

2020 DTE ENERGY SUSTAINABILITY SUMMARY

Serving With Our Energy

Driving healing, recovery and progress in 2020 and beyond

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It's no secret 2020 was a difficult year for our customers and communities. The COVID-19 pandemic delivered many significant challenges to our collective doorstep. Our friends, families and neighbors endured physical, mental, social and financial hardships. For many, life itself was – and remains – at stake.

At the onset of the pandemic, I pledged DTE would do all we could to help our employees, customers and communities through the challenges COVID-19 brought upon us. I'm proud to say alongside our community and government partners, DTE's 10,000-plus team members rolled up our sleeves, put on our masks and found new ways to serve. While we're proud of what we achieved last year, we know there's much work left to do – and we're up to the task.

In the following pages, we'll highlight many of our efforts to drive healing, recovery and progress in the communities we serve. We'll also update you about what we're doing to build a safer, smarter and more reliable energy grid – and a cleaner energy future for generations to come.

Whether you're a DTE customer or employee, an investor or another stakeholder with an interest in our business, I thank you for taking the time to learn more about our journey toward becoming the best-operated energy company in North America and a force for good in our communities.

Best,

Jung Mroun'

Jerry Norcia

President and Chief Executive Officer DTE Energy

Promoting safety and well-being for our employees, customers and communities

We know our ability to deliver safe, reliable energy begins and ends with safe and healthy employees. When COVID-19 arrived in Michigan, DTE was among the first companies to suspend all non-critical infrastructure and maintenance work, and direct all employees who could work remotely to do so.

We also worked closely alongside medical and occupational health experts to drastically change how we work – from personal protective equipment and social distancing guidelines to cleaning procedures, and everything in between.

Our business and safety culture remain rooted in a commitment to 200% accountability – being 100% committed to our own safety and 100% committed to the safety of those around us. It's this commitment that allowed us to continue to deliver life-critical energy to hospitals, research facilities and first responders on the frontline of the COVID-19 crisis as we all came together to define our new normal, and to proceed in the safest ways possible.

We did what we could to keep others safe, too. We'll highlight these efforts in the following sections.





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Supporting our communities through philanthropy and critical pandemic relief funding

In 2020, the DTE Energy Foundation awarded approximately **\$21 million in COVID-19 relief funding** in the communities where our team lives and serves.

Visit dteenergy.com/covidcommunity to learn more.



500,000 families supported with basic needs assistance



3 million meals funded



faith-based partners in 20+ zip codes supported through critical services, including COVID-19 testing



2 million
KN95 masks donated to
first responders



\$1 million
in grants to all domestic
violence shelters
funded by the Michigan
Department of Health
and Human Services



\$2 million
in total donations to the
Michigan Association of
United Ways, Michigan
Community Action and
nonprofits



volunteer hours

volunteers

assisted in 190



communities through volunteerism

While COVID-19 required us to reimagine the ways we mobilized our team to support our customers and communities, we're proud of what we achieved alongside our nonprofit partners.

From virtual mentoring to delivering holiday meals to seniors, last year's volunteerism efforts harnessed the energy - and leveraged the unique skills - of our employees to make positive, lasting impacts on our communities. We look forward to resuming the far-reaching volunteerism efforts that exemplify our company's approach to service as soon as it's safe to do SO.

Are you a nonprofit in need of skills-based volunteers? Fill out this form to get in touch with us.

Supporting our customers through \$90 million in energy assistance

In the wake of the COVID-19 pandemic and the economic impact many of our customers felt, we acted quickly to provide flexible options and financial relief to those who needed it most. In addition to suspending all disconnects due to non-payment and COVID-19 illness, we awarded more than \$90 million in energy assistance to people across Michigan.





2020 by the numbers:

Energy assistance

Worked with the Michigan Department of Health and Human Services and

forgave \$13 million in past due balances for 21,000 customers

\$2.6 million in one-time balance reductions awarded to 2,058 customers with high arrears

\$246,000 donated to The Heat and

Warmth Fund (THAW) to support its annual Winter Survival Radiothon, which helps bridge energy assistance payments and keep Michigan families afloat

Energy waste reduction (EWR)

We also engaged our customers through holistic EWR programming which includes <u>rebates</u>, tools and tips to help them reduce their energy costs in 2020 and beyond.

