

Kohler Midwest Conference

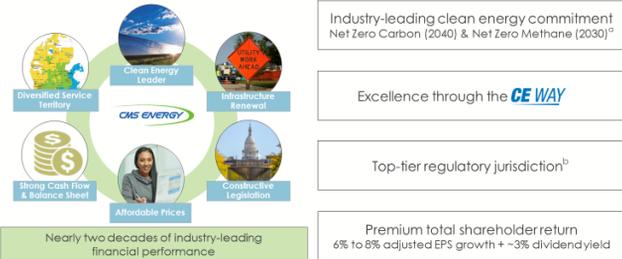
Leading the Clean Energy Transformation



August 19, 2021



A Simple Investment Thesis . . .



Presentation endnotes are included at the end of the presentation.

. . . becoming simpler, cleaner and leaner. 1

2021 Integrated Resource Plan . . .

Key Outcomes

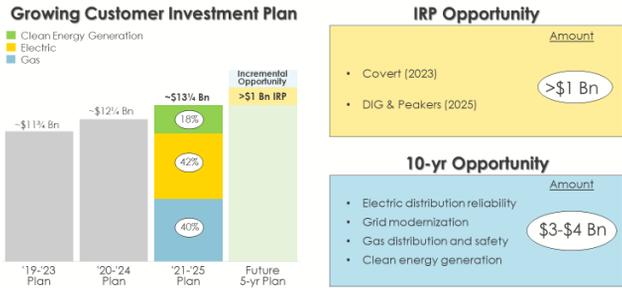
- Retires ALL coal by 2025**
(depreciated over design life)
- Adds >\$1 Bn of rate base over next 5 years**
(>95% utility earnings by 2025)
- Accelerates decarbonization**
(~60% carbon emissions reduction by 2025^a)
- Increases renewable resource deployment**
(~8 GW of solar by 2040)
- Ensures reliability, resilience and affordability**
(~\$450 MM in customer savings^b)



Presentation endnotes are included at the end of the presentation.

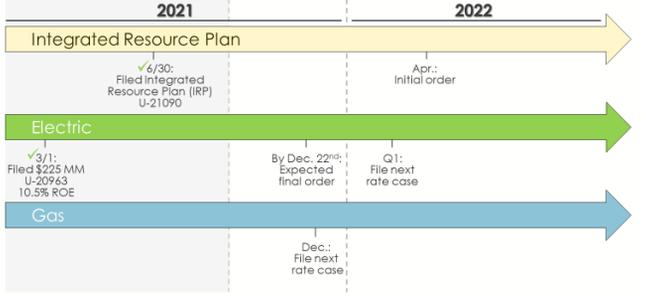
. . . provides proof points to our investment thesis. 2

Investing in the Clean Energy Transformation . . .



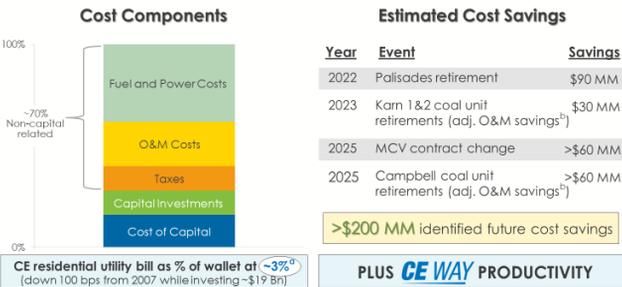
. . . enhances reliability, resilience and affordability. 3

Michigan's Strong Regulatory Construct . . .



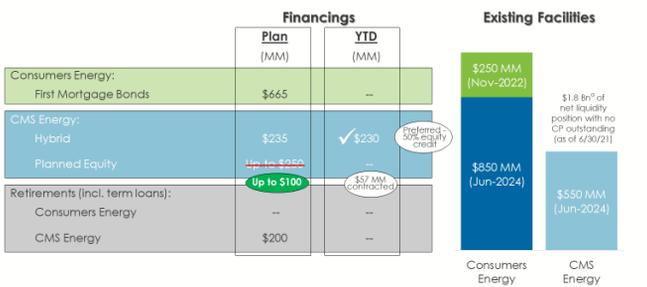
. . . ensures forward-looking visibility. 4

Our Entire Cost Structure . . .



