

2026 Corporate Responsibility and Sustainability Report

This report includes forward-looking statements and estimates of future performance that may differ from actual results because of uncertainties and risks encountered in day-to-day business.

Our Vision



As your community energy company, our commitment to the communities we serve extends beyond providing safe, reliable and affordable energy. We seek to fulfill our obligation as a critical services provider responsibly and sustainably while delivering long-term value to our customers, shareholders and other stakeholders.

That responsibility continues to guide our decision-making as our industry evolves and as we navigate a significant transition in our company's history. Top-ranked for reliability, Madison Gas and Electric (MGE) continues its journey toward net-zero carbon electricity, growing our use of renewables, exploring emerging technologies and working with customers in meaningful ways to meet their unique needs.

In 2025, MGE continued to expand our renewable energy portfolio, bringing online more than 30 megawatts (MW) of solar generation with an additional nearly 400 MW of renewable generation and battery storage expected online by the end of 2030. With a goal to achieve net-zero carbon electricity by 2050, the company already has reduced carbon emissions by 37% since 2005, our baseline.

As we transition to greater use of cleaner energy resources, we remain committed to maintaining the high level of reliability expected by our customers. In 2025, MGE again ranked among the top utilities in the nation for electric reliability, continuing a long-standing record of industry-leading performance.

Energy affordability is essential to our quality of life and economic opportunity. We remain focused on managing our costs and helping customers control their energy costs. Through energy assistance initiatives, innovative programs, customer engagement and education and continued investment in cost-effective generation, we seek to balance the needs of today's customers while preparing for future needs.

Our commitment to sustainability extends beyond environmental performance. From investing in our communities to fostering employee connection and our workplace culture to deepening our engagement with customers, we continue to work to ensure MGE serves as a trusted provider and partner as your community energy company.

This report highlights our continued progress. Thank you for your interest as we seek to build a stronger and more resilient energy future for all those we serve.

-Jeff Keebler
Chairman, President and CEO
MGE Energy and Madison Gas and Electric

Our Commitment



Sustainability is about stewardship. It requires balancing environmental responsibility, reliability, affordability and long-term value for those we serve. Our work to reduce emissions, expand renewable energy and prepare for emerging technologies is guided by a commitment to thoughtful, responsible decision-making. As we serve our customers today, we also are preparing to meet the challenges and opportunities of tomorrow.

One example is our continued work in agrivoltaics. We continue to explore ways to maximize the benefits of the land used for renewable energy generation, expanding our agrivoltaics efforts at MGE-owned and -operated solar sites. What started with pollinator-friendly native plants has expanded to solar grazing and beekeeping. MGE now hosts grazing sheep and welcomed honey bees this year. Together, these efforts demonstrate how renewable energy generation, conservation and agriculture can coexist and create additional environmental benefits.

Building on our work to increase native plantings at our solar facilities, MGE also has applied to join the voluntary Monarch Candidate Conservation Agreement with Assurances (Monarch CCAA), designed to increase monarch habitat. MGE also is exploring the possibility of combining our Monarch CCAA efforts with a voluntary program for bumblebees.

Safety is a core value at MGE, fundamental to our culture and decision-making. We believe every employee has both the authority and responsibility to speak up, stop work and help identify opportunities for improvement. Through employee engagement, leadership commitment and continuous improvement, we work every day to strengthen our safety performance and support the well-being of our workforce and the public.

Environmental stewardship also requires preparedness. Our All Hazards Response Plan (AHRP) supports our emergency response—whether the emergency is a natural disaster or human-caused event. Through our expanded Environmental Management System and our AHRP, we continue to strengthen our ability to identify and manage environmental risks, respond to emergencies and protect waterways, sensitive habitats and the communities we serve.

Strong governance is essential to advancing our sustainability goals. Effective oversight, transparency and risk management help ensure that environmental considerations remain integrated into both strategic planning and operational decision-making. These practices strengthen accountability, support sound decision-making and help create long-term value.

The energy industry continues to evolve rapidly. New technologies, changing customer expectations and emerging risks require meaningful oversight, long-term planning and collaboration across the organization. We continue working to navigate this transition responsibly while fulfilling our obligation to deliver safe, reliable, affordable and sustainable energy.

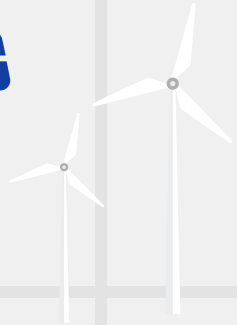
Thank you for your interest in MGE and in our ongoing sustainability journey.

-Cari Anne Renlund
Vice President, General Counsel and Secretary
MGE Energy and Madison Gas and Electric

Sustainability Snapshot

27%

of MGE's overall generation mix serving customers came from renewables in 2025.



MGE has reduced carbon emissions by

37%

since 2005, our baseline.

The MGE Foundation has given more than

$10M

to 400+ community organizations in the last five years.

In 2025, MGE ranked

2nd

for the fewest number of electric outages per customer.

