



Leading the **CLEAN ENERGY TRANSFORMATION**

Environmental, Social
& Governance

November 2022



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.

The presentation also includes non-GAAP measures when describing CMS Energy’s results of operations and financial performance. A reconciliation of each of these measures to the most directly comparable GAAP measure is included in the appendix and posted on our website at www.cmsenergy.com.

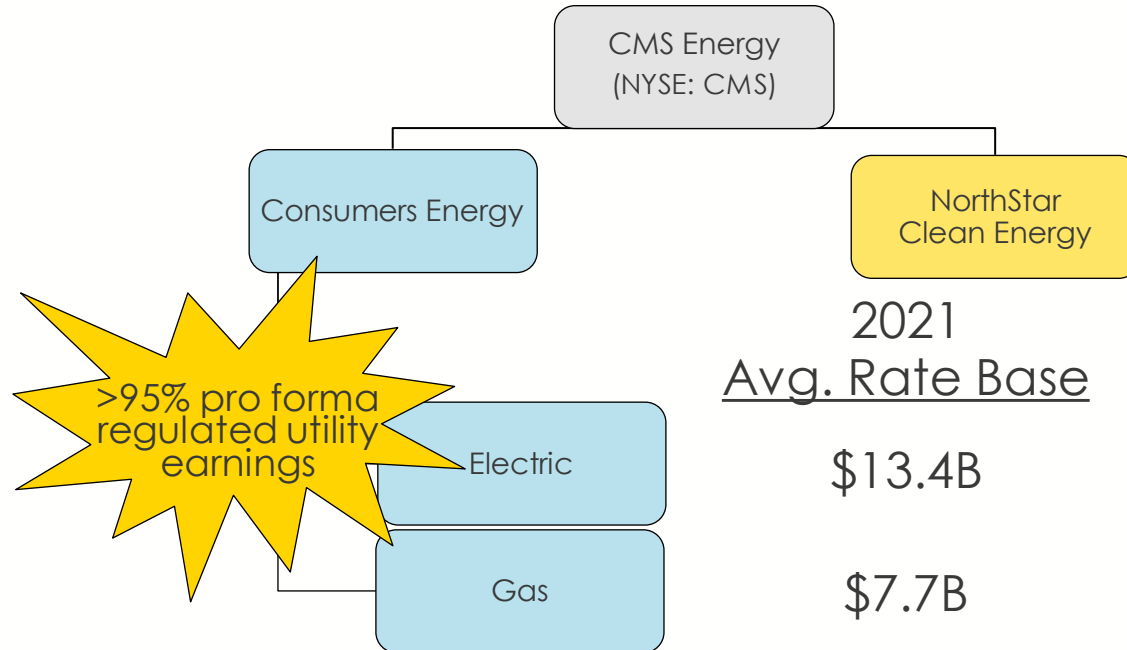
Investors and others should note that CMS Energy routinely posts important information on its website and considers the Investor Relations section, www.cmsenergy.com/investor-relations, a channel of distribution.

Presentation endnotes are included after the appendix.

CMS Energy Overview



Corporate Structure



2021
Avg. Rate Base

\$13.4B

\$7.7B

Key Information

2021 Financial Statistics

Based in Jackson, MI

~8,500 Employees (41% unionized)^a

\$7.3B Revenue

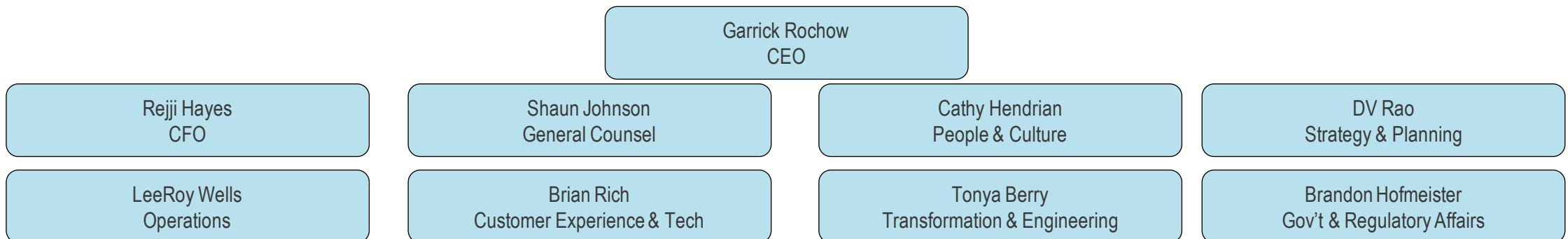
\$767M Adjusted net income^b

19 years Industry-leading financial performance

6% to 8% Long-term adj. EPS^b growth

6% to 8% Long-term DPS^c growth

Senior Management Team

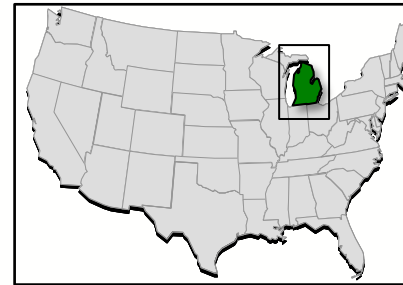


Consumers Energy Positioned Well . . .



4th Largest Combination Utility

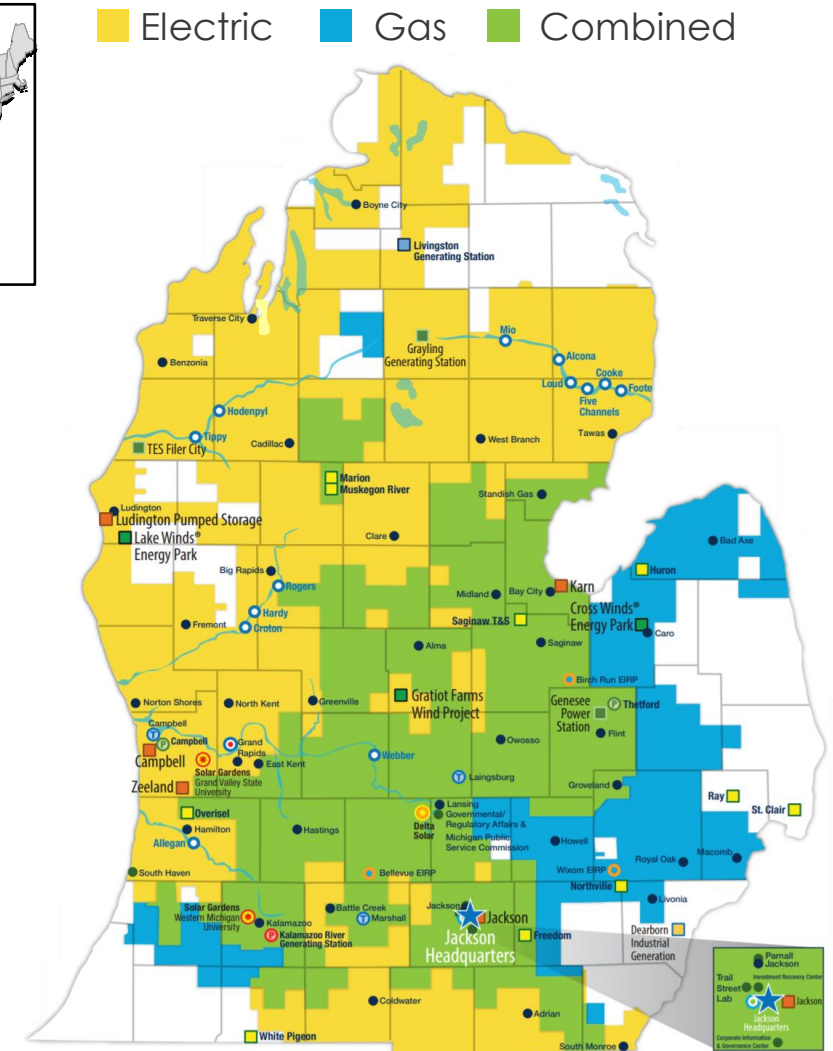
- Electric Utility
1.9M electric customers
7,852 MW of capacity
- Gas Utility
1.8M gas customers
309 Bcf gas storage
- Serving 6.8M Michigan residents



Attracted
>700 MW
of new or
expanding
load since
2015^b

Consumers Energy Planet Goals^a

- Exit coal by 2025
- Net zero methane emissions by 2030
- Net zero carbon emissions by 2040
- Net zero GHG emissions by 2050



Presentation endnotes are included after the appendix.

. . . to lead the Clean Energy Transformation.

Renewable Platform

- 373 MW of contracted wind (OH, TX)
- 64 MW of contracted biomass (MI, NC)
- 30 MW of contracted solar (MI, WI)

DIG & Other

- >1,000 MW in MI (including DIG & Peakers)
- Upside: tightening supply with future retirements

NorthStar Clean Energy helps companies with sustainability targets decarbonize through customized green energy and decarbonization solutions. Based in Michigan, NorthStar Clean Energy works alongside its commercial and industrial clients as one team to reduce emissions.



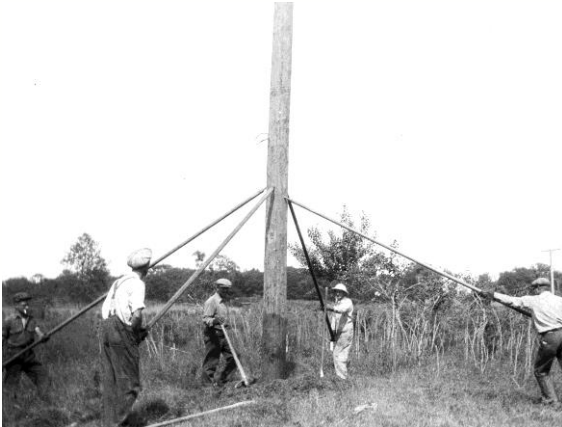
. . . providing solutions to help companies meet their decarbonization targets.

Over 135 years of Sustainable Business Practices. . .



Founded by the
Foote Brothers in 1886

Exiting Coal by 2025 and
adding 8 GW of solar by 2040



Solar Gardens



Cross Winds Energy Park



Karn Coal Plant



Ludington Pumped Storage

. . . now cleaner and leaner than ever before.

Our Commitment to Sustainability . . .



MSCI
ESG RATINGS



CCC B BB BBB A **AA** AAA

DOUBLE A RATED



SUSTAINALYTICS

a Morningstar company

**TOP QUARTILE FOR
GLOBAL UTILITIES**

GRESB Public Disclosure Level

88



Global Average: C

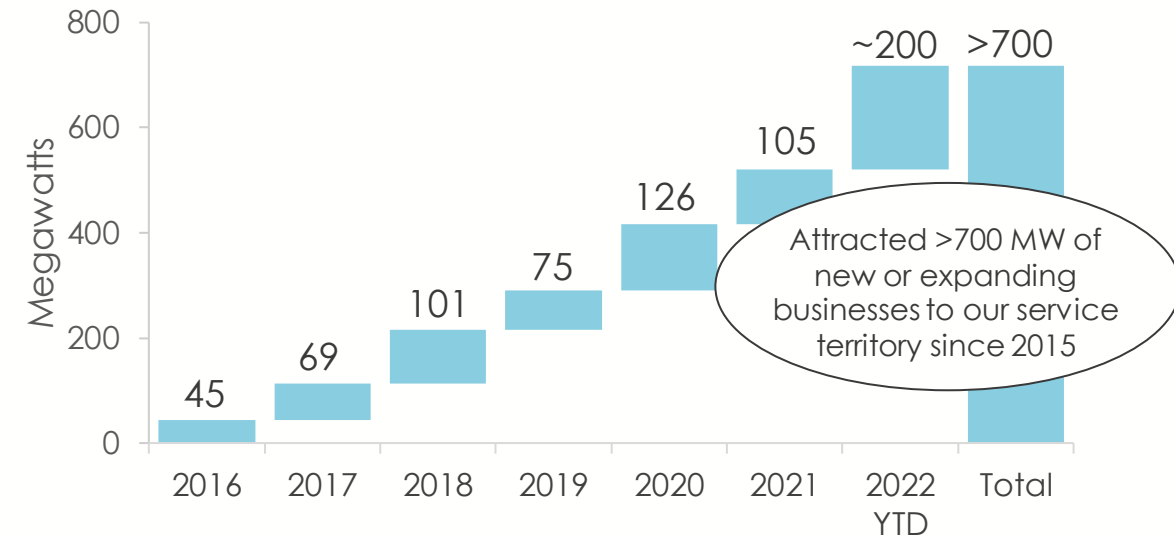
Comparison Group Average: B



Received U.S. Environmental Protection Agency 2022 Energy Star® Partner of the Year Sustained Excellence Award

Presentation endnotes are included at the end of the presentation.

Economic Development^a



. . . is recognized globally.

ESG Disclosures are Transparent . . .