. . . offers cost reduction opportunities to maintain customer affordability. 5

2021 Financing Plan on Track . . .



. . . with significant financial flexibility. 6

Kohler Midwest Conference

Leading the Clean Energy Transformation

CMS ENERGY

August 19, 2021



Proposed IRP Actions . . .

Key Objectives

- Accelerates Decarbonization
- Ensures Reliability, Resilience & Affordability
- Increases Renewables & Customer Programs
- Maintains Strong Balance Sheet

Current Plan	2021 IRP
Exit coal by 2040	Exit coal by 2025
Retire Karn 3&4 (oil) Campbell 1&2 / Campbell 3	2031 2031/2039
No new dispatchable units	Purchase >2 GW of existing gas units
~6 GW of solar 1.1 GW EE	~8 GW of solar 1.1 GW EE
Securitization of retired units	Regulatory asset treatment for retired units

~140% carbon emissions reduction by 2025^a
~\$650 MM in customer savings^a

. . . align with objectives.

Accelerates Decarbonization . . .

Coal Retirements

Asset	Capacity (GW)	Carbon Emission Reduction ^a
Legacy Coal	2.7	~(33)%
Classic 7	0.9	~(40)%
Karn 1&2	0.5	~(60)%
Campbell 1-3	1.3	(100)%

Additional decarb. efforts: CCS, H₂, Storage

Exit Coal

Net Zero By 2040

Key Benefits

- Reduces carbon emissions ~60%^a by 2025
- Exceeds scientific targets / policy goals
- Enhances commitment to net zero by 2040
- Reduces adjusted O&M by >\$90 MM^b
- Improves operational flexibility

. . . by exiting coal 15 years earlier than planned.

Ensures Reliability and Resilience . . .

Generates ~\$650 MM in customer savings^a

Acquiring Existing Gas Plants...

Key Benefits

- Adds >\$1 Bn of rate base
- Backfills capacity with existing gas plants
- Local, controllable generation in MISO Zone 7
- Competitively bid through third-party administered RFP
- No construction risk
- Meets reliability standards

	Covert	DIG & Peakers
Purchase Price (MM)	\$815 ^b	\$520 ^b
Capacity (GW)	1.2	~1
Acquisition Date	2023	2025
Current RTO	PJM ^c	MISO - Zone 7
COD	2004	1999/2001

Adds DIG and Peakers to rate base >95% utility earnings by 2025

. . . while maintaining affordability.

Increases Renewables & Customer Programs . . .

2018 IRP
Capex approved 50% PPA / 50% owned
Executing 1,100 MW (2022 - 2024)

2021 IRP
Filed for approval of first 3 years >50% owned
Proposing +1,200 MW (2025 - 2027)

Future IRP
Long-term alignment, approval in future IRP
Opportunity +1,500 MW (2028 - 2030)

Key Benefits

- Modular build-out; riding the cost-curve down
- Total of ~8 GW of solar by 2040
- >50% carbon free energy by 2031
- 90% clean energy resources by 2040
- Growing customer programs
 - ~1.1 GW EE
 - ~750 MW DR
 - >100 MW CVR
 - 475 MW battery

Earns incentives above authorized ROE

. . . achieving >50% carbon free energy by 2031.

Exceptional Governance . . .

Board of Directors with Diverse Backgrounds

By the Numbers

- 11 Members
- 36% Women
- 27% People of color
- 91% Independent

. . . led by an independent Chair and diverse Board.

ESG Commitment . . .

MSCI ESG RATINGS AA

SUSTAINALYTICS
a Morningstar company
TOP QUARTILE FOR GLOBAL UTILITIES

DOUBLE A RATED

#1 company in Michigan and Top 20 Best Employers for Women 2021 by Forbes Magazine

#1 company utility for Best Employers for Diversity 2021 by Forbes Magazine

Named a Top U.S. utility for economic development by Business Facilities and Site Selection magazines

Named Gold-Level Veteran Friendly Employer by the Michigan Veterans Affairs Agency (MVAA)

And Best for Vets 2020, Military Times

Awarded Diversity-focused Company Award, CORP Magazine

80% DISABILITY EQUALITY INDEX

DEI BEST PLACE TO WORK FOR DISABILITY INCLUSION 2020

50% TOP UTILITY

>450 MW

. . . recognized nation wide.

