our communities in the wake of increasing wildfire threats.

Avista also participates in the North American Electric Reliability Corporation's (NERC) Electricity Information Sharing and Analysis Center (E-ISAC) biennial exercise, [Grid Ex](#). This exercise is the largest grid security exercise in North America and provides Avista with an opportunity to practice how we would respond to and recovery from coordinated cyber and physical security threats and incidents. Exercises like this continue to improve Avista's readiness and resiliency in the face of emerging threats, ensuring that we are prepared to maintain the safety and reliability of our energy services.

Reliable Service

Our diverse energy mix is the foundation for providing our customers with clean, reliable power at fair and affordable prices. Avista's electrical generation portfolio, including hydro-electric, biomass, natural gas, coal, wind and solar allows us to keep electricity rates as low as possible by providing flexibility to shift between generating resources when it makes economic sense while still maintaining the reliability of the electrical system.

In addition to our customers' direct use of natural gas, which is often more energy efficient and cleaner burning compared to other energy choices such as wood or heating oil, natural gas is also used to generate electricity. This use of natural gas for electrical power generation is often relied upon as a flexible resource that supports the integration of renewable generation such as wind and solar. When the wind dies down and the sun does not shine as bright, our natural gas generation can immediately ramp up to balance this unanticipated dip in renewable generation. We are committed to our natural gas operations and generation and are excited to continue and share the value and benefits that natural gas provides to our customers and communities both today and into the future.

To help ensure reliability, we continue investing capital to operate and maintain our current electric and natural gas utility infrastructure. This solid foundation enables Avista to plan and build for the future, a future that is increasingly being influenced by emerging technologies and climate change implications. Prudent and essential capital investments in our existing hydro-electric plants, integrating additional renewable energy projects, upgrading and modernizing our transmission and distribution systems, replacing aging natural gas equipment and pipelines and providing our customers with more energy related products and services are all

part of the complex challenges that we face to ensure the continued delivery of safe and reliable energy services to our customers.

Reliability Metrics	2019	2020	2021	2022	2023
SAIDI Outage Time/Customer (minutes)	137	132	164	146	113
SAIFI Sustained Outages/Customer	0.94	0.89	1.24	0.92	0.79
CAIDI Average Restoration Time (minutes)	145	148	133	158	142

Western Energy Imbalance Market

In 2022, Avista began operating within the Western Energy Imbalance Market (EIM) operated by the California Independent System Operator. Most investor-owned utilities in the Pacific Northwest are either participants in the Western EIM or plan to integrate into the market in the near future. The Western EIM is a real-time energy balancing market that automatically uses the lowest-cost electric resources available over a large geographic area to meet utility customer needs while optimizing the use of renewable energy. By rebalancing supply and demand across a larger, more diverse footprint, and in a more economic manner, the Western EIM participants can share generation resources, which drives customers' costs lower and allows for the efficient use of renewable resources while maintaining the reliability of the electrical grid. [Learn more about our participation in the Western EIM.](#)

Energy Affordability

Avista is overseen and regulated by public utility commissions in the states in which we operate. Unlike most companies, which can change their prices whenever they want, Avista must engage in a public and transparent rate setting process to explain why changes in rates are necessary. It is only after a thorough review, including potential revisions to our request, that we may change our prices following approval from the state public utility commissions. This rate case process is highly regulated, typically takes numerous months to complete, and affords interested parties, such as customers and consumer advocates, the opportunity to participate and provide feedback. [Learn more about how our prices are set by state public utility commissions.](#)

Across the nation, communities and utilities are dealing with a similar reality of rising energy costs. Delivering safe and reliable energy includes operating, maintaining and upgrading capital intensive infrastructure made up of pipes, poles, wires, meters, substations, dams and other generating stations. Many infrastructure components of our system are 30, 40 or 50 years old and need physical replacement, as well as upgrades to keep pace with emerging technologies and customer expectations. Avista will need to continue to invest hundreds of millions of dollars in our system every year to keep pace and to continue providing safe and reliable service for our customers.

We work hard every day to plan, build, operate and maintain our energy systems with an eye towards the future and seeking innovative ways to be more efficient and meet customer expectations. This challenging work continues to pay dividends in terms of keeping our energy prices affordable. Our customers pay some of the lowest energy prices in the nation. On average, the total monthly cost of Avista's residential electric service is 33% lower than

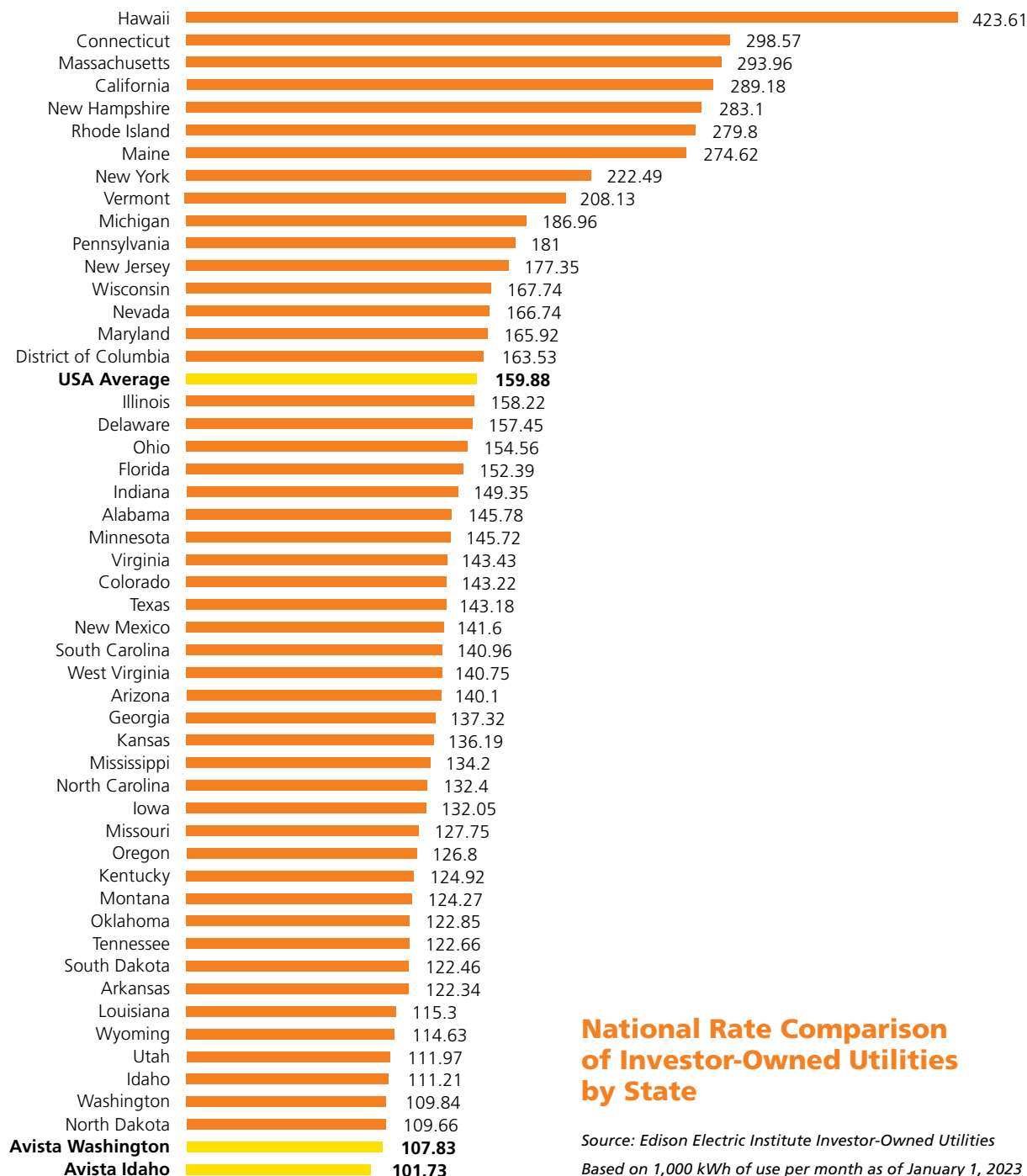
the national average for investor-owned utilities. Avista recognizes that strong financial performance is achieved in tandem with strong communities who can leverage our reliable and affordable energy for their own economic vitality.

Energy Assistance Programs

We recognize that energy affordability is a significant issue for many of our customers. We care deeply about our customers and keep their energy cost burden at the forefront of our operating decisions. Within Avista's service territories, there are many individuals and families living on fixed or limited incomes, including seniors and individuals with disabilities. These members of our communities may rely on assistance to maintain essential needs such as food on their tables, access to healthcare and utility services. To assist our customers, we focus on actions and programs in four primary areas:

- Advocacy for, and support of, energy assistance programs that provide direct financial assistance
- Limited income outreach programs
- Energy efficiency and conservation education
- Support of community programs that increase customers' ability to meet the basic costs of living

In addition to account management measures such as comfort level billing, preferred due date, payment arrangements, auto-pay, online energy management tools and bill comparisons, Avista partners with community action agencies to provide a variety of bill assistance programs to income-qualified residential customers. To learn more about these programs and how Avista may be able to help, please call us at 800-227-9187 or [visit us online](#).



National Rate Comparison of Investor-Owned Utilities by State

Source: Edison Electric Institute Investor-Owned Utilities
Based on 1,000 kWh of use per month as of January 1, 2023

Bill Assistance Programs

Low-Income Rate Assistance Program (LIRAP)

State approved rate surcharge designated for bill payment assistance. There are several programs funded through LIRAP, including:

- **My Energy Discount**—A personalized monthly bill discount for residential customers based on household size and income.
- **Arrearage Assistance Program**—Residential customers with past-due balances may be able to have a portion forgiven or entered into an arrearage management program in order to resolve the past-due balance over the course of the year. Program eligibility depends on household income.
- **Emergency Share**: Washington customers experiencing hardship may be eligible to receive an emergency energy assistance grant through their local Community Action Agency.

Low-Income Heating Assistance Program

Federally funded program to help low-income households with home heating and cooling costs, emergency situations and weatherization services.

Project Share

Funded through donations from customers, employees and Avista to provide emergency energy assistance grants for customers experiencing energy emergencies or financial hardships.

Energy Assistance Programs:

Amount of Aid by Bill Assistance Program ¹	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
LIRAP grants made ²	\$6,496,448	\$6,883,923	\$5,932,874	\$7,293,461	\$11,380,843
Project Share grants made	\$240,699	\$245,947	\$327,763	\$229,481	\$183,691
Avista contributions to Project Share	\$454,849	\$509,797	\$477,652	\$452,779	\$400,261
LIHEAP grants made ³	\$4,627,719	\$8,319,404	\$8,981,598	\$10,877,576	\$8,779,976

¹ The energy assistance program year is October 1 through September 30.

² LIRAP is only available in Washington and Oregon and includes grants, arrearage benefits and discounts.

³ Avista is an active partner in advocating for and facilitating the distribution of federal Low Income Heating Assistance (LIHEAP) funds.

Energy Assistance Outreach

Historically, Avista hosted a variety of outreach events to engage with members of our communities with energy conservation education and access information to our bill assistance programs. These events included energy assistance days, conservation workshops, mobile outreach and tabling at community events. However, since the COVID-19 Pandemic, we have altered our energy assistance outreach strategy in order to best respond to the changing ways in which our local communities were best connecting with our resources.

Avista's new generation of energy assistance outreach programs involves meeting customers where they're at. This is done through partnerships with community action agencies and an increased presence at community events. There is also a particular focus on awareness-building with employers, trusted spaces like churches and food banks, and community-based organizations to ensure that no matter where folks are going to access resources, they can also be connected to our energy assistance programs.

Through these new efforts, we have been successful at actively engaging with limited-income, senior, and vulnerable customers across our service territories. The community events are an opportunity to meet our customers where they're at and share information about our bill assistance programs, distribute energy-saving tools and tips, and assist in connecting folks to other valuable community resources. Recognizing that many members of this target audience may be reliant on medical equipment or living with chronic health conditions, we also promote power outage preparedness and encourage individuals to register their medical equipment dependencies and/or life support statuses with us should an outage occur.

Energy Assistance Engagement:

Energy Assistance Outreach Events		
Year	Number of Events	Number of Participants
2020	13	966
2021	13	2,195
2022	27	3,716
2023	36	4,335

2. Creating value for our customers through products, services, and programs that deliver sustainable and cost-effective solutions that help to enrich our customers' lives.

Energy Efficiency and Conservation Programs

Help the environment and save money at the same time? It may sound too good to be true, but it is not. When our customers choose to participate in energy efficiency programs with Avista, they help by consuming less energy and save on future utility bills.

For more than 40 years Avista has been offering Demand Side Management (DSM) or energy efficiency programs, creating shared value for all our customers classes. [Learn more about our energy efficiency programs.](#)

For our customers, DSM means managing their own energy use. For Avista, it also means implementing programs that help customers use less energy as well as ways Avista can generate energy, through better equipment and processes. It is how we plan, implement, measure and monitor energy efficiency as a way to ensure it's being used wisely.

At Avista, we make choices everyday about the best and most affordable source of energy to deliver to our customers. Energy efficiency gives us one more choice—and one that is lower cost. This is why it is an important element of our [Integrated Resource Plan](#) as we look to the future.

Our approach to energy efficiency is based on two key principles: to pursue cost-effective electric and natural gas energy savings by offering financial

incentives for qualifying energy saving measures, and to use the most effective means to deliver energy efficiency services to customers.

Small Business Partner Program

Avista is actively engaging with small business customers in Washington and Idaho through a dedicated commercial energy efficiency outreach program. This program aims to increase awareness of our energy efficiency products and services, helping these businesses manage and reduce their energy consumption, ultimately lowering their energy costs. We provide information on energy efficiency rebates, offer free bid assistance from qualified vendors via our Trade Ally Bid Program, and share billing assistance details. In 2024, Avista reached out to over 13,000 business customers in both Washington and Idaho to provide rebate information for reducing energy use and energy bills. For more information, please visit our webpage, [Small Business Partner Program.](#)

Small Business Lighting Direct Install Program

Increasing energy efficiency through lighting upgrades is often one of the easiest ways for small businesses to bring down their operating costs.

Recently, we introduced a new program for small business customers in Washington and Idaho that offers installation of low or no-cost energy saving lamps, fixtures, and lighting control upgrades. Customers are also provided a brief onsite energy audit to help identify additional potential areas of energy reduction and participation in other existing efficiency programs.

Avista delivers this program through partnership with local trade allies, who contact customers directly to conduct assessments and schedule lighting installations. [Visit us online to learn more.](#)

Electricity Conservation in kWh:

Year	Idaho	Washington	Annual	10-Year Cumulative
2014	15,744,000	56,593,000	72,337,000	72,337,000
2015	17,141,000	56,343,000	73,484,000	145,821,000
2016	50,765,000	71,572,000	122,337,000	268,158,000
2017	42,373,000	64,666,000	107,039,000	375,197,000
2018	29,805,000	46,442,000	76,247,000	451,444,000
2019	25,231,000	41,741,000	66,972,000	518,416,000
2020	16,710,969	24,186,000	40,896,969	559,312,969
2021	16,772,000	39,044,000	55,816,000	615,128,969
2022	14,927,336	23,020,657	37,947,993	653,076,962
2023	15,530,289	40,029,256	55,559,545	708,636,507

Energy Saving Advice

[Visit us online to learn more about energy saving advice.](#)

Cumulative reductions in electricity consumption over the past 10 years is more than the annual electricity usage of 63,500 of our customer homes.

Natural Gas Conservation in Therms:

Year	Idaho	Washington	Oregon	Annual	10-Year Cumulative
2014	* 0	615,000	192,955	807,955	807,955
2015	* 0	920,000	210,738	1,130,738	1,938,693
2016	189,000	546,000	230,503	965,503	2,904,196
2017	306,000	1,046,000	347,324	1,699,324	4,603,520
2018	248,000	737,000	415,818	1,400,818	6,004,338
2019	217,000	504,000	391,204	1,112,204	7,116,542
2020	352,548	595,332	419,378	1,367,258	8,483,800
2021	452,881	792,955	408,163	1,653,999	10,137,799
2022	306,330	545,769	374,316	1,226,415	11,364,214
2023	230,111	587,779	451,794	1,269,684	12,633,898

Energy Saving Advice

[Visit us online to learn more about energy saving advice.](#)

Cumulative reductions in natural gas consumption over the past 10 years is more than the annual natural gas usage of 16,600 of our customer homes.

* Avista's Idaho natural gas DSM programs were suspended in 2014 and 2015. Avista filed for and was approved to reinstate its Idaho Natural Gas DSM programs January 1, 2016.



Customer Green Options



My Clean Energy Program

Lower your carbon footprint by joining My Clean Energy

- It is affordable—green your electricity for as little as \$.01 per kWh
- It is for everyone—whether you rent or own
- No contracts required—start or cancel at anytime

What is My Clean Energy?

An optional solution that offers all Avista electric customers an opportunity to participate directly in the benefits of renewable energy. Participants can green their energy with emission offsets that come from either regional or national clean energy projects. Each option provides you the opportunity to offset some or all the carbon associated with your electric usage depending on your level of participation. Your contributions go towards the purchase of Renewable Energy Credits (RECs) with a mix of wind, solar and other clean generation sources.



Renewable Natural Gas Program

Offset the carbon footprint associated with your natural gas usage.

- Continue to enjoy the reliability and comfort of natural gas
- Help repurpose existing waste streams
- Subscribe for as little as \$5 per month
- Start or stop at any time, with no contract, while supplies last

What is Avista's RNG Program?

Subscribers to this program can purchase RNG blocks in monthly increments of five dollars. Each RNG block is comprised of 1.5 Renewable Thermal Certificates (RTCs), which represent the environmental attributes associated with RNG and serves as evidence that the natural gas originated from renewable resources. This option combines the environmental attributes of renewable energy with the reliability of natural gas to meet the needs of our customers.



Go Solar

Solar and other types of onsite renewable generation can add up to savings. But since it is based on your rooftop characteristics, your electricity use, and available tax credits and incentives, take time to assess what it means for you.

[Check out our online resources](#) to help guide you through the process to get answers to the most commonly asked questions.

More Customer options for a sustainable future

- Generate your own renewable energy
- Purchase renewable energy
- Turning waste into clean energy
- Participate in community renewable options
- Compressed natural gas
- Electric Transportation



Smart Meters

Advanced Metering Infrastructure, otherwise known as smart meters, continue to be a game changer for our customers in Washington. Smart meters open the door to two-way communication between Avista and our customers for operational efficiencies, improved customer usage information, and provides a platform for accommodating new and emerging technologies in the future.