\$350 million+ saved by customers through DTE energy efficiency programs in 2020

31,000+ free Home Energy Consultations
were conducted, and more than 530,000 free
energy-saving products, such as LED lights, smart
thermostats and water aerators were installed in homes

Supporting Michigan businesses

In combination with our efforts to support families in need, we also launched and led several initiatives to keep businesses running – and people working – across Michigan. We continued our efforts to develop a diverse and inclusive supplier base we know will create a healthier, more vital Great Lakes State.

Detroit Means Business

Early in the pandemic, DTE mobilized a coalition of more than 60 organizations that came together to create <u>Detroit Means Business</u> (DMB), an online resource hub through which businesses can access valuable information about small business loans and other critical topics, free one-on-one financial coaching and many other offerings that help Detroit's small businesses continue to stabilize and thrive. Small businesses are the primary drivers of the city's job creation, constituting 50% of Detroit's employment. The first phase of the work in spring of 2020 was survival – we helped businesses gain financial aid, work through unemployment and more. The next phase was safely reopening – we created a website with return to work playbooks and donated masks, gloves and cleaning materials.

We soon came to realize that Detroit had organizations that provided critical small business assistance, but there was something missing: a comprehensive strategy and organization to oversee, coordinate and ensure execution of that strategy. That's when Detroit Means Business took center stage, helping businesses grow and creating thousands of neighborhood-based jobs in the process.

Personalized protective equipment donations

The DTE Energy Foundation also donated 6,000 PPE kits to help small businesses statewide safely reopen through partnerships with local chambers of commerce and the Michigan Minority Supplier Development Council. These donations, which were made early in the pandemic when PPE was highly contested and hard to come by, were instrumental in helping businesses safely reopen and stabilize.





1.2 million gloves



6,000 gallons of hand sanitizer



600,000 masks

DONATED TO SMALL BUSINESSES IN MICHIGAN

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Creating a diverse supplier pipeline that unlocks new opportunities statewide

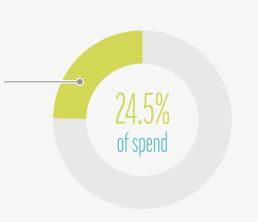
We know we're at our best when our supply chain reflects the broad diversity of the customers we serve.

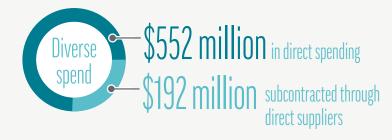
Championing supplier diversity since

1982

149 certified diverse suppliers

\$744 million
diverse spend in 2020,
a 288%
increase since 2010



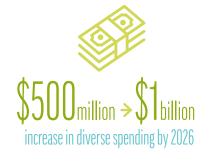


\$2.2 billion spent with Michigan businesses in 2020

\$969 million spent with Detroit suppliers



32 supplier diversity awards earned since 2018





20+ outreach events annually



We know our organization – and our foundation – can continue to make a difference in setting our state's children up for for short- and long-term success. We have been, and will continue to be, one of Michigan's largest contributors to youth employment programs, partnering with organizations that help us empower underserved populations; that's something we're very proud of. Last year, we doubled down on our efforts to dismantle the systemic barriers that often prevent young people from reaching their full potential and realizing their dreams.

Bridging the digital divide in Detroit through a first-of-its-kind public-private partnership

During the onset of the pandemic, Detroit Public Schools Community District (DPSCD) estimated only 10% of its students had access to a device and internet, so even before schools closed and shifted to remote learning arrangements, we knew we had to act to position Detroit schoolchildren to learn and grow remotely. DTE and the DTE Foundation, and DPSCD, moved quickly to mobilize a coalition of leading organizations, foundations and philanthropists to put tablets equipped with high-speed internet in the hands of all 51,000 DPSCD students before the fall term began.

This not only allowed students to access their classes and schoolwork online, it empowered family members to access critical online resources, including telehealth, GED programs and job applications, that weren't available to them previously.

Connected Futures is truly a program that's changing the trajectory of our city and state. Learn more about it here.

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students employed directly at DTE or through student programs statewide

6,900 youth supported through virtual programming, including job shadowing and career path exploration statewide



Adapting summer student programs for the remote world

Despite the many challenges of adapting our summer student programs to a virtual arrangement, we knew it was critical that we continue this work, and in turn position our youth and communities to thrive. We were one of the only large companies in our region to move forward with our summer jobs programs, and through our support of Grow Detroit's Young Talent and other community organizations, we provided meaningful employment that helped students acquire new life and career skills, and opened their minds to new career opportunities at DTE and in the energy industry.