- [CMS Energy & Consumers Energy Websites](#)
- SEC Filings ([10-K](#) & [Proxy](#))
- Carbon Disclosure Project
 - [Report Scope 1, 2 & 3 Emissions](#)
 - [Water](#)
- [Climate Assessment Report](#)
 - Considers TCFD Guidelines
- [Waste and Landfill Avoidance Report](#)
- [EEO1 Report](#)
- [DE&I Website](#)
- [SASB Index \(Electric Utilities & Power Generation\)](#)
- [SASB Index \(Gas Utilities & Distributors\)](#)
- [TCFD Index](#)
- [UNSDG Index](#)
- [Political Engagement](#)



. . . and aligned with SASB, TCFD and CDP reporting frameworks.

The background image shows a large, modern building with a classical portico and a tall, curved glass tower. In the foreground, there is a well-maintained green lawn with several trees, including a large one on the left. A paved path winds through the lawn, and a few people can be seen walking. A black lamppost with a white globe is on the left, and a black bench is in the foreground. The sky is clear blue.

INVESTMENT THESIS

Investment Thesis . . .



Industry-leading net zero commitments

Excellence through the ***CE WAY***

Top-tier regulatory jurisdiction^a

Premium total shareholder return
6% to 8% adjusted EPS growth + ~3% dividend yield

Presentation endnotes are included after the appendix.

. . . is simple, clean and lean.

Approved 2021 IRP . . .

Key Objectives

• Exit Coal Operations

Retire:
Karn 1&2
Campbell 1&2/3

One of the 1st in
the nation

~60% carbon
emission reduction
by 2025^a

2021 IRP

By 2025

2023
2025

2018 IRP

By 2040

2023
2031/39

• Reliable, Affordable, Capital Upside

Covert \$815M / >1 GW
RFP PPAs ~700 MW

No new dispatchable
units

~\$600M in
customer
savings^b

• Expanded Clean Energy Investment

New solar
Solar ownership
FCM on PPAs
Energy efficiency
Battery

~8 GW
Same
Same
Same
Beginning in 2024

~6 GW
50/50 (own/PPA)
After-tax WACC
1.1 GW
Beginning in 2032

• Regulatory Asset Treatment

Reg. asset treatment
9% ROE

Securitization of retired
units

Presentation endnotes are included after the appendix.

. . . accelerates decarbonization and provides significant customer savings.

Needed Infrastructure Renewal . . .



Electric distribution system is *older* than peers

Goal to improve ≥ 1 K miles annually



Exiting coal by 2025 and adding 8 GW of solar by 2040



25 years of main replacement through our Enhanced Infrastructure Replacement Program



>\$500M of vegetation management spend over 5 years to improve reliability^a

Presentation endnotes are included after the appendix.

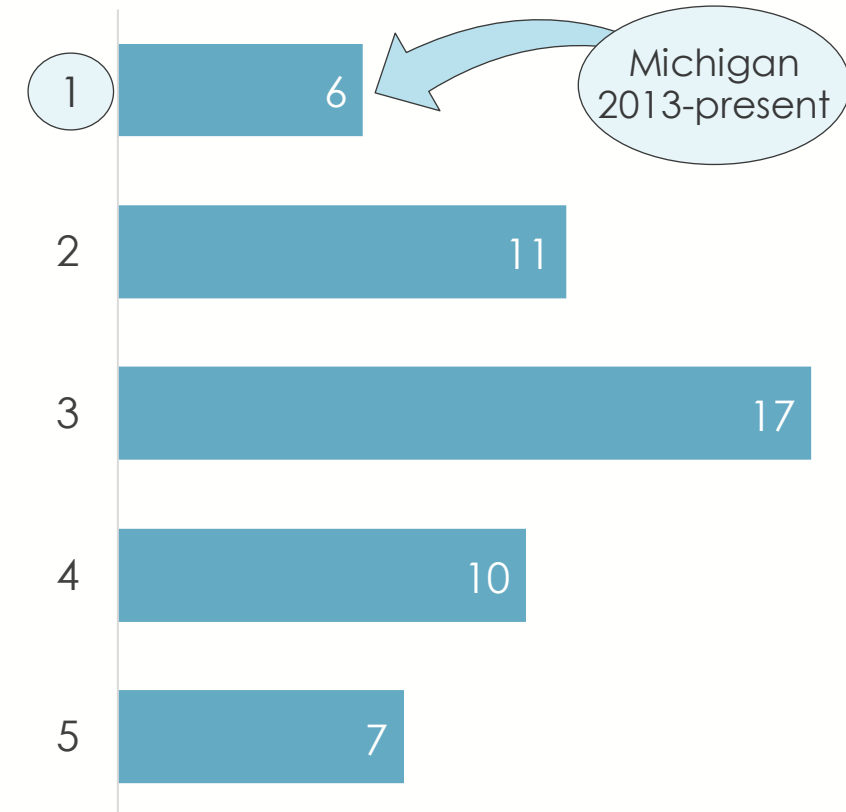
. . . requires significant customer investment.

Michigan Regulatory Environment . . .

Supportive Energy Law

- Timely recovery of investments
 - ✓ Forward-looking test years
 - ✓ 10-month rate cases
 - ✓ Earn authorized ROEs
 - ✓ Monthly fuel adjustment trackers (PSCR/GCR)
- Supportive incentives
 - ✓ Constructive ROEs
 - ✓ 10.7% ROE for Renewable Portfolio Standard
 - ✓ Energy efficiency incentive (~\$50M/yr)
 - ✓ FCM adder on PPAs
- Appointed Commissioners

Top-Tier Regulatory Jurisdiction^a



Presentation endnotes are included after the appendix.

. . . remains top-tier and supports Clean Energy Transformation.

De-risking Inflationary Pressures . . .



Near-term Risk Mitigation

<u>Global Risks</u>	<u>Countermeasures</u>
Labor	<ul style="list-style-type: none">✓ Executed 5-yr union contracts in 2020 (>40% unionized)✓ 95% non-union retention rate^a
Materials	<ul style="list-style-type: none">✓ Manageable supply chain risk✓ ~90% of material costs capitalized✓ Modular solar build-out
Commodities	<ul style="list-style-type: none">✓ Owned generation hedges market volatility✓ Manageable power supply costs✓ Leverage gas storage assets

Episodic Cost Savings

<u>Year</u>	<u>Event</u>	<u>Savings</u>
2022	Palisades retirement	>\$90M
2023	Karn 1 & 2 coal unit retirements (adj. O&M savings ^b)	\$30M
2025	MCV contract change	>\$60M
2025	Campbell coal unit retirements (adj. O&M savings ^b)	>\$60M
>\$200M identified future cost savings		

PLUS **CE WAY** PRODUCTIVITY

Presentation endnotes are included after the appendix.

. . . with opportunities for near- and long-term savings.

Credit Metrics Maintained . . .

Consumers Energy	S&P	Moody's	Fitch
Senior Secured	A	A1	A+
Commercial Paper	A-2	P-2	F-2
Outlook	Stable	Stable	Stable
CMS Energy			
Senior Unsecured	BBB	Baa2	BBB
Junior Subordinated	BBB-	Baa3	BB+
Outlook	Stable	Stable	Stable
Last Review	✓ Mar. 2022	✓ May 2022	✓ Mar. 2022

Ratings Drivers

- Strong financial position
- Growing operating cash flow
- Constructive return on regulated investment
- Supportive regulatory environment
- Lower business risk

. . . at solid investment-grade levels.

Expansive Economic Development Efforts . . .



■ Electric ■ Gas ■ Combined
● 2022 New Load

Gotion

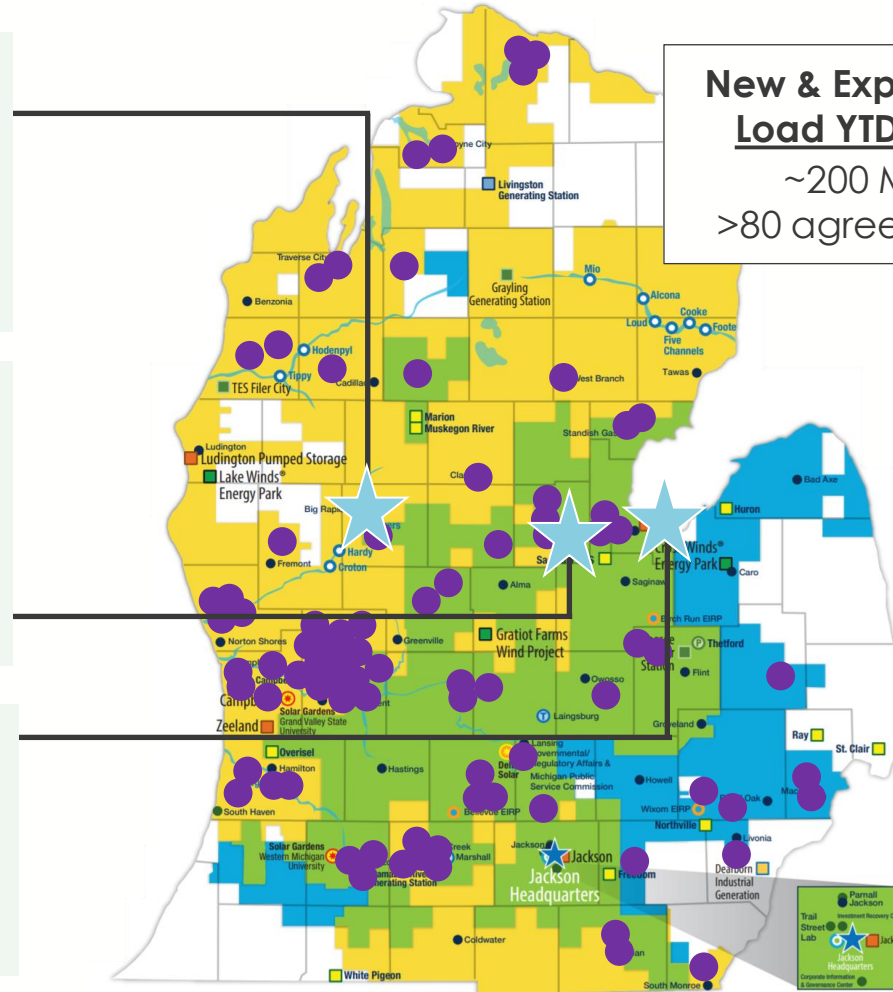
Global EV Battery
Manufacturer
~\$2,400M investment
>2,000 jobs

Hemlock Semiconductor

Leading Provider
of Polysilicon
~\$375M investment
~170 jobs

SK Siltron CSS

Leading Edge Silicon Carbide
Materials and Products
>\$300M investment
~150 jobs



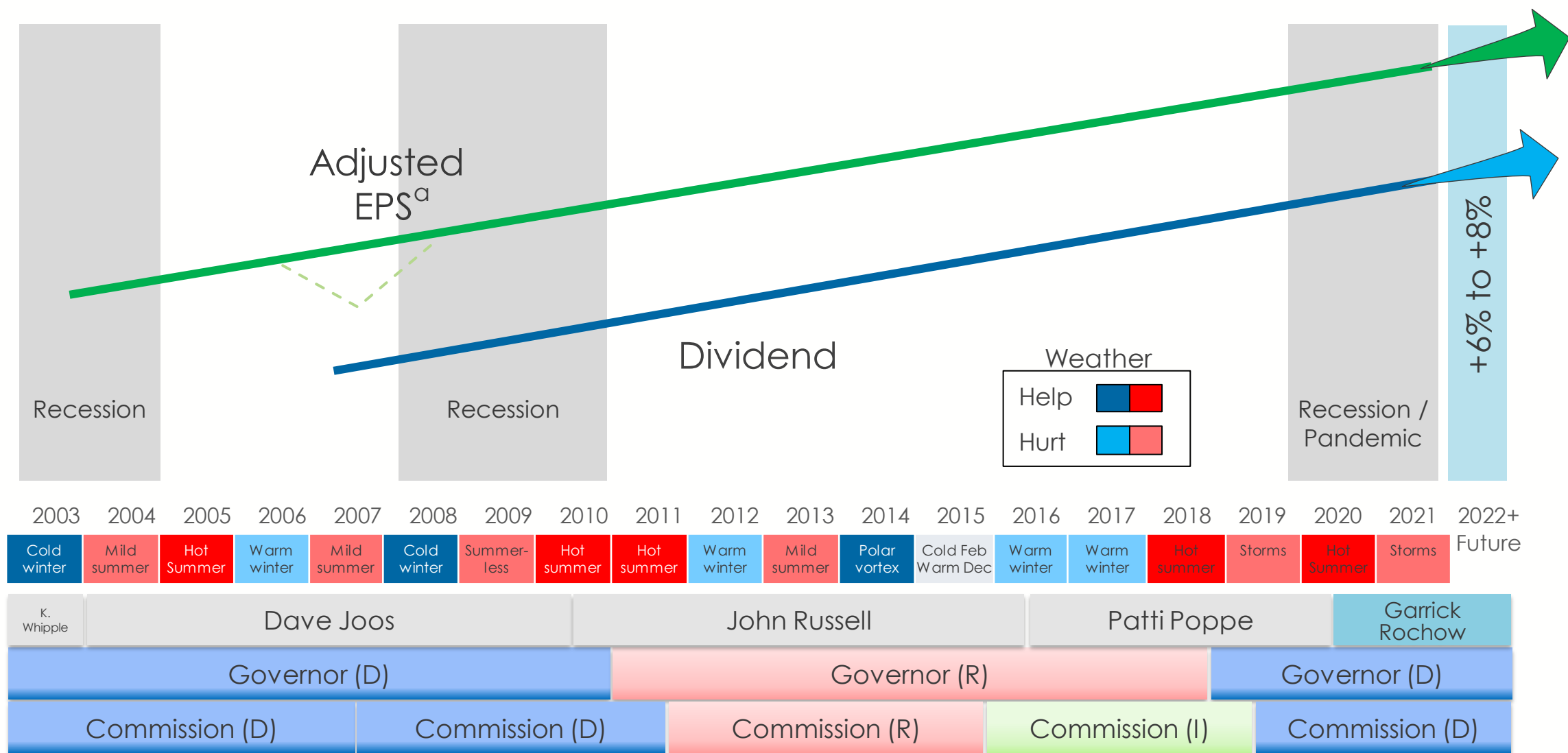
Gotion



Hemlock Semiconductor

. . . drive growth across Michigan.