Conventional meters do not have any communication capabilities, so we often rely on customers to report an outage to us. With smart meters, we can now detect the outage often before a customer even knows of the outage. These communication capabilities also allow us to be alerted to potential safety issues that may have gone undetected with conventional meters. In addition, smart meters can relay energy data directly to Avista, meaning no more on-site meter reads by Avista employees which reduces our meter reading costs.

We have deployed 426,982 smart meters (electric and natural gas) to 274,611 customer locations in Washington.

From these totals, 99.18% of customers received smart meters, while 0.82% of our eligible customers opted out.

Smart meters are the foundation for us to deliver services and tools empowering our customers to have greater control over their energy bills by providing detailed information about their energy consumption. Customers may view their energy data across different intervals (monthly, daily, and hourly) and obtain trending and comparison data. This enhanced information will arm our customers with a better understanding of their energy use to make informed decisions regarding how best to manage their energy consumption and reduce their own bills. We are also leveraging data from smart meters to proactively communicate with customers regarding their energy usage. Customers may receive automatic alerts via email or text message regarding their energy usage when it exceeds their pre-determined threshold. The granular data provided by our implementation of smart meters has also enabled us to pilot new electric rate billing options with our customers. These pilots include residential time of use billing and peak-time billing rebates.

Smart meters are essential for new and emerging technologies associated with the smart grid and modernization of utility infrastructure. With a smart grid, digital technologies may be applied to every aspect of the industry, from generation to transmission, distribution and the customer interface. This will help the grid sense what is happening to the energy flow, keep it in balance, and improve reliability, making the grid more resilient in the face of outages and other problems. The smart grid of the future will also contribute to a more sustainable community. With this technology, we will be able to integrate more renewable generation onto our energy systems and reduce our region's carbon footprint. [Learn more about our smart meter program.](#)



**You only think
you shut it off.**

**See what it costs
when it's *always on*.**



Always On Energy Saving Tips

In order to provide additional value from our smart meters, Avista launched an energy efficiency pilot program designed to help our customers save energy by identifying and providing best practices to better manage their Always On energy usage. Each appliance uses electricity in a unique manner, like an appliance fingerprint. Our smart meters can detect these “fingerprints” to determine the energy use of major appliances, enabling calculations to determine their Always On usage.

Always On is a measure of the base usage of electricity in your home and is comprised of appliances and electronic devices that are always plugged in and are consuming energy even when they are in the off, standby or sleep modes.

By unplugging devices, adjusting power settings, plugging devices into smart power

strips, and looking for the Energy Star label on new electronics, customers may save on their energy bill, reduce their carbon footprint and environmental impact by managing their Always On usage.

The initial pilot targeted an initial 50,000 customers and received positive participant feedback and results. In 2023, we expanded this pilot program to approximately 100,000 customers through proactive communications and online tools. This pilot program aims to improve customer understanding of devices and appliances that contribute to their energy use as well as achieve measurable energy savings towards our energy conservation targets. This pilot program is a notable example of how we are utilizing AMI data to help customers take control of their monthly energy bill.

For more information regarding our Always On Energy Saving Tips and Pilot Program, [visit us online](#).

Transportation Electrification

Whether moving people or goods, electric transportation powered by clean, affordable and renewable energy sources promises a better energy future for all. By mid-century, it is expected that a majority of transportation will be electrified. This will provide the Inland Northwest region and Avista customers with over \$1 billion annually in net transportation cost savings, greater than 80% emissions reductions, and beneficial load growth contributing to more affordable electricity rates.

Avista is committed to supporting electric transportation in a responsible way that provides benefits to all customers not just to those directly utilizing electric transportation, as detailed in our comprehensive Transportation Electrification (TE) Plan. Building on what we learned from our initial EV pilot program carried out from 2016 through 2019, the TE Plan lays out a roadmap to achieve strategic objectives in a cost-effective manner, including the following programs and activities:

- Investments in public, workplace, fleet, and multi-family charging infrastructure
- Support for low-income communities and customers
- Education and outreach throughout our communities
- Commercial and public fleet electrification support including medium and heavy-duty applications
- Grid integration including time-of-use (TOU) rates and load management programs

These programs were successfully launched in 2021 and continue to gain momentum as markets and technologies evolve, and with strong policy support

at the local, state and federal levels. As of mid-year 2024, over 620 commercial charging ports are in service through Avista's programs, as well as 34 DC fast charging ports, with high equipment reliability and customer satisfaction above 95%. A robust regional charging buildout is underway, with strong investments in historically underserved communities. Our partnerships with community-based organizations continue to grow as well, providing tailored electric transportation solutions that extend benefits to the communities served, in terms of cost reductions and new, clean transportation services.

The Company's developed capabilities and infrastructure network represents the early foundation to achieve an accelerated transition to electric transportation in the years ahead, already providing over \$6 million in regional transportation savings and 16,000 avoided tons of CO2 emissions annually. Avista is committed to providing cost-effective solutions for electric transportation, working together with our industry partners, community leaders, regulators and customers, and to serve as a model at both regional and national levels for utilities to realize the shared benefits of electric transportation for the customers and communities they serve. [Learn more about our TE Plan and the benefits of electric transportation online.](#)



For your home



For your business



**Community partnerships
and outreach**

Grants and Partnerships Supporting Transportation Electrification

Avista's Transportation Electrification Plan received strong engagement and support by a number of local community leaders, public and private organizations and industry partners. These partnerships led to collaboration with the Spokane Regional Transportation Council (SRTC), Urbanova, the Spokane Transit Authority (STA), the Spokane Tribe, Spokane International Airport, and the cities of Spokane, Spokane Valley, Cheney, Liberty Lake, and Airway Heights, culminating in a successful application led by the SRTC for grant funding from Washington State's Clean Energy Fund. The grant award totaling \$2.5 million was the largest of all grant recipients and will help boost funding for regional charging infrastructure buildout through 2025. The grant is matched by Avista funds for charging infrastructure, STA investments in battery-electric buses, and administrative support for the SRTC.

In addition, Avista was recently awarded a \$2.6 million grant from Washington State supporting charging installations in multi-family, public, fleet and workplace applications, with an additional Avista match of over \$1 million. Implementation of projects under this grant are underway and will extend through 2026. Other grant opportunities are being evaluated and pursued for clean transportation, including micro-mobility, major charging corridor sites, and local community charging sites.

In 2023, STA successfully launched its historic City Line, providing rapid all-electric mass transit services through the downtown core of Spokane. STA has electrified additional routes and is operating a total of 40 battery-electric transit buses in service in 2024, representing 25% of its bus fleet. Avista will continue to partner and support STA in providing clean and affordable public transportation, as well as other commercial fleets moving people and goods in the region—with reliable charging infrastructure as well as commercial EV time-of-use (TOU) rates which shift charging loads to off-peak times of the day and night, thereby lowering system costs and contributing to electric affordability for all customers.



3. Investing in our local communities through active partnerships in the shared energy economy, regional economic development, and driving local and diverse supplier relationships to grow jobs and improve the quality of life in our region.

University District

Our purpose goes beyond providing the energy that powers the lives of our customers. We are here to improve the quality of life and to enhance the strength, health and economic vitality of the communities we serve and call home. For over 135 years, Avista has been an integral part of the growth and success of our local communities.

One way we are strengthening the Spokane area is through the continued transformation of the [University District](#) and the positive impact these collective efforts have on our local and regional economies. The University District is home to five higher education campuses, two medical school programs, research facilities and more. The knowledge and innovation growing here is shaping the future of energy, driving economic development, and attracting students and businesses. We are proud to play a key role in the vibrant growth of the University District.

When former Avista Chairman Scott Morris envisioned creating the five smartest blocks in the world, we provided an under-utilized piece of land, recruited the right partners and, through intentional growth and development, created space for innovation that will drive business and enhance the economic vitality of our region. The result is the Catalyst building and the adjacent Scott Morris

Center for Energy Innovation, which together anchor the South Landing of the University District.

The five-story, 150,000 square foot Catalyst building aims to be one of the largest zero-carbon, zero-energy buildings in North America, as certified by the International Living Future Institute. It is built to become an innovation hub where industry and academia intersect to foster innovation and collaboration within dry labs, offices, classrooms and common study areas. The four-story, 40,000 square foot Scott Morris building houses a shared-energy plant that will provide centralized heating, cooling and electricity for multiple buildings in the South Landing development. This innovative shared energy model, called an Eco-District, could transform how the electrical grid operates in the future. [Learn more about our innovative developments here.](#)

Regional Efforts

Avista's Regional Business Managers (RBMs) are actively involved with local government, businesses and community-based civic organizations across our Northwest service territories. We partner with these groups to prioritize local economic development for community prosperity and business development by supporting and enabling sustainability-related initiatives and projects, economic vitality, infrastructure development and construction projects, and philanthropy opportunities, among others.

Our RBMs regularly engage with local organizations whose work supports economic vitality—chambers of commerce, Main Street programs, local business alliances, business improvement districts, downtown development authorities, public development authorities, community development corporations, ports and more—organizations which are vital to our regional economy and to the prosperity and well-being of our community members.

RBMs also collaborate closely with our civic leaders and community-based organizations, municipalities, and local agencies to address issues that are important to our communities. One such effort is addressing the digital divide in our rural communities. By improving broadband connectivity and digital literacy, our local communities are better prepared to prosper in the years ahead. Avista's RBMs also facilitate the identification of philanthropy and sponsorship opportunities that support education, economic and cultural vitality of the communities that we serve.

Meet Avista's RBMs

Find contact information and learn more about how our Regional Business Managers may help.

Avista is a founding investor of [Inland Northwest Partners \(INP\)](#), a non-profit organization that is focused on enhancing the long-term vitality of our service territory communities in Washington and Idaho. The INP facilitates knowledge sharing to build strong economic bases among member communities. Collectively, the INP represents a deep pool of economic development knowledge and experience. Educational meetings, programs and seminars are the core offering. These forums provide a means to share ideas and experiences and form new partnerships. Topics include technology, financing community initiatives, forging regional partnerships, local business expansion & retention, job recruitment and much more.

We are also active in our Oregon service territory through our involvement with the [Southern Oregon Regional Economic Development Inc. \(SORED\)](#), a non-profit organization dedicated to increasing the long-term prosperity of Jackson and Josephine Counties which are home to most of our Oregon communities. Through engagement, education and outreach, SOREDI aims to improve the region's quality of life by deploying economic growth strategies and sustainability efforts to help local businesses prosper.

Wildfire Resiliency Outreach

Our Regional Business Managers are leveraging existing relationships and strengthening partnerships with local emergency managers, first responders, fire districts and elected officials in support of Avista's [Wildfire Resiliency Plan](#). With the addition of Public Safety Power Shutoffs (PSPS) to our plan, RBMs are leading additional outreach efforts with our established partners and are also working to broaden our engagement with variety of other government, business, civic and community leaders, organizations and customers across our service territories. Through telephone town hall meetings and in-person presentations and discussions, RBMs are providing important information about our wildfire plan and PSPS to stakeholders and sharing available resources. Avista's RBMs are also collaborating with community partners to identify locations for Community Resource Centers (CRCs). These CRCs may be activated in the event of a PSPS to support impacted customers and communities.

Investing in Local Communities

A new library is coming to downtown Grants Pass, Oregon. Thanks to enthusiastic community fundraising and a grant from the [Avista Foundation](#), a new centrally located library is taking shape. The vision for the new Grants Pass library is a welcoming space where residents can gather and engage in community events, acquire needed technology and information, literature, and cultural enrichment. The library will bridge the historic downtown center and the local Rogue River, improving the walkability of downtown and helping to revitalize this area of Grants Pass. This local investment will contribute to the long-term stability, vitality and growth of businesses and property values in the community, playing a crucial role in shaping the future of Grants Pass and Josephine County.

Supply Chain

Avista is committed to maximizing the value created through effective supply chain services to meet our operational needs and to provide value through efficiencies and cost savings that we pass along to our customers. Our internal processes ensure a competitive contracting environment while at the same time developing solid partnerships with our suppliers.

Through our Supplier Diversity Program, we also focus on developing and maintaining supplier engagements among small and diverse businesses that are women-owned, minority or disadvantaged-ownership, small business, veteran-owned, and service-disabled-veteran owned. In addition to encouraging diversity among our suppliers, we also seek to engage with local and small businesses when their products and services meet our supply chain requirements. We believe supplier diversity is a strategy that supports economic development and enhances our supply chain by incorporating different experiences and perspectives, which can result in increased innovation and competitive advantage.

Trust-based relationships are foundational to our Supplier Diversity Program. Avista actively solicits diverse suppliers by meeting people where they are. For example, Avista's Supply Chain representatives participate in the "Meet the Buyers" event in the Spring and the "Meet the Bigs" event in the Fall, sponsored by Washington State APEX Accelerators through Greater Spokane Inc. These events provide small, local, and diverse businesses opportunities to connect with larger businesses to discuss capabilities and business needs.

As part of Avista's diverse business capacity-building efforts, Avista is a member of the Western Regional Power Utility Supplier Diversity Consortium. Consortium members are invited to participate in

the Ascend National M³ Model Program (Ascend Program). The Ascend Program aims to grow revenue for thirty certified women and minority-owned businesses in the power industry supply chain by a combined \$25 million by the end of 2026. The 7-month program is free for participating women and minority-owned businesses. The participating businesses receive management, financial, and technology coaching and consulting. In 2023, Avista sponsored Palouse Power to participate in the Ascend Program and will sponsor another diverse business in 2024. To learn more about the Ascend National Cohort Program, [click here](#).

We also regularly meet with the Spokane Tribe of Indians' Tribal Employment Rights Ordinance (TERO) office and engage with other regional American Indian Tribes that reside within the Avista service territory to provide resources, educational materials, and to share information about current bidding opportunities. Additionally, through a partnership with Washington State APEX Accelerators, formerly Procurement Technical Assistance Centers (PTAC), we will provide a hybrid workshop on the Washington State certification process for small and diverse businesses.

Community-based organizations that focus on the development of diverse businesses are an important ally to our Supplier Diversity Program. Among the organizations that we partner with are [APEX Accelerators](#), an organization that supports diverse businesses, [The Carl Maxey Center](#) a Spokane-based non-profit organization that provides programs and services focused on addressing the needs of Spokane's African American/Black community, and [AHANA](#), a Spokane based non-profit organization that supports and promotes multi-ethnic and multi-cultural businesses.

Avista is also sponsoring the development of a local community web-based platform of diverse suppliers.

Participating area businesses such as Avista will gain insight into additional local and diverse suppliers, creating connections and business opportunities. Such resources and previously mentioned partnerships are catalysts for identifying, recruiting, and enhancing our diverse supplier base.

Within Avista, we have implemented numerous enhancements to our Supply Chain processes in support of our Supplier Diversity Program. Among these enhancements include the tracking of diverse supply chain spend of our Tier 1 vendors, updating our external website to incorporate information about our Supplier Diversity Program and highlighting diverse business partners, and the creation of a Supplier Diversity Strategic Plan.

Please visit us online if interested in [Doing Business with Avista](#). Here you may also learn additional details about our supply chain processes and commitment to Supplier Diversity.

Our Suppliers will be representative of the communities we serve

Aspirational goal to increase our supplier diversity spend from 5% to 11% by 2035.

Supplier diversity spend includes Women, Minority, Disadvantaged, Veteran, and Service-Disabled-Veteran owned businesses.

Our Commitment to Supplier Diversity

We believe that diversity in our backgrounds, culture, ethnicity, race, gender, and other personal and shared group experiences makes us stronger as a company and as a leader in our communities. By operating our business through a diverse lens, Avista gains the benefit of multiple perspectives, leading to innovative breakthroughs for our customers, suppliers, and communities.

Our commitment to diversity extends to our suppliers as well. We strive to engage with diverse suppliers in support of our values and business strategies, and to reflect the values and expectations of our stakeholders. Avista wants our suppliers to be representative of the communities we serve. We believe that a diverse supplier base strengthens partnerships, fosters innovation and competition, enhances customer loyalty, and contributes to the economic growth and development of our communities.



Local Impact

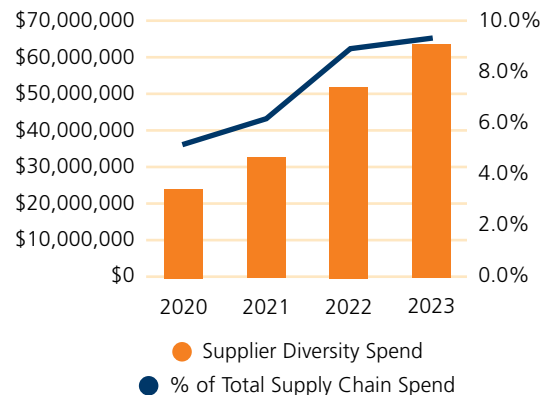
As one of the largest taxpayers in the region, paying over \$115 million in taxes annually, our economic impact supports family-wage jobs in rural, suburban and urban communities in our 30,000 square-mile service territory in eastern Washington, northern Idaho and parts of southern and eastern Oregon and Sanders County, Montana.

