



2024 CMS ENERGY SUSTAINABILITY REPORT



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A LETTER FROM OUR PRESIDENT AND CEO

Since the start of our Clean Energy Plan in 2021, our company has been a national leader in sustainability. By transitioning to renewable energy, we're offering cleaner and more affordable options for our customers, all while staying true to our purpose of world-class performance delivering hometown service.

A major action to deliver on our Clean Energy Plan will occur in early 2025 — we'll be retiring our last three coal plants: JH Campbell 1, 2, and 3. Going coal-free is a significant step towards positively impacting our planet. We couldn't achieve this without the hard work and dedication of our co-workers. As we continue our Clean Energy Transformation, we're committed to offering new opportunities to those who have been an integral part of these coal plants and our company.

Our natural gas side of the business also contributes to our Clean Energy Plan. We are modernizing our infrastructure and using advanced leak detection to ensure less methane escapes during the natural gas delivery process. Using innovative technologies, modernizing the system, and improving processes translates to safe and clean energy.

This year, we're excited to announce our electric Reliability Roadmap. The five-year plan is our blueprint for the future to strengthen Michigan's electric grid. We're setting ambitious targets to make sure no customer is without power for more than 24 hours and to prevent outages from affecting more than 100,000 customers. In short, we're building a more resilient and reliable grid that can handle extreme weather and better serve our customers.

With big commitments and goals, our team is critical to our success. At CMS Energy, we believe in the power of Diversity, Equity, and Inclusion. Our motto, "We See You and You Belong," reflects our commitment to these values. We know that by bringing together our unique experiences, we can achieve the best results and drive sustainable change for the communities we serve.

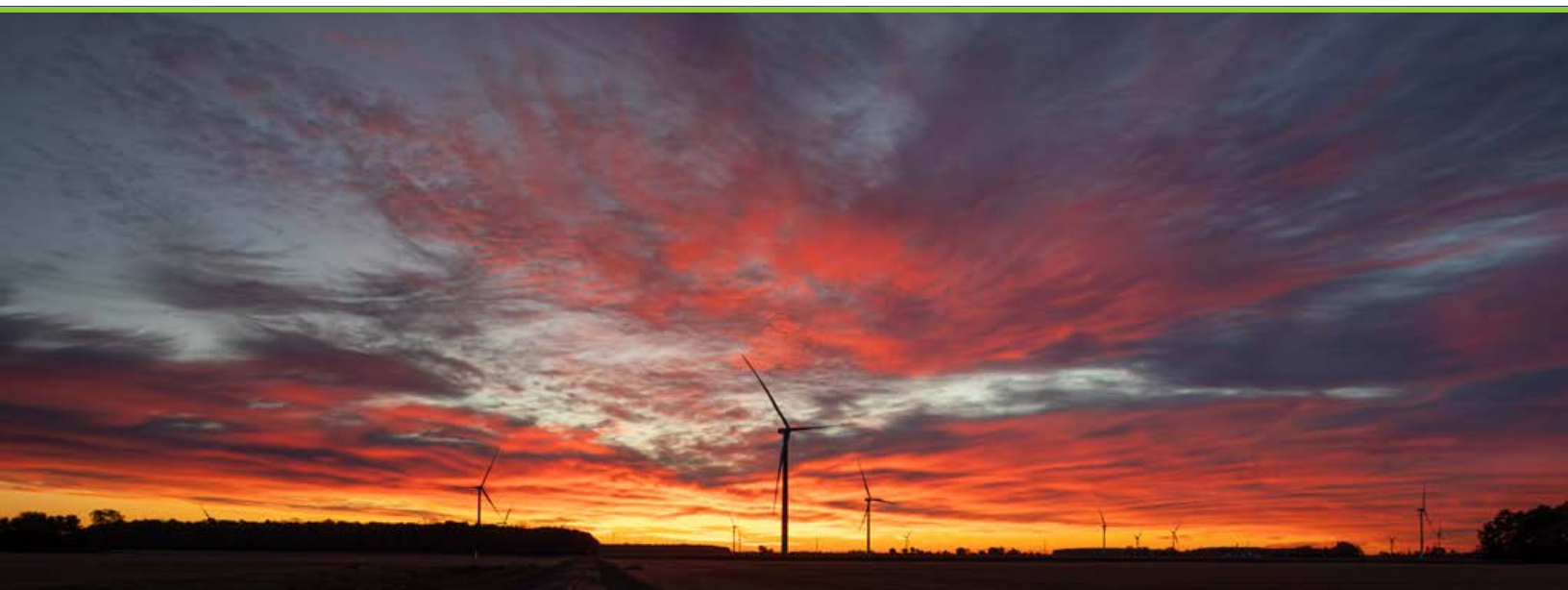
Our care for each other extends to our customers and the communities we serve by aiding through our Foundation and corporate giving programs. In 2023, we connected customers with over \$125M of assistance through company, state, and federal programs to help keep customer bills affordable.

The CMS Energy team is committed to serve and ensure safe, reliable, affordable, equitable, and clean energy. With the progress we've made towards a more sustainable energy future for Michigan and our unwavering commitment to our customers and co-workers, our future is very bright.

We know that by bringing together our unique experiences, we can achieve the best results and drive sustainable change for the communities we serve.

Garrick J. Rochow

PRESIDENT AND CHIEF EXECUTIVE OFFICER • CMS ENERGY AND CONSUMERS ENERGY



ABOUT CMS ENERGY

CMS Energy Corporation (CMS Energy) is an energy company based in Jackson, Michigan, focused primarily on utility operations in the state. Its principal business is Consumers Energy Company (Consumers Energy), a public utility that provides electricity and/or natural gas to 6.8 million of Michigan's 10 million residents. With our subsidiary, NorthStar Clean Energy, we are also engaged in independent power generation in several states.

ABOUT THIS REPORT

CMS Energy participates in several voluntary reporting initiatives, including an industry initiative coordinated by the Edison Electric Institute (EEI) and the American Gas Association (AGA) that provides the public, our customers and shareholders a reporting template for uniform and consistent sustainability metrics. This report follows the EEI/AGA reporting template and supplements our existing sustainability disclosures, including several indices and reports found on the [CMS Energy website](#) and linked in the appendices of this report.

OUR APPROACH TO SUSTAINABILITY

CMS Energy has integrated sustainable practices throughout our corporation, including our primary subsidiaries, Consumers Energy and NorthStar Clean Energy. As the parent company of Michigan's largest energy provider, Consumers Energy, we've embedded consideration of environmental, social and governance issues in our strategy, business planning and enterprise risk management processes. These key issues align with our purpose of World Class Performance Delivering Hometown Service. Our Triple Bottom Line of People, Planet and Prosperity balances all stakeholders' interests.

Determining which issues are most important to our company and stakeholders is the foundation of our sustainability efforts. Assessments help us identify, adjust and improve upon sustainability goals and performance. In 2021, we conducted a Priority Issue Assessment Stakeholder Survey in partnership with a third party. Through an annual update of survey results and additional analysis, we generate a list of top priority issues each year. The 2023 priority issues in no particular order are:

- Climate, greenhouse gas (GHG) emissions and air quality
- Environmental compliance
- Energy resiliency and reliability
- Cyber security, privacy and security
- Business ethics and conduct
- Safety, health, and wellness
- Diversity, equity, and inclusion
- Energy affordability

Read our [2024 CMS Energy Sustainability Priority Issues Report](#) for more details on these issues and our assessment process.

AWARDS AND RECOGNITION

Recent recognition for our commitment to sustainability include:

- Inclusion in the MSCI ESG Leaders Index, which makes CMS Energy the only vertically integrated utility in the index.
- 2023 ENERGY STAR® Partner of the Year, marking our eleventh consecutive year
- BEST Winner: Association for Talent Development for 2020, 2021 and 2022
- Longstanding high ranking by EEI Utility Standards and Safety Performance
- Top 50 global ranking in Military Times Best for Vets: Employers for 2020 & 2021
- 3BL's 100 Best Corporate Citizens of 2022, and the #1 company for governance.
- Certified Gold-Level Veteran Friendly Employer by the Michigan Veterans Affairs Agency (MVAA)
- 2023 U.S. Secretary of Defense Employer Freedom Award, the highest recognition given by the U.S. Government to employers supporting employees in the Guard and Reserve
- Top U.S. Utility, 2023 Corporate Religious Equity, Diversity & Inclusion (REDI) Index
- DiversityComm Media 2024: Best of the Best Recognition for Top Diverse Employer and Top Black Employer
- Forbes: Best Employers for Diversity 2024
- Site Selection Magazine's Top Utilities in Economic Development 2024
- Business Facilities Top Utility in Economic Development 2024
- Named TRENDSETTER company by the 2023 CPA-Zicklin Index for corporate political disclosure and accountability



ENVIRONMENT

We are committed to protecting the environment and leading the way to a clean and equitable energy future. We have set ambitious planet goals and have a strong track record of environmental stewardship.

GREENHOUSE GAS (GHG) EMISSIONS AND AIR QUALITY

The environment is a crucial pillar of our sustainability efforts. Our Priority Assessment found stakeholders deem our strategic goals to improve air quality and reduce greenhouse gases high priority. Our plans demonstrate we are delivering on our promise to protect, preserve and restore our environment. Below are the commitments that Consumers Energy has made to Michigan and the planet:

Net zero methane emissions from our natural gas delivery system by 2030: Under our Methane Reduction Plan, we plan to reduce methane emissions from our system by about 80 percent by accelerating the replacement of aging pipe, rehabilitating or retiring outdated infrastructure, and adopting innovative technologies and practices. The remaining emissions will likely be offset through clean fuel alternatives.

Net zero carbon emissions from our electric business by 2040: This goal includes not only emissions from owned generation, but also emissions from the generation of power purchased through long-term power purchase agreements (PPAs) and the Midcontinent Independent System Operator (MISO) energy market. Our 2021 Clean Energy Plan laid out our strategy to meet 90% of customer needs with clean energy resources by 2040. Our next Renewable Energy and Integrated Resource Plans will show we plan to meet the 100% clean energy standard by 2040 as set forth in the 2023 Michigan Energy Law. Innovative technologies and carbon offset measures, including carbon sequestration, forest preservation, and reforestation, may be used to close the gap to achieving net zero carbon emissions.

Net zero greenhouse gas emissions target for our entire business by 2050: This goal incorporates greenhouse gas emissions from our natural gas delivery system, including suppliers and customers. The target includes an interim goal to reduce customer emissions by 20 percent by 2030 from 2020 levels. We expect to meet this goal through carbon offset measures, renewable natural gas, energy efficiency and demand response programs, and adoption of cost-effective emerging technologies once proven and commercially available.

Our Clean Energy Plan

Our **2021 Clean Energy Plan**, also known as our Integrated Resource Plan, is our most comprehensive and far-reaching strategy to date to protect our planet and reinforce our reputation as a sustainability leader. Our Clean Energy Plan is a 20-year blueprint to guide our regulated electric business.



Our plan positions us as an industry leader in the Clean Energy Transformation. By reducing emissions and expanding clean energy options, we will improve air quality, reduce greenhouse gas emissions and protect the environment for generations to come. The plan will:

End coal use in 2025: Eliminating coal use 15 years sooner than initially planned will improve air quality, cut greenhouse gas emissions, reduce landfill waste and dramatically reduce our water use.

Increase renewable energy: We plan to add nearly 8,000 megawatts of solar over the next two decades as we meet Michigan’s new Renewable Portfolio Standard (RPS) of 50% by 2030 and 60% by 2035.

Transition to a smarter grid: Energy waste reduction, demand response, and emerging technologies like grid modernization will lower peak customer demand.

Deploying battery storage: Our plan accelerates energy storage and we plan to update it so that we will comply with Michigan’s 2023 Energy Law that requires 2,500 megawatts of planned storage across the state by 2030.

Offer more customer control and savings: The plan deepens our commitment to energy and cost savings options for customers.

Help ensure energy affordability: We expect to save customers up to \$600 million through 2040 compared to our 2018 Clean Energy Plan.

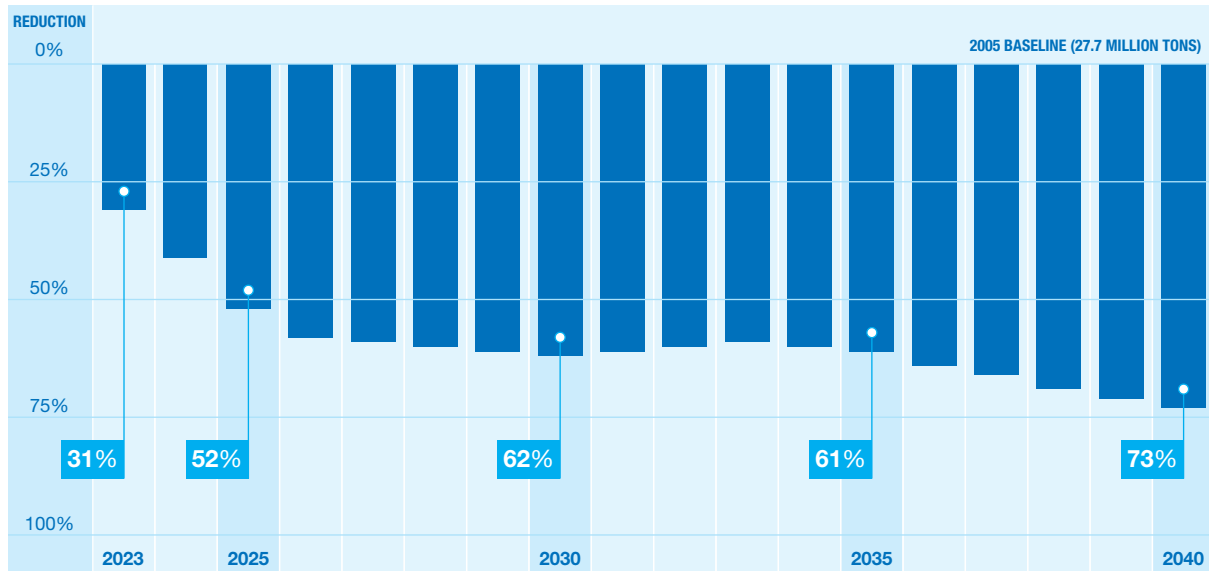
Advance a flexible strategy: Our plan responds to emerging needs, adapts to changing conditions and embraces new, innovative technologies.