Industry-Leading Financial Performance . . .



Presentation endnotes are included after the appendix.

. . . for nearly two decades, regardless of conditions.

We follow environmental management best practices that align with ISO 14001 standards to maintain and continually improve our processes.

ENVIRONMENTAL

Net Zero Commitments Drive Decarbonization . . .



2025 **Zero coal**
~60% carbon emissions reduction^a



2030 **Net zero methane emissions for our gas delivery system and 20% gas customer emissions reduction^b**
Accelerating vintage main and service replacements
Renewable natural gas



2040 **Net zero carbon emissions for our electric business (includes PPAs and MISO market purchases)**
Adding ~8 GW of new solar and ~2.5 GW of demand-side resources



2050 **Net zero GHG emissions for our entire natural gas system (includes customer and supplier emissions)**
Hydrogen fuel mix opportunities
Carbon offsets

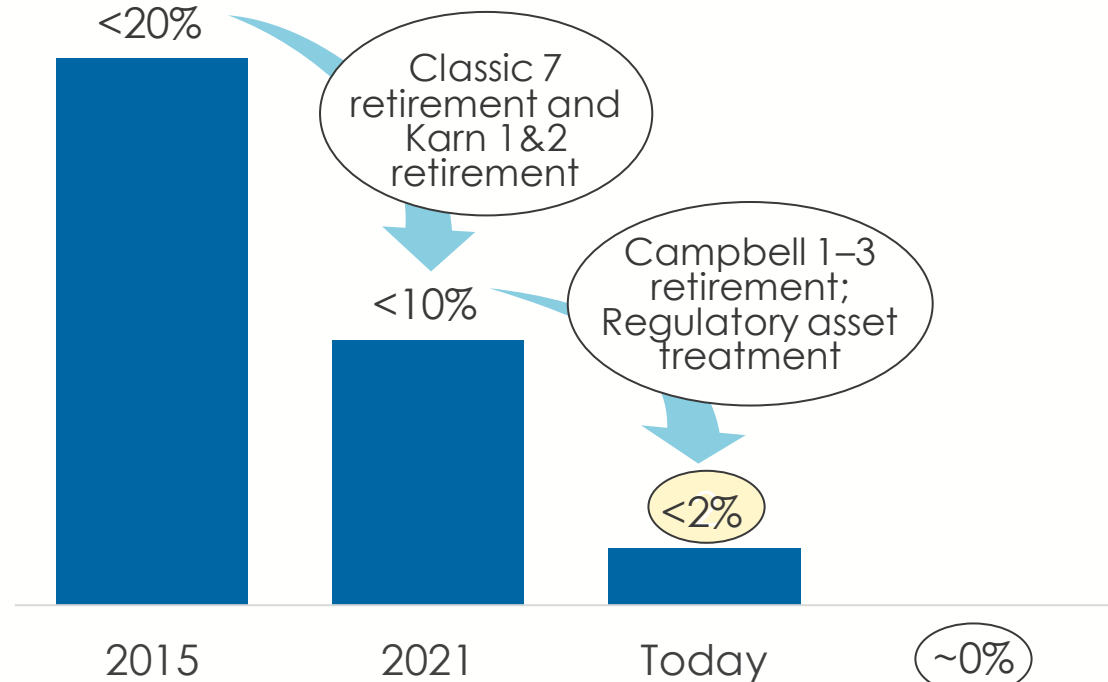
Presentation endnotes are included after the appendix.

. . . and support growth while delivering on the Clean Energy Transformation.

Our Clean Energy Transformation . . .



Exit Coal by 2025... (Coal % PP&E^a)



Carbon Emissions Reductions^b

2016 (33)%	2023 (40)%	2025 (60)%	2040 Net Zero
---------------	---------------	---------------	------------------

Presentation endnotes are included after the appendix.

...While Ensuring Reliability

- Purchase ~1.2 GW of existing gas capacity (Covert)
- RFP 700 MW of PPAs (500 MW of dispatchable resources)
- Maintain ~1.2 GW of peaking capacity through 2031 (Karn 3&4)
- Ongoing Energy Efficiency and Demand Response efforts
- Add 8 GW of solar and >0.5 GW of battery storage by 2040
- Additional decarbonization efforts include: CCS, H₂, Storage

... eliminates coal and supports growth while improving reliability.

Providing a Just Transition Out of Coal . . .



We Have Done This Before

- ✓ Retired seven coal units in 2016
- ✓ Engaged in clear and ongoing communication with affected communities and stakeholders
- ✓ Cared for our co-workers by providing retention incentives and placement plans for employees
- ✓ Worked to redevelop our communities and assist to transition local economies

Proven Examples

- ✓ Coal plant decommissions included environmental abatement, dismantlement and demolition to prepare sites for redevelopment and other economic opportunities
- ✓ Environmental efforts included restoring areas around the facilities, including coal ash ponds, and creating new habitats for bees, butterflies and waterfowl

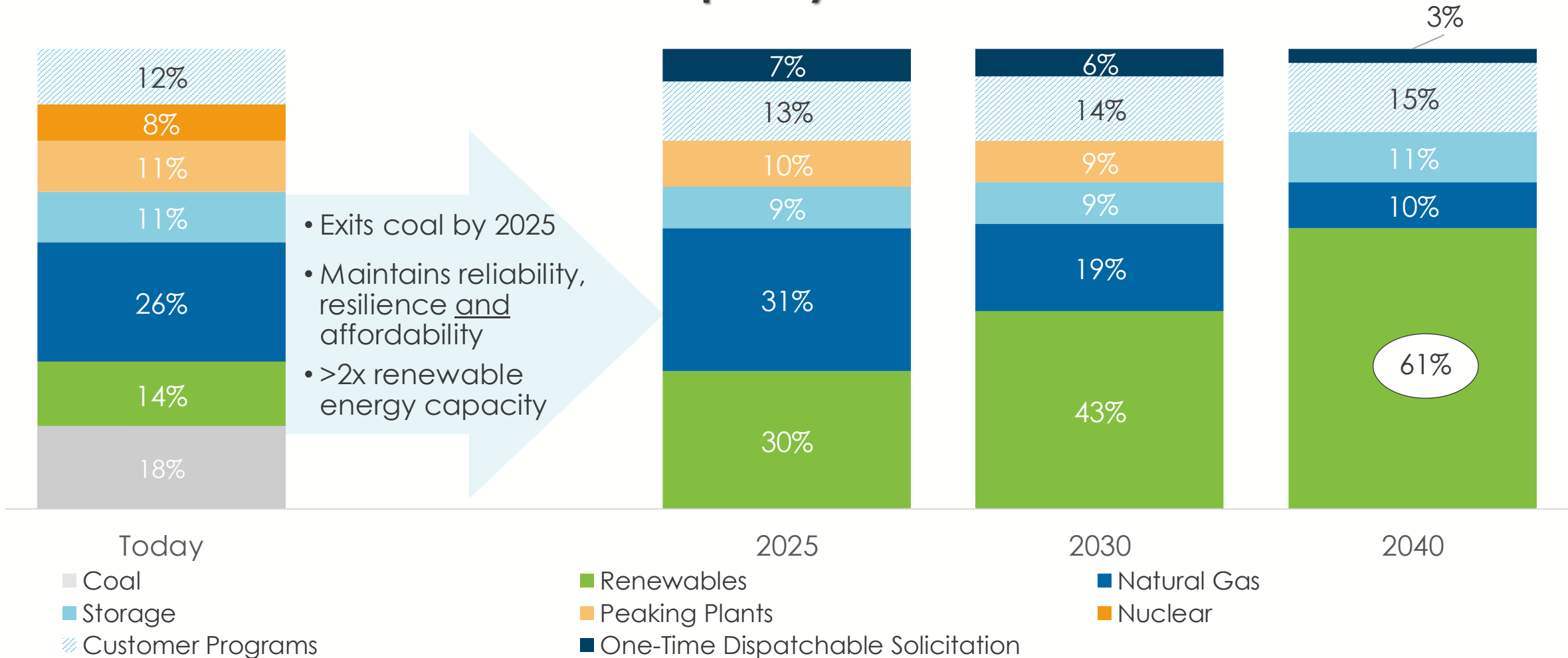


. . . for our co-workers, customers and communities we serve.

Our Clean Energy Transformation . . .



Capacity Mix^a

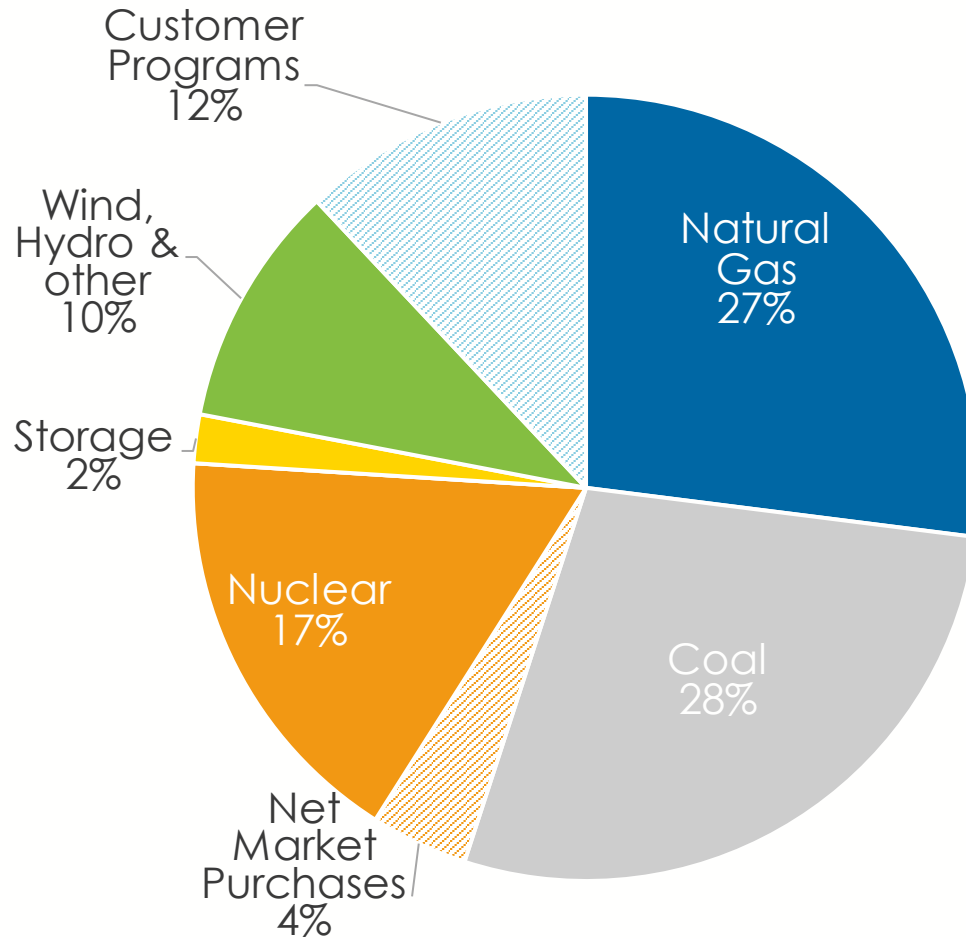


Presentation endnotes are included after the appendix.

