



MDU Resources Foundation

2022 **ANNUAL
REPORT**



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Letter From the President

MDU Resources Group, Inc. and its member companies have long played a highly visible role as responsible corporate citizens in the communities where we have active business interests. We recognize the direct relationship between the economic, social, and cultural vitality of those areas and our corporate growth and prosperity, and we welcome the opportunity to be good corporate citizens.

We are proud of our community participation, and we will continue to expand that role as our companies continue to grow. One of the primary ways we fulfill our corporate citizenship and philanthropic responsibilities is through the MDU Resources Foundation. Our member companies' objectives for issuing foundation grants are to be responsible and valued corporate citizens contributing to the well-being of people and communities in states where we have customers or active business interests, and to support organizations that complement our employees' charitable and volunteer activities.

Incorporated in 1983, the MDU Resources Foundation was in its 39th year of corporate philanthropy in 2022. We are proud of our record of supporting qualified organizations that enhance the quality of life in our communities. We believe our efforts have had, and will continue to have, a positive impact.

The MDU Resources Foundation is one of the many ways we demonstrate we are a responsible and valued corporate citizen.



Cory G. Fong

*President and Director,
MDU Resources Foundation*



Rita R. O'Neill

*Foundation Manager
and Secretary,
MDU Resources Foundation*



What is the MDU Resources Foundation?

Incorporated in 1983, the MDU Resources Foundation is funded annually by contributions from member companies. Company contributions to the foundation are determined by the profitability of our companies and, in all instances, those contributions are made only from stockholder funds. We are proud of our record of supporting qualified organizations that enhance the quality of life we enjoy. Since our incorporation, we have contributed more than \$42 million to worthwhile charities and organizations. While our strategic goals are to be a provider of choice, an investment of choice and an employer of choice, it is our philanthropic goal to be “a neighbor of choice.”

Board of Directors & Officers

Cory G. Fong

President & Director

Nancy K. Christenson

Director

Patrick C. Darras

Director

Trevor J. Hastings

Director

Karl A. Liepitz

Vice President & Director

Thomas D. Nosbusch

Director

Rita R. O'Neill

Secretary

Dustin J. Senger

Treasurer

Jason L. Vollmer

Director



Bob Cheever, Jebro President; Rod Birdsell, Jebro HR Manager, present donation made to Morningside University in Sioux City, Iowa to Mike Freeman, Director of Development, Morningside University; Trace Taylor, Institutional Advancement Stewardship & Creative Manager, Morningside University; Chris Winkel, Vice President-General Manager, Knife River Midwest.

Foundation Member Companies

Cascade Natural Gas Corporation

Intermountain Gas Company

Knife River Corporation

MDU Construction Services Group, Inc.

Montana-Dakota Utilities Co.

WBI Energy, Inc.

2022 Highlights

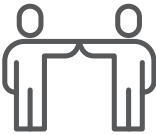
2022 Annual Contributions



\$2.39 million
donated



627 organizations
supported in 24 states



**6,929 volunteer
hours**
reported by employees



\$98,000 donated as
match for volunteer hours



\$13,618 donated as a match to
employees' personal contributions to
educational institutions

Recognizing Outstanding Performance

The MDU Resources Foundation funds programs to recognize outstanding personal involvement and service by active or retired employees in their respective communities. The recipients of these awards can direct a grant of \$1,000 to a qualified charity of their choice.

2021 Community Spirit Award



Tina Holmes, center; Jeff Thiede, left, president and CEO of MDU Construction Services Group; and Robert Kruse, right, director of financial software systems.

Tina Holmes, training and service coordinator at MDU Construction Services Group, is the recipient of the MDU Construction Services Group Community Spirit Award. Tina is actively involved in several community organizations, including the New Salem ambulance crew where she has volunteered more than 737 hours in one year. She also volunteers at her church in New Salem, North Dakota, as a secretary and participates in many of their programs and activities, including holding a position on the church council. Tina also participates in the Great American Bike Race, Rebuilding Together, AARC Hope for the Holidays and United Way fundraisers.



Tim Crowe, center; Brian Gray, left, president of Knife River — Northwest Region; and Fred Sondermeyer, right, general manager with Knife River — Western Oregon Division.