Ensure supply reliability: The purchase of the existing natural gas-fired Covert Generation Station in Michigan’s Van Buren County helps us transition from coal without creating new greenhouse gas sources.

Our Clean Energy Plan will also help us reduce carbon emissions from owned generation by about 60 percent from 2005 levels by year-end of 2026 and continue our progress toward net zero carbon emissions by 2040. This is a quicker pace than the Intergovernmental Panel on Climate Change suggests is needed to limit global temperature increases to less than 1.5°C.

Michigan’s 2023 energy law increased the RPS to 50 percent by 2030 and 60 percent by 2035. The law also created a clean energy standard of 80 percent by 2035 and 100 percent by 2040. Our next Renewable Energy and Integrated Resource Plans will detail how we plan to meet these standards.

Carbon Emissions Percent Reduction



Expanding Renewable Energy

Our Clean Energy Plan includes a major renewable generation build out by 2040. We plan to add capacity incrementally, enabling planning and resource-type flexibility to adapt to changing conditions. Our goal is to add nearly 8,000 megawatts of solar energy over the next two decades. We plan to add solar capacity — a mix of owned and purchased power using a competitive-bid annual solicitation process — to keep costs affordable.

By combining renewable generation with energy storage advances and customer demand reduction programs, we plan to meet our customers' energy needs on the hottest days with clean energy resources. By 2025, renewable nameplate capacity — including capacity from power purchase agreements — will have grown to 30 percent, an increase from 14 percent in 2021. We look forward to continued growth as we transition from coal to renewables.

We own and operate five wind parks in Michigan: Lake Winds Energy Park (100 megawatts) in Mason County, Cross Winds Energy Park (231 megawatts) in Tuscola County, Crescent Wind Farm (166 megawatts) in Hillsdale County, Gratiot Farms Wind Project (150 megawatts) in Gratiot County, and Heartland Wind Farm (201 megawatts) in Gratiot County.

We also offer voluntary renewable energy customer programs. These programs accelerate our journey to net zero carbon emissions as outlined in our Clean Energy Plan and enable our customers to participate fully in the Clean Energy Transformation. For example, our Solar Gardens program allows customers to affordably subscribe to blocks of solar energy without purchasing or installing their own panels. To support equitable access to solar benefits, the MI Sunrise component of Solar Gardens allows schools and nonprofit community organizations to subscribe on behalf of income-qualified customers. The program also provides credits on subscribers' utility bills.

Similarly, our Large Customer Renewable Energy Program helps businesses meet their sustainability goals, attract capital and improve their sustainability brands. The program has 120 megawatts of capacity that is fully subscribed, and 686 megawatts of contracted customer demand to support the build-out of new wind and solar resources. In 2024, the 1,000 MW cap on this program was removed, enabling us to continue to serve the growing interest in renewables from our business customers. We are actively pursuing new renewable energy assets through a competitive solicitation process to meet increasing customer demand for this program.

Customers Can Offset Carbon Emissions Through MI Clean Air Program

MI Clean Air, a program offering customers the opportunity to reduce their carbon footprint associated with natural gas use, is expanding. The program, which offers Michigan-based forestry carbon offsets, will now include several renewable natural gas projects (RNG) developed in partnership with farmers across the state, increasing options for customers to offset a portion — or all — of the emissions associated with their natural gas use through carbon offsets.

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Balancing Energy Demand

Partnering with our business and residential customers to reduce energy use is a critical element of our Clean Energy Plan. Our demand response programs help business and residential customers reduce their use during peak hours on high-demand days, which reduces our need to deliver additional purchased or produced energy at peak times when prices are highest. Through our demand response portfolio, we also offered customers the opportunity to build energy awareness, save money and understand energy price signals. We take pride in our environmental leadership and commitment to responsibly manage customer bill impacts.

In 2023, our customers enrolled in demand response totaling 644 megawatts — enough to exceed our 618-megawatt target and avoid building another power plant. More affordable and better for the planet, we integrate demand response into our capacity portfolio to meet the aggressive program goals in our regulatory filings with the Michigan Public Service Commission.

Our Electric Vehicle Transformation

We're leading Michigan's electric vehicle transformation by committing to power 1 million electric vehicles by 2030. The goal would put Michigan in the driver's seat for the next generation of clean, zero-emissions vehicles and support our company's clean energy goals.

By every measure, Michigan continues to see interest in electric vehicles accelerate. We are proud to power that transformation, working with drivers, business owners and community leaders to make EV ownership convenient, affordable and clean.

Our support for Michigan's EV transformation includes:

Customer programs. Incentives for over 5,000 EV chargers for homes, businesses and in public places through our programs. PowerMIDrive incentivizes off-peak charging at home and at your overnight destination when electricity is cheapest and optimizes the grid for all customers. PowerMIFleet offers fleet customers independent consulting services to help evaluate adding EVs and EV charging systems (including workplace Level 2 and fast chargers) to their business operations, in addition to the many financial benefits available for charging off-peak.

Expert help. Customers can connect with our EV specialists to answer their questions, whether they're considering an EV purchase or have driven thousands of miles. Like a concierge service, our specialists help customers select the charger that best meets their needs, schedule an electrician to quickly and safely install it, facilitate applicable rebates and direct customers to their best value off-peak rate option. And it's free. To learn more, visit our [website](#).

More EV charging. By 2030, we expect to power 5,900 more EV fast chargers at 1,500 public locations throughout Michigan, and 157,000 Level 2 chargers at hotels and apartments to promote EV access for renters and travelers.

Rebates for multifamily and community charging. Our PowerMIDrive program provides rebates for EV chargers at apartments and other multifamily locations where vehicle owners need to charge their vehicles overnight. The multifamily EV charging program offers \$7,500 rebates to encourage property owners to invest in overnight charging for their tenants. A community charging pilot will provide a \$7,500 rebate to 25 Michigan municipalities that install a charger in public parking lots or curbside locations, with a focus on places within one block of multifamily properties. Learn more at ConsumersEnergy.com/overnightcharge or ConsumersEnergy.com/communitycharging.

Leading by example. We aim to electrify 30% of our internal fleet by 2030 and all light-duty purchases after 2030. Despite market challenges, we are committed to adopting EV technology. Using data and collaboration, we strive to maximize EV effectiveness in reducing emissions. In 2024, we'll add 20 Silverado EV pickups and an all-electric bucket truck.

Preparing electric grid for the influx of EVs. Over 90 percent of all EV charging we track takes place outside the peak hours of 2-7 p.m. That means EVs are using the grid at times when demand is low, limiting or even eliminating the need to build power plants to meet the additional demand. We are the top-performing EV load management utility in the nation! More kWh through the same infrastructure means downward rate pressure for all customers, whether they drive an EV or not. Now that's optimizing the grid!

ENERGY RESILIENCY AND RELIABILITY

We are modernizing our electric distribution system to continue safely supplying affordable, reliable power for Michigan. We're replacing poles and wires, upgrading substations and exploring the value of burying more power lines to strengthen the network that keeps power flowing to our homes and businesses every day. Our goal is simple: fewer, shorter and less frequent power outages for our customers.

Additionally, we're creating a more stable system to serve our state for decades to come. That means using the latest smart technology to pave the way for electric vehicles while increasing capacity to avoid outages and overloads.

We filed our updated five-year **Reliability Roadmap** with the Michigan Public Service Commission in September 2023. It's a blueprint for serving Michigan today and innovating to meet tomorrow's challenges.

While the risk of wildfire events within Consumers Energy's territory remains lower than Western utilities, given the significant wildfire events in Hawaii and Texas, mitigating this risk has become increasingly important to the electric utility industry. Accordingly, Consumers Energy is taking a stand to prevent destructive wildfires in Michigan. We filed our Wildfire Risk Mitigation plan with the Michigan Public Service Commission in 2024.

This plan describes the company's approach to mitigating the risk of wildfires caused by or impacting electrical infrastructure and surrounding communities throughout our service territory with safety as the top priority. We first identified the growing risk of wildfires due to changing weather patterns in the Reliability Roadmap and subsequently created this plan to mitigate that risk.

Powering a New Vision

We're leading the transition to a resilient clean energy future. As energy demand and extreme weather threats increase, strengthening the energy grid is more important than ever — and so is ensuring fair and equitable access to all customers.

With continued investment, technological advances and support from regulators and key stakeholders, our Reliability Roadmap can dramatically transform how we serve Michigan.

We envision a future when:

- No single outage affects more than 100,000 customers.
- All customers have power restored within 24 hours after an outage event.

Our Roadmap

We're serving our 1.9 million electric customers throughout Michigan's Lower Peninsula with a system that's safe, reliable, affordable and clean. Our five-year plan improves reliability performance by focusing primarily on:

Infrastructure upgrades: We're making prudent, proactive investments to replace or rebuild poles, better understand how to bury power lines cost-effectively and organize circuits more efficiently to ensure fewer customers are impacted by outages.

Forestry management: Traditional tree trimming is still the most effective way to prevent and shorten power outages and improve system reliability. Our plan significantly increases spending on tree trimming to keep distribution lines clear.

Grid modernization: Smart meters, sensors and automation devices work together to help us monitor our system more effectively, optimize power delivery and solve problems faster, often before customers notice.

Energy equity and environmental justice: We will continue to evaluate how different communities experience reliability and resiliency and consider environmental justice as we determine priority infrastructure investment projects. We will also weigh future implications for grid access when it comes to EVs and other technologies.

Customer Benefits

Resiliency: Michiganders are experiencing more frequent and severe storms due, in part, to climate change. We're designing a tougher, harder grid built to face whatever Mother Nature throws our way. Our poles, for example, will be designed sustain winds over 100 miles per hour under expected storm conditions.

Reliability: Keeping the lights on is a top priority. We know how frustrating and disruptive power outages are for our customers, and we're investing in the resources to continue meeting Michigan's peak electricity needs on the hottest summer day.

Affordability: We're determined to provide maximum energy value for every customer dollar. That means carefully considering every investment in our system to ensure it produces effective, efficient results for all customers.

Safety and security: Nothing is more important than protecting our customers, our co-workers and the communities we serve. From properly training lineworkers to guarding downed wires and employing the latest cybersecurity tactics, we're committed to working safely.

Sustainability: We define sustainability as practices that help our communities thrive without putting future generations at risk. We're building Michigan's grid to last and reducing energy waste to protect the planet.

Reliability Roadmap: Sometimes Off-Roading is Required

When you think of energy providers and power restoration, you likely think of lineworkers and bucket trucks. While that's true, there are hundreds of behind-the-scenes employees - from dispatch to forestry to system control - who are dedicated to keeping the lights on for our customers.

It's not just boots on the dry ground doing the work. Some of our co-workers are navigating a military-like precision vehicle through Michigan's waters. A few are flying in a helicopter to inspect power lines. Some are operating drones to locate downed wires and other potential issues.

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Meeting Demand Through Natural Gas Operations

We're one of the nation's largest natural gas companies. Our infrastructure comprises more than 28,000 miles of distribution main and about 2,400 miles of transmission pipeline. We continually make improvements to ensure we deliver safe, reliable, affordable and clean energy to our natural gas customers.

Our Natural Gas Delivery Plan, updated annually, is a 10-year natural gas system investment plan. The plan, valued at over \$12 billion, includes accelerated infrastructure replacements, innovative leak detection technology and key process changes to reduce or eliminate methane emissions.

Advancing a Cleaner Natural Gas Future

In early 2022, we pledged to protect the planet by achieving net zero greenhouse gas emissions from the company's entire natural gas production and delivery system — including emissions from customers and suppliers — by 2050.

Achieving net zero emissions means eliminating the impact associated with the burning of natural gas by customers and greenhouse gas emissions caused by natural gas suppliers who produce and transport natural gas to our system.

Natural gas is safe and affordable, and now it can be even cleaner. We're making historic, industry-leading changes to protect our planet. This commitment is another step in leading the Clean Energy Transformation for Michigan.

Reaching net zero will require us to balance many diverse emissions reduction opportunities with safe, reliable, and affordable energy delivery. It will also require partnerships with stakeholders across Michigan to ensure a decarbonized gas system can continue to meet the needs of customers, communities and businesses.

To support Michigan's decarbonization goal to reach carbon neutrality by 2050, we set an interim goal to help our customers reduce Scope 3 emissions by 20 percent from 2020 levels by 2030. Our Scope 3 emissions reduction plan includes energy waste reduction, renewable natural gas, carbon offsets and emerging decarbonization technologies. Each must contribute to our 20 percent-by-2030 goal while on Michigan's path to net zero carbon emissions by 2050.

Pursuing a net zero goal for all emission sources, including those from customers and suppliers, aligns the company's efforts with Michigan's MI Healthy Climate Plan to achieve net zero carbon emissions by 2050. The 2050 goal also aligns with the recommendations of the Paris Agreement to limit global warming to less than 1.5 °C. An interim goal for the natural gas side of the business does not meet this recommendation.

We are deeply invested in several tools to support customers and suppliers who want to reduce their emissions, including:

Carbon offsets: The company received regulatory approval for a new program for residential and business customers who want to voluntarily offset carbon emissions from their natural gas use. This program centers on forestry-based carbon offsets in Michigan. The company supplies offsets from an in-state forestry project located in Michigan's Upper Peninsula, limiting the volume of deforestation, promoting clean air, preserving wildlife habitats and advancing clean carbon storage.