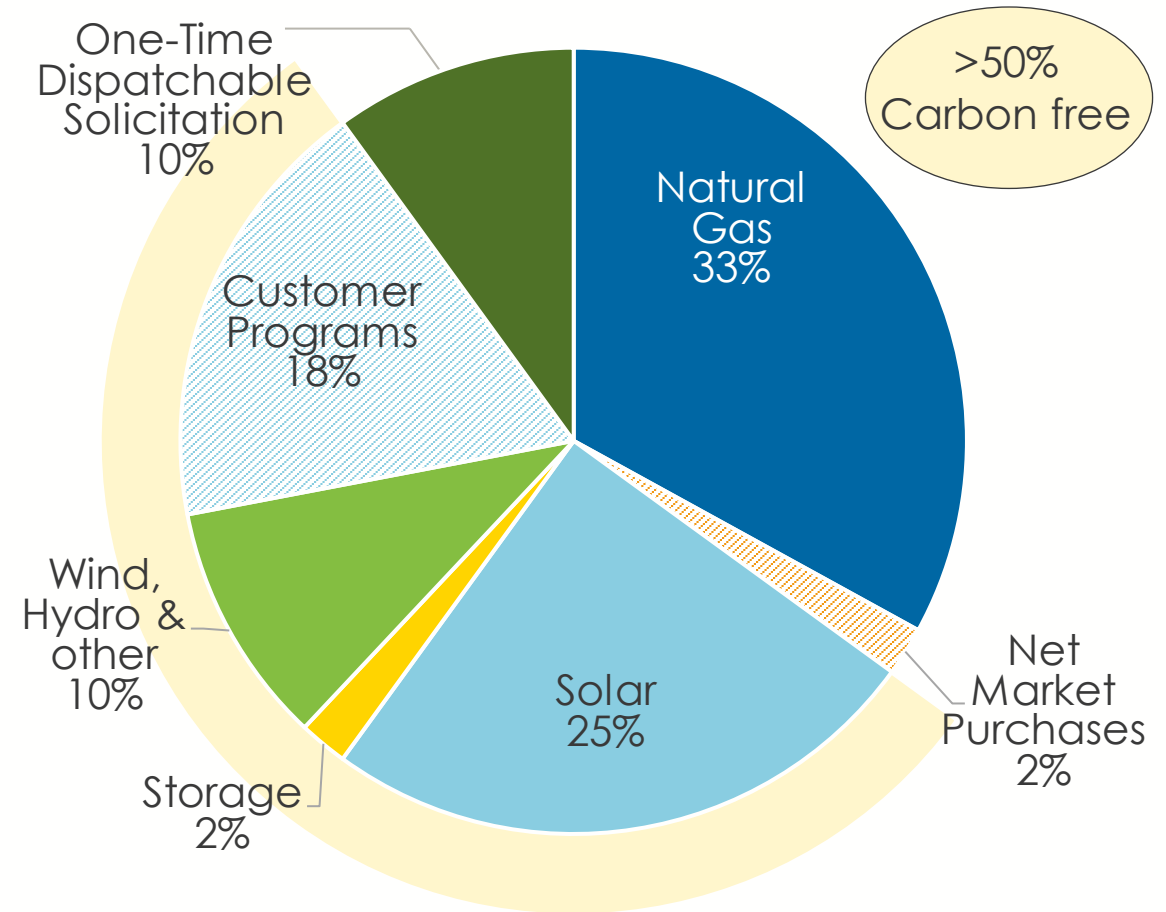
. . . results in 90% clean energy resources by 2040.

Our Energy Supply^a Will Be Cleaner . . .

Current Mix



Future Mix (2031) (Post-MCV PPA Expiration)



Presentation endnotes are included after the appendix.

. . . and more reliable with further opportunities to decarbonize.

Growing VGP^a Renewable Programs . . .



Large Customer Programs

Large Customer Renewable Energy Program

- Previously 120 MW with approved 1,000 MW expansion as demand grows
- ~165 MW currently subscribed
- 10 to 20-year contract options
- Rate base opportunity

*Pledge to power
>1,300 public
buildings with 100%
clean energy*



*Partnering with
General Motors to
power 11 Michigan
plants with 100%
green energy*

All Other Programs

(Available to Residential and Commercial)

MI Clean Air **New**

- Open to natural gas and combination customers
- Allows customers to pay for certified carbon-reducing projects (i.e., preserving MI forests) at as low as \$2/mo.
- Customers can offset up to all of their GHG emissions from gas use

Solar Gardens

- 4.5 MW subscribed capacity and actively pursuing sites for additional 5.5 MW that are preapproved
- >90% subscribed (~2½K customers)

Sunrise

- 27 customers enrolled
- Designed to aid income qualified customers achieve green goals
- Subscription cost covered by non-profit organizations (customers receive bill credits)

Renewable Energy Credit (REC) Program

- We broker RECs on behalf of >135 customers
- Available to locally and nationally

. . . help customers reach their clean energy goals.

Decarbonization of Gas Infrastructure . . .



Net zero methane by 2030...

- ~150 miles/yr main replacement
- ~9½K/yr vintage services replacement
- Renewable natural gas (RNG) as offset
- 1% energy efficiency (\$91 MM/yr)
 - Pre-tax incentive ~\$18 MM/yr

...with additional opportunities.

- Largest LDC underground storage in U.S. (309 Bcf)
 - 15 gas storage fields, 8 compressor stations and 150K horsepower
- Replacing ~13K miles of cast iron and steel mains with plastic pipe – reducing leaks
- Potential to deploy hydrogen and CCUS



. . . drives sustainable investment opportunities.

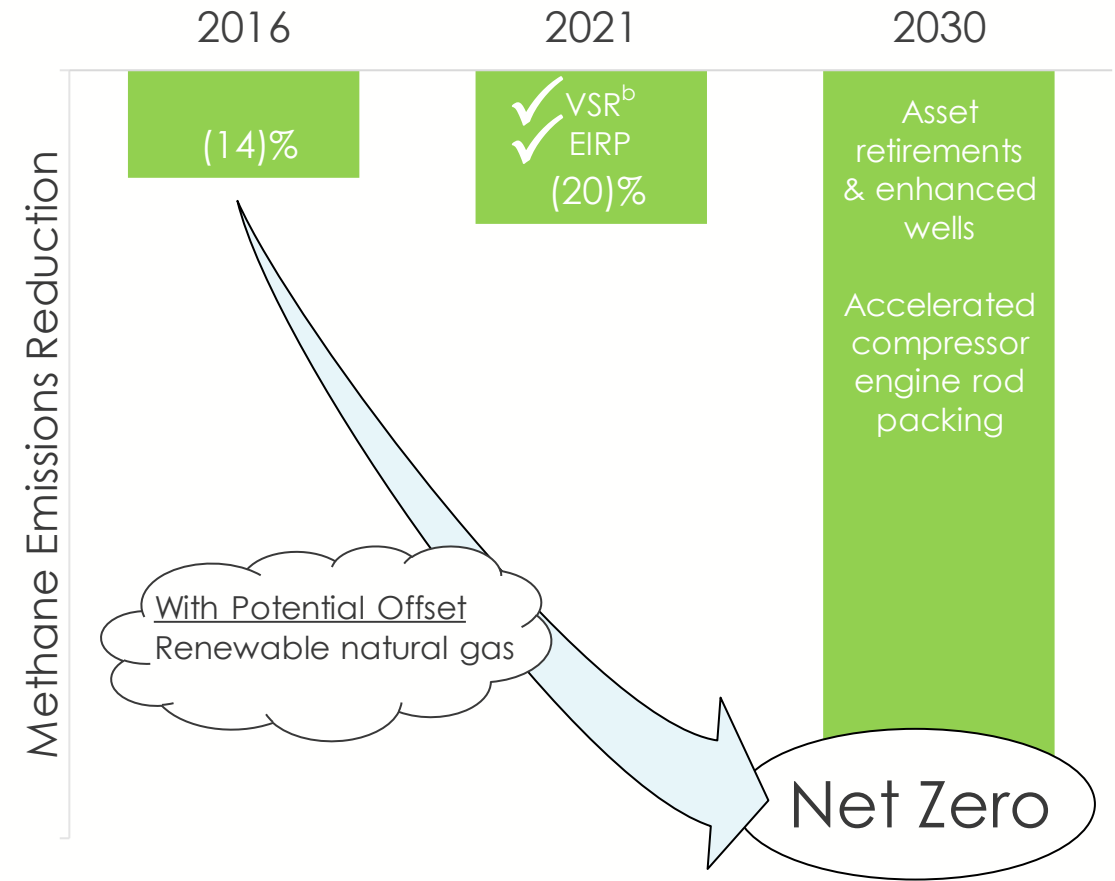
Net Zero Methane Emissions by 2030^a . . .

Careful Planning to Reach Goals

- 25-year Vintage Service Replacement and Enhanced Infrastructure Replacement programs
- Rehabilitating or retiring outdated infrastructure
- Continued energy efficiency of up to 1%
- ~80% reduction in methane emissions with RNG offset on system to reach net zero
- Partnering with EPRI/GTI and utilities across the world to study the expansion of RNG and hydrogen

Methane Emissions^a

(Gas Delivery System)



Presentation endnotes are included after the appendix.

. . . reducing leaks, enhancing energy efficiency and using cleaner fuels.

Energy Waste Reduction Programs . . .



Energy Efficiency Programs

- ✓ \$4.7B of customer savings on energy bills since 2009
- ✓ >5,000 GWh of reduced usage since 2009 – equivalent to ~1 power plant^a
- ✓ >25K/yr appliances recycled and >80K/yr residential rebates provided

\$1 of spend is equal to ~\$2.50 customer savings



Presentation endnotes are included after the appendix.

Electric

- >2% annually
- Next 5 years:
 - Spend ~\$196 MM/yr
 - Pre-tax incentive ~\$39MM/yr

Gas

- 1% annually
- Next 5 years:
 - Spend ~\$91 MM/yr
 - Pre-tax incentive ~\$18 MM/yr

10th year!

Received U.S. Environmental Protection Agency's 2022 ENERGY STAR® Partner of the Year – Sustained Excellence Award

. . . provide more clean energy options and help keep customer bills affordable.

Goal to Power >1M EVs by 2030 . . .

PowerMIDrive → Bring Your Own Charger → PowerMIFleet

- 21K EVs in Consumers Energy territory today
- >80% of customers charge off-peak
- 36 EV fast chargers installed
 - 6x the usage from prior year
 - Plans to install +100 over 2 years
- Partnering with 50+ fleet owners to assess fleets for electrification and provide rebates for fleet chargers through PowerMIFleet program
- Powered by an entirely carbon-neutral grid by 2040 – one of the nation's fastest timetables

1M EVs by 2030
will add ~5% to ~10%
growth to electric
load

Every 2 EVs on the road is equivalent to adding
1 residential household to the grid

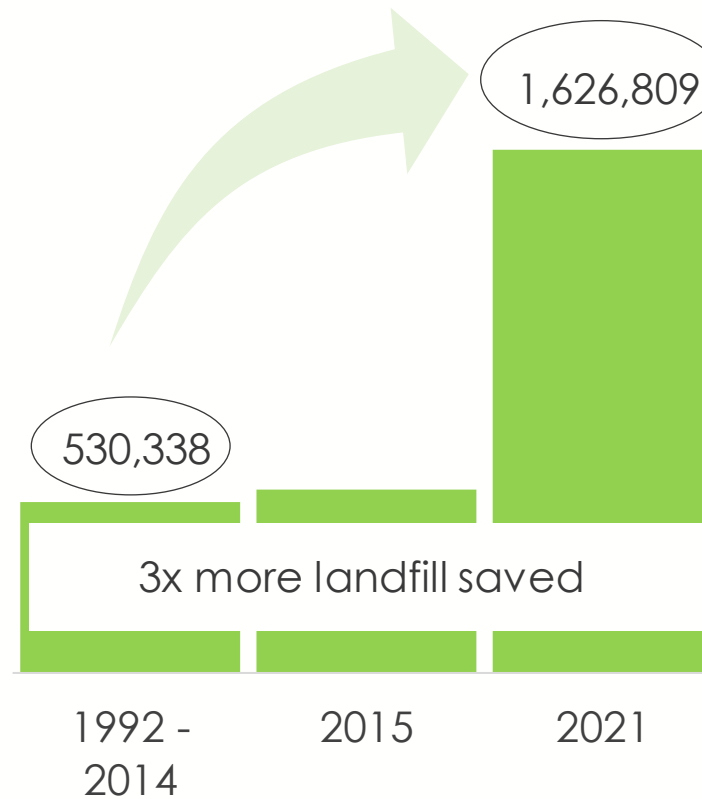


. . . supported by our electric vehicle programs.