Tim Crowe, crusher operator with the Western Oregon Division of Knife River, received the Community Spirit Award for Knife River Corporation. Tim serves as a volunteer firefighter with the Lebanon, Oregon, fire district, and makes himself available for emergency calls no matter the time of day. Tim stays up to date on all the training required for a firefighter. In 2018, Tim received the Albert J. Smith Volunteer Firefighter of the Year award.



Dennis Burdolski, right; and MDU Resources President & CEO Dave Goodin, left

Dennis Burdolski, MDU Resources Group's facilities and administrative services coordinator, received the Community Spirit award for MDU Resources Group. Dennis volunteers at his church and has been a member of the North Dakota Jaycees since 1993. Most recently, Dennis has taken the lead role in the Western North Dakota Honor Flight, for which he serves as a board member. The organization provides a once-in-a-lifetime, no-cost trip for military veterans to Washington, D.C., for a day of honor and recognition. Dennis is the primary lead on all fundraising activities.



Mike Boise

Mike Boise, safety manager with Cascade Natural Gas, received the Community Spirit Award for MDU Resources' utility companies. Mike is a volunteer with Therapeutic Riding of Tri-Cities. He is a member of the board and helped raise more than \$50,000 during the group's main fundraising event. He is also leading the effort to build an indoor arena so the organization can expand its client list.

2021 Summit Award



Tyrone Belgarde, center; Brian Gray, left, president of Knife River — Northwest Region; and Billy Scott, right, general manager with Knife River — Western Oregon Division.

Tyrone Belgarde, assistant general manager with Knife River Materials — Southern Oregon Division, received the Summit Award for his efforts in building a team with a strong culture for caring for each other and customers. Tyrone develops a team around him that continues to grow and allow employees to be who they are and have fun in the workplace.



Cindy Emig, left; and Molly Johnson, right

Cindy Emig, distribution clerk-A, and **Molly Johnson**, operations assistant, both with Cascade Natural Gas, received the MDU Resources' utility companies' Summit Award. The individual who nominated Cindy and Molly said the two are very hard workers and always step up to support any need at any time, whether it is an employee or client. They both have a true heart for others and work very hard with a great attitude.



Dyke Boese, right; and MDU Resources President & CEO Dave Goodin, left

Dyke Boese, director of Enterprise Infrastructure and Operations for MDU Resources, was awarded the Summit Award. Dyke's positive attitude and pride in his work encourages others to have that same mindset. Dyke works with patience, dedication and superior service and is always willing to help. Overall, he's a champion of people and the company.



Denise Ecker, center; OEG Vice President Clint Valiton, left; and OEG President Chad Williamson, right.

Denise Ecker, human resources director for OEG, Inc., in Portland, Oregon, was awarded MDU Construction Services Group's Summit Award. Denise has gone above and beyond leading a diversity and inclusion initiative. The initiative grew into what is now called OEG Bridges. Denise is always one of the first in the office and the last to leave and makes OEG a great place to work.

2021 Environmental Integrity Award



Ray Swearingen, center; Brian Gray, left, president of Knife River — Northwest Region; and Randy Kephart, left, mobile equipment manager.

Ray Swearingen, mechanic helper with Knife River's Southern Oregon Division, received the Environmental Integrity Award. Ray uses a wash rack that filters all water and removes oil and sediment before it goes to the sanitary sewer plant. Ray is instrumental in making sure pre-treated water is clean before exiting the Knife River facility, and he services the filter to ensure Knife River stays compliant.



(top row, from left to right) Dave Swenson, Josh Fife, Kathleen Campbell, Brack McMurtrey, (bottom row, from left to right) Nicole Gyllenskog, Ted Dedden, Chris Nelson, and Jacob Darrington

Dave Swenson, industrial service manager; **Josh Fife**, engineer III; **Kathleen Campbell**, senior engineer; **Brack McMurtrey**, district operations manager; **Nicole Gyllenskog**, industrial services manager; **Ted Dedden**, accounting and finance manager; **Chris Nelson**, gas measurement supervisor; and **Jacob Darrington**,

regulatory affairs manager, were awarded MDU Resources' utility companies' Environmental Integrity Award. All employees work for Intermountain Gas Company and are members of the Renewable Natural Gas Facility Interconnections Team. The group was touted for its work to provide support for daily digester biomethane projects to connect with Intermountain Gas' system in Idaho. This allows the facilities to reduce emissions and improve waste management. This group engaged with producers and developers to plan and contract for interconnection, engineering and design of the new equipment/infrastructure for installation, quality control equipment set up and monitoring, and regulatory reporting and coordination.



