



# 2024 Corporate Responsibility Report

*Sustainable progress for an enduring enterprise*





# 2024 Corporate Responsibility Report

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# About this report

This annual Corporate Responsibility Report is a comprehensive overview of our sustainability-related performance for 2024. The information presented in this report is prepared in alignment with the Sustainability Accounting Standards Board (SASB) framework and, where relevant, the Task Force on Climate-Related Financial Disclosures (TCFD), with additional guidance from the Global Reporting Initiative (GRI). Report sections reflect the 17 priority sustainability issues we have identified as most important to our company and our stakeholders.

Delivering affordable, reliable and clean energy to our customers. Reducing greenhouse gas emissions. Building and maintaining safe, resilient infrastructure. These imperatives continue to drive our decision-making, and the results are clear.

As you will see, we are working to build a bright, sustainable future while providing the energy our customers depend on.



**We are headquartered in Milwaukee, Wisconsin, near the shore of Lake Michigan, and supply energy to customers across the U.S. Midwest.**

This report principally covers the year 2024 for WEC Energy Group Inc. (WEC) and its subsidiaries on a consolidated basis, and some content also reflects 2025 information, due to the timing of publication. The performance data is focused on the operations of Wisconsin Electric Power Co. and Wisconsin Gas LLC, doing business as We Energies, and Wisconsin Public Service Corp. in Wisconsin; Michigan Gas Utilities Corp. and Upper Michigan Energy Resources Corp. in Michigan; Minnesota Energy Resources Corp. in Minnesota; The Peoples Gas Light and Coke Co. and North Shore Gas Co. in Illinois; and WEC Infrastructure LLC and its subsidiaries.

Except where otherwise specified, report content does not include performance data from external organizations or activities over which the company has limited control or influence, such as contractors and suppliers.

## A message from the president and chief executive officer

Across the Midwest, 4.7 million customers depend on WEC Energy Group companies to power and heat their homes and businesses safely and reliably. We take that responsibility seriously, and we're dedicated to a sustainable strategy as we expand our operations to meet their needs.

In the years ahead, we expect to see unprecedented electric demand growth from economic development in our region. We are working diligently and collaborating with large customers to meet their requirements while making significant progress toward a cleaner energy future. A balanced generation mix, including modern natural gas generation and renewable energy, is key to maintaining essential reliability and flexibility year-round.

The following pages describe the ways in which we are maintaining that balance — while serving our customers, supporting our employees and communities, and protecting our environment.

We continued to make good progress across our business in advancing our “all of the above” approach toward reshaping our generation fleet. As we added solar, batteries and natural gas generation, we were able to retire older, less efficient fossil generation units. We also completed construction of a liquefied natural gas facility to support reliability at times of peak demand.

To help chart our path forward, we continue to invest in research, technology and system improvement. We look forward to significant opportunities ahead, guided by our commitment to excellence and good corporate citizenship.

Thank you, as always, for your engagement.



**Scott J. Lauber**  
President and Chief Executive Officer







# Our company

Our mission — as it has been for more than 100 years — is to strengthen the fabric of the communities we serve and to deliver affordable, reliable and clean energy to the millions of customers who depend on us every day.

|   |    |
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# Building and sustaining long-term value

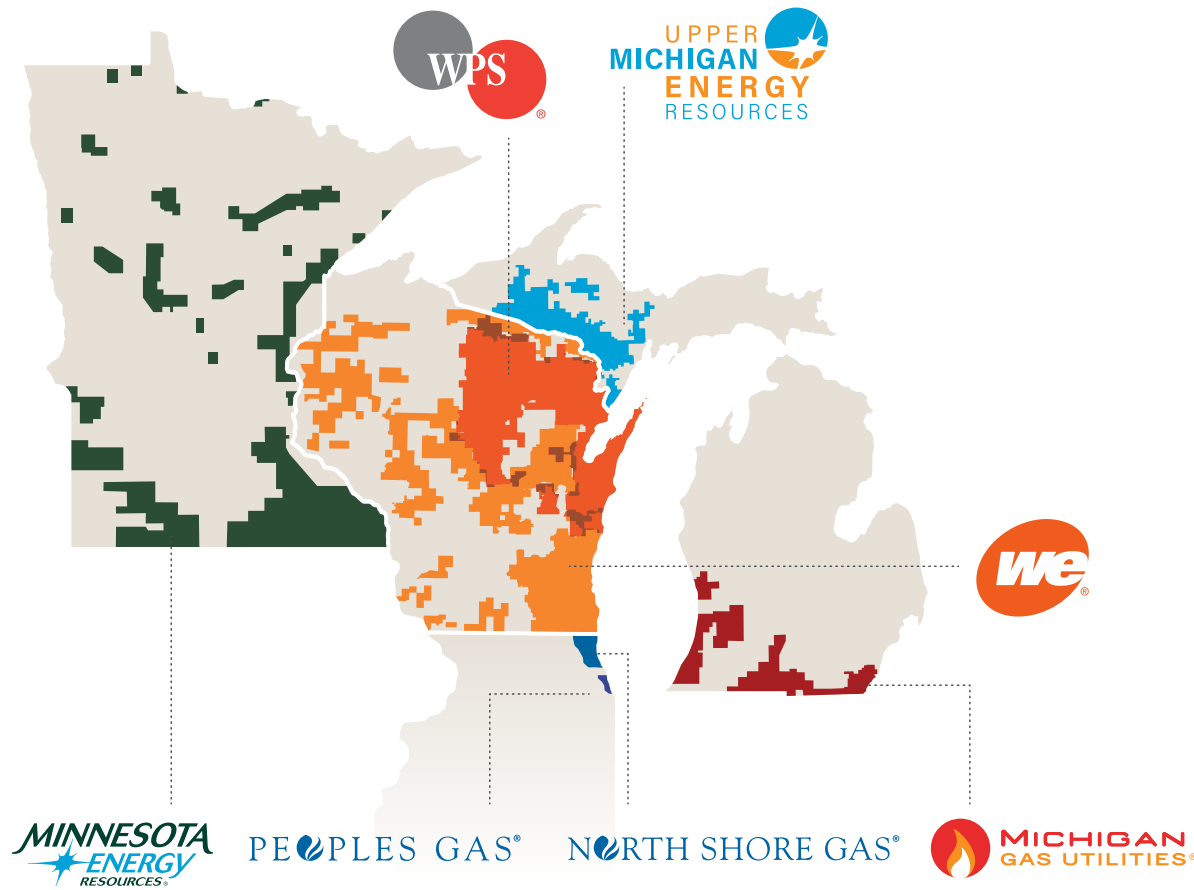
Our goal is to continue to build and sustain long-term value for our customers, communities and stockholders in a rapidly transforming energy arena. WEC Energy Group's disciplined approach to capital allocation and operational excellence positions us as a leader in the clean energy transition.





# Key facts

WEC Energy Group is one of the nation’s leading energy companies, with the strategic vision, operational expertise and financial resources to meet the electricity and natural gas needs of customers across the Midwest.

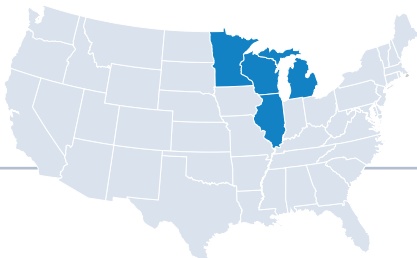


Customer data as of year-end 2024.

Total customer accounts:  
**4.7 million**

Customers:

- We Energies**  
Electric: 1,175,000  
Natural gas: 1,179,000
- Wisconsin Public Service**  
Electric: 470,000  
Natural gas: 347,000
- Peoples Gas**  
Natural gas: 894,000
- North Shore Gas**  
Natural gas: 165,000
- Minnesota Energy Resources**  
Natural gas: 254,000
- Michigan Gas Utilities**  
Natural gas: 187,000
- Upper Michigan Energy Resources**  
Electric: 37,000  
Natural gas: 5,000

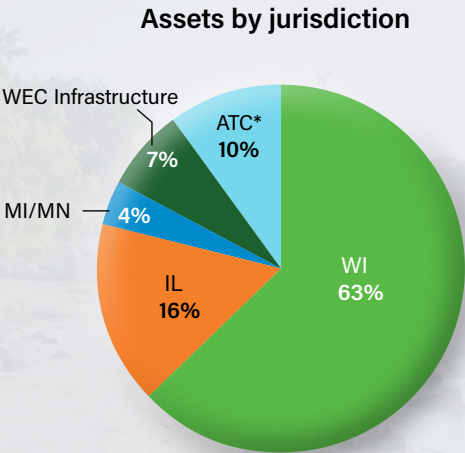
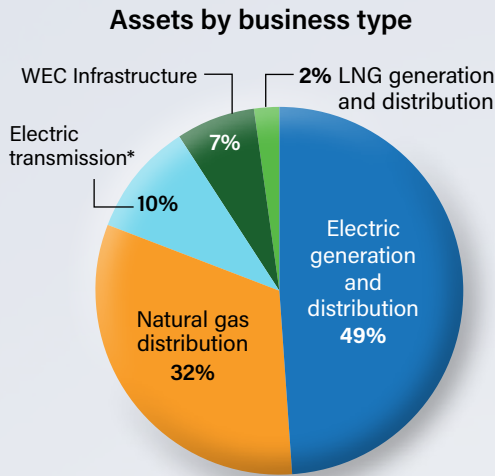


**WEC Infrastructure**, a subsidiary of WEC Energy Group, owns majority interests in wind and solar energy facilities in the U.S. These resources are providing carbon-free energy for large customers outside of our traditional service area through long-term power purchase agreements.





Diverse and transforming business portfolio



Data as of year-end 2024.

\* ATC is accounted for using the equity method; this represents WEC Energy Group's portion of the asset base.

Owned capacity (megawatts)<sup>1</sup>

|                                   | 2022  | 2023   | 2024   |
|-----------------------------------|-------|--------|--------|
| Coal                              | 3,178 | 3,210  | 2,698  |
| Natural gas                       | 3,717 | 4,109  | 4,192  |
| Renewables — utility <sup>2</sup> | 841   | 1,018  | 1,268  |
| Renewables — WEC Infrastructure   | 1,334 | 1,845  | 2,404  |
| Total                             | 9,070 | 10,182 | 10,562 |

1 Capacity for our electric generation facilities, other than wind and solar generating facilities, is based on rated capacity, which is the net power output under average operating conditions with equipment in an average state of repair as of a given month in a given year. Values are primarily based on the net dependable expected capacity ratings for the following summer, established by tests, and may change slightly from year to year. Capacity for our wind and solar generating facilities is based on nameplate capacity.

2 Includes hydroelectric, biomass, solar and wind generation serving our utility companies.

Owned and contracted generation (gigawatt-hours)<sup>1</sup>

|                               | 2022   | 2023   | 2024   |
|-------------------------------|--------|--------|--------|
| <b>Fossil fuel generation</b> |        |        |        |
| Coal                          | 13,071 | 13,100 | 13,147 |
| Natural gas <sup>2</sup>      | 15,009 | 15,214 | 15,688 |
| Oil                           | 4      | 2      | 1      |
| <b>Zero-carbon generation</b> |        |        |        |
| Nuclear                       | 8,704  | 8,968  | 9,003  |
| <b>Renewable</b>              |        |        |        |
| Biofuels                      | 449    | 432    | 460    |
| Hydro                         | 1,477  | 1,397  | 1,242  |
| Solar <sup>3</sup>            | 451    | 717    | 887    |
| Wind <sup>3</sup>             | 5,072  | 5,956  | 6,466  |
| Total generation              | 44,237 | 45,786 | 46,894 |
| Total fossil fuel generation  | 28,084 | 28,316 | 28,836 |
| Total zero-carbon generation  | 16,153 | 17,470 | 18,058 |
| Total renewable generation    | 7,449  | 8,502  | 9,055  |

1 Owned and contracted generation varies annually due to regional supply and demand profiles.

2 Includes oil used in dual fuel gas/oil units.

3 Includes WEC Infrastructure majority-owned solar and wind facilities.



# Operational performance

Our operational strategy is driven by the need to provide affordable, reliable and clean energy to the millions of customers who depend on us.

## Robust planning for growth and sustainability

As we anticipate unprecedented electric demand growth in the years ahead, we continue to invest in and acquire assets consistent with our strategic plans. Energy technologies and economics have allowed us to make cost-effective investments in wind and solar generation, as well as lower-emission options for our natural gas distribution business. A balanced generation mix supports emissions reduction while preserving reliability and affordable energy rates.

## Modernizing our natural gas-fueled generating fleet

Modern, efficient natural gas generation will serve as a critical resource in our energy transformation. To that end, we plan to add more than 1,900 megawatts (MW) of new combustion turbines and reciprocating internal combustion engines (RICE) between 2025 and 2029.

The Public Service Commission of Wisconsin has approved our proposals for two new sources of natural gas generation:

- 1,100 MW of modern simple-cycle combustion turbines at our existing Oak Creek Power Plant site, with an expected investment of \$1.2 billion.
- 128 MW of state-of-the-art generation using RICE units near our Paris Generating Station, with an expected investment of \$300 million.

To support the Oak Creek project, we also are proposing to build a 33-mile lateral with an expected investment of approximately \$200 million. This lateral would provide firm deliverability of natural gas to the Oak Creek site for those units, as well as our Oak Creek Power the Future coal-fueled units, where we plan to enhance fuel flexibility by co-firing with natural gas.

## Zero-carbon energy investments

We continue to see a strong pipeline of opportunities ahead for investment in clean energy across our business. Between 2025 and 2029, we plan to invest \$9.1 billion to build and own approximately 4,300 MW of additional renewable energy capacity for our regulated utilities — more than quadrupling our carbon-free generation.

We have issued green bonds linked to We Energies and Wisconsin Public Service (WPS) renewable energy projects: Red Barn Wind Park, Two Creeks Solar Park, Badger Hollow I and II solar parks, and Paris Solar-Battery Park. Through 2024, these offerings have supported \$1.0 billion in construction costs related to our renewable generation projects.



RICE units





## Supporting reliability and system integrity

We are committed to providing reliable electric and natural gas service while maintaining the safety and integrity of our system. We have made significant reliability- and resiliency-related investments in recent years, and plan to continue strengthening our energy delivery infrastructure.

### System hardening

Reliability is a key area of focus as we deliver electricity across approximately 72,400 miles of overhead and underground lines. Between 2025 and 2029, we expect to invest approximately \$4.5 billion in our electric distribution system, helping to address aging electric infrastructure, bury power lines and further our system hardening against severe weather.

### Liquefied natural gas facilities

Extreme weather conditions in recent years have shown Wisconsin needs more natural gas peaking capacity at the highest-demand times on the coldest days. Between 2023 and 2024, We Energies finished building two new liquefied natural gas (LNG) facilities, Bluff Creek and Ixonia, each of which provides 1 billion cubic feet of natural gas supply to meet peak demand.

We also have proposed a new storage facility at the Oak Creek Power Plant site, with a planned investment of approximately \$456 million. This facility would have the capacity to store 2 billion cubic feet (Bcf) of LNG to support both our generation and our gas distribution system. In total, we expect to invest approximately \$1.4 billion for 6 Bcf of LNG storage in Wisconsin between 2025 and 2029.

## Transforming business processes and modernizing technology

Our companies are focused on delivering exceptional customer care while integrating and improving business processes. Employees work to provide the best value for customers by embracing change, leveraging their capabilities and expertise, and using creative solutions. We expect these efforts to continue to drive operational efficiency and customer satisfaction.

### Enhancing reliability and customer experience

Through the multiyear Energy Delivery Program, we are implementing new capabilities and standard processes for customer service, natural gas and electric operations, work management, and field operations. The program already has enhanced customer experience with improved mobile and interactive voice response technology. Further progress in 2024 included the consolidation of systems for automated crew dispatch across our companies.

Improvements are underway for our outage management, geographic information system, and work and asset management systems, as well as implementations of new capabilities through advanced distribution management systems and GPS as-built drawing tools. Using common systems and processes reduces costs, provides greater flexibility and enhances the consistent delivery of exceptional service to customers.

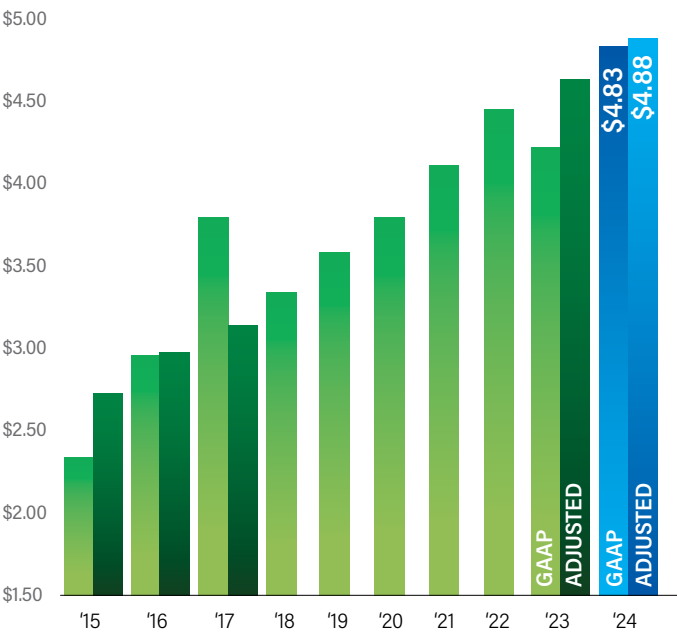


# Financial discipline

Across our business, our focus on financial discipline and efficiency benefits our operations, customers and stockholders.

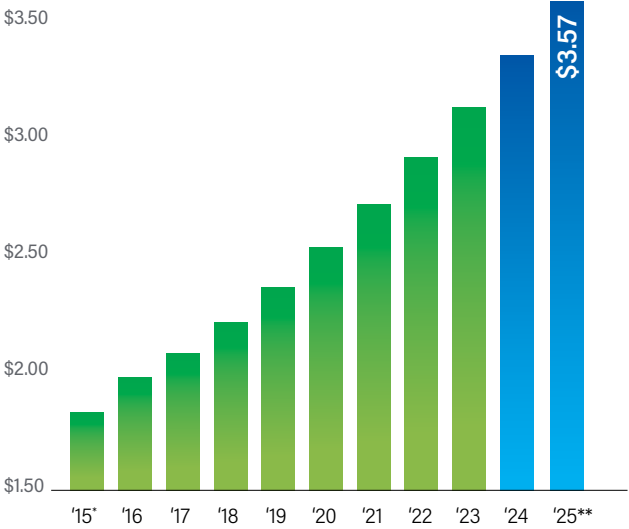
We continued to deliver strong results in 2024. For the 21st consecutive year, we increased our dividend. We delivered solid growth in net income and earnings per share, and we believe that we're poised to deliver among the strongest risk-adjusted total returns in the industry.

Earnings per share\*



\* See Appendix A for reconciliation of non-GAAP measures

Annualized dividends per share



\* Annualized based on 4th quarter 2015 dividend of 45.75 cents per share  
\*\* Annualized based on 1st quarter 2025 dividend of \$0.8925 per share

Total shareholder return  
2014-2024



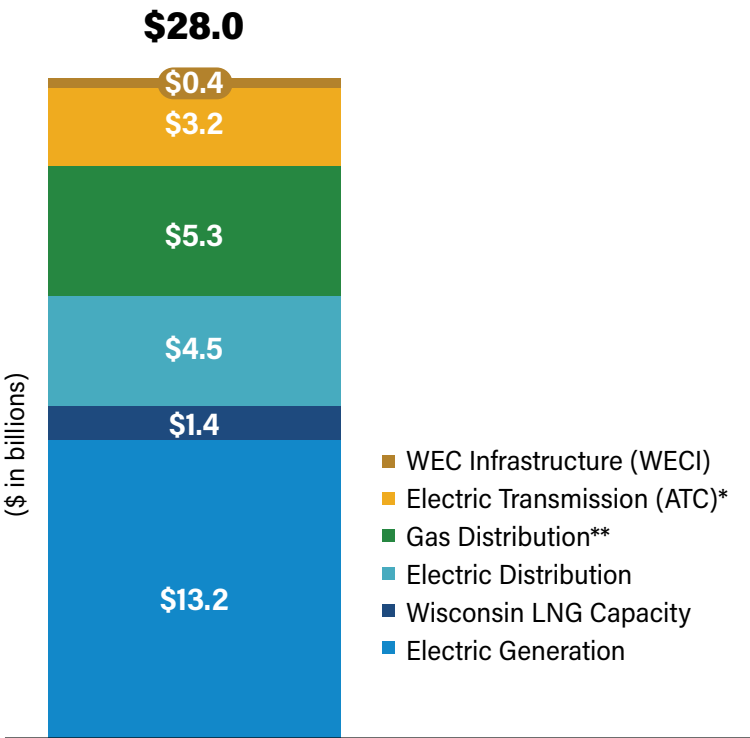
10-year total cumulative shareholder return Dec. 31, 2014, through Dec. 31, 2024.

## 2025-2029 Capital Plan

**Investing** in renewable and low-carbon energy to replace less efficient, fossil-fueled generation.

**Modernizing** our electric and natural gas delivery infrastructure to enhance reliability and resilience.

**Expanding** our regulated infrastructure to meet growing customer demand.



\* ATC is accounted for using the equity method; this represents WEC Energy Group's portion of the investment.

\*\* Includes all gas utilities and Bluewater.

Strong financial condition supported by a healthy balance sheet and stable operating cash flows

### Issuer credit ratings

| Entity                   | S&P rating | Moody's rating |
|--------------------------|------------|----------------|
| WEC Energy Group         | A-         | Baa1           |
| Wisconsin Electric       | A-         | A2             |
| Wisconsin Gas            | A          | A3             |
| Wisconsin Public Service | A-         | A2             |
| Peoples Gas              | A-         | A2             |

✓  
\$29.9 billion market cap

✓  
\$47.4 billion of assets

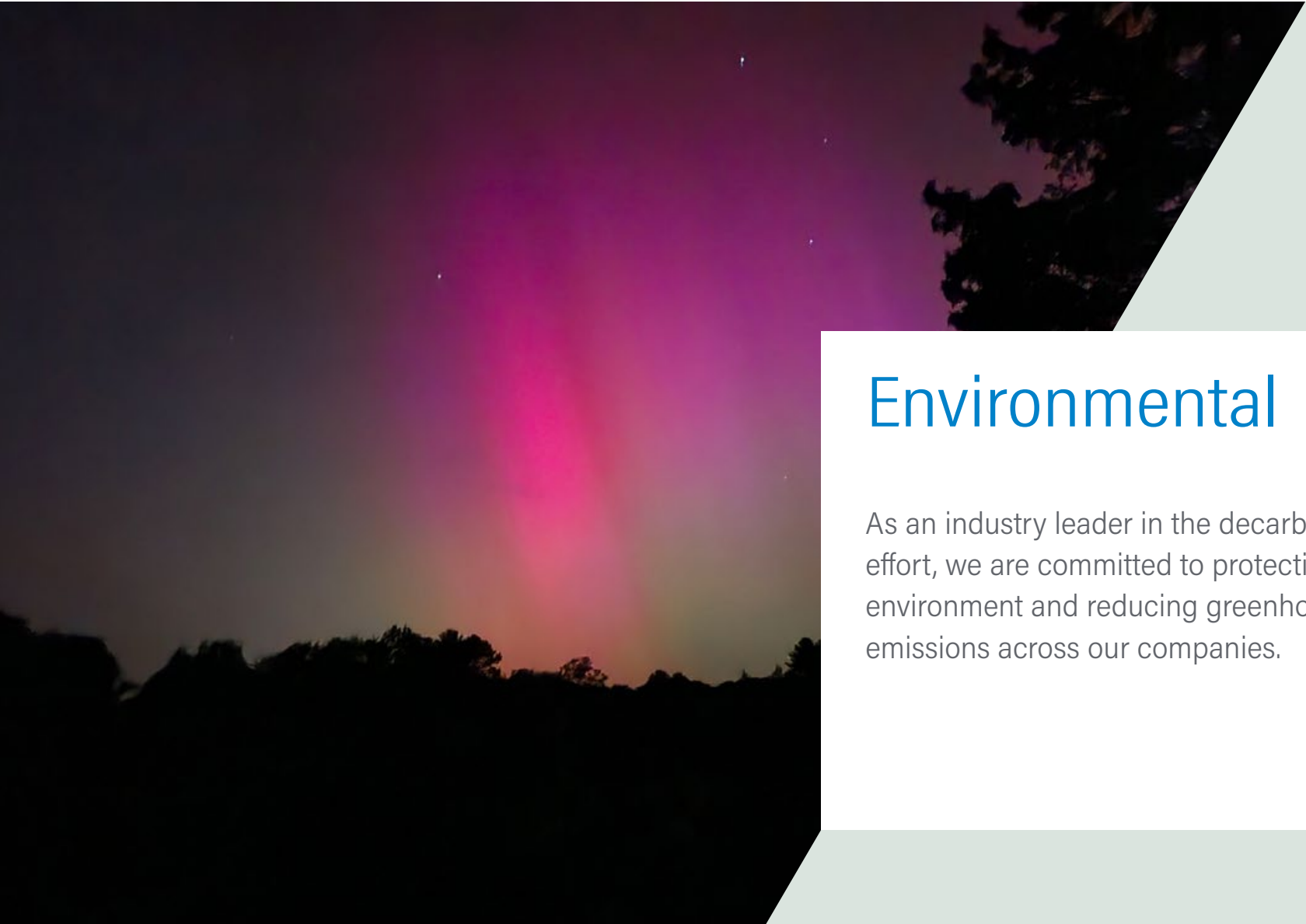
✓  
Long history of quality earnings with a compound annual growth rate of ~6.7%\* (from 2015-2024)

✓  
Investment opportunities support long-term EPS growth of 6.5%-7%

As of Dec. 31, 2024

\* Based on 2015 and 2024 adjusted earnings per share. See Appendix A for reconciliation.





# Environmental

As an industry leader in the decarbonization effort, we are committed to protecting the environment and reducing greenhouse gas emissions across our companies.

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| Innovation                   | 36 |

*Northern lights over our Twin Falls Hydro site*



# Environmental responsibility

Environmental factors are an integral part of our planning and operating decisions.

## Our approach to environmental leadership

As outlined in our [Environmental Policy](#), we embrace our responsibility to provide safe, reliable and affordable energy in an environmentally sustainable manner. We set our strategies and run our operations with an emphasis on continuous improvement and a vision to deliver a cleaner energy future.

Our governance structure and practices support a strategic focus on environmental issues. Working with external organizations and our internal staff, Environmental leadership anticipates and prepares for policy developments. Leadership engages with policymakers and other stakeholders to improve transparency and advocate on behalf of our customers, stockholders and employees. These efforts help us identify opportunities for research, development, demonstration, collaboration, investment and piloting.

### Leadership

- **Senior management** has primary responsibility for managing risk across the corporation. The team addresses this responsibility using a multifaceted approach that seeks input from internal resources and industry experts.
- **The company's vice president — environmental** takes the lead on analyzing climate-related impacts of our business. The Environmental and WEC Infrastructure and Fuels departments engage with other functional areas of the company to identify cost-effective options for reducing emissions. The vice president — environmental provides regular updates on environmental issues, including regulatory matters, to the Audit and Oversight Committee of our board of directors through formal quarterly reports.

### Risk management

- **The Audit and Oversight Committee** assists the board of directors in overseeing our strategy and compliance with legal and regulatory requirements. The committee's efforts include reviewing and providing oversight of environmental compliance matters and risks to ensure appropriate management attention. Primary oversight of risks associated with climate change remains the responsibility of the full board.
- **The Climate Risk Committee** brings together senior-level officers responsible for overall climate-related corporate strategy. The committee meets quarterly to review and discuss climate-related goals and associated initiatives, risks and opportunities.
- **The company's Audit Services department** conducts an annual audit plan that often includes reviewing environmental processes. More than compliance checklists, these audits cover the entire process and identify instances in which risk mitigation can be improved. All audit observations and recommendations are communicated to senior management and tracked for completion. These management action plans are also reported to the Audit and Oversight Committee.



## Environmental management and compliance

Throughout our operations, we work to mitigate the impacts of our business on the air, water and land.