Our Summer Youth Internship Program was nationally recognized and included in this Workforce Tactical Guide toolkit from Bloomberg Associates so other companies could learn how to adapt their programs, too.

Creating a more diverse, equitable and inclusive workplace and community

At DTE, our values and commitment to doing what's right drive our advocacy for the fair and just treatment of all people - and our unequivocal rejection of all forms of racism, discrimination and violence, and the systemic barriers that perpetuate them. The tragic, high-profile events of 2020 - including the senseless killings of George Floyd, Ahmaud Arbery and Breonna Taylor – combined with previous incidents involving too many other men and women of color, spurred us to take bolder steps, faster, to increase equity at our company and in our society.

We're creating a more diverse, inclusive and equitable working environment by developing tools and sharing resources for groups and leaders to use, establishing a clear baseline of where we are and defining operational and communication goals to get us where we need to go. We expanded our DEI resources, including DEI staff, and formed a new partnership with a globally recognized consulting firm to help accelerate our journey.

Diversity Equity & Inclusion

Issued a

companywide declaration against racism and injustice

Signed New Detroit's Declaration of War on Racism:

we continue to work with New Detroit to fulfill its commitment Held CEO-led listening sessions with groups of diverse employees and community partners

to begin to better understand our stakeholders and inform next steps

Led a companywide "emotional" safety stand down with all employees and contractors

Directed - and continue to direct suppliers and vendors to:

- Develop zero-tolerance policies related to racism, violence and discrimination
- · Set goals to diversify their workforces

Declared Juneteenth 2020 a day off for all DTE employees to learn, heal and act

Granted \$250,000 to the Michigan **Justice Fund**

to reduce youth incarcerations and ensure those who are returning home after need

Engaged a third-party DEI consulting partner to guide us on our

journey

Formed a new DEI leadership position and expanded DEI staff resources

Trailblazing employment programs

Did you know 70% of power outages are caused by trees? It's true – and tree trimming is a common-sense solution to preventing outages from happening in the first place. As we continue to step up our tree-trimming efforts to keep our customers safe and our energy reliable, we're launching innovative programming to make good-paying jobs available to Michiganders, including qualifying individuals in need of a fresh start.

Detroit Tree-Trimming Academy

In April 2021, DTE launched a Detroit-based tree-trimming program in partnership with the International Brotherhood of Electrical Workers (IBEW) Local 17, Focus: HOPE and the city of Detroit. The first program of its kind in the nation, our tree-trimming academy will address barriers to employment for Detroiters and known causes of failure, e.g., lack of childcare or transportation options, in similar programs.

Our training facility will operate year-round and train small cohorts of up to 20 individuals in a six-week urban arboriculture curriculum. We know through this diversification – and the unique experiences and insights these graduates will bring to our workforce – we'll move several steps closer to achieving our aspiration to be the best-operated energy company in North America.

Parnall Correctional Facility partnership

In Summer 2019, we launched a first-of-its-kind workforce development program to train people with barriers to employment in a skilled job. We partnered with the Michigan Department of Corrections and the IBEW Local 17 to develop and launch a program at Parnall Correctional Facility's Vocational Village to train returning citizens for careers in tree trimming. Students learn to safely climb trees, use tree-trimming equipment and obtain commercial driver's licenses. So far, more than 75% of graduates are employed with our suppliers. We look forward to continuing to update you about this program and the bright futures for these returning citizens.





Let us be clear: climate change is one of the defining issues of our era. We know it's our duty to act - and that's exactly what we're doing.

Net-zero carbon emissions in our electric and gas utilities by 2050

We're taking aggressive action to dramatically reduce greenhouse gas emissions as part of our net zero journey, and in leading the effort to decarbonize our state's economy. We firmly believe this is the right thing to do for our customers, business and the communities we serve - and our efforts are important in our mission to provide our customers with the safe, reliable and affordable energy they expect from us.

DTE ELECTRIC

Net zero 2050 50% carbon reduction emissions by 2050 50%

O carbon reduction by 2040 from 2005

DTE GAS

35% emissions reduction from our customers by 2050

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energy future for Michigan - and our planet.

