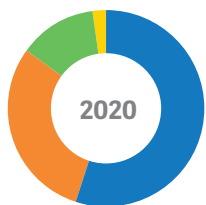


# ESG Snapshot

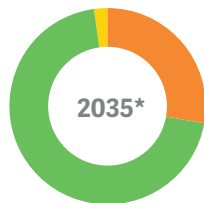
## Environmental

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

## Retail Energy Mix



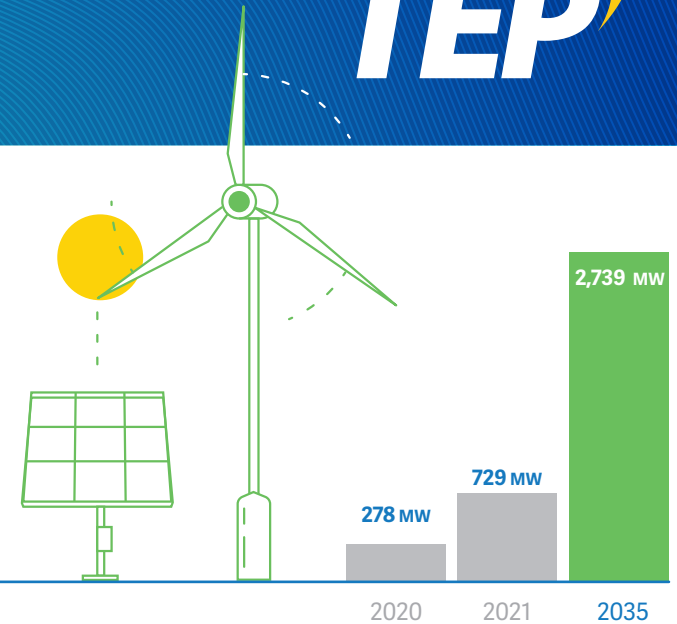
- 50% - COAL
- 31% - NATURAL GAS
- 14% - RENEWABLES
- 5% - MARKET PURCHASE



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

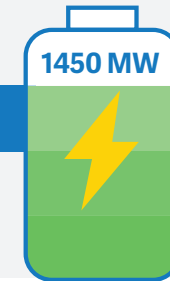
# 70%

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



## Significant Expansion of Energy Storage

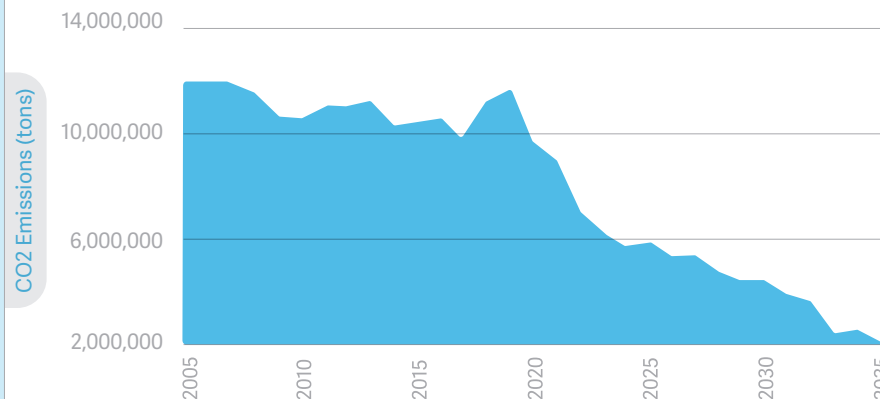
2035 - 1,450 MW of storage



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.

## By the Numbers



**1,075 MW**

Total renewable generating capacity, including community scale and private systems



**1,155**

Square miles of territory



**1,668**

Employees



**9,971**

Hours volunteered in 2021  
2021 statistics

\*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 \$2.1 million** in support of 176 nonprofits



**Volunteered nearly 10,000 hours** to nonprofit organizations who support our community and protect our natural resources



Helped **create 1,700 jobs** in Southern Arizona through continued efforts to stimulate economic development



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



For more information please visit [tep.com/esg](http://tep.com/esg)

2021 social impact numbers

## Governance



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

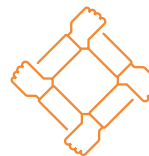
We have systems in place that help us operationalize our goals, measure our progress and ensure accurate, reliable and timely reporting.



**Invested \$770 million** since 2019 to maintain and improve our system, contributing to our top quartile reliability performance



Established the **ESG Officer Strategy Team** to ensure sustainability remains 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