### Environmental compliance

Our companies are subject to extensive state and federal environmental regulations affecting our operations, and we dedicate significant investments to comply with these requirements, including implementation of pollution-control equipment, environmental monitoring, emissions monitoring and permits at all our regulated facilities. Overall responsibility for environmental compliance lies within our operating units with assistance from the Environmental department staff.

To support ongoing compliance, the Environmental department has dedicated subject matter experts assigned to major facilities to monitor compliance and routinely evaluate performance, and uses environmental compliance software tools. Any potential compliance issues are communicated, tracked and summarized at least monthly.

We work closely with state and local governments on projects, including collaborative work with the Wisconsin Department of Natural Resources (WDNR), and engage with them on the creation or updating of regulations.

### Environmental emergency planning

Our energy companies' environmental emergency planning process includes spill prevention, control and countermeasure plans, as well as contingency plans, off-site plans and site emergency response plans. An environmental incident response team is on call 24/7 to provide regulatory guidance and access to spill response contractors to assist with responses to spills and incidents throughout our service areas.

More information on emergency preparedness and response can be found in the "Public safety" section on Page 51.





Air emissions reduction

We have significantly reduced emissions as we carry out our generation reshaping plan. Our air quality control systems and other measures at our facilities have resulted in combined sulfur dioxide (SO<sub>2</sub>), nitrogen oxides (NOx) and mercury emissions reductions of approximately 97% since 2000.

The retirement of less efficient generation and the use of modern emission control systems support our continuing progress:

- Since 2018, we have retired nearly 2,500 megawatts (MW) of capacity from less efficient fossil-fueled generation. We expect to retire approximately 1,200 MW of additional coal-fueled generation between 2025 and 2031, while adding natural gas capacity.
- Our existing fossil-fueled generation has state-of-the-art air quality control systems. These systems control emissions that include NOx, SO<sub>2</sub>, mercury, carbon monoxide, volatile organic compounds and organic hazardous air pollutants.

Our emissions data from owned electricity generation are reported on this page.

Air emissions from electricity generation

|                                   |          | 2022      | 2023      | 2024      |
|-----------------------------------|----------|-----------|-----------|-----------|
| Sulfur dioxide (SO <sub>2</sub> ) | (kg)     | 1,271,989 | 1,091,890 | 1,306,964 |
|                                   | (kg/MWh) | 0.04      | 0.04      | 0.04      |
| Nitrogen oxides (NOx)             | (kg)     | 5,352,014 | 5,141,019 | 5,025,167 |
|                                   | (kg/MWh) | 0.18      | 0.17      | 0.16      |
| Particulate matter (PM)           | (kg)     | 496,179   | 451,620   | 452,549   |
|                                   | (kg/MWh) | 0.017     | 0.015     | 0.014     |
| Volatile organic compounds (VOCs) | (kg)     | 229,395   | 188,917   | 205,397   |
|                                   | (kg/MWh) | 0.008     | 0.006     | 0.007     |
| Mercury (Hg)                      | (kg)     | 26        | 27        | 22        |
|                                   | (kg/MWh) | 0.000001  | 0.0000009 | 0.0000007 |

Greenhouse gas (GHG) emissions from owned and contracted electric generation (1,000 metric tons carbon dioxide equivalents (CO<sub>2</sub>e))

|  | 2022          | 2023          | 2024                    |
|--|---------------|---------------|-------------------------|
| Owned  |               |               |                         |
| Coal   | 12,492        | 12,432        | 12,041                  |
| Natural gas  | 6,388         | 6,527         | 6,496                   |
| Oil  | 7             | 4             | 3                       |
| Net purchased power <sup>1</sup>   | (630)         | (2,507)       | (2,759)                 |
| <b>Total CO<sub>2</sub>e for utility obligations</b>   | <b>18,257</b> | <b>16,455</b> | <b>15,780</b>           |
| <b>Total CO<sub>2</sub>e/total WEC Energy Group generation<sup>2,3,4,5</sup> (metric tons/MWh)</b> | <b>0.43</b>   | <b>0.41</b>   | <b>0.40<sup>6</sup></b> |

1 Includes emissions from contracted generating facilities and market purchases. MISO market purchases were determined for the combined utilities and utilized EIA CO2 rates by fuel type and MISO fuel data mix.

2 Total CO<sub>2</sub>e in intensity is generation only and does not include net purchased power.

3 Reported generation includes both regulated and non-regulated assets.

4 The environmental attributes of the WEC Infrastructure renewable facilities are or may be the property of third parties. As such, these third parties are solely entitled to the reporting rights and ownership of the environmental attributes, such as renewable energy credits, offsets, allowances and the avoided emissions of greenhouse gases.

5 Global warming potentials for calculating CO<sub>2</sub>-equivalents: CO<sub>2</sub> = 1 ton; CH<sub>4</sub> = 25 tons of CO<sub>2</sub>; N<sub>2</sub>O = 298 tons of CO<sub>2</sub>.

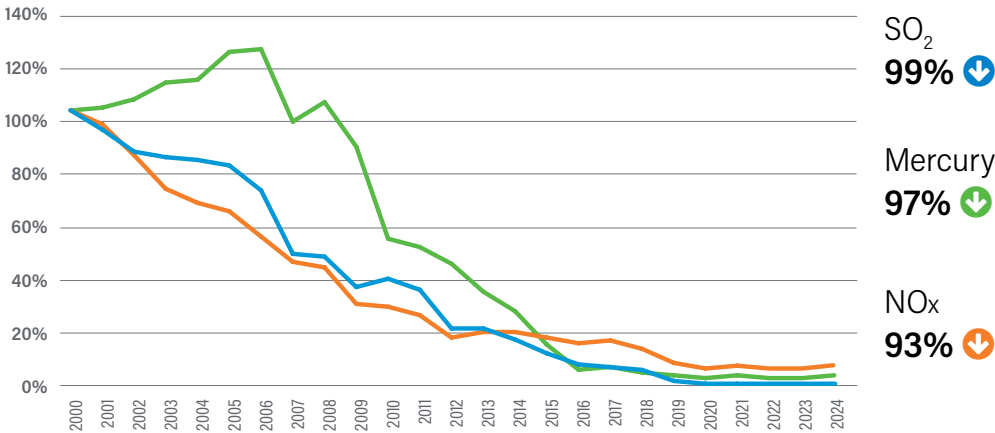
6 Global warming potentials as updated by the US EPA, effective with Reporting Year 2024 for calculating CO<sub>2</sub>-equivalents: CO<sub>2</sub> = 1 ton; CH<sub>4</sub> = 28 tons of CO<sub>2</sub>; N<sub>2</sub>O = 265 tons of CO<sub>2</sub>

Biogenic emissions are not included in any data.



Valley Power Plant

Declining air emissions





Water resources management

**Cooling water system operations and capital investments:** Our companies recycle water used in power generation and use systems that minimize consumptive water loss.

- Most of our power plants use open-cycle cooling systems. These systems withdraw surface water from natural cold water sources, pump the water through steam condensers to cool and condense the steam that drives turbine generators, then return 100% of the cooling water to the source.
- For facilities with cooling towers, about 25% of the water is returned to the source, with the balance of the water loss going to the air during the evaporative cooling process.

| Water (billion cubic meters) | 2022  | 2023  | 2024  |
|------------------------------|-------|-------|-------|
| Withdrawn from major sources | 3.02  | 2.87  | 2.62  |
| Municipal water purchases    | 0.003 | 0.003 | 0.004 |
| Water returned to source     | 3.00  | 2.86  | 2.61  |
| Water consumption            | 0.01  | 0.01  | 0.01  |
| Percent returned to source*  | 99.5% | 99.6% | 99.5% |
| Percent consumed             | 0.5%  | 0.4%  | 0.5%  |

\* Most of the water is used for once-through cooling.

**Reducing water use:** Total water use in 2024 was lower than the previous year, marking the continuation of a downward trend. Between 2018 and 2024, our companies' water withdrawals from major sources decreased 27%. This has been primarily due to retirements of coal-fueled facilities, water quality capital improvement projects, and the addition of renewable energy and natural gas-fueled facilities.



Fox Energy Center retention pond

Beneficial water reuse

Fox Energy Center in Wisconsin beneficially reuses approximately 2.5 million gallons per day of treated effluent from the Heart of the Valley (HOV) Metropolitan Sewerage District to supply its process water and cooling water needs.

Use of treated wastewater effluent that would otherwise be returned to the Fox River is an environmentally preferable alternative to the use of surface water or groundwater resources. Water received at the facility undergoes additional treatment for the removal of impurities such as metals, phosphorus and total suspended solids.

The beneficial use of treated effluent results in a net reduction in the quantity of mercury, phosphorus and suspended solids by 65% to 75% compared to what would otherwise be discharged by the HOV facility into the Fox River.

Waste minimization commitment

Waste minimization and recycling is an integral part of our corporate environmental responsibility, affecting all of our facilities.

In 2022, the Environmental Protection Agency (EPA) announced a National Recycling Goal of 50% by 2030. WEC Energy Group is committed to internally exceeding a 50% goal on a consistent annual basis by the same year.

Our waste minimization program encourages all efforts to reduce, reuse and recycle. We have implemented a multitude of strategies to help us consistently meet our waste recycling goal.

*Four basic principles are the foundation of our waste minimization program.*

1. Waste management practices

- We have programs in place for waste reduction, handling and recycling that are managed at a corporate level by dedicated environmental staff trained as subject matter experts.
- Our Supply Chain department has adopted an environmental management strategy using a technology-based impact management system along with a lean manufacturing model, which supports waste minimization, pollution prevention and continuous improvement.

2. Source reduction

- We continue to evaluate and change practices and processes to reduce or eliminate waste generation. For example, we have an inventory control system in place to evaluate purchase needs, and take opportunities to share resources between facilities.
- To decrease hazardous waste disposal, when practicable, we investigate nonhazardous alternatives or conduct elementary neutralization of chemicals.

- Facility systems are upgraded to preemptively remove emerging contaminants, such as fire-fighting foams containing per- and polyfluoroalkyl substances (PFAS).

3. Recycling

- Our recycling commitment and waste management plans encourage employees to recycle waste streams on-site.
- We require all universal waste from our operations to be recycled, which includes fluorescent bulbs, batteries and mercury devices. All electronic waste generated is also recycled.
- Metal scrap is collected from remodeling and new construction job sites. Most construction and demolition job sites achieve high rates of recycling – 80% to 95%.

In 2024, We Energies and Wisconsin Public Service recycled over 1 million pounds of wood from over 2,000 utility poles. This was due to pole replacements from storm and vehicle damage, as well as upgrades. Our recycling program offers our out-of-service wood poles to be used for applications such as landscaping and fencing.

4. Reuse

- To minimize the amount of solid waste generated from our facilities, we find new uses for products.
- Products are transferred between internal facilities when possible.
- We sell life-cycled electronic equipment for reuse by others.



In 2024, WEC Energy Group sent many types of waste for recycling.

26,165 pounds for energy recovery and fuel blending.

2,826,902 pounds for other recovery and reclamation.

621,717 pounds of oils.

194,328 pounds of electronic waste, such as laptops, computers, phones and circuit boards.

1,046,500 pounds of wood pallets and utility poles.

3,043,500 pounds of electric distribution equipment, including transformers, wires, breakers, capacitors and other materials.

*Figures are included in the waste disposal summary.*

Operational waste summary (metric tons)

|   | 2022   | 2023   | 2024   |
|---|--------|--------|--------|
| Hazardous waste generated                 | 13     | 29     | 29     |
| Hazardous waste recycled                  | 7      | 12     | 13     |
| % recycled                                | 53%    | 40%    | 44%    |
| Nonhazardous waste generated <sup>1</sup> | 17,885 | 16,375 | 18,044 |
| Nonhazardous waste recycled               | 10,534 | 9,341  | 10,101 |
| % recycled                                | 59%    | 57%    | 56%    |
| Hazardous boiler cleaning waste           | 222    | 0      | 0      |
| Nonhazardous boiler cleaning waste        | 868    | 130    | 20     |
| % recycled <sup>2</sup>                   | 0%     | 0%     | 0%     |
| PCB waste generated <sup>3</sup>          | 303    | 486    | 349    |
| PCB waste recycled                        | 44     | 37     | 43     |
| % recycled                                | 15%    | 8%     | 12%    |
| Overall % recycled                        | 55%    | 55%    | 55%    |

<sup>1</sup> Tonnage noted includes all nonhazardous waste including universal waste, with the exception of asbestos, soil, concrete and asphalt from construction and remediation/demolition projects.

<sup>2</sup> Currently, we are not aware of an outlet for recycling boiler waste.

<sup>3</sup> PCB waste is defined as nonhazardous waste regulated by the Toxic Substances Control Act, containing 50 parts per million or greater PCBs; quantities are not included in the nonhazardous totals.

Special/one-time project waste summary

During 2024, Wisconsin Public Service (WPS) began the decommissioning and demolition of Weston Power Plant units 1 and 2. This project generated 29,999 tons of material and had an overall recycling rate of 93% in 2024.



Beneficial use of combustion products

Coal combustion residuals (CCR) are managed in compliance with all federal, state and local regulations. The majority of our CCR is beneficially used for concrete, cement, wall board and agricultural projects.

In addition to the successful use of ash and gypsum, 100% of the sulfuric acid produced at the Weston Power Plant ReACT® air emission control system was beneficially used in 2024. The majority of this was sold to local industrial users. WPS was the first electric company in the United States to sell sulfuric acid produced from a coal-fueled electric generating facility's air emission control system.

Annual combustion product beneficial use rates vary due to production quantities, cyclical market demands and material quality. The reduction in combustion products correlates directly to the retirement of coal-fueled power generation.

Facility design with environmental stewardship in mind

We take steps in the design, remodeling, construction and facility management process to maintain an increasingly sustainable facility footprint.

New buildings are developed with energy conservation designed into the project, which often exceeds Leadership in Energy and Environmental Design (LEED) requirements. Lighting fixtures are LED, known to use at least 75% less energy and last 25 times longer than standard incandescent lighting. We also have established sustainability standards for new furniture and flooring.

Information on our landscaping practices, as well as habitat restoration at former sites, can be found on Page 23.

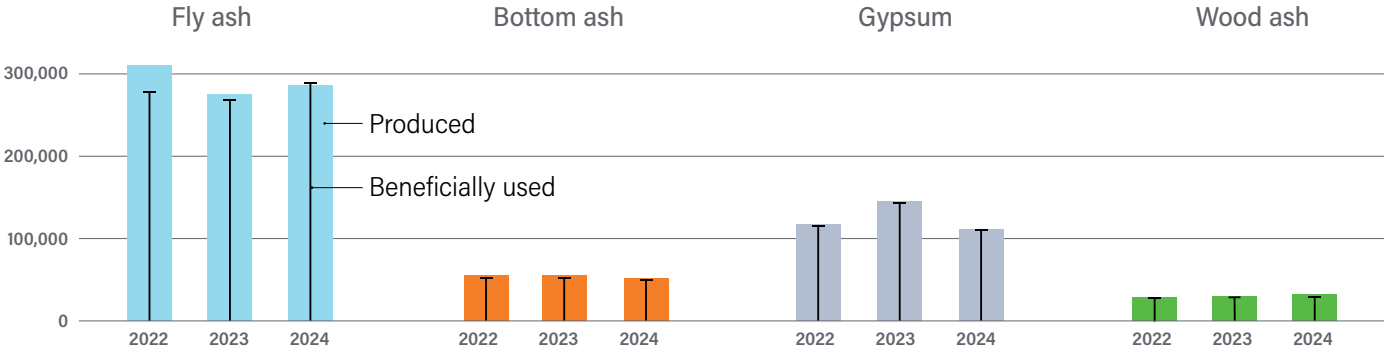


WPS Coleman Service Center opened in 2024

Combustion products (metric tons)

|                                       | 2022    | 2023     | 2024    |
|---------------------------------------|---------|----------|---------|
| Combustion products produced          | 508,200 | 492,800* | 476,000 |
| Combustion products beneficially used | 474,500 | 488,700* | 474,800 |
| Percent used                          | 93%     | 99%      | 99%     |

\* Data corrected from previous report.



Note: Combustion products beneficially used in 2024 exceed that year's production because they include surplus from prior years.

# Stewardship

In accordance with our environmental policy, we are preserving and enhancing sensitive natural habitats on our companies' properties. We implement best practices to manage land for multiple uses — aesthetics, biodiversity, cultural resources, forestry, recreation, water quality and wildlife.

Our stewardship efforts reach beyond our properties and across state borders. Our companies collaborate with local, state and federal agencies during regulatory review of our projects. We bring together appropriate stakeholders to achieve stewardship goals through opportunities typically identified during project planning and construction. As a result, we've seen beneficial biodiversity and resource protection outcomes that meet, and often exceed, state and federal guidelines and regulations.

Our staff members lead several comprehensive wildlife restoration and protection efforts with the coordination and cooperation of various state and federal agencies and multiple partners. Priority goes to species and native ecosystems in the greatest need of protection, recovery and enhancement.

Natural Heritage Inventory (NHI) data sets are used to check for the potential presence of rare species when planning power generation and distribution projects, and to evaluate stewardship initiatives our companies may undertake. Species listed on the International Union for Conservation of Nature's Red List of Threatened Species (IUCN Red List) are also considered. Nearly 60 IUCN Red List species are present within our companies' service

areas. Both the NHI and IUCN data sets provide valuable mapping tools and other information used in steering company stewardship and rare species management decisions.

Through robust training programs and internal outreach, our Environmental department informs and educates thousands of company employees and contractors on environmental protection, stewardship and the preservation of natural resources during construction projects.

## Assessing biodiversity on company lands

Assessing biodiversity starts with a comprehensive evaluation of the multitude of unique landscapes that exist across our companies' service areas. This current effort involves an extensive analysis of nearly 900 fee-owned properties, comprising over 81,000 acres that contain natural wetlands, grasslands and forest lands. A subset of these lands provide pollinator habitat that is essential to the survival and restoration of the monarch butterfly, and those lands are conserved as part of our participation in the Nationwide Candidate Conservation Agreement with Assurances for Monarch Butterfly (Monarch CCAA).

The results of this analysis are summarized in the table. We developed a complex geographic information system (GIS) model using nearly 20 land cover types, rare species distribution information and water resource data sets to examine the extent and quality of biodiversity occurring on our lands that are being actively managed or passively conserved. The GIS model is being used to identify unique landscapes that warrant protection and enhancement.



Our employees and contractors carry out activities to preserve and enhance natural resources, protect and improve habitat, and increase biodiversity across our service areas.

## Biodiversity land metrics, fee-owned land in acres

|                                | Pollinator lands | Other grasslands | Wetlands | Forested |
|--------------------------------|------------------|------------------|----------|----------|
| Required mitigation            | 156              | 107              | 49       | 11       |
| Voluntary active management    | 657              | 585              | 209      | 150      |
| Voluntary passive conservation | 371              | 18,500           | 11,274   | 49,673   |
| Total                          | 1,184            | 19,192           | 11,532   | 49,834   |

Diverse plant communities and high-quality water bodies occur on many of these lands, and provide habitat for hundreds of wildlife species, including pollinators and dozens of state and federally listed rare species.

Additionally, we review important international biodiversity data sources to identify priority locations in close proximity to our generation and distribution infrastructure, including Key Biodiversity Areas (KBA) data, Ramsar Sites Information Service, the IUCN World Heritage Outlook, and the UNESCO Man and the

Biosphere Reserves. There are a total of 30 KBA and Ramsar priority locations less than 50 miles from our infrastructure. Eight of them overlap our distribution systems for a total of approximately 126 acres. None of those that overlap our infrastructure have negative impacts resulting from our distribution operations.

**In total, we promote biodiversity for multiple habitats on over 72,000 acres of land, including nearly 1,200 acres of dedicated pollinator habitat.**



## Pollinator species conservation and habitat protection

A wide variety of flora and pollinator species, including numerous rare species, are supported on thousands of acres of actively managed company lands.

Each year, our employees work to avoid or minimize impacts to these resources during the design and planning phases, and techniques are used during construction and restoration to protect pollinator habitat.

Native prairie and wetland seed mixes are used to restore disturbed project areas and convert non-native grasslands to native habitat. Habitat restoration is expressly designed to include wildflowers native to local areas where plantings occur to attract and support bees, butterflies and other pollinators.

**Karner blue butterfly** — Our companies have worked with the U.S. Fish and Wildlife Service (USFWS) and various state agencies to develop and implement a habitat conservation plan. Efforts under this plan regularly include pre-construction surveys and best management practices to enhance habitat during construction and restoration.

**Bumblebees** — The type of habitat required for many bumblebees is similar to that needed by the monarch butterfly. Since 2023, we have been partnering with the University of Illinois Chicago, WDNR, USFWS, and several energy and transportation industry organizations to develop a national voluntary conservation benefit agreement (CBA). This agreement is complementary to the Nationwide CCAA for Monarch Butterfly and intended to provide habitat for 11 species of at-risk bumblebees, including the rusty patched bumblebee, American bumblebee and several others in our service areas.

**Phlox moth** — We worked with partner biologists from the WDNR and the United States Army Installation at Fort McCoy in Monroe County, Wisconsin, to implement a conservation plan for 40 acres of phlox moth habitat.



The Rights-of-Way as Habitat Working Group at the University of Illinois Chicago acknowledged the company with several awards in 2023 and 2024 for our efforts to manage high-quality monarch butterfly habitat.



## Restoring and increasing monarch butterfly populations

To support monarch butterfly conservation, we have been participating for years as an advisory member to the Rights-of-Way as Habitat Working Group, facilitated by the University of Illinois Chicago. Through that group, we helped to develop the Monarch CCAA program, which launched in 2022.

The monarch butterfly population has been in decline for decades due to environmental challenges including habitat loss. In 2024, the USFWS proposed to list the monarch butterfly as a threatened species under the Endangered Species Act of 1973.

Through the Monarch CCAA, We Energies and WPS initially committed to conserving and restoring monarch butterfly habitat on nearly 500 acres of company property. We continued our analysis in 2024 and expanded our commitment to include lands across all utilities — over 400,000 acres across six states.

Additionally, we are a contributing member in the Electric Power Research Institute's (EPRI) Power in Pollinators Initiative, working with the Xerces Society through EPRI, an active partner to the Wisconsin Monarch Collaborative, and a supporter of the Monarch Joint Venture. We rely on these organizations' expertise to maintain a working knowledge of the science supporting monarch conservation and best practices to follow in our projects and lands.

On the ground, we contribute substantially to monarch habitat conservation by restoring and managing several thousands of acres of suitable grassland habitat. We conduct native prairie restorations, as well as non-native grassland conversions to native prairies, and manage invasive species that could threaten key pollinator resources. We also conduct outreach to our employees, investors and the public about the importance of, and our contributions to, monarch butterfly conservation.

This dedicated effort to preserve, restore and manage habitats will play a vital role in the survival of monarch butterflies, improving biodiversity on a landscape scale and the success of our ecosystem for decades to come.

Raptor protection and support

We support numerous efforts at our power generation facilities and along our electric distribution facilities to protect and to support raptors.

**Peregrine falcons** — Our companies have maintained nesting boxes on power plant chimneys and rooftops for more than three decades. One-fifth of the peregrine falcon population in Wisconsin — more than 430 birds — has been born at our companies’ power plant nesting boxes. To help raise awareness about the species, real-time viewing of falcon nesting boxes



“Warrior” the peregrine falcon at Port Washington Generating Station

is available on our websites. In addition, we hold a popular contest every spring, inviting our customers and falcon fans across the country to vote to name the chicks born at our facilities.

**Ospreys** — Our companies have helped install dozens of osprey platforms in more than 30 counties in Wisconsin and Michigan’s Upper Peninsula, and, since 1980, field crews have constructed alternative nest structures for osprey breeding pairs and assisted landowners in erecting nest structures in key habitat locations. These efforts support osprey recovery. More than 550 breeding pairs now live in Wisconsin.

**Bald eagles** — To avoid interactions at our wind generation facilities, operations personnel look for and remove potential food sources that could attract eagles. Additionally, we help state agencies protect bald eagle nests by documenting and maintaining occupied nest data associated with our 30 hydroelectric facilities. In rarer cases when bald eagles try to nest atop utility poles, we install larger platforms nearby to provide safer alternatives.

In 2024, we enrolled our wind energy facilities in an eagle permitting program that the USFWS anticipates will lead to increased benefits to bald and golden eagle populations. These efforts, along with the efforts of many others, are paying off as the bald eagle population continues to increase within our service areas. Recently in Wisconsin, nesting bald eagles were observed in all 72 counties.

Supporting healthy fisheries

Our hydroelectric flowages provide numerous opportunities to partner with key stakeholders to protect and enhance healthy fisheries.

In addition, in operating our hydroelectric flowages, we take actions to avoid and minimize negative impacts to the fisheries.

- We have partnered with the WDNR to protect the spawning of muskies, white suckers and walleye.
- We work with the WDNR and the USFWS to control the sea lamprey population. The lampreys prey on game fish in Lake Michigan and then travel upstream to spawn in the Peshtigo and Menominee rivers.

- At multiple hydroelectric flowages, we conduct water quality testing at our facilities to ensure downstream flows are sufficient to support aquatic life.
- At our Grand Rapids Dam, we conduct fish surveys to ensure that downstream flows support a healthy fishery.

When we need to drop surface water elevations below the approved level for an extended period of time at our hydroelectric flowages, we protect aquatic species by conducting surveys for any potential stranded organisms and relocating them to safe waters.

For over 20 years, we have partnered with state and federal agencies, nongovernmental agencies and university researchers on efforts to restore lake sturgeon to Lake Michigan and investigate passage of lake sturgeon around hydroelectric facilities on the Menominee River. The We Energies Foundation is a longtime supporter of Riveredge Nature Center’s lake sturgeon reintroduction project and Sturgeon Fest, an annual Milwaukee event.





## Preservation of natural areas and wetlands

We support efforts to preserve, create, restore and manage native habitats and other natural features on our companies' properties and leased lands. We also monitor a variety of biodiversity indicators on our lands and along natural gas and electric corridors.

**Sustainable construction practices** — Our companies have ongoing new construction and maintenance activities on thousands of miles of electric and natural gas utility distribution corridor every year. Construction crews work to implement stringent best practices to manage erosion and keep disturbed sediments contained within planned construction areas. Maintenance and monitoring occur frequently to minimize impacts to adjacent natural areas and wetlands. We use key performance indicators (KPIs) as metrics to rate our contractors' environmental compliance performance.

**Ongoing habitat restoration and management** — Restored prairie and wetland habitat on the Migratory Bird Stopover at Port Washington Generating Station continues to thrive as a resting place for migratory birds, with more than 120 species recorded since 2011. We increased the available prairie habitat at the site by 25% with additional restoration between 2019 and 2023.

**Stormwater runoff management** — Various methods and techniques are used at facilities to manage stormwater and improve the water quality from runoff. Green roof stormwater collection systems are installed at several facilities, including atop our corporate headquarters. Our power distribution and company office sites are using native plants in landscaping to manage stormwater and provide a pollinator refuge in urban landscapes. Deep-rooted prairie species absorb stormwater more effectively than shallow-rooted turf grasses, reducing runoff. Filter strips and native prairie grass buffers also reduce sediment loading at some company-owned properties.

**Restoring native prairie at former landfill sites** — We have biodiversity objectives at landfill properties that include the establishment and management of species-rich, native flora and fauna communities that provide numerous ecological benefits.

- Hundreds of native species have been documented on our properties, including over a dozen state-designated threatened and endangered species, and several dozen other species indicative of high-quality habitat.
- Restoration at these sites include seeding a diverse native mix of prairie grasses and flowering species designed to attract local pollinators.
- Invasive species management is included in our long-term land management program to promote biodiversity.

Maintaining large blocks of contiguous high-quality habitat at these sites benefits the entire food chain, from organisms in the soil to hawks and owls. Restored prairies significantly reduce the use of herbicides and fertilizers traditionally required to maintain landfill covers. Diverse prairie cover also improves water quality and reduces stormwater runoff.