In a first-in-the-nation commitment, DTE Gas will reduce its greenhouse gas emissions to net zero by 2050 - from procurement through delivery. And we'll amplify this net zero commitment by partnering with customers to address up to 100% of their own natural gas carbon footprint with programs that encourage energy efficiency and participation in Natural Gas Balance, our company's new and innovative voluntary emissions offset program.

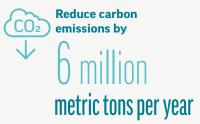
CleanVision Natural Gas Balance

In early 2021, we introduced our Natural Gas Balance program, which gives our customers an easy way to offset the average home's greenhouse gas emissions. The program is the first in the nation to include both carbon offsets. and renewable natural gas. The carbon offset program protects 24,000 acres of Michigan forests that naturally absorb greenhouse gases. Renewable natural gas will be sourced by transforming agricultural waste, landfill emissions and wastewater treatment plant by-products into usable gas.

Natural Gas Balance offers customers a way to affordably offset 25% to 100% of greenhouse gas emissions from an average home's natural gas use. Together, we can improve our environmental impact.

Click here to learn more and to get started today.

By achieving net zero carbon emissions by 2050, we will:





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Our transition from coal to cleaner, greener 24/7 energy sources

In less than two years, DTE will retire three of our five remaining coal power plants. These plants – our River Rouge, St. Clair and Trenton Channel power plants – account for nearly 20% of our total generation and will close one year earlier than originally planned.



River Rouge Power Plant

retirement



2022

St. Clair Power Plant retirement



2022

Trenton Channel Power Plant retirement

A just transition

We continue to move forward with these closures as quickly as possible to achieve our carbon-reduction goals in a way that promotes reliability across the energy grid. We're also working closely with our employees and impacted communities during this transition to ensure our actions align with their best interests; one example is our ongoing commitment to retraining and/or relocating DTE team members who work at these facilities.



Blue Water Energy Center: the underpinning of our clean energy transformation

The Blue Water Energy Center (BWEC) will play a critical role in positioning us to continue to deliver safe, reliable energy to our customers – and to achieve our carbon emissions reduction goals – when we begin retiring our coal plants. This \$1 billion investment will be the most fuel-efficient power plant in Michigan when it comes online in 2022. It will be a critical component of a balanced energy mix and will provide 24/7, always available power generation our customers need when wind turbines and solar arrays aren't able to produce electricity due to weather conditions or time of day.

Blue Water Energy Center by the numbers:

energy generation

homes could be powered by BWEC's energy

Employs
700
union craft
personnel



*As of Feb. 2021



Solar

We aim to provide the lowest-priced, most accessible solar power to our customers. We have big plans to add even more solar energy to the grid, enabling all Michiganders to benefit from this clean energy resource at the lowest cost. With our 31 solar farms, we're already Michigan's leading producer of – and investor in – solar energy. By the end of 2022, we hope to add five new solar parks, generating clean energy from nearly 1.4 million additional solar panels.

Wind

Our wind parks are generating more than clean energy; they're helping to strengthen Michigan's economy. Rural communities around the state are receiving added tax revenue and farmers and others who participate in our projects appreciate the extra income this provides. Our wind parks also provide additional, local employment opportunities before, during and after a park is built.

Looking ahead: our renewable energy plan

Our new renewable energy plan is pending the Michigan Public Service Commission's approval. If approved, it will enable us to increase our generation capacity from solar nearly tenfold. Through this additional solar, and other new wind and solar projects already approved, by 2022 we will generate enough clean energy each year to power 900,000 homes. This increased clean energy generation will offset approximately 4.7 million metric tons of CO2 - equivalent to greenhouse gas emissions from more than 938,000 passenger cars driven for a year.1

MIGreenPower - a clean energy partnership with our customers

Launched in 2017. MIGreenPower is a voluntary renewable energy program that enables DTE Electric customers to attribute a percentage of their energy use to our wind and solar projects, adding more clean energy to the grid. The program provides customers with a flexible, affordable way to make a big difference when it comes to protecting the environment and creating a cleaner Michigan for all Michiganders.

We thank all our customers enrolled in MIGreenPower for signing up to help us grow Michigan's clean energy economy and protect our environment for future generations.

Click here for more information and to enroll in MIGreenPower today!