Renewable natural gas, or RNG: Produced from organic wastes and other renewable sources, RNG is interchangeable with conventional natural gas and a key technology available to offset methane emissions. The company announced an agreement with Swisslane Farms in West Michigan to build multiple biodigester facilities that will convert agricultural waste into RNG. Early in 2024, we received regulatory approval to build, own, operate and maintain RNG production plants to serve customers on a voluntary basis.

Energy waste reduction: We help customers reduce energy waste and lower energy bills with several energy efficiency programs for residential customers, small and medium-sized businesses and large commercial and industrial customers.

Our plan also evaluates emerging technology like hydrogen production, carbon emissions capture and storage, and customers' use of hybrid natural gas and electric heat pump systems.

Leading the Clean Energy Transformation with "Agri Energy Center" in Southwest Michigan

With help from Michigan farmers, we've planted the seeds for a brighter energy future in the lush green fields northwest of Battle Creek, where a nearly defunct dairy farm will soon produce both solar power and renewable natural gas alongside its farming operations.

We originally bought nearly 3,000 acres at the Spring Creek farm straddling Calhoun and Barry counties as part of a plan to build a utility-scale solar power plant. Rather than shutter the farm's existing dairy operations, we've partnered with Swisslane Farms, a large dairy farm near Grand Rapids, to keep the business running and provide fuel for a new biodigester to convert into clean, renewable natural gas, or RNG.

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ENVIRONMENTAL COMPLIANCE

We're committed to sustainable and compliant operations as outlined in our [Corporate Environmental Policy](#). We demonstrate this commitment by exercising the precautionary principle and conducting due diligence to identify and minimize environmental impacts in the communities where we operate. Environmental compliance is ingrained in our processes and values.

Environmental policy is the core of our Environmental Management System (EMS). We maintain and continually improve an EMS modeled on the International Organization of Standardization 14001 standards. These standards consist of environmental best practices to help organizations comply with applicable regulations, minimize environmental impacts and continually improve their processes to achieve compliance. Additionally, our internal compliance team conducts annual environmental compliance reviews.

Caring for Land, Water and Wildlife and Reducing Waste

We love Michigan and work continually to improve the place we call home. This includes setting land, waste and water protection goals. In 2021, we exceeded our five-year planet goals to enhance, restore or protect 5,000 acres of land in Michigan, save 1 billion gallons of water from a 2017 baseline and reduce waste sent to landfills by 35 percent — all a full year ahead of schedule. We met our goals with companywide efforts like environmental cleanups, improving wildlife habitats, increasing recycling at our facilities and finding new ways to conserve water at our generation facilities.

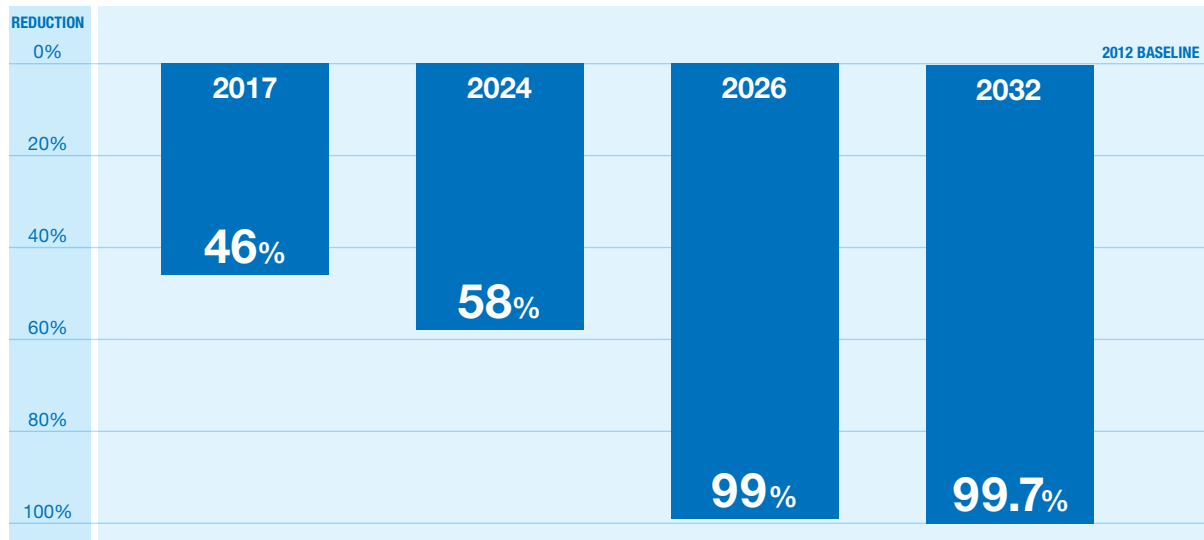
To build on this success, we've set additional five-year goals, including:

Land: Enhance, restore or protect 6,500 acres from 2023 through the end of 2027.

Waste: Maintain our annual waste diversion (reused/recycled) rate of at least 90 percent through 2027.

Water: Reduce water usage via process water reductions by 1.7 billion gallons through 2027. These efforts, when combined with once-through cooling water reductions, will result in 99% reductions in overall water use by 2026 for Consumers Energy.

Water Usage Percent Reduction



Retiring our remaining coal-fired plants in 2025 will positively impact water conservation. We expect to reduce overall water use by 99 percent by 2026 compared to our 2012 levels. In 2023 alone, we saved over 660 million gallons through operational changes and reduced our once-through cooling water at our coal plants by nearly 100 billion gallons. Other water efficiency efforts include:

- Prioritizing water conservation when considering new generation sources.
- Developing strategies to save and reuse water during pipe replacements.
- Reducing and recycling water at steam-fired plants.
- Collecting and reusing water that runs off coal piles.

Through a water reduction initiative at our coal generation sites, engineers evaluated water use for bottom ash transport. We reduced bottom ash transport water use from three times daily to twice daily, reducing our use by millions of gallons every year.

Additionally, we have alternative water use initiatives, such as on-site stormwater capture, to supplement our freshwater needs and further reduce the amount of freshwater extracted from surface water and the ground.

Committed to Protecting the Planet and Its Critters

With our facilities, pipelines and wires covering thousands of acres across the Lower Peninsula, we understand our responsibility to care for our lands, which often includes taking care of the animals who live there.

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BIODIVERSITY

We also take pride in our passionate employees who look for opportunities to continuously improve the company's impact on Michigan's biodiverse ecosystems. In 2024, we set a goal to plant 4,000 trees between 2024 and 2027.

Through our biodiversity efforts, we do what's right, not merely what's required. That includes applying our Environmental Review Checklist (ERC) process to every project we undertake that impacts the environment. The ERC helps ensure projects are designed with the environment in mind. The ERC also ensures we comply with all environmental laws and regulations, minimize our negative environmental impact, and when possible, improve environmental quality.

Our Environmental Quality and Sustainability team uses the ERC to evaluate all projects and identify environmentally amenable solutions. The ERC leverages a best-practice hierarchy approach to assess habitats. The assessment yields useful information for engineers as they design and build projects to minimize or mitigate disturbance to the environment.

And the approach is working. For example: In 2023 and 2024, we released 24 and 56 turtle hatchlings, respectively, back into natural wetland habitats after the juveniles were rescued as eggs along the path of the Mid-Michigan Pipeline Project. The turtles came from eggs of adult females that were safely removed from the pipeline path throughout the course of the summer and were incubated and nurtured by Herpetological Resource and Management (HRM).

While working on Mid-Michigan Phase I, the Construction crew discovered a fox den in the middle of the right of way. The team fenced off the den and allowed the mother to enter and exit until the kits were old enough to leave. They successfully relocated once they were old enough, without disturbance from the pipeline installation.

In 2023, we released our first biodiversity report. This annual report highlights efforts to protect, enhance and restore land in Michigan through sustainable construction and project planning, employee volunteerism and corporate giving. Read our 2024 report [here](#).

Two Dozen Young Turtles Rescued During Mid-Michigan Pipeline Project Return Home

With a hand from some young helpers, we recently released two dozen little turtles back into their natural habitat after they were rescued during construction of our Mid-Michigan Pipeline Project.

Several employees and their children joined the turtle release in rural Ingham County. The turtles came from eggs of adult females carefully removed from the pipeline path and were incubated and nurtured by Chelsea-based HRM with help from Sea Life Michigan Aquarium.

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SOCIAL

Achieving our goals extends beyond our environmental commitments. We're deliberate in making decisions that positively impact our customers and communities with a focus on our customers' needs, diversity equity and inclusion (DE&I), labor and human rights, safety and security.

ENERGY AFFORDABILITY

Keeping energy bills affordable for our customers is core to how we operate as a business. Reducing energy use through aggressive energy waste reduction not only benefits the planet but our customers as well. We also demonstrate care for our customers through support of energy assistance programs.

Our Energy Efficiency Programs

In 2023, our energy waste reduction programs helped customers save over 650 GWh and nearly 3.8 Bcf in energy consumption resulting in a boost to total customer savings of \$6.3 billion since 2009. The programs also prevented nearly 28 million tons of carbon dioxide emissions. Cumulative savings from 2009 to 2023 are equivalent to supplying electricity to about 4.3 million homes and natural gas to about 1.9 million homes for a year.

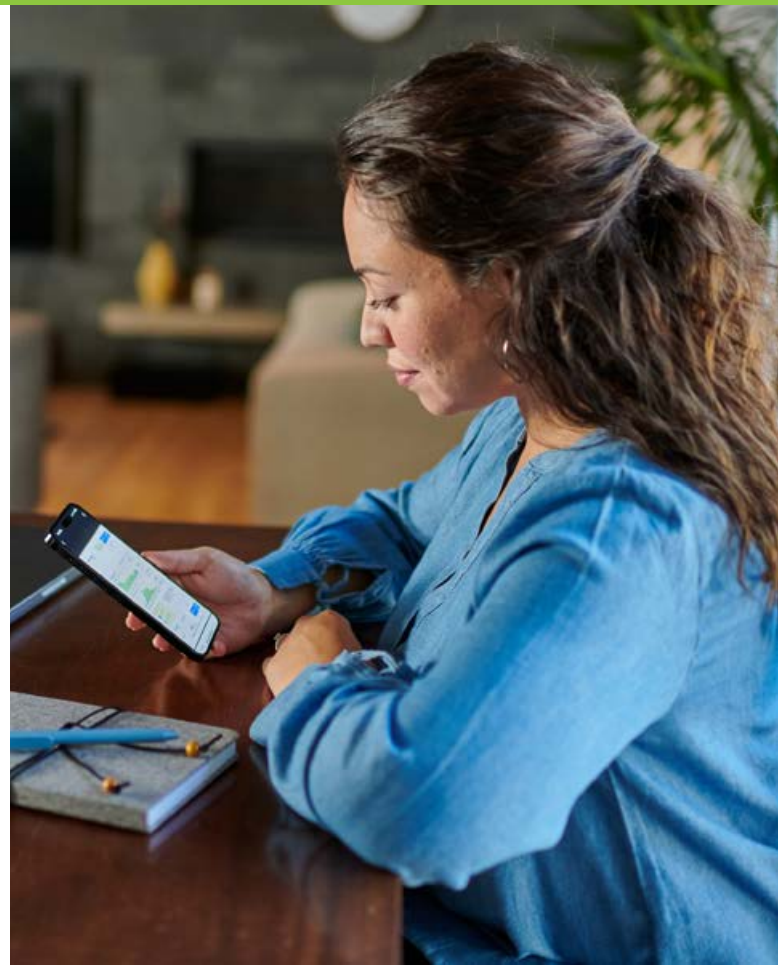
Exceeding our statutory energy savings requirements, we've set a target to achieve an average of 2 percent and 1 percent incremental electric and natural gas savings respectively over the course of our 2024-2025 energy waste reduction plan.

In recognition of these efforts, we received the U.S. Environmental Protection Agency's 2023 ENERGY STAR® Partner of the Year — Sustained Excellence Award, the EPA's highest recognition for corporate energy management. It's the 11th year we've received the recognition for our energy management performance.

Help for Low-Income Customers

Our energy waste reduction (EWR) plan reflects our commitment to achieve aggressive energy savings and increase investment in low-income energy efficiency programs. These efforts include developing innovative approaches to connecting EWR with low-income energy assistance programs and increasing funding for more holistic low-income, single-family and multifamily housing measures.

In 2023, we continued to expand the Income Qualified Health and Safety pilot, which helps customers address structural or other damage in their homes that hinders installing energy saving measures. The cornerstone of the pilot, and all EWR program income-qualified efforts, is collaboration with partner agencies. This helps leverage EWR investments and implement comprehensive solutions to reduce customers' energy burden. The EWR program also launched the Flint Initiative, a targeted approach to identify and provide EWR and health and safety intervention to single and multifamily customers struggling to pay energy bills in six Flint, Michigan zip codes identified by EWR stakeholders as priority areas with strong community partner agency support.



Creating Energy Efficiency Solutions for all Customers

Offering energy efficiency solutions to help our customers save energy and money is nothing new. In fact, since 2009, our energy efficiency programs have saved customers over \$6.3 billion on their bills and helped nearly 200,000 low-income customers make their homes and apartments more energy efficient and affordable. Last year, we created a pilot program and invested more than \$1 million in initiatives to improve quality of life and reduce bills for customers in historically disadvantaged communities in Michigan.

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Additionally, in 2022 and 2023, we committed \$4.5 million through energy assistance programs to fund a bill payment pilot program and \$7.2 million in other direct assistance to low-income customers struggling to pay their energy bills. Through 2022 and 2023, we made direct payments of about \$23 million to the past-due bills of about 31,000 low-to-moderate-income customers.

