

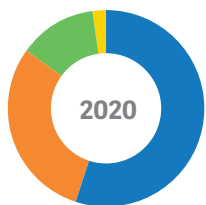
ESG Snapshot



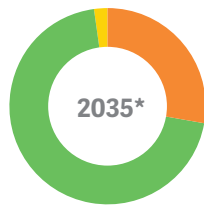
Environmental

Energy resource diversification and carbon emissions reductions are major components of TEP's sustainability strategy.

Retail Energy Mix



- 50% – COAL
- 31% – NATURAL GAS
- 14% – RENEWABLES
- 5% – MARKET PURCHASE



- 26% – NATURAL GAS
- 70% – RENEWABLES
- 4% – MARKET PURCHASE

By the Numbers



1,151 MW

Total renewable generating capacity, including community scale and private systems



1,155

Square miles of territory



1,675

Employees

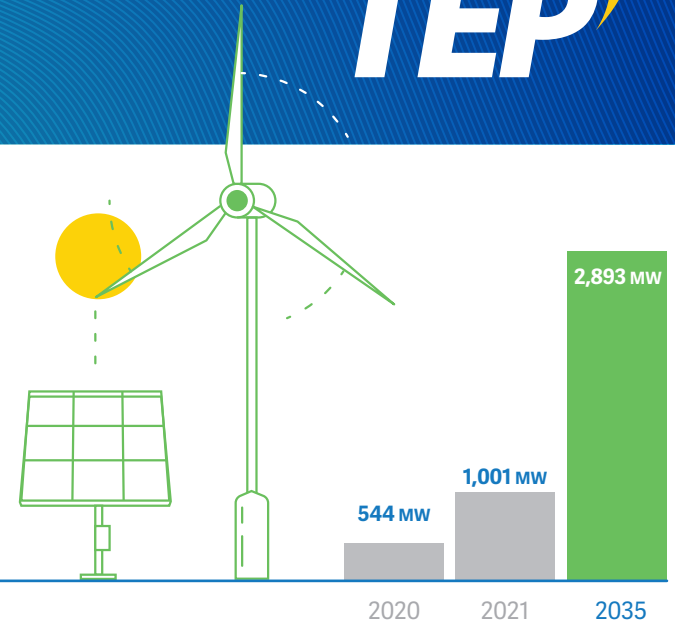


12,963

Hours volunteered in 2022
2022 statistics

70%

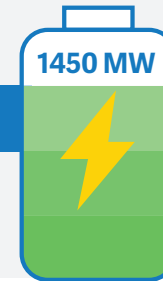
OF OUR POWER WILL COME FROM
WIND AND SOLAR RESOURCES BY 2035*



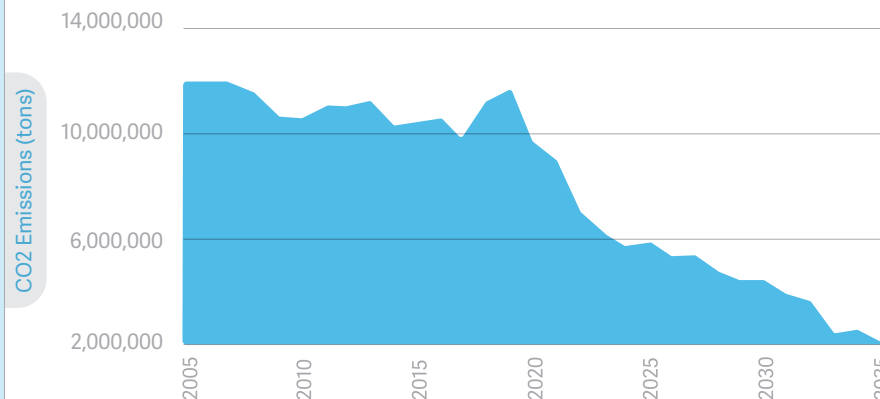
Significant Expansion of Energy Storage

2035 – 1,450 MW of storage

2019 – 20 MW of storage



Projected Carbon Emissions Reduction



80%

LOWER CARBON EMISSIONS
BY 2035*

Ramping down and retiring our coal-fired power plants will reduce greenhouse gas emissions.

*Goals outlined in 2020 TEP Integrated Resource Plan.

Our Sustainability Framework



Social



We're committed to improving the quality of life in the communities we serve.

TEP is dedicated to being a good neighbor and providing assistance to our most vulnerable residents, helping to address complex issues such as homelessness and poverty, social and environmental inequities, hunger, domestic violence and other areas of need.

By working to address these needs, we're giving individuals and families new opportunities for a better life, and supporting our business community in efforts to create a stronger, healthier and more vibrant community.



Donated **\$1.4 million** in support of 190 nonprofits



Volunteered more than **12,000 hours** to nonprofit organizations who support our community and protect our natural resources



Helped **create 1,300 jobs** in Southern Arizona through continued efforts to stimulate economic development

tep.com/powering-growth



Working to **strengthen equity and inclusion** at our company and in our community



For more information please visit tep.com/esg

Governance



We're enhancing the value our company provides to our customers, community and stakeholders through responsible governance.

We have systems in place that help us operationalize our goals, measure our progress and ensure accurate, reliable and timely reporting.



Invested nearly **\$1.8 billion** since 2018 to expand and upgrade our energy systems to reliably serve our growing community's expanding energy needs



Continued **ESG Officer Strategy Team** efforts to hold sustainability central to our business strategy



Formed a **Resource Planning Advisory Council** with a diverse set of stakeholders, including customers, to provide transparency and gather input in the development of TEP's 2023 Integrated Resource Plan