Ben Jurgensmeier, left; and Ron Thompson, right

Ron Thompson, operations manager, and **Ben Jurgensmeier**, general foreman, received the Environmental Sustainability Award for MDU Construction Services Group. Ron and Ben lead Loy Clark's Drill Division team. The team performs work with sustainability in mind by using a trenchless method called horizontal direction drilling without disturbing most of the ground and surrounding areas. It is the preferred method of utility installation for many of Loy Clark's customers.

THANK YOU

**and congratulations
to MDU Resources'
employees for being
responsible and valued
corporate citizens.
Your contributions to
our communities are
outstanding!**

Areas of Corporate Philanthropy

The MDU Resources Foundation will consider requests in the following categories:



Health and Human Services

Recognizing the critical role of quality and accessible health care and human services, the MDU Resources Foundation supports national and local health and human services agencies, hospitals, youth agencies and senior citizen organizations.



Education

Given the importance of education in building strong individuals, families and communities, the MDU Resources Foundation supports private secondary and higher education institutions, education development foundations, economic education programs and scholarships.



Civic and Community Activities

Strengthening communities, improving lives. These are the goals of the MDU Resources Foundation as it funds programs that create opportunities and meet the needs of communities across the country.



Culture and Arts

The MDU Resources Foundation has had a longstanding interest in culture and the arts and seeks to promote positive youth development through culture and the arts by funding art funds and councils, museums, theaters, libraries and cultural centers.



Environment

The MDU Resources Foundation funds organizations that promote the wise use of resources without compromising the ability of future generations to meet their own needs. We strive to be good stewards in the communities we serve.

Scholarships

Post-secondary education is a high priority for the foundation, and we maintain two separate scholarship programs. One program is exclusively for the use of dependents and spouses of eligible employees.

The other program consists of scholarships established at numerous institutions of higher education. Information on these scholarships is available at the financial aid office of the respective institutions. In all instances, our sole responsibility is funding the scholarships. No company personnel are involved in determining the recipients of these scholarships.

Employee Scholarship Program

The MDU Resources Group Employee Scholarship Program is designed to encourage and recognize academic achievement of children, grandchildren and spouses of eligible employees of MDU Resources Group and its member companies by awarding annually up to 30 \$2,000 college scholarships.

This scholarship program is administered by Scholarship America®, which is the nation's largest designer and manager of scholarship and tuition reimbursement programs for corporations, foundations, associations and individuals. Awards are granted without regard to race, color, creed, religion, sexual orientation, age, gender, disability or national origin.

Employee Match Program

Employee Match Program for Education

The MDU Resources Foundation and its member companies believe a strong educational system is vital to the communities where we live and conduct business. This program matches employees' and corporate directors' personal contributions to educational institutions (elementary, secondary, higher education) with a match equal to contributions between \$50 and \$750.

Employee Match Program for Volunteerism

This program encourages employees to participate in volunteer activities by giving a grant to a non-profit organization at which an employee volunteers 25 or more hours in one year. Employee groups who volunteer at the same non-profit and accumulate 25 or more hours can also apply for a grant for that non-profit.

Qualifying organizations must be local 501(c)(3) organizations in which the employee is an active volunteer providing services in the areas of civic and community activities, culture and arts, education, environment, or health and human services.