Diversity Spend, Small Business and Local Spend Table

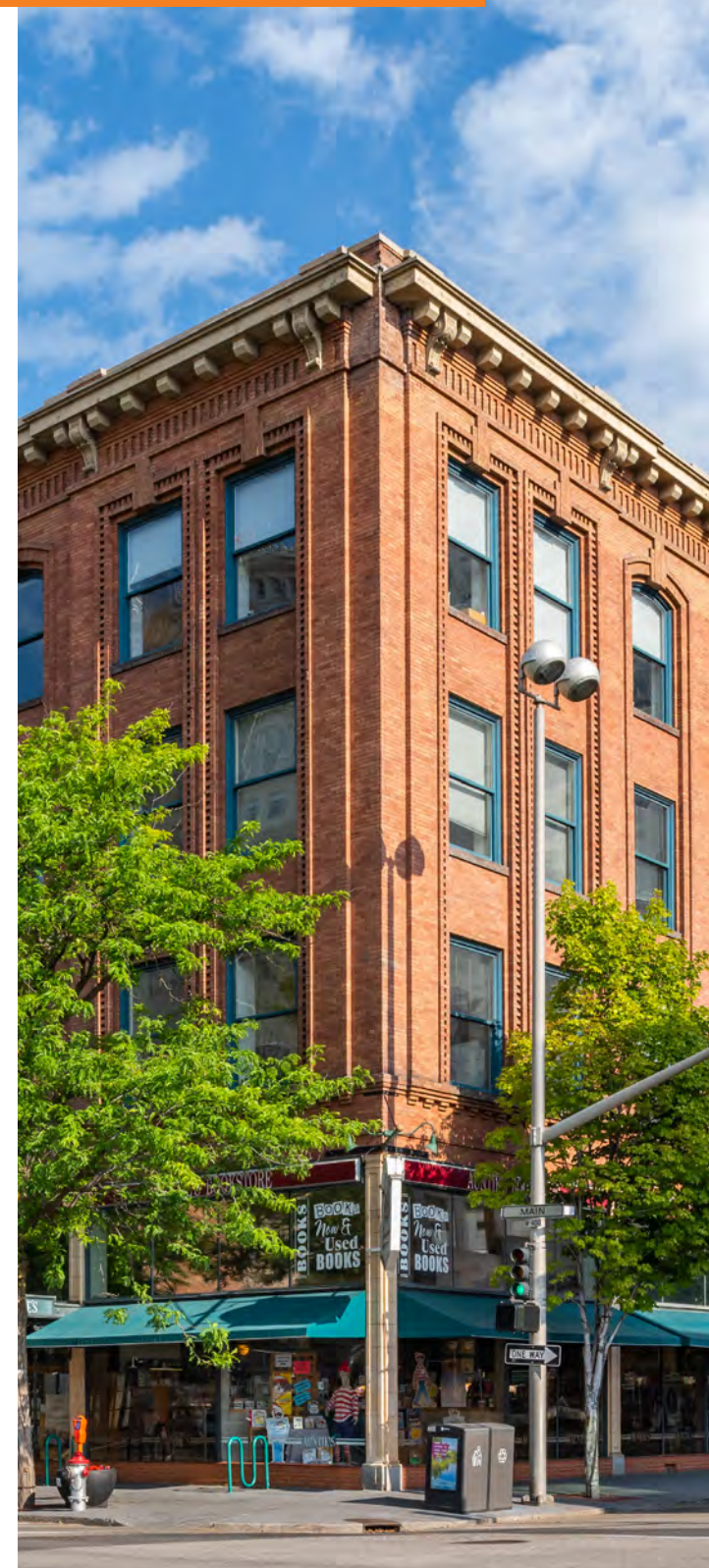
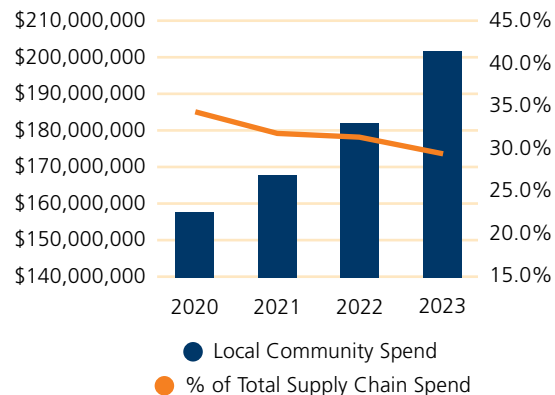
Supply Chain Spend Breakdown	2023
Total Supplier Diversity Spend ¹	\$6.32M
% of Total Supply Chain Managed Spend	9.2%
Total Small Business Spend	\$36.1M
% of Total Supply Chain Managed Spend	5.2%
Total Local Community Business Spend	\$201.5M
% of Total Supply Chain Managed Spend	29.3%
Total Supply Chain Managed Spend	\$687.6M

¹Diversity spend includes Women, Minority, Disadvantaged, Veteran and Service-Disabled-Veteran owned businesses.

Avista Supplier Diversity Spend



Local Community Business Spend



4. Providing meaningful philanthropic support to our local community organizations to strengthen and broaden their reach and impact in the lives of our customers and communities.

Philanthropic Support

Our vision for giving back means that we are investing in organizations and causes in ways that can be transformational and have long-lasting impact. Avista community investments are made through Corporate and Avista Foundation donations and are never included in customer rates. Rather, we give back a portion of the profits that we are allowed to earn from our state utility commissions and reinvest in the communities we serve. We believe that bringing value to our customers, communities and attaining our business goals go hand-in-hand.

Since its founding in 2002, the Avista Foundation has created a legacy of investments for our local communities and continues to serve as the primary charitable vehicle our Company. The Avista Foundation focuses its giving on grants that strengthen communities and enhance the quality of lives of the people served by our company. Emphasis is in the areas of:

- **Education**—supporting K–12 education particularly in the fields of science, math and technology; and higher education including scholarships.
- **Vulnerable and limited income populations**—providing assistance to those on limited incomes and support for initiatives to reduce poverty.



Avista Foundation & Corporate Givings	2019	2020	2021	2022	2023
Health & Human Services	\$1,338,999	\$2,201,973	\$780,823	\$845,979	\$686,812
Youth	\$505,990	\$291,228	\$315,652	\$504,068	\$504,285
Arts & Culture	\$282,940	\$132,148	\$209,193	\$181,919	\$173,279
Education	\$335,204	\$641,261	\$651,881	\$593,681	\$214,479
Community Vitality	\$899,244	\$723,587	\$691,985	\$610,737	\$935,074
Environmental*	\$22,299	\$17,320	\$19,669	\$36,340	\$22,724
Total	\$3,384,676	\$4,007,517	\$2,669,203	\$2,772,724	\$2,536,653

*The majority of Avista's support for environmental stewardship comes through the millions spent each year in meeting the federal license requirements for our projects on the Clark Fork and Spokane rivers. Please see our Environmental Commitments section of this report for more information.

- **Economic and cultural vitality**—supporting projects that help our communities and citizens to grow and prosper. Avista corporate donations focus primarily on energy assistance and economic vitality-related initiatives that benefit our customers and communities.

community vitality, education, health and human services, arts and culture, and youth organizations and programs. [Learn more about the Avista Foundation.](#)

During 2023, the Avista Foundation provided grants totaling nearly \$2.0 million while Avista Corporation provided an additional \$600,000. These charitable grants were awarded to local community organizations throughout our service territories for

The Avista Foundation Anti-Hate Policy

The Avista Foundation shares the philanthropy industry's commitment to preventing the funding of organizations linked to hateful activities. As a best practice and to highlight transparency and consistency in our grantmaking decisions, our Anti-Hate Policy is designed to screen and confirm that organizations we fund are not engaged in hateful activities.

Anti-Hate Policy

The Avista Foundation does not support hateful activities. The Avista Foundation implements this policy through due diligence to ensure that hateful activities are identified, and steps are taken to avoid any Avista Foundation support for them.

"Hateful activities" is defined to mean activities that incite or engage in violence, intimidation, harassment, threats, exploitation, or defamation targeting an individual or group based on their actual or perceived race, color, religion, national origin, ethnicity, immigration status, gender, gender identity, sexual orientation, age or disability. These activities are contrary to the Avista Foundation's mission and its charitable purpose. The Avista Foundation relies on data crosschecked from various sources to determine if a nonprofit falls into one of these categories.

Decisions regarding grant distributions, and the investment of assets, are made at the sole discretion of the Avista Foundation in furtherance of its charitable mission.

Avista Scholarships

Planning for our future is not limited to our utility infrastructure, but also entails growing and supporting our future workforce. As part of our focus and effort to support our communities and reach of local organizations, we partner with colleges and universities throughout our service territories to provide several different scholarship opportunities for students. Our aim for these scholarships is to promote excellence in the STEM fields of science, technology, engineering and math. Our hope is that students will become innovators, problem solvers and part of a diverse and talented class of new workers, ensuring a skilled and local workforce for our future.

Avista scholarships are offered at select colleges and universities across Washington, Oregon, and Idaho:

- Eastern Oregon State College
- Eastern Washington University
- Gonzaga University
- Lewis and Clark State College
- North Idaho College
- Oregon Institute of Technology
- Southern Oregon State College
- University of Idaho
- Walla Walla Community College
- Washington State University

[Learn more about Avista's scholarship opportunities.](#)



Employee Giving

This is who we are—human empowering. This is not just our brand promise, but the consistent way that our employees interact, innovate, and lead meaningful change in our local communities. Wherever and whenever there is a major event, it is a given that Avista will be there. Our employees embrace the spirit and can-do attitudes of our customers and our communities and embrace the many opportunities to serve in volunteer capacities for personal growth, for camaraderie, for fun and to serve others. And often, our employees are leading local organizations that support and impact the towns they call home all throughout our service territories.

To further strengthen our volunteering engagement, we recently launched a new volunteering training program for employees. As part of this program, we delivered non-profit leadership courses to interested employees.

Since the non-profit leadership training program's inception, more than 200 Avista employees have completed the half-day seminar. The interactive course teaches employees about the responsibilities and skills required to be successful on a non-profit's board. After completing the training, employees can match with a volunteer leadership opportunity through their own development plan. As a result of the training and development planning, we have seen many employees stepping into new leadership roles within local organizations soon afterward.

The non-profit leadership training program continues to grow in response to high interest from our employees. In addition to the entry-level course, we now offer advanced seminars covering topics such as non-profit financials, fundraising, and conducting performance reviews of a non-profit's executive director.

As employees engage in volunteerism, they build meaningful connections with our customers and within our communities. These external interactions and volunteering efforts provide unique insights into our local community needs. This connectedness improves our ability to be good community partners. We also look to engage with various diverse communities across our service territories to learn about areas of mutual interest and to ensure that our community strategies are aligned. Together, we can better identify needs and work together to facilitate lasting solutions.



KREM Cares Tom's Turkey Drive

Annually, the local news station KREM2 leads an effort to provide Thanksgiving meals to 10,000 local families in need. Numerous local suppliers partner with in-kind donations to keep the cost of the meal as low as possible. It takes a collective effort to ensure the goal of 10,000 meals is reached each year. Avista has participated in this annual "Tom's Turkey Drive" since its inception more than two decades ago. In 2023, through a combination of Avista employee donations and matching funds from the Avista Foundation and the Avista Credit Union, we provided a record-breaking gift of \$23,000 to "Tom's Turkey Drive".



Salvation Army Backpack Drive

For over 135 years, we have been an active partner with our local communities with our spirit of service and putting the interests of our customer and our communities at the heart of our actions. Our employees are dedicated to the communities they call home and participate in numerous local volunteer opportunities. Avista has been a long-time partner with the Salvation Army, including their annual Kids Backpack Drive.

In 2024, Avista employees volunteered to help organize and distribute backpacks and school supplies to 4,000 local kids. In the weeks leading up to the event, our employees donated supplies and raised funds for the event, funds matched by the Avista Credit Union and the Avista Foundation. Together, \$12,000 was raised for the Salvation Army's Kids Backpack Drive. Our generous employees love lending a hand and knowing how much their efforts help kids get off to a good start in the school year.

Employee Gift Matching

Our employee gift matching program is an intentional and meaningful way for Avista to support and recognize the dedication and generosity of our employees who make personal donations to non-profit organizations in our local communities. Often, when our employees make donations, they have a personal connection to the non-profit organization, perhaps through regular volunteering or knowing someone who was positively impacted by the support or services being provided. Regardless of the reason, it is our privilege to increase the impact of that personal donation to those non-profit organizations that are so valued by our employees through the matching gifts program of the Avista Foundation.

All eligible gifts up to \$200 each year receive a dollar-for-dollar match. Funding for this program is from the Avista Foundation and is not included in customer rates. We appreciate the opportunity to join with our employees to give generously to causes and local organizations that make meaningful impacts for our children, families, and communities. In 2023, employees generously gave \$23,831 to non-profit organizations that are important to them, their families, and their community. With the dollar-for-dollar match, a total of \$47,662 was distributed to local non-profits through the Avista Foundation's employee gift matching program.



Employee Gift Matching Program Metrics	2019	2020	2021	2022	2023
Employee Gifts	\$24,312	\$25,155	\$12,282	\$14,798	\$23,831
Company Match	\$24,312	\$50,309*	\$12,282	\$14,798	\$23,831
Dollars for Doers	\$6,590	\$3,060	\$1,850	\$6,275	\$10,200
Total Program Gifts	\$55,214	\$78,524	\$26,414	\$35,871	\$57,862

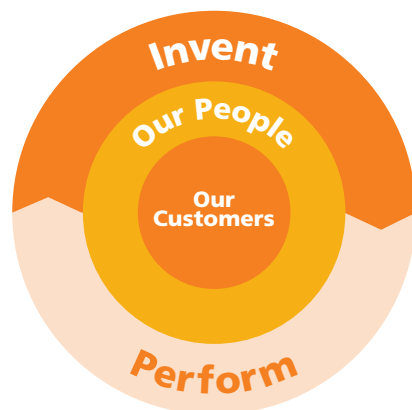
* In 2020 the Company Match rate was doubled to provide additional aid to those who may be struggling with COVID-19-related impacts.

5. Holding the interests of those we serve at the center of everything we do by operating our business with transparency, genuine care, and ease of conducting business—our stakeholders can rely on us.

Customers at the Center

Our mission is to enable vibrant communities through energy. We do this safely, responsibly, and affordably, and we place those we serve at the center of everything we do. Quite simply, this is what we do, and why we do it. By placing our customers at the center of everything we do, we ultimately hold their interests at the forefront of our decisions. Avista's four strategic focus areas serve to guide and reinforce our commitments to our customers and communities.

Avista is committed to conducting our business ethically and being transparent about our actions to our stakeholders. We know that our work



directly empowers our customers to live their lives to the fullest. As such, we carefully consider how our business intersects with our customers and communities especially on key issues such as climate change. We are committed to working together with our customers, communities and regulators to address the challenging issues of climate change, and aid in the transition to a lower carbon future in ways that make technological, environmental,

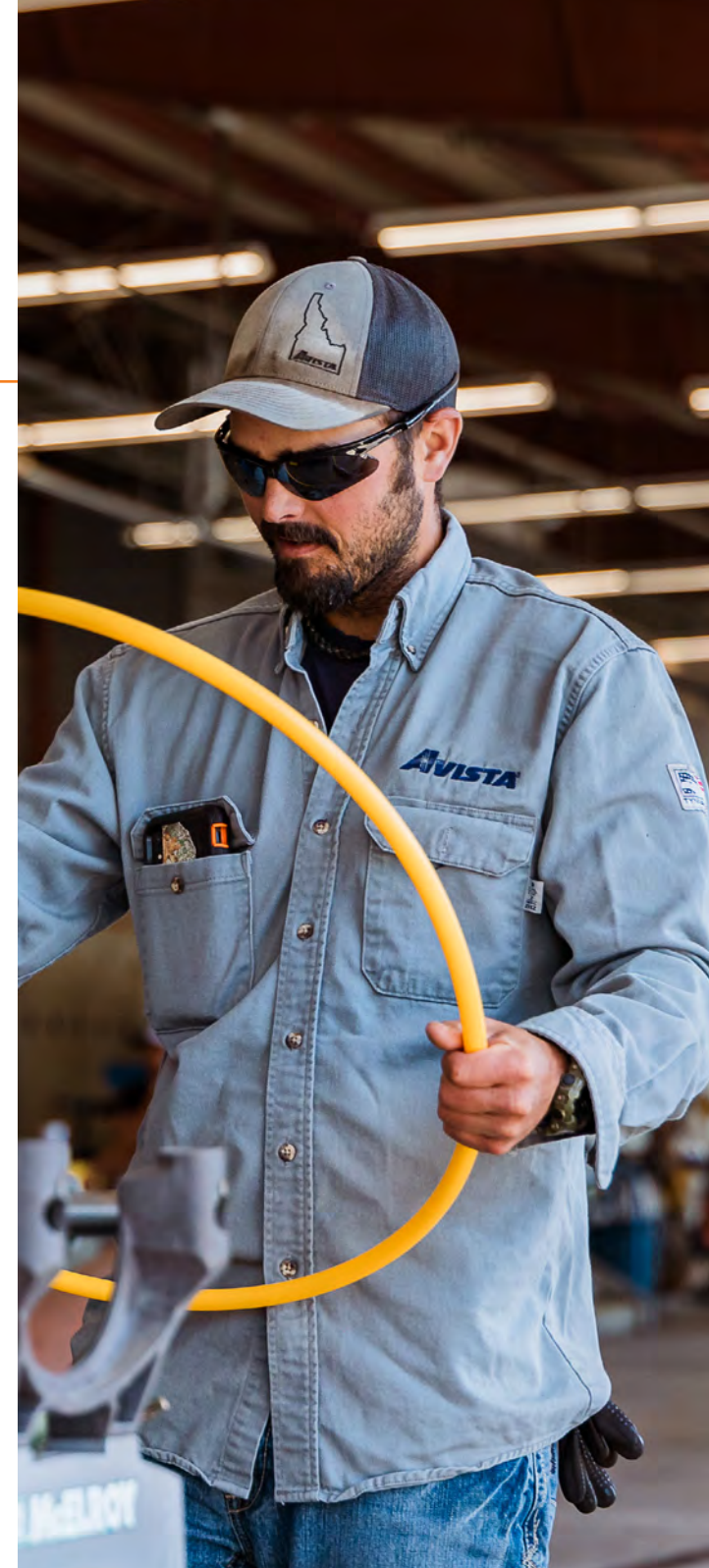
Focus Areas

Our Customers. We must hold our customers' interests at the forefront of all our decisions, operating our business by showing that we are transparent, genuinely care, and are easy to do business with.

Our People. Our employees are essential: Through them we deliver value to our customers and the communities we serve.

Perform. Our focus on performance today is critical to serving our customers well and unlocking pathways to growth.

Invent. The activities that yielded yesterday's successes will not be sufficient to meet the challenges of tomorrow.



economic and equitable sense for our customers and communities.

In recognition of these commitments, Avista has been recognized by Ethisphere, a global leader in defining and advancing the standards of ethical business practices, as one of the World's Most Ethical Companies for the past four years. Our actions are mission-driven and values-based, with a commitment to achieving our organizational goals in ways that deliver value for our stakeholders. We are honored to receive this recognition, which demonstrates the leadership of our employees and Avista's commitment to an ethical corporate culture built on trust, collaboration and innovation. [Learn more about Ethisphere and their World's Most Ethical Companies award.](#)



Customer Experience

We are in a time where customers' expectations have never been higher, and their needs and desires change rapidly. To meet their needs in this changing landscape, it is imperative that we keep a central focus on our customers, holding their interests at the forefront of all our decisions. We strive to ensure that every touch point is effective and that we make it easy for them to do business with us.

We are proud of the Company's focus on putting our customers at the center of our business in order to drive a better Customer Experience (CX). CX is how customers perceive their interactions with us as an organization. A customer's perception starts the moment they become aware of our Company and is made up of the sum of all interactions they have with us over time.

There are three dimensions to CX that are components of an experience that improves customer experience and creates customer loyalty:

- **Effective:** when an interaction is effective, customers are able to accomplish their goal. Effective interactions meet the needs of the individual. The product or service must deliver value to our customers, or the experience will fail fundamentally.
- **Ease:** easy interactions mean customers are able to achieve their goals with minimal effort. When alternative paths to value are harder, ease of doing business creates increased customer experience.
- **Emotion:** the best interactions evoke positive customer emotions and avoid provoking negative emotions. Positive customer emotions can lead to customer retention, enrichment, advocacy, and loyalty.