DIVERSITY, EQUITY AND INCLUSION

We're embedding DE&I into everything we do for our co-workers, customers, and communities. We stand for a diverse, inclusive workplace where the ideas and contributions of all are heard and valued and everyone feels they belong.

Our mission is to build and sustain a world class, inclusive workforce and customer experience which depends on our foundational principle that DE&I is embedded throughout our culture, people experience and our business processes. We care about the well-being of our co-workers, customers, and communities, are deliberate in fostering inclusion and take a public stand against racism, hate and bias. That begins with the support of our President and CEO, Garrick Rochow, who continues to be engaged in the CEO Action for Diversity and Inclusion™ Coalition — a national effort that brings corporate leaders together to address DE&I at the societal level, driving action and meaningful change.

Cultural Values

Our cultural values drive all our actions, enabling everyone to work safely to serve our customers and our communities. An intentional focus on our culture enables employees to thrive and succeed in an environment where their voices are heard and their contributions matter. Each value in the culture mindset is critically important.

At CMS Energy, DE&I isn't a moment; it's a movement. We're embracing that movement by leaning into our Cultural Values — Caring, Empowered, Deliberate, Agility and Ownership. It's those values that foster success in three key pillars for sustainable and inclusive transformation — culture, process, and talent — encompassing our co-worker, customer, community and investor interactions.

Business Employee Resource Groups

capABLE: Removes barriers, opens minds, and creates pathways to meaningful work for current and future employees of all abilities.

GENERGY: Provides a platform to focus on generational similarities in the workplace, while providing opportunities for discovering how to effectively communicate, embrace learning, and engagement styles of various generations.

Interfaith: Nourishes growth and understanding of faith expression in the workplace and creates pathways for meaningful connection with others, as we celebrate our beliefs and the beliefs of others, to allow for a more inclusive environment to retain and attract talent and help foster a more productive workforce.

Minority Advisory Panel: Supports the development, retention, and advancement of all racial and ethnic minorities through employee engagement, talent development, outreach, educational sessions, workshops, removing barriers and implementing inclusive solutions.

Pride Alliance of Consumers Energy: Makes both Consumers Energy and the communities we serve a great place to live and work by promoting an inclusive environment for LGBTQIA+ (Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, etc.) individuals.

Veterans Advisory Panel: Provides support to former and active military personnel and assists in recruiting and retaining veterans.

Women in Energy: Promotes an inclusive place for all women at Consumers Energy in the fields they have chosen from front line to management, including union and operations employees.

Our Processes

We focus on embedding diversity, equity and inclusion into our internal and external interactions and everything we do because we know equitable and inclusive processes yield greater outcomes for all.

Within our people processes, we launched a from-the-top learning model beginning in 2021 for all employees, starting with company leaders. We are committed to 100 percent unconscious bias training for leaders and DE&I Awareness training for our total workforce by the end of 2025. Through training all employees, we're building a solid foundation that makes DE&I an integral part of our DNA.

We're also maturing our business processes such as supplier diversity through building a framework that enables a high quality, long-term sustainable supplier network. It includes expanding our diverse supplier network, validating certification of diverse vendors and Enhanced Tier II reporting for our suppliers' suppliers.

Our Talent

We build a diverse, equitable and inclusive workforce through a strategic talent sourcing strategy that recruits in areas representative of all demographics, allowing us to build diverse, qualified candidate pools. We also focus on employee lifecycle processes including hiring, promoting, developing and succession planning. We require diverse hiring committees for every position posted and provide our leaders with training, guidance and resources to make inclusive hiring decisions.

Diversity, Equity and Inclusion Stands

In 2022, we launched our stands to monitor the success of our Diversity, Equity and Inclusion strategy to build and sustain a world class inclusive workforce and customer experience. Our stands support our strategy, are aligned with our Executive DE&I Council and represent multi-year, measurable aspirations in the areas of culture, talent, philanthropy and supplier diversity. We're excited about the road ahead and further embedding DE&I within our core business. We connect our DE&I program to executive and employee compensation by including our DE&I Index measure in our incentive compensation targets.

Our culture stand: We work in our company and our communities to value people of all backgrounds.

Our talent stand: We expect every future and current employee to have equitable opportunity to succeed.

Our supplier diversity stand: A vibrant and diverse supplier network increases competition, strengthens innovation and ultimately benefits our customer's pocketbooks.

Our philanthropy stand: We create equitable, sustainable change to support social justice initiatives throughout Michigan.

Other Efforts

Our commitment to DE&I strategy goes beyond our walls. We also support programs across our service territory, including supporting nonprofits chosen by our BERGs. Recent efforts include supporting the Inter-Tribal Council of Michigan, Grand Rapids Pride Center, Friends of Jackson Seniors, the Disability Network of Michigan and the National Guard Association of Michigan.

Through the work of the Consumers Energy Foundation, we allocate grant dollars to support nonprofit organizations working to advance racial and ethnic justice and striving to advance equity for women, veterans, the LGBTQIA+ community, people with cognitive and physical disabilities, and people living below the Asset Limited, Income Constrained, Employed (ALICE) threshold. As part of this commitment, our Foundation launched a DE&I grant program in 2022, awarding \$100,000 to support five community foundations across Michigan that are actively engaged in DE&I initiatives in their communities. The success from the first year of the program resulted in doubling grant dollars to \$200,000 to ten community foundations in 2023 and again in 2024. We'll continue to evolve our DE&I efforts with our customers, co-workers, communities and investors. Our comprehensive DE&I strategy enables us to focus on all aspects of diversity and create a company that is inclusive of all ideas in pursuit of the best outcomes.

FOSTERING A FUTURE-READY WORKFORCE

In recognition of the increasing demand for roles within our industry, particularly in specialized areas such as renewable energy, technological innovation, and data analysis, we offer competitive compensation and benefits. Our holistic talent management approach is designed to attract, nurture, and retain highly skilled co-workers.

This strategy encompasses:

Nurturing a mission-centric culture: We ensure our team members grasp their integral role in achieving our strategic objectives.

Innovating the employee experience: We're committed to fostering a sense of pride and ownership among our employees while cultivating an inclusive atmosphere.

Enhancing skills on a broad scale: We equip our employees with the necessary tools for success.

Embracing talent mobility: We prioritize talent mobility by investing in skill development, offering diverse pathways for talent and career growth, and ensuring our workforce remains agile and adaptable to industry changes.

Fostering leader capabilities: We believe leaders are difference makers and have implemented customized leadership programs to increase leader capabilities and provide leadership development opportunities.

Home is Where the Heart is: Meet Lineworker Sam Rockafellow

The bucket truck pulls slowly into downtown Fenwick. A quick glimpse is all it takes to survey the town's condition after another vicious storm hit.

The sole traffic light is out, the post office is empty, and nearby businesses and schools sit in the darkness and silence. And the community of 2,000 people anxiously wait for their power to be restored, with generators humming and candles burning.

For our crew, it resembles any small town in Michigan they have served or visited. But for Sam Rockafellow, a lineworker riding along in the bucket truck, it isn't like any other town – it's home.

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A Deepening Partnership With Our Union

All of us own all of this. It's this phrase that best defines the strength of partnership built jointly by Consumers Energy and the Utility Workers Union of America (UWUA). Together with the UWUA, we continue to deepen a high-value, mutually beneficial partnership that touches nearly all facets of our union employees' experiences. Dimensions of that partnership include:

A shared commitment to employee safety and operational excellence: Ensuring every employee goes home safe is job number 1. From the boardroom to the job site, we're tapping top-tier training, enhanced tools and a "stop the job" mentality that's substantially reduced safety incidents and injuries.

Championing DE&I: We want all employees, in all settings, to feel seen, valued, and heard through every aspect of their experience — from hiring to retirement and every step in between. Our DE&I Inclusion Champions — a union and salaried team working side by side — help bring those core concepts to life at all organizational levels. They advance organizational belonging through leading grassroots communication and engagement efforts, facilitating education sessions and workshops, identifying and addressing local inclusion gaps - solving problems for inclusive outcomes, and integrating DE&I within our external partnerships.

Building the workforce of the future: In 2018, we began a partnership with the UWUA and the Power 4America (P4A) trust to develop the Renewables Specialist Apprenticeship program. The apprenticeship program's goal is designed to develop a skilled workforce in-house to support the renewable generation assets as we add clean energy to our portfolio. So far, 12 apprentices have completed the program and are now helping operate and maintain our wind farms and Solar Gardens facilities.

Partnering in reliability: Our five-year, nearly \$9 billion Reliability Roadmap is a blueprint for serving Michigan today and innovating to meet the challenges of the coming decades. We're investing in more workers and more training to accelerate upgrades that benefit customers and communities.

Supporting Robotics Today to Strengthen Reliability and Build Tomorrow's Talent Pipeline

We are cheering on thousands of high school students across Michigan as robotics competitions kick into high gear, creating opportunities to master skills that will serve the state for the next generation.

We are a leading sponsor of robotics competitions and many employees mentor, volunteer and support teams across the state. We are committed to Michigan's talent pipeline as part of our Reliability Roadmap, our plan for a smarter and stronger electric grid, as well as encouraging people to work in the natural gas, clean energy and electric vehicle fields.

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Advancing Labor Rights

We're also deliberate in our actions to prioritize labor rights. CMS Energy and our subsidiaries comply with all applicable U.S. federal, state and local laws and regulations concerning our employees and labor issues in each of the states where we conduct business. Standards, including those found in the International Labor Organization 87 and 98, help inform our approach.

We acknowledge our employees' rights to associate freely and bargain collectively. Employees are expected to comply with federal and state laws and with our company's policies and collective bargaining agreement provisions, as applicable. This is outlined in our [Labor Rights Workforce Policy](#).

We conduct annual audits to ensure our policies and practices cultivate a workplace free of harassment and discrimination. The process includes reviews of hiring, terminations, promotion data, external outreach and vendor contracts. We also conduct annual compensation reviews for pay equity through a third party to ensure our employees receive fair compensation.

Additionally, we expect those we do business with to comply with our labor rights expectations. We ask third parties to operate safely and in a manner that reflects our values, which is also outlined in our [Third-Party Code of Conduct](#).

Ensuring Just Transition

We partner with our co-workers and communities to ensure they're treated justly and equitably as part of our Clean Energy Transformation, including our transition away from coal. Reinventing ourselves as a cleaner, leaner and more flexible energy company produces significant benefits for customers, employees and the communities we serve. But we recognize our bold plans can create new challenges.

As we prepare to retire our remaining coal-fired plants in 2025, we draw on previous experience in retiring our "Classic Seven" coal-fired plants. This process helped us develop a transition plan that supports our employees and communities. It includes:

- Committing to fair and equitable treatment of impacted employees, including offering new positions for those who wish to remain with our company.
- Engaging in clear and ongoing communication with affected communities and stakeholders that extends beyond decommissioning.
- Implementing solutions, when possible, to generate innovative ideas that help local officials to re-imagine their economic futures.

Our process to provide a just transition for our employees and communities is reflective of current concerns and adjusts to balance the needs of all stakeholders. Our community affairs managers, who live and work throughout our service area, are vital to these efforts.

ENERGY EQUITY AND ENVIRONMENTAL JUSTICE

We're embedding DE&I into everything we do for our co-workers, customers and communities. Advancing environmental justice is a prime example of this commitment in action. Environmental justice centers on protecting communities — especially our most vulnerable — from environmental harm caused by industrial practices. Achieving environmental justice means building and delivering a right-fit, scalable strategy to ensure every community sees maximum energy investment according to its needs with minimal environmental impact and energy burden.

Understanding our impacts and our communities' needs. As part of our 2021 Integrated Resource Plan, we conducted an environmental justice analysis to help understand our environmental and societal impacts in the Clean Energy Transformation. The analysis confirmed our Clean Energy Plan will enhance our efforts to protect communities from environmental harm. We were among the first utilities in Michigan to conduct the analysis, and we plan to do so in future regulatory proceedings as part of our commitment to care for the communities we serve.

Identifying disproportionately impacted communities. We use the State of Michigan's MiEJScreen interactive mapping tool to help assess how energy burden is distributed across Michigan communities. The tool connects with census tracts to yield composite scores highlighting areas that experience more pollution burden and socioeconomic vulnerability than those with lower scores. Our initial analysis revealed MiEJScreen threshold communities have better reliability than the system, on average. We're also proposing improvements to replace vintage open wire secondary lines with new higher-capacity,

safer and more durable shielded triplex cable. These upgrades help ensure residents, especially in MiEJScreen communities benefit from an equitable Clean Energy Transformation. Further analysis is ongoing, and as that develops, we will continue to evaluate and prioritize reliability in environmental justice communities.

Working to embed environmental justice into our operational and investment strategies. Better data yields better decisions for disproportionately impacted customers and communities. We're working to embed energy equity and environmental justice into our electric, natural gas and customer experience decision-making processes. As an example, our electric distribution planning team has added MiEJScreen environmental justice impact scores as an input to determining priority infrastructure investment projects.

Deploying sustainable development practices. Beyond ending coal use, our plan also includes more owned and contracted renewables (solar and wind) through 2040, which also fuels our supplier diversity goals. Our sustainable development practices prioritize being good corporate neighbors and constructing, maintaining and operating our facilities according to the highest safety and environmental standards. We're committed to collaborating with landowners and local communities to select optimal project locations and proactively communicate clearly about project plans and benefits. We're equally committed to minimizing environmental impacts to land, the species living on it, and rights of way.

Tapping stakeholders' knowledge, perspectives and successes. We are actively collaborating with stakeholders committed to defining, measuring and implementing environmental justice efforts in Michigan and nationally. These include energy industry trade associations and the Michigan Public Service Commission's Energy Affordability and Accessibility Collaborative. Within the company, our DE&I, environmental, gas strategy and electric distribution teams, along with our Executive DE&I Council, are working to identify and address energy equity and environmental justice priorities for our customers and communities.