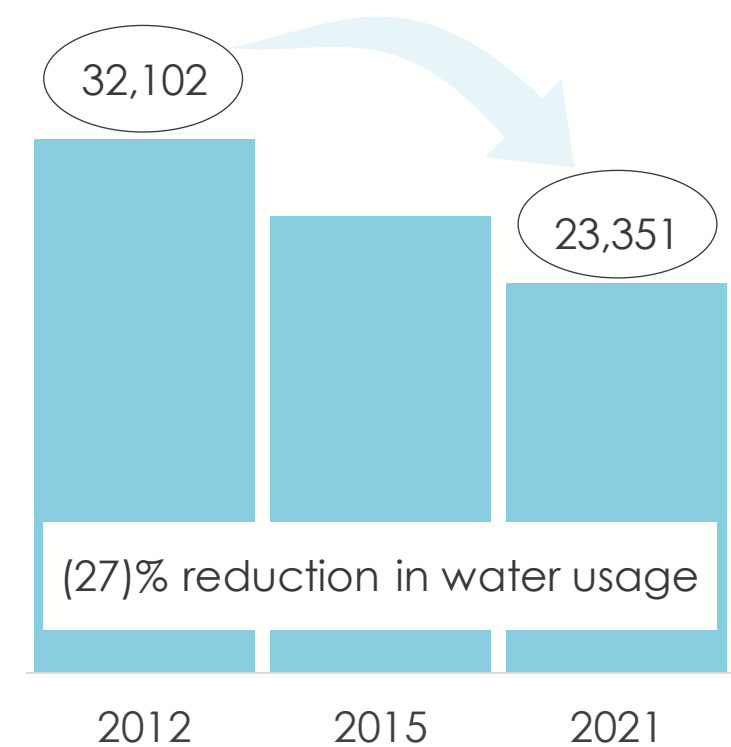
Protecting Our Land & Water . . .



**Total Landfill
Space Avoided**
(Total Tons)



**Water
Intensity**
(Gal/MWh)



. . . through near-term planet commitments.

The background of the slide is a photograph of two women shaking hands in a doorway. The woman on the left is wearing a blue long-sleeved shirt and a bright yellow safety vest. She is smiling and looking at the other woman. The woman on the right has short, curly brown hair and is wearing a dark green sweater. She is seen from the back, looking towards the first woman. The doorway is white and leads to a bright, sunlit area. To the right of the women, on the wall, there is a wire rack holding several brochures or magazines. One of the visible titles is 'GW'.

SOCIAL

Our Actions are Driven by Our Values . . .



- **Employee and customer safety**
 - Emotional
 - Physical
 - Cyber
 - Financial
- **Diversity, equity and inclusion (DE&I)**
 - Embedded in our culture, the workplace and within our supply chain
- **Workforce Development**
 - Electric and gas training programs
 - Working with grades K-12, local colleges and universities to build interest in the utility industry
- **Community and customer support**
 - Corporate giving
 - Economic development
 - Customer satisfaction



. . . to deliver for our co-workers, customers and communities we serve.



EMPLOYEE & CUSTOMER SAFETY

Committed to Safety . . .

- A safety culture established in partnership with our union
- Proactive, risk-based program in partnership with EEI and other utilities
- Employee driven safety teams at every office and in the field
- Safety performance included in executive and employee compensation
- 64% reduction in public incidents since 2016

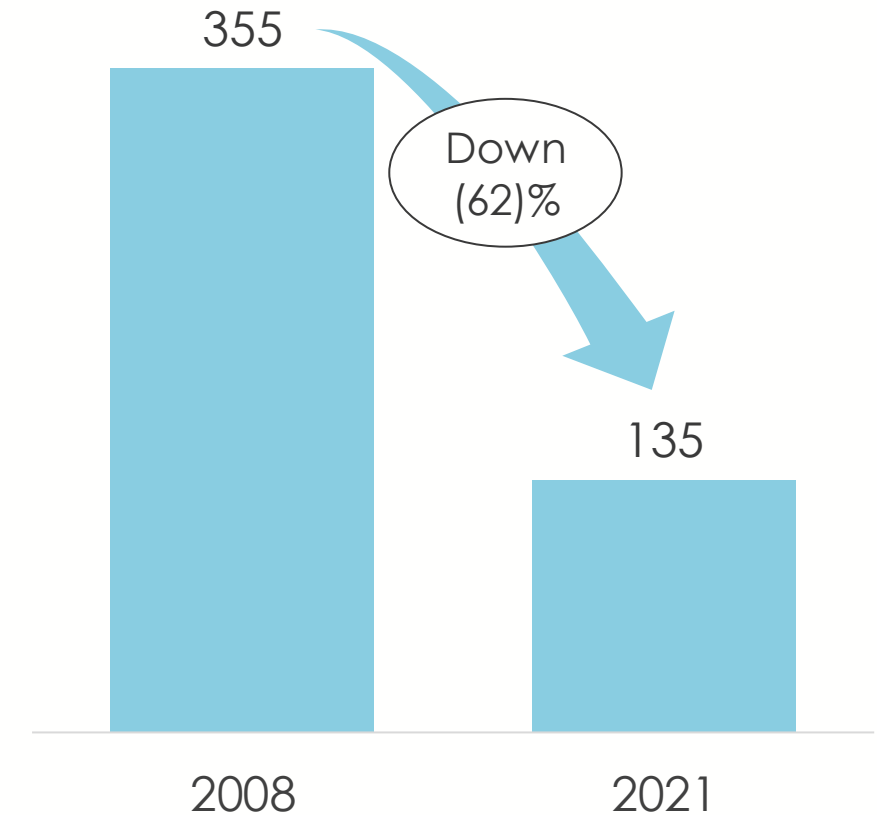


Road
to
zero



Safety Performance

(Recordable Safety Incidents)



. . . with an emphasis on zero high-risk incidents.

Employee Wellness Programs . . .



Program Focus & Approach

Physical

- 6 months paid leave for maternal birth parent and 4 months paid leave for paternal or non-birthing parent
- In 2023, we will introduce inclusive domestic partner benefits for all employees

Emotional

- Celebration of mental health awareness month
- Helping lead efforts to add gender identity and sexual orientation to the list of protected classes under the state's Elliott-Larsen Civil Rights Act

Financial

- Company contribution of up to 14%^a
- 76% of active 401K participants are saving $\geq 15\%$ ^b



Employee participation in wellness programs incentivized with Amazon gift cards

Presentation endnotes are included after the appendix.

. . . promote physical, emotional and financial health.

Integrated Cyber and Physical Security Program . . .



Program Focus & Approach

- Protect critical infrastructure, customer data and employee safety
- Information sharing with industry partners, peer utilities and state and federal government agencies
- Security is an independent organization outside of IT to ensure a balance between technology delivery and risk
- Dedicated cyber team focused on finding and remediating vulnerabilities in our systems and use of third-party firms for penetration testing, audits and assessments.
- Annual co-worker training related to awareness, risk prevention and detection, event management and policy compliance

Robust Corporate Governance

- Board oversight of security risks including cyber and physical security, compliance and privacy
- Company-wide phishing tests & department updates
- 2 Board members with security experience



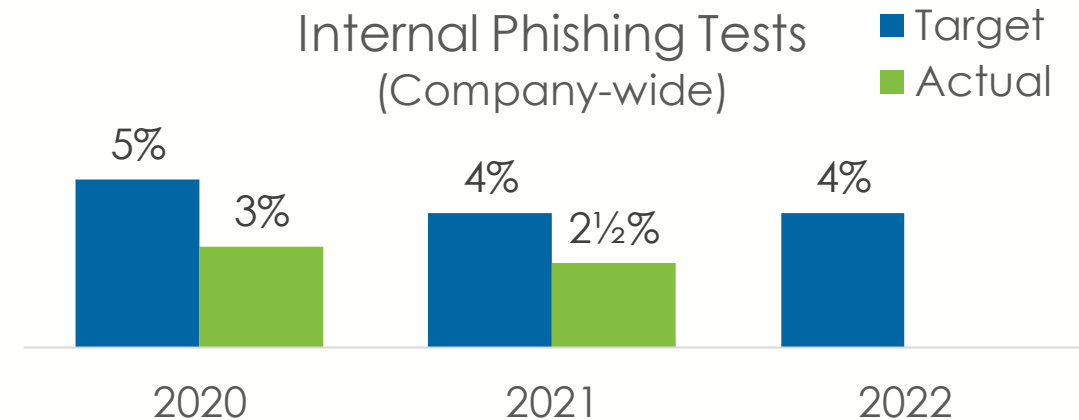
Myrna Soto

>20 years of IT & security experience



Deborah Butler

Retired CIO from Norfolk Southern



. . . protects critical state infrastructure and customer data.

A photograph of three diverse professionals in an office setting. A woman in the foreground is smiling and looking at a laptop. A man in the background is pointing at the laptop screen. Another person is partially visible on the left. The scene is brightly lit by a window with vertical blinds. A yellow hard hat is visible on the desk to the right.

DIVERSITY, EQUITY & INCLUSION

DE&I is Embedded in Everything We Do...



100% unconscious bias and DE&I-related training for our workforce

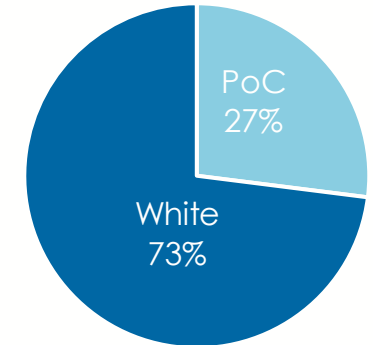
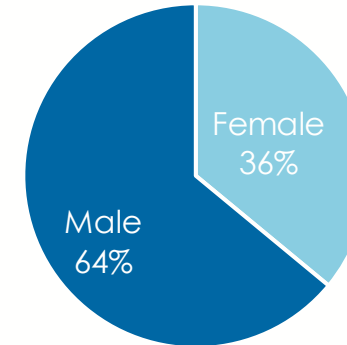
Garrick Rochow, President & CEO

President and CEO, Garrick Rochow, continues to engage 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.

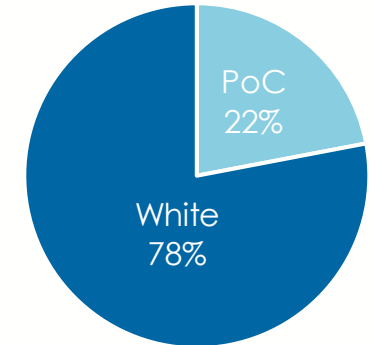
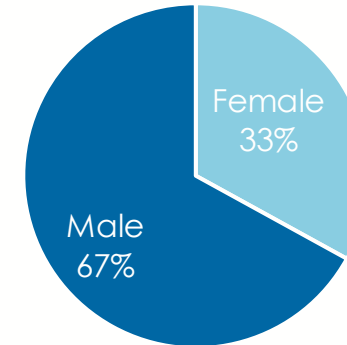
Our mission to sustain a world-class, inclusive workforce relies on our foundational principle that DE&I is embedded into the culture of CMS Energy.

Diversity by the Numbers

Board of Directors



Executive Leadership











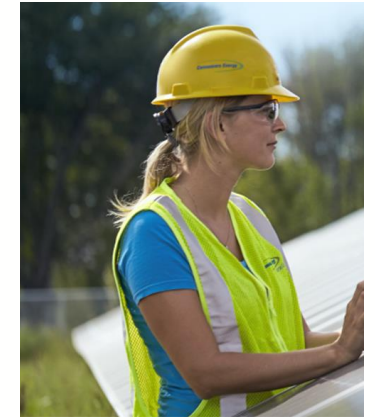
Our DE&I Stand for Philanthropy:
By 2023, deploy \$15M to support social justice initiatives throughout Michigan

... to ensure our co-workers and communities feel safe and cared for.

Employee Resource Groups . . .



	New! Interfaith	Supports employees of all religions and those with no religious affiliation.
	Women's Advisory Panel (WAP)	Supports the retention, development and success of women.
	Minority Advisory Panel (MAP)	Promotes a culture of diversity and inclusion through education, leadership, development and networking.
	Women's Engineering Network (WEN)	Empowers women in STEM fields to build and support corporate objectives.
	Veteran's Advisory Panel (VAP)	Provides support to former active military personnel and assists in recruiting and retaining veterans.
	Pride Alliance of Consumers Energy (PACE)	Promotes an inclusive and safe environment that's supportive for LGBTQ persons and allies.
	GEN-ERGY	Bridges the gap of learning, networking and mentoring across the workforce generations.
	capABLE	Removes barriers and opens minds, creating meaningful work pathways for current and future employees of all abilities.



20% of employees belong to one or more of 7 employee resource groups



. . . create a more diverse and inclusive workspace.

Supplier Diversity Initiatives . . .



Focus & Approach

- Exceeded 2021 diverse spend target and on track to exceed 2022 target
- Expanding diverse supplier network
 - Met with >150 diverse suppliers
 - >50% of diverse suppliers registered to conduct business with us
- Enhanced Tier II reporting
 - 40% of our top 100 suppliers report Tier II spend
 - Targeting \$75M in Tier II diverse spend in 2022 up \$25M from prior year spend

5-year commitment to double our spend with diverse suppliers through 2023



. . . focused across all areas of our business.



WORKFORCE DEVELOPMENT

Securing a Workforce for the Future . . .



STEM & Robotics

- Hometown, statewide and national focus
- Middle & high school education levels
- Partnered with Center for Energy Workforce Development (CEWD)
 - Energy industry fundamentals curriculum



School-to-Work Program (STW) (for electric line workers)

- Collaboration with community colleges
- EMPOWER lineworker Pre-Apprenticeship Program focuses on lineworker careers



. . . offering programs that promote early skillset development.