¹ Avoided emissions and equivalencies are based on the Environmental Protection Agency equivalencies calculator at http://www.epa.gov/ energy/greenhouse-gas-equivalencies-calculator.



Beyond clean energy generation: Polaris Wind's local impact



jobs created during construction



permanent wind technician positions created



Stable income for for participating landowners



New tax revenue to fund roads, schools, emergency services and other needs

Introducing Polaris Wind

In April of 2020, we took another significant step toward a cleaner energy future by commissioning Polaris Wind, Michigan's largest wind park to date. Located in Gratiot County, Polaris Wind will play a key role in positioning us to reduce carbon emissions by 50% by 2030*.



68 turbines



64,000 homes powered

Offsets greenhouse gas emissions equivalent of taking more than



76,000 gasoline-powered cars off the road for a year

*From 2005 levels



Clean water and safe habitats

We withdraw water from rivers and lakes for cooling purposes in power plant and gas compressor station operations. A fraction of this water is consumed during these processes, but most of it is safely returned to lakes and streams.

We employ practical land-management and conservation techniques to protect and conserve water resources at our facilities and properties, and we're striving to be more efficient with water usage. We also maintain thousands of acres of land in its natural state – and provide habitats for hundreds of species of plants, birds, mammals, fish and insects. All of this helps to maintain our state and planet's natural beauty for all to enjoy now and in the future.

Building a safer, smarter and more reliable energy grid

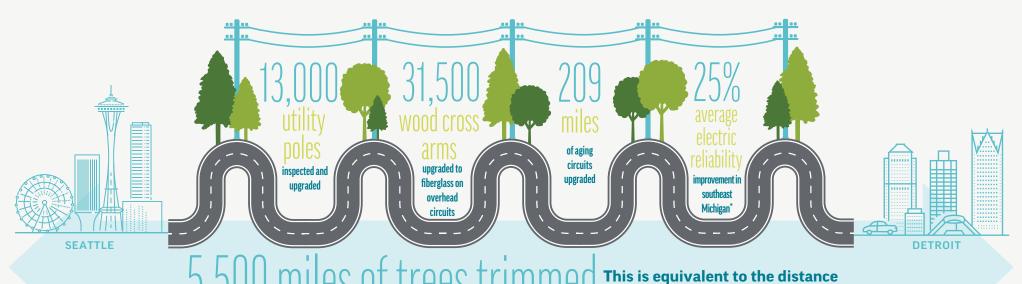
Despite the many challenges 2020 brought to us, we forged ahead on our mission to be the best-operated energy company in North America. We know achieving this aspiration begins and ends with delivering energy that's safer, cleaner and more reliable and affordable, so we've invested heavily in tree trimming and equipment upgrades to make our energy grid stronger and smarter. In fact, we've already improved electric reliability 25% on average in southeast Michigan.

<u>Click here</u> to learn more about our electric reliability efforts.



between Detroit and Seattle

Electric reliability improvements in 2020



*Compared to 2019

Creating a next-gen natural infrastructure – and new jobs – statewide

Natural gas is a convenient and environmentally friendly energy source for residential and business customers. Even better, it's locally produced and reliable. Through our \$1.6 billion investment in upgrading our natural gas infrastructure – including pipelines, system upgrades and technology – serving Michigan neighborhoods and businesses, we'll create and support more than 8,500 jobs in our home state of Michigan.

Natural gas reliability improvements in 2020

of natural gas mains and pipelines upgraded

300,000 meter safety inspections

26,000
natural gas meters
relocated to outside
homes/offices

We also completed phase one of our \$1 million Northern Michigan Reinvestment Project, which helps minimize customer disruptions during routine pipeline maintenance – or in the unlikely event of an emergency – for 91,000 DTE Gas customers in northern Michigan. This project also provides an estimated \$1.4 million in annual tax revenue that supports local communities.





Before we go...

On behalf of DTE and it's 10,000-plus employees, we thank you for your interest in our company. At DTE, our approach to doing business is rooted in our aspirations to be a force for good in our communities, and to be the best-operated energy company in North America. We're proud of the progress we made toward these aspirations in 2020 and look forward to continuing our mission to achieve them alongside our customers, and community and legislative partners, this year and beyond.

If you're interested in diving deeper into our environmental, social and corporate governance efforts, you can view additional reports here.

Please reach out to impact@dteenergy.com with questions.