CARING FOR OUR COMMUNITIES

We are committed to making life better for customers by directly supporting local communities through charitable giving and volunteerism. We do this by sponsoring community events throughout our service territory, engaging employees and retirees to volunteer in their communities, facilitating in-kind donations to schools and nonprofit organizations, spearheading corporate charitable donations, and providing grant dollars to nonprofits through the work of the [Consumers Energy Foundation](#). In 2023, the Consumers Energy Foundation, Consumers Energy and our employees and retirees contributed more than \$11 million to Michigan nonprofits and municipalities.

The Consumers Energy Foundation

We've given back to Michigan communities for nearly 138 years, and since 1990, we've helped local communities grow and thrive through the Consumers Energy Foundation. The Foundation contributes to the strengthening of Michigan communities by investing in what's most important — our people, our planet and Michigan's prosperity. In 2023, the Consumers Energy Foundation contributed more than \$7.8 million to nonprofit organizations throughout Michigan.

Foundation giving is separate from other company contributions and cannot be used to directly benefit the corporation. The Foundation is funded by company donations not included in customer rates.

2023 Signature Grant Awards

Each year, the Consumers Energy Foundation makes signature grant allocations of \$500,000 each (totaling \$1.5 million). These signature grant allocations are named the People Awards, the Planet Awards and the Prosperity Awards. Each grant round provides up to \$250,000 to two or more Michigan nonprofit organizations striving to make a positive impact aligned with the corresponding signature grant area.

Nonprofit organizations throughout Michigan can submit letters of intent for these signature grants and the top projects are invited to submit applications for consideration. In 2023, the Consumers Energy Foundation awarded these signature grants to seven organizations:

2023 People Awards. In 2023, the Consumers Energy Foundation recognized nonprofit organizations actively engaged in ending poverty and reducing ALICE individuals in Michigan. The 2023 People Awards placed focus on organizations addressing basic needs (such as shelter, food, clothing, and household goods). The recipients of the 2023 People Awards were the Jackson Friendly Home (\$125,000), the John George Home (\$125,000), and The Storehouse of Community Resources (\$250,000).

2023 Planet Awards. The Consumers Energy Foundation is dedicated to ensuring Michigan has world class natural resources by funding organizations and programs that strengthen environmental education and stewardship, preserve Michigan's natural beauty and reduce environmental impact when natural resources are used. In 2023, the Consumers Energy Foundation celebrated Earth Month by providing \$500,000 to support two projects that aim to protect threatened and endangered species and create natural spaces. The recipients of the 2023 Planet Awards were the Nature Conservancy-Michigan Chapter (\$250,000) and the Genesee Conservation District (\$250,000).

2023 Prosperity Awards. The Consumers Energy Foundation passionately believes all Michiganders deserve to live in safe, affordable communities rife with public assets and world class cultural resources that enrich the lives of residents and visitors. These elements are critical to ensuring Michigan businesses and communities grow and thrive. In 2023, the Consumers Energy Foundation supported two projects that helped advance Michigan's prosperity. The recipients of the 2023 Prosperity Awards were the Cheboygan Area Arts Council (\$250,000) and the City of Madison Heights (\$250,000).

Employee and Retiree Giving

Our employees and retirees give generously of their time, talent and treasure, and these efforts are rewarded through the Consumers Energy Foundation's Volunteer Grant and Matching Gifts programs.

Volunteer Investment Program: Employees and retirees who volunteer in their communities during their free time can earn grants to support the nonprofits they care about most.

Caring for Community: Teams of five or more employees and/or retirees volunteering together to support an eligible nonprofit can receive a \$250 grant for that organization.

Matching Gifts: Employees and retirees who make personal charitable contributions to eligible nonprofits can have their donation matched dollar-for-dollar up to \$1,000 per donor, per year.

Through these programs, our Foundation can expand our reach and invest funding directly into the local communities where our employees and retirees are actively involved. In 2023, employees and retirees spent more than 65,000 hours volunteering across Michigan. More than \$440,000 was donated to nonprofit organizations through the employee and retiree volunteer grant and matching gifts programs.

People Award Helps Cristo Rey Expand Assistance Programs

A new cargo van and other infrastructure improvements will mean more opportunities for families in the Greater Lansing area to receive the fresh food and personal care items they need. Cristo Rey Community Center received a \$250,000 People Award grant from the Consumers Energy Foundation to support its on-site basic needs assistance programs.

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SAFETY, HEALTH & WELLNESS

Our focus on safety is embedded deep in our culture. We are committed to the safety, health and wellness of employees, customers, and community members.

Our Focus on Employee Safety

The health and safety of our employees and the public is always our top priority. We've worked hard to improve our safety culture and performance and have implemented a proactive, risk-based program in partnership with EEI and other utilities. The Safety Classification and Learning Model allows us to address safety precursors, such as "Safety Good Catches" or "Stop the Job," and implement controls to prevent serious injuries or deaths.

Additionally, we have evolved our definition of safety to not only support our employees' physical safety but also their psychological safety. Our employee well-being worldview is supported by internal well-being consultants and several tools that improve physical, financial, emotional, social and professional health.

Karn Flag Lowering Ceremony Honors Employees, Celebrates Michigan's Clean Energy Future

In June of 2023, we commemorated the formal closure of two Karn coal plants with a ceremonial lowering of the facilities' flag. The event was attended by generations of employees and retirees, union leadership and community members, including the Karn family. Named for former Consumers Energy President Dan E. Karn, the plant began operating 64 years ago.

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PHYSICAL AND CYBER SECURITY

Physical and Cyber Security teams partner closely as members of the same organization within CMS Energy, including our subsidiaries, Consumers Energy and NorthStar Clean Energy, and report up through a single Vice President who is accountable for both. Security is subject to state, federal and industry regulations that include a focus on cyber security, physical security and privacy. Risks are managed through a robust program that includes people, processes, technology and governance structures.

We maintain a strong security culture because we acknowledge today's security threats pose risks. Our security culture focuses on shared responsibilities among our employees to maintain a secure environment.

The Board of Directors (Board) oversees our security risks including cyber security, physical security, compliance and privacy. Of note, two Board members have extensive industry experience in cyber security.

The Board receives updates at the start of each year that cover the current threat environment, regulatory updates, review of prior-year incidents and a strategic look forward. The Board receives a second update around mid-year. Board oversight also includes regular program updates and third-party audits.

Our "See Something, Say Something" program encourages employees to report suspicious activity. Employees also receive annual security training covering several physical and cyber security topics.

Leading The Way In Cyber Security

We manage our cyber security program using industry frameworks and best practices developed by government and industry partners. We make significant technological investments to prevent, detect and respond to attacks. Our electric, natural gas and corporate systems each follow standards, controls and requirements to maintain compliance. Our payment card industry compliance is audited annually.

Our cyber security incident response team is a dedicated, proactive function focused fully on monitoring our systems and responding when issues occur. This includes regular information sharing with industry partners, peer utilities and state and federal government agencies. We retain third-party cyber security firms to assist with potentially significant incidents. And we've invested in cyber security insurance to offset any costs incurred from incidents. Over the past three years, we experienced no material cyber, physical or privacy incidents and received no regulatory fines.

We Have a Robust Set of Security Policies Covering a Variety of Topics Including:

- Security Awareness & Training
- Security Risk Management
- Information Privacy & Confidentiality
- Third-Party Security
- Cyber Security Incident Response
- Vulnerability Management Program
- Patch Management Program
- Malicious Software Prevention/Detection
- Physical Access Management
- Event Management
- Physical Risk Management Acceptable Use
- Security Organization
- Security Policy Administration
- Remote Access
- Personal Mobile Acceptable Use Policy
- Password/User ID Policy
- Encryption Policy Weapons Free Workplace Policy
- Human Trafficking Policy
- Weapons Policy
- Manage Security and Access

All technology projects are reviewed for adherence to cyber security requirements. A robust process is leveraged by specialized team members dedicated to finding and remediating vulnerabilities in our systems. We extensively use third-party firms for penetration testing, audits and assessments.

We also conduct monthly phishing tests through our “Don’t Take the Bait” program, which asks employees to report suspicious emails that demonstrate common phishing tactics in real-world scenarios. When a test phishing email is clicked, employees are provided information on cyber security best practices. We monitor our “Don’t Take the Bait” statistics every month and share them with employees to further emphasize their role in cyber security.

Privacy

Our privacy policy uses industry-standard administrative, technical, and physical security measures to ensure the integrity of our systems and protect customer information from unauthorized access, destruction or alteration. Protection measures include an enterprise security program based on industry standard frameworks, security awareness for employees, a dedicated team to detect and respond to threats, and collaboration with peers and state and federal partners.

Physical Security

We take employee and customer security seriously and strive to provide a safe and secure environment free from violence or threats of violence. Our buildings and power plants are equipped with security enhancements, including physical barriers, secured access areas, cameras, alarms and other monitoring equipment. Employees must use electronic badges to access sites and display identification badges throughout shifts.

As part of our physical security efforts, we also:

- Partner with the Michigan Intelligence Operations Center and law enforcement to share information related to any act of violence or threat to employees or customers.
- Mitigate potential threatening or dangerous situations through employee education, including annual mandatory training on workplace violence and volatile situations and guidance for customer-facing employees to report dangerous situations to co-workers or customers.
- All employees are encouraged to sign up for and receive notifications about security threats and threats of violence.
- Conduct daily safety tailboards when groups of co-workers gather at work, in the field or remotely, to identify hazards, define responsibilities and review exit strategies in the case of a real threat. If violence or imminent danger occurs, employees are instructed to immediately call 9-1-1 first, and then our security command center.



GOVERNANCE

CMS Energy and Consumers Energy integrate several levels of sustainability oversight into daily operations. We use several governance and risk management tools when addressing sustainability matters. These include oversight by the Board and its committees, an enterprise risk management (ERM) program and robust strategic and business planning processes.

BOARD OVERSIGHT

Our Board is comprised of directors with experience and knowledge in sustainability issues. The Board also deploys the highest level of sustainability practices oversight. Reviews of these practices occur at the Board and Board committee level. The Board also oversees our strategy and operations, including significant risk items and the corporate risk assessment process.

The Audit Committee oversees our ERM framework, which includes strategic and operational risks, and processes, guidelines and policies for identifying, assessing, monitoring and mitigating such risks.

The Governance Committee reviews and evaluates the composition of the Board, recommending Board nominees, broadly overseeing corporate governance and advising and assisting the Board in public responsibility and sustainability matters.

Acknowledging the growing importance of sustainability and climate-related matters, the Board in 2018 formally tasked the Governance Committee with oversight of sustainability practices by adding this responsibility to its charter.

The Compensation Committee is responsible for our executive compensation structure, benefit and compensation plans and critical human resource programs.

The Finance Committee regularly considers topics such as safety, environmental, quality and morale when approving capital projects and monitoring their progress. The CMS Energy website discloses committee charters and other governance documents, including our [Corporate Governance Principles](#).

Separate from our Board, our Environment & Sustainability Council, comprised of senior leaders, also guides our environmental compliance and sustainability programs and governs decisions that support our commitment to the planet. This includes short- and long-term strategic decisions pertaining to environmental issues including climate goals and physical risks and sustainability disclosure reporting.

ENTERPRISE RISK MANAGEMENT

In addition to a robust oversight structure, we maintain an ERM program to ensure risks that may significantly impact the business are known, understood, and used to inform risk-mitigation strategies. The scope, roles and responsibilities related to the ERM program are included in our corporate risk policy, which is approved by the Board's Audit Committee. The ERM program covers risks for CMS Energy and our subsidiaries across many areas: strategic, operational, regulatory, environmental, financial, information technology and cyber security.



One area addressed through our risk program is the physical impacts of climate change. As Michigan's most far-reaching energy provider, Consumers Energy is especially focused on climate change resiliency and has a cross-functional team known as the Climate Adaptation and Resiliency Team to discuss these potential impacts on our assets and how to address these issues cost-effectively. In fact, Consumers Energy was among the first utilities in the Midwest to publish a report analyzing climate change risks to our infrastructure, the [Climate Change Risk, Vulnerability, and Resiliency Report](#).

Internal and external data sources offer long-term strategic planning input. The information is used to assess our strategic choices and underlying assumptions. Data is analyzed and synthesized into an update on trends and new opportunities that are critical to our current and future business. The data influences multiple areas of our strategy, including distributed energy resources, wholesale markets, customer energy use trends and climate policy.

STAKEHOLDER ENGAGEMENT

Our stakeholders are critical to our success. We spend considerable time and effort listening to our customers, community members, co-workers, investors, regulators and other key stakeholders. These discussions are part of our long-term planning processes.

To serve our communities' needs, members of our Community Affairs Team live and work in cities, towns and rural areas throughout our service territory. They engage with local stakeholders including community members and business and civic leaders.

We put stakeholder engagement first as we deployed a thoughtful and thorough approach to closing two coal plants in Michigan's Bay region. We continue to evaluate the site and work closely with local leaders to determine next steps for the grounds. The plant property is already home to a diverse array of wildlife, including eagles, deer, and fish. We also eased the transition for Karn employees who wish to remain with the company and those who elected to retire from the plant or move on to other career opportunities.

As another example, we are committed to doing right by our customers and communities that are home to our 13 hydroelectric dam facilities – and to evaluating all options surrounding the future of our dams. We've met regularly with community stakeholders and the public since 2022, and we have completed economic contribution studies on each dam. We have convened meetings to review and discuss results of the studies with stakeholders in the community.

Shareholder discussions are also included in our ongoing outreach. We value these opportunities, and the Board considers their feedback when evaluating corporate governance issues. Management regularly participates in shareholder and industry conferences to discuss performance and sustainability topics. Additionally, shareholders, co-workers and third parties may contact the Board with any inquiry or issue using the methods described on our website. The Board will respond as appropriate.