**Controlling invasive species** — Our companies support activities aimed at restoring habitat through controlling several dozen invasive plant and animal species such as buckthorn, Eurasian watermilfoil, garlic mustard, purple loosestrife, leafy spurge, giant reed grass, Japanese knotweed, sea lamprey, and zebra and quagga mussels, among others.

We conduct research and provide ongoing support for research by others on aquatic invasive species management. In addition, we contribute to agencies and other groups that conduct invasive species surveys, manage natural areas and educate the public on invasive species. We support land-management activities related to invasive species identification, control and management on thousands of acres across our service areas.



We are converting nearly 79 acres of agricultural land to native prairie and wetlands near the Paris Generating Station in Kenosha County, Wisconsin. Ecological benefits include reducing stormwater runoff, substantially increasing biodiversity on the site, promoting the health of pollinator species that benefit adjacent crops, controlling invasive species, and increasing flood storage along a flood-prone river that bisects the site. Work continued in 2024, and over 130 native plants now have been observed throughout the restored prairies and wetlands. More than 100 of the native species are flowering plants that provide nectar resources to a variety of pollinating insects throughout the entire growing season.



Forward Wind Energy Park

## Renewable projects and conservation

As we continue to invest in renewable energy, we are working to enhance biodiversity and support conservation efforts at our project sites.

**Solar projects** — We develop robust vegetation management plans for the lands used for our solar panels and related electric distribution infrastructure. Native plants and pollinators can provide essential ecological services, including boosting local agricultural crop yields, increasing water infiltration and reducing soil erosion. Our plans are designed to restore the soil within several decades and reduce fertilizer use, protecting surface and groundwater. In addition, we have been sensitive to concerns that, due to their resemblance to water bodies from above, solar parks might pose particular risks to migrating water birds. We conducted avian monitoring studies at two of our large solar projects in 2022 that showed no evidence of water bird collisions with solar panels.

We currently have over 30 solar generation facilities, ranging in size from 1 acre to over 2,000 acres. These facilities collectively comprise over 13,000 acres, and over 78% of these lands are restored to native grassland cover. Over 500 acres are dedicated specifically to pollinator habitat that is managed for rich floral diversity.

**Wind facilities** — We implement site-specific plans and adaptive strategies to reduce impacts to bird and bat populations. We voluntarily use a method recognized by EPRI, regulatory agencies and wildlife scientists to help bats avoid the turbines: changing the blade angle to greatly slow blade movement when operating below the turbine wind cut-in speed, without materially impacting energy generation.

## Protection of cultural resources

We have developed robust internal screening processes to review thousands of projects for the potential presence of known archaeological sites and historic properties.

The screening process involves using available cultural resource data sets to identify potential conflicts and avoid impacts to these resources during construction and property management activities. The internal screening process also identifies the location of tribal reservation boundaries so we know what projects may require additional consultation with tribal leaders or staff.

We work closely with cultural resource experts and a variety of agencies so that our projects avoid impacts whenever possible. When necessary, site surveys and construction monitoring are conducted by archeological professionals to protect the integrity of known cultural resource sites.



## Manufactured gas plant remediation

From the early 1800s until the 1960s, gas for heating and lighting was manufactured at local plants. Offering an alternative to wood and coal, these manufactured gas plants (MGPs) prospered until more affordable and cleaner natural gas began to arrive via pipelines.

In 2024, we continued to work closely with federal and state agencies on the remediation of several former MGP sites throughout our service areas. These projects not only improved the environment but also supported redevelopment of the local communities we serve.



### Milwaukee Solvay Coke & Gas Site Car Ferry Slip sediments cleanup

We Energies completed remediation of sediment within the Milwaukee Solvay Car Ferry Slip in 2024. The project remediated approximately 1 acre of impacted sediment on the bank of the Kinnickinnic River, associated with 120-plus years of industrial operation on the adjacent upland property. Remediation work included isolating impacted sediment with an engineered cap and installation of a sheet pile wall to maintain the integrity of the engineered cap.

This work was done in a continued partnership with the nonfederal sponsors (including WDNR, Milwaukee Metropolitan Sewerage District, City of Milwaukee and Milwaukee County Parks) that signed on to a Great Lakes Legacy Act project agreement as part of the long-term goal to address the Milwaukee Estuary Area of Concern.

The project included placement of:

- Approximately 12,300 tons of imported clean sand and armor stone.
- Approximately 260 linear feet of subaqueous sheet pile.



### Chicago Mutual Fuel Gas Works MGP cleanup

The former Mutual Fuel Gas Works MGP facility operated in Chicago from approximately 1889 to 1910. The plant provided gas for residential, commercial and industrial applications in the area. In 2024, site remediation was completed under the Illinois Environmental Protection Agency (Illinois EPA) voluntary Site Remediation Program. The remedial action activities included soil excavation and off-site disposal, installation of an engineered barrier and containment wall, and backfill of clean imported gravel and clay. These efforts resulted in the safe removal and off-site disposal of more than 58,000 tons of impacted material.

We plan to work with the Illinois EPA in 2025 to obtain No Further Remediation (NFR) letters allowing flexible redevelopment of the site, including the potential for future residential use.



Community support

Our companies also seek to work with the general public to increase awareness of natural resource stewardship. We support others' efforts for the betterment of fish and wildlife, water and air quality, forests, energy efficiency, renewable energy, and recycling. These include:

- Annual community cleanups of rivers and other sensitive areas.
- Conservation programs.
- Education programs on sustainable forestry, agriculture and invasive species.
- Pollinator habitat restoration projects.
- Arbor Day programs.
- Whooping crane and sturgeon programs.
- Raptor education and rescue.
- Nature trail development and restoration.
- Wildlife rehabilitation.
- Youth environmental internship programs.

Employee volunteer projects have helped with beach cleanup and restorations, adopt-a-highway and adopt-a-trail projects, and community garden cleanups. Line clearance coordinators also conduct "Plant the Right Tree in the Right Location" outreach programs with area schools and community gardens.

For more information on our foundations, see pages 54-57.

Examples of environmental organizations supported:

- Chicago Gateway Green
- Chicago Horticultural Society
- Chicago Zoological Society
- Door County Historical Society
- Field Museum-Keller Science Action Center
- Friends of the Bay Beach Wildlife Sanctuary
- Friends of the Chicago River
- Gathering Waters Conservancy
- Green Bay Botanical Gardens
- Heckrodt Wetland Reserve Inc.
- Hoo's Woods Inc.
- John G. Shedd Aquarium
- Lake Forest Open Lands
- Lake Michigan Bird Observatory
- Landmark Conservancy
- Lincoln Park Zoological Society
- Maywood - Ellwood H. May Environmental Park
- Mequon Nature Preserve
- Natural Resources Foundation of Wisconsin
- Northeast Wisconsin Land Trust Inc.
- Northwoods Wildlife Hospital and Rehabilitation Center
- Oneida County Land and Water Conservation
- Openlands
- Oshkosh Zoological Society
- Peggy Notebaert Nature Museum
- Ragdale Foundation
- River Bend Nature Center
- River Revitalization Foundation
- Riveredge Nature Center
- Robert W. Monk Gardens
- Root-Pike Watershed Initiative Network
- Schlitz Audubon Nature Center
- Seventh Generation Ahead
- Southeastern Wisconsin Invasive Species Consortium Inc.
- Trees for Tomorrow
- Trout Unlimited
- Urban Ecology Center
- Urban Rivers
- Waukegan Parks Foundation
- Wild Instincts Inc. Wildlife Rehabilitation
- Wildlife in Need Center
- Winged Freedom Raptor Hospital
- Winnebago Conservation Club Inc.
- Wisconsin Wetlands Association



Schlitz Audubon Nature Center



© Friends of the Chicago River



# Climate strategy

We are committed to reducing greenhouse gas (GHG) emissions from our system while maintaining the safe, affordable and reliable energy that is a cornerstone of our business model.

Consideration of climate change is integral to our approach, and we have conducted scenario analyses to assess the strength of our strategy. We continue to reshape our portfolio of electric generation facilities and modernize our infrastructure to further improve environmental performance.

We are reconsidering our near-term goals due to a combination of factors, including tightened energy supply requirements in the Midwest power market

and the need to serve our customers with safe, reliable and affordable energy. However, our long-term goal to achieve net carbon neutral electric generation by 2050 remains intact, aligned with global emissions pathways aimed at limiting warming to 1.5°C.

We have continued to increase our investments in cost-effective zero-carbon generation and worked to reduce the role coal generation plays in our system.

In place of coal, we have built state-of-the-art natural gas generation. We expect our utilities to spend \$9.1 billion between 2024 and 2029 on renewable generation for our utility customers. In addition, we continue to conduct leading research, such as our hydrogen and long-duration energy storage projects, and have invested in renewable generation outside our regulated utility footprint to serve other companies through long-term offtake agreements.

## Key elements

Efficient natural gas generation

Renewable energy

Research and development

Sustainable customer programs

Just Transition



Paris Solar-Battery Park

## 2024 renewable energy portfolio

Utility and nonutility energy assets

| Facilities (as of Dec. 31, 2024)   | Capacity (MW) <sup>1</sup> | Serving                  |
|------------------------------------|----------------------------|--------------------------|
| 30 hydroelectric plants            | 96                         | Utility customers        |
| 1 biomass plant                    | 44                         |                          |
| 6 wind turbine facilities          | 580                        |                          |
| 4 solar facilities                 | 548 <sup>2</sup>           |                          |
| 11 renewable generating facilities | 2,404 <sup>3</sup>         | Infrastructure customers |
| <b>Total renewable capacity</b>    | <b>3,672 MW</b>            |                          |

1 This table uses nameplate capacity for our solar and wind facilities, and rated capacity for other energy sources.

2 Solar capacity includes four utility-scale solar projects, as well as smaller projects interconnected with the distribution system.

3 Includes total nameplate capacity of jointly owned infrastructure wind projects in service.



Bishop Hill III Wind Energy Center

Carbon dioxide emissions reduction

As of the end of 2024, we achieved a 56% reduction in carbon dioxide emissions compared to our 2005 baseline.

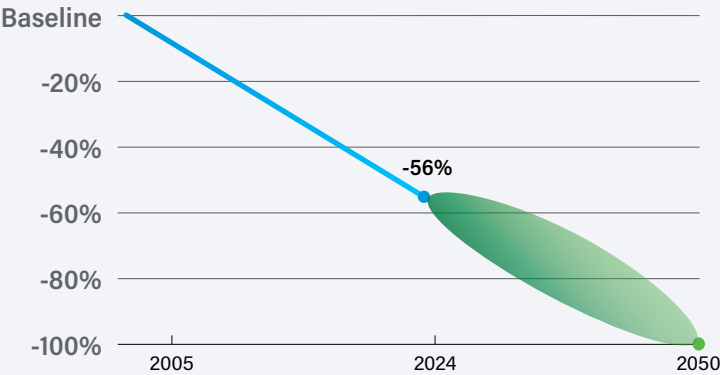
As strategies to reduce GHG emissions continue to evolve, we are committed to working with elected officials, regulatory agencies, customers, environmental groups and other stakeholders.

We will continue to replace or refuel fossil-fueled generating facilities with lower-carbon natural gas resources or carbon-free resources, including additional wind, solar and other renewable energy technologies. The pace of these fossil plant retirements and new plant construction will be guided by reliability, cost considerations, energy supply requirements and public policy decisions. Additional transmission system investments and energy storage projects may also be required to support these developments. Potential transmission system expansion will be a key factor in our capital planning.



Achieved and anticipated CO<sub>2</sub> reductions

(net mass from electric generation)\*

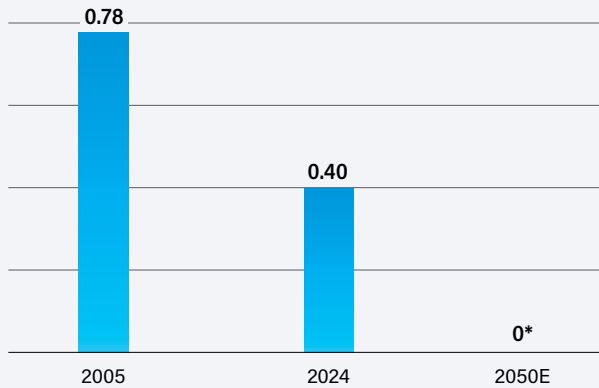


Reduction goal:

**Net carbon neutral**  
electric generation  
by 2050

Greenhouse gas intensity for our generating fleet\*\*

(metric tons CO<sub>2</sub>e/MWh)



\* Includes projection of potential carbon offsets by 2050.

\*\* Includes owned electric generation, purchased power and WEC Infrastructure (WEI). The environmental attributes of the WEI renewable facilities are or may be the property of third parties. As such, these third parties are solely entitled to the reporting rights and ownership of the environmental attributes such as renewable energy credits, offsets, allowances and the avoided emissions of greenhouse gases.





Oak Creek site

We are planning for the conversion of the coal-fueled Elm Road units at our Oak Creek site. We have tested co-firing with natural gas at the site, and we plan to continue making operating refinements that will allow a fuel blend of up to 100% natural gas. We expect to transition completely away from coal by making a modest investment in plant facilities, including natural gas burners and additional pipeline capacity to the site. Coal-to-natural gas conversion is also planned for Weston Unit 4.

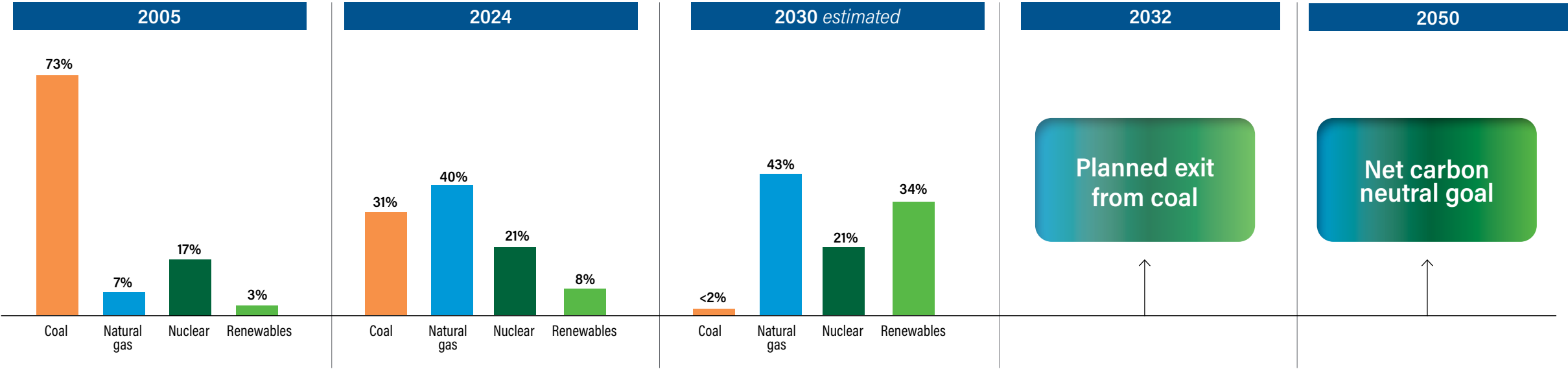
By the end of 2030, we expect to use coal only as a backup fuel, and we plan to eliminate coal as an energy source by the end of 2032.

We already have retired approximately 2,500 megawatts (MW) of nameplate capacity of fossil-fueled generation since the beginning of 2018. We expect to retire approximately 1,200 MW of additional fossil-fueled generation by the end of 2031.

We look forward to working with our stakeholders to develop policies that will enable us to achieve our goals.

Taken as a whole, changes to our generation fleet are expected to reduce costs to customers, maintain the reliability of our system and preserve fuel diversity while reducing carbon emissions.

Electricity supply by fuel type (megawatt-hours delivered to regulated utility customers)



# Our ongoing transition to a clean energy future

We are investing in our generation fleet to provide our customers with safe, reliable and affordable energy.





## Methane emissions reduction

We continue to reduce methane emissions by improving our natural gas distribution system, and we have achieved a 23% reduction across our system since 2011.

We plan to achieve further reductions through an effort that includes both continuous operational improvements and equipment upgrades, as well as the use of renewable natural gas (RNG) throughout our natural gas utility systems.

In light of our progress, significant uncertainty surrounding the market for renewable thermal credits, and our desire to focus on long-term GHG emissions reduction across the enterprise, we are reassessing our previous, standalone goal related to methane emissions from natural gas distribution.

## Renewable natural gas

In 2022, we received approval from the Public Service Commission of Wisconsin for our RNG pilots, and in 2023, we began transporting the output of local dairy farms onto our natural gas distribution systems in Wisconsin. The RNG supplied is directly replacing higher-emission methane from natural gas that would have entered our pipes. We currently have contracts in place for 2.1 billion cubic feet of RNG.

## Pipe Replacement Program

Between January 2024 and February 2025, the Illinois Commerce Commission conducted a review of our ongoing work to replace Chicago's aging natural gas pipe infrastructure. The commission ultimately directed us to replace the approximately 1,100 miles of cast and ductile iron mains, with a diameter of 36 inches or less, remaining in the Peoples Gas delivery system by 2034.

A comprehensive strategy and plan are being developed to complete this vital infrastructure work. Since 2012, we have reduced emissions by nearly 3,400 metric tons of methane through voluntary actions in Chicago. The EPA released new emission factors as part of a regulatory update effective Jan. 1, 2025. These new factors will be applied to our reported values next year and be normalized.

## 2024 emissions

Across our companies, we reported emissions of approximately 24.6 million metric tons of CO<sub>2</sub>e to the EPA related to our natural gas distribution business in 2024. Approximately 98.4% of this amount was from the use of natural gas sold by our companies or transported through our distribution systems to customers without their own reporting requirements, and the remainder was from distribution system leaks.



*Manlove Field is an underground storage facility that allows us to purchase supplies of natural gas when prices are lower to help minimize the impact of price spikes during the heating season.*



Gas heat pump at Peoples Energy Training Center

Looking to the future of natural gas

The natural gas distribution system remains essential to serving our customers, especially during our region’s cold winters. As described in the Innovation section (Page 36), our ongoing engagement with industry peers and research initiatives will help us apply new technologies as they become suited to the needs of our operations and our customers.

⬅ **Natural gas heat pumps:** In 2024, Peoples Gas and North Shore Gas supported residential gas heat pump market readiness by engaging in a pilot demonstration in coordination with 11 other North American utilities. In November, we hosted a ribbon-cutting event to celebrate the installation of a residential gas heat pump at our Peoples Energy Training Center in Chicago, the first of its kind in North America. This unit serves to raise awareness of the energy-efficient technology and offers training opportunities for our workforce and local HVAC contractors.

**Blending RNG:** As detailed on Page 31, through pilot efforts in Wisconsin, we are blending RNG from dairy farms and other sources with conventional natural gas in our distribution system.

**Hydrogen:** There is potential for hydrogen to be produced with zero-emission energy resources and blended with conventional natural gas. Researching hydrogen as a clean generating fuel for our fleet of dispatchable plants and for blending in our distribution network is an important step on our path to a sustainable future. Read more about our award-winning hydrogen pilot on Page 38.

**Electrification:** Electrification has been discussed in our industry as a possible means of reducing methane emissions from the use of natural gas. At this time, given the state of the technology and the specific conditions of our service areas, we see more potential in other options for reducing methane emissions. Full-home electrification is significantly more costly than natural gas heating in our region, and currently appears to demonstrate no net reduction in methane consumption due to seasonal demands for power generation.

Scope 3 emissions inventory

The table below presents an inventory of Scope 3 emissions in the categories most relevant and impactful to our business. The data was compiled according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The update of our Scope 3 inventory for 2024 is currently underway.

Decarbonization of Scope 3 emissions is complex, and we need to carefully consider various dynamic and often-competing factors as we look to the future. We will continue to work closely with our state regulators and other key stakeholders in support of transparency and alignment.

| Scope 3 emissions<br>(metric tons CO <sub>2</sub> e) | 2022       | 2023       |
|--|------------|------------|
| Category 1: purchased goods and services             | 336,000    | 323,000    |
| Category 3: fuel- and energy-related activities      | 6,125,000  | 6,096,000  |
| Category 4: upstream transportation and distribution | 659,000    | 645,000    |
| Category 11: use of sold products                    | 20,790,000 | 18,245,000 |
| Category 15: investments                             | 438,000    | 430,000    |
| Total  | 28,348,000 | 25,739,000 |





## Assessing risks and opportunities

Changing climate conditions, potential policy measures and the technology changes reshaping the U.S. energy sector pose risks and opportunities for WEC Energy Group that vary significantly by business segment.

Our strategic planning processes enable our companies to continuously evaluate these uncertainties in the context of maintaining reliable and affordable energy supplies for our customers that follow the environmental improvement trajectory we have set. We also stay informed about market and supply chain challenges by participating in industry-related organizations such as the Utility Supply Management Alliance and Midwest Energy Association.

### Scenario and goal analysis

Since 2019, we have provided key updates on our strategy and progress through our climate reports. The report focuses on the risks and opportunities associated with transitioning to a low-carbon economy, based on the modeling of dozens of potential emission reduction pathways. It builds upon industry-specific research from EPRI, global emissions scenarios used by the Intergovernmental Panel on Climate Change (IPCC) and the Sustainable Development Scenarios from the World Energy Outlook 2021.

As detailed in our climate report, we engaged with industry experts to conduct risk assessments that allow us to understand the impact of variables such as cost, feasibility, policy and technology on potential decarbonization pathways for our electric and gas utilities.

**In 2023, we joined the EPRI SMARTargets™ initiative, which will develop a GHG target setting methodology for grounded and actionable climate targets and strategies aligned with global goals.**

The SMARTargets methodology is being designed to include validation of a GHG emission target on an individualized company basis, and use extensive engagement to solicit stakeholder, public and

scientific community feedback and guidance. This project is expected to provide a better understanding of multiple global pathways for our emissions, allow assessment of risks and opportunities, and help educate stakeholders on our business. We anticipate SMARTargets to be finalized and released in 2025.

### Regulation of GHG emissions from fossil fuel sources

Current and potential GHG emissions regulation carries with it a wide range of possible effects on our energy business. As a result, we strive for flexibility in reacting to the variety of potential outcomes to maintain a secure, low-cost and reliable supply of fuel for generating needs. Our electric energy companies build adaptability into fuel supply and transportation contracts to address environmental regulation.

We are continuing to analyze the GHG emission profile of our electric generation resources and to work with other stakeholders to determine the potential impacts to our operations of federal and state GHG regulations. We are engaged with Wisconsin agencies, organizations and other stakeholders, and we are monitoring the recommendations of the Michigan Governor's Council on Climate Solutions regarding utilities, energy-intensive industry, building codes and electric charging infrastructure. In addition, we actively participate in industry organizations that are involved in the legislative and regulatory processes focusing on environmental matters, including Edison Electric Institute (EEI), American Gas Association, Wisconsin Utilities Association, Illinois Environmental Regulatory Group and Michigan Manufacturers Association.

Learn more about the approach we are taking to reduce GHG emissions and factors that will help shape our future decision-making. [www.wecenergygroup.com/csr](http://www.wecenergygroup.com/csr)

## Just Transition

As part of our decision-making as we transform our generation fleet, we consider the impact to our stakeholders — including our employees, customers and communities.

We will continue to look to the “Just Transition” framework, developed by the trade union movement, to support a holistic and thoughtful approach to reducing GHG emissions. Recognizing both the social and economic impacts that plant retirements and new investments will have on our communities helps us develop sustainable energy solutions for their needs. See our [position statement](#) on our website.

### Workforce

Our dedicated employees operate our power plants, and we are committed to keeping them informed and prepared as we transform our generation fleet. Our senior vice president — power generation meets frequently with union leaders and employees to provide updates on our capital plan and upcoming facility retirements. Update meetings with employees and site management are frequently held at the transitioning plants.

As older, less efficient plants are closed, we work with local union leadership and follow applicable policies and collective bargaining agreements to provide our employees with options:

- Retraining and placement opportunities at other company locations for all interested employees.
- Voluntary severance, which has included outplacement services, educational assistance and a health insurance subsidy.

Most recently, when we retired Oak Creek units 5 and 6 in May 2024, we were able to find a spot for every displaced employee inside our power generation work groups.

Additional benefits vary based on location. In some cases, we have offered retention incentives to employees for working until the end of plant service. For the next planned retirements at Oak Creek, we are carefully monitoring our employee population and retirement expectations with the intent of transitioning employees over time to other positions in the company.

### Energy affordability

We recognize our responsibility to keep energy bills affordable for our customers, and we are working to develop and advocate for fair and balanced approaches that reflect that commitment. Over time, we expect customers to see significant savings from the retirement of less efficient plants. Renewable generation resources require no fuel costs and have substantially lower operations and maintenance costs, compared to fossil-fueled generation.

In the short term, we carefully manage our plants slated for retirement to minimize the need for capital investment — avoiding spending on projects without lasting benefit whenever we can do so safely and lawfully. In addition, we work with our regulators on the recovery of retired plant balances.

### Community

Power plants represent significant investments and physical resources in the communities we serve.

We work closely with customers, local governments and organizations on site redevelopment so that the land previously supporting a facility can benefit



Oak Creek site

the surrounding community. We promote economic growth through leadership in economic development organizations and through direct contributions. For example, Gale Klappa, board chairman — WEC Energy Group, was instrumental in launching Milwaukee 7 (M7), a regional economic development organization for the seven counties of southeastern Wisconsin, in 2005. He now serves as chair of the organization.

We are also an active member of chambers and economic development organizations across Wisconsin, including the Metropolitan Milwaukee Association of Commerce (MMAC). The MMAC is working to strengthen the business base to attract and retain jobs in the Milwaukee region.

In addition, we work with local governments to plan for continued economic stability and future growth in impacted communities. Wisconsin state law, which we helped advocate for, provides a glide path from utility shared revenue after a plant is retired and the property is sold.

Finally, we leverage the power of our charitable giving programs to support nonprofit programs and institutions in communities across our service areas, and through our foundations, we have contributed to economic development efforts in counties where we retired plants.

### Environment

As we continue reducing emissions, we also seek to improve the ecological well-being of our properties — leaving the land in equivalent or better condition after our operations are complete.

We actively manage hundreds of acres of natural areas within our companies' ash landfill sites, largely originating from coal plants that are now retired. These efforts are helping to promote biodiversity, support pollinator populations, maintain large blocks of intact natural areas, reduce the use of herbicides, and restore native flora and fauna. More details on our stewardship and restoration activities can be found on pages 20-25.



Sustainable customer programs

For decades, we have offered options to electric customers who want to help strengthen the market for renewable energy.

We Energies' **Energy for Tomorrow**® program was established in 1996 and WPS' **NatureWise**® in 2002. When our We Energies customers enroll in the Energy for Tomorrow program at the 25%, 50% or 100% level, We Energies produces or purchases renewable energy to match that percentage of their electricity use. Energy for Tomorrow is Green-e certified and meets the environmental and consumer protection standards set by the nonprofit Center for Resource Solutions. The NatureWise program similarly offers WPS customers the opportunity to purchase specified amounts of electricity from renewable sources.



Wisconsin Public Service Solar Olympics

In addition, WPS has continued to lead **SolarWise**® for Schools, an award-winning solar and renewable energy education program. Current participating local high schools have received a hands-on renewable energy curriculum and teacher training, and many of them have received a 2-kilowatt solar energy system installed at their schools. Students from participating high schools also are invited to compete annually in the WPS-sponsored Solar Olympics.

Electric vehicles

Increasing customer access to electric vehicle (EV) charging is a priority for us. To that end, We Energies and WPS launched EV charging pilot programs in March 2022, and in 2025 released refined versions of the pilots based on customer feedback. The residential pilot makes it less costly for customers to charge their all-electric battery vehicle at home by providing the availability of off-peak bill credits applied to EV owners' current residential electric rates. The commercial pilot helps pay for infrastructure upgrades needed for businesses to install larger Level 2 and DC fast-charging stations for public charging and for commercial use.

The pilot programs continue to help us better understand and address the impact EV charging has on the electric grid, as millions of EVs are expected to be sold in the United States in the coming years.

In October 2021, subject to the receipt of any necessary regulatory approvals, we pledged to support the expansion of the EV charging network within the service areas of our electric utilities. In

doing so, we joined the National Electric Highway Coalition, a unified effort by electric utilities to make EV charging convenient and widely available throughout the United States.