Good CX creates customer loyalty. Having loyal customers is about more than loyalty. Loyal customers become advocates, they are more likely to seek our advice as trusted energy advisors, and they are often more willing to take action on our recommendations like conserving energy during extreme heat situations or following our safety advice. Additionally, loyal customers are more likely to be aware of and participate in the variety of products and services we offer such as comfort level billing, energy efficiency programs, or renewable energy programs.

The graphic below provides a summary of Avista's CX Vision and 4 Keys of showing Care for our customers, ensuring that customers can interact with us with Ease, how we continue to build Trust, and the Ownership each employee has in creating a positive customer experience for our customers. These Keys serve as the guiding principles for our employees and contractors, defining how to put Avista's customers as the central focus in our day-to-day work.

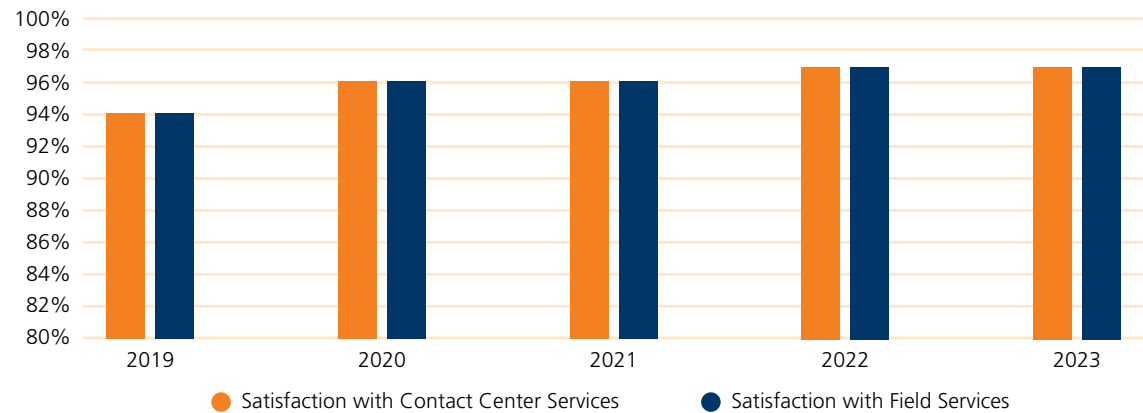


Customer Satisfaction

Avista places customers at the center of its operations, and we take responsibility for meeting both our customers' expectations and our own service standards. To uphold this commitment, we have established clear customer satisfaction goals through our Service Quality Measures (SQM) program. The SQM program sets targets for customer service, operational response times, and system reliability, among other key factors. We track these goals using metrics and internal processes, enabling our employees to strive towards achieving these ambitious objectives. In where we fall short, we may face financial penalties, which we then pay to our customers in the form of bill credits. Annually, we provide our Washington and Idaho customers with a comprehensive SQM report card, detailing the outcomes of our efforts to emphasize our ongoing commitments to customer satisfaction.

Avista also monitors a crucial customer satisfaction metric known as the Voice of the Customer (VOC). The VOC is a survey administered by a third-party vendor to gauge customer satisfaction levels following their interactions with us. Customers are asked to rate various customer service attributes, including hold wait times, courteousness and knowledge, and service resolution. We carefully assess these ratings to identify areas for improvement and customer comments, as they often provide valuable insights for enhancing our products and services. We take immense pride in achieving remarkable results, as our VOC satisfaction ratings have consistently surpassed 90% for the past 24 years.

Voice of the Customer (VOC) Results



Customer Service Measures	Benchmark	2023 Performance	Achieved
Percent of customers satisfied with our Contact Center services, based on survey results	At least 90%	97%	Yes
Percent of customers satisfied with field services, based on survey results	At least 90%	97%	Yes
Number of complaints to the WUTC per 1,000 customers, per year	Less than 0.40	0.04	Yes
Percent of calls answered live within 60 seconds by our Contact Center	At least 80%	86%	Yes
Average time from customer call to arrival of field technicians in response to electric system emergencies, per year	No more than 80 minutes	47 minutes	Yes
Average time from customer call to arrival of field technicians in response to natural gas system emergencies, per year	No more than 55 minutes	50 minutes	Yes

Stakeholder Engagement

To understand the perspectives and needs of those who rely on us, Avista proactively engages with our stakeholders through a variety of communication methods, partnerships, committees and recurring meetings, research and surveys, employees who are directly responsible for stakeholder engagements and by monitoring emerging initiatives and regulatory proceedings. Our stakeholders include:

- Residential, commercial and industrial customers,
- Investors, financial analysts, credit rating and financial institutions,
- Current and retired employees,
- Residents of the communities we serve and those of neighboring cities and towns,
- Regional American Indian Tribes,
- Non-profit and low-income advocates,
- Environmental groups,
- Federal, state and local regulators,

- Vendors and contracted employees,
- Elected officials,
- Media channels and
- Other companies in the energy industry, among others.

Public policy plays significant role in shaping the economic environment of our local communities and our operations. As an energy company, we are affected by the decisions made by federal, state and local officials. In turn, these decisions also affect our customers, communities, employees and investors. We have both a Government Relations department and a Regulatory Affairs department who monitor and participate in the public policy and regulatory arenas for the benefit of our stakeholders. At Avista, we strive to develop collaborative and respectful approaches to these issues so that we have a seat at the table and continue to best represent the interests of our stakeholders.

Avista's Regional Business Managers (RBMs) engage with local government, businesses and civic organizations across the Northwest and focus on improving quality of life, economic growth strategies, sustainability efforts and other local infrastructure and construction projects. RBMs also facilitate the identification of philanthropy and sponsorships opportunities that support education, economic and cultural vitality of the communities that we serve.

Over 30 years ago, the Company established an American Indian Relations department to enhance our partnerships with regional Tribes. As key stakeholders and business partners, we recognize the strategic importance of strong relationships with our regional Tribes. Together, we work to support operations on tribal lands, comply with tribal and federal regulations, pursue business opportunities with Tribes and partner on employment and educational opportunities.

At Avista, we recognize that the transition to a cleaner energy future may benefit or inadvertently harm customers disproportionately depending on certain factors such as where they live, their primary language or level of income. To assist in the identification and understanding of these potential barriers and how best to implement programs equitably, Avista established an Equity Advisory Group (EAG). It is comprised of Company representatives, customers, community members, environmental justice and public health advocates, regional American Indian Tribes, highly impacted communities, vulnerable populations, and other interested external parties. A current 2024 EAG member list is located online at [Washington's Clean Energy Future](#).

Currently, the EAG includes representatives from organizations, small business owners, and community members from across Avista's WA service territory. Members fluctuate, but current membership includes representation from the following groups: Spokane Indian Housing Authority, Spokane Clean Air, Center for Special Education Services, Community Action Agencies, Spectrum, low income, healthcare, Department of Ecology, Spokane Public Libraries, and general community members.

Through ongoing stakeholder engagement, the EAG has identified a group of Named Communities in our Washington service territories, which are comprised of highly impacted communities and our most vulnerable populations and are affected by adverse socioeconomic conditions as well as those who experience a disproportionate cumulative risk of environmental burdens.

Our EAG also helps ensure a consistent equity focus in other areas of Avista by coordinating with existing Company advisory groups who similarly incorporate an equity component into their objectives. Our Energy Efficiency Advisory Group and Energy Assistance Advisory Group are also comprised of internal

and external representatives including customers, community members and agencies, regulators and other interested parties seeking to ensure that their programs and offerings are equitable and accessible to our low-income customers.

To ensure that we are successfully engaging with customers in our Named Communities, we implemented a Public Participation Plan that identified engagement barriers such as language, visual or audio impairment, and virtual technology constraints, among others, and corresponding strategies to mitigate these barriers to effective stakeholder engagement. The EAG has identified and advocated for projects and programs designed to positively impact these communities through the Named Communities Investment Fund as we continue our transition to an even cleaner utility.

Avista's Named Communities Investment Fund (NCIF) is comprised of an annual \$5 million fund dedicated to the equitable distribution of energy and non-energy benefits and reduction in burdens to our Named Communities. The fund is part of Avista's compliance with Washington State's Clean Energy Implementation Plan requirements. The fund is designed to be implemented in the following allocations within our Named Communities:

- 40% or up to \$2.0 million: Energy Efficiency Supplement
- 20% or up to \$1.0 million: Distribution Resiliency
- 20% or up to \$1.0 million: Customer & Third-Party Grants
- 10% or up to \$500,000: Outreach & Engagement
- 10% or up to \$500,000: Other Projects, Programs, or Initiatives

Avista's Named Communities Investment Fund In Action

Dr. Martin Luther King Jr. Community Center

Avista partnered with Spokane's Dr. Martin Luther King Jr. Community Center and the City of Spokane to submit a Washington State Department of Commerce solar and energy storage grant application. The grant is designed to develop neighborhood resiliency centers to provide shelter and resources during climate and other emergencies. The Washington State Department of Commerce awarded the project \$1.5 million, and Avista's Named Communities Investment Fund will contribute \$720,000 to complete the required project funding.

Kettle Falls Community Chest Foodbank

Serving the needs of rural Kettle Falls, WA, and its surrounding towns since 1982, the Kettle Falls Community Chest Foodbank offers a lifeline for individuals and families in need. The organization's current facility was in need of major building repairs and energy efficiency upgrades in order to continue and grow their operations. By working with the foodbank and advising them of support available through Avista's Named Communities Investment Fund, the Company's energy efficiency rebates, and securing a grant and low-interest loan from the US Department of Agriculture, the foodbank was able to assemble the means necessary to move forward with a complete overhaul of their facility. The repair of the building's roof and installation of an interior ceiling, proper insulation, and LED lighting is projected to save 10,405 kilowatt-hours annually in energy costs. Saving on energy means the foodbank will be able to direct even more resources toward serving the hundreds of families who rely on them. To learn more about this successful collaboration, please [click here](#).

Spokane Tribe of Indians Building Energy Audits

Avista conducted an energy audit in the Spokane Tribal administrative building, which serves as the headquarters for the Spokane Tribe of Indians. To support this energy audit, Avista's Named Communities Investment Fund covered the costs of the analysis, which identified a significant number of opportunities for energy efficiency upgrades. The NCIF also covered the costs for ten additional energy audits for other Tribal buildings in Wellpinit, WA, with similar energy efficiency opportunities identified. The Spokane Tribe of Indians was able to leverage the information provided in the energy audits to submit a grant application to the Washington State Department of Commerce's Clean Energy Fund 5 / Rural Clean Energy Innovation Program. The grant was successful, and with the awarded funds and Avista NCIF support for the project, the Spokane Tribe of Indians is estimated to save approximately 340,000 kWh per year, which will save over \$30,000 in annual energy costs for the administrative building alone. The upgrades are also expected to offset over 3,000 pounds of CO2 by replacing aging equipment and decommissioning outdated, high-emitting refrigerant equipment.

The Company's [Transportation Electrification Plan](#) details our engagement with local service organizations and community leaders to providing electric transportation to disadvantaged communities and low-income customers. An aspirational goal of up to 30% of overall electric transportation program funding will be targeted for community organizations serving the disadvantaged, through a collaborative process and competitive proposal selections. Avista will also provide additional electric vehicle charging installation assistance for community centers and public libraries, low-income rural towns, multi-unit dwellings, and residential customers receiving bill assistance.

Throughout our company, we encourage stakeholder engagement in our planning and implementation activities on a regular basis. We engage stakeholder in electric and natural gas construction projects, our Technical Advisory Committee (TAC) for long range Integrated Resource Planning (IRP) for electric and natural gas resources, energy efficiency programs, Account Executives engaging with our large commercial and industrial customers, partnership with local community agencies for bill assistance programs, vegetation management programs, emergency response exercises, and the requirements of our hydroelectric licenses, among others.

Lastly, our Corporate Communications department engages with our stakeholders through a variety of communication channels, including issue-focused emails, social media channels such as Facebook, Twitter and Instagram, listening posts, focus groups, surveys, community meetings, print and digital media, electronic and print newsletters, bill inserts, press releases and regular meetings with media editors and news staff.

Engaging with our Spokane and Clark Fork River Stakeholders

Avista engages with federal and state agencies, conservation organizations, and regional American Indian Tribes to bring a variety of perspectives and interests to the table in implementing federal and state mandated environmental measures associated with the operation of our hydroelectric dams on the Spokane and Clark Fork rivers. Representatives of federal and state agencies address issues such as water quality, endangered species and fish passage. Tribal representatives are ensuring the protection of the area's cultural and natural resources. Other stakeholders represent local non-profits, environmental and community groups and customers regarding recreational opportunities. Together, we work collaboratively to ensure that our stakeholders' interests are recognized and honored in the operations of our hydroelectric facilities.

Engaging with Local Communities

Recently, we continued our legacy of enhancing public access and recreational opportunities among our natural resources with our development of Upriver Park. This new park involved key stakeholder engagement and collaboration with the Logan and Chief Garry Park neighborhood councils, the Friends of the Centennial Trail, and the City of Spokane with a goal to provide recreational opportunities in previously underserved areas of the city. The design of the new park also supports the objectives of the City of Spokane's Master Plan by creating additional public access to the Spokane River, enhancing the ecological health of the shoreline and improving public safety along the adjacent Centennial Trail. Upriver Park includes amenities such as a launch area for paddlers, park benches, interpretive signs, picnic tables, bike racks, lighting and a plaza greeting park visitors at each of the two entrances, along with the plantings of native trees and shrubs.

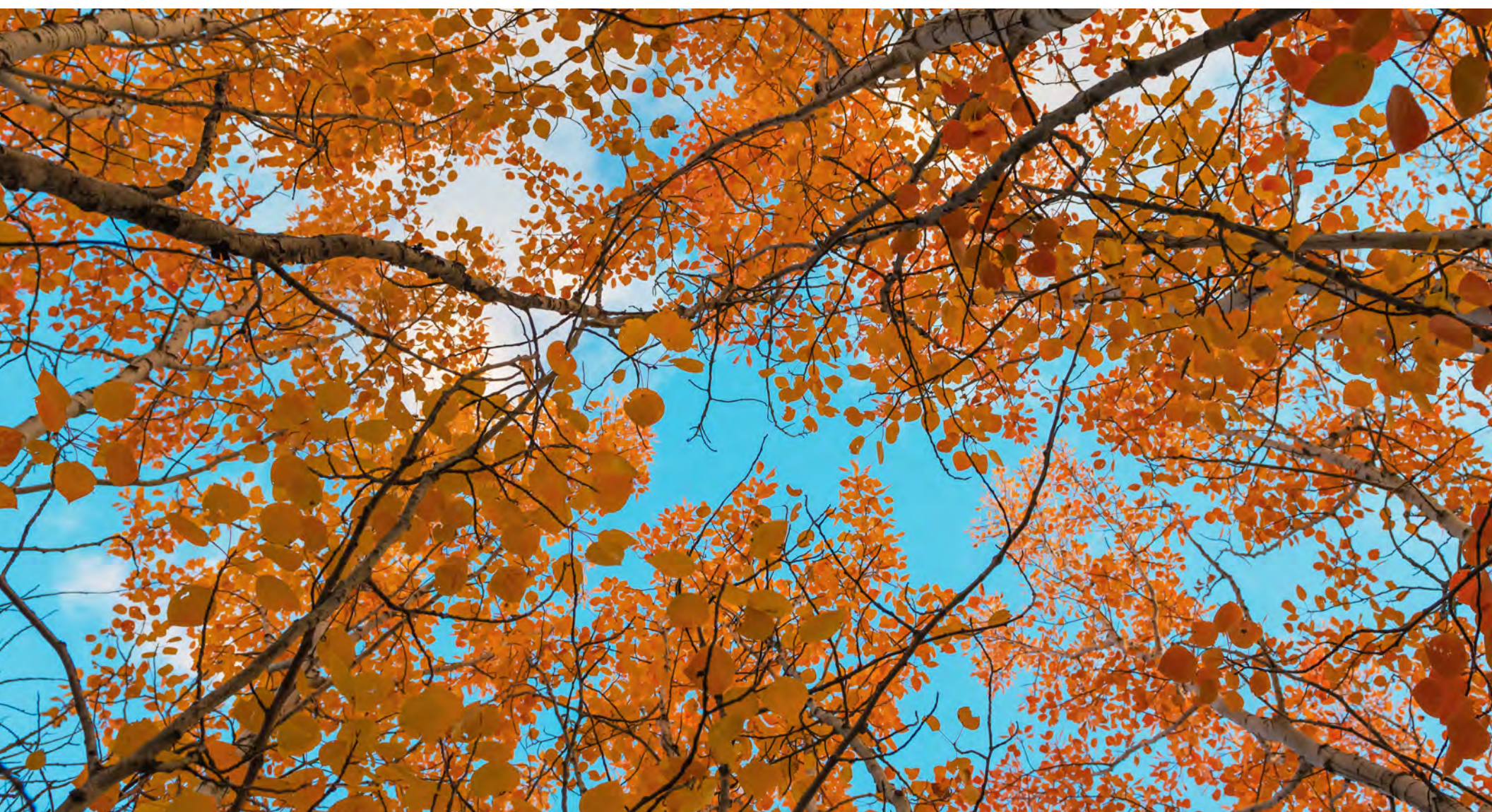
Micro-Grid Project with the Spokane Tribe of Indians

Avista is partnering with the Spokane Tribe of Indians to develop a micro-grid resiliency project to enhance the delivery of electric power to the town of Wellpinit, WA, and surrounding areas. The Company was awarded a Washington State Clean Energy Fund grant to support this joint effort. The project is focused on solutions to help enhance grid reliability and resiliency to best serve critical load buildings during outages. Over the coming years, we will build upon the clean energy steps the Spokane Tribe of Indians has already taken and develop upon innovative goals that meet their energy roadmap objectives around energy resiliency and sovereignty, in addition to supporting our own goals around energy reliability and affordability. Throughout the process, Avista's Equity Advisory Group will continue to gather input from Tribal members. What we learn will create a blueprint for options that Avista can apply to other communities we serve that face similar challenges. This micro-grid project is supporting Tribal goals for emergency preparedness, carbon footprint reduction and self-sufficient strategies to maintain operations during an outage or natural disaster.