We Give – 2022 Results

2022 Actual

Program Area	# of Grants	Amount
Civic/Community	217	\$ 820,055
Culture/Art	29	\$ 98,500
Education	190	\$ 647,228
Environmental	28	\$ 100,150
Health/Human Services	163	\$ 726,720
	<u>627</u>	<u>\$2,392,653</u>



- Civic/Community (35%)
- Culture/Art (4%)
- Education (27%)
- Environmental (4%)
- Health/Human Services (30%)

Employee Education Match Program

Number of education matches:	33
Employee contributions:	\$21,118
Company match:	\$13,618
Number of schools supported:	30
Contributions to date:	\$990,537

Employee Volunteer Match Program

Number of volunteer matches:	1,131
Number of reported employee volunteer hours:	6,929
Company match:	\$98,000
Number of charities supported:	104
Contributions to date:	\$523,250

Employee Scholarship Program

2021 scholarship awards:	\$58,000
Total number of students assisted to date:	738
Total awards distributed:	\$1,095,800

Looking Ahead to 2023

2023 Budget

Program Area	# of Grants	Amount
Civic/Community	146	\$ 866,446
Culture/Art	29	\$ 50,650
Education	122	\$ 491,400
Environmental	15	\$ 98,750
Health/Human Services	101	\$ 398,719
Other		\$ 284,000
	<hr/> 413	<hr/> \$ 2,189,965



- Civic/Community (40%)
- Culture/Art (2%)
- Education (22%)
- Environmental (5%)
- Health/Human Services (18%)
- Other (13%)

Eligibility for Grant Consideration

The MDU Resources Foundation will contribute only to institutions, organizations and programs recognized by the Internal Revenue Service as qualified recipients of foundation contributions. Generally, contributions are restricted to organizations qualified as tax exempt under Section 501(c)(3) of the Internal Revenue Code. Primary consideration is given to charitable institutions, organizations and programs within the geographic areas where member companies conduct business.

Generally, no consideration will be given to private individuals, athletic, labor, fraternal, political, lobbying or to regional or national organizations without local affiliation. Requests seeking endowment funds will receive low priority, and, as a rule, the foundation will not consider concurrent contributions to a single grant recipient.

While the foundation has, on various occasions, made contributions to support staffing and ongoing operating expenses and purchasing hospital equipment, such requests will receive low priority. Organizations and hospitals are encouraged to submit requests that support new programming needs that are unmet by regular operating expenses.

The foundation generally will not fund 100% of a project's total cost and encourages requestors to solicit financial assistance from other sources as well.

Economic development requests are not focal points of the foundation. Requests for loans, venture capital, participation in loan pools, etc., will not be considered by the foundation and should be directed to the appropriate MDU Resources operating company. All other requests that do not fit within the guidelines of the foundation shall be the responsibility of the member companies.

Generally, requests for contributions of \$1,000 and above will be considered by the foundation, while requests for contributions of a local nature and less than \$1,000 will be considered by the individual companies.

All grants are subject to annual review, and the foundation reserves the right to defer, alter, suspend or cancel a contribution at any time.

Grant Application Process

To obtain grant application materials and view the current MDU Resources Foundation annual report, log onto www.mdu.com and click on the **About** tab and the **Community** link.

To be considered for a grant, all requests must be in writing and include the following information:

1. A completed grant request form, including the name and address of organization or charity.
2. Name, address, email address and telephone number of contact person.
3. A copy of an Internal Revenue Service (IRS) determination letter indicating tax-exempt status under Section 501(c)(3) of the Internal Revenue Code (IRC); or, evidence of eligibility under Section 170(c)(1) of the IRC. Organizations described in Section 170(c)(1) of the IRC are the United States, a possession of the United States, any state, the District of Columbia, or any political subdivision thereof. A political subdivision would include a county, a city, a school district, a park district, etc. Contributions are allowable if they are used exclusively for public purposes.
4. Purpose or use of requested grant.
5. Other requested information, including a list of officers and board of directors, budget for organization or project, and program or project brochures.

Completed grant applications should be submitted via email or regular mail to the local company office or emailed to Rita.ONeill@mduresources.com or mailed to MDU Resources Foundation, Attn. Rita O'Neill, PO Box 5650, Bismarck, ND 58506-5650. To be considered for funding, all grant requests must be submitted no later than **October 1** of the year prior to the year for which funding is being sought.

The foundation operates on a calendar-year budget, and the Board of Directors meets in January each year to approve the annual budget and to conduct other business. All applicants will be notified as to the status of their application following the board's annual meeting.

For further information, contact MDU Resources Foundation Manager Rita O'Neill at Rita.ONeill@mduresources.com or 701-530-1087.



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www.mdu.com/about-us/community/