

# Forward-Looking Statement

In this Corporate Responsibility Report, WEC Energy Group, Inc. (WEC) makes statements concerning its expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. These statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934. Readers are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements may be identified by reference to a future period or periods or by the use of terms such as "anticipates," "believes," "could," "estimates," "expects," "forecasts," "goals," "guidance," "intends," "may," "objectives," "plans," "possible," "potential," "projects," "seeks," "should," "targets," "will," or variations of these terms.

Forward-looking statements include, among other things, statements concerning management's expectations and projections regarding earnings, completion of capital projects, sales and customer growth, rate actions and related filings with regulatory authorities, environmental and other regulations and associated compliance costs, legal proceedings, dividend payout ratios, effective tax rate, pension and other post-retirement benefit plans, fuel costs, sources of electric energy supply, coal and natural gas deliveries, remediation costs, liquidity and capital resources, and other matters.

Forward-looking statements are subject to a number of risks and uncertainties that could cause WEC's actual results to differ materially from those expressed or implied in the statements. These risks and uncertainties include those described under Key Challenges and Risks in this report, and those identified below:

- Factors affecting utility operations such as catastrophic weather-related damage, environmental incidents, unplanned facility outages and repairs and maintenance, and electric transmission or natural gas pipeline system constraints;
- Factors affecting the demand for electricity and natural gas, including political developments, unusual weather, changes in economic conditions, customer growth and declines, commodity prices, energy conservation efforts, and continued adoption of distributed generation by customers;
- The timing, resolution, and impact of rate cases and negotiations, including recovery of deferred and current costs and the ability to earn a reasonable return on investment, and other regulatory decisions impacting our regulated businesses;
- The ability to obtain and retain customers, including wholesale customers, due to increased competition in WEC's electric and natural gas markets from retail choice and alternative electric suppliers, and continued industry consolidation;
- The timely completion of capital projects within budgets, as well as the recovery of the related costs through rates;
- The impact of federal, state, and local legislative and regulatory changes, including changes in rate-setting policies or procedures, tax law changes, deregulation and restructuring of the electric and/or natural gas utility industries, transmission or distribution system operation, the approval process for new construction, reliability standards, pipeline integrity and safety standards, allocation of energy assistance, and energy efficiency mandates;
- Federal and state legislative and regulatory changes relating to the environment, including climate change and other environmental regulations impacting generation facilities and renewable energy standards, the enforcement of these laws and regulations, changes in the interpretation of permit conditions by regulatory agencies, and the recovery of associated remediation and compliance costs;
- The risks associated with changing commodity prices, particularly natural gas and electricity, and the availability of sources of fossil fuel, natural gas, purchased power, materials needed to operate environmental controls at WEC's electric generating facilities, or water supply due to high demand, shortages, transportation problems, nonperformance by electric energy or natural gas suppliers under existing power purchase or natural gas supply contracts, or other developments;
- Changes in credit ratings, interest rates, and WEC's and its subsidiaries' ability to access the capital markets, caused by volatility in the global credit markets, our capitalization structure, and market perceptions of the utility industry, us, or any of our subsidiaries;
- Costs and effects of litigation, administrative proceedings, investigations, settlements, claims, and inquiries;
- Restrictions imposed by various financing arrangements and regulatory requirements on the ability of WEC's subsidiaries to transfer funds to it in the form of cash dividends, loans or advances;
- The risk of financial loss, including increases in bad debt expense, associated with the inability of WEC's customers, counterparties, and affiliates to meet their obligations;
- Changes in the creditworthiness of the counterparties with whom the company has contractual arrangements, including participants in the energy trading markets and fuel suppliers and transporters;
- The direct or indirect effect on WEC's business resulting from terrorist incidents, the threat of terrorist incidents, and cyber intrusion, including the failure to maintain the security of personally identifiable information, the associated costs to protect our assets and personal information, and the costs to notify affected persons to mitigate their information security concerns;
- The financial performance of American Transmission Company LLC (ATC) and its corresponding contribution to WEC's earnings, as well as the ability of ATC and Duke-American Transmission Company to obtain the required approvals for their transmission projects;
- The investment performance of WEC's employee benefit plan assets, as well as unanticipated changes in related actuarial assumptions, which could impact future funding requirements;
- Factors affecting the employee workforce, including loss of key personnel, internal restructuring, work stoppages, and collective bargaining agreements and negotiations with union employees;
- Advances in technology that result in competitive disadvantages and create the potential for impairment of existing assets;
- The terms and conditions of the governmental and regulatory approvals of the acquisition of Integrys Energy Group that could reduce anticipated benefits and WEC's ability to successfully integrate the operations of the combined company;
- The risk associated with the values of goodwill and other intangible assets and their possible impairment;
- Potential business strategies to acquire and dispose of assets or businesses, which cannot be assured to be completed timely or within budgets, and legislative or regulatory restrictions or caps on non-utility acquisitions, investments, or projects, including the State of Wisconsin's public utility holding company law;
- The timing and outcome of any audits, disputes, and other proceedings related to taxes;
- The effect of accounting pronouncements issued periodically by standard-setting bodies; and
- Other considerations disclosed from time to time in WEC's Securities and Exchange Commission (SEC) filings or in other publically disseminated written documents, including the risk factors set forth in WEC's Annual Report on Form 10-K for the year ended Dec. 31, 2015 and in subsequent reports filed by WEC with the SEC.

WEC expressly disclaim any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.