PROTECTING HUMAN RIGHTS

We're helping to create a world where all are respected and included, valued for their unique qualities and abilities, treated fairly and afforded the opportunity to advance. We protect the rights of all, including women, racial and ethnic minorities, LBGTQIA+, people with disabilities and veterans. To help accomplish this vision, all employees are expected to be strong, ethical community partners and form positive relationships wherever we do business. We work to avoid causing or contributing to human rights violations, mitigate and/or remediate adverse human rights impacts, prohibit the use of child labor, forced labor, human trafficking and modern slavery, and are transparent in our efforts, successes and challenges.

Our [Human Rights Policy](#) further details this commitment. It includes our stance and standards on DE&I, fair and equitable pay, our ethics and compliance training, investigation of concerns, and employee responsibilities for knowing, understanding and following all regulations, laws and policies that apply to their jobs. It also explains employee requirements to report concerns or potential misconduct. Our [Employee Code of Conduct](#) helps employees interpret our policies and guide decision-making. All salaried employees acknowledge and certify their knowledge of our Employee Code of Conduct annually and receive training on the Code biannually. Our [Third-Party Code of Conduct](#) extends to our partners.

POLITICAL ACTIVITY

To meet Michigan's energy needs and help the state's communities thrive, we are committed to providing safe, reliable, clean, and competitively priced energy. Our advocacy activities are directed toward fulfilling that promise, without regard to the personal political affiliations or views of any individual at any level across the organization. In engaging in the political process, the company is committed to upholding our core values and adhering to the highest standards of ethical conduct.

We engage in advocacy through regular, constructive, and transparent interactions with government officials, policymakers, and stakeholder groups. Policy decisions of lawmakers at the federal, state, and local levels can significantly impact the business environment in which we operate, especially because our core utility business is highly regulated.

Lobbying and Trade Associations

Our political engagement includes conversations with government and elected officials, regulators, community members, business leaders and environmental groups. This collaboration informs, educates, and builds trust and partnerships to reach mutually beneficial solutions. We comply with all federal, state, and local lobby registration and disclosure laws to provide transparency in our lobbying expenditures.

We hold memberships in industry, trade, and business associations focused on representing the energy and utility industry, the business community, our customers, and our communities. These relationships provide perspective and views on public policy issues that affect our corporation and help us benchmark and develop best practices among peer utilities and FORTUNE 500 companies. Areas of interest include reliability, emergency response, clean energy technology integration, human resources, diversity, equity and inclusion, environmental matters, employee and public safety measures, and cyber and physical security. Costs associated with lobbying activity and trade association memberships are not reflected in customer rates.

Our membership in industry, trade, or policy organizations do not signal complete endorsement of their stated views or positions. We are committed to engaging in dialogue with these organizations and remaining true to our core objectives, values, and positions to influence others while understanding that consensus includes many perspectives.

We track membership dues made to trade associations, chambers of commerce, and other tax-exempt organizations. We disclose the non-deductible portion of trade association and other organization dues yearly when annual mandatory membership dues exceed \$25,000.

More information regarding our lobbying process, trade association engagement, and other expenditures can be found on our [political engagement webpage](#) under Trade Associations and Business Memberships.

Corporate Political Contributions

Federal and state campaign finance laws prohibit corporations from making direct contributions to national and state political parties, as well as candidates for campaign purposes. However, we do contribute to grassroots activities, issue advocacy, voter registration, and state and local ballot question committees. These contributions are under the supervision of our Board of Directors, our Governance Committee, our senior management, and members of our legal team.

To promote transparency, we go above what is required by law and voluntarily publish political contributions semiannually at all levels of government as noted below:

- Expenditures made to influence the outcome of ballot initiatives.
- Direct corporate contributions to an entity organized under Sections 527 and Section 501(c) (4) of the Internal Revenue Code when annual contributions exceed \$25,000.
- Non-deductible portions of trade association and other organization dues when annual mandatory membership dues exceed \$25,000.

The corporation discloses semiannual [contribution reports](#) each March and September.

Employee Political Activity

We maintain separate segregated funds and a corporate political action committee (PAC), which is registered with the Federal Election Commission. We also maintain a state PAC registered in Michigan.

Our employee PAC, CMS Energy Corporation Employees for Better Government, is a nonprofit, nonpartisan PAC governed by an employee/shareholder-run steering committee and is independent of company officers and Board. Participation is voluntary and the PAC is governed by strict bylaws to ensure employees and shareholders have a voice in the political process.

Applicable to all state and federal state and federal laws and regulations, all receipts and contributions are disclosed as required. Links to our PAC disclosures can be found on our Corporate Political Engagement webpage under Employee Political Activity and CMS Energy Corporation Employees for a Better Government.

Standards for Employees

We're committed to helping communities succeed — not just in energy, but also personal and corporate commitments. Each day, co-workers offer their time, talents and dollars to support the places where they live and work.

We encourage our co-workers to participate in a wide range of civic activities, including the political process. Employees must comply with all applicable legal, ethical and company requirements, including those set forth in the Honest Leadership and Open Government Act of 2007. Generally, co-workers are prohibited from engaging in personal and civic activities during normal business hours and using company resources.

Before seeking public office, co-workers must receive written approval from a supervisor. If elected or appointed, co-workers can request reasonable time off without pay to fulfill their political duties. Those elected or appointed to public office must also excuse themselves from actions or decisions on issues that could impact the company.



ADDITIONAL REPORTS & DATA

We provide extensive public reporting in disclosures about sustainability, including our environmental stewardship and long-term strategy. We address these matters in Securities and Exchange Commission, Environmental Protection Agency and other regulatory agency filings, and through voluntary reporting efforts found on our [CMS Energy Sustainability Website](#) such as our [2022 Climate Change Risk Vulnerability and Resiliency Report](#), [Climate Disclosure Project \(CDP\) Report](#), and our annual [Waste Report](#).

DISCLOSURE

This report contains “forward-looking statements” which may cause our results to differ materially. All forward-looking statements should be considered in the context of the risk and other factors detailed in our Securities and Exchange Commission (SEC) filings. Forward-looking statements should be read in conjunction with “FORWARD-LOOKING STATEMENTS AND INFORMATION” and “RISK FACTORS” sections of our most recent Form 10-K and as updated in other reports we file with the SEC, which can be found on our Regulatory Filings page. CMS Energy and Consumers Energy have no obligation to update or revise forward-looking statements regardless of whether added information, future events, or any other factors affect the information contained in the statements. The information in this report may apply standards of materiality that are different than standards applied to other investors or required to be disclosed in SEC filings.

For questions about this report, please contact our Sustainability Team.



APPENDICES

Global Reporting Initiative (GRI) Index

GRI (Global Reporting Initiative) is the independent, international organization that helps businesses and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts.

[+ GRI Index](#)

Task Force on Climate-Related Financial Disclosure (TCFD) Index

The Financial Stability Board Task Force on Climate-related Financial Disclosure (TCFD) has developed a voluntary, consistent climate-related financial risk disclosure for use by companies in providing information to investors, lenders, insurers and other stakeholders. The TCFD framework rests on four main tenets: governance, strategy, risk management, and metrics and targets.

[+ TCFD Index](#)

Climate Disclosure Project (CDP)

CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

[+ CDP Report](#)

Sustainability Accounting Standards Board (SASB) Index for Consumers Energy — Electric Utilities & Power Generation

Our Sustainability Accounting Standards Board (SASB) Index identifies where the corporation makes disclosures and provides information in the Electric Utilities and Power Generation industry section within the infrastructure sector.

[+ SASB Electric Index](#)

Sustainability Accounting Standards Board (SASB) Index for Consumers Energy — Gas Utilities & Distributors

Our Sustainability Accounting Standards Board (SASB) Index identifies where the corporation makes disclosures and provides information in the Gas Utilities and Distributors industry section within the infrastructure sector.

[+ SASB Natural Gas Index](#)

Waste and Landfill Avoidance Report

Our Waste and Landfill Avoidance Report discloses our efforts to reduce, reuse and recycle and our progress on these efforts.

[+ Read the Report](#)

Sustainability Priority Issues Report

The report shows our issue prioritization process and its outcomes, including how the issues are managed.

[+ Read the Report](#)

Biodiversity Report

This report discloses our goals and performance and highlights our efforts to promote biodiversity.

[+ Read the Report](#)

BY THE NUMBERS



Parent Company: CMS Energy Corporation
Operating Company(s): Consumers Energy Company
Business Type(s): Vertically Integrated
State(s) of Operation: Michigan
State(s) with RPS Programs: Michigan

Regulatory Environment: Regulated
Report Date: November 1, 2024
CMS Energy Website: cmsenergy.com
Consumers Energy Website: ConsumersEnergy.com



The following quantitative information is Consumers Energy data only.

TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

CONSUMERS ENERGY PORTFOLIO ¹	Baseline				TREND
	2005	2021	2022	2023	
Owned Nameplate Generation Capacity at end of year (MW)					
Coal ²	3,015	2,043	2,043	1,499	■
Natural Gas ³	1,285	2,318	2,341	3,630	■
Nuclear	812	N/A	N/A	N/A	■
Petroleum ⁴	738	701	682	682	■
Ludington Pumped Hydro Storage Plant ⁵	1,009	1,154	1,183	1,183	■
Total Renewable Energy Resources	132	768	787	986	■
Biomass/Biogas	N/A	N/A	N/A	N/A	■
Geothermal	N/A	N/A	N/A	N/A	■
Hydroelectric ⁶	132	132	132	132	■
Solar	N/A	4	5	5	■
Wind ⁷	N/A	632	648	849	■
Other	N/A	N/A	N/A	N/A	■
Total Owned Nameplate Generation Capacity	6,991	6,985	7,034	7,980	■
Owned Net Generation for the data year (MWh)					
Coal ²	19,711,000	10,860,781	10,217,338	6,883,825	■
Natural Gas ³	356,000	5,554,766	6,683,783	11,220,692	■
Nuclear	6,636,000	N/A	N/A	N/A	■
Petroleum	225,000	7,000	4,543	2,333	■
Ludington Pumped Storage Plant ⁵	-516,000	-321,188	-370,231	-348,668	■
Total Renewable Energy Resources	387,000	1,974,966	2,216,316	1,992,608	■
Biomass/Biogas	N/A	N/A	N/A	N/A	■
Geothermal	N/A	N/A	N/A	N/A	■
Hydroelectric	387,000	397,904	380,970	375,621	■
Solar	N/A	6,529	6,523	6,734	■
Wind	N/A	1,570,533	1,828,823	1,610,253	■
Other	N/A	N/A	N/A	N/A	■
Total Owned Net Generation (MWh) ⁸	26,799,000	18,076,325	18,751,749	19,750,789	■
Purchased Net Generation for the data year (MWh)⁹					
Coal	482,000	493,545	500,466	318,385	■
Natural Gas	7,061,000	5,861,482	7,181,936	7,244,012	■
Nuclear	N/A	6,901,159	2,692,301	0	■
Petroleum	N/A	N/A	N/A	N/A	■
Total Renewable Energy Resources	1,236,000	2,408,619	2,440,475	2,584,663	■
Biomass/Biogas	1,200,000	1,221,550	1,163,171	1,028,949	■
Geothermal	N/A	N/A	0	0	■
Hydroelectric	34,000	36,128	33,425	32,226	■
Solar	N/A	140,495	227,416	553,884	■
Wind	2,600	1,010,446	1,016,448	969,604	■
Power Markets and Other	1,991,000	645,010	3,943,481	4,532,014	■
Total Purchased Net Generation (MWh) ⁸	10,770,000	16,309,815	16,758,658	14,679,074	■
Investing in the Future: Capital Expenditures, Energy Efficiency (EE), and Smart Meters					
Total Annual Capital Expenditures (nominal dollars)	\$593,000,000	\$2,327,500,000	\$2,467,600,000	\$3,289,000,000	■
Incremental Annual Electricity Savings from EE Measures (MWh)	N/A	715,458	651,661	659,487	■
Incremental Annual Investment in Electric EE Programs (nominal dollars)	N/A	\$161,737,103	\$188,983,904	\$189,951,805	■
Percent of Total Electric Customers with Smart Meters (at end of year)	N/A	99%	99%	99%	■
Retail Electric Customer Count (at end of year)					
Commercial	214,025	223,790	224,645	225,756	■
Industrial	8,595	1,339	1,304	1,238	■
Residential	1,565,601	1,642,642	1,645,580	1,652,141	■

TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

CONSUMERS ENERGY EMISSIONS ¹	Baseline				TREND
	2005	2021	2022	2023	
GHG Emissions: Carbon Dioxide (CO₂) and Carbon Dioxide Equivalent (CO₂e)					
Owned Generation					
Carbon Dioxide (CO ₂)					
Total Owned Generation CO ₂ Emissions (MT)	20,219,000	13,766,518	13,663,229	11,939,983	■
Total Owned Generation CO ₂ Emissions Intensity (MT/Net MWh)	0.754	0.762	0.729	0.605	■
Carbon Dioxide Equivalent (CO ₂ e)					
Total Owned Generation CO ₂ e Emissions (MT)	N/A	13,829,815	13,722,001	11,981,941	■
Total Owned Generation CO ₂ e Emissions Intensity (MT/Net MWh)	N/A	0.765	0.732	0.607	■
Biogenic Carbon Dioxide (CO ₂) Emissions (MT)	0	0	0	0	■
Purchased Power^{9, 10}					
Carbon Dioxide (CO ₂)					
Total Purchased Generation CO ₂ Emissions (MT)	4,999,000	3,483,770	5,920,533	6,165,741	■
Total Purchased Generation CO ₂ Emissions Intensity (MT/Net MWh)	0.464	0.214	0.353	0.420	■
Carbon Dioxide Equivalent (CO ₂ e)					
Total Purchased Generation CO ₂ e Emissions (MT)	N/A	4,643,692	5,952,823	6,208,851	■
Total Purchased Generation CO ₂ e Emissions Intensity (MT/Net MWh)	N/A	0.285	0.355	0.423	■
Biogenic Carbon Dioxide (CO ₂) Emissions (MT)	N/A	786,317	1,637,299	1,258,589	■
Owned Generation + Purchased Power					
Carbon Dioxide (CO ₂)					
Total Owned + Purchased Generation CO ₂ Emissions (MT)	25,218,000	17,250,288	19,583,761	18,105,723	■
Total Owned + Purchased Generation CO ₂ Emissions Intensity (MT/Net MWh)	0.671	0.502	0.551	0.526	■
Total Owned + Purchased Generation CO ₂ Emissions Intensity (lbs/Net MWh)	1,480	1,106	1,216	1,159	■
Carbon Dioxide Equivalent (CO ₂ e)					
Total Owned + Purchased Generation CO ₂ e Emissions (MT)	N/A	18,473,507	19,674,824	18,190,792	■
Total Owned + Purchased Generation CO ₂ e Emissions Intensity (MT/Net MWh)	N/A	0.537	0.554	0.528	■
Total Owned + Purchased Generation CO ₂ e Emissions Intensity (lbs/Net MWh)	N/A	1,184	1,221	1,165	■
Non-Generation CO₂e Emissions					
Fugitive CO ₂ e emissions of sulfur hexafluoride (MT)	N/A	2,049	1,965	7,744	■
Leak rate of CO ₂ e emissions of sulfur hexafluoride (MT/Net MWh) ¹⁰	N/A	5.96E-05	5.53E-05	2.25E-04	■
Electric & Gas Scope 1, 2 and 3 Greenhouse Gas Emissions¹¹					
Carbon Dioxide Equivalent (CO ₂ e)					
Scope 1 CO ₂ e emissions (MT) ¹²	N/A	14,292,256	14,307,906	12,482,384	■
Scope 2 CO ₂ e market-based emissions (MT) ¹³	N/A	62,753	61,195	52,960	■
Scope 2 CO ₂ e location-based emissions (MT) ¹⁴	N/A	59,802	63,102	53,601	■
Scope 3 CO ₂ e emissions (MT) ¹⁵	N/A	16,881,600	23,832,385	22,652,002	■
Nitrogen Oxide (NO_x), Sulfur Dioxide (SO₂), Mercury (Hg)					
Generation basis for calculation: Electric Generation					
Nitrogen Oxide (NO_x)					
Total NO _x Emissions (MT)	28,400	5,083	4,617	3,388	■
Total NO _x Emissions Intensity (MT/Net MWh)	1.06E-03	2.81E-04	2.46E-04	1.72E-04	■
Sulfur Dioxide (SO₂)					
Total SO ₂ Emissions (MT)	83,600	6,676	5,914	3,999	■
Total SO ₂ Emissions Intensity (MT/Net MWh)	3.12E-03	3.69E-04	3.15E-04	2.02E-04	■
Mercury (Hg)					
Total Hg Emissions (kg)	N/A	41.4	40.4	25.7	■
Total Hg Emissions Intensity (kg/Net MWh)	N/A	2.29E-06	2.15E-06	1.30E-06	■
Other Emissions Metrics					
Particulate Matter (PM-10) (MT)	N/A	968	896	464	■
Lead (MT)	N/A	0.022	0.019	0.011	■
Total Non-Methane Organic Compounds (MT)	299	201	202	139	■
Utility Specific Residual Mix Emission Rate (CO ₂ lbs/MWh) ¹⁶	N/A	1,205	1,298	1,239	■
Utility Specific Residual Mix Emission Rate (CO ₂ e lbs/MWh) ¹⁷	N/A	1,211	1,304	1,244	■

TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

CONSUMERS ENERGY RESOURCES	Baseline				TREND
	2005	2021	2022	2023	
Human Resources					
Total Number of Employees	8,114	8,927	8,879	8,356	■
Total Number on Board of Directors/Trustees	12	11	11	11	■
Total Women on Board of Directors/Trustees	1	4	4	4	■
Total Minorities on Board of Directors/Trustees	1	3	3	3	■
Total Female Employees	N/A	2,483	2,438	2,177	■
Percent Female Employees	N/A	28%	28%	26%	■
Total Minority Employees	N/A	1,263	1,215	1,084	■
Percent Minority	N/A	14%	14%	13%	■
Total Veteran Employees	N/A	970	962	884	■
Percent Veteran Employees	N/A	11%	11%	11%	■
Total Disability Status Employees	N/A	417	410	373	■
Percent Disability Status Employees	N/A	5%	5%	4%	■
Total Females in Senior Leadership	N/A	9	9	10	■
Percent Females in Senior Leadership	N/A	33%	32%	37%	■
Total Minorities in Senior Leadership	N/A	7	7	6	■
Percent Minorities in Senior Leadership	N/A	26%	25%	22%	■
Total Females in Management	N/A	188	252	366	■
Percent Females in Management	N/A	34%	27%	29%	■
Total Minorities in Management	N/A	76	141	125	■
Percent Minorities in Management	N/A	14%	15%	10%	■
Employee Safety					
Recordable Incident Rate	7.01	1.54	1.17	1.48	■
Lost-time Case Rate	2.00	0.74	0.68	0.72	■
Days Away, Restricted, and Transfer (DART) Rate	3.22	1.10	0.93	1.08	■
Work-related Fatalities	1.00	0.00	0.00	0.00	■
Fresh Water Resources					
Water Withdrawals - Consumptive (Billions of Liters/Net MWh)	N/A	3.50E-07	3.39E-07	2.69E-07	■
Water Withdrawals - Non-Consumptive (Billions of Liters/Net MWh)	N/A	7.90E-05	7.12E-05	4.91E-05	■
Water Withdrawals - Consumptive (Billions of Liters)	N/A	5.74E+00	6.37E+00	5.31E+00	■
Water Withdrawals - Non-Consumptive (Billions of Liters)	N/A	1.30E+03	1.33E+03	9.69E+02	■
Waste Products					
Amount of Hazardous Waste Manifested for Disposal (tons) ¹⁸	N/A	34	20	65	■
Percent of Coal Combustion Products Beneficially Used	N/A	8%	8%	8%	■
Biodiversity					
Total acres enhanced or protected	N/A	N/A	1,141	2,435	■
Total acres where pollinator seed mixes applied	N/A	N/A	0.08	1,419	■
Approximate Acres of conservation activities under Monarch CCAA program ¹⁹	N/A	N/A	31,000	24,130	■



Natural Gas Business Sustainability Metrics

Parent Company: CMS Energy
Operating Company(s): Consumers Energy Company
Business Type(s): Vertically Integrated
State(s) of Operation: Michigan
Regulatory Environment: Regulated
Report Date: November 1, 2024



TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

NATURAL GAS DISTRIBUTION

	2021	2022	2023	TREND
Methane Emissions And Mitigation from Distribution Mains				
Number of Gas Distribution Customers	1,805,558	1,815,103	1,820,129	■
Distribution Mains in Service				
Plastic (miles)	15,199	15,486	15,709	■
Cathodically Protected Steel - Bare & Coated (miles)	12,297	12,188	12,105	■
Unprotected Steel - Bare & Coated (miles)	380	343	329	■
Cast Iron / Wrought Iron - without upgrades (miles)	293	261	225	■
Plan/Commitment to Replace / Upgrade Remaining Miles of Distribution Mains (# years to complete)				
Unprotected Steel (Bare & Coated) (# years to complete)	8	13	12	■
Cast Iron / Wrought Iron (# years to complete)	8	13	12	■
Distribution CO₂e Fugitive Emissions				
CO ₂ e Fugitive Methane Emissions from Gas Distribution Operations (MT)	213,366	206,916	198,760	■
CH ₄ Fugitive Methane Emissions from Gas Distribution Operations (MT)	8,535	8,277	7,950	■
CH ₄ Fugitive Methane Emissions from Gas Distribution Operations (MMSCF/year)	445	431	414	■
Annual Natural Gas Throughput from Gas Distribution Operations in thousands of standard cubic feet (Mscf/year)	344,630,243	384,527,157	372,184,083	■
Annual Methane Gas Throughput from Gas Distribution Operations in millions of standard cubic feet (MMscf/year)	327,399	365,301	353,575	■
Fugitive Methane Emissions Rate (MMscf of Methane Emissions per MMscf of Methane Throughput)	0.136%	0.118%	0.117%	■

NATURAL GAS COMPRESSION, TRANSMISSION AND STORAGE

Natural Gas Compression Methane Emissions

Data for all 7 compressor stations, regardless of reporting threshold

Pneumatic Device Venting (MT/year)	19	19	19	■
Blowdown Vent Stacks (MT/year) ¹	365	553	283	■
Transmission Storage Tanks (MT/year)	3	0	6	■
Flare Stack Emissions (MT/year)	0	0	0	■
Centrifugal Compressor Venting (MT/year)	54	54	51	■
Reciprocating Compressor Venting (MT/year)	544	213	341	■
Equipment leaks from valves, connectors, open ended lines, pressure relief valves, and meters (MT/year) ²	195	240	337	■
Other Leaks (MT/year)	0	0	0	■
Total Compression Methane Emissions (MT/year)	1,161	1,061	1,036	■
Total Compression Methane Emissions (MT CO ₂ e/year)	29,027	26,514	25,908	■
Total Compression Methane Emissions (MSCF/year)	60,472	55,237	53,976	■

TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

	2021	2022	2023	TREND
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Underground Natural Gas Storage Methane Emissions

Data for all 15 storage fields, regardless of reporting threshold

Pneumatic Device Venting (MT/year)	N/A	N/A	N/A	■
Flare Stack Emissions (MT/year)	N/A	N/A	N/A	■
Centrifugal Compressor Venting (MT/year)	N/A	N/A	N/A	■
Reciprocating Compressor Venting (MT/year)	N/A	N/A	N/A	■
Equipment leaks from valves, connectors, open ended lines, pressure relief valves, and meters (MT/year)	N/A	N/A	N/A	■
Other Equipment Leaks (MT/year)	N/A	N/A	N/A	■
Equipment leaks from valves, connectors, open-ended lines, and pressure relief valves associated with storage wellheads (MT/year)	71	68	64	■
Other equipment leaks from components associated with storage wellheads (MT/year)	N/A	N/A	N/A	■
Total Storage Compression Methane Emissions (MT/year)	71	68	64	■
Total Storage Compression Methane Emissions (MT CO ₂ e/year)	1,771	1,705	1,607	■
Total Storage Compression Methane Emissions (MSCF/year)	3,689	3,553	3,348	■

Natural Gas Transmission Pipeline Blowdowns

Transmission Pipeline Blowdown Vent Stacks (MT/year) ³	474	5,571	488	■
Transmission Pipeline Blowdown Vent Stacks (MT CO ₂ e/year)	11,861	139,274	12,202	■
Transmission Pipeline Blowdown Vent Stacks (MSCF/year) ³	24,710	290,154	25,421	■

Other Non-Subpart W Emissions

Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (MT/year)	364	401	385	■
Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (MT CO ₂ e/year)	9,088	10,023	9,636	■
Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (MSCF/year)	18,932	20,880	20,075	■
Total CO ₂ Emissions (MT)	81,925	87,732	84,000	■
Total NOx Emissions (MT)	869	732	805	■
Total VOC Emissions (MT)	59	59	66	■

Transmission and Storage Summary

Total Transmission and Storage Methane Emissions (MMSCF/year) ³	108	370	103	■
Annual Natural Gas Throughput from Gas Transmission and Storage Operations (MSCF/year)	372,220,130	432,614,790	458,586,044	■
Annual Methane Gas Throughput from Gas Transmission and Storage Operations (MMSCF/year)	353,609	410,984	435,657	■
Fugitive Methane Emissions Rate (MMscf of Methane Emissions per MMscf of Methane Throughput)	0.03%	0.09%	0.02%	■



Parent Company: CMS Energy Corporation
Operating Company: NorthStar Clean Energy
Business Type: Vertically Integrated
States of Operation: Arkansas, Ohio, Michigan, North Carolina, Texas, Wisconsin

Regulatory Environment: Unregulated
Report Date: November 1, 2024
CMS Energy Website: [CMSEnergy.com](https://www.cmsenergy.com)
NorthStar Clean Energy Website: [NorthStarCleanEnergy.com](https://www.northstarcleanenergy.com)



The following quantitative information is NorthStar Clean Energy data only.

TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

NORTHSTAR CLEAN ENERGY PORTFOLIO ¹	Baseline				TREND
	2005	2021	2022	2023	
Owned Nameplate Generation Capacity at end of year (MW)					
Coal	N/A	35	35	36	■
Natural Gas	N/A	994	995	980	■
Nuclear	N/A	0	0	0	■
Petroleum	N/A	0	0	0	■
Total Renewable Energy Resources	N/A	468	467	642	■
Biomass/Biogas	N/A	64	64	64	■
Geothermal	N/A	0	0	0	■
Hydroelectric	N/A	0	0	0	■
Solar	N/A	27	27	210	■
Wind	N/A	377	377	368	■
Other	N/A	0	0	0	■
Total Owned Nameplate Generation Capacity	N/A	1,496	1,497	1,658	■
Owned Net Generation for the data year (MWh)					
Coal	N/A	244,500	249,000	159,000	■
Natural Gas	N/A	4,132,000	4,911,000	5,377,000	■
Nuclear	N/A	0	0	0	■
Petroleum	N/A	0	0	0	■
Total Renewable Energy Resources	N/A	1,544,930	1,666,440	1,593,740	■
Biomass/Biogas	N/A	319,500	336,500	278,500	■
Geothermal	N/A	0	0	0	■
Hydroelectric	N/A	0	0	0	■
Solar	N/A	51,000	47,000	106,000	■
Wind	N/A	1,174,430	1,282,940	1,209,240	■
Other	N/A	0	0	0	■
Total Owned Net Generation (MWh)	N/A	5,921,430	6,826,440	7,129,740	■
Purchased Net Generation for the data year (MWh)					
Coal	N/A	0	0	0	■
Natural Gas	N/A	0	0	0	■
Nuclear	N/A	0	0	0	■
Petroleum	N/A	0	0	0	■
Total Renewable Energy Resources	N/A	0	0	0	■
Biomass/Biogas	N/A	0	0	0	■
Geothermal	N/A	0	0	0	■
Hydroelectric	N/A	0	0	0	■
Solar	N/A	0	0	0	■
Wind	N/A	0	0	0	■
Power Markets and Other	N/A	0	0	0	■
Total Purchased Net Generation (MWh)	N/A	0	0	0	■
Investing in the Future:					
Capital Expenditures, Energy Efficiency (EE), and Smart Meters					
Total Annual Capital Expenditures (nominal dollars)	N/A	N/A	N/A	N/A	
Incremental Annual Electricity Savings from EE Measures (MWh)	N/A	N/A	N/A	N/A	
Incremental Annual Investment in Electric EE Programs (nominal dollars)	N/A	N/A	N/A	N/A	
Percent of Total Electric Customers with Smart Meters (at end of year)	N/A	N/A	N/A	N/A	
Retail Electric Customer Count (at end of year)					
Commercial	N/A	N/A	N/A	N/A	
Industrial	N/A	N/A	N/A	N/A	
Residential	N/A	N/A	N/A	N/A	

TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

NORTHSTAR CLEAN ENERGY EMISSIONS

2005	2021	2022	2023	TREND
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GHG Emissions: Carbon Dioxide (CO₂) and Carbon Dioxide Equivalent (CO₂e)

Owned Generation

Carbon Dioxide (CO ₂)					
Total Owned Generation CO ₂ Emissions (MT)	N/A	3,252,434	3,351,119	3,588,648	■
Total Owned Generation CO ₂ Emissions Intensity (MT/Net MWh)	N/A	0.55	0.49	0.50	■
Carbon Dioxide Equivalent (CO ₂ e)					
Total Owned Generation CO ₂ e Emissions (MT)	N/A	3,263,521	3,363,287	3,599,237	■
Total Owned Generation CO ₂ e Emissions Intensity (MT/Net MWh)	N/A	0.55	0.49	0.50	■
Biogenic Carbon Dioxide (CO ₂) (MT)		508,001	546,844	463,671	■

Purchased Power

Carbon Dioxide (CO ₂)					
Total Purchased Generation CO ₂ Emissions (MT)	0	0	0	N/A	■
Total Purchased Generation CO ₂ Emissions Intensity (MT/Net MWh)	N/A	N/A	N/A	N/A	■
Carbon Dioxide Equivalent (CO ₂ e)					
Total Purchased Generation CO ₂ e Emissions (MT)	0	0	0	N/A	■
Total Purchased Generation CO ₂ e Emissions Intensity (MT/Net MWh)	N/A	N/A	N/A	N/A	■
Biogenic Carbon Dioxide (CO ₂) Emissions (MT)	0	0	0	N/A	■

Owned Generation + Purchased Power

Carbon Dioxide (CO ₂)					
Total Owned + Purchased Generation CO ₂ Emissions (MT)	N/A	3,252,434	3,351,119	3,588,648	■
Total Owned + Purchased Generation CO ₂ Emissions Intensity (MT/Net MWh)	N/A	0.55	0.49	0.50	■
Total Owned + Purchased Generation CO ₂ Emissions Intensity (lbs/Net MWh)	N/A	0.61	0.54	0.55	■
Carbon Dioxide Equivalent (CO ₂ e)					
Total Owned + Purchased Generation CO ₂ e Emissions (MT)	N/A	3,263,521	3,363,287	3,599,237	■
Total Owned + Purchased Generation CO ₂ e Emissions Intensity (MT/Net MWh)	N/A	0.55	0.49	0.50	■
Total Owned + Purchased Generation CO ₂ e Emissions Intensity (lbs/Net MWh)	N/A	0.61	0.54	0.56	■
Total Owned + Purchased Generation Biogenic Carbon Dioxide (CO ₂) (MT/Net MWh)	N/A	508,001	546,844	463,671	■

Non-Generation CO₂e Emissions

Fugitive CO ₂ e emissions of sulfur hexafluoride (MT)	N/A	N/A	N/A	N/A	■
Leak rate of CO ₂ e emissions of sulfur hexafluoride (MT/Net MWh)	N/A	N/A	N/A	N/A	■

Electric & Gas Scope 1, 2 and 3 Greenhouse Gas Emissions (CO₂e)²

Scope 1 CO ₂ e emissions (MT)	N/A	3,265,919	3,366,919	3,601,445	■
Scope 2 CO ₂ e market-based emissions (MT) ³	N/A	2,323	2,181	1,835	■
Scope 2 CO ₂ e location-based emissions (MT) ³	N/A	2,323	2,181	1,782	■
Scope 3 CO ₂ e emissions (MT) ⁴	N/A	1,078	1,522	43,078	■

Nitrogen Oxide (NOx), Sulfur Dioxide (SO₂), Mercury (Hg)⁵

Generation basis for calculation: Electric Generation

Nitrogen Oxide (NOx)

Total NOx Emissions (MT)	N/A	1,381	1,476	1,341	■
Total NOx Emissions Intensity (MT/Net MWh)	N/A	2.33E-04	2.16E-04	1.88E-04	■

Sulfur Dioxide (SO₂)

Total SO ₂ Emissions (MT)	N/A	1,007	959	1,352	■
Total SO ₂ Emissions Intensity (MT/Net MWh)	N/A	1.70E-04	1.40E-04	1.90E-04	■

Mercury (Hg)

Total Hg Emissions (kg)	N/A	5.1	4.5	6.3	■
Total Hg Emissions Intensity (kg/Net MWh)	N/A	8.66E-07	6.52E-07	8.77E-07	■

Other Emissions Metrics⁵

Particulate Matter (PM-10) (MT)	NA	160	153	175	■
Lead (MT)	NA	0.019	0.020	0.017	■
Total Non-Methane Organic Compounds (MT)	NA	27	26	30	■

TREND KEY: ■ Not Rated ■ No Change ■ Better ■ Worse

NORTHSTAR CLEAN ENERGY RESOURCES	Baseline				TREND
	2005	2021	2022	2023	
Human Resources					
Total Number of Employees	N/A	193	194	212	■
Total Female Employees	N/A	23	25	25	■
Percent Female Employees	N/A	12%	13%	12%	■
Total Minority Employees	N/A	23	22	18	■
Percent Minority	N/A	12%	11%	9%	■
Total Veteran Employees	N/A	25	23	23	■
Percent Veteran Employees	N/A	13%	12%	11%	■
Total Disability Status Employees	N/A	2	2	4	■
Percent Disability Status Employees	N/A	1%	1%	2%	■
Total Females in Management	N/A	1	1	5	■
Percent Females in Management	N/A	4%	4%	10%	■
Total Minorities in Management	N/A	3	2	2	■
Percent Minorities in Management	N/A	13%	8%	4%	■
Employee Safety Metrics					
Recordable Incident Rate	1.03	0	3.45	0.94	■
Lost-time Case Rate	0.72	0	0	0.47	■
Days Away, Restricted, and Transfer (DART) Rate	0.80	0	0	0.47	■
Work-related Fatalities	0	0	0	0	■
Fresh Water Resources					
Water Withdrawals - Consumptive (Billions of Liters/Net MWh)	N/A	3.32E-07	2.01E-07	1.46E-07	■
Water Withdrawals - Non-Consumptive (Billions of Liters/Net MWh)	N/A	4.26E-07	3.80E-05	4.00E-05	■
Water Withdrawals - Consumptive (Billions of Liters)	N/A	1.97E+00	1.38E+00	1.04E+00	■
Water Withdrawals - Non-Consumptive (Billions of Liters)	N/A	2.07E+02	2.60E+02	2.85E+02	■
Waste Products					
Amount of Hazardous Waste Manifested for Disposal (tons)	N/A	0	0	0	■
Percent of Coal Combustion Products Beneficially Used	N/A	0	0	0	■



ENDNOTES

Consumers Energy Electric Generation Metrics

1. Data reported based on equity-ownership.
2. Change in capacity reflects retirement of Karn 1 and 2 in 2023.
3. In 2022, we revised the capacity data fuel apportionment for two co-fired natural gas and oil-fired EGUs to align with generation planning data. In 2023, the change in capacity reflects the purchase of Covert Generating Station.
4. In 2022, we revised the capacity data fuel apportionment for two co-fired natural gas and oil-fired EGUs to align with generation planning data.
5. In 2021 and 2022, nameplate capacity changes were due to multi-year turbine upgrade projects. The pumped-storage facility consumes electricity to pump water during off-peak hours for storage to generate electricity later during peak-demand hours.
6. In 2023, corrected capacity data for 2022 to align with reported generation data; there was no change in capacity for this category.
7. Change in capacity reflects commencement of operation date for Heartland Wind Farm.
8. The Midcontinent Independent System Operator (MISO) determines when a plant operates as a general matter.
9. Consumers Energy purchases power from three NorthStar Clean Energy generation facilities and therefore net generation, CO₂ and CO_{2e} emissions are reported by Consumers Energy as purchased generation; this data is also included in NorthStar's owned generation metrics in the following table.
10. In 2021, Consumers had a Power Purchase agreement for nearly 7 million MWh of carbon-free emissions from a nuclear facility. Palisades Nuclear Plant closed in May 2022 and generation was replaced by natural gas and MISO market purchases thereby increasing our purchased power emissions and intensity in 2022. 2023 emissions decreased from coal purchased power but increased due to MISO market purchases, with emissions intensity showing an increase due to less total purchased power in 2023 than previous years.
11. The SF₆ leak rate of CO_{2e} emissions is calculated based on total generation (owned plus purchased power).
12. Biogenic CO₂ emissions are not included in the reported Scope 1, 2 or 3 emissions. The IPCC Fourth Assessment Report (AR4) GWPs are used for emission calculations, with the exception of some Scope 3 categories which rely on EPA provided emission factors which were updated to AR5 this year.
13. GHG emissions associated with non-material or de minimis sources are not quantified due to lack of reliable activity data. Line loss emissions associated with Consumers Energy's distribution system are considered included in Scope 1 with net generation.
14. Scope 2 market-based reporting reflects a hybrid approach using utility-specific residual mix emission rates when available, U.S. Green-e® Residual Mix Emissions Rates, or eGRID emission rates (by eGRID Subregion) when other data is unavailable. In 2023, line losses associated with our retail open access program were included in Scope 2 emissions and historic years' emissions were revised for consistency.
15. Scope 2 location-based emissions utilize eGRID subregion (RFCM) output emission rates. In 2023, line losses associated with our retail open access program were included in Scope 2 emissions and historic years' emissions were revised for consistency.
16. For 2021, five Scope 3 categories were reported, rounded by two-significant figures to account for uncertainty in data and calculations; this data has not been revised. In 2022, Consumers Energy undertook a review of Scope 3 categories for more comprehensive emission reporting. For 2022 and 2023, GHG emissions are reported for the following nine categories: Category 1 - Purchased Goods and Services; Category 2 - Capital Goods; Category 3 - Fuel-and-Energy Related Activities; Category 5 - Waste Generated in Operations; Category 6 - Business Travel; Category 7 - Employee Commuting; Category 8 - Upstream Leased Assets; Category 9 - Downstream Transportation and Distribution; Category 11 - Use of Sold Products. The 2022 Scope 3 total was revised for consistency to reflect a decrease in emissions based on clarified Category 1 purchased natural gas boundary identification.
17. The 2021 and 2022 utility-specific residual mix emission rates were revised for consistency based on updated industry reporting instructions issued in April 2024.
18. Increase in hazardous waste due to Karn 1 & 2 decommissioning and pipeline pigging that was deferred from 2022 to 2023.
19. Levels of conservation activity vary naturally by year based on work needs.

Natural Gas Business Sustainability Metrics

1. Increase in 2022 attributed to relief valve issues at Ray in January 2022 and firegate activations at Overisel in August and December 2022.
2. Increase in 2022 and 2023 due to an increase in both compressor and non-compressor component leaks identified during annual GHGRR FME surveys at compressor stations.
3. Consumers Energy experienced a gas transmission line rupture in March 2022 that released approximately 283,400 MCF of natural gas, which equates to 5,169 MT methane (that is, 129,230 MT CO_{2e}). If this rupture data is excluded, the emissions for this line in metric tons per year are about 402 MT methane, which is equivalent to 10,044 MT CO_{2e}, and is less than the prior year.

NorthStar Clean Energy

1. Data reported based on equity-ownership.
2. Biogenic CO₂ emissions are not included in the reported Scope 1, 2 or 3 emissions. The IPCC Fourth Assessment Report (AR4) GWPs are used for emission calculations, with the exception of some Scope 3 categories which rely on EPA provided emission factors which were updated to AR5 this year.
3. Scope 2 market-based reporting reflects a hybrid approach using utility-specific residual mix emission rates when available, U.S. Green-e® Residual Mix Emissions Rates, or eGRID emission rates (by eGRID Subregion) when other data is unavailable. Scope 2 location-based emissions were added to our report template in 2022 and utilizes eGRID subregion output emission rates.
4. For 2023, NorthStar reports known emissions associated with the following Scope 3 categories, however not all categories have been assessed for relevancy or data availability: Category 3 - Fuel and Energy Related Activities; Category 5 - Waste Generated in Operations; Category 6 - Business Travel; Category 7 - Employee Commuting. Categories 3, 6, and 7 are reported for the first time in the 2023 emission year.
5. Air emissions reported pursuant to federally required annual air emission reporting systems.