Flint “Gas City” Provides Hands On Learning . . .



- Training site covers 1.4 acres and is located in Flint, MI supports the next generation of Consumers Energy gas workers through training and real-world experience
- Innovative new approach to training and career development utilizing experiential learning
- Educates and empowers co-workers for various scenarios such as constructing pipes in slippery or uneven terrain and more
- Construction to be complete in Q1 of 2023
- Curriculum development underway in partnership with union/management joint committees utilizing Instructional Designers and consultants.



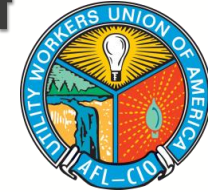
. . . and highlights our hometown commitment.

Recruiting and Reskilling a Diverse Workforce . . .



Training Trust Agreement

(with Power for America)



- Delivers technical and safety training
- >25,000 student hours delivered in 2021 and 2022
- First two cohorts of Renewable Specialist Apprentices are now DOL certified Journey workers



Utility Military Assistance Program

- Training programs for veterans and current National Guard members
- Delivers trained employees for gas construction and electric distribution

. . . through training programs for students and veterans.

Union Relationships at the Utility . . .



Michigan State Utility Workers Council (MSUWC)

- ~3,400 employees represent electric and gas workforce
- >250 employees represent call centers
- Subsidiary of Utility Workers Union of America (UWUA)
- Contracts through 2025

41%
unionized



. . . remain strong and collaborative.

Advancing Labor Rights . . .



- Complying with all applicable U.S. federal, state and local laws and regulations concerning our co-workers and labor issues
- Informed approach based on standards, including those found in the International Labor Organization (ILO) 87 and 98
- Annual audits to ensure our policies and practices cultivate a workplace free of harassment and discrimination
- Annual compensation reviews for pay equity through a third party to ensure our co-workers receive fair compensation
- Request that third parties operate safely and in a manner that reflects our values



. . . and raising expectations with those we do business with.

VOLUNTEER



Consumers Energy

Count on Us®

#CEVOLUNTEERS

**COMMUNITY &
CUSTOMER SUPPORT**

Protecting Human Rights . . .



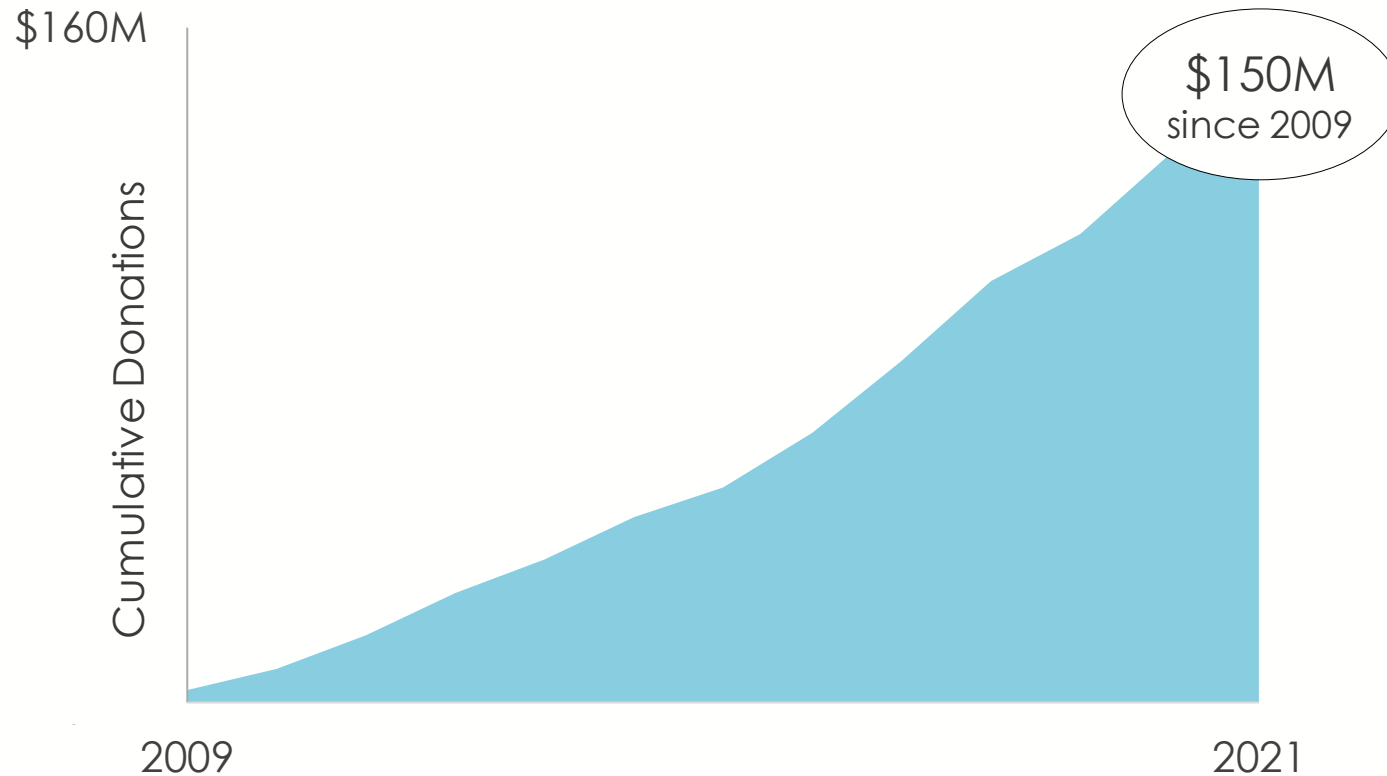
- Committed to prohibiting the use of child labor, forced labor, human trafficking and all forms of modern slavery; and being transparent in our efforts, successes and challenges
- Protecting the rights of all – including women, minorities, LGBTQIA+ persons and veterans
- Employees required to report concerns or potential misconduct

. . . to help create a world where all are respected and included.

Continued Corporate Giving . . .



Charitable Organizations^a



Presentation endnotes are included after the appendix.

CE Foundation Donations

\$8.6M in donations to nonprofits in 2021

- ✓ \$4.3M to help end poverty in the state
- ✓ \$1.3M to protect Michigan's land, water and air
- ✓ \$3.0M to help Michigan businesses & communities grow

. . . investing in what is most important to Michigan.

\$1.5M in Signature Grants in 2021 . . .

PEOPLE

- \$238K to the Foundation for Muskegon Community College to support the creation of a STEM lab
- \$150K to United Way of Allegan and Ottawa Counties to provide basic needs such as food, clothing, personal items and household goods to help ALICE individuals
- \$100K to MI Community College Association to develop training resources for students struggling to complete their educations



PLANET

- \$200K to Huron Pines Resource Conservation and Development Council to restore 5K acres of wildlife habitat and more
- \$125K to Au Sable Institute to help 3.6K students to complete 30 habitat restoration projects to install 30K native plants
- \$100K to Southwest Michigan Land Conservancy to restore natural habitat
- \$75K to Bay Area Community Foundation to advance the water quality protection of Lake Huron



PROSPERITY

- \$250K to City of Cadillac to replace overgrown and blighted areas with microparks, green spaces and art displays, while improving residential façades and reducing blight and crime
- \$250K to Communities First, Inc. to restore and reopen Flint Masonic Temple's restaurant in Flint, MI and auditorium spaces as a premier arts and culture venue seating 400 people and generating a significant positive economic and social impact for Flint



. . . to help the communities we serve to thrive.

Supporting Customers in Need . . .



- ✓ \$1M investment in the city of Flint, MI – to support economically vulnerable communities by working with community agencies to provide energy waste reduction intervention to customers struggling to pay energy bills and identify those who may need to defer payment due to health and safety concerns
- ✓ \$5M donation in support of income-based energy bill assistance for electric customers as approved in the 2021 IRP settlement agreement
- ✓ >\$75M of customer assistance to help keep customer bills affordable by connecting customers with existing Consumers Energy, state and federal funding in 2021 and on track to exceed that level in 2022



. . . by connecting them with energy assistance programs and other direct assistance.

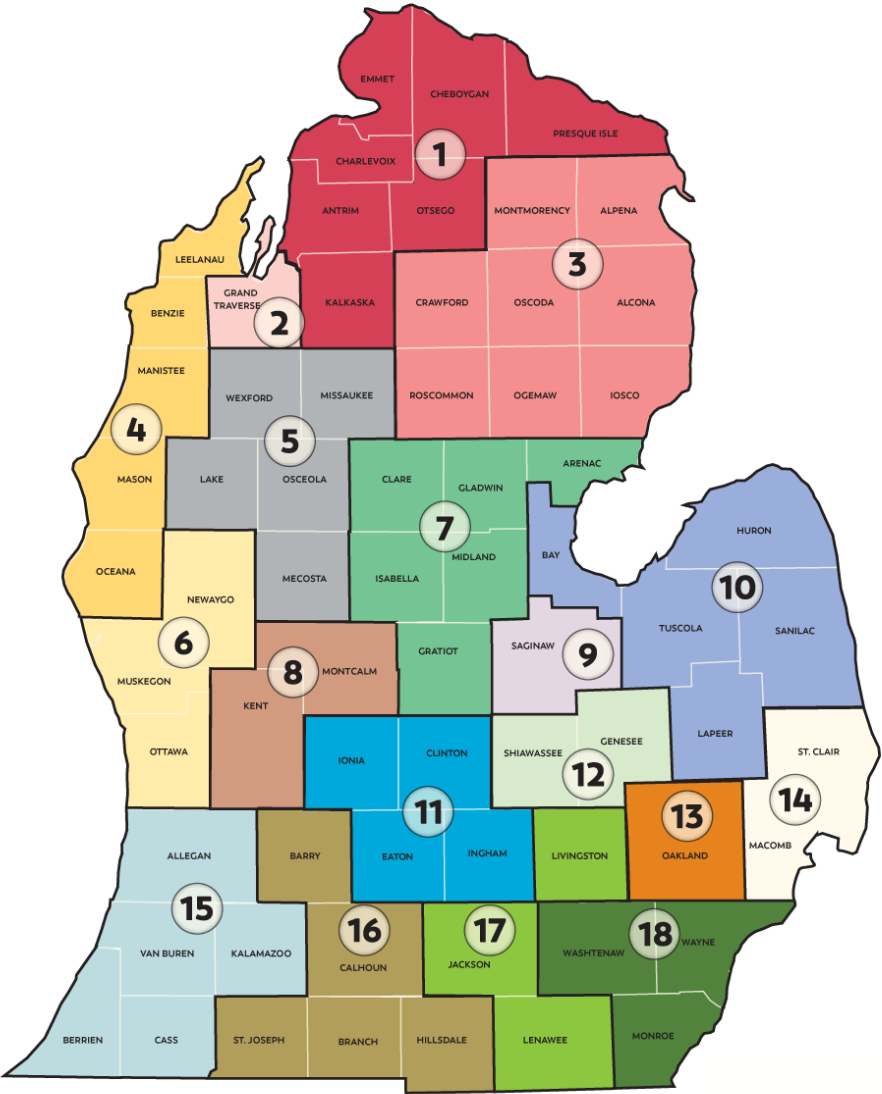
Community Engagement Teams . . .



22
Community Affairs
Managers



Active
in the community



>350
local community
events are attended
each year

>100
boards served on

. . . thoughtfully positioned across the state.

Helping Michigan Thrive . . .