We collaborated with the Wisconsin Department of Transportation (WisDOT) and Michigan Department of Transportation (MDOT) to support the development of the states' plans to distribute National Electric Vehicle Infrastructure (NEVI) funds. In 2024, WisDOT selected the first 53 NEVI-sponsored locations to be built in Wisconsin, the first three of which came online in December 2024 at convenience stores in Ashland, Menomonie and Chippewa Falls. The first MDOT location also came online in December at a grocery store in Lansing.

We also are working to electrify our own vehicle fleet. We offer 62 charging stations across our company locations for both fleet and employee vehicles. In August 2020, under the auspices of EEI, we joined our utility peers across the nation in setting sustainability goals for our vehicle fleet across WEC Energy Group.

We have set targets to electrify 40% of all storeroom equipment by the end of 2025 and 75% by 2030. In addition, we have goals in place to increase the EV portion of our vehicle purchases by 2030 — up to 40% of cars and SUVs and 10% of trucks (with a maximum weight of 10,001 pounds). These goals apply to vehicles to be driven within the daily range capabilities of EVs and parked overnight at our company sites.



# Innovation

WEC Energy Group has a long history of exploring innovation in energy generation and distribution, environmental stewardship, and sustainability — both through independent efforts and in collaboration with industry partners.

From long duration energy storage, low carbon technologies and a collaboration on an award-winning pilot to test hydrogen as a fuel source for power generation, we have demonstrated our continuous commitment to advancing our industry and improving our footprint.

## Industry collaborations

As a founding member of the **Electric Power Research Institute (EPRI)** in 1972, we continue to invest in research and development programs related to generation system efficiency improvements, generation operation and maintenance best practices, distribution automation, smart grids, telecommunications modernization, cybersecurity, renewable energy and demand-side energy efficiency.

With EPRI, the company participates in the Strategic Sustainability Science program to advance sustainability for the energy industry. The program's research pillars include identifying priorities, determining maturity and goals, measuring and managing performance, peer benchmarking, and stakeholder engagement. This program allows us to engage with peers, continue to develop our sustainability program through industry priorities and inform strategic disclosure.

As detailed on Page 33, we became part of EPRI SMARTargets™ in 2023. The project's aim is to develop a methodology for scientifically grounded and actionable climate targets aligned with global goals.

In 2022, we also became one of the founding members of EPRI's Climate Resilience and Adaptation Initiative (Climate READi). This program is focused on developing a common platform for climate data and framework tools to inform the planning, design and operation of resilient energy systems. Engineers from both our Power Generation and Customer Service and Operations business units are engaged in various asset-specific working groups that meet regularly within the Climate READi consortium. These working groups discuss challenges associated with maintaining and building reliable and resilient systems that incorporate changing technologies such as expanded use of heat pumps, electric vehicles and renewable generation sources.

We are reviewing current practices, planning criteria and investment prioritization to incorporate best practices, looking for opportunities to leverage tools delivered by Climate READi as appropriate, and will continue to do so as the initiative continues. This three-year initiative wrapped up in spring 2025 with the official launch of the Climate READi: Power Framework.

Peoples Gas has partnered with **GTI Energy**, formerly the Gas Technology Institute, since 1985, and has invested more than \$9 million in research, innovation and development of technology solutions. The research has resulted in technologies used by the natural gas industry to benefit customers and employees through improved safety, operational efficiencies, reduced environmental impacts and increased energy efficiency.

In collaboration with GTI Energy, we help support the **Utilization Technology Development (UTD)** and the **Operations Technology Development (OTD)** research nonprofits.

UTD is a nonprofit, member-led organization composed of 20 natural gas distribution companies. Its mission is to identify, select, fund and oversee research projects to maximize the environmental performance, affordability, efficiency and safety of equipment and processes that use natural gas and renewable energy resources.



Peoples Gas and North Shore Gas hosted a natural gas heat pump demonstration in coordination with 11 other North American utilities in 2024.



Our company invests \$250,000 annually, a portion of this through energy efficiency dollars, to support projects that span all end-use sectors and cover a variety of topics, including ultra-high-efficiency gas heating and cooling solutions, efficient and clean fuels (renewable natural gas, hydrogen, synthetic gas), and small-scale carbon capture.

OTD is a nonprofit corporation composed of 31 natural gas distribution companies that serve over 70 million consumers in the United States, Canada and France. This program allows utilities to combine interests, expertise and resources into focused research and development projects to develop solutions to a wide range of challenges. Peoples Gas invests \$400,000 annually in OTD projects aimed at enhancing natural gas system safety, increasing operating efficiency, lowering operating costs, reducing methane emissions, and maintaining system reliability and integrity.



In 2020, WEC Energy Group joined EPRI and GTI Energy's Low-Carbon Resources Initiative (LCRI), which is focused on large-scale deployment of low-carbon technologies. This long-term initiative is working to:

- Identify and accelerate development of promising technologies, including hydrogen, bioenergy, carbon capture and renewable natural gas.
- Demonstrate and assess the performance of key technologies and processes and identify possible improvements.
- Inform key stakeholders and the public about technology options and potential pathways to a low-carbon future.

This research and development effort is expected to help inform our longer-term strategy to address the emissions from our electric generating units and natural gas distribution systems.



We also support research on emerging technologies and opportunities for our customers through Focus on Energy, Wisconsin utilities' statewide energy efficiency and renewable resource program. These research projects have the goal of reducing energy waste, costs and environmental impacts. In 2024, the Focus on Energy Environmental and Economic Research and Development program launched a residential air-to-water heat pump field study and continued research into HVAC workforce development and integrated building controls.

More information about Focus on Energy and our other energy efficiency programs can be found in the "Energy affordability" section on pages 66-67.

### Renewable energy programs for customers

Two innovative renewable energy pilot programs are providing opportunities for We Energies commercial and industrial customers to support renewable energy generation.

Participants in the **Solar Now** program receive monthly payments based on the capacity value of their hosted solar photovoltaic systems, while We Energies distributes the energy they produce throughout the system. The program allows nonprofit and government entities, as well as commercial and industrial customers, to site utility-owned solar arrays on their property. In 2024, Solar Now systems:

- Resulted in 22,581 metric tons of avoided carbon dioxide equivalents.
- Supported our green pricing programs, with 15% of Solar Now generation going to Energy for Tomorrow customers.

The Solar Now pilot program is also providing us with insight on the impact of local generation, sometimes referred to as distributed generation. Local generation is smaller-scale power production or energy storage technology dispersed throughout the power grid that provides electricity close to the point of use. While centralized generation at our facilities helps us achieve economies of scale and provide reliable service, we have integrated local generation into our system in places where it has the potential to provide additional benefits to customers and contribute to local reliability.

**Renewable Pathway Pilot** is another innovative effort to help provide our customers with the affordable, reliable and clean energy they depend on. Through the Renewable Pathway program, We Energies large business customers can subscribe and purchase electricity from a Wisconsin renewable energy project. Companies will pay the full share of their subscription and receive clean energy credits as they reach their environmental goals.



## Technology integration

In addition to reducing GHG and other air emissions, research and experimentation with new technology benefits many areas of our business.

For example, our utilities use technology such as light detection and ranging, drones, and satellites to complete inspections and update aerial asset photos safely and cost-effectively. In addition, we are finding promise in data analytics, using machine learning and natural language processing to identify trends and prevent failures on the distribution system. Data analytics are used for tasks including tracking electric line reliability and customer outages. We continue to train our employees in the evolving use of analytical tools and techniques.

We also continue to expand robotic process automation (RPA) to deliver a flexible digital workforce that assists in providing cost-effective, consistent services in areas including billing, credit and collections, customer care, field operations, and data center operations. Along with their efficiency benefits, these systems help support safety and the environment. In one use case,



WEC Energy Group received an EPRI Technology Transfer Award at the EPRI Generation Advisory and Counsel Meeting.

RPA evaluates natural gas usage on inactive meters and then issues field investigation orders to resolve potential gas leak and theft scenarios.

### Hydrogen as a fuel source

EPRI members recognized WEC Energy Group in 2024 for our contribution to industry knowledge of reciprocating engine technology. We collaborated with EPRI, Wärtsilä and Burns & McDonnell on blending 25% hydrogen by volume with natural gas in a first-in-the-world pilot of a utility-scale, grid-connected reciprocating internal combustion engine (RICE). The pilot results show that hydrogen can be handled safely in a properly designed, monitored and controlled fuel system.

The expected reduction in carbon dioxide emissions, consistent engine efficiency and a favorable reduction in methane emissions were all observed in the test results. In addition, the existing selective catalytic reduction system maintained emissions below permit levels without modification. EPRI has made the pilot results available to the energy industry to understand how RICE engines can efficiently generate dispatchable power today and in the future with growing hydrogen supplies.

We hosted another first-of-its-kind test pilot in April 2025 at the Peoples Energy Training Center in Chicago. EPRI tested equipment from 10 different vendors of gas analyzers and ambient gas monitoring equipment for accuracy and response time in a side-by-side real-world pilot for hydrogen and hydrogen/natural gas blend applications. These technologies are expected to be critically valuable to gas transmission, distribution and end-use companies in a transition to hydrogen fuel use.



The Hydrogen Analyzer Pilot tested safety equipment with hydrogen and natural gas blends — an important resource for gas transmission, distribution and end users.

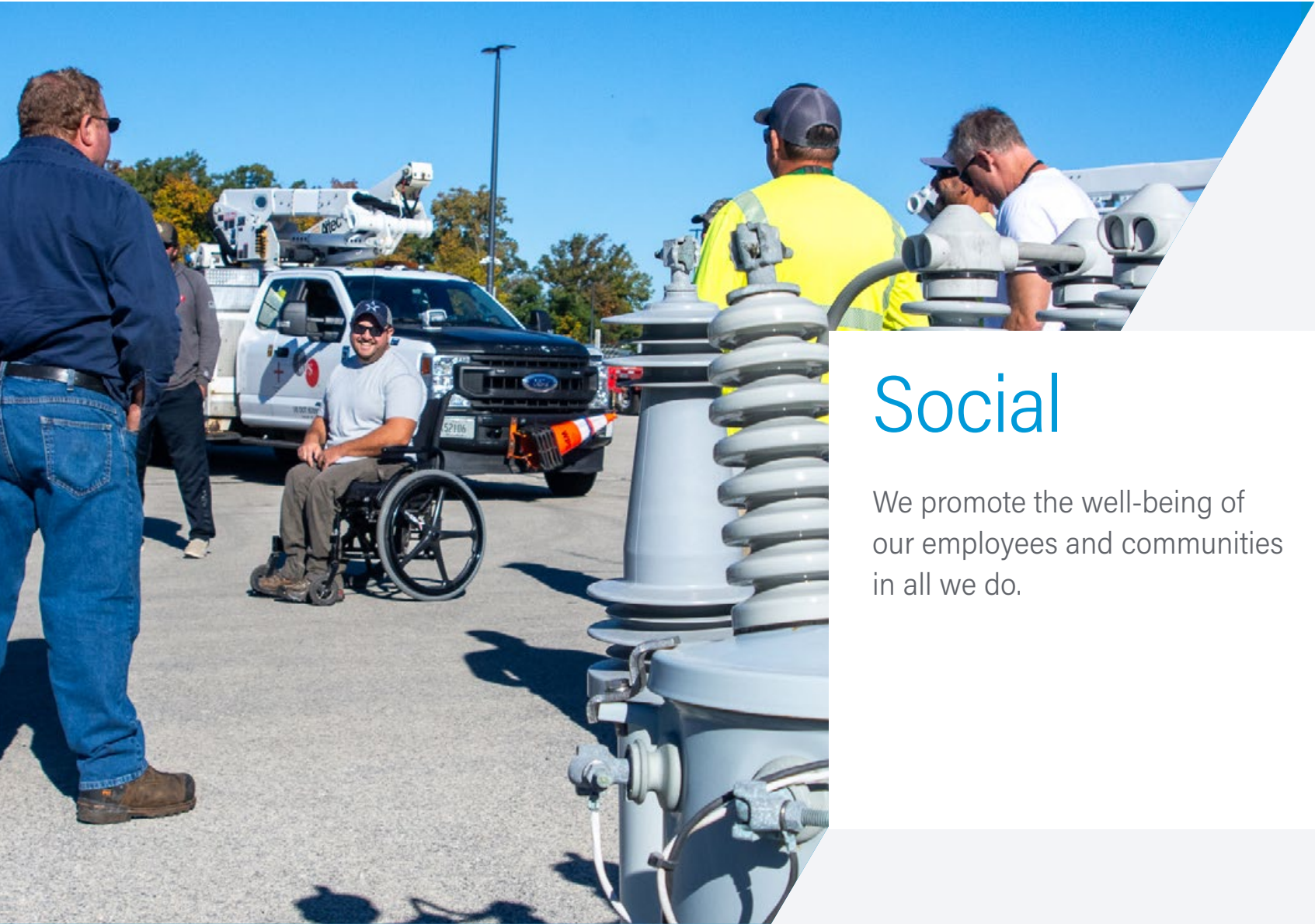
As in all of our test pilots with EPRI, we anticipate that the results will be made available across the industry to advance gas decarbonization efforts while maintaining safety standards. Preliminary results indicate gas utilities have access to the tools necessary to quickly identify and locate a gas leak in a system with hydrogen blends to 20% in natural gas.

### Long-duration energy storage

In 2023, we announced another pilot project collaboration with EPRI and CMBL Energy AG of Germany. We plan to test CMBL's Organic SolidFlow battery for discharge durations of five to 10 hours. The test will be conducted at our We Energies Valley Power Plant in Milwaukee to further industry knowledge of this battery design that does not rely on an already stressed supply chain for lithium or rare metals. The battery technology is expected to offer longer-duration energy supply compared to standard lithium ion technology due to its flow battery design.

After an initial sample product test at the plant, preparations continue for a larger scale pilot in 2026 intended to advance industry knowledge, support renewable technology and help shape the future of clean energy.





# Social

We promote the well-being of our employees and communities in all we do.

|                        |    |
|------------------------|----|
| Empowered employees    | 40 |
| Safety and health      | 46 |
| Community engagement   | 54 |
| Supply chain integrity | 58 |

*Wisconsin Public Service operations supervisor Cody Rye in discussion with field crews at the Green Bay Service Center.*

# Empowered employees

Our employees strive to achieve optimal results with a customer focus to help us realize our full potential and business goals. We value their contributions and help them develop their skills in support of a strong, engaged workforce.

As detailed in this section, we foster inclusion and opportunity through a number of initiatives. Making sure our workplace is inclusive and respectful means employees can bring their best and do their best. Our commitment to diversity and inclusion is more than following policies and procedures — it is an integral part of the company's culture and a core strategic competency.

**We commit to:**

- ➔ Demonstrating respect for people with different backgrounds.
- ➔ Treating all employees with acceptance and respect.
- ➔ Accepting and appreciating diverse ideas and viewpoints.
- ➔ Engaging different perspectives to achieve business goals.
- ➔ Striving for inclusive practices across the organization.



WEC Energy Group  
workforce  
**7,017  
employees**

Female  
25%

Racial/ethnic minority  
26%

Represented  
59%

| Employee count by company (as of Dec. 31, 2024) |     |                          |       |
|---|-----|--------------------------|-------|
| Michigan Gas<br>Utilities                       | 142 | Peoples Gas              | 1,213 |
| Minnesota<br>Energy Resources                   | 199 | We Energies              | 2,884 |
| North Shore Gas                                 | 144 | Wisconsin Public Service | 1,180 |
|   |     | WEC Business Services    | 1,255 |

“Our employees are the bedrock of the company, so it’s crucial that everyone feels welcome, respected and engaged at work. We hold each other accountable to make that happen, from talent recruitment, to professional development through every stage of an employee’s career.”

**Scott Lauber**  
President and CEO  
WEC Energy Group



## Building our talent pipeline

Strategic talent development is a business driver for our companies. We focus on growing a superior organization by attracting, selecting, onboarding, developing and retaining the right talent to meet business needs.

Our recruitment strategy is multifaceted. We use local, state and national partners to share our job postings in an effort to make our opportunities visible across a wide audience. Our companies use behavioral-based interviewing to identify top talent in a fair and unbiased manner. We have built relationships with agencies, high schools, colleges and universities in the areas our companies serve, and we invest in programs such as City Colleges of Chicago Gas Utility Workers Training Program, and INROADS. Each year, our companies employ students in internships and cooperative education programs.

We also support external programs such as Forward 48, a leadership development program designed to help emerging Milwaukee leaders and inspire them to become change-makers within their communities.



2024 interns at our Milwaukee headquarters

Our companies have been recognized by local schools and universities for placing students in meaningful assignments leading to full-time jobs after graduation. We partner with veterans groups to attract people with technical and leadership skills. Strong ties with community organizations and local government workforce development programs help us find qualified talent. We post open positions with a variety of community agencies, including the American Association of Blacks in Energy, Hispanic Alliance for Career Enhancement, Urban League in Milwaukee and Chicago, and Women in Trades.

In addition, employees are active in community events that promote careers in energy, including school-based mentor programs, along with a variety of outreach efforts and career fairs.

### Community partnerships

We have worked with nonprofits in our industry and communities to enhance our talent pipeline. We are an active member of the Wisconsin Energy Workforce Consortium (WEWC), a nonprofit group of electric, natural gas and nuclear utilities and their associations. WEWC teams up with secondary and post-secondary educational institutions to address the need for qualified employees to work in the communities we serve.

We are actively engaged in the MKE Tech Hub Coalition, a nonprofit membership organization that serves as a unifying voice for the Milwaukee tech ecosystem, formed to meet the need for tech workers in the Milwaukee region. We also continue to engage with Disability:IN Wisconsin, a corporate partnership that is a resource for business disability inclusion and supports the expansion of opportunities for people with disabilities.

## We provide a range of opportunities to students from diverse backgrounds.

Since 2017, We Energies has partnered with **Milwaukee Public Schools** (MPS) to engage high school students in careers in energy through paid positions at our company. Students in the electric field internship and the gas distribution worker youth apprenticeship receive industry-specific training and gain hands-on experience working with We Energies employees in the field. Meanwhile, the design youth apprenticeship program gives students a two-year opportunity to learn about natural gas design and engineering in an office setting.

Over 220 MPS students have worked with our company through this program. Our goal is to provide applied learning and an avenue for a strong career after graduation. While students are in the program, they also learn how to secure their futures with money management courses, mentoring, and interview and resume training.

In 2024, We Energies and **Milwaukee Area Technical College** celebrated the one-year anniversary of the new campus for the school's popular Electrical Power Distribution Line Mechanic program. Located in the heart of Milwaukee's Metcalfe Park neighborhood, the campus combines land owned by We Energies and the Redevelopment Authority of the City of Milwaukee. In addition, We Energies dedicated a portion



of its Metro North facility and donated a trailer for classroom instruction, yard space for field instruction, and significant financial support for the program. The program prepares students for entry-level electrical line worker positions in the utility industry. Six participating students graduated in 2024, all with secure employment.

"I'm really, really proud of the work being done by We Energies, MATC and all of the partners involved to help create pathways to young people for a job that is more than family-sustaining," said David Polk, director of the Wisconsin Department of Workforce Development's Bureau of Apprenticeship Standards. "We Energies is one of our largest registered apprenticeship providers statewide."

Find more information on Page 55 about our companies' support for education in our communities.

## How we develop and engage our employees

Our leaders have the responsibility to continually develop the talent of their organizations through the broadening and deepening of business, technical and leadership knowledge.

Over the next five years, approximately 34% of employees at WEC Energy Group companies will be eligible to retire. In 2024, 3% of the WEC Energy Group workforce retired, which was consistent with 2023.

Succession planning and internal talent development are integral components of our workforce planning process to prepare for upcoming retirements.

To support continuity of service delivery and the continuous development of our people, employees complete individual development plans annually to identify short- and long-term career objectives. Development is structured to meet the needs of both individual interests and business objectives.

Internal development opportunities are designed to support a strong, diverse workforce, and include:

- Programs for aspiring, new and established leaders.
- Executive, formal and informal mentoring programs.
- Training to educate employees and leaders on the individual development plan process.
- A variety of training courses and curriculum available to all employees as part of our Learning Management System.

Senior management conducts an annual talent review to identify talent for development for future senior leadership roles. Development plans may include rotational stretch assignments, project leadership, mentoring, internal or external development programs, or other opportunities for enhancing employees' operational and leadership skills.

The majority of our current senior leaders were identified and promoted through our succession planning process.

Succession planning also is conducted annually in the business units to identify early career talent and assess future leadership potential. Talent pools are identified for critical operational and support roles along with plans to support their development.

Our board of directors reviews outcomes of these succession planning exercises at least annually.

### Surveys and communication

To sustain a strong workforce, we have established efforts to foster employee well-being and achievement.

We conducted a confidential employee pulse survey in 2023 (as a follow-up to the company's employee engagement survey the previous year) to verify that we are making progress in addressing opportunities for improvement. While the survey was conducted in 2023, focused efforts based on the results continued in 2024.

In addition, there are a variety of tools available to leaders to help engage and retain employees, including knowledge transfer resources and career conversations.

In 2024, we again participated in a survey on women in the workplace from an initiative that encourages female leadership and gender equality. Women filled 23% of all leadership positions at our company as of Dec. 31, 2024.



### Training and education

Talent management is a primary focus for our companies, and employee training and development of technical, business and leadership skills give us a sustainable competitive edge for the future. Training, mentoring and coaching are key elements in improving employee performance and, therefore, improving customer service, safety, corporate performance and system reliability.

We offer a variety of educational courses and training programs to support employees' continued development. In 2024, our employees completed more than 194,000 classroom and e-learning courses.

The vast majority of those learning events were delivered online, including annual ethics and compliance training, safety refreshers, operator qualification training and other job skill training.

Leadership development is also augmented with online training. All employees have access to online training, ranging from learning software programs to business and leadership competencies, as well as access to portals that include topical references, job aids and simulations.

Assessment tools for individual contributors and leaders were used for a variety of development needs — in both program and individual consulting scenarios. In all instances, employees were provided guidance in using their assessment results and tying them to their individual development plans.

The company offers tuition reimbursement to help employees pay for the cost of furthering their education. In addition, a variety of university partnerships offer tuition discounts to employees.



Leadership development

We recognize that leadership development is key to building and sustaining a strong organization. Programs are offered corporately and within individual business units.

The corporate leadership development program begins with aspiring leaders. The Emerging Leaders program is a self-paced, online program consisting of seven required courses, supplemented with learning circle discussions and webinars.

The Foundations of Leadership program is for new supervisors. This curriculum includes training on leadership, employee engagement, talent management, inclusion, labor relations, crucial communication skills, and other important business and management skills.

The Foundations of Leadership II program focuses on developing coaching and conflict-management skills. It combines online courses with presentations by experienced leaders, as well as a discussion board and learning circle conversations.

Developing leaders at the manager level is accomplished in partnership with the Sheldon B. Lubar College of Business at the University of Wisconsin-Milwaukee. An intensive curriculum covers accountability, strategy, financial performance, team effectiveness, decision-making, negotiation, change leadership and more. Participants begin and end this program with a 360-degree feedback survey.

In addition, leadership development is offered annually to director-level employees, also through the Lubar College of Business, consisting of executive education tailored to align with specific leadership competencies.

Labor practices

Our companies have a local union presence that spans Wisconsin, Illinois, Minnesota and Michigan. We maintain good working relationships and strive to collaborate with all unions represented. We hold regular labor and management meetings, as well as meetings of executive leadership and union leaders, to discuss and resolve business issues. Our companies also have relationships with various trade union organizations.

We are committed to maintaining a culture that supports human rights, and we demonstrate our commitment through various means, such as employee training and education.

We educate all new employees on our Code of Business Conduct and supporting policies, which cover relevant aspects of human rights issues. All employees are trained on ethical standards, including anti-harassment. As detailed on Page 58, we set expectations for our suppliers through the contracting process.

**Nondiscrimination**

We are committed to providing a work environment that respects the rights and dignity of each employee. Discrimination is not tolerated on the basis of sex, age, race, color, creed, religion, disability, marital status, sexual orientation, gender identity, perceived gender, genetic information, national origin, ancestry, citizenship, pregnancy, military status, veteran status or other status protected by applicable federal, state or local laws. Complaints are taken seriously and investigated thoroughly.



| Represented employees   | Expiration date of labor agreement |
|---|------------------------------------|
| Local union (AFL-CIO)   |                                    |
| No. 420, International Union of Operating Engineers (We Energies) | Sept. 30, 2025                     |
| No. 2006, Unit 1, United Steelworkers                             | Oct. 31, 2025                      |
| No. 12295, United Steelworkers                                    | Jan. 15, 2026                      |
| No. 2150, International Brotherhood of Electrical Workers         | Aug. 15, 2026                      |
| No. 510, International Brotherhood of Electrical Workers          | Feb. 28, 2027                      |
| No. 18007, Utility Workers Union of America                       | April 30, 2028                     |
| No. 31, International Brotherhood of Electrical Workers           | May 31, 2028                       |
| No. 18007(C), Utility Workers Union of America                    | July 31, 2028                      |
| No. 1147, International Brotherhood of Electrical Workers*        | April 7, 2029                      |
| No. 420, International Union of Operating Engineers (WPS)         | April 16, 2029                     |
| No. 2285, International Brotherhood of Electrical Workers         | June 30, 2029                      |



Federal and state laws

We are subject to federal and state labor laws, which address:

- Freedom of association and collective bargaining
- Child labor
- Forced and compulsory labor

Company operations do not interfere with employees' freedom of association and collective bargaining, and we are committed to continued compliance with child labor laws, forced and compulsory labor laws, and the rights of Indigenous people.

We support compliance with federal and state laws with continuous monitoring and auditing of our internal

processes, such as hiring and promotion practices. Additionally, we actively encourage all employees to speak up if they believe our Code of Business Conduct or labor laws have been violated. All such reports are taken seriously and investigated. We expect the same standards from our suppliers and all other entities with which we conduct business.

The Audit and Oversight Committee of our board of directors has oversight responsibility for human rights-related policies, including the Code of Business Conduct, while our Ethics and Compliance department, working at the direction of senior management, is responsible for the development and implementation of these policies.

Benefits and compensation

We participate in regular audits of our employment practices, which include a review of the total compensation paid to all employees. Additionally, we systematically analyze pay equity among employees, including a review of gender, race and ethnicity. Our compensation package offers a variety of benefits to both full- and part-time employees. Full-time benefits include:

- |  |   |
|--|---|
| • Medical insurance  | • Flexible spending accounts                |
| • Prescription drug coverage                                       | • Long-term disability benefits             |
| • Health savings accounts  | • Vacation/paid time off days               |
| • Employee assistance program (including mental health counseling) | • Payable absence plan                      |
| • Dental insurance   | • Sick leave/short-term disability benefits |
| • Vision insurance   | • Parental leave                            |
| • Employee retirement savings plan — 401(k)                        | • Pension plan                              |
| • Life insurance   | • Tuition reimbursement                     |
| • Accidental death and dismemberment insurance                     | • Commuter benefits                         |
| • Business travel accident insurance                               | • Wellness incentives                       |
|  | • Service awards                            |
|  | • Adoption assistance                       |
|  | • Matching gifts program                    |

Performance management

Employees are expected to hold each other accountable for demonstrating the top five competencies directly linked with business success:

- ➔ Safety
- ➔ Customer focus
- ➔ Sense of urgency
- ➔ Personal responsibility for results
- ➔ Financial discipline

This clear expectation affects the entire performance management process. It requires a determined effort on the part of employees to apply the right energy and focus to achieve their objectives, and calls upon leaders to provide support and guidance aimed at encouraging the behaviors critical to company success.

Performance management is the process of aligning employee performance with the needs of the business. It includes goal setting, performance monitoring, measuring and appraising, and providing feedback and recognition. Leaders and employees have an ongoing feedback tool to support continuous conversations throughout the year. Every year, we publish our Top 10+ goals aligned with the core competencies to serve as an overarching guide for employees.

All management (nonrepresented) employees have a component of their pay affected by performance. This is accomplished through the annual incentive pay plan, which promotes the achievement of corporate goals while recognizing individual performance. For 2024, award funding for management employees was based on achievement of company performance related to targets for cost control, customer satisfaction, safety, and supplier and workforce diversity. Individual awards are based on individual performance toward objectives.