COMMITMENT TO

ETHICAL GOVERNANCE



COMMITMENT TO

ETHICAL GOVERNANCE

We maintain a strong foundation of corporate governance practices that promotes transparency, accountability, and engagement, and that ensures there is complete, transparent, and effective oversight of the affairs of our Company to protect and grow shareholder value. Our efforts and commitments include:

1. Approaching all aspects of corporate governance ethically and with clear standards of appropriate corporate behavior.
2. Promoting effective oversight of the Company through a strong and independent Board.
3. Actively seeking to establish and enhance diversity among our Board of Directors.
4. Striving to improve the performance of the Board of Directors and executive leadership through effective performance assessments, appropriate and fair compensation practices, and ongoing investment in education and professional development.
5. Ensuring that shareholders have an appropriate voice with respect to matters impacting the Company through outreach and engagement.
6. Maintaining transparency with respect to governance of the Company and the pursuit of its strategic goals.



1. Approaching all aspects of corporate governance ethically and with clear standards of appropriate corporate behavior.

Ethical Conduct

Avista's commitment to Corporate Responsibility encompasses a broad approach to sustainability, stewardship and corporate citizenship to build long term value for our stakeholders. For over 135 years, these same principles have guided us in what we do and are reflected in the Company's recognition for the past five years as one of the World's Most Ethical Companies by the [Ethisphere Institute](#), a global leader in defining and advancing the standards of ethical business practices, corporate character, integrity, transparency and corporate trust.



Governance Guidelines

Avista's Board of Directors adopted Governance Guidelines to address matters including qualification of directors, standards of independence for directors, annual election of directors, responsibilities and expectations of directors, and evaluation of director and committee performance. The Governance Guidelines are reviewed annually and updated, as necessary. The Governance Guidelines, along with the Bylaws, Board Committee Charters, and our Code of

Conduct, provide the framework for the governance of the Company. Our [Governance Guidelines](#) and [Code of Conduct](#) are accessible on the Avista Corporation website.

Directors are each elected annually to hold office for a one-year term. The Governance and Corporate Responsibility Committee is responsible for reviewing, evaluating, and presenting recommended director nominations, and will likewise consider recommendations that are made by our shareholders. Of our eleven directors, ten are independent. Currently, the roles of Chairman and CEO are separated. Mr. Morris, who retired as CEO, effective October 1, 2019, serves as the Chairman of the Board. The Company is led by Mr. Vermillion, who has served as its CEO since October 1, 2019. The Board has also established the position of independent Vice Chair of the Board, which was previously designated as the independent Lead Director. Donald Burke was elected by the Board to serve as Vice Chair for a three-year term beginning May 11, 2023.

All members of our Board and executive officers are required to achieve and maintain certain minimum investment levels of Avista common stock within specified timelines for the duration of their tenure. The objectives of our stock ownership guidelines are to strengthen the alignment of Board and executive officer financial interests with those of our shareholders, enhance long-term perspective and focus on shareholder value growth, reinforce "pay at risk" philosophy and provide an additional basis for sharing in Company success or failure as reflected in

shareholder returns and to align Company practice with corporate governance best practices.

Board Policy Adherence

Our Insider Trading Policy prohibits directors, officers and employees from engaging in short-sales, zero-cost collars, forward sales contracts, pledging, hedging or otherwise offsetting any decrease in the market value of their Company shares. All directors, Named Executive Officers ("NEOs"), and other officers are prohibited from purchasing any financial instrument designed to hedge or offset any decrease in the market value of the Company shares.

Similarly, the Board recognizes related party transactions present a heightened risk of conflicts of interest and/or improper valuation of transactions (or the perception thereof) and, therefore, has adopted a written [Related Party Transaction Policy](#), which is followed in connection with all related party transactions involving the Company and specified related persons including directors (including nominees) and executive officers, certain family members and certain shareholders, all as outlined in the applicable rules of the Securities and Exchange Commission ("SEC").

Furthermore, the Company's [Code of Conduct](#) also applies to our directors, officers and to all employees and business partners, including; suppliers, contractors, consultants, agents or others working with or on behalf of Avista. We all have the same obligations and responsibilities to understand and follow Avista's Code of Conduct.

We employ a confidential hotline, administered by a third-party vendor, to provide an anonymous way to raise concerns of potential misconduct. Any party may use Avista's confidential hotline, available 24 hours a day, every day. The Chair of our Audit Committee and members of our executive officer group and senior management are notified of raised concerns directly from the third-party vendor. The investigation results of these reported concerns are presented quarterly to the Audit Committee.

Shareholders and other interested parties may also send concerns about accounting, internal controls or auditing matters to the Chair of our Audit Committee, via the Corporate Secretary's office, at the following address:

Avista Corporate Secretary

1411 East Mission Ave.
P.O. Box 3727 (MSC-10)
Spokane, WA 99220

Avista Hotline:

1-877-861-6690

Avista Hotline Website

www.avistacorp.ethicspoint.com

**Board Meetings
in 2024**

4

**Board Member
Attendance Rate**

97.7%

**Board members complete code of
conduct training on an annual basis.**

ISS Governance Score

Avista's Governance structure, programs and practices are recognized by the Institutional Shareholder Services Group of companies (ISS), earning their highest governance QualityScore methodology. The ISS ESG Governance QualityScore is a data-driven scoring and screening solution designed to help institutional investors in their quality reviews of risk in Board Structure, Compensation programs, Shareholder Rights, and Audit & Risk Oversight. Scores provide an indication of relative quality and are supported by factor-level data that is critical to the research process to understand a company's approach to governance. As governance factors play a heightened role in investment decision making, Governance QualityScore provides investors with invaluable data and insight to support their analysis. For more information, [click here](#).



2. Promoting effective oversight of the Company through a strong and independent Board.

Board Independence

The Board has been, and continues to be, a strong proponent of director independence. It is the policy of the Board that a majority of the directors be independent from management and that the Board not engage in transactions that would conflict with the best interests of the Company's business. The Company's corporate governance structures and practices provide for a strong, independent Board and include several independent oversight mechanisms:

- All members of the Board are independent except for Mr. Vermillion.
- All members of the Board committees are independent, except for Mr. Vermillion, who is a member of the Executive Committee.
- Each Board Committee has a separate independent Chair.
- All Board committees may seek legal, financial or other expert advice from sources independent from management.

In addition to the independent oversight mechanisms listed immediately above, the following items serve to underscore Avista's commitment to ensuring an appropriate balance of director independence:

- Ten of the Company's eleven directors are independent.
- The positions of Chairman and CEO are separated.

- The average tenure of our directors is 8.8 years, and their average age is 60.7.
- The Board is committed to board refreshment. Our Board has added four new members in the past five years, all of whom are independent.
- The Company has an independent Vice Chair, selected by the Board.
- The independent directors regularly meet in executive sessions without management.
- Independent directors are required to achieve a minimum investment of five times the minimum equity portion of their retainer in Company common stock and are expected to retain at least that level of investment during their tenure on the Board.
- Directors and officers are prohibited from engaging in short sales, pledging, or hedging the economic interest in their Company shares.
- The average tenure of our directors is 8.8 years, and their average age is 60.7.
- The Board is committed to board refreshment. Our Board has added four new members in the past five years, all of whom are independent.
- The Company has an independent Vice Chair, selected by the Board.
- The independent directors regularly meet in executive sessions without management.
- Independent directors are required to achieve a minimum investment of five times the minimum equity portion of their retainer in Company common stock and are expected to retain at least that level of investment during their tenure on the Board.
- Directors and officers are prohibited from engaging in short sales, pledging, or hedging the economic interest in their Company shares.
- Serving as an independent point of contact for directors, management or shareholders wishing to communicate with the Board other than through the Chairman.
- Presiding at all meetings at which the Chairman is not present.
- Working with the Chairman to set meeting schedules and agendas for the Board meetings, including soliciting input from non-management directors on items for the Board agendas, to ensure that appropriate agenda items are included and that there is adequate time for discussion of these items.

Avista's Vice Chair is available for communications and consultation with major shareholders. The Company has a mechanism for shareholders and other interested parties to communicate with the Vice Chair and independent directors as a group, or on an individual basis.

Independent Vice Chair

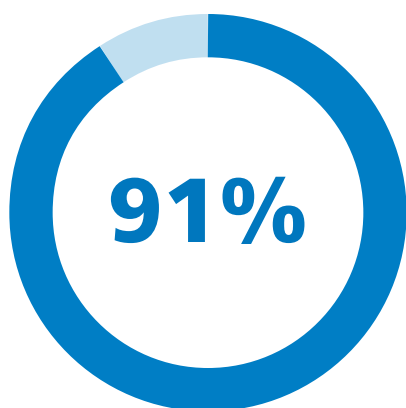
The independent Vice Chair is a Board elected position filled by an independent director for a three-year term. The Vice Chair's duties include:

- Ensuring there is open and effective communication between the Board, the Chairman and management of Board-related matters.
- Keeping an open line of communication that provides for dissemination of information

Our independent directors meet at each regularly scheduled Board meeting. The Chairman and the Vice Chair collaboratively establish the agenda for each session and also determine which, if any, other individuals, including members of management and independent advisors, should be available for each such meeting.

We believe that our corporate governance structure and practices ensure that strong and independent directors will continue to effectively oversee the

Company's management and key issues related to its long-range business plans, long-range strategic decisions, risks and integrity to protect and enhance shareholder value.



Percentage of Independent Directors

Positions of Chairman and CEO are separated

Each Board Committee Led by Independent Chair

Director Refreshment

New Directors In Last 5 Years	4
Of These New Directors, Number of Independent Directors	4



Donald C. Burke

Independent Vice Chair of the Board

Mr. Burke brings significant financial and accounting experience to the Board from his years in public accounting and his role as the treasurer and CFO of numerous mutual funds. Through his service as Chair of the Audit Committee and as the designated Audit Committee Financial Expert, Mr. Burke's background enhances his performance of a critical leadership role in overseeing the integrity of the Company's financial statements and related controls, compliance with legal and regulatory requirements,

and the performance of the Company's internal audit function and independent auditors. In addition, as a member of the Governance Committee, Mr. Burke provides a unique and valuable perspective on the Company's corporate governance and corporate responsibility programs and activities. As a result of his demonstrated excellence in helping lead the Board, Mr. Burke was selected to serve as Vice Chair of the Board.

3. Actively seeking to establish and enhance diversity among our Board of Directors.

Board Diversity

The Board is committed to actively seeking out highly qualified candidates and including such individuals in each Board candidate pool, including candidates with a diversity of experience, skills, background, and viewpoint, as well as diversity in race, ethnicity, gender, age, sexual orientation and/or gender identity.

Board Composition

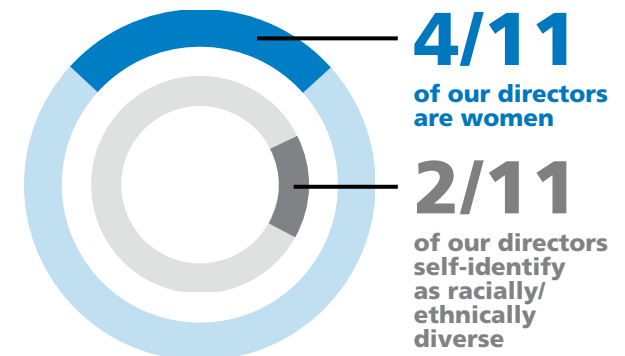
The Governance and Corporate Responsibility Committee annually reviews with the Board the composition of the Board as a whole and recommends, if necessary, steps to be taken so the Board reflects the appropriate balance of knowledge, experience, competencies and expertise, all in the context of an assessment of the needs of the Board and the Company at the time. In evaluating a director candidate, the Governance and Corporate Responsibility Committee considers the knowledge, experience, integrity, business acumen and judgment of that candidate; the potential contribution of that candidate to the diversity of backgrounds, experience and competencies the Board desires to have represented; the willingness of that candidate to consider strategic proposals; and any other criteria established by the Board, as well as any core competencies or technical expertise necessary to staff the Board Committees.

Board Refreshment

For longer-serving directors, the Governance and Corporate Responsibility Committee also considers the tenure of a director and whether the duration of service impairs such director's independence from management, as demonstrated by the director's relationship with management and the director's participation in Board and committee deliberations. Directors must be able to commit the requisite time for preparation and attendance at regularly scheduled Board and committee meetings, as well as be able to participate in other matters necessary to ensure that good corporate governance is practiced.

The Board believes that it must continue to refresh itself. During the last five years, the Board has added four new members, all of whom are independent, as a result of retirements and departures due to professional and personal commitments. The average tenure of the current directors is 8.8 years, and the average age is 60.7. We have also implemented a Director Retirement Policy where directors may not stand for Board election after age 72. This policy applies to all current directors, and the Board does not grant waivers or provide exceptions to this Director Retirement Policy.

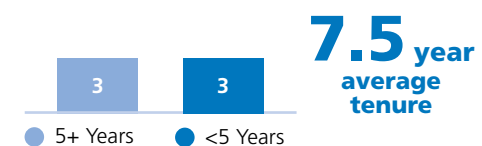
Board Diversity



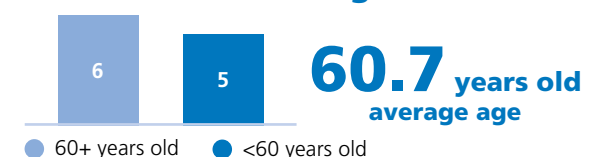
Board Tenure



Board Committee Chair Tenure



Board Age



Summary of Board Core Competencies

Our director nominees bring a balance of relevant skills to the boardroom, as well as an effective mix of diversity and experience. A summary of the director nominees' core competencies is shown below:

Qualifications and Expertise	Bentz	Burke	Jacobsen	Klein	Kwawu	Maw	Morris	Philipps	Stanley	Vermillion	Widmann	Total
Financial Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes.		•	•		•	•	•	•	•		•	8/11
Leadership Extended experience leading a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.	•	•	•	•	•	•	•	•	•	•	•	11/11
Business Innovation Experience driving business success, with an understanding of diverse business environments including regional considerations, economic conditions, cultures, and regulatory frameworks, as well as disruptive innovation.	•	•	•	•	•	•	•	•	•	•	•	11/11
Energy and Utilities Experience with the unique operating, regulatory, and financial aspects of the utility industry and related risks, including energy and commodity markets.				•			•			•		3/11
Technology Experience working in operating and administrative technology, including expertise in cybersecurity.	•			•	•		•				•	5/11
Regulatory, Environmental, and Risk Experience with and an understanding of the regulated nature of the utility industry, including environmental regulation, the clean energy transition, and oversight of risk.	•	•	•	•	•	•	•	•	•	•	•	11/11
Mergers and Acquisitions The ability to analyze the fit of a company's strategy and culture, accurately value transactions, and evaluate operational integration plans.		•	•	•	•	•	•	•	•	•	•	10/11

4. Striving to improve the performance of the Board of Directors and executive leadership through effective performance assessments, appropriate and fair compensation practices, and ongoing investment in education and professional development.

Board Performance

We believe that performance management of our executive officers and our Board remains vitally important to evaluate our strategies, policies, structures and results to meet and exceed the ever-changing expectation of our stakeholders.

The Board conducts an annual assessment of its performance and effectiveness, as well as that of the Chairman and Vice Chair. The process is coordinated by the Board Chair and the Chair of the Governance and Corporate Responsibility Committee and is proctored through written assessments completed by each director. Areas of inquiry include, among other things, the following:

- Overall Board performance and areas of focus including strategic and business issues, challenges and opportunities;
- Succession planning;
- Board Committee structure and composition;
- Board culture;
- Board composition;
- Management performance, including quality of materials, provided to the directors; and
- Board meeting logistics.

Committee Evaluations

The Board's committees also conduct annual assessments of their performance and effectiveness, including that of the Committee Chair, through written assessments completed by each committee member. Areas of inquiry include, among other things, the following:

- The sufficiency of their Charters;
- Whether committee members possess the right skills and experience or whether additional education or training is required;
- Whether there are sufficient meetings covering the right topics; and
- Whether meeting materials are effective.

A summary of all committee assessment results is provided to the Governance and Corporate Responsibility Committee and the Board for review and discussion.

Individual Director Assessments

Annually, the Board Chair conducts an objective assessment of the quality of each Board member, considering such factors as attendance, participation, engagement with other Board members, and any other factors deemed appropriate. This process includes a discussion between the Board Chair and the Chairs of each Board Committee, as well as individual interviews of each director. The process provides an opportunity for input on individual director performance, as well as practical input from each director on what the Board should continue doing, start doing and stop doing. The information gathered through the assessment process is reviewed by the Governance and Corporate Responsibility Committee and considered in its recommendation of Board members to stand for election each year.

Executive Performance

The Compensation Committee believes in aligning pay with performance. To help accomplish that alignment, all executive officers receive annual performance reviews conducted by their direct manager, and the Compensation Committee reviews each Named Executive Officer's (NEO) performance ratings.

At the beginning of each calendar year, the Compensation Committee asks our CEO to develop specific performance targets and goals for his role based on strategic goals set by the Board. The Compensation Committee reviews and approves our CEO's goals at its annual February meeting and presents those goals to the full Board for its information and review. The Board quarterly reviews our CEO's performance relative to his targets. At the end of the year, the Compensation Committee reviews our CEO's year-end results as part of its overall CEO annual performance review process.

Director Compensation

The Board regularly reviews director compensation to determine whether it is appropriate and competitive in light of market circumstances and prevailing best practices for corporate governance for the energy / utility industry. Through this review process, the Board targets overall director compensation to the median of the same peer group used to review executive compensation.

The elements of director compensation reflect the Board's view that compensation to the independent directors should consist of an appropriate mix of cash and stock. The cash portion of the retainer is paid quarterly, and the stock portion is paid annually. Employee directors are not compensated for their Board service.

