The Energy to Thrive^{**}



ENDURING TOGETHER core's sustainability report

CORE Electric Cooperative

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A Story of Endurance

In 1938, a group of men and women had the bold idea to bring electricity to a rural part of the Rocky Mountains and transform it into a growing, dynamic region. Through the cooperative model, CORE has grown from 15 miles of line and 23 members to nearly 180,000 services providing electricity to 375,000 people in 5,000 square miles of service territory. Formerly known as Intermountain Rural Electric Association, we rebranded to CORE Electric Cooperative in August 2021 to better reflect the growing suburban communities we serve and signal our intention to be foundational – core – to our communities and central to our members' quality of life. Our name is now synonymous with our commitment to providing energy to help our families, businesses and communities thrive.

Today we embody our founders' bold spirit by leading our members through the transforming energy landscape. Our challenge is significant: **to be responsible stewards of the environment while delivering exceptional value to members as an innovative energy provider and trusted energy adviser**. As we secure cleaner and more agile resources, we will engage with energy partners that support our members' needs now and in the future. Our mission is to connect lives and communities through choice and innovation, and we aspire to be the premier energy provider for an ever-changing future. Our strategic goals as we forge that future and transform our business are to:

- Grow through expansion of membership, programs and services.
- Build and operate tomorrow's grid to predict needs and protect resiliency.
- Enhance our member experience through communication, choice, control and convenience.

We offer innovation through clean energy supply partnerships, electric vehicle adoption support through new charging programs, and the implementation of cutting-edge grid technologies through advanced distribution management systems (ADMS). We provide choice and control to our members through exceptional account services, individualized energy monitoring applications and flexible rate structures.

By honoring our founders' pioneering spirit, CORE will endure for the next 80 years of transformation to provide our members The Energy to Thrive.

CORE's Clean Energy Transformation

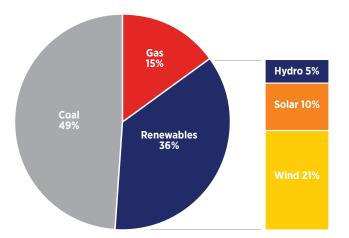
In early 2023, CORE announced a new wholesale power supply partnership with Invenergy, the leading privately-held developer, owner and operator of sustainable energy solutions. The partnership will, starting in 2026, provide CORE over 1.2 terawatt-hours (TWh) of renewable energy per year, sourced from approximately 400 megawatts (MW) of new solar and wind energy projects and 100 MW of battery storage, backed up by over 300 MW of existing reliable natural gas resources.

The partnership paves the way for CORE's future as the cleanest, most reliable, most affordable electric company in Colorado, and signals our transformation into a fully independent electric utility with control of its power supply future.

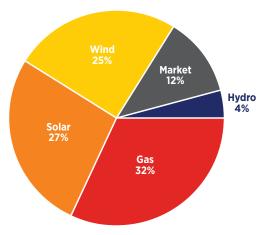
Combined with CORE's existing generating assets, this and other new agreements will supply the bulk of CORE's wholesale energy needs. With these partnerships, CORE will exceed Colorado's objective of reducing carbon emissions by 80% by 2030 and create more flexibility to implement additional battery storage and other technologies in the future. We will also secure dispatchable resources to ensure service reliability. This responsibly diversified portfolio will stabilize CORE's costs to keep members' rates among the lowest in Colorado for years to come.

CORE is also in the process of withdrawing from our 25% ownership of the Comanche Unit 3 pulverized coal plant in Pueblo, Colorado. CORE's exit from Comanche will stabilize our resource mix and reduce the risk and volatility of an unreliable and costly asset.

2023 Resources



2028 Resources Outlook





Protecting Precious Resources

Wildfire mitigation

CORE invests in a wildfire mitigation program that reduces the risk of our equipment and facilities causing a wildfire. Our relentless efforts to reduce wildfire risk include:

- Comprehensive operating practices, inspection programs, vegetation management and system hardening.
- Cutting-edge technology that uses artificial intelligence and satellite imagery to identify hazardous trees.
- Panoramic cameras that immediately alert CORE personnel and local authorities to potential smoke plumes.

Avian protection plan

CORE follows a comprehensive aviation protection plan (APP) to protect avian species while maintaining reliability. The plan conservation organizations and regulatory agencies to help CORE reduce bird deaths and injuries.

"CORE recognizes its role in helping to maintain healthy forests, and I think this is going to be a model for other electric utilities going forward."

Rusty Walker, CEO of FarmBox Foods



A Groundbreaking Reforestation Program is Using Innovation to **Restore the Local Environment**

CORE has partnered with FarmBox Foods, a Colorado-based manufacturer of controlled-climate farms. to start evergreen saplings in a Vertical Hydroponic Farm housed inside an upcycled, insulated shipping container to rehabilitate wildfire-impacted forests within our service area.