Business resource groups

To foster an atmosphere of inclusion, we promote business resource groups (BRGs) with executive sponsorship and involvement. The company has nine BRGs working to engage employees in using their skills and interests to spark innovation and support strategic goals.

Open to all employees, our BRGs provide many opportunities to collaborate, network, develop career and leadership skills, and connect with our communities. In addition, a formal BRG referral process helps attract new talent.

In 2024, multiple BRGs collaborated to support established charitable initiatives across our companies, including collection drives for food, supplies and holiday presents. The groups also continued to join the All-BRG Movement Challenge, with over 300 employees, leaders and executives participating.

Our BRGs are making a difference across our companies. Further highlights of their accomplishments in 2024 included:



**African American Business Resource Group** continued to enhance the mentoring partnership with Milwaukee Cyber School, hosted career development discussions with leaders, and volunteered with organizations including Habitat for Humanity and Black Arts MKE.

**Asian Americans and Friends** participated in the Dragon Boat Race for Literacy in Illinois and the Dragon Boat Festival in Wisconsin, and volunteered with organizations including the Greater Chicago Food Depository and Ginkgo Organic Gardens.

**Health and Disability Allies** coordinated the “Let’s Talk About Wellness” Leadership Panel with executive involvement and collaborated with Human Resources to raise employee awareness of benefits and resources.

**Listo!+,** which is focused on engagement with the Latino community, hosted member networking events and information sessions, held a back-to-school supply drive, and participated in the DePaul University BRG Leadership Conference.

**Management Development Network** hosted networking events and educational sessions on a variety of corporate projects and initiatives, and promoted mentoring programs in the community.



**Military Service Members Association** provided volunteers and guardians for honor flights, raised employee awareness of veteran education benefits, and supported local organizations including the Milwaukee Veterans Stand Down.

**Next Generation Network** hosted educational presentations, promoted career development and volunteer opportunities, and assisted with summer intern onboarding and engagement.

**WEC PROUD** organized networking sessions and participated in community events, including volunteering at PrideFest in Milwaukee and representing Peoples Gas at the Human First Gala for Center on Halsted.

**Women’s Development Network** hosted an executive panel discussion commemorating International Women’s Day, a speed mentoring event and informational presentations, and volunteered with organizations including MacCanon Brown Homeless Sanctuary and Golden House.



For the fifth consecutive year, WEC Energy Group was presented with the Wisconsin Department of Workforce Development’s Vets Ready Employer Initiative award in 2024, receiving Gold Level recognition. The award honored our work to build a support system within the workplace, hire and retain more veterans, and connect to veterans and their families in the community.

# Safety and health

Safety is our top priority across our operations, reinforced by targeted programs, goals, and engagement with our employees and the public.

## Internal safety

Our safety strategy is people-first. To execute on this, we use best practice programs, employee engagement techniques, integrated scorecards and quality control principles. We are committed to working safely and fostering a safe workplace.

### Safety commitment

For more than a decade, our companies have improved their safety records by implementing and improving key programs. Our unwillingness to view injuries as inevitable is an important part of our cultural platform, an ongoing safety commitment we refer to as “Target Zero.”

Management and union leadership work together to reinforce the Target Zero culture and provide a safe work environment. We urge each employee to make a personal safety commitment and talk with co-workers about safety. Supervisors and managers are responsible for hearing employee concerns, training to current standards and recognizing safety successes. We further encourage employees to bring that personal commitment home to their families, friends and communities.

Safety is not the absence of incidents; safety is the presence of defenses that protect us from harm. Through a focus on human and organizational performance, we are dedicated to uncovering why errors occur and identifying systemic flaws to continuously improve our processes and build resilience.

### Company safety structure

Employee safety success is supported by seeking to increase employee engagement and accountability at all levels. Through Safety Action teams and Regional Safety teams, every employee has a voice. Actively engaged employees lead us to new ideas and improvements in system designs, programs, tools and procedures.

Our Executive Safety Committee directs our safety and health strategy and works to support consistency and best practices across utility business units. The committee provides a forum to evaluate safety performance and risk more holistically, review and discuss accident and injury trends, approve and oversee injury-prevention activities, sponsor new programs and strengthen policy, and enhance ongoing safety and health initiatives.

Management uses weekly conference calls to focus on safety for occupations that are exposed to a large number of hazards. During calls, management discusses injuries, accidents and significant events that have taken place and ways to prevent recurrences. We are increasingly focused on potential incident severity.

Management and represented employees work together to identify risks and prevent injuries. Management employees are expected to provide daily information and communication about safety topics. In addition, they are responsible for implementing and evaluating safety programs and outcomes. Employees who work in the field and at power plants have a variety of tools available to identify and manage risks on the jobsite, follow rules and procedures, and speak up about safety issues.

Work group-specific safety events are held throughout our companies. For example, many employees in highly hazardous occupations participate in safety conferences or periodic meetings with management to discuss safety goals, techniques, tools and equipment.



“We focus on safety so that everyone has the training and tools they need to do their work well and return safely to their families every day. Beyond that, we ask our team members to look out for each other — to speak up and work together to make the workplace safer. That culture of caring is at the heart of our Target Zero commitment.”

**Kevin Wood**  
Director — Safety and Health  
WEC Energy Group



## Targeting excellence in safety performance

In addition to the established safety structure, a broad-based team directs efforts to increase engagement, address risks and reduce injuries. The Excellence in Safety team includes representation from senior leadership, as well as experienced field professionals from across WEC Energy Group. Union leaders advise the team, and business unit safety steering committees, management and represented safety committees, and other safety teams also provide input.

Excellence in Safety efforts support four core goals:

- Engagement of front-line personnel.
- Simplified focus on key safety topics: mental/physical readiness and safe use of vehicles and equipment.
- Enhanced focus at the point of exposure where work is performed.
- Prevention of significant incidents and fatalities (SIFs).

The team is guiding safety efforts in operations to increase leadership visibility, such as during employee and work group task observations. There, leaders provide timely feedback on the quality of the pre-job brief and hazard control mechanisms.

Front-line leaders and their work groups support broader business unit safety plans and initiatives. Area safety plans are designed for a consistent approach toward mental, physical and/or vehicle equipment readiness that addresses area risks. Leaders update their respective chain of command to reinforce positive culture changes derived from the plans.

As part of the plans, employees are encouraged to work together to discuss how a task will be done safely or to express concern when they notice something that may lead to a potential injury. Leadership recognizes jobs well done and celebrates them across the organization so everyone can learn from them.

In addition, executive leadership takes an active role in personally contacting injured employees to make sure they are doing well and learn what can be done to eliminate future injuries throughout the company. Regular meetings include senior executives and department leaders, who review any DART incidents and take appropriate actions to mitigate recurrence.



## Recognizing employee commitment to safety

### Excellence in Safety Awards

We recognize individual employees and teams across WEC Energy Group with annual awards for outstanding commitment to safety, with a focus on front-line workers in higher-risk occupations.

### Safety Charity Challenge

In the quarterly Safety Charity Challenge, employees whose companies meet safety improvement goals may vote to direct donations to local nonprofits. The purpose of the program is to rally employees around workplace safety and create a positive impact in the communities in which they live and work.

In 2024, WEC Energy Group charitable giving programs and foundations contributed \$130,000 to local charities through the Safety Charity Challenge.

### Performance incentives

To reinforce the focus on safety across the corporation, all management (nonrepresented) employees have a component of their annual incentive pay affected by safety performance.

Focused on front-line safety

Our employees are empowered to make changes in the field and in our plants.

Through our high-risk task reviews, business units assess different high-risk procedures or work methods, often using cross-functional teams. The goal is to find opportunities to reduce risk by engaging front-line workers on how work is performed.

In partnership with Local 420 of the International Union of Operating Engineers, our Power Generation employees conduct regular, proactive safety walk-downs to find and correct unsafe conditions, and identify areas for improvement.

Several unions also have appointed members who act as safety liaisons. The liaisons provide direct feedback to employees regarding work behaviors, as well as summaries of safety issues and opportunities to management. A number of other unions have peer-to-peer observation programs, through which trained represented personnel conduct proactive observations on their peers and provide individual feedback on at-risk behaviors.

Safety goals and risk management

In addition to measuring lagging indicators, we set goals around measurable leading indicators, which raise awareness about employee safety and guide injury-prevention activities.

Each department monitors shared leading-indicator goals. Some work groups track additional leading indicators, such as proactive facility audits, annual emergency drills and field inspections, to address specific concerns and areas of opportunity. A safety performance scorecard allows employees to monitor progress toward safety goals.

Our companies have monitored DART, lost-time and OSHA-recordable incidents for decades and began monitoring leading indicators in 2009. On an annual basis, we conduct benchmarking in partnership with the American Gas Association (AGA) and Edison Electric Institute to evaluate our performance compared to our peers. In 2024, we also began to track preventable vehicle collisions

and property damage events (PVC/PPD) to support the active management of another key area of employee and public safety. Improvement goals were established — alongside specific actions plans — to drive continuous improvement and risk reduction.

All employees are required to complete annual training on key safety rules for their work areas, such as vehicle and equipment use. Our safety record indicates employee commitment to working safely, and we continuously strive to do even better.

Between 2008 and 2024 our companies reduced:

DART incidents by 72%  
Lost-time incidents by 74%

Safety leading-indicator goals include:

**Observation programs** — Our companies incorporate management observation programs to identify and address at-risk behaviors, while also reinforcing positive behaviors. Most of our utilities also have some form of peer-to-peer observation program, enhancing our safety culture.

**Near miss / unsafe condition (NMUC) program** — Our companies are focused on reporting high-impact near-miss events and unsafe conditions that relate to seasonal risks and/or have a high potential for significant injury or fatality. We respond to action items and communicate results to employees.

**Employee health** — Since health impacts safety, we provide incentives to employees to complete preventive exams and biometric screenings, and encourage them to use company-provided resources to achieve and maintain good physical and mental health.



In 2023 and 2024, Wisconsin Public Service achieved the lowest DART incident rate among AGA companies of its size and type. Michigan Gas Utilities also has been recognized as a category leader for the lowest DART incident rate among its AGA peers, and Minnesota Energy Resources has been recognized for five consecutive years via the Minnesota Governor’s Safety Award.





Risk evaluation

We are working with industry allies to identify and use standardized classifications to help manage risk and share findings within our industry network as leading indicators. Incidents that have potential for or result in a SIF event are evaluated using a safety classification and learning model to determine the need for formal investigation.

Additional leading indicators that relate to managing risk exposures are being implemented. Key measures for hazard recognition and control are part of that scope, such as validation of the quality of daily pre-job briefings and discussions related to precursors — warning signs of a potential serious incident or fatality.

Tasks with high levels of risk have been and continue to be proactively assessed for consistent work practices across various segments within our footprint. Doing so helps maintain compliance with procedures and engages workers in improvement opportunities, in particular those with high SIF potential.

Our Safety and Health team evaluates incident trends to identify the hazards that are most prominent at different times of the year, and leaders communicate these risks to their employees.

We evaluate all incident types (injuries, property damage, fleet asset damage, and near misses and unsafe conditions) for their potential for injury severity, in addition to the actual consequences. This risk evaluation allows us to assign more resources to incidents that offer high-impact opportunities for risk reduction and improvement.

| Safety performance                         | 2022 | 2023 | 2024 |
|--|------|------|------|
| DART incident rate <sup>1</sup>            |      |      |      |
| Employees                                  | 1.07 | 1.03 | 1.13 |
| Contractors <sup>2</sup>                   | 0.00 | 0.00 | 0.00 |
| Combined                                   | 1.02 | 0.98 | 1.08 |
| Lost-time incident rate <sup>1</sup>       |      |      |      |
| Employees                                  | 0.37 | 0.46 | 0.43 |
| Contractors <sup>2</sup>                   | 0.00 | 0.00 | 0.00 |
| Combined                                   | 0.35 | 0.43 | 0.40 |
| Fatality rate <sup>1</sup>                 |      |      |      |
| Employees                                  | 0.00 | 0.00 | 0.00 |
| Contractors <sup>2</sup>                   | 0.00 | 0.00 | 0.00 |
| Combined                                   | 0.00 | 0.00 | 0.00 |
| OSHA-recordable incident rate <sup>1</sup> |      |      |      |
| Employees                                  | 1.69 | 1.66 | 1.88 |
| Contractors <sup>2</sup>                   | 0.00 | 0.00 | 0.00 |
| Combined                                   | 1.61 | 1.58 | 1.80 |

1 In line with OSHA reporting, rates in this table represent cases per 100 full-time employees.

2 "Contractor" rates include those for whom utility employees provide day-to-day supervision, aligning with the "contractor" definition from Edison Electric Institute.

In 2024, approximately 25% of DART incidents across WEC Energy Group resulted from overexertion, and 24% from slips, trips and falls. While we have programs in place to address these safety and health issues, our primary focus remains on avoiding high-SIF incidents. Reflecting that focus, 2024 marked our 14th year without a fatality.

NMUC reporting

Identifying near-miss events and unsafe conditions (NMUCs) can help reduce risk and prevent injury. All employees have been encouraged to report unsafe conditions or incidents that could have led to injury, including NMUCs that have occurred at home or in their communities.

For work-related incidents, a variety of stakeholders may analyze the reports and assign and/or escalate issues for resolution.

Our employees reported near misses at an incidence rate of 200.3 in 2024 (approximately two reports per employee). However, only a small fraction (less than 0.1%) of the total reports in 2024 were work-related NMUCs of a higher risk potential.

Following benchmarking and analysis of safety results, we are encouraging employees to focus on higher-risk, work-related NMUC reports as a means to simplify the analysis of our data. We will continue to foster a strong reporting and action-oriented culture in the workplace.



### Contractor safety expectations

WEC Energy Group companies provide contractors with safety program expectations to reinforce the importance of performing work safely on company property and at company facilities, without unnecessary risks and hazards.

Contractors are selected, in part, by their incident rates and experience modification rates. Prospective contractors may be required to provide a detailed explanation of their employee health and safety obligations, programs, and safety record. In many instances, each prospective contractor's safety performance is reviewed before awarding contracts.

See Page 59 for more detail on the ways we work with contractors to evaluate their safety performance and provide feedback on priority issues.

### Ergonomic enhancements

The most common injuries across the company continue to be strains and sprains. Companywide, safety teams analyze tools, equipment and job techniques based on ergonomics to prevent such injuries. Handbooks and videos are used to demonstrate proper tool use, and stretching and strengthening programs also are available to employees.

The company has an advocacy program in which occupational health nurses work with employees who are injured to get the best quality medical care possible. The nurses continually assist these employees until they return to their normal job functions or have reached maximum medical improvement.



*North Shore Gas employee does a morning stretch before heading for field work.*

### Employee health and wellness

We provide various benefits and resources that promote healthy living, both at work and at home, including competitive benefit plans designed to help employees actively manage their health.

We encourage employees to receive preventive examinations, take time off when needed, use remote work options as appropriate and proactively care for their health. Condition-management support and health coaching for lifestyle issues are available to employees who participate in the medical plan.

Free health screenings (provided on-site in many instances) and other incentives encourage all employees to know which health targets — related to cholesterol, weight, blood glucose and blood pressure — they have under control and which may need more attention. Employees also are encouraged to complete a health risk assessment and work with their medical providers to further understand their health status.

Our companies work to provide employees a safe, drug-free environment. All employees are part of a drug and alcohol testing program. Those who have an addiction are offered the opportunity to self-identify, and we will work with them to seek assistance.

For substance use and mental health support, we encourage use of the employee assistance program, a free benefit for all employees and their families, administered by an external counseling agency. It is a confidential way to get professional assessments, referrals, short-term counseling and treatment monitoring.

Our company also offers wellness programs for employees and their families. By regularly engaging employees in health education activities and promoting healthy lifestyle habits at work and home, the wellness programs promote a proactive approach to health care decisions, including weight loss and nicotine cessation. The wellness programs facilitate health screenings, host health challenges for individuals and teams, and provide other resources to encourage employees to prioritize their mental and physical health.



## Public safety

We support public safety throughout our operations and in our communities.

### System safety and security

The safety of our employees and the public is our priority as we build and operate natural gas and electric distribution lines and facilities.

We follow an integrity management program for natural gas transmission pipelines in accordance with local, state and federal regulations that includes annual risk analyses and physical assessments. Peoples Gas and North Shore Gas are in the process of enhancing their approach to improving pipeline safety by implementing the Pipeline Safety Management System. This system focuses on proactive risk identification and mitigation that goes beyond existing regulatory requirements. The various changes driven by this program continually increase the safety of our operations and reliability of our system.



Similarly, as detailed in the Energy Reliability section on Page 61, we monitor the integrity of electric distribution lines. Electric distribution infrastructure upgrades replace aging equipment according to a plan that supports system safety and reliability. In addition, we are in the process of implementing our Advanced Distribution Management System that will use our existing advanced metering infrastructure to detect downed wires and provide automatic isolation.

Across the organization, we prepare for the unexpected by determining how we can best protect public and employee safety during major incidents. Our plans address immediate emergency response at each of our sites, business continuity for critical processes, and communication protocols for notifying external stakeholders — including customers, local media, government and regulatory agencies.

We test or drill every plan and have established critical leadership teams for crisis management. In addition, we participate in national drills with our peers in the energy industry. These methods help us prepare for a range of potential threats, including natural disasters, loss of critical information technology or telecommunications systems, loss of natural gas or electric operations, and damage to facilities.



### Managing the risk of wildfire and other electric system incidents

Although the risk of wildfires in our service area is relatively low, our safety practices help to protect against impacts from fire or severe weather events. We engage external meteorological services to provide current and forecast information to us regarding pertinent weather conditions. This includes daily updates on any heightened fire risks in our service areas. In the event of an incident, we have the ability to operate main circuits remotely to de-energize and/or isolate impacted areas.

In addition to our monitoring and maintenance activities, we proactively support electric system integrity through significant investments in system hardening and resiliency initiatives. This includes the conversion of over 2,000 miles of overhead electric systems to underground during the past 10 years, as well as the hardening of over 6,000 miles of overhead systems during the same period with stronger wires, poles and associated support structures. We plan to invest further in overhead-to-underground conversion to continue improving safety and reliability in higher-risk areas.

Education and outreach

Our companies proactively share safety information with a variety of audiences, including students, teachers, families, contractors, first responders and customers.

Contractors

Construction contractors are a key audience. Our companies reach out annually to provide needed instruction on working safely around energy facilities.

By state law, property owners and contractors must call 811 to have underground facilities marked before they dig. We communicate the importance of safe digging through a variety of channels, including direct mail, social media campaigns, customer newsletters and presentations to contractors and first responders.

When we hire construction contractors to work on major company projects, we hold pre-construction meetings that focus on safety practices.

First responders

We work closely with first responders: public safety agencies, police and fire departments, rescue services, emergency government representatives and public officials. They need to know how to reach our companies and work safely with us during emergencies.

For example, Minnesota Energy Resources partners with other Minnesota pipeline operators to review and train firefighters, police, emergency medical personnel and contractors on proper procedures for identifying and working near natural gas lines. Peoples Gas and North Shore Gas are members of the Illinois Pipeline Emergency Responders Initiative, a partnership between the Illinois Fire Chief’s Association and natural gas utilities and pipeline companies in the state to provide free training on how to respond to gas emergencies.

Customers

Customers of all our utilities receive energy safety information through a variety of channels, including our bill inserts, direct mail, email, company websites, paid advertising and social media. Annual campaigns address the importance of safe digging, preparing for the possibility of power outages, and how to identify and report a natural gas leak, among others.

Students

All of our utilities provide teachers, students and parents with access to online resources for energy education through the e-Smart Kids website. We Energies, WPS, Michigan Gas Utilities and North Shore Gas offer additional classroom materials, such as brochures and posters, at no charge to educators upon request. WPS also collaborates regularly with the Einstein Project in Green Bay, Wisconsin, to promote electric and natural gas safety and efficiency.

Agriculture services and safety

We Energies and WPS have well-established agriculture services programs. Employees work closely with farm customers on issues of wiring safety, efficiency and reliability. Livestock confinement facilities often receive additional attention because of the possibility of stray voltage from farm and/or company sources.

Stray voltage is a term used to describe low-level voltage found on metal surfaces with which livestock may come into contact. Trained technicians perform cost-free stray voltage investigations and have helped hundreds of agricultural customers identify farm wiring deficiencies.

We Energies and WPS representatives participate on the Midwest Rural Energy Council and the University of Wisconsin Stray Voltage Investigator Training Series. Additionally, representatives participate on many committees and boards within the agriculture industry. WPS also hosted its 62nd annual Farm Show in 2024. The three-day event allows agricultural businesses and the community to check out the latest in farm equipment, services and technology.



Supporting first responders in our communities

We Energies, WPS, Minnesota Energy Resources and Michigan Gas Utilities, along with the companies’ charitable foundations, donated \$175,000 to 100 public safety agencies as recipients of their 2024 Rewarding Responders Grants. Each year, the Rewarding Responders Grant program awards up to \$2,000 per agency to help fire, police and emergency medical service agencies purchase lifesaving equipment or important training for their members. Some of the items purchased with the 2024 grants included a rescue boat, K-9 training, water and ice rescue suits, more than 25 gas detectors, and 13 automatic external defibrillators.



## Promoting safety in our communities

Our companies regularly share the importance of electric and natural gas safety at public events.



In August 2024, We Energies employees connected with customers in the company's **Energy Park** exhibit at the Wisconsin State Fair. Energy Park features energy-related exhibits and demonstrations — including presentations highlighting important safety information for children and families. This family tradition remains one of our most significant customer touchpoints. More than 62,000 fairgoers visited Energy Park over 11 days.

To promote safe digging We Energies, Wisconsin Public Service (WPS), Peoples Gas, North Shore Gas, Minnesota Energy Resources and Michigan Gas Utilities unveiled their safe digging “ambassadors” at special events throughout their service areas. Customers submit photos of their digging dogs in annual **“Doggone It!”** contests run by our companies. The winning dogs are featured in advertising materials to help educate the public about the importance of calling 811 before digging.

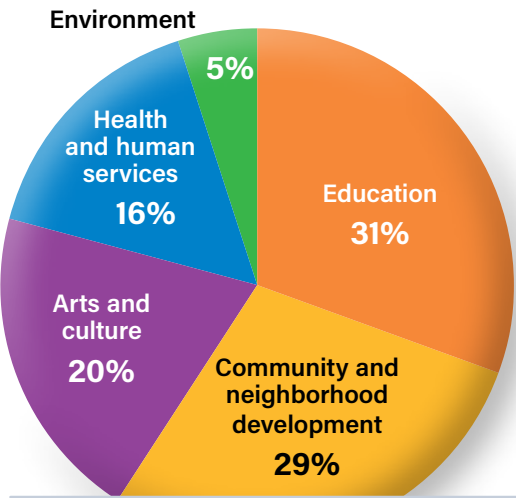
In the spring, We Energies participated in **Brewers Weather Day**. Employees from Electric Operations, Natural Gas Operations and Damage Prevention taught more than 8,000 school-aged children from Wisconsin and Illinois about energy safety.

# Community engagement

Our charitable giving and employee volunteering help those in need in our communities.

We are dedicated to supporting the well-being of our neighbors, vitality of our region and preservation of the natural world around us. Our companies make financial contributions to nonprofit, tax-exempt organizations in our communities. In support of our priority sustainability issues, our focus areas for giving are education, community and neighborhood development, arts and culture, health and human services, and the environment.

### 2024 giving to nonprofits\*



**\$19 million** in donations from our charitable giving programs and foundations

**\$2.5 million** in additional donations to low-income customer programs

\* Percentages add up to 101% due to rounding

### Funding through foundations, operations

Our employees take an active role in their communities, serving on nonprofit boards and volunteering their time. Our companies and associated business resource groups promote a range of volunteer opportunities for employees. Workplace giving campaigns in our subsidiary companies also support the arts and numerous United Way organizations in the areas we serve.

We Energies and Wisconsin Public Service (WPS) each operate foundations. The We Energies Foundation supports organizations within the We Energies and Upper Michigan Energy Resources service areas. The WPS Foundation operates within the WPS, Minnesota Energy Resources, Michigan Gas Utilities and Upper Michigan Energy Resources service areas. Peoples Gas and North Shore Gas have a corporate contributions program that supports nonprofits in the same manner.

We review grant proposals from local nonprofit organizations and direct donations based on a variety of factors, including community needs, the requesting organization's strategy and the proposal's projected impact. In addition, we operate matching gifts programs for each of our utilities that double eligible donations made to nonprofits by employees.

We strive to develop ongoing relationships with these nonprofit organizations. Many have received multiyear or renewed grants from our foundations and giving programs, and we continue dialogue with them to understand the impacts of our contributions. We evaluate progress on initiatives along with the success of programming. In 2024, company and foundation leaders engaged with nonprofit representatives through more than 300 virtual or in-person visits with our community partners.

### Charitable outreach goals:

- Pursue a sustained, consistent approach to funding within the focus areas, better enabling the organizations to achieve lasting results.
- Foster mutually beneficial relationships between our subsidiaries and community organizations.



Steve Liegl, director — infrastructure and operations at WEC Energy Group, volunteers with Rebuilding Together of the Greater Green Bay area.



## Supporting organizations throughout our communities

In 2024, we contributed to organizations addressing critical needs and creating opportunities in the areas we serve.

It was a year during which needs were once again great, and our foundations and charitable giving programs were able to successfully support more than 1,600 organizations that turned to our companies and foundations for help.

### Education

A strong education system is essential to opening opportunities for individuals and supporting a robust economy. We especially have focused on supporting students from underrepresented backgrounds.

**Junior Achievement of Wisconsin** — The We Energies Foundation supported Junior Achievement's 3DE program in which learning and curriculums are built around real-world, real-time business case challenges from regional and national companies. This approach connects students with local business professionals, exposes them to life outside the classroom, prepares them for entry into the workforce, and makes lessons more relevant, memorable and engaging.

**Milwaukee Public Library Foundation** — The We Energies Foundation contributed to the library system's summer reading program, which had over 22,000 participants in 2024. In addition, the foundation supported the new Martin Luther King Library to provide a larger, more flexible and high-tech library in a diverse neighborhood serving over 11,000 residents, with access to safe space for kids and families to engage in imaginative play, reading and computer use.

➤ **After School Matters** — The mission of After School Matters is to provide Chicago public high school teens opportunities to explore and develop their talents, while gaining critical skills for work, college and beyond. After School Matters managed and coordinated all operations, administration, training and program execution for 2024 Peoples Gas Dig into Energy summer programs. The programs taught 75 teens about natural gas energy and careers in the industry. A hands-on curriculum explored engineering, math and physics concepts through project-based learning, with a focus on natural gas and the engineering design process.



Students at Northcentral Technical College practice testing for gas leaks.

© Northcentral Technical College

## Helping students succeed in partnership with local colleges, universities and technical schools

In 2024, our companies and foundations continued to offer a variety of scholarships as well as other support for secondary education programs in our service areas.

The We Energies Foundation supported All-In Milwaukee's college completion program, which is focused on creating opportunities for students with high financial need and strong academic records. The program provides financial aid and extensive advising, program and career development support to help Milwaukee students succeed in college and enter the workforce.

We also fund scholarships for students pursuing degrees in STEM (science, technology, engineering and mathematics). A yearly grant to Mount Mary University from the We Energies Foundation covers room and board scholarships for women of historically marginalized backgrounds who are interested in a STEM field. The We Energies Foundation provides two scholarships every year to students seeking a baccalaureate degree in engineering at Milwaukee School of Engineering (MSOE), as well as funds for the Kevin Fletcher Endowed Engineering Scholarship, awarded to a student with financial need studying electrical engineering. In addition, the WPS Foundation funds Northeast Wisconsin Technical College scholarships offered to students in the WPS service area.

To advance the technical expertise needed in our industry, the WPS Foundation supported Northcentral Technical College with a grant to purchase a gasless leak trainer for its Gas Utility Construction and Service program. This tool will help meet the hands-on education/training requirements for natural gas emergencies and hazardous leak investigations.