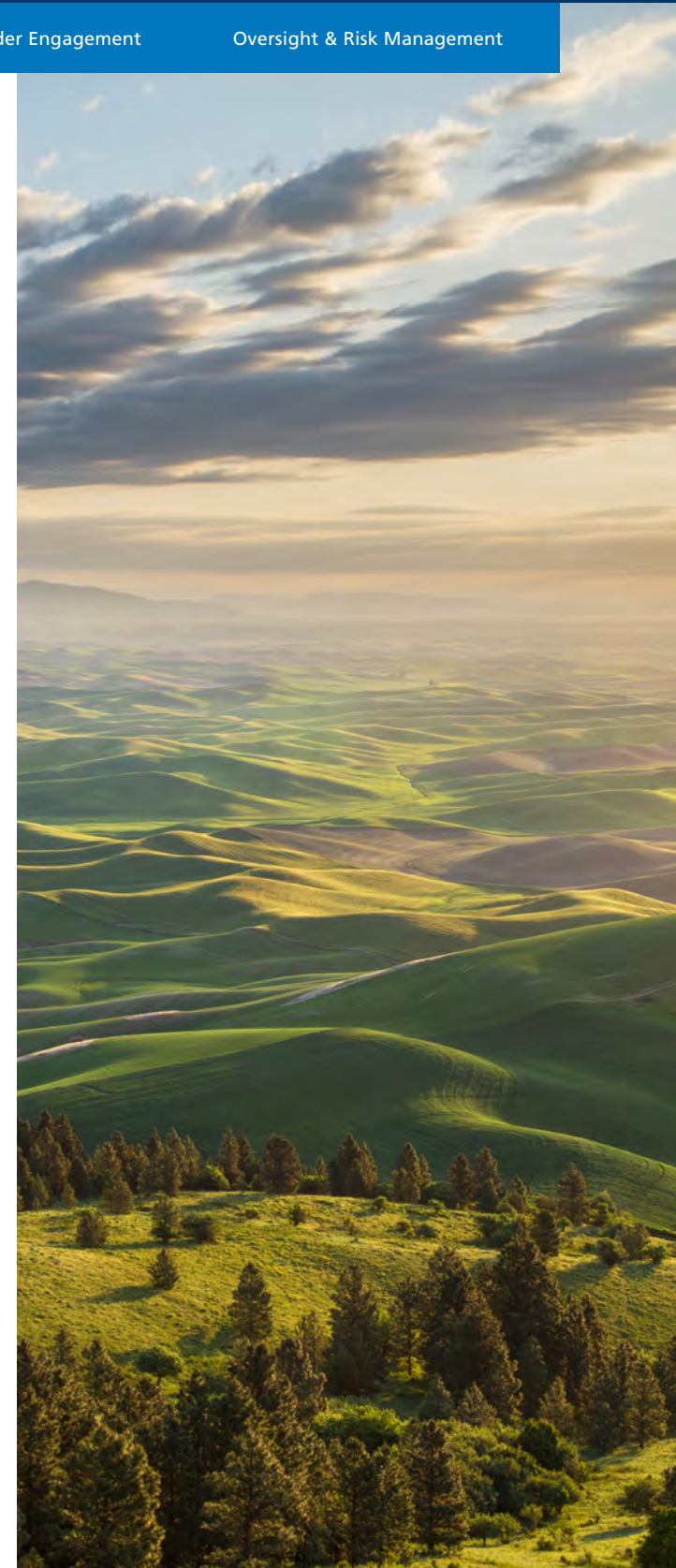
Executive Compensation

The Compensation Committee approves and implements a compensation program that incentivizes executive officers to achieve specific annual, long-term, and strategic goals and improves shareholder value. The Compensation Committee believes the

overall compensation of our executive officers should be weighted toward variable performance-based compensation. As a result, a significant portion of compensation is linked with goals related to specific items of corporate performance likely to produce long-term shareholder and customer value.

Our executive officers are provided with an annual base salary to compensate them for services rendered during the year. The Compensation Committee reviews the base salary of all executive officers at least annually. The factors influencing the Compensation Committee's decisions in setting the annual base salary for our executive officers include market data, job complexity, experience and breadth of knowledge in the utility and diversified energy industry. The Compensation Committee also considers each executive officers' responsibilities, which may include electric and natural gas utility operations, as well as subsidiary operations, and recognizes that the Company operates in several states, which requires quality relationships and interaction with multiple regulatory agencies.

Avista's executives are also provided with an annual Cash Incentive Plan designed to align the interests of our executive officers with those of our shareholders and customers through the achievement of financial and operational performance goals for the Company. The 2023 Executive Officer Annual Cash Incentive Plan (the "Cash Incentive Plan") reflects these goals by having 55% of the total incentive opportunity tied to Consolidated Earnings Per Share, 40% tied to key components of utility operation and 5% tied to equity, inclusion and diversity goals. Each metric is independent, which allows the Cash Incentive Plan to pay a portion of the award upon the attainment of one goal even if the other goals are not met.



The following chart shows the Cash Incentive Plan performance goals for each performance metric, the weighting of each metric, and the 2023 actual results of each metric.

Metric	Weighting	Threshold	Target	Exceeds	Actual	2023 Results
Earnings Components						
Consolidated Earnings per Share ¹	55%	\$2.27	\$2.37	\$2.47	\$2.24	Not Met 0%
Utility Operations Components						
Cost Per Customer ²	20%	\$447.54	\$444.60	\$433.62	\$453.00	Not Met 0%
Customer Satisfaction Rating ³	8%	N/A	90%	N/A	97%	Met 100%
Reliability Index ⁴	8%	N/A	1.00	N/A	1.42	Met 100%
Response Time ⁵	4%	N/A	<55	N/A	40	Met 100%
Equity, Inclusion, & Diversity (EID) Scorecard ⁶	5%	N/A	>4 Goals	N/A	4/5 goals	Met 100%

1. Payout can vary 0%-172% based on performance level. Payout levels are interpolated on a straight-line basis for results between the threshold performance level and the maximum level.

2. The Operating and Maintenance (O&M) cost is directly related to maintaining reliable, cost-effective service levels. Payouts can vary 0%-150% based on performance level. Payout levels are interpolated on a straight-line basis for results between the threshold performance level and the maximum level.

3. This rating is derived from a Voice of the Customer survey conducted each quarter by an independent agency. The survey is used to track satisfaction levels of customers that have had recent contact with our call center or service center. This is a hit or miss target and the payout is either 100% or 0% based on achievement of objective.

4. This measure is derived from the combination of three indices that track average restoration time for sustained outages, average number of sustained outages per customer, and percent of customers experiencing more than three sustained outages during the year. This is a hit or miss target and the payout is either 100% or 0% based on achievement of objective.

5. This measures how quickly the Company responds to dispatched natural gas emergency calls. This is a hit or miss target and the payout is either 100% or 0% based on achievement of objective.

6. Milestone includes achievement of four out of five goals related to our equity, inclusion, and diversity strategy. Payout is either 100% or 0% based on achievement of this objective.

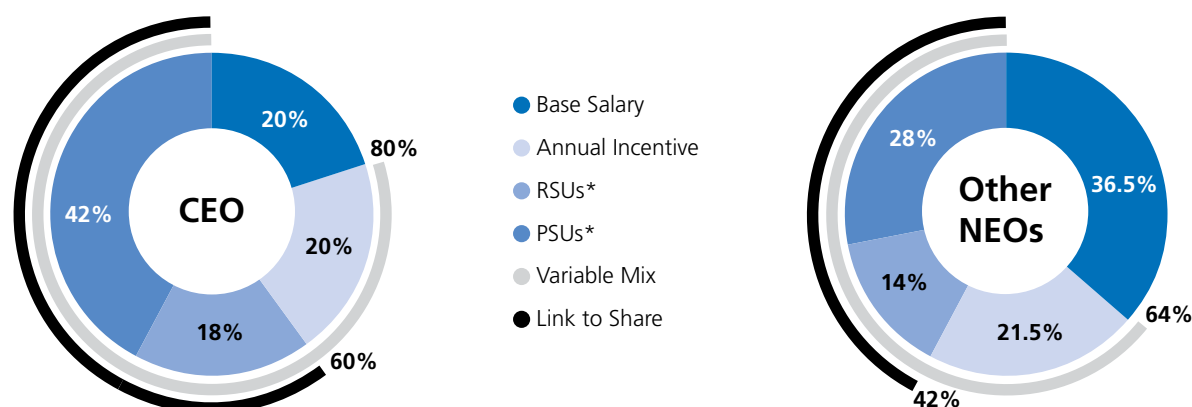
The Cash Incentive Plan's performance metrics are based on factors that are essential for the long-term success of the Company, and, except for the Consolidated Earnings Per Share and the metric tied to equity, inclusion, and diversity strategy, are identical to performance metrics used in the Company's annual cash incentive plan for non-executive employees. The Compensation Committee believes that having similar metrics for both the Cash Incentive Plan and the non-executive plan encourages

employees at all levels of the Company to focus on common objectives.

The Compensation Committee believes that equity-based compensation is the most effective way to create a long-term link between shareholder returns and the compensation provided to executive officers and other key management. This program encourages participants to focus on long-term Company performance and provides an opportunity for executive officers and designated key employees

to increase ownership in the Company through grants of Company stock that can be earned based on either service or performance, over a three-year cycle. Using long-term performance awards and Restricted Stock Units, the Company can compensate executive officers for sustained increases in the Company's stock performance, as well as long-term growth relative to its peer group for the relevant cycle.

The charts below show the portion of target compensation that is variable and, therefore, is "at risk" for our CEO and the average for our other NEOs. Variable compensation includes annual incentives, RSUs and performance shares. The charts also show the portion of target compensation for our CEO and the average target compensation for our other NEOs directly linked to share value, including RSUs and performance shares.





The Compensation Committee believes that the Company's compensation policies and practices do not create risks reasonably likely to have a material adverse effect on the Company. In establishing pay practices for the Company, the Compensation Committee's goal is to design a compensation structure that does not encourage inappropriate risk-taking by employees or executive officers. The following features of the compensation structure reflect this approach:

- Short and long-term incentive payments are capped;
- Annual cash incentive design balances key performance metrics that are focused on financial results and system sustainability over time;
- The total compensation program does not guarantee bonuses and has multiple financial and non-financial performance measures;
- The Compensation Committee reviews both short-term and long-term financial scenarios to ensure the plan design does not encourage executives to take excessive risks but also does not discourage appropriate risks;
- Stock ownership guidelines are in place to strengthen the alignment of the financial interests of executives with those of shareholders;
- Directors and officers are prohibited from engaging in short-sales, zero-cost collars, forward sales contracts, pledging, hedging or otherwise offsetting any decrease in the market value of their Company shares; and
- The Company maintains formal recoupment (i.e., clawback) policies.

Equity, Inclusion, and Diversity Component of Cash Incentive Plan

Avista's annual Cash Incentive Plan is designed to align the interests of our executives with those of our stakeholders through the achievement of financial and operational performance goals for the Company. The Cash Incentive Program contains an Equity, Inclusion, and Diversity (EID) related performance metric. This EID metric targets the enhancement, creation, and/or implementation of programs that

support the goals and strategies of the Company's [Equity, Inclusion, and Diversity Strategic Plan](#) under five measurable action items. Four of the five actions must be satisfied for payout purposes:

- Ensure programs, systems and processes are designed to support all employees by eliminating barriers and providing equitable access and opportunities for growth.
- Strengthen employee engagement and workplace culture by measuring and implementing listen and learn activity insights.
- Enhance programs, systems and processes to increase diversity of candidate pools in pursuit of aspiration diversity goals by 2035.
- Implement strategies to deepen trust and inform our community engagement strategy, inclusive of EID efforts.
- Improve supply chain programs, systems and processes to increase diversity among vendors.

Summary of Avista's 2023 Executive Officer Annual Cash Incentive Plan

Performance Metric	ESG / Corporate Responsibility Commitment Alignment:	Weighting
Equity, Inclusion, and Diversity Metric Enhance, create, and/or implement programs that support the goals and strategies of the Company's Equity, Inclusion & Diversity Strategic Plan.	Our People—Equity, Inclusion, and Diversity Customers and Communities—Philanthropy Customers and Communities—Supply Chain Diversity	5%
Cost Per Customer Metric Operating and maintenance cost is directly related to maintaining reliable, cost-effective service levels.	Customers and Communities—Energy Affordability Customers and Communities—Reliable Service	20%
Customer Satisfaction Rating Metric Independent survey to track satisfaction levels of customers that have had recent contact with our call center or service center.	Customers and Communities—Customer Satisfaction	8%
Reliability Index Metric Tracks restoration time for sustained outages, sustained outages per customer, and percent of customers with more than three sustained outages during the year.	Customers and Communities—Reliable Service	8%
Response Time Metric Measures how quickly the Company responds to dispatched natural gas emergency calls.	Customers and Communities—Public Safety	4%
Consolidated Earnings Per Share Metric	Ethical Governance—Board and Executive Performance	55%

Recoupment Policies

Avista's Board of Directors has adopted a compensation recoupment policy, the Dodd-Frank Recovery Policy, in order to comply with section 10D of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"), subsequently adopted and required by the Security and Exchange Commission ("SEC") and the New York Stock Exchange's ("NYSE") rules. The Dodd-Frank Recovery Policy requires the Company to promptly recover incentive compensation that is determined to have been erroneously awarded to executive officers due to a required accounting restatement.

Further, the Compensation Committee believes the Company should maintain the ability to seek recovery of erroneously awarded incentive compensation beyond the required provisions of Rule 10D-1 and NYSE rules, in particular where executive officers engage in misconduct. Therefore, in addition to the mandatory recoupment policy adopted in compliance with the Dodd-Frank Act and NYSE rules, the Board has adopted a discretionary recoupment policy applicable to incentive compensation awards. The discretionary policy authorizes the Company to recover incentive payouts from any executive officer if those payouts are based upon performance results subsequently revised or restated to levels that would have produced payouts lower than the original incentive plan payouts, and, if, in the Board's judgment and determination, the executive officer engaged in fraud, negligence, or other misconduct that contributed to the need for the financial restatement. If willful or negligent misconduct or material error results in a restatement of financial results, the Compensation Committee may recommend the Board either require forfeiture of incentive awards or seek to recover appropriate portions of the executive officer's compensation for the relevant period, in addition to other disciplinary

actions that might be appropriate based on the circumstances.

Director Education

Our Governance and Corporate Responsibility Committee and management are responsible for director orientation and mentorship programs. Orientation and mentorship programs are designed to familiarize new directors with the Company's business strategies and policies and help facilitate their effective transition onto the Board. The Governance and Corporate Responsibility Committee is also responsible for director continuing education. Continuing education programs for directors include a combination of internally developed materials and presentations and outside programs presented by third parties. Financial and administrative support is available to directors for attendance at academic or other independent programs.

Succession Planning

Succession plans for our CEO and other officers are an important part of the Company's long-term success, and the Company has in place a succession-planning process reflecting the Company's long-term business strategy. The Compensation Committee conducts an annual review of the succession plans for our CEO and other executives of the Company and receives quarterly updates on the plans. Our CEO and the Compensation Committee review those succession plans annually with the full Board. The succession plans reflect the Board's belief that the Company should regularly identify internal candidates for the CEO and other executive positions and that it should develop those candidates for consideration when a transition is planned or necessary. Accordingly, management has identified internal candidates in various phases of development and implements development plans to assure the

candidates' readiness. Those development plans identify the candidates' strengths and developmental opportunities, and the Compensation Committee receives periodic updates and regularly reviews the candidates' progress.

The Board has adopted a Contingency CEO Succession Plan to outline the procedures for the temporary appointment of an interim CEO to avoid a vacancy in leadership that may occur because of an absence event due to death, illness, disability, or sudden departure of our CEO.

Ratio of CEO pay to the pay of our median employee for 2023

27:1

5. Ensuring that shareholders have an appropriate voice with respect to matters impacting the company through outreach and engagement.

Shareholder Engagement

The Company has a history of engaging with our shareholders, supporting our belief in the importance of the governance process and of incorporating a meaningful understanding of shareholder perspectives on corporate governance, executive compensation, and other issues that are important to them. These discussions help to inform our Board's approach to governance, compensation and oversight of corporate responsibility initiatives. Our Office of the Corporate Secretary coordinates shareholder engagement with Investor Relations and provides a summary of all relevant feedback to the Board. In 2023, the Company reached out to shareholders representing more than 60 percent of shares outstanding. In addition, Investor Relations meets with our shareholders throughout the year, frequently along with our CFO and CEO.

In addition to our smaller shareholder engagements and discussions occurring throughout the year, our Annual Meeting presents an opportunity to engage with all our shareholders. By having our directors stand for election each year, including the Board's proactive adoption of Proxy Access for director nominees and requiring directors to be elected by majority of the votes cast in uncontested elections, by seeking ratification of our selected independent registered public accounting firm, and by soliciting the Say on Pay advisory resolution, the Board has the opportunity to receive feedback through the voting

results of our shareholders, and any other business or engagements that may be raised during the course of the Annual Meeting.

Such shareholder engagement is demonstrated in the results of our most recent Say on Pay advisory resolution. Shareholders expressed substantial support for our executive compensation, with 96.90% of the votes cast for the Say on Pay advisory resolution. We view this outcome as a signal of strong shareholder support for our executive compensation philosophy, policies and practices, and made no changes as a result of the vote outcome.

2023 Say on Pay
Advisory Vote

96.90%
Favorable Support

Disclosure Practices

Avista's Corporate Responsibility initiative is yet another example of how our Company strives to ensure that our shareholders have an appropriate voice with respect to matters impacting the Company. In response to shareholder engagements and fielded questions concerning environmental, social and

governance (ESG) issues and expectations associated with Avista, we first launched our Corporate Responsibility initiative in 2020 to provide greater disclosure and transparency around these issues.

Furthermore, we sought to align additional ESG disclosures through widely adopted reporting frameworks that our shareholders supported, namely the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). The Company also provides ESG disclosures in accordance with the Edison Electric Institute (EEI) and American Gas Association (AGA) joint reporting template, which includes quantitative generation portfolio and emission data, employee health and safety information, and details on the Company's use of water resources and handling of hazardous waste products. Access Avista's TCFD, SASB, EEI and AGA reporting frameworks on the home page of our [Corporate Responsibility](#) webpage.

As a publicly traded company, we also report on material issues impacting the company through a variety of disclosure mechanisms governed by the Securities and Exchange Commission, including our 10-K and Annual Report, quarterly 10-Q filings, and periodic 8-K filings. We also regularly issue press releases regarding issues of importance to our business. Shareholders and other interested parties may subscribe to receive email alerts of these disclosure mechanisms and the Company's press release through our email alerts form on the [Avista Corporation](#) website.



70+ Years on the NYSE

In 2022, Avista celebrated 70 years of being listed on the NYSE. Avista is among the top 10 percent of the longest listed members of the NYSE.

Board Contact Information

Shareholders and other interested parties may send correspondence to our Board or to any individual director to our Corporate Secretary's office at 1411 East Mission Avenue, P.O. Box 3727 (MSC-10), Spokane, Washington 99220. Shareholders and other interested parties may also contact our Shareholder Services and Investor Relations group through our investor relations contact form on the [Avista Corporation](#) website, or through these channels:

Avista Corp. Shareholder Services and Investor Relations

P.O. Box 3727, MSC-19
Spokane, WA 99220-3727
Phone: 509-495-4203

Analyst Contact

Stacey Wenz
Investor Relations Manager
Email: stacey.wenz@avistacorp.com

Media Relations

(509) 495-4174

Interactive Voice Recording (IVR)

1-800-222-4931



6. Maintaining transparency with respect to governance of the Company and the pursuit of its strategic goals.

Avista's commitment to Corporate Responsibility encompasses our broader approach to sustainability, stewardship, and corporate citizenship to build long term value for our stakeholders. We believe that executing good corporate governance is an essential component of this broader approach.