The Vertical Hydroponic Farm purchased by CORE is the first to be solely dedicated to tree propagation. FarmBox Foods will operate the indoor tree farm at its home base in Sedalia and conduct research on drought resistance, nutrient dosing, lighting and other growing parameters. The trees will then be transferred to hoop houses to allow the root systems to grow out before being planted in locations identified with local organizations. In the first three years of the initiative, CORE will plant 15,000 blue spruces and ponderosa pines, both native species in Colorado.

"CORE's partnership with FarmBox to support reforestation efforts in our service territory advances our work to be responsible stewards of the environment," said Jeff Baudier, CORE Electric Cooperative CEO. "As a member-owned cooperative, protecting the natural resources of the communities where we live and serve is a cornerstone of our mission"

This first-of-its-kind program exemplifies how CORE is leading the way to a more sustainable future and our mission of innovation.



FarmBox Foods

Charging Toward an EV Future

CORE is rolling out its EV charger program to **support** the rapidly growing number of members that own or plan to purchase an electric vehicle. This program will equip members with CORE-owned chargers at their residence.

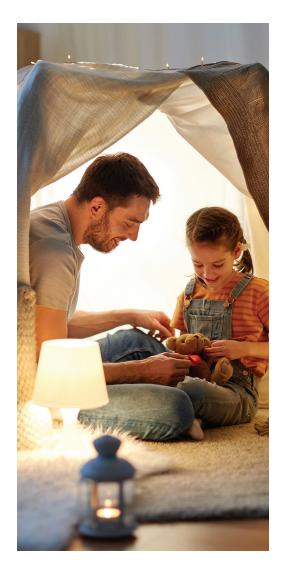
Updated rate structures to support EV charging will create more value and control for members.

CORE will install 11 public chargers in our franchised communities, including some of the more rural areas of our service territory, to boost their appeal as destinations for EV drivers.

Estimates of electric vehicles stand at 6 200 - or about 2% - of the light-duty vehicles registered in our service territory as of early 2023. EV adoption rates in CORE's service territory, backed by aggressive state and federal incentives, are among the highest in Colorado.

With solar panels on our headquarters' covered parking, free charging for employees, EVs in our fleet and public chargers, we continue to reduce our environmental footprint and prepare for the electrification of transportation.





The Value of a Trusted Energy Adviser

SmartHub platform

Members get a detailed look at past and current power use and weather trends by the month, day or hour. They can view and compare two past monthly bills side-by-side and determine if changes in energy-use habits or use of a new appliance is making a difference. The Plan and Save feature provides the ability to track energy actions taken and see the planning markers on the graph for that time period. This rich source of data is available to all members for free.

Rooftop solar

We counsel members in the installation of rooftop solar. As of early 2023, nearly 6,500 members with rooftop solar are interconnected to our system and offer a combined potential capacity of 37-plus megawatts and growing.

Advance Pav

Members have control of when, the amount, and how they pre-pay toward their credit balance. There are no deposits, no monthly bills and no due dates. Members who use Advance Pay receive alerts when their balance runs low, and can then add to it easily 24/7.

Energy consultations

CORE provides free energy consultations to **members interested in lowering** their usage. Our Engineering Specialist uses data from the energy consultation request to suggest opportunities for energy efficiency and savings.

Renewable energy credits (RECs)

CORE offers the purchase of RECs as a simple way to **support renewable** energy generation without installing solar panels or wind turbines on their property. RECs serve as certification that electricity was generated from an eligible renewable energy resource and distributed to the grid.

Data-Driven Ingenuity

Distribution system operator

CORE is making the physical, technological and intellectual investments necessary to transition our business model to that of a distribution system operator - the **energy manager for two-way power systems** connecting energy pro-sumers to the grid.

Advanced distribution management system (ADMS)

CORE is implementing an advanced distribution management system (ADMS), a software platform that **integrates systems** and provides near-real-time data. The system will support automated processes for fault location, isolation and restoration; conservation through voltage reduction; peak demand management; and support for microgrids and electric vehicles.

Advanced metering infrastructure (AMI)

AMI meters give control to members, increase reliability, better monitor demand and allow for cost-savings programs, prepayment plans and a wider variety of rate structures. CORE was a leader in AMI implementation by finalizing the move to smart meters in 2020, well before many other large Colorado utilities.

Cybersecure

CORE's strong commitment to security includes deploying leading technologies, dedicated staff, mandatory training, vulnerability scans and proactive monitoring of cybersecurity threats. CORE's control center maintains the highest standards of protection and leverages best-in-class consulting to support a high degree of industry compliance and reliability. We also focus on substation security through 24-hour surveillance.