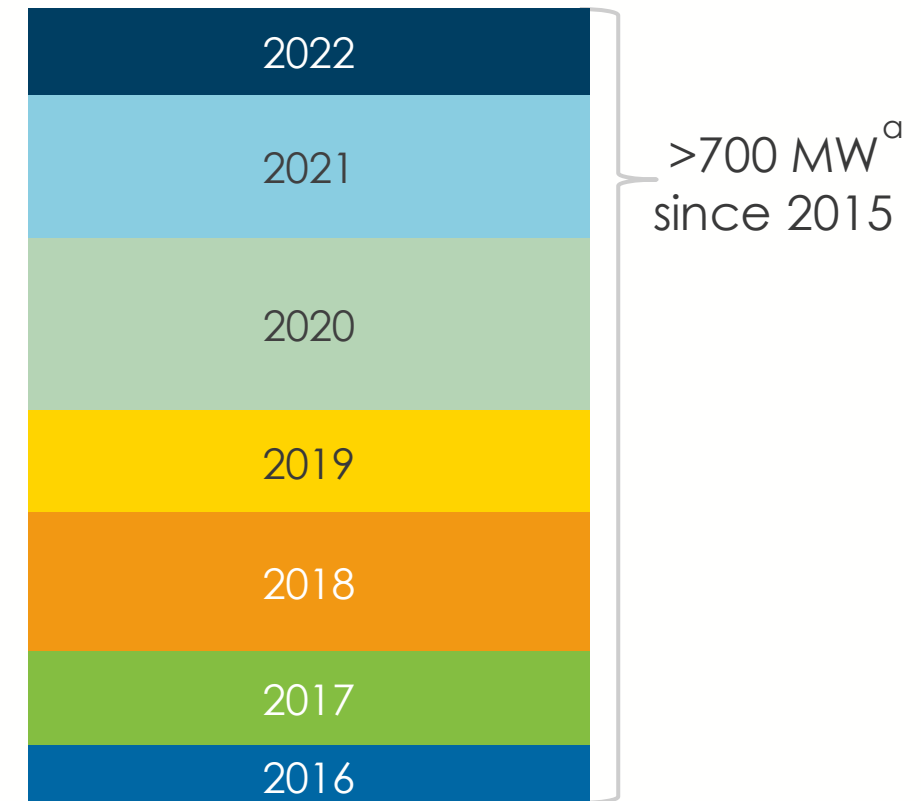
Competitive Advantages in the State

- ✓ \$1B of state incentives
- ✓ New energy intensive economic development rate
- ✓ 2022, 2021, 2020, 2019 & 2018 Editor's Choice Top Utility - Business Facilities



In 2021, new and expanding load expected to attract >\$1.1B Michigan investment and >4K jobs

New and Expanding Load



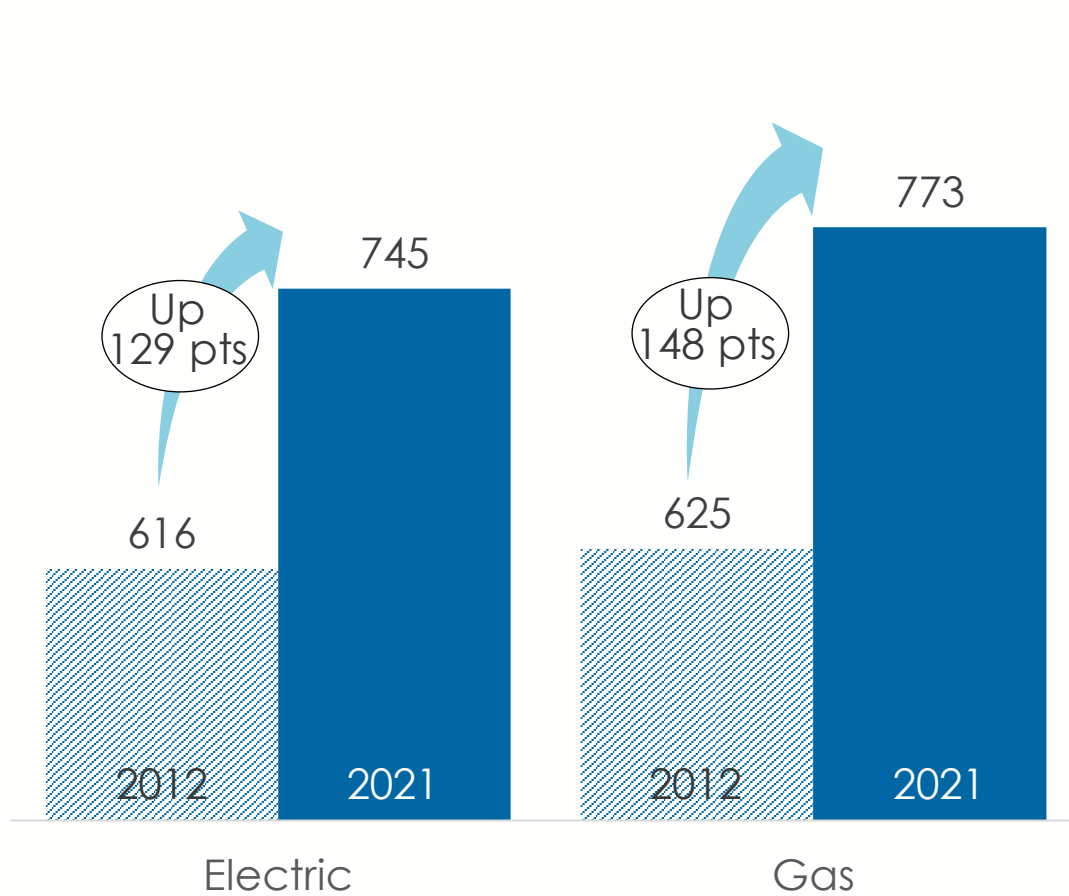
Presentation endnotes are included after the appendix.

. . . through proactive economic development.

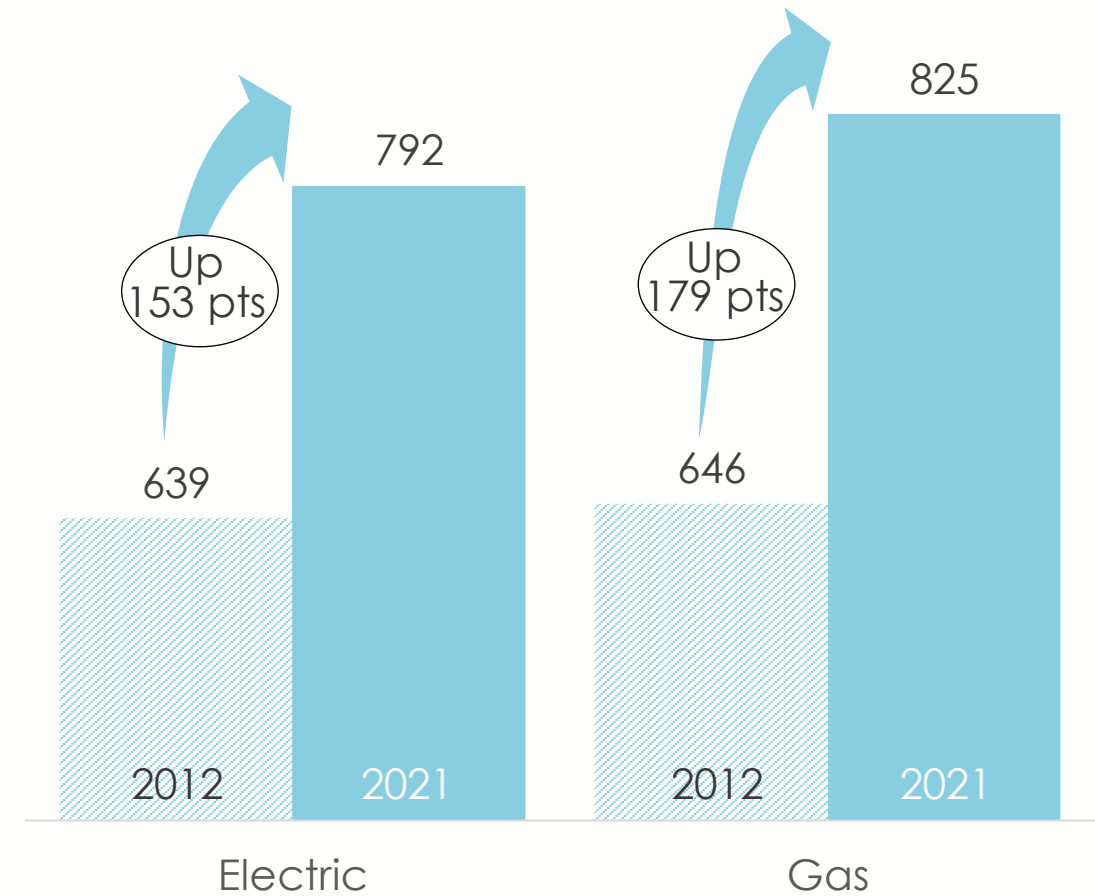
J.D. Power Scores . . .




Residential



Business



. . . highlight our commitment to continuous improvement for our customers.

A photograph of three business professionals in an office setting. A woman with blonde hair is seated on the left, smiling. A woman with short red hair and glasses stands in the center, leaning over a laptop. A man with a beard and a blue polo shirt is seated on the right, looking at the laptop. The background shows vertical blinds and a bright light source.

We integrate oversight by the board, an enterprise risk management (ERM) program and robust strategic and business planning processes when addressing ESG and sustainability matters.

GOVERNANCE

Exceptional Board Governance . . .



11 Members

91% Independent



. . . led by an independent Chair and highly skilled, diverse Board.

Diverse, Engaged and Experienced Board . . .



Diversity

62 Average age

36% Female

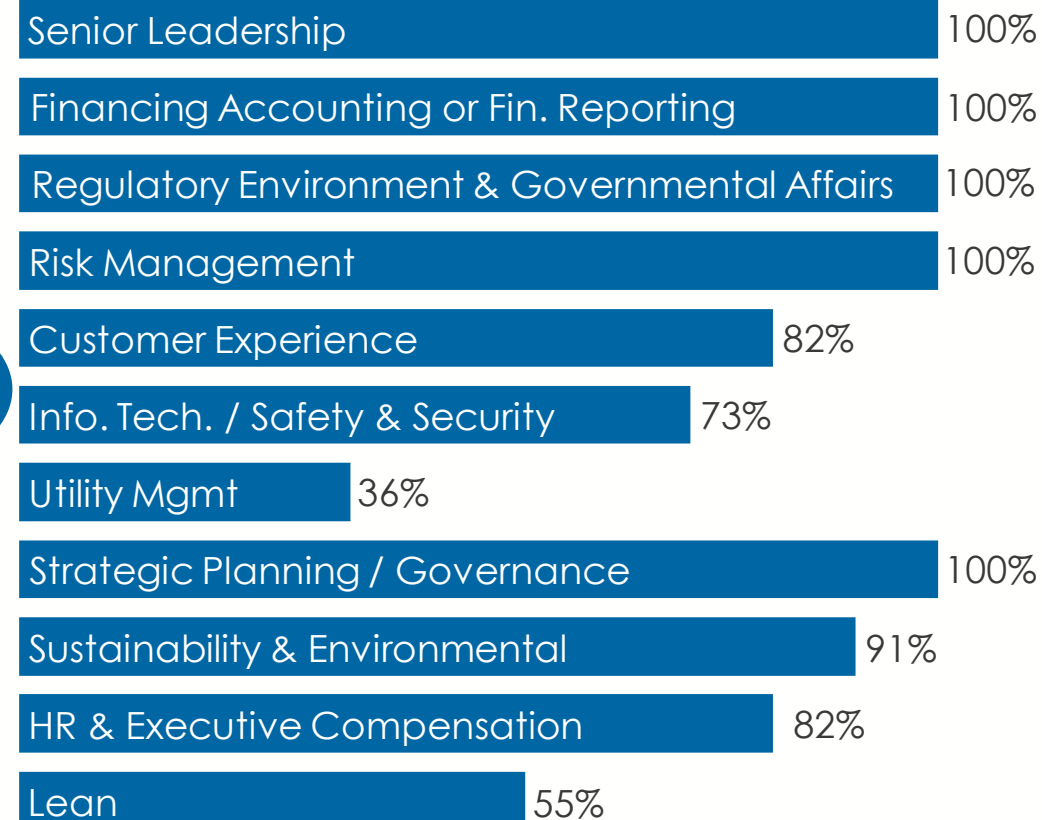
Compared to
32% for the
S&P 500^a

27% People of color

45% Gender, racial &
ethnic diversity

Compared to
22% for the
S&P 500^a

Experience



Presentation endnotes are included after the appendix.

. . . enhances the quality of governance.

Committee Membership . . .

✓ Member
✓ Chairperson

100% Independent

Political contributions
>\$10K need
Board approval

Governance,
Sustainability, &
Public Responsibility

Name

Audit

Compensation &
Human Resources

Executive

Finance

Public Responsibility

Jon E. Barfield		✓	✓		✓
Deborah H. Butler	✓			✓	
Kurt L. Darrow		✓	✓		✓
William D. Harvey			✓		
John G. Russell			✓		
Suzanne F. Shank	✓			✓	
Myrna M. Soto	✓				✓
John G. Sznewajs	✓		✓	✓	
Ronald J. Tanski		✓		✓	
Laura H. Wright	✓		✓	✓	

. . . is focused on key strengths of each Board member.