Kohler Midwest Conference

Leading the Clean Energy Transformation

CMS ENERGY

August 19, 2021



Presentation Endnotes

Slide 1: ^aMethane emissions from our natural gas delivery system and carbon emissions company-wide ^bUBS Research, 2021 state rankings and D.C.

Slide 2: ^aFrom 2005 baseline including utility-owned generation, PPAs and MISO purchases, post coal retirements ^b2021 IRP vs. current plan savings

Slide 5: ^a2019 Consumers Energy bill as % of Michigan household income, in current dollars. Source: Fred.stlouisfed.org, Bls.gov ^bExcludes potential fuel savings

Slide 6: ^aExcludes \$1,619 MM in available revolvers + \$153 MM of unrestricted cash - \$14 MM of cash at Aviator Wind and other

Slide 7: ^aFrom 2005 baseline including utility-owned generation, PPAs and MISO purchases, post coal retirements ^b2021 IRP vs. current plan savings

Slide 8: ^aFrom 2005 baseline including utility-owned generation, PPAs and MISO purchases, post coal retirements ^bIncluding Karn 1&2, Karn 3&4 and Campbell 1-3, excluding potential fuel savings

Slide 9: ^a2021 IRP vs. current plan savings ^bIncluding \$5 MM of transaction costs; excluding potential working capital and other adjustments ^cRequirement to transition to MISO per Purchase and Sale Agreement

Slide 12: ^aReflects new or expanding load since 2015

Kohler Midwest Conference

Leading the Clean Energy Transformation

CMS ENERGY

August 19, 2021



Presentation Disclaimer

This presentation is made as of the date hereof and contains “forward-looking statements” as defined in Rule 3b-6 of the Securities Exchange Act of 1934, Rule 175 of the Securities Act of 1933, and relevant legal decisions. The forward-looking statements are subject to risks and uncertainties. All forward-looking statements should be considered in the context of the risk and other factors detailed from time to time in CMS Energy’s and Consumers Energy’s Securities and Exchange Commission filings. Forward-looking statements should be read in conjunction with “FORWARD-LOOKING STATEMENTS AND INFORMATION” and “RISK FACTORS” sections of CMS Energy’s and Consumers Energy’s most recent Form 10-K and as updated in reports CMS Energy and Consumers Energy file with the Securities and Exchange Commission. CMS Energy’s and Consumers Energy’s “FORWARD-LOOKING STATEMENTS AND INFORMATION” and “RISK FACTORS” sections are incorporated herein by reference and discuss important factors that could cause CMS Energy’s and Consumers Energy’s results to differ materially from those anticipated in such statements. CMS Energy and Consumers Energy undertake no obligation to update any of the information presented herein to reflect facts, events or circumstances after the date hereof.

CMS Energy provides forward-looking guidance on an adjusted (non-GAAP) basis. During an oral presentation, references to “earnings” are on an adjusted basis. All references to net income refer to net income available to common stockholders and references to earnings per share are on a diluted basis. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, changes in accounting principles, changes in federal tax policy, regulatory items from prior years, unrealized gains or losses, recognized in net income, from market-to-market adjustments related to CMS Enterprises’ interest expense, or other items. Management views adjusted earnings as a key measure of the company’s present operating financial performance and uses adjusted earnings for external communications with analysts and investors. Internally, the company uses adjusted earnings to measure and assess performance. Because the company is not able to estimate the impact of specific line items, which have the potential to significantly impact, favorably or unfavorably, the company’s reported earnings in future periods, the company is not providing reported earnings guidance nor is it providing a reconciliation for the comparable future period earnings. The adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for the reported earnings. References to earnings guidance refer to such guidance as provided by the company on July 29, 2021.

Investors and others should note that CMS Energy routinely posts important information on its website and considers the Investor Relations section, www.cmsenergy.com/investor-relations, a channel of distribution.