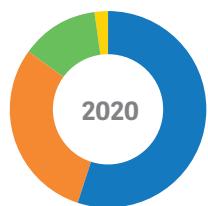


Sustainability Snapshot

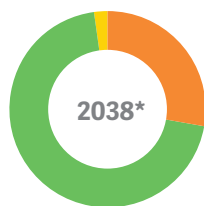
Environmental

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

Retail Energy Mix

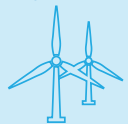


- 50% - COAL
- 31% - NATURAL GAS
- 14% - RENEWABLES
- 5% - MARKET PURCHASE



- 37% - NATURAL GAS
- 54% - RENEWABLES
- 9% - MARKET PURCHASE

By the Numbers



1,209 MW

Total renewable generating capacity, including community scale and private systems



1,155

Square miles of territory



1,740

Employees

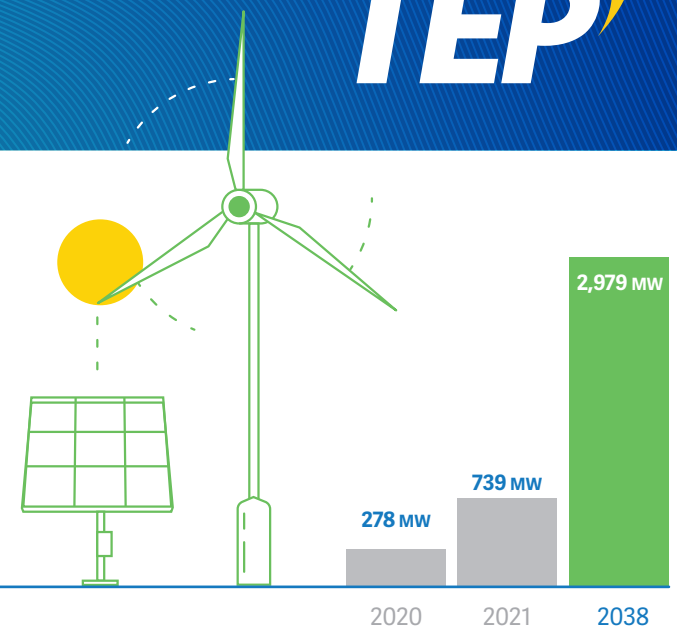


8,500

Hours volunteered in 2023
2023 statistics

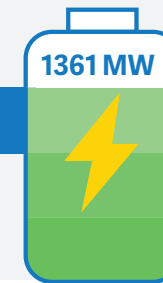
90%

OF NEW POWER RESOURCES WILL COME FROM RENEWABLE AND ENERGY STORAGE PROJECTS OVER THE NEXT 15 YEARS



Significant Expansion of Energy Storage

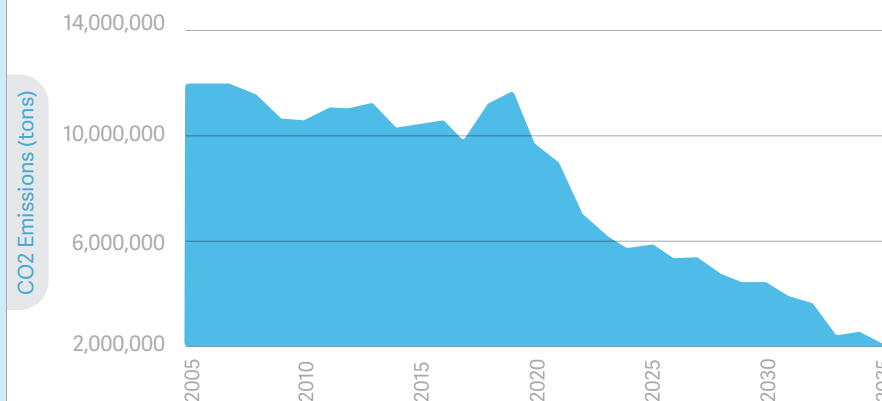
2,038 - 1,361 MW of storage



2023 - 51 MW of storage



Projected Carbon Emissions Reduction



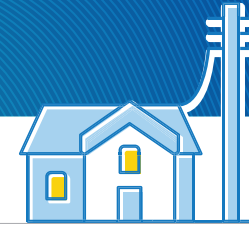
80%

LOWER CARBON EMISSIONS BY 2035*

Ramping down and retiring our coal-fired power plants will reduce greenhouse gas emissions. Net zero greenhouse gas emissions by 2050.*

*Goals outlined in 2020 & 2023 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 **\$1.5 million** in support of 190 nonprofits



Volunteered more than **8,500 hours** to nonprofit organizations who support our community and protect our natural resources



Helped create **430 jobs in 2023 alone** 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

2023 social impact numbers

Governance

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

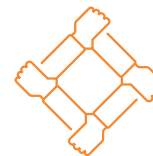
We have systems in place that help us operationalize our goals, measure our progress and ensure accurate, reliable and timely reporting.



Invested more than **\$2 billion** over five years (2019-2023) 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