## Community and neighborhood development

We see the needs of our neighbors and work to provide essential services and resources. It's through these efforts that we help strengthen the fabric of our communities.

**American Red Cross** — The WPS and We Energies foundations and Peoples Gas all supported American Red Cross campaigns to reduce the number of fire deaths and injuries in the U.S. The campaigns distribute, install and test smoke alarms in at-risk communities; engage youth with fire-prevention and preparedness information; respond to home fires to provide critical resources for survivors; and share vital information through public outreach. Company volunteers assisted with installing fire alarms in local communities.

**Acts Housing** — The We Energies Foundation supported the Acts Housing home ownership program, making it possible for families with credit, savings, financial and language barriers to become owners. The program provides homebuyer and financial counseling, real estate brokerage and rehab expertise to families.

**Habitat for Humanity** — Our companies have a long history of supporting Habitat for Humanity, addressing the problem of accessible housing in a concrete way so families can achieve stability and independence. In 2024, the We Energies and WPS foundations continued their annual participation in Women's Build, and nearly 40 Peoples Gas employees participated in Build Day on Chicago's South Side. The WPS Foundation also supported the Habitat Homestead with a grant to develop 14 homes in Green Bay, which will serve up to 92 people.



⚡ **Friends of Bay Beach** — The WPS Foundation provided support to help build a new inclusive playground at Bay Beach Amusement Park, which has been a major Green Bay attraction for over a century. The playground offers a variety of equipment that encourages social and creative play, and can be used by individuals with different mobility, sensory and other needs.

**House of Hope** — The WPS Foundation partnered with the Green Bay Packers on the Defending Our Home Turf initiative, directing contributions to Green Bay's House of Hope. The organization provides a safe and supportive place for young parents and children experiencing homelessness.

**Lake County Community Foundation** — North Shore Gas supported the Lake County Community Foundation's Small Business Growth Initiative, which is a grassroots community collaborative to support small businesses in communities of color within Lake County through a combination of financial, relational and human capital. LCCF continues its partnership with Allies for Community Business to provide coaching tailored to each small business owner's goals.

## Arts and culture

We value the arts as they inspire creativity, engage students and community members, and provide cultural experiences that help our cities and towns thrive.

**Trout Museum of Art** — Both the We Energies and WPS foundations contributed to the construction of the new Trout Museum of Art in Wisconsin's Fox Cities community. The museum serves as a hub for artistic expression, with three floors of galleries to host 12-18 exhibits each year. It also offers a wide range of classes and camps throughout the year for adults and youth.

⚡ **Wisconsin Center District** — The We Energies Foundation supported the Wisconsin Center District's art collection at the Baird Center showcasing the culture, people, and landscapes of Milwaukee and the surrounding region. Most of the artwork was created by local artists or those with ties to the area, and the collection gives patrons a look into the past and present of the city.



**Lakeville Area Arts Center** — Minnesota Energy Resources, in partnership with the WPS Foundation, supported Lakeville Area Arts Center with a grant to purchase a new gas kiln in the pottery studio at the newly opened Fine Arts Building.

**Field Museum of Natural History** — Peoples Gas supported the Field Museum of Natural History's Keller Science Action Center, which works in partnership with more than 30 schools and organizations to implement environmental education programs and fulfill conservation priorities throughout the region. The Keller Center provides conservation programs for young people that connect them to nature and enhance science learning through student experiences in nature.



Health and human services

Our culture of caring extends throughout the areas we serve. As we focus on safety and health across our operations, our charitable giving supports the same goals.

**Kinship Community Food Center** — The We Energies Foundation supported Kinship's programming, including addressing food scarcity, crisis assistance and mentoring, and employment readiness and training.



⚡ **Sixteenth Street Community Center** — The We Energies Foundation contributed to the parenting resource center, which provides parenting classes to improve infant and child safety, and helps parents and caregivers develop strong and healthy relationships with their children.

**Share the Warmth of Hillsdale County** — Michigan Gas Utilities, in partnership with the WPS Foundation, supported the emergency nighttime-only warming center with the purchase of two new industrial washers and dryers for residents to use at the shelter.



⚡ **Girls on the Run Northeast Wisconsin** — The WPS Foundation provided Girls on the Run with a grant for their running program for youth in third through eighth grades. This program empowers girls by learning critical life skills and behaviors, such as how to manage emotions, help others and resolve conflict.

**The Night Ministry** — Peoples Gas supported The Night Ministry, a Chicago-based organization whose mission is to provide housing, health care and human connection to any and all community members struggling with poverty or homelessness. Programs offer low- to high-touch housing support; case management; food, hygiene and survival supplies; and social support for unhoused and precariously-housed Chicagoans.

Environment

Our commitment to environmental responsibility includes support for organizations making a difference in our local parks and natural habitats, and investing in the future through environmental education.



⚡ **Bookworm Gardens** — The We Energies and WPS Foundations assisted with a grant to support the nature-based exploration garden along with the construction of a classroom yurt. This yurt will allow youth to explore the natural world and create memories.

**Riveredge Nature Center** — The We Energies Foundation contributed to Riveredge's education center, a new facility to welcome, support and transition learners to a world of discovery and learning within a natural sanctuary. The center is a community hub where people can connect with others and access outdoor experiences.



⚡ **Green Bay Botanical Gardens** — The WPS Foundation supported the building of a new children's garden. This garden will provide youth hands-on learning through play and guided environmental education programs.

**Openlands** — Peoples Gas supported Openlands in protecting the natural and open spaces of northeastern Illinois and the surrounding region. The Garden and Nature Education program emphasizes the importance of nature play, as it has positive effects on children and helps them to develop a lifelong love of conservation values. Over 90 Chicago Public Schools are part of the Garden and Nature Education program, which serves approximately 53,000 children in the network.



# Supply chain integrity

We are committed to maintaining a strong supply base to meet current and future business requirements. We forge relationships with high-quality suppliers that deliver value to our operations and customers.

We evaluate suppliers on environmental, safety, legal, ethical and financial factors. The supplier selection decision is based upon quality, safety, environmental compliance, diversity, and ability to deliver on the work requirement and schedule. The driving factor on most equipment and material purchases is the total cost of ownership.

We have no formal policy to prefer locally based suppliers, but traditionally, we realize economic advantages when procuring goods and services within the Midwest. Geographic location is a factor when determining freight charges and logistics.

## Investment and procurement practices

As equal opportunity employers, our companies require suppliers to comply with all federal, state and local employment laws, rules and regulations. In addition, our developer partners for solar energy projects have signed the Solar Industry Forced Labor Prevention Pledge to address human rights concerns in the international supply chain. Our Supply Chain department has implemented steps to help us do business with qualified suppliers that share our philosophies.

**Core expectations** — Our suppliers must understand and adhere to our expectations for five key areas of performance, as detailed later in this section.

**Nondiscrimination** — Our standard terms and conditions for suppliers prohibit discrimination based on race, gender or other protected classes.

**Environmental management** — Suppliers must meet specific baseline environmental performance requirements.

**Fitness for duty** — We require suppliers to adhere to our fitness-for-duty policies and to participate in a fitness-for-duty program as applicable.

**Information security** — We secure bid information and communication with suppliers through internal policies as well as the configuration of e-sourcing tools. Access to all sourcing information is limited to authorized users on a need-to-know basis.

**Procurement policies** — Procurement policies are designed so that our departments work with our Supply Chain department to bid work fairly. Supply Chain verifies that the bid list is fair, inclusive of diverse suppliers, and consistent with our bid process rules.

**Supplier risk assessment** — Where applicable, Supply Chain assesses suppliers based on environmental, safety, financial, ethical and legal factors before and during their contractual relationship with us.





Supplier performance expectations

Supply Chain uses the contracting process to make suppliers aware of our performance expectations. We provide information to the general supply base through the request for proposal process and expect our suppliers to emulate our culture of excellence. Our Supplier Code of Conduct sets out key responsibilities and requirements.

Contracts with suppliers contain specific scope, deliverables, and terms and conditions that govern the ongoing agreement. Suppliers must adhere to, measure and report results for each of our performance expectations, which fall within five areas.

**Safety** — In alignment with our safety goals, promote a safe work environment and strive for zero injuries at all times:

- Watch for unsafe conditions and take immediate action to correct them.
- Ensure safety guidelines and procedures are current and all staff is trained.

**Innovation** — Look for ways to enhance service and reduce costs:

- Identify innovative ideas through the use of technology, engineering and process enhancements.
- Mitigate risk to the business.
- Use industry events and connections to seek out best practices.

**Cost reduction** — Strive for cost reduction and provide for timely and accurate reporting of these reductions:

- Report cost reductions to company representatives.
- Track cost avoidance when processes or new purchases are made unnecessary through other means.

**Supplier diversity** — Support our goals for working with diverse businesses:

- Report direct and second-tier spend to the office of supplier diversity.
- Attend symposiums to strengthen business relationships.

**Customer satisfaction** — Demonstrate appropriate conduct:

- Meet increasing customer expectations for high-level, immediate emergency response services (relevant to key contractors).
- Track customer satisfaction metrics (relevant to key suppliers).
- Adhere to guidelines on interactions with company customers.

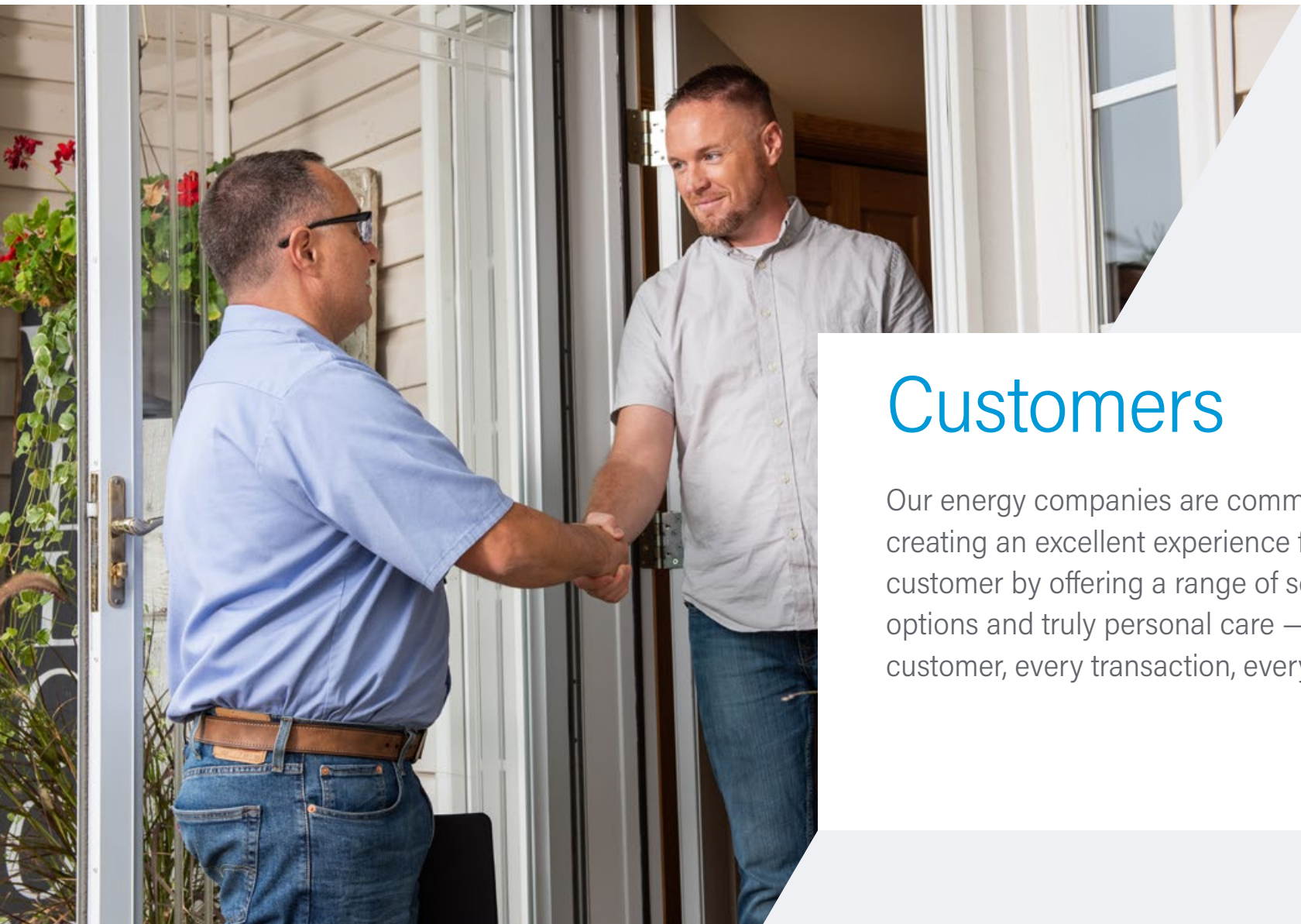


Battery storage construction underway at Paris site in Kenosha, Wisconsin

Evaluating risks and setting standards

Safety is a top priority across our organization, and we communicate its importance to our suppliers. Our Safety and Health team works with the Supply Chain department and the Customer Service and Operations department to evaluate contractors through our safety prequalification process.

In select business units, a third-party provider is used to grade contractors in medium- to high-risk program areas using a matrixed scorecard composed of various inputs. Where necessary, the third party may work with contractors to improve their safety programs, or we may terminate contracts due to failure to meet our safety requirements. The additional feedback on priority issues encourages contractors to have an appropriate focus on safety, helping to reduce risk to our organization.



# Customers

Our energy companies are committed to creating an excellent experience for every customer by offering a range of service options and truly personal care — every customer, every transaction, every time.

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# Energy reliability

Reliable service remains a top priority across our companies. In 2024, we continued strengthening and modernizing our generating assets, as well as our electric and natural gas distribution networks, to support reliability, safety and customer satisfaction.

## Electric reliability

We monitor the integrity of electric distribution lines through routine patrols and comprehensive tree-trimming plans that maintain adequate clearance around wires and poles. Specific programs include wood pole inspection, replacement and treatment; porcelain cutout and arrester replacement; infrared surveys; line recloser operations counts; and line voltage regulator inspections.

As shown in the table to the right, equipment and vegetation management are the two largest contributors to customer interruptions. We are proactively trimming over 3,000 miles in 2025 at We Energies in the southeast Wisconsin and Fox Valley areas, and over 2,500 miles at Wisconsin Public Service. We are also in the process of planning our line clearance for 2026 through 2030 to trim all trees in close proximity to our overhead conductors. This effort will put us on a four-to-six-year cycle at both utilities and is expected to substantially improve reliability by 2030.

In addition, we are in the process of burying 100 to 200 miles of overhead conductors per year over the next five to 10 years as part of our storm hardening program. This effort is expected to provide improved reliability for both utilities in areas that have experienced long and repeat outages caused by equipment, vegetation, wildlife and weather.

### Power outages

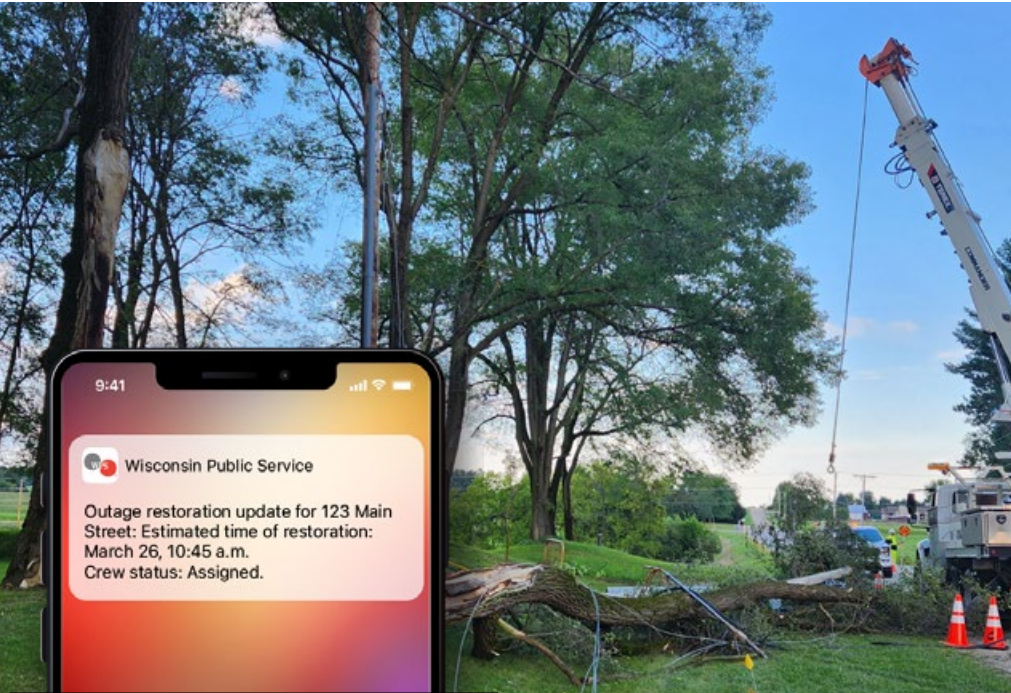
At WEC Energy Group, our goal is to deliver world-class reliability to our customers. This includes achieving annual targets for outage frequency and restoration times.

### 2024 power outage statistics\*

|                        | We Energies        | WPS                |
|------------------------|--------------------|--------------------|
| Frequency              |                    |                    |
| SAIFI <sup>1</sup>     | 0.83 interruptions | 0.79 interruptions |
| Average duration       |                    |                    |
| SAIDI <sup>2</sup>     | 160 minutes        | 120 minutes        |
| CAIDI <sup>3</sup>     | 192 minutes        | 152 minutes        |
| Power outages by cause |                    |                    |
| Equipment              | 34%                | 20%                |
| Vegetation             | 35%                | 33%                |
| Weather                | 9%                 | 19%                |
| Wildlife               | 10%                | 12%                |
| Public                 | 6%                 | 6%                 |
| Other                  | 5%                 | 11%                |

\* Values exclude extraordinary storms, transmission-related outages and planned outages.

- 1 SAIFI: System Average Interruption Frequency Index — A SAIFI of 1.0 means that, on average, a customer would experience one interruption in a year, while a SAIFI of 0.5 would equate to one interruption every two years.
- 2 SAIDI: System Average Interruption Duration Index — A SAIDI of 50 minutes means that, on average, a customer would experience 50 minutes of interruption in a year.
- 3 CAIDI: Customer Average Interruption Duration Index — A CAIDI of 100 minutes means that if a customer experiences an interruption, the average duration would be 100 minutes.



### Outage communications

Our employees are committed to delivering the energy customers depend on, regardless of weather conditions. Customer satisfaction remains a top priority, and we work to provide customers with prompt, helpful information during power outages.

That's why, when bad weather threatens, our electric energy companies mobilize to provide customers with proactive, accurate and consistent information about the potential impact to their service. We want customers to know we are monitoring forecasts, assessing employee and contractor availability, and checking inventories for poles, wires and other equipment that may be needed.

When outages occur, we provide customers with regular updates on both their specific outage and the overall damage to our system. We also keep them up to date on restoration progress.

We share messages with customers through online outage maps, texts, app notifications, automated call-handling equipment, care center agents, account managers, and public and social media. Outbound calls also let customers know the reason for and status of their outage, and confirm that their service has been restored.

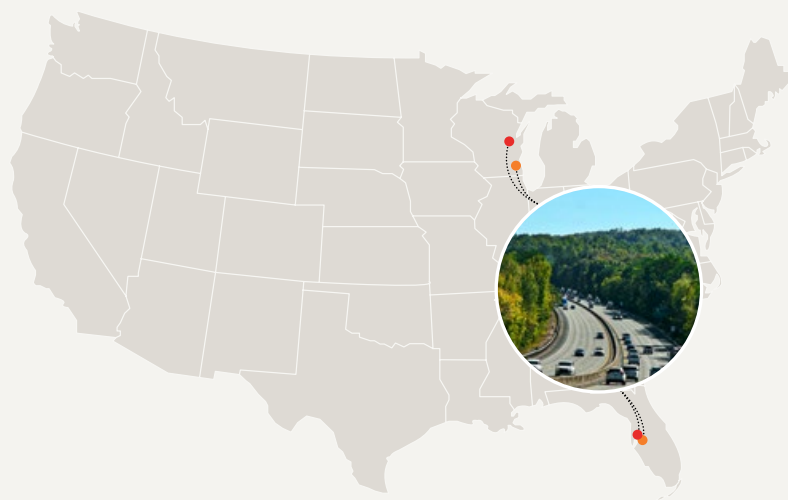


## Lending support to those in critical need

Our employees work not only to provide reliable service to our customers, but also to support the reliability of the national power grid. We are part of our industry's mutual assistance network, a voluntary partnership of electric companies across the U.S. that may be called upon for grid restoration efforts.

When powerful hurricanes hit the Gulf Coast and knocked out power to millions of people, our employees answered the call to help.

Electric workers from We Energies and WPS loaded up their trucks in Wisconsin and traveled to Florida to help restore power to 2 million customers following Hurricane Milton. The work setting was unusual for our workers — with snakes, palm trees and hot October weather — but the focus remained the same. The crews worked a long, arduous week, spending 16-hour days clearing trees, replacing damaged poles and restringing power lines. Crews said they heard from many people who thanked them for coming to help.







Bluff Creek LNG project, Walworth County, Wisconsin

## Natural gas reliability

We deliver reliable natural gas service to residential and business customers through a network of underground pipes. Our natural gas distribution companies regularly monitor the integrity of our pipes and follow a plan to upgrade aging equipment.

To provide reliable service and improve affordability, our companies buy natural gas when prices are lower — usually in summer — and place it in storage. The stored natural gas is then blended with natural gas that is price-locked through contracts and with natural gas that is purchased on the spot market. This strategy reduces the impact of natural gas price spikes on our customers.

To further support safety and reliability, We Energies completed the construction of two liquefied natural gas (LNG) facilities in Wisconsin in 2023 and early 2024, and plans are underway for additional LNG projects. These facilities store additional natural gas in liquid form, helping to meet customers' peak demand in the winter. More details on these projects can be found in the "Operational performance" section of this report (Page 10).

## Providing reliable service through a diverse energy mix

Across the United States, utilities are responding to energy demand growth driven by data center and manufacturing developments. Major companies have been investing in Wisconsin and working with us to meet their energy needs.

Between 2025 and 2029, we anticipate more than 1,800 megawatts (MW) of additional electric demand — approximately 20% growth over our current customer needs. Greater capacity, especially on the electric side, will be required to provide affordable, reliable and clean energy for our communities. Our capital plan addresses that demand with a range of investments in reliable natural gas generation, new renewables and storage.

Modern, efficient natural gas generation serves as a critical resource in our energy transformation. Extreme cold weather is one of the challenges the Midwest faces as we integrate higher levels of renewable energy technologies into our electric system and continue to provide customers with the

natural gas they need to heat their homes. On the coldest and darkest days, wind and solar may not be operational.

As part of our capital investment plan, we have received approvals from the Public Service Commission of Wisconsin to invest in additional natural gas generating facilities at the Oak Creek Power Plant and near our Paris Generating Station in Kenosha County. These proposed modern, efficient plants can power up in minutes, ensuring energy stays flowing when demand spikes or renewable power is unavailable.

In addition, we plan to continue to invest in alternative options, including battery storage, while contributing to research to address the cold weather challenges of electrifying vehicles and buildings. As technology evolves, we remain focused on building and maintaining a system that can meet our region's needs safely and reliably.



Oak Creek proposal rendering

# Customer satisfaction

Our energy companies are committed to creating an excellent experience for every customer by offering personalized customer care — every customer, every transaction, every time.

Our companies invest in systems and processes to enhance our ability to deliver energy to customers safely, cost-effectively and dependably. This includes protecting customer information and providing information customers need to make smart decisions about their energy use and service options.

**Listening to our customers**

Understanding what customers want is a key to success. Our companies want to know how customers feel about our energy products, services and resources, and about their interactions with our employees. We work to provide a positive experience and make it easy to do business with us.

A variety of feedback mechanisms help us get a complete picture of customers' experiences with our companies. The feedback we obtain:

- Confirms customer interactions were handled appropriately.
- Provides understanding of where improvements can be made.
- Helps leadership prioritize projects and make resource decisions based on what's most important to customers.
- Offers an opportunity to make it right when a customer is not completely satisfied.
- Keeps us on track to deliver an excellent experience for every customer, every transaction, every time.

- Customer satisfaction surveys**
- Customer satisfaction surveys are used daily at all of our energy companies to measure performance on key transactions and gauge overall satisfaction. Approximately 42,000 customers provided feedback in 2024 about their experiences with the following transactions:
- Residential and business customer contacts
  - Residential move orders
  - Mobile app and online account transactions
  - Billing and payment
  - Electric outage management
  - Natural gas emergencies
  - New service installations
  - Appointments
  - Electric reliability

**Post-interaction surveys**

Many customers also have the option of completing a survey immediately after they interact with our customer care centers. Approximately 66,000 customers took advantage of this opportunity in 2024. We review survey results daily and follow up promptly when an issue or concern is identified.

**'We Care' outreach**

Since 2022, we have used an application that allows all companies to show care and concern by making personal or automated outreach within one business day of completing a transaction. We contacted over 441,200 residential and business customers during 2024, and provided personal follow-up to address any questions or concerns.



## 2024 internal customer satisfaction measures

Our surveys measure customer satisfaction with both their utility overall and the specific transaction with their utility. Scores represent the percentage of customers rating their satisfaction an 8, 9 or 10 on a 10-point scale.

| Company                    | Satisfaction with: |             |
|----------------------------|--------------------|-------------|
|                            | Utility            | Transaction |
| Michigan Gas Utilities     | 90.2%              | 90.8%       |
| Minnesota Energy Resources | 89.0%              | 89.3%       |
| North Shore Gas            | 87.9%              | 88.9%       |
| Peoples Gas                | 82.2%              | 84.9%       |
| We Energies                | 82.0%              | 85.6%       |
| Wisconsin Public Service   | 87.1%              | 88.8%       |

For the purpose of external and internal customer satisfaction measures, Upper Michigan Energy Resources customers are associated with their previous service providers, We Energies and WPS.





### Digital engagement

We use social media to communicate with customers and enhance their experience. Social media channels are monitored, and customers receive personal responses to specific questions and concerns. Our companies continue to expand their social media platforms.

During storms and other events, our companies use traditional channels, online outage maps and social media to warn customers about the dangers associated with downed wires and damaged natural gas mains. Customized alerts provide some customers with proactive, real-time communication about electric outages.

In 2024, there were over 3,000 residential customers on MyEnergyPanel, our online feedback group. They share their opinions with us through monthly surveys and discussions. MyEnergyPanel is dedicated to improving the overall customer experience, focusing on experiences with customer service, energy reliability, bill paying and other topics.

### Customer service recognition

**WEC Energy Group** ranked first overall in the 2024 E Source Large Business Customer Satisfaction Study.

**Wisconsin Public Service** was named a 'Customer Champion' and one of the 'Most Trusted Brands' in Escalent's 2024 Utility Trusted Brand & Customer Engagement: Residential study.

### We make customer privacy a priority

Our companies take privacy and protection of customer information seriously and have policies and rigorous controls in place to protect customer information and regulate its proper use.

- Information collected from customers is limited to only what is necessary to provide the service requested.
- Only authorized employees and organizations hired to provide services have access to customer information, and access is limited to what is needed for their roles.
- Customer information housed in our systems is monitored for security.
- All employees with access to customer information are required to complete role-based annual information protection training and certification.
- Contractors performing work on our companies' behalf must have a nondisclosure agreement with us and confirm they understand and abide by their obligations to protect customer information.
- Customer information protection policies are strictly enforced.
- Customers' online account information is protected by secure sign-in features to prevent unauthorized access.

Customer information is never shared without permission, unless required by law.

### Leveraging technology

Our companies use technology in a variety of ways to enhance the customer experience, make it easier for customers to manage their energy services, and reduce company costs. Examples include:

- Expanding web and mobile communication, including customer apps and virtual assistants, to help customers easily access company and account information, report outages, understand their energy use, and take advantage of self-service options.
- Employing voice response technology using natural language to route calls efficiently and provide customers with self-service options.
- Investing in automated field equipment and feeder automation to help reduce outage restoration time and minimize customer impacts.