And when it comes to our corporate governance, we need to ensure that we clearly communicate, explain and provide transparency in our disclosures for our stakeholders to clearly understand Avista's strategic goals.

Board Oversight

The Board is responsible for directing the management of the business and affairs of the Company. As such, the Board gives the Company's executive officers strategic direction and oversees their operation of the Company's business and their conduct of its affairs, with a view to serving the best interests of the Company and its shareholders and other stakeholders.

The Board plays an active role in the identification of the major risks affecting the Company and the oversight of the Company's risk management in pursuit of our strategic goals. The Board's risk oversight process includes receiving reports from members of corporate management on areas of material risk to the Company, including utility regulatory, operational, climate change, cybersecurity, technology, strategic, external mandates, financial, energy commodity, and compliance risks. While the Board retains full responsibility for the general oversight of the management of all categories of

risk, it has delegated to and allocated among its committees first oversight responsibility regarding specific categories of risk. The allocation of categories of risk to the respective committees is described in the [committee charters](#).

Role of Management

While our Board is responsible for risk oversight, Avista's management team is responsible for the day-to-day management of risks including the appropriate Company officer reporting on risks to the appropriate Board committee or, if circumstances so warrant, to the full Board. For example, quarterly, the Audit Committee is updated on key enterprise and other risk factors. Additionally, the Environmental, Technology and Operations (ETO) Committee reviews on a quarterly basis risks related to the Company's operations and regularly reviews and discusses environmental and climate related risks and advises the full Board on any critical or emerging risks and/or related policies. And on an annual basis, the Audit Committee is also updated on the Company's enterprise risk management program and processes.

When a committee receives a risk report from management, the chair of that committee reports to the full Board. This process facilitates the coordination of the oversight and management of the various categories of risk, particularly for the interrelationships among various risks. Our Annual Report on Form 10-K contains a detailed discussion of the material risks to the Company's business and the Company's efforts to manage them. The report can be found on the [Avista Corporation](#) website.

Risk Management

Avista's management team performs their risk management and mitigation related activities throughout the year. We have an enterprise risk management (ERM) process for managing risks throughout our organization facilitating the identification and measurement of various forms of risk that may affect the Company. Our risk management department facilitates the collection of risk information, providing senior management with a consolidated view of the Company's major risks and risk mitigation measures. Each area of the Company identifies risks and implements the related mitigation measures.

The ERM process supports management in identifying, assessing, quantifying, managing and mitigating the risks. Despite all risk mitigation measures, however, risks are not eliminated. Our primary identified categories of risk exposure are utility regulatory, operational, climate change, cybersecurity, technology, strategic, external mandates, financial, energy commodity, and compliance. We consider the management of these risks an integral part of managing our core businesses and a key element of our approach to corporate governance.

Cybersecurity and Technology Risks

Avista understands that a safe, reliable, and secure energy infrastructure is essential to the economies in the areas that we serve and our customer's way of life and that intruders can use a variety of cyber and physical attacks to try and disrupt the delivery of safe, reliable, and energy. For a listing of cybersecurity and technology risks facing the Company, please refer to our current [Form 10-K](#). To manage these risks, Avista manages and maintains a security program. This security program provides the necessary policies, procedures, and funding to protect our natural gas and electric infrastructure as well as the Company's sensitive customer, employee, operating, and financial information.

As part of Avista's security program, we regularly engage with industry specific Information Sharing and Analysis Centers (ISAC) such as the Electric ISAC and the Downstream Natural Gas ISAC, the Federal Bureau of Investigation, the Department of Homeland Security, the Transportation Security Administration and State Fusion Centers to understand and manage threats and vulnerabilities. Additionally, the Company employs a group of security personnel that monitors for intrusion and security events that may include a data breach or attacks on our operations. This group is also dedicated to securing, maintaining, evaluating, and developing our information technology systems.

In addition, as part of the security program, there are independent third-party audits of our critical infrastructure security program and our business risk security controls. For example, the Federal Energy Regulatory Commission (FERC) has certified the North American Electric Reliability Corporation (NERC) as the single Electric Reliability Organization authorized to establish and enforce reliability standards and delegate authority to regional entities for the purpose

of establishing and enforcing reliability standards, including but not limited to cybersecurity measures. The FERC approves NERC Reliability Standards, including western region standards that make up the set of legally enforceable standards for the United States bulk electric system. We are required to self-certify our compliance with these standards on an annual basis and undergo regularly scheduled periodic reviews by the NERC and its regional entity, the Western Electricity Coordinating Council. Failure to comply with NERC reliability standards could result in substantial financial penalties. We have a robust internal compliance program in place to manage compliance activities and mitigate the risk of potential noncompliance with these standards.

The technology department, led by the Vice President, Chief Information Officer, and Chief Security Officer, is responsible for our security program. The Vice President, Chief Information Officer and Chief Security Officer has over 20 years of experience, including serving in similar roles leading and overseeing cybersecurity programs at other companies. This program includes maintenance of appropriate cybersecurity measures, such as firewalls, anti-virus, patching, and other zero-trust security protocols, monitoring for intrusion and security events that may include a data breach or an attack on our operations, and working with our supply chain department to ensure contracts with third party service providers include appropriate requirements for the mitigation of cybersecurity risk that might impact our business.

Our data breach response team is comprised of designated members of the technology department, senior management and other appropriate individuals. The team is tasked with assessing, managing and responding to material cybersecurity incidents involving either our systems or the systems of third-party service providers. The data breach response team includes subject matter experts

within the Company, as well as outside experts who specialize in cybersecurity response. A subset of this team is also responsible for assessing the materiality of cybersecurity incidents, reporting to the Audit Committee of the Board of Directors as appropriate, and ensuring timeline reporting of cybersecurity incidents deemed material to the Company.

The Environmental, Technology and Operations Committee of the Board of Directors oversees our management of cybersecurity risks. This Committee is briefed on security policy, programs and incidents on at least a quarterly basis. The Audit Committee of the Board of Directors provides oversight of required disclosures relating to cybersecurity.

Avista has a cybersecurity / information security risk insurance policy that covers both first- and third-party damages in the event of an information security breach. As part of the Company's annual insurance policy renewal process, policy limits are reviewed and adjusted when necessary to achieve alignment with our existing exposures.

While we have not experienced an information security breach in the past three years, the energy sector, particularly electric and natural gas utility companies have become the subject of cyberattacks with increased frequency. Our administrative and operating networks are targeted by hackers on a regular basis. Additionally, the facilities and systems of clients, suppliers and third-party service providers could be vulnerable to the same cyber or terrorism risks as our facilities and systems and such third-party systems may be interconnected to our systems both physically and technologically. Therefore, an event caused by cyberattacks, ransomware or other malicious act at an interconnected third-party could impact our business and facilities similarly.



Cyber Security Experts on Board



Rebecca A. Klein

Cyber Security Expert, Director since 2010

Ms. Klein possesses a deep knowledge of the energy industry, energy markets and energy regulation, as well as legal expertise in energy and telecommunications and experience in technology and cybersecurity issues. She provides a unique diversity of background and perspective to the Board generally, but particularly in her role as chair of the Environmental, Technology & Operations Committee. Ms. Klein is able to provide critical leadership around the Company's business and operational risks, environmental activities and objectives, and its strategies relating physical and cyber security, technology and data governance.



Julie A. Bentz

Cyber Security Expert, Director since 2021

Major General (Retired) Bentz brings to the Board an extensive background in technology and security, both physical and cyber, as well as unique experience serving under three separate United States Presidents on security-related policy matters. Through her service on both the Finance Committee and the Environmental, Technology and Operations Committee, Ms. Bentz provides a unique and valuable perspective on a wide range of issues, including financial matters and investments, as well as issues involving climate change and clean energy transition, technology, and operational safety and security.

Climate Change Risks

Long-term global climate change, and the potential impacts of such change could have a significant effect on our business. Our operations could be affected by changes in laws and regulations intended to mitigate the risk of, or alter, global climate changes, including restrictions on the operation of our power generation resources and obligations or limitations imposed on the sale of natural gas. Changing temperatures and precipitation, including snowpack conditions, may affect the availability and timing of stream flows, which impact hydroelectric generation. Extreme weather events could increase fire risks, service interruptions, outages and maintenance costs. Changing temperatures could also change the magnitude and timing of customer demand.

Multiple departments at the Company work to mitigate risks related to climate change. Climate change adds uncertainty to existing risks that we have historically managed and mitigated. These efforts are reflected in electric and gas operations and investments in assets and asset reliability and resiliency across the Company's operations. Our Power Supply staff monitor items such as snowpack and broader precipitation conditions, patterns and modeled or predicted climate change. These and other assessments are incorporated into our [Integrated Resource Planning](#) processes. Environmental Affairs, Governmental Affairs and other departments monitor policy and regulatory developments that may relate to climate change to engage these efforts constructively and prepare for compliance matters. Avista's [Wildfire Resiliency Plan](#) was also developed to mitigate the increased wildfire risk associated with climate change.

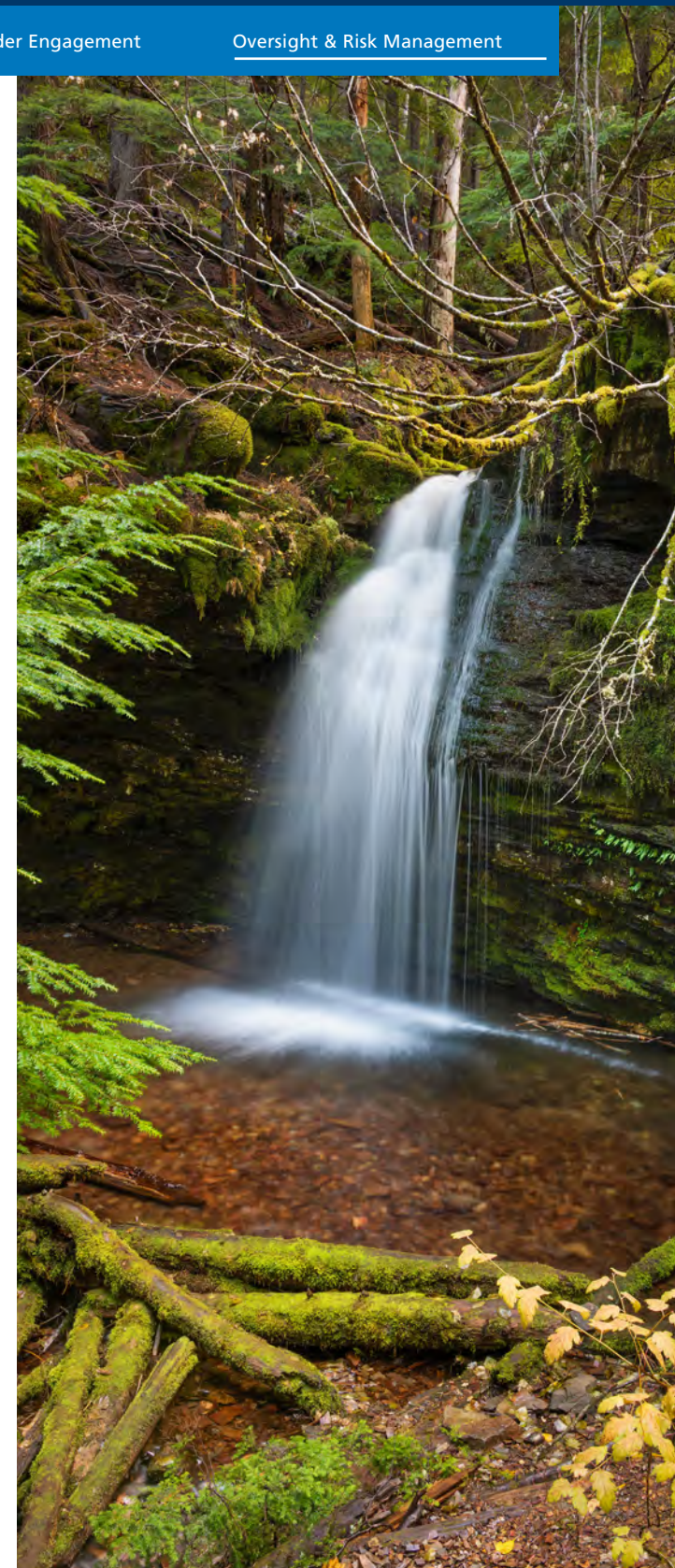
Our Perform Council is an interdisciplinary team of management and other employees of the Company which regularly meets to discuss, assess and manage issues associated with the Company's performance.

A key area of focus for the Perform Council is potential risks and opportunities associated with long-term global climate change. Among other things, the Perform Council:

- Facilitates internal and external communications regarding climate change and related issues,
- Analyzes policy effects, anticipates opportunities and evaluates strategies,
- Develops recommendations on climate-related policy positions and action plans, and
- Provides direction and oversight with respect to the Company's clean energy goals.

In addition to the Perform Council, issues concerning climate-related risk and the Company's clean energy goals are reviewed and regularly discussed by the Board of Directors. The Board's ETO Committee regularly reviews and discusses environmental and climate related risks and advises the full Board on critical or emerging risks and/or related policies. Likewise, the Audit Committee provides oversight of climate-related disclosures in the Company's financial statements.

While the identification of global climate change related risks and opportunities are present and embedded in the Company's ERM processes and Perform Council, a further analysis occurs through the Company's implementation of the Task Force on Climate-related Financial Disclosures (TCFD) framework. For additional information concerning these risks and opportunities, please access Avista's [TCFD framework disclosure](#).



APPENDIX



ENVIRONMENTAL POLICY



Our Commitment to Environmental Stewardship

For more than 135 years, Avista Corporation has been committed to providing clean, safe and reliable energy to those we serve. Our work empowers our customers and communities to live their lives to the fullest. Avista's environmental responsibility is as core to our business as the wires and pipes that deliver energy to our customers and communities. We are committed to conducting our business in ways that honor the integrity of the natural resources in the areas we serve.

These commitments apply equally to all Avista Corporation and its affiliates regardless of location or jurisdiction, including all employees, Company officers and members of our Board of Directors. In addition, our business partners—suppliers, contractors, consultants, agents and others working with or on behalf of Avista Corporation have the same obligation and responsibility to follow our commitment to environmental stewardship.

The Company's [Commitment to Corporate Responsibility](#) and [Code of Conduct](#) provide greater detail and examples of our commitment to environmental stewardship principles, including, but not limited to, the following principles:

- Protect and enhance the environment by conducting our business in ways that honor the integrity of the natural resources in the areas we serve.
- Design, build and operate our facilities to make efficient use of resources, promote sustainability, prevent pollution and avoid, reduce or mitigate environmental impacts.
- Foster an environmentally responsible approach to business planning, compliance, pollution prevention, emergency preparedness and response, natural and cultural resource protection and management, communication, employee training, community relations and continuous improvement.
- Establish environmental objectives, monitor our performance, and implement and improve our programs.
- Surpass environmental laws and regulations in practicing practical stewardship in the best interest of the environment and our communities.
- Engage and support these commitments to protecting human health and the environment throughout the course of our work.

ENVIRONMENTAL POLICY

Reporting an Environmental Spill

Avista's Environmental Compliance group is on call 24 hours a day, seven days a week to respond immediately to environmental emergencies. In the case of an oil spill originating from any of our facilities, power lines or poles, we immediately implement emergency spill procedures. Employees and our business partners are required to report any environmental concerns or spills. Avista responds to all spills, regardless of size, location or oil type.

The Spill Phone is available 24/7: **509-998-0996**

Our Business Partners

We require that our business partners—suppliers, contractors, consultants, agents and others working with or on behalf of Avista Corporation share our same commitment to conducting business ethically, honestly and with mutual respect for the environment. Avista Corporation's [Contractor Code of Conduct](#) provides details of these requirements including their obligations to provide goods and perform work in an environmentally responsible manner in compliance with all applicable environmental laws, regulations and Avista policies and procedures, including their requirement to report environmental concerns or spills.

Prohibited Conduct

Any type of behavior prohibited by our commitments to environmental stewardship, Company policies or rules and practices will not be tolerated. Anyone determined to have violated these commitments or other policies will be subject to disciplinary action, up to and including termination of employment. Non-employees or contractors engaged in any of these behaviors on Avista's premises will be removed from the property and reported to the proper authorities as deemed appropriate.

Avista will not tolerate retaliation against an employee who participated in a company investigation or reported harassment or discrimination. Retaliation may take on many forms including verbal abuse, threats, making derogatory comments, or spreading malicious gossip. Retaliation may also include firing, denial of a job, receiving negative performance feedback, or denial of some other employment benefit.

ENVIRONMENTAL POLICY

Questions & Contacts

If you have questions about these environmental commitments or other Company policies, please contact your leader or a Human Resources Manager. If you have a concern or become aware of behavior that may not uphold our commitments to environmental stewardship or represent a violation of other Company policies, you must raise the issue promptly. If you are uncomfortable talking with your leader, you may raise your concern with [Human Resources](#), [Legal](#), [Ethics & Compliance](#) or Avista's Confidential Hotline.

Confidential Hotline

Employees are encouraged to use the Confidential Hotline when uncomfortable working through the normal channels described above or as an anonymous way to raise concerns. The Confidential Hotline is available 24/7:

877-861-6690 or avistacorp.ethicspoint.com

All complaints will be investigated to the extent possible, given the information provided.

Avista does not tolerate harassment, discrimination, or retaliation.

SAFETY & WELL-BEING POLICY



Our Commitment to Workplace Safety and Well-Being

It is my most sincere wish that every person at Avista makes it home safe to their families and loved ones each day.

After all, aside from being employees, we are a mix of spouses, fathers, mothers, sons, daughters, brothers, sisters and friends.

There is nothing more important to me than making sure Avista supports a workplace culture where our people are supported and encouraged to place safety and well-being as their top priority at work and on their own time.

While other companies may value productivity over safety and well-being, that is not a practice we encourage at Avista. Cutting corners can lead to serious injuries, and that's the last thing we want to happen.

We believe that every person at Avista is a vital part of our safety and well-being efforts, and we expect that each of you will continue to make sure safe work practices are a part of your everyday routine. Whether that's using a spotter to back up a vehicle or taking extra time to commute to work, no employee will be punished or reprimanded for putting the safety and well-being of themselves or others first.

The strength of our safety practices at Avista depend on individual accountability, behavior, attitude and a willingness to speak up when a situation seems unsafe.

Our **Incident Prevention Manual** which details Avista's safety and well-being rules and practices is only useful if it is read and used to carry out work in a safe and responsible manner. If at any time you have a question about what's in the Incident Prevention Manual, you must speak up and bring your concerns and questions forward to a manager, a Safety Specialist, or any leader at Avista.