"We are so thrilled to partner with CORE, one of the greatest organizations that contributes to the Castle Rock and Colorado communities."

Jerry Van Leuven, President of The Aspen Effect



The Aspen Effect Gives Health and Hope to One of CORE's Own

Carrie, a CORE employee, knew her teenage son needed support during a season of transition.

Thankfully, her family found The Aspen Effect, a Castle Rock-based organization that provides several programs through which teens are mentored and learn to connect, heal and thrive. Carrie's son took part in the Ranch Hand Leadership Academy, where participants are paid minimum wage to groom miles of horse trails, but also receive a leadership experience that develops lifetime skills, friends and self-confidence. In a world promoting idleness and isolation, the youth staff learns what it means to work hard and smart; how to create a plan, keep commitments and meet expectations; what it feels like to disconnect from phones and connect with each other; how to work through conflict and to respectfully influence each other; and how to use each other's unique preferences to form strong teams and lead a team to successfully accomplish a task.

"My son came out of the Ranch Hand Leadership Academy stronger than ever," Carrie says. "The experience gave him a safe space to build leadership skills and test himself, giving him the confidence to move forward in life knowing he can do anything he puts his mind to."

In 2022, CORE partnered with CoBank to donate \$20,000 to The Aspen Effect and its mission of building resiliency in Colorado's youth. The joint donation is part of a larger pledge CORE has made to improving mental health among Colorado youth and transform the outcomes of youth in crisis.

CORE employees also volunteer and serve as mentors for the organization, supporting youth in the service territory through time and emotional support.



Together for Good

Community giving

CORE gives to and partners with hundreds of local nonprofits and other community organizations. Over \$500,000 annually goes into communities through boardrecommended and approved causes, including:

- Parks and recreation
- Music. arts. culture and community initiatives
- Groups that provide food and shelter
- Health and wellness organizations and programs
- Military and first responder groups
- Programs that support seniors
- Grants to students pursuing higher education
- Other education and youth causes
- Business, commerce and economic development

Volunteerism

Our volunteer program allows CORE employees to spend a workday volunteering at a local nonprofit or charity and supports activities that **enhance and serve the** communities in which we live and work

Education grants

Since 1988, CORE's Board of Directors has awarded grants to graduating high school seniors who plan to continue their education. Thirty-five grants - five per director district - of \$2,000 each are awarded annually. Grant recipients are chosen via a lottery-type drawing, as there are no scholastic requirements.

Regional engagement

Being a valued partner within the communities we serve is a cornerstone of CORE's efforts. Our leadership and board are involved throughout the service area, sitting on boards and participating in organizations that support local communities.







"As a not-for-profit cooperative that has been in operation since 1938, the cooperative difference lays the foundation of how we serve members each and every day."

Tim White. CORE Board of Directors President



LOCAL

We are Coloradans serving Coloradans, and partners to our communities, donating to and supporting hundreds of charitable programs and local nonprofits.



IEMBER-OWNED

CORE is owned by our members. Each has a say in how we operate and who sits on our board. No other business model offers such a direct relationship between the utility and the people it serves.



NOT-FOR-PROFIT

CORE does not operate for profit. Our margins are invested back into the distribution system and returned as capital credits to members whenever possible. More than \$120 million has been returned to our members over the last decade.

Respecting Our Roots

Co-op to the CORE

CORE espoused governance well before it was a trend. Cooperatives are unique entities; democratic governance and ownership has been a founding principle since CORE's inception.

CORE is owned by members, and each member has a say in how CORE does business. Every four years, members elect a district representative to serve as their voice on the Board of Directors. No other business model offers such a **direct** relationship between the utility and the people it serves.

CORE is not beholden to stockholders or investors. Margins are invested back into the grid and, whenever possible, capital credits are returned to members. We use our full and independent rate-setting authority as necessary to ensure the organization's financial stability.

People are the point

CORE **puts employees first**. We offer a premier employment experience that:

- Values employees through leading compensation, benefits and development.
- Provides an inclusive, healthy work environment for all employees.
- Equips employees with integrated tools and technology to excel.





Since 1938, CORE Electric Cooperative has served members along Colorado's Front Range. As a memberowned cooperative, CORE operates on a not-for-profit basis. With nearly 180,000 services, we are the largest electric distribution cooperative in Colorado, and one of the largest in the U.S. Our headquarters is located in Sedalia, about 20 miles south of Denver, and our district offices are in Bennett, Conifer and Woodland Park.

The Energy to Thrive™



www.CORE.coop