- Taking advantage of robotic process automation and other business process automation tools to streamline work and manage bill quality.
- Applying data analytics to improve business processes, identify equipment problems, keep customers informed, increase efficiency and reduce costs.

We are investing in advanced metering technologies across all of our companies to:

- Support timely and accurate billing.
- Provide analytics that help identify metering quality and tampering issues.
- Provide customers with more usage- and demand-based billing and energy management options, including projected bill alerts.
- Enable faster, more convenient completion of electric meter connection and reconnection service requests.
- Enable additional system reliability options through distribution automation.



As of year-end 2024, 98.6% of We Energies electric load and 100% of WPS electric load were served by smart grid technology. Smart meters served approximately 71% of electric and natural gas customers across our companies.

# Energy affordability

Providing affordable and reliable energy is at the forefront of everything we do. To help customers take an active part in managing their energy use and expenses, we provide them with tools and programs to achieve those goals.

## Offering options

Customers have different needs and preferences, so offering choices to them is important. Billing options, which vary by energy company, include online billing, seasonal billing, renewable energy pricing, and budget billing to spread energy charges more evenly over 12 months.

**Payment arrangements.** Difficult circumstances can arise that may prevent customers from paying their bills in full. We encourage customers having problems paying their bills to work with our companies to keep their service connected. We offer flexible payment arrangements based upon each customer’s individual situation. Flexibility may be reflected in timelines, required down payment amounts and payment plan time frames.

**Options for low-income customers.** Our companies work collaboratively with government agencies and community-based organizations throughout our service areas to address the needs of our low-income customers. We inform customers about home energy assistance through federal and state funding. In 2024, the Low Income Discount program was implemented in Illinois as required by the Illinois Commerce Commission. A monthly charge to all Illinois customers pays for a percentage of the bills of qualified low-income customers.

Through our energy efficiency programs, we offer rebates for affordable housing projects and dedicated low-income multifamily properties. We also provide weatherization services for some customers on our low-income payment plans and partner with state weatherization programs.

Our companies make regular contributions to nonprofit organizations to help provide financial assistance and case management services. Through phone consultations, our company websites and other communications, we provide efficiency tips to help our customers save money on their energy bills.



Our companies contributed approximately \$2.5 million to low-income customer programs in 2024.

## Energy management services

In Wisconsin, our companies provide some business customers with energy management services, including site assessments, carbon footprint analyses, technical monitoring and consultations. Account managers work with our largest customers to facilitate solutions and, where available, offer incentives related to energy efficiency, optimization and sustainability.

## Time-of-use rates

Our electric energy companies offer time-of-use options through which customers can reduce their monthly bills by shifting some of their energy use to off-peak hours, the times when energy demand and rates are lower. While these programs benefit residential customers, they also are attractive to small-business customers who have the flexibility to avoid energy use during critical peak periods.



Focus on Energy is the statewide energy efficiency and renewable resource program funded by Wisconsin’s investor-owned energy utilities and participating municipal and electric cooperatives. In 2024, Focus on Energy offered financial incentives and technical assistance to help eligible customers reduce their energy waste. According to an independent evaluation of 2024 programs, **Focus on Energy delivered \$4.17 in benefits to Wisconsin residents and businesses for every \$1 spent**, resulting in economic benefits, reduced energy costs and reduced emissions.

Its overall customer satisfaction rating for 2024 was 9.4 on a 10-point scale.





Energy efficiency programs

Our customers are taking control of their energy use through a variety of programs. Customers in all of our service areas are eligible to participate in utility-sponsored energy efficiency incentive programs. Utility energy efficiency programs in each service area have specific energy savings goals/targets as approved by regulators, and energy savings achievement goes through a formal evaluation, measurement and verification process.

In Wisconsin and Michigan, the Focus on Energy and Efficiency United programs, respectively, provide customers with energy-saving rebates and incentives. Our Illinois companies, Peoples Gas and North Shore Gas, offer free energy assessments, free or discounted energy-saving products, and other incentives to residential and low-income customers. They also provide high-level engineering studies and incentives to help commercial and industrial customers optimize their gas systems, along with enhanced support for public sector customers such as schools and hospitals. In Minnesota, the Minnesota Energy Resources Conservation Improvement Program offers commercial, industrial and residential customers services including energy audits and comprehensive analyses, new construction design assistance, and energy-saving rebates.

Our programs provide critical support to customers in need

In early 2024, the 4U2 program team received a lead regarding a customer in Canby, Minnesota, who was facing a heating system failure and required urgent assistance.

After swiftly replacing the furnace to restore heat, we conducted an audit and identified key opportunities for insulation and air sealing upgrades to enhance the home's efficiency. Through this process, we transformed an urgent request into a comprehensive energy-saving project, delivering 61.4 dekatherms (Dth) in weatherization savings plus an additional 27 Dth from the furnace upgrade — resulting in total savings of 88.4 Dth annually and an 18% increase in the home's efficiency.

Energy-saving rebates and discounts vary by company and include rebates for furnaces, boilers, insulation and air sealing, and discounts for Energy Star-certified appliances, smart thermostats, LED lighting, smart lighting and custom projects.

Residential customers also can participate in virtual energy audits to determine how they can make their homes more energy-efficient through low- to no-cost upgrades. Customers who participate in a full-home energy assessment can see heating and cooling energy-saving opportunities of 20% to more than 50%.

Our energy companies communicate energy efficiency options via our online platforms, newsletters, social media, training events, direct mailers and bill inserts.



This initiative improved the home's energy efficiency and provided much-needed relief to a customer in a vulnerable situation. The homeowner was extremely grateful for the support and upgrades, reaffirming the impact of ensuring accessible energy solutions for those in need.

Efficiency programs made an impact in our communities in 2024

| Aggregate of all WEC Energy Group utilities*  |                       |
|---|-----------------------|
| Participating customers                       | 265,983               |
| First-year kWh savings**                      | 293,856,237           |
| First-year therm savings**                    | 29,594,215            |
| Conservation spending by our companies        | \$125.7 million       |
| <b>Rebates/incentives earned by customers</b> | <b>\$55.6 million</b> |

\* Aggregate gross data from We Energies, Wisconsin Public Service, Peoples Gas, North Shore Gas, Minnesota Energy Resources, Michigan Gas Utilities and Upper Michigan Energy Resources.

\*\* "First-year" refers to the first, full-year savings achieved by the customer.

Note: Not all programs run on the same operating year.

About the 4U2 program

Due to Minnesota Energy Resources' broad and non-contiguous service territory, the 100% utility-funded 4U2 program was developed to provide targeted support for income-eligible customers who may not easily be served by the Low Income Weatherization program due to location or rurality. The program delivers weatherization services to eligible single-family homes, townhomes, and small multifamily dwellings of up to four units. In 2024, Minnesota Energy Resources was able to improve 286 households through the 4U2 program, resulting in over 5,550 Dth in natural gas savings.

# Economic development

Our commercial and industrial customers depend on safe, reliable and affordable energy to run their businesses.

While specific programs and services vary across our companies, we are committed to offering options that support sustainable economic development in our region.

Our largest customers are supported by a companywide team led by account managers who work proactively to help manage customer energy needs. Annually, account managers and key customers develop joint plans outlining energy- and sustainability-related goals, expectations and initiatives. In addition, account managers look for opportunities to introduce emerging technologies including electric vehicle and renewable energy rate options, reduce energy waste through energy efficiency services, assist with business expansions, and perform other tasks as company liaisons for our largest customers.

Other business customers can access targeted services and receive recommendations on energy efficiency measures through our customer care centers.

Online tools make it possible for business customers to analyze and manage their energy use. Customers can receive monthly alerts on energy use changes, identify usage trends and patterns, forecast forward-looking energy budgets, and access an online library of energy efficiency information.

## Public-private partnerships

WEC Energy Group partners with local economic development organizations to help attract and retain new businesses and talent. Company leaders, account managers and other company representatives serve as liaisons with regional, state and local economic development agencies, providing financial and/or in-kind support, such as:

- Board and committee involvement
- Site selection support
- Project analysis related to energy infrastructure and rates
- Project oversight and monitoring

Dedicated leaders forge relationships with these agencies to equip existing and prospective customers with the tools they need to grow sustainably.

## Market-based rates

Qualifying We Energies and Wisconsin Public Service commercial and industrial electric customers may purchase a portion of their load at market prices. Customers on these rates can manage their energy usage in a market environment of risks and rewards. Using day-ahead prices, customers can strategically plan operations while maximizing the benefit of a market rate.

## VLC tariff

In 2025, we submitted a proposal with the Public Service Commission of Wisconsin for a new Very Large Customer (VLC) rate to accommodate expected significant growth in Wisconsin. The proposed rate meets the unique needs of very large customers while protecting other customers and shareholders.



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## Growing opportunity in our region

Economic growth continues to flourish in our service areas, particularly along the I-94 corridor between Milwaukee and the Illinois state line. Companies are investing in major projects, including data centers and modern manufacturing facilities. These projects highlight the strength and potential of the Wisconsin economy — and underscore the need for the investments we have outlined in our capital plan.





# Governance

Successful, sustainable business is driven by effective governance and stakeholder engagement.

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# Governance framework

We believe that effective and transparent corporate governance is an essential driver of stockholder value and the foundation for long-lasting sustainability.

## Governance structure and practices

Our governance structure is aimed at transparent accountability to key stakeholders. Strong business processes, coupled with diverse leadership perspectives, support our efforts to anticipate, plan and manage corporate initiatives and risk, while remaining focused on ethical stewardship.

The board of directors is responsible for providing oversight with respect to matters of concern to our stockholders. Those responsibilities include, among other things, oversight of the company's long-term strategy and execution, the risk environment and associated management policies and practices, and selection of the chief executive officer and ongoing succession planning for senior leadership. Board members are required to follow the ethical standards outlined in our Code of Business Conduct, and to conduct business in line with the Corporate Governance Guidelines and board committee charters.

The board's oversight also includes reviewing with senior management its approach to decision-making, leading to more effective oversight of the company's short-, medium- and long-term strategies and operational objectives. Educational sessions, presented by internal and external subject matter experts and advisers, help the board understand the environment within which the company operates and the associated risks and opportunities.

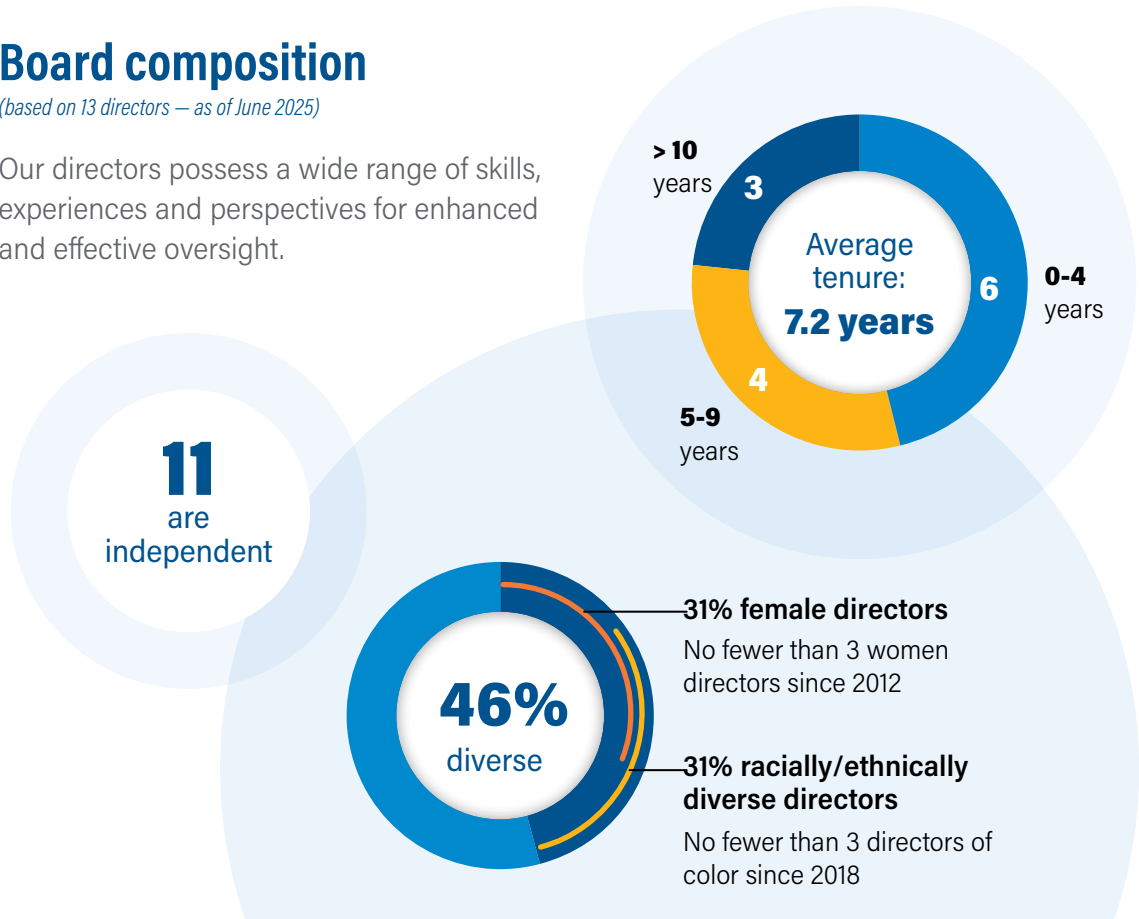
The board regularly evaluates director qualifications and core competencies as part of succession planning. To provide effective guidance, it seeks a broad range of perspectives, skills and leadership expertise in domains particularly relevant to our business. The board is committed to seeking candidates who bring a perspective to the board that contributes to its collective diversity.

More information on our directors and board structure is provided in the governance section of our company's website, along with publications devoted to those topics, including the annual proxy statement.

## Board composition

(based on 13 directors — as of June 2025)

Our directors possess a wide range of skills, experiences and perspectives for enhanced and effective oversight.



## Core competencies

- Audit oversight/financial reporting
- Corporate governance
- Financial strategy/investment management/investor relations
- Government/public policy
- Human capital management/executive compensation
- Regulated industry knowledge
- Risk management and oversight
- Senior leadership/CEO experience
- Strategic planning
- Sustainability matters
- Technology and security
- Utility/energy industry experience



## Risk management

Our board of directors is responsible for providing oversight of our major strategic initiatives, which requires ongoing dialogue with our senior management about opportunities and risks, and the processes through which senior management maintains focus on the organization's economic and business environment and objectives, corporate policies, and overall financial, environmental and social performance. Senior management, in turn, is responsible for effectively planning and executing daily operations within a strong risk framework.

With that in mind, our company has created a framework from which management is able to provide meaningful information to the board to aid in its oversight responsibility, as described below.

### Internal reviews and audits

As a standing corporate practice, each year, management systematically evaluates the company's risk areas. Our Audit Services department conducts an annual enterprise risk assessment, whereby business leaders identify existing, new or emerging issues or changes within their business areas that could have enterprise implications. Risk areas are then mapped to create a cumulative assessment of their significance and likelihood, taking into consideration industry benchmarking information as appropriate. The mapping also identifies lines of responsibility for managing the risks to ensure accountability and focus.

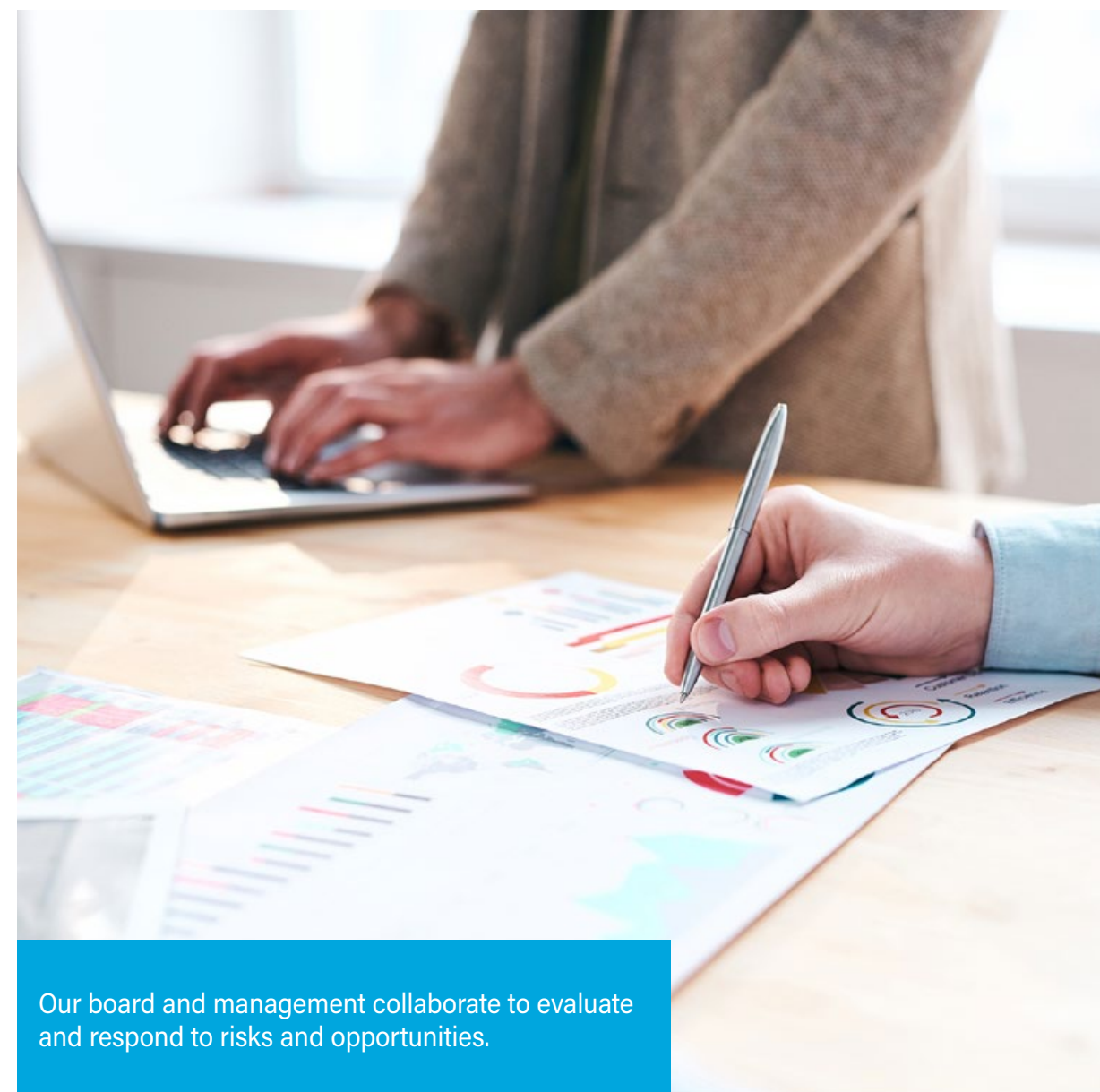
Chaired by the CEO and consisting of other senior-level management employees, our Enterprise Risk Steering Committee (ERSC) regularly reviews the

company's key risk areas and provides input into the development and implementation of effective compliance and risk management practices. On a bimonthly basis, the ERSC discusses findings of Audit Services' annual enterprise risk assessment and holds in-depth discussions with members of management on identified subjects.

Given the significant risks and opportunities associated with climate change, management has created the Climate Risk Committee, under the guidance of the CEO. The Climate Risk Committee brings together senior-level officers responsible for overall climate-related corporate strategy and meets at least quarterly to review and discuss climate-related goals, risks and opportunities.

As detailed in the "Cybersecurity" section of this report (Page 75), our cybersecurity governance model includes senior oversight by the ERSC, supported by steering committees for specific security and compliance topics.

The CEO provides reports to the board at each board meeting and routinely calls upon members of the management team to provide detailed reports to the board in their respective areas of responsibility, including those related to risk management.



Our board and management collaborate to evaluate and respond to risks and opportunities.

**Board oversight**

To carry out its oversight function, the board and its committees meet regularly throughout the year. Board members receive briefings prepared by management and outside advisers on specific areas of current and emerging risks as captured through the company’s enterprise risk management framework. The committees routinely report to the full board.

The board believes that its leadership structure, in combination with the company’s enterprise risk management framework, effectively supports its oversight function.



**Examples of risk monitoring activity that has been designated to the full board and its committees include:**





## Ethics and compliance

Employees have a responsibility to preserve the ethical standards of our company as they conduct business affairs. The purpose of the ethics and compliance program is to promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law, and to inspire high standards of professionalism and integrity.

### Program elements

The ethics and compliance program is designed to help our employees sustain an ethical workplace and our company comply with applicable legal requirements and good corporate governance standards. Fundamental elements of the program include:

- Administration of the Code of Business Conduct and related policies and procedures.
- Management of a confidential reporting system, in which reporters may choose to remain anonymous, to receive and respond to allegations and/or concerns.
- Protection through a strong non-retaliation policy for individuals who make good-faith allegations of misconduct.
- Provision of regular education, guidance and advice to employees and others on ethics and business conduct matters.
- Creation and delivery of effective communication regarding the program.
- Regular reporting and direct access to the governing bodies overseeing ethics and compliance matters for WEC Energy Group and its subsidiaries.
- Completion of periodic assessments of the effectiveness of the program.

These elements are aligned with the criteria set out in the U.S. Department of Justice Federal Sentencing Guidelines. The compliance officer provides an annual review of program effectiveness to the Audit and Oversight Committee of the board of directors.

### Reporting and investigating

We encourage employees to seek advice in doubtful situations, express concerns and report suspected violations through any established reporting channel without fear of retaliation. The established reporting channels include: supervisors, confidential EthicsLine (phone and web portal), compliance officer, Human Resources and Physical Security. It is the responsibility of the Ethics and Compliance department to maintain the integrity of the reporting channels and address any potential for retaliation, in accordance with our Non-Retaliation Policy.

The Ethics and Compliance department oversees investigations, tracks progress, and ensures that a proper record of the investigation and resolution is made. That process incorporates escalation protocols — including reports to the chair of the Audit and Oversight Committee — for matters deemed to have higher risk potential.

After the investigation is completed, reasonable steps are taken to prevent further instances. This may include, among other things, enforcing disciplinary measures for any violations of company policy, examining the designs of the internal controls in place to prevent or detect the instance, revising policies and/or procedures, communicating policies to employees, and developing and requiring employees to take additional training.



### Policies and procedures

We have policies in place, such as the Code of Business Conduct, intended to address situations that could lead to improper or illegal behavior on the part of employees.

All employees and members of the company's board of directors are expected to comply with our Code of Business Conduct, in addition to applicable laws and regulations. The code addresses expectations for company culture; work environment; business conduct; proper use and protection of company resources, assets and information; and compliance with laws, rules and regulations (including those relating to employment, political engagement and contributions, and insider trading).



Periodically, employees are invited to participate in a workplace ethics survey gauging their perceptions of the company's actions, processes and operating style. The results provide management with the ability to assess our ethical climate.

### Communication and training

Continual employee development and awareness of potential ethical dilemmas remain priorities. All new employees receive Code of Business Conduct and other core compliance training to be completed within 30 days of hire. To maintain a high level of awareness, all employees are required annually to confirm their personal commitment to compliance. We strive for full participation in compliance training and affirmation, and achieved a 100% completion rate in 2024.

Materials are available on the company intranet to help leaders guide discussions with their teams about ethics and compliance matters. In addition, leaders receive materials on specific topics, such as identifying, disclosing and addressing conflicts of interest through various channels.

### Enforcement and discipline

Enforcing standards underscores our commitment to compliance. Corporate policies include consequences for noncompliance.

The Ethics and Compliance department tracks reported violations of corporate policies, along with the actions taken, in an effort to ensure consistent and appropriate disciplinary measures. Violations of core corporate policies that lead to discipline are reported to the Audit and Oversight Committee of the board of directors.

### Response and prevention

We provide a structural foundation to promote a culture of prevention, detection and resolution of instances of unethical and unlawful business conduct. We collaborate with appropriate personnel to take consistent corrective action in response to substantiated ethical misconduct. We monitor to verify that actions taken by case investigators are objective and that proper controls are put in place to prevent future recurrence.

### Assessments of ethics and compliance risks

We use multiple tools and processes to properly identify and manage ethics and compliance risks across the enterprise.

The annual enterprise risk assessment performed by the Audit Services department identifies and reviews existing, new and emerging issues that could have enterprise implications, including those related to ethics and compliance.

Audit Services also leads an annual fraud risk assessment to confirm the presence of appropriate control activities and identify risk mitigation strategies. Scenarios are identified for fraud risks within key areas of the business. Scenarios are then mapped to controls to verify an appropriate level of preventive or detective control exists to reduce the potential for this type of activity. Controls are tested on a regular basis to support management's control assessment.

In addition, the company's chief audit officer routinely confers directly with the Audit and Oversight committee of the board of directors in private sessions.



# Cybersecurity

The energy industry requires the use of sophisticated information technology systems and network infrastructure, and we understand the importance of securing these critical cyber assets against intrusion and attack.

The cyberthreat landscape is constantly evolving. We manage related risks through defense and response tools, continuous cybersecurity monitoring, effectiveness assessment, governance, industry collaboration, and employee training and awareness.

A dedicated cybersecurity team, partnership with external cybersecurity experts and a comprehensive set of cybersecurity tools, implemented to identify, protect against, detect, respond to and recover from a spectrum of cyberthreats, are intended to mitigate the likelihood of successful attacks and their potential impacts.

Enhanced physical security measures, including physical barriers, detection systems, access controls, cameras and analytics, are employed to mitigate risks associated with unauthorized physical access and attacks against personnel, electronic and physical assets, and critical facilities such as substations.

## Program governance and assessment

Our cybersecurity governance model includes senior management oversight from our Enterprise Risk Steering Committee, along with steering committees for information security, operational technology security, third-party vendor security controls,

Sarbanes-Oxley security controls, and North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) compliance. The chief executive officer and chief administrative officer report regularly to the board and its Audit and Oversight Committee about cybersecurity matters and risks.

Using recognized cybersecurity framework and maturity models from the National Institute of Standards and Technology and U.S. Department of Energy, we continuously assess the maturity of our cybersecurity program and incorporate improvements as needed. This includes regular internal security audits and vulnerability assessments, as well as regular engagement with third-party security experts for external assessments of our security controls, including technical, physical and social aspects.

We strive to follow industry best practices for computer network protection and provide effective physical security for our critical cyber assets. Following a 2024 audit of our compliance with NERC CIP standards, the external auditors positively noted our “strong culture of compliance,” with only minor findings.

We participate in information sharing, vulnerability analysis and emergency response with federal, state and industry organizations, as well as cyberattack response exercises, such as GridEx events, the grid security drill sponsored by NERC. To better comprehend the scope and magnitude of any active threats to our industry and nation, we communicate with technology partners, vendors, law enforcement, other energy companies and sectors of the economy concerning cyberthreat intelligence.



## Employee training and awareness

Cybersecurity is the responsibility of all employees and contractors. As such, all employees are required to complete annual training regarding information security and acceptable use of corporate electronic resources. Role-based cybersecurity training also is required of employees and contractors annually. Additionally, employees and contractors participate in a corporatewide phishing-awareness program. It includes a means to easily report suspicious email, a comprehensive phishing training platform and mock phishing exercises to measure the effectiveness of cybersecurity education.

Our cybersecurity awareness program delivers key and topical cybersecurity messages throughout the year through posters, bulletins and intranet announcements.

# Stakeholder transparency

We seek to build strong, collaborative relationships with our stakeholders, including customers, communities, investors and employees.

Many areas of the company work together to provide stakeholders with key information on our services and activities, as well as opportunities for dialogue with us.



## 1 Communication on projects

As our companies make progress on our capital projects, our External Affairs and Corporate Communications teams keep our customers and communities informed about the work we are doing and the investments we have planned. Our executive vice president — external affairs is responsible for outreach to local government and regulatory officials, and our senior vice president — corporate communications and investor relations is responsible for our customer communications.

We notify customers in writing if they may be adjacent to or impacted by our projects. In the early stages of our major projects, we also typically contact affected individuals, businesses and local officials through face-to-face visits and phone calls, welcoming questions and feedback. This dialogue informs our subsequent communications and project strategies. Depending on the size and scope of a project, we may host informational meetings.