Committee Responsibilities



Audit

- Oversees:
 - Integrity of financial statements & information
 - Compliance with legal & regulatory requirements
 - Risk management policies, controls & exposures
- Reviews:
 - Performance of internal audit function



Compensation & Human Resources

- Review & Approve:
 - Executive compensation structure & policies
 - Grant of stock & other stock-based awards
 - Financial & business goals pursuant to incentive plans
 - Officer stock ownership policy



Executive

- Exercise Power & Authority of the Board:
 - During the intervals between Board meetings as necessary



Finance

- Review:
 - Financing & investment plans & policies
 - Potential project investments & monitor progress
- Approve:
 - Short & Long-term financing plans
 - Financial policies relating to cash flow, capex & dividends



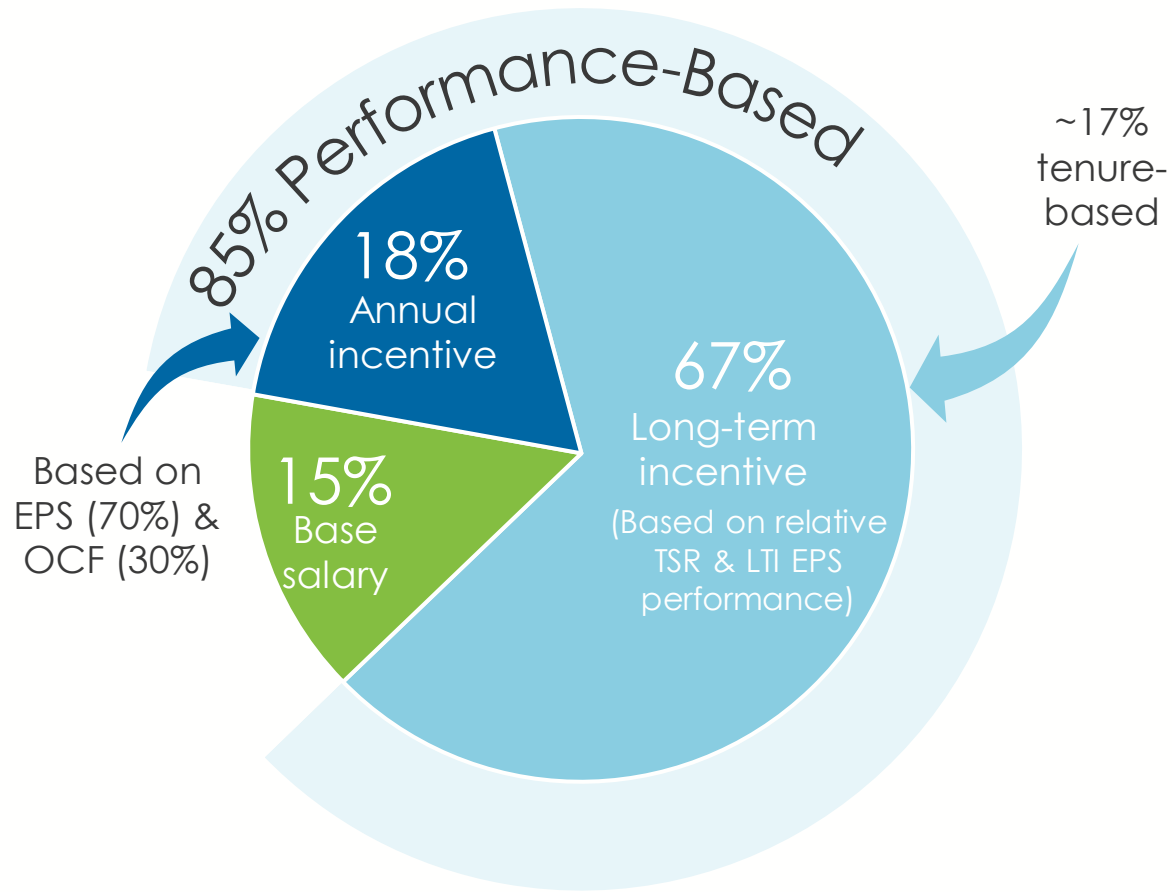
Governance, Sustainability, & Public Responsibility

- Review:
 - Political & charitable contributions
 - Stakeholder outreach, stewardship & corporate social responsibility & sustainability matters
 - Operation & performance of Board & Committees



CEO Compensation . . .

Compensation Mix for CEO



Operational Goals

PEOPLE	• Employee Safety
	• Employee Empowerment Index
	• Customer Experience Index
	• Distribution Reliability
	• Generation Customer Value
	• Gas Flow Deliverability
PLANET	• Cyber Security
	• Methane Emission
PROFIT	• Clean Energy - Demand Response & Energy Waste Reduction

. . . is 85% performance-based.

Risks are Carefully Considered . . .

Risks

Mitigation Efforts

Regulatory Environment

- Participation in legislative and regulatory policy development

Climate
Carbon Emissions
(Regulation)

- Retired 7 coal plants with plans to retire remaining 5 plants in fleet by 2025
- Energy Efficiency, Demand Response, and Renewable Energy Programs

Severe Weather
(Ice, Thunder, Snow)

- Increased investment in infrastructure and smart electric systems

Water Levels

- Monitor lake levels at generation plants

Natural Disasters

- Geographically located in low-risk area

Economic Conditions

- Targeting efforts via donations to reduce uncollectible accounts
- Helping local businesses navigate federal and state assistance programs

. . . and proactive actions are taken to mitigate those risks.

Political Giving . . .

Political Giving Focus

- Meeting Michigan's energy needs
- Helping the state's communities thrive
- Providing safe, reliable, affordable and increasingly clean energy-related services



Enhanced Disclosures

- Publishing annually on the company's website:
 - Expenditures made to influence the outcome of ballot initiatives
 - Direct corporate contributions to an entity organized under Section 527 and Section 501(c)(4) of the Internal Revenue Code, and non-deductible portion of trade association and other organization dues when annual contributions or mandatory membership dues are >\$25K
- All corporate political contributions come from general funds and are not recovered in customer rates
- The Board of Directors oversees political engagement policies, programs and practices

. . . focuses on critical company and industry-related issues.

APPENDIX

Key IRP Components^a . . .



Renewables & Storage

Solar	4.5 GW by 2030, ~8.0 GW by 2040
Battery	>0.5 GW by 2040 (75 MW beginning in 2024)
Wind	~0.8 GW pre-2025 (approved via RPS)

Customer Programs

By 2030

Energy Efficiency	~1.1 GW
Demand Response	>0.7 GW
Conservation Voltage Reduction	>0.1 GW

Coal

Karn 1&2	~0.5 GW retired in 2023 (securitized)
Campbell 1-3	~1.4 GW retired in 2025 (reg. asset at 9% ROE)

Natural Gas & Peaking Units

Zeeland & Jackson	~1.5 GW (owned & continued operations)
Covert	~1.2 GW acquired in 2023
Karn 3&4	~1.2 GW retired in 2031

Other

Future PPAs	~0.7 GW in 2025 (0.5 GW dispatchable)
-------------	---------------------------------------

Delivering Across the Triple Bottom Line

- ✓ Accelerate decarbonization
- ✓ Exit coal operations in 2025
- ✓ Reliable, affordable, capital upside
- ✓ Expanded clean energy investment

Presentation endnotes are included after the appendix.

. . . ensure reliability, resilience and affordability.

ENDNOTES

Presentation Endnotes (pg 1 of 2)



Slide 3: ^aExcludes seasonal and contract workers ^bAdjusted, (non-GAAP) ^cDividend per share

Slide 4: ^aNet zero methane emissions for our gas delivery system, net zero carbon emissions for our electric business (includes PPAs and MISO market purchases), Net zero GHG emissions for our entire natural gas system (includes customer and supplier emissions) ^bNew or expanding load since 2015 as of October 31, 2022

Slide 7: ^aNew or expanding load since 2015 as of October 31, 2022

Slide 10: ^aUBS Research, 2022 state rankings and D.C.

Slide 11: ^aFrom 2005 baseline including utility-owned generation, PPAs and MISO purchases, post coal retirements ^b2021 IRP vs. prior plan

Slide 12: ^a2021-2025

Slide 13: ^aUBS Research, 2018 - 2022 state rankings and D.C.; Barclays Research, 2013 – 2017 state rankings and D.C.

Slide 14: ^aConsumers Energy, non-union employees, average 3-yr retention rate ^bExcludes potential fuel savings

Slide 17: ^aExcludes discontinued operations

Slide 19: ^aFrom 2005 baseline including utility-owned generation, PPAs and MISO purchases, post coal retirements ^bCarbon emissions from a 2020 baseline for natural gas end-use customers

Slide 20: ^aPP&E associated with coal based on calendar year; Today refers to 2Q2022 or ~\$2.3B of coal assets less \$678M securitization for Karn 1&2 and ~\$1.3B regulatory asset treatment for Campbell 1-3 assets as a percent of total utility PP&E of \$20,581M; 2025 assumes year-end total remaining utility coal assets of ~\$300M are fully depreciated ^bNet zero carbon emissions for our electric business (includes PPAs and MISO market purchases)

Slide 22: ^aUtility-owned and PPAs

Presentation Endnotes (pg 2 of 2)



Slide 23: ^aUtility-owned, PPAs and MISO market purchases

Slide 24: ^aVoluntary Green Pricing Program

Slide 26: ^aMethane emissions from our natural gas delivery system since 2012 ^bVintage service replacement

Slide 27: ^aAssumes roughly 880 MW saved $(5,000 \text{ GWh} \div (65\% \text{ efficiency rate} \times 8,760 \text{ annual hours}) = 880 \text{ MW})$

Slide 34: ^aEmployer contribution of 5% to 10% for employees not covered by Pension Plan plus up to 4% employer match on 401(k) savings plan for all employees ^bIncludes employee and employer contributions as of March 31, 2022

Slide 48: ^aIncludes contributions made by Consumers Energy, Consumers Energy employees and Consumers Energy Foundation

Slide 52: ^aNew or expanding load since 2015 as of October 31, 2022

Slide 56: ^aSpencer Stuart – 2022 S&P 500 Board Diversity Snapshot

Slide 63: ^aCapacity references are in nameplate

CMS Energy provides historical financial results on both a reported (GAAP) and adjusted (non-GAAP) basis and provides forward-looking modeling on an adjusted 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 mark-to-market adjustments related to NorthStar Clean Energy 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.

GAAP Reconciliation

CMS ENERGY CORPORATION

Reconciliation of GAAP Net Income to Non-GAAP Adjusted Net Income (Unaudited)



	<i>In Millions, Except Per Share Amounts</i>			
	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>12/31/21</u>	<u>12/31/20</u>	<u>12/31/21</u>	<u>12/31/20</u>
Net Income Available to Common Stockholders	\$ 637	\$ 158	\$ 1,348	\$ 755
<i>Reconciling items:</i>				
Disposal of discontinued operations gain	(665)	-	(657)	-
Tax impact	145	-	143	-
Discontinued operations income	-	(32)	(115)	(76)
Tax impact	-	8	27	18
Other exclusions from adjusted earnings**	*	2	(1)	13
Tax impact	(*)	(1)	*	(3)
Loss on fleet impairment	29	-	29	-
Tax impact	(7)	-	(7)	-
Tax reform	-	-	-	(9)
Voluntary separation program	-	*	-	11
Tax impact	-	(*)	-	(3)
Adjusted net income – non-GAAP	<u>\$ 139</u>	<u>\$ 135</u>	<u>\$ 767</u>	<u>\$ 706</u>
Average Common Shares Outstanding				
Basic	289.1	285.7	289.0	285.0
Diluted	289.7	286.9	289.5	286.3
Basic Earnings Per Average Common Share				
Reported net income per average common share	\$ 2.20	\$ 0.55	\$ 4.66	\$ 2.65
<i>Reconciling items:</i>				
Disposal of discontinued operations gain	(2.30)	-	(2.27)	-
Tax impact	0.50	-	0.49	-
Discontinued operations income	-	(0.11)	(0.39)	(0.26)
Tax impact	-	0.03	0.09	0.06
Other exclusions from adjusted earnings**	*	0.01	(*)	0.04
Tax impact	(*)	(*)	*	(0.01)
Loss on fleet impairment	0.10	-	0.10	-
Tax impact	(0.03)	-	(0.03)	-
Tax reform	-	-	-	(0.03)
Voluntary separation program	-	*	-	0.04
Tax impact	-	(*)	-	(0.01)
Adjusted net income per average common share – non-GAAP	<u>\$ 0.47</u>	<u>\$ 0.48</u>	<u>\$ 2.65</u>	<u>\$ 2.48</u>
Diluted Earnings Per Average Common Share				
Reported net income per average common share	\$ 2.20	\$ 0.55	\$ 4.66	\$ 2.64
<i>Reconciling items:</i>				
Disposal of discontinued operations gain	(2.30)	-	(2.27)	-
Tax impact	0.50	-	0.49	-
Discontinued operations income	-	(0.11)	(0.39)	(0.26)
Tax impact	-	0.03	0.09	0.06
Other exclusions from adjusted earnings**	*	0.01	(*)	0.04
Tax impact	(*)	(*)	*	(0.01)
Loss on fleet impairment	0.10	-	0.10	-
Tax impact	(0.03)	-	(0.03)	-
Tax reform	-	-	-	(0.03)
Voluntary separation program	-	*	-	0.04
Tax impact	-	(*)	-	(0.01)
Adjusted net income per average common share – non-GAAP	<u>\$ 0.47</u>	<u>\$ 0.48</u>	<u>\$ 2.65</u>	<u>\$ 2.47</u>

* Less than \$0.5 million or \$0.01 per share.

** Includes restructuring costs and unrealized gains or losses from mark-to-market adjustments recognized in net income related to NorthStar Clean Energy's interest expense.

Management views adjusted (non-Generally Accepted Accounting Principles) 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. 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 from mark-to-market adjustments recognized in net income related to NorthStar Clean Energy's interest expense, or other items. The adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for reported earnings.