Just like every day brings forth a different challenge, every worksite, including an office environment, is different and requires careful inspection to identify potential hazards. By approaching the task at hand with a safety-first mindset, you're demonstrating the type of safety leadership and accountability we look for in all employees of Avista.

Thank you for your safety leadership and commitment to prioritizing safety and well-being above all else.

Sincerely,

Dennis P. Vermillion
President and CEO, Avista Corporation

SAFETY
for family. for work. for life.

SAFETY & WELL-BEING POLICY

Authorization to Stop Work

The safety of our employees is a top priority and Avista continually communicates the importance of creating safe work habits. It is vital for every employee to take personal responsibility for creating a safer work environment and show a demonstrated commitment to safety every second of every day. Our families, friends, coworkers, and the public expect nothing less.

Please take the time to work safely. Be mindful of our safety principles—rushing, frustration, fatigue, and complacency can cause or contribute to—eyes not on task, mind not on task, in the line of fire, losing balance/traction/grip—which increase the risk of injury. Our commitment, which is shared among our leadership team, is to make safety a priority in all operations. This means that emphasis will be placed on activities that support employee's use of safety principles and rules; established for their protection.

Will you help contribute to a safer work environment? We need your commitment. As you set out to work each day, start out with a conscious intention of doing your work in a safe manner.

As a critical element of our priority on safety we have adopted the following **"Authorization to Stop Work"** which we will clearly post at all our work locations. All employees have the right to report to their supervisor, manager, Safety Department or Human Resources Department unsafe working situations without fear of reprisal. Please help foster a safety culture that achieves results through employee involvement. Your efforts are supported by the leadership at Avista who model and encourage these safe behaviors and are accountable for their achievement.

Authorization to Stop Work

As an employee at Avista I have been given the authority, without fear of reprimand or retaliation, to immediately stop and remove myself from any work activity that presents a danger to me, my co-workers or the public. It is my responsibility to get involved, question and rectify any situation that is identified as not being in compliance with safety policies and safe practices and to report any unsafe conditions or acts to supervision. I have the responsibility to question and challenge any work activity that involves a violation of established safety policy.

SAFETY & WELL-BEING POLICY

Policy Purpose and Summary

It is the policy of Avista to perform work in the safest manner possible, consistent with good work practices. To fulfill the requirements of this policy, an organized and effective safety and well-being program must be carried out at each location where work is performed.

Responsibility for the safety program is delegated to line supervision in accordance with the chain-of-command. Safety Specialists are staff assistants to management and in no way relieve supervisors of their responsibility and accountability for the safe completion of the work.

The objective of the safety and well-being program is to proactively reduce consequences of errors which in turn reduces injuries. An incident often results in a loss due to project disruption and delay, and may involve additional losses due to personal injury, illness, equipment damage, property or material damage, company reputation, or a combination thereof.

Other than "force majeure", incidents are preventable, and the result of causes related to unsafe and inefficient procedures or methods, unsafe physical conditions, unsafe equipment, unsafe personal acts and usually one or more of these factors in combination.

Since incidents usually result from the same deficiencies that adversely affect employees, quality, productivity, costs, and the public, the safety record is a reliable guide to the general effectiveness of our safety and well-being program. Furthermore, all supervisors have an obligation to employees and to the company, as well as a moral obligation, to provide the safest work environment possible.

The **Incident Prevention Manual** is written to ensure that Avista employees are aware of the safety and well-being rules and practices implemented within our organization and to ensure employee safety in all aspects of our work.

SAFETY & WELL-BEING POLICY

Scope and Applicability

We all must work together to proactively reduce error rates and reduce the consequences of errors. It is the responsibility of Avista to provide a safe and healthful workplace for our employees, subcontractors, vendors, and visitors.

The Incident Prevention Manual (IPM) shall apply to all organizations, facilities, and personnel within Avista, including all regular full-time, temporary, part-time, and student employees. In addition to the IPM, Avista and its employees are subject to various governmental agencies including federal, state, and local entities. The IPM is to be used in conjunction with all supplemental procedures and programs used in the conduct of work by all Avista employees.

Questions or interpretations of rules, procedures, standards, or regulations shall be directed to the Safety and Well-being Department, which has the overall responsibility for the Incident Prevention Manual. The following programs are mentioned in the IPM but due to the length and/or complexity, they are stand-alone documents available through the Safety Department:

- Fall Protection Program
- Confined Space Program
- Extended Hours Guidelines
- Industrial Hygiene Programs
 - Lead Exposure Control Program
 - Asbestos Exposure Control Program
 - Silica Exposure Control Program
 - Hazard Communication Program
 - Medical Surveillance Program
 - Hearing Conservation Program
 - Respiratory Protection Program
 - Hearing Loss Prevention Program
- Insulating, Isolating, & EPZ Grounding Methods

SAFETY & WELL-BEING POLICY

Your Responsibilities

Each employee is responsible and held accountable for complying with established safe work practices. Each employee has a right and is responsible for stopping any work that is considered unsafe. In each instance where a “Stop Work” is implemented, the chain-of-command as well as the safety department shall be notified immediately. Avista employees shall:

- Follow all safety rules.
- Report to work ready to perform assigned tasks by using established safe work practices with prescribed personal protective equipment (PPE).
- Comply with all safety instructions and manufacturer’s recommendations.
- Use the correct tool for each task. If knowledge or proficiency with the operation is questionable, ask before use.
- Be actively engaged in tailboard meetings and safety meetings (as required by job description).
- Report all unsafe actions and/or conditions immediately. Take appropriate action if something is observed that could cause immediate injury to a fellow worker.
- Report all incidents, close calls, and injuries immediately, regardless of severity.
- Complete Injury Accident Report Form for all injuries or incidents in which there is discomfort felt.

Prohibited Conduct

As a representative of Avista, all employees shall act in a professional manner and shall be courteous and considerate to the public and other employees.

Indulgence in horseplay, scuffling, and wrestling while on duty or when off duty on company property, or in company vehicles/equipment is forbidden. Employees must comply with Avista’s Workplace Anti-Violence Core Policy.

The use of intoxicants or illegal drugs while on duty is strictly prohibited. Prescription drugs shall be evaluated by Avista 1st Care Clinic to determine if they may negatively affect an employee’s ability to perform work safely. Employees must comply with Avista’s Fitness for Duty—Alcohol and Control Substances Core Policy.

SAFETY & WELL-BEING POLICY

Violations of Policy

Any type of behavior prohibited by this policy, the Incident Prevention Manual or related Avista safety and well-being rules and practices will not be tolerated. Anyone determined to have violated this policy will be subject to disciplinary action, up to and including termination of employment. Non-employees or contractors engaged in any of these behaviors on Avista's premises will be removed from the property and reported to the proper authorities as deemed appropriate.

Avista will not tolerate retaliation against an employee who participated in a company investigation or reported harassment or discrimination. Retaliation may take on many forms including verbal abuse, threats, making derogatory comments, or spreading malicious gossip. Retaliation may also include firing, denial of a job, receiving negative performance feedback, or denial of some other employment benefit.

Questions & Contacts

If you have questions about this policy or other Company policies, please contact your leader or a Human Resources Manager.

877-861-6690 or [avistacorp.ethicspoint.com](https://www.avistacorp.ethicspoint.com)

All complaints will be investigated to the extent possible, given the information provided.

Avista does not tolerate harassment, discrimination, or retaliation.

SAFETY & WELL-BEING POLICY



Safety Intent Statement

As an Avista safety leader, I am committed and responsible for my safety and the safety of those around me. I am focused on the task at hand and recognize that no situation is routine. I am vigilant in maintaining my hazard awareness because something can always go wrong.

I am always learning and seeking safer ways to complete my work. I step in and speak up when I observe at-risk actions and welcome constructive feedback from others. I support others when they are doing it right.

All of my decisions focus on integrating safety into the work I do. I am well-trained and follow safe work practices in my job and in my life.

My family can rely on me to come home healthy and whole.

HUMAN RIGHTS POLICY



Our Commitment to Human Rights

For more than 135 years, Avista Corporation has been committed to providing clean, safe and reliable energy to those we serve. Our work empowers our customers and communities to live their lives to the fullest. We work hard to do what's right for our stakeholders by putting those we serve at the center of everything we do. We remain committed to conducting business ethically, honestly and with mutual respect for the rights of all people.

Our commitment to preserve and respect the rights of all people are inclusive of those human rights principles articulated in the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. Avista Corporation's Code of Conduct, Core Policies, other Company policies, business procedures and compliance with applicable laws and regulations underscore and demonstrate our commitment and respect for the rights of all people.

These commitments apply equally to all of Avista Corporation and its affiliates regardless of location or jurisdiction, including all employees, Company officers and members of our Board of Directors. In addition, our business partners—suppliers, contractors, consultants, agents and others working with or on behalf of Avista Corporation have the same obligation and responsibility to follow our commitment to human rights.

The Company's [Code of Conduct](#) and [Commitment to Corporate Responsibility](#) provide greater detail and examples of our commitment to human rights principles, including, but not limited to, the following principles:

- Ensure a safe, secure, and healthy work environment so that every person at Avista makes it home safe to their families and loved ones each day.
- Cultivate a workplace of acceptance and mutual respect, valuing equity, inclusion, and diversity in all aspects of our operations.
- Uphold the rights of racial and ethnic diverse groups, women, and other protected groups' rights in the workplace.
- Provide a work environment that is free from discrimination, harassment, and retaliation.
- Respect freedom of association and right to collectively bargain as prescribed in the National Labor Relations Act and outlined in the UN's International Labour Organizations' ('ILO') conventions 87 and 98.

HUMAN RIGHTS POLICY

- Uphold a safe, secure, and productive work environment that is free from aggressive, threatening, or violent acts.
- Ensure equal opportunity to qualified individuals in employment decisions and practices.
- Provide and encourage employee assistance programs, medical and mental health benefits and ongoing health and wellness education.
- Ensure fair wages for workers in compliance with all local labor and compensation laws.
- Prohibit child labor¹, forced labor and all forms of human trafficking.
- Cultivate respectful engagement and collaboration with our stakeholders.
- Partner with local communities and non-profit agencies to promote economic development, philanthropic efforts and other support services.
- Provide formal grievance reporting mechanisms free from retaliation for concerns related to human rights or violations of law or Company policy.

Our Business Partners

We require that our business partners—suppliers, contractors, consultants, agents and others working with or on behalf of Avista Corporation share our same commitment to conducting business ethically, honestly and with mutual respect for the rights of all people. Avista Corporation's Contractor Code of Conduct provides details of these requirements including their obligations to uphold human rights within their own operations.

Prohibited Conduct

Any type of behavior prohibited by our commitments to human rights, Company policies or rules and practices will not be tolerated. Anyone determined to have violated these commitments or other policies will be subject to disciplinary action, up to and including termination of employment. Non-employees or contractors engaged in any of these behaviors on Avista's premises will be removed from the property and reported to the proper authorities as deemed appropriate.

Avista will not tolerate retaliation against an employee who participated in a company investigation or reported harassment or discrimination. Retaliation may take on many forms including verbal abuse, threats, making derogatory comments, or spreading malicious gossip. Retaliation may also include firing, denial of a job, receiving negative performance feedback, or denial of some other employment benefit.

¹ In 2022, Avista launched a Craft Student Pilot Program for high school seniors to work part-time earning high school credit, work experience and industry credentials. This program was designed to meet local, state and federal labor, wage and hour rules.

HUMAN RIGHTS POLICY

Questions & Contacts

If you have questions about these commitments to human rights or other Company policies, please contact your leader or a Human Resources Manager. If you have a concern or become aware of behavior that may not uphold our commitments to human rights or represent a violation of other Company policies, you must raise the issue promptly. If you are uncomfortable talking with your leader, you may raise your concern to a Human Resources Manager or an Ethics and Compliance Manager. As an alternative, you may use Avista's Confidential Hotline to leave an anonymous message.

Confidential Hotline

If you have additional questions or concerns, you may contact Legal or Ethics & Compliance or use Avista's Confidential Hotline. Employees are encouraged to use the hotline when uncomfortable working through the normal channels described above or as an anonymous way to raise concerns. The Confidential Hotline is available 24/7:

877-861-6690 or [avistacorp.ethicspoint.com](https://www.avistacorp.ethicspoint.com)

All complaints will be investigated to the extent possible, given the information provided.

Avista does not tolerate harassment, discrimination, or retaliation.

EEO-1 DIVERSITY REPORT

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) 2023 EMPLOYER INFORMATION REPORT (EEO-1 COMPONENT 1)													EEOC Standard Form 100 (SF 100) Revised 08/2023 OMB Control Number: 3046-0049 Expiration Date: 11/30/2026			
SECTION A – TYPE OF REPORT CONSOLIDATED REPORT																
SECTION B – EMPLOYER IDENTIFICATION																
OFS COMPANY ID 0408036			EMPLOYER NAME AVISTA CORP													
ADDRESS 1411 EAST MISSION AVENUE						CITY/TOWN SPOKANE			STATE WA		ZIP CODE 99202					
SECTION C – HEADQUARTERS OR ESTABLISHMENT-LEVEL IDENTIFICATION (if applicable)																
HQ/ESTABLISHMENT-LEVEL UNIT ID			HEADQUARTERS OR ESTABLISHMENT-LEVEL NAME													
HEADQUARTERS OR ESTABLISHMENT-LEVEL ADDRESS						CITY/TOWN			STATE		ZIP CODE					
SECTION D – EMPLOYER IDENTIFICATION NUMBER (EIN) 910462470																
SECTION E – EMPLOYER FILING ELIGIBILITY <input checked="" type="checkbox"/> YES (Employer Is Eligible to File) <input type="checkbox"/> NO (Employer Is Not Eligible to File) <input type="checkbox"/> EMPLOYER NO LONGER IN BUSINESS																
SECTION F – FEDERAL CONTRACTOR DESIGNATION (if applicable) Unique Entity ID (UEL): J112N852GTT3 <input type="checkbox"/> YES (Single-Establishment Employer is Federal Contractor) <input checked="" type="checkbox"/> YES (Multi-Establishment Employer is Federal Contractor) <input checked="" type="checkbox"/> YES (Headquarters is Federal Contractor) <input type="checkbox"/> YES (Non-Headquarters Establishment is Federal Contractor) <input checked="" type="checkbox"/> YES (One or More Non-Headquarters Establishments is Federal Contractor)																
SECTION G – NAICS INFORMATION 221111 - Hydroelectric Power Generation																
SECTION H – WORKFORCE DEMOGRAPHIC DATA																
JOB CATEGORIES	Race/Ethnicity															
	Hispanic or Latino		Not Hispanic or Latino												Row Total	
			Male						Female							
		Male	Female	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native		Two or More Races
Executive/Senior Level Officials and Managers	1	0	15	0	0	0	0	0	0	3	1	0	0	0	0	20
First/Mid-Level Officials and Managers	4	1	118	1	1	0	0	2	48	0	2	0	2	0	0	179
Professionals	11	9	351	3	10	2	1	12	213	1	8	0	4	10	0	635
Technicians	4	3	107	0	1	0	1	0	52	2	2	1	1	1	1	175
Sales Workers	1	0	6	0	1	0	0	0	6	0	0	0	0	0	0	14
Administrative Support Workers	8	8	36	4	0	0	1	0	135	2	4	1	3	6	0	208
Craft Workers	12	0	484	0	3	0	8	11	62	0	0	0	0	0	0	580
Operatives	0	0	44	0	0	0	0	1	5	0	0	0	0	0	0	50
Laborers and Helpers	5	1	55	0	0	0	0	0	10	0	0	0	0	0	1	72
Service Workers	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1
CURRENT 2023 REPORTING YEAR TOTAL	46	23	1216	8	16	2	11	26	534	6	16	2	10	18	0	1934
PRIOR 2022 REPORTING YEAR TOTAL	36	22	1255	8	16	2	10	24	476	5	17	1	10	15	0	1897
SECTION I – WORKFORCE SNAPSHOT PERIOD 12/16/2023 - 12/31/2023																
SECTION J – HEADQUARTERS OR ESTABLISHMENT-LEVEL COMMENTS (optional) Not Applicable																

EEO-1 DIVERSITY REPORT

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) 2023 EMPLOYER INFORMATION REPORT (EEO-1 COMPONENT 1)			<small>EEOC Standard Form 100 (SF 100) Revised 08/2023 OMB Control Number: 3046-0049 Expiration Date: 11/30/2026</small>	
SECTION K – OFFICIAL CERTIFICATION OF SUBMISSION				
EMPLOYER IDENTIFICATION				
<small>OFS COMPANY ID</small> 0408036		<small>EMPLOYER NAME</small> AVISTA CORP		
<small>ADDRESS</small> 1411 EAST MISSION AVENUE		<small>CITY/TOWN</small> SPOKANE	<small>STATE</small> WA	<small>ZIP CODE</small> 99202
CERTIFICATION COMMENTS (optional)				
No Certification Comments Provided				
CERTIFICATION STATEMENT				
<i>"I certify that the information, including any workforce demographic data, provided in this report is correct and true to the best of my knowledge and was prepared in conformity with the directions set forth in the form and accompanying instructions."</i> Knowingly and willfully false statements on this report are punishable by law, US Code, Title 18, Section 1001.				
DATE OF CERTIFICATION				
6/3/2024 7:17 PM [EST]				
EMPLOYER'S CERTIFYING OFFICIAL				
<small>Name of Employer's Certifying Official</small> Sarah Letsch		<small>Title of Certifying Official</small> Manager, Recruiting & HR Compliance		
<small>Email Address of Certifying Official</small> sarah.letsch@avistacorp.com		<small>Telephone Number of Certifying Official</small> 509-495-4986		
PRIMARY POINT OF CONTACT (POC) FOR EEO-1 COMPONENT 1 REPORTING				
<small>Name of Primary POC</small> Alexia Saad		<small>Title and Employer of Primary POC</small> Associate Recruiter Avista		
<small>Email Address of Primary POC</small> alexia.saad@avistacorp.com		<small>Telephone Number of Primary POC</small> 509-495-7664		



Forward-Looking Statement

This report contains forward-looking statements, including statements regarding our current expectations, plans or objectives for future operations and other factors, which may affect the company in the future. Such statements are subject to a variety of risks, uncertainties and other factors, most of which are beyond our control and many of which could have significant impact on our operations, results of operations, financial condition or cash flows and could cause actual results to differ materially from those anticipated in our statements.

For a further discussion of these factors and other important factors please refer to our most recent Annual Report on Form 10-K, or Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission. Those reports are also available on our website at www.avistacorp.com. The forward-looking statements contained in this report are current as of December 1, 2024, and should not be relied upon as being current as of any subsequent date.

We undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances that occur after the date on which such statement is made or to reflect the occurrence of unanticipated events. New risks, uncertainties and other factors emerge from time to time, and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on our business or the extent to which any such factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.