## 2 Employee involvement

Many internal communications are designed to inform and support our employees as they contribute to sustainability-related projects. Our plans and targets have been highlighted across subsidiaries through our 'Top 10+' goals, regular corporate news on our intranet and leader communications on our progress.

To encourage feedback and ideas for potential improvements, a number of location- and department-specific channels are open to employees. These include Q&A opportunities and a companywide near miss and unsafe condition reporting program.

## Oak Creek, Wisconsin

Our five-year capital plan calls for building modern, efficient natural gas generation and the infrastructure needed to fuel it. At our Oak Creek site, we are planning to build new combustion turbines as well as a liquefied natural gas storage facility. In addition, a new pipeline is planned to extend approximately 30 miles and connect the generation site to our existing natural gas distribution network.

Since announcing our Oak Creek plans in early 2024, we have communicated the need and scope of the project to employees, municipal and state officials, regulators, customers, residents, the media, and other interested parties. Our stakeholder outreach has included one-on-one conversations, informational meetings, a site tour and media interviews. Our goal is to provide stakeholders with opportunities and information to understand how we are moving forward in providing the energy our customers depend on.







3 Regulatory engagement

Our operations are over 90% regulated, covering diverse service areas across the Midwest. We work closely with regulators as we put our corporate strategy into practice — from local project planning to larger-scale investments. Our regulatory and external affairs teams communicate with state and federal regulators and their respective staffs; state and local lawmakers; and environmental, community and consumer groups. Through our communications, we present our plans, demonstrate the need and customer benefits for investments, present and support proposals for recovery of those investments, and comply with regulatory requirements.

As federal and state regulators review our utility companies' investments and rate proposals, our executive vice president — external affairs is responsible for establishing the outreach strategy to support these efforts. During the process, we provide all relevant information formally and informally to facilitate the evaluation of each proposal. Through our pre-filed testimony and related information, we proactively share information that is germane to the filing.

As part of regulatory reviews, we also routinely respond to data requests from commission staffs, as well as third-party organizations. In those responses, we disclose information on our operations and the steps we are taking to continue to provide an affordable, reliable and clean energy supply.



4 Investor relations

We have a comprehensive outreach and engagement program in place to help management and the board hear, understand and consider issues that matter most to our stockholders. This ongoing engagement provides valuable insight into how our stockholders view the company's practices and policies, shapes the processes used to evaluate goals and expectations, and identifies emerging issues that may affect our corporate governance practices and compensation.

In 2024, we proactively communicated with our stockholders and key constituents across the broader sustainable investing community. Specific topics of engagement included the following, in continued alignment with our priority sustainability issues:

- Corporate strategy
- Climate change and decarbonization
- Human capital management
- Community support
- Fuel diversity and reliability
- Safety
- Affordability



5 Responsible reporting

In addition to engaging directly with our stakeholders, we report on sustainability-related topics in a number of ways. We have published this annual corporate responsibility report for the past two decades, and our climate report presents our climate-related governance and strategy in more detail.

We routinely respond to data verification and survey requests from third-party organizations, and we have disclosed information on our operations and climate-related risks and opportunities to CDP (formerly the Carbon Disclosure Project) for over a decade. We also are participating in initiatives led by Edison Electric Institute and American Gas Association to promote consistency and transparency in sustainability reporting across the energy utility sector.

Reports can be found on the Corporate Responsibility page of our website: [www.wecenergygroup.com/csr](http://www.wecenergygroup.com/csr).

Paris, Wisconsin

We are committed to providing reliable energy service through a balanced mix of natural gas generation, renewables and storage. Paris, Wisconsin, is a key example of this diverse energy portfolio. In 2024, we brought online a large-scale renewable energy project there, and we are also planning to build a 128-megawatt reciprocating internal combustion engine plant in the Town of Paris.

We work closely with stakeholders during the planning, regulatory and construction process of our projects. In Paris, we continue to have ongoing conversations with municipal and state officials, regulators, customers, residents, the media and other interested parties. Our stakeholder outreach starts by having one-on-one conversations with our neighbors and municipal leaders to discuss the project and impacts to the community. We discuss project plans including site layout, lighting, sound, landscaping and drainage. Our goal is to work continuously with our stakeholders to address any concerns throughout the entirety of our projects.



# Government relations

We advocate on behalf of our customers, stockholders and employees for affordable, reliable and clean energy before local, state and federal elected officials and government agencies.

We maintain governmental and regulatory relations offices in Chicago, Illinois; Rosemount, Minnesota; Madison, Green Bay and Milwaukee, Wisconsin; and Washington, D.C. We also hire contract lobbyists and work with trade organizations to assist in advocacy activities. Our lobbyists are lawfully registered in each jurisdiction where they perform services for us.

## Political contributions and lobbying

Contribution amounts are limited by law, and we adhere to all applicable federal, state and local laws where we do business. As part of its oversight function, the board's Audit and Oversight Committee, which consists solely of independent directors, conducts an annual review of the company's Government Relations Policy. This policy sets forth the standards and requirements that govern our interactions with public officials, and addresses the process for requesting and authorizing contributions to organizations operating under Section 527 of the Internal Revenue Code and organizations that qualify as national political committees. In 2024, we made no contributions of this nature, nor did we contribute to 501(c)(4) organizations or make any independent political expenditures in direct support of or opposition to a campaign or ballot measure.

The company has five political action committees (PACs) across its geographical footprint, which are authorized by election laws to collect voluntary contributions from employees who choose to participate. The PACs support causes and candidates for federal, state and local offices to benefit energy safety, reliability and affordability, without regard for executives' personal political preferences.

In Illinois, we are allowed to make corporate political contributions to candidates for election to state and local offices, subject to statutory limits. In Wisconsin, we may make corporate contributions of up to \$12,000 per calendar year to a segregated fund account of a political party committee or a legislative campaign committee. All other political contributions in Wisconsin and our other state jurisdictions can only be made by individuals or through PACs.

All of our PACs are administered by oversight committees that include appointed and elected members. Oversight committees make decisions on how and where dollars are spent. The committees also review a summary of political activities and associated reporting excerpted from the Corporate Responsibility Report in advance of its publication each year.



| Organization   | 2022             | 2023             | 2024             |
|--|------------------|------------------|------------------|
| <b>Wisconsin political donations</b>   |                  |                  |                  |
| WEC Energy Group PAC (WEC PAC — a Wisconsin state PAC)   | \$95,360         | \$44,575         | \$116,650        |
| WEC Energy Group Personal Contribution Account (WEC PAC Conduit — a Wisconsin state-registered entity) | \$82,882         | \$40,060         | \$40,175         |
| Corporate contributions  |                  |                  |                  |
| Assembly Democratic Campaign Committee   | \$6,000          | \$6,000          | \$7,000          |
| Committee To Elect A Republican Senate   | \$12,000         | \$12,000         | \$3,000          |
| Democratic Party of Wisconsin  | \$12,000         | —                | —                |
| Republican Assembly Campaign Committee   | \$12,000         | \$12,000         | \$12,000         |
| Republican Party of Wisconsin  | —                | \$12,000         | \$12,000         |
| State Senate Democratic Committee  | \$6,000          | \$6,000          | \$8,000          |
| <b>Wisconsin total</b>   | <b>\$226,242</b> | <b>\$132,635</b> | <b>\$198,825</b> |
| <b>Federal political donations</b>   |                  |                  |                  |
| WEC Energy Group PAC (WEC PAC — a federal PAC)   | \$27,500         | \$32,000         | \$24,000         |
| <b>Michigan political donations</b>  |                  |                  |                  |
| Michigan Political Action Committee (MIPAC — a Michigan state PAC)                                     | —                | —                | —                |
| <b>Illinois political donations</b>  |                  |                  |                  |
| Peoples Energy PAC (an Illinois state PAC)   | —                | —                | —                |
| WEC Corporate (corporate contributions only)   | \$190,280        | \$183,000        | \$184,050        |
| <b>Illinois total</b>  | <b>\$190,280</b> | <b>\$183,000</b> | <b>\$184,050</b> |
| <b>Total</b>   | <b>\$444,022</b> | <b>\$347,635</b> | <b>\$406,875</b> |

For an up-to-date list of WEC PAC Wisconsin contributions, search for "WEC Energy Group PAC" at: <https://cfis.wi.gov/Public/Registration.aspx?page=FiledReports>  
For an up-to-date list of WEC conduits, search for "WEC Energy Group PCA" at: <https://cfis.wi.gov/Public/Registration.aspx?page=ViewConduitContributions>  
For an up-to-date list of WEC PAC federal contributions, search for "WEC Energy Group" at: <https://www.fec.gov/data/receipts>.





Lobbying

We file federal quarterly lobbying reports and semiannual contribution reports with the clerk of the U.S. House of Representatives and the secretary of the U.S. Senate. These reports are located at [house.gov](https://house.gov) and [senate.gov](https://senate.gov). Reports for WEC Energy Group’s political lobbying activities at the state level are available from the [Wisconsin Ethics Commission](#), [Michigan Department of State](#), [Office of the Illinois Secretary of State](#) and [Minnesota Campaign Finance and Public Disclosure Board](#).

Trade organization memberships

We belong to a number of state and federal trade and membership organizations that engage in political activities. Such organizations are required to report the portion of company dues used for political purposes. Through our trade organization memberships, we collaborate with industry peers, conduct benchmarking on sustainability-related metrics, provide input and advocate for our stakeholders. We have worked with these groups to promote consistent sustainability reporting and goals within our industry. We believe that lobbying conducted by these organizations generally supports emissions reduction in our industry, and we further support disclosure from the organizations on policy positions and lobbying related to climate matters. In cases where the positions supported by our trade organizations differ from our own, we take a proactive approach in making our case to organization members and try to dissuade them from the position. If necessary, we may abstain from the group’s efforts or express our dissent.

| Organization                                   | Membership dues<br>Jan. 1 through Dec. 31, 2024 | Portion of dues used by<br>organization for political purposes |
|--|---|--|
| American Gas Association                       | \$1,056,307                                     | \$45,421   |
| Association of Edison Illuminating Companies   | 25,272  | —  |
| Edison Electric Institute                      | 1,340,656                                       | 227,912  |
| Illinois Energy Association                    | 40,000  | 22,000   |
| Illinois Manufacturers’ Association            | 18,333  | 2,447  |
| Metropolitan Milwaukee Association of Commerce | 204,874   | 4,097  |
| Michigan Electric and Gas Association          | 92,595  | De minimis   |
| Michigan Manufacturers Association             | 4,930   | 1,233  |
| Minnesota Utility Investors                    | 23,000  | 8,050  |
| National Hydropower Association                | 28,683  | 4,303  |
| Utilities Technology Council                   | 25,058  | 1,253  |
| Wisconsin Manufacturers & Commerce             | 65,922  | 7,911  |
| Wisconsin Paper Council                        | 10,308  | 1,546  |
| Wisconsin Utilities Association                | 268,647   | 40,297   |
| Wisconsin Utility Investors                    | 136,700   | 6,835  |

## Public policy positions ✓ Support ✕ Oppose ♦ Monitor

### Federal bill reference

- ✓ **Climate / clean energy** *Multiple bills* — Advance research, development, demonstration and deployment of carbon-free technologies to help achieve a net carbon-neutral economy.
- ✓ **Cybersecurity** *Multiple bills* — Promote information sharing between government and industry and advance the development and training of the cyber workforce for critical infrastructure sectors.
- ✓ **Energy assistance** *Multiple bills* — Provide energy assistance through direct appropriations (Low Income Home Energy Assistance Program), indirect funding programs and supplemental appropriations.
- ✓ **Energy efficiency** *Multiple bills* — Prohibit agencies from promulgating rules that could eliminate products from the market based on the type of fuel the product uses.
- ♦ **Gas leak detection and repair** — Continue to monitor and support the implementation of reasonable leak detection and repair requirements that do not hinder efforts to continue to pursue comprehensive gas system modernization.
- ✓ **Infrastructure** — Bipartisan law that includes a wide variety of infrastructure programs for electric transportation, grid resiliency, transmission siting, hydrogen research, cybersecurity and clean energy technologies to support the research, development, demonstration and deployment of carbon-free technologies to help achieve a carbon-free economy.
- ✓ **Renewable energy tax incentives** — Extend and expand renewable energy tax incentives.

### Illinois legislative bills/resolutions

- ♦ **House Bill 4118** — Prevents gas and electric companies from shutting off a resident's primary source of heat or charging late fees for 75 days.
- ✕ **House Bill 4268** — Mandates corporations report all their emission data to the Illinois Secretary of State on an annual basis.
- ♦ **House Bill 4374** — Provides that the Illinois Commerce Commission, in any determination of rates or charges that differs from any rates or charges proposed by the utility, shall make a separate finding of the expected job losses, if any, that would occur due to the commission's finding.
- ♦ **House Bill 4471** — Removes the Jan. 1, 2025, repealer date for the State Supplemental Low-Income Energy Assistance Fund.
- ✕ **House Bill 5061/Senate Bill 2885** — Prohibits Illinois utility companies from using ratepayer money to fund various expenses including campaign contributions, dues for memberships in trade associations, and charitable donations.
- ✕ **House Bill 5063** — Requires gas stoves to bear a warning message label.
- ♦ **House Bill 5244** — Requires all buildings to be designed and constructed to provide natural gas service and electric power.
- ♦ **House Bill 5546** — Provides that owners or operators of underground utility facilities are required to be members of JULIE Positive Response System.
- ✕ **House Bill 5835/Senate Bill 3935** — Creates the Clean and Healthy Buildings Act. Requires gas utilities to reduce greenhouse gas emissions steadily, reaching zero emissions by 2050 by setting a Clean Heat Standard for the state.
- ♦ **Senate Bill 771** — Expands and establishes new wetland regulations and permitting under the Illinois Department of Natural Resources.
- ♦ **Senate Bill 1842** — Makes several changes to energy assistance programs for low-income utility customers.
- ♦ **Senate Bill 3968** — Bans carbon storage at the Mahomet Aquifer.

### Michigan legislative bills/resolutions

- ✕ **House Bill 4464/4465** — Creates community solar programs.
- ✕ **House Bill 4832** — Provides the Department of Environment, Great Lakes, and Energy with the authority to regulate dams.
- ♦ **House Bill 5216** — Requires the establishment of performance-based rates and requires the study of multiyear rate plans.
- ♦ **House Bill 5217** — Establishes low-income, senior and disability rates.
- ♦ **Senate Bill 353** — Expand definition of low-income customer to 250% of federal poverty guidelines and expands energy assistance programs.
- ♦ **Senate Bill 366** — Increases gas safety violation penalties to federal amounts.
- ♦ **Senate Bill 504** — Prohibits long-term industrial rates from being subject to securitization charges.
- ♦ **Senate Bill 571** — Requires prevailing wages on certain solar and wind projects.
- ✕ **Senate Bills 605-611** — Requires environmental cleanups to residential standards and expands liability coverage.
- ✕ **Senate Bill 772** — Requires utilities to provide rebates to customers who install rooftop solar.
- ✕ **Senate Bill 773** — Requires Michigan Public Service Commission to develop a program to allow businesses and homeowners to aggregate solar energy and receive compensation.
- ♦ **Senate Bill 879** — Requires Michigan Department of Health and Human Services to report total amount of low-income assistance collected by each utility and the total amount distributed to the geographic area of the utility.
- ♦ **Senate Bill 880** — Requires electric utilities to increase the per-meter charge for Low Income Home Energy Assistance Program (LIHEAP) from \$1 to \$2.

### Minnesota legislative bills/resolutions

- ♦ **House File 4574** — Modifies energy conservation programs for natural gas utilities and increases required energy savings goals.
- ♦ **House File 4688** — Requires Minnesota Public Utilities Commission to establish a thermal energy network working group to examine potential opportunities for natural gas utilities to deploy thermal energy networks.
- ✕ **Senate File 4202** — Requires adoption of international energy conservation codes for building standards, as well as reduction in annual net energy consumption.
- ✕ **Senate File 4426** — Prohibits utilities from recovering certain expenses such as advertising, charitable contributions, memberships, and certain expenses for executive officers and board members.

### Wisconsin legislative bills/resolutions

- ✓ **Assembly Bill 45/Senate Bill 49** — Restricts local regulation of utility service based on the type or source of energy.
- ♦ **Assembly Bill 46/Senate Bill 47** — Requires notice to political subdivisions and landowners regarding proposed large solar energy facilities, and establishes additional requirements for the decision-making process.
- ✓ **Assembly Bill 73** — Changes the phase-out of utility aid payments for decommissioned power plants.
- ♦ **Assembly Bill 165/Senate Bill 151** — Grants local governments the ability to impose additional restrictions on wind energy systems under certain conditions.
- ✓ **Assembly Bill 245** — Modifies shared revenue programs, addresses the retirement systems of the city of Milwaukee and Milwaukee County, and eliminates the personal property tax.
- ✕ **Assembly Bill 258/Senate Bill 226** — Authorizes the establishment of community solar programs and grants rule-making authority.
- ✓ **Assembly Bill 275/Senate Bill 270** — Creates a process for damages claims relating to delayed relocation of utilities in a highway right of way.
- ✓ **Assembly Bill 302/Senate Bill 308** — Creates a sales and use tax exemption for data center equipment or software.
- ✓ **Assembly Bill 406/Senate Bill 389** — Adopts certain changes to the federal Internal Revenue Code for state tax purposes.
- ✓ **Assembly Bill 470/Senate Bill 481** — Grants an incumbent transmission facility owner the right to construct, own and maintain certain transmission facilities, and establishes Public Service Commission of Wisconsin procedures if the transmission facility is a regionally cost-shared transmission line.
- ♦ **Assembly Bill 798/Senate Bill 746** — Makes changes involving the Department of Agriculture, Trade and Consumer Protection's regulation of petroleum products and the storage of dangerous substances.
- ✓ **Assembly Bill 846/Senate Bill 791** — Establishes an exemption from public utility regulation regarding electric vehicle charging stations, rules for the installation and operation of electric vehicle charging stations by state agencies or local governmental units, and an excise tax on electric vehicle charging.
- ✓ **Assembly Bill 878/Senate Bill 812** — Increases the maximum penalties for gas pipeline safety violations.
- ✓ **Senate Bill 531** — Prohibits and establishes a penalty for caller identification spoofing.



# 2024 awards and recognition

WEC Energy Group again received the **Vets Ready Employer Initiative Award**, achieving Gold Level recognition. This award honors Wisconsin employers for demonstrating a commitment to hiring veterans, supporting their veteran workforce and connecting with the veteran community.

WEC Energy Group received a Technology Transfer Award from **EPRI** in recognition of our collaboration on an innovative hydrogen blending pilot project at A.J. Mihm Generating Station in Michigan.

WEC Energy Group was again included in the **FTSE4Good Index Series**, which is made up of companies that reflect strong risk management practices. This sustainability tool helps investors create investment funds and benchmark their performance.

Wisconsin Public Service was recognized by the **American Gas Association** in 2024 for its safety record — having the lowest incident rate in the previous year for days away, restricted or transferred in its benchmark category.

Minnesota Energy Resources received a Silver Award in the **Minnesota Governor's Workplace Safety Awards**, recognizing an incidence rate better than the state and national averages.

We Energies and Wisconsin Public Service (WPS) were again selected as **Tree Line USA utilities**. The award recognizes the companies' efforts in providing dependable, reliable service while using best-practice vegetation management techniques.

We Energies and WPS were honored by the University of Wisconsin-Milwaukee with the **Lurie Labor-Management Cooperation Prize** for signing a first-of-its-kind pledge to use unionized labor in the construction of renewable energy projects.



WPS was named the top-performing midsize utility in the Midwest as part of **PA Consulting's 2024 ReliabilityOne Awards**, reflecting strong electric reliability performance and dedication to customer service.

*Accepting the 2024 ReliabilityOne Award are Paul Gogan, Mike Hooper, Dan Friendshuh and Otto Marquardt*

# Appendix

## Reconciliation of Reported EPS (GAAP) to Adjusted EPS (Non-GAAP)

|  | 2015          | 2016           | 2017           | 2023           | 2024             |
|--|---------------|----------------|----------------|----------------|------------------|
| Reported EPS – GAAP basis                            | \$2.34        | \$ 2.96        | \$ 3.79        | \$ 4.22        | \$ 4.83          |
| Acquisition Costs                                    | \$0.39        | \$ 0.01        | –              | –              | –                |
| Integrlys Earnings                                   | \$(0.47)      | –              | –              | –              | –                |
| Impact of Additional Shares                          | \$0.47        | –              | –              | –              | –                |
| Tax Benefit Related to Tax Cuts and Jobs Act of 2017 | –             | –              | \$ (0.65)      | –              | –                |
| Illinois Disallowance                                | –             | –              | –              | \$ 0.41        | –                |
| QIP Disallowance                                     | –             | –              | –              | –              | \$0.06           |
| <b>Adjusted EPS – Non-GAAP Basis*</b>                | <b>\$2.73</b> | <b>\$ 2.97</b> | <b>\$ 3.14</b> | <b>\$ 4.63</b> | <b>\$ 4.88**</b> |

\* WEC Energy Group has provided adjusted earnings per share (non-GAAP earnings per share) as a complement to, and not as an alternative to, earnings per share presented in accordance with GAAP. Adjusted earnings per share exclude, as applicable, (1) a one-time reduction in income tax expense related to a revaluation of our deferred taxes as a result of the Tax Cuts and Jobs Act of 2017; (2) costs related to the acquisition of Integrlys Energy Group; (3) the results of operations of Integrlys and its subsidiaries; (4) the additional shares of WEC Energy Group common stock that were issued as part of the acquisition; (5) a non-cash charge related to the ICC's disallowance of certain capital costs; and (6) estimated losses associated with the ICC disallowance related to its review of the 2016 Qualifying Infrastructure Plant (QIP) capital investments under the QIP rider. None of these items are indicative of WEC Energy Group's operating performance. Therefore, WEC Energy Group believes that the presentation of adjusted earnings per share is relevant and useful to investors to understand the company's operating performance. Management uses such measures internally to evaluate the company's performance and manage its operations.

\*\* 2024 adjusted earnings per share does not add due to rounding.



## Cautionary statement regarding forward-looking information

In this report, we make statements concerning our 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 Securities Exchange Act of 1934, as amended. 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 social, environmental and climate strategies, policies and goals; completion of capital projects; sales and customer growth; environmental and other regulations, including associated compliance costs; legal proceedings; fuel costs; sources of electric energy supply; coal and natural gas deliveries; remediation costs; climate-related matters; capital resources; and other matters. Forward-looking statements are subject to a number of risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in the statements. These risks and uncertainties include those described under “Risk Factors” in our Annual Report on Form 10-K for the year ended Dec. 31, 2024, and subsequent quarterly reports on Form 10-Q and those identified below:

- Factors affecting utility and non-utility energy infrastructure operations such as catastrophic weather-related damage, environmental incidents, unplanned facility outages and repairs and maintenance, electric grid reliability, and electric transmission or natural gas pipeline system constraints;
- Factors affecting the demand for electricity and natural gas, including political or regulatory developments; varying, adverse or unusually severe weather conditions, including those caused by climate change; changes in economic conditions, including continued economic growth, customer growth and declines; commodity prices; energy conservation efforts; and continued adoption of distributed generation by customers or co-location of generation near data centers;
- 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 operations;
- The impact of federal, state and local legislative and/or regulatory changes, including changes in rate-setting policies or procedures, the results of rate orders, 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, energy efficiency mandates, electrification initiatives and other

efforts to reduce the use of natural gas, and tax laws, including those that affect our ability to use production tax credits and investment tax credits, as well as changes in the interpretation and/or enforcement of any laws or regulations by regulatory agencies;

- Federal, state, and local 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 and uncertainty regarding the interpretation of regulations or permit conditions by regulatory agencies, including as a result of the new presidential administration, and the recovery of associated remediation and compliance costs;
- The ability to obtain and retain customers, including wholesale customers, due to increased competition in our electric and natural gas markets from retail choice and alternative electric suppliers, and continued industry consolidation;
- The timely completion of capital projects within budgets and the ability to recover the related costs through rates;
- The impact of changing expectations and demands of our customers, regulators, investors and other stakeholders, including focus on environmental, social and governance concerns;
- The risk of delays and shortages, and increased costs of equipment, materials or other resources that are critical to our business operations and corporate strategy, as a result of changes to U.S. trade policy (including changes to tariffs on imports, port fees and other trade policy tools) as well as changes to foreign governments' trade policies impacting U.S. exports, supply chain disruptions (including from rail congestion), inflation and other factors;
- The impact of public health crises, including epidemics and pandemics, on our business functions, financial condition, liquidity and results of operations;
- Risks inherent in electric generation and distribution and natural gas transportation, distribution and storage activities, including leaks, accidental explosions, mechanical problems, fires, discharges or releases of toxic or hazardous substances or gases, and risks related to the ability to obtain adequate insurance to cover such events;
- Factors affecting the implementation of our carbon dioxide emission and/or methane emission reduction goals, and opportunities and actions related to those goals, including related regulatory decisions; the cost of materials, supplies and labor; technology advances; significant increases in demand; the feasibility of competing generation projects; and our ability to execute our capital plan;
- The financial and operational feasibility of taking more aggressive action to further reduce greenhouse gas emissions in order to limit future global temperature increases;

- The risks associated with inflation and changing commodity prices, including natural gas and electricity;
- The availability and cost of sources of natural gas and other fossil fuels, purchased power, materials needed to operate environmental controls at our 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;
- Any impacts on the global economy, including from sanctions, and impacts on supply chains and fuel prices, generally, from ongoing, escalating, or expanding regional or international conflicts, including those involving Ukraine, Israel and other parts of the Middle East;
- Changes in credit ratings, interest rates and our ability to access the capital markets, caused by volatility in the global credit markets, our capitalization structure, and market perceptions of the utility industry, WEC Energy Group or any of our subsidiaries;
- Costs and effects of litigation, administrative proceedings, investigations, settlements, claims and inquiries;
- The direct or indirect effect on our business resulting from terrorist or other physical attacks and cybersecurity intrusions, as well as the threat of such incidents, including the failure to maintain the security of personally identifiable information, the associated costs to protect our utility assets, technology systems and personal information, and the costs to notify affected persons to mitigate their information security concerns and to comply with state notification laws;
- Restrictions imposed by various financing arrangements and regulatory requirements on the ability of our subsidiaries to transfer funds to us in the form of cash dividends, loans or advances that could prevent us from paying our common stock dividends, taxes and other expenses, and meeting our debt obligations;
- The risk of financial loss, including increases in bad debt expense, associated with the inability of our customers, counterparties and affiliates to meet their obligations;
- Changes in the creditworthiness of the counterparties with whom we have contractual arrangements, including participants in the energy trading markets and fuel suppliers and transporters;
- The financial performance of American Transmission Co. LLC and its corresponding contribution to our earnings;
- The investment performance of our 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, and related legislation or regulation supporting the use of that technology that result in competitive disadvantages and create the potential for impairment of existing assets;
- Risks involved in developing and implementing artificial intelligence, including data privacy concerns or other legal liability, new or enhanced governmental or regulatory scrutiny or regulations governing the use of artificial intelligence, the ability to meet expectations or requirements relating to adoption or implementation of artificial intelligence technology, or other complications related to the use of artificial intelligence;
- Risks related to our non-utility renewable energy facilities, including unfavorable weather, changes in the financial performance and/or creditworthiness of counterparties to the offtake agreements, changes in demand based on lower prices for alternative energy sources, pricing differentials between the facilities' point of interconnection and our required delivery location, the ability to replace expiring power purchase agreements under acceptable terms, rights to property on which our projects are located but we do not own, the availability of reliable interconnection and electricity grids, the performance and quality of wind turbine and solar panel components and availability of replacement parts, and exposure to the rules and procedures of the power markets in which these facilities are located;
- The risk associated with the values of goodwill and other long-lived assets, including intangible assets, and equity method investments and their possible impairment;
- Potential business strategies to acquire and dispose of assets or businesses, or portions thereof, 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 elsewhere herein and in reports we file with the Securities and Exchange Commission or in other publicly disseminated written documents.

Except as may be required by law, we expressly disclaim any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.