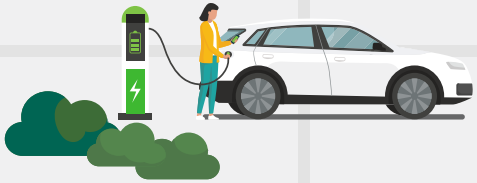
44.3%

of MGE's workforce is covered by collective bargaining agreements.

The Board of Directors has welcomed

4

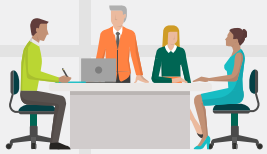
new directors since 2021.



MGE has a goal of

100%

all-electric or plug-in hybrid light-duty vehicles by 2030.



MGE's affordability as a percentage of customer wallet has improved

24%

since 2015.

8/10

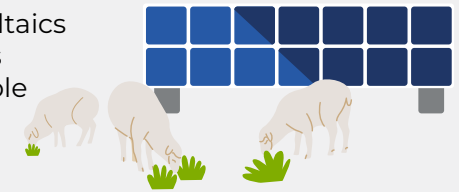
directors are independent.

MGE continues to rank in the top

10%

of a nationwide industry survey for our response time to potential gas emergencies.

MGE continues to expand our use of agrivoltaics at solar facilities by adding honey bee hives and employing grazing sheep for sustainable management of ground cover.





2026 Corporate Responsibility and Sustainability Report

Environmental

As your community energy company, MGE recognizes its responsibility to preserve and protect the environment for current and future generations while serving our communities with safe, reliable, affordable and sustainable energy. We are proactive and forward-thinking in our stewardship and promote sustainability with our partners, suppliers and employees as we work together to build a cleaner, smarter future.

This report includes forward-looking statements and estimates of future performance that may differ from actual results because of uncertainties and risks encountered in day-to-day business.



-Jeff Jaeckels
Director Safety, Sustainability and Environmental Affairs

A message from the Director of Safety, Sustainability and Environmental Affairs

Our commitment to environmental stewardship goes beyond regulatory compliance. We embrace a culture of environmental excellence and continuous improvement through our participation in Wisconsin's Green Tier program and other activities. Our team in Safety, Sustainability and Environmental Affairs takes a proactive approach to advancing environmental, safety and sustainability practices across the organization by setting goals, measuring performance and identifying opportunities to improve. Safety and sustainability are top priorities at MGE. This report highlights how our focus on our sustainability goals and our performance supports our commitment to responsible stewardship.

Our Environmental and Sustainability Policy

In pursuit of our mission and in support of our commitment to those we serve, MGE:

Complies with all environmental laws, regulations, permit requirements and other corporate environmental commitments and exceeds compliance as demonstrated by the commitments in this policy.

Seeks environment-friendly options and waste minimization when considering sources of supply, material and contractors.

Considers the environmental impacts of applicable company activities and seeks sustainable, cost-effective ways to reduce adverse environmental impacts and risks.

Sets corporate goals and objectives and fosters a culture of continuous improvement in environmental and employee safety performance.

Educates employees about MGE's environmental responsibilities and policy and communicates and reinforces environmental values throughout the company.

Provides regular updates on environmental and sustainability initiatives and performance to MGE's Board of Directors to advance oversight and transparency of company operations.

Explores opportunities to advance new, cost-effective technologies for the benefit of all and to reduce the community's collective environmental footprint.

Partners with community stakeholders to promote environmental education, energy efficiency and conservation.

Communicates openly and honestly with the public regarding MGE's environmental policy and performance.

Contributes to the well-being of its communities through charitable and corporate giving and the service and volunteerism of employees.

Highlights

- By 2050, on behalf of all customers, MGE expects to deliver net-zero carbon electricity. MGE already has reduced carbon emissions by 37% compared to 2005 levels, our baseline.
- Renewable energy continues to play a critical role in MGE's strategy for reducing carbon emissions. In 2025, MGE added 31 megawatts (MW) of solar capacity and 11 MW of battery storage to its energy supply mix to serve MGE electric customers. Additionally, nearly 270 MW of renewable generation (wind and solar) and 125 MW of battery storage are expected to be added by 2030.
- MGE has a goal to achieve net-zero methane emissions from our natural gas distribution system by 2035. Our strategies for achieving net-zero methane emissions include enhanced leak detection and repair, implementation of cost-effective technologies and processes and the use of renewable natural gas (RNG) to offset residual emissions.
- As the number of electric vehicles on the road continues to grow, MGE is prepared to meet the need with managed charging, continued growth in our public charging network and through partnerships and programs to facilitate charging for our customers.
- MGE continues to add cleaner vehicles to our fleet, where possible. We are targeting a goal of 100% all-electric or plug-in hybrid light-duty vehicles by 2030. We're currently at about 65%.
- MGE hosts grazing sheep at our MGE-owned and -operated solar facilities during the growing season. The practice of solar grazing provides sustainable vegetation management around the sites' solar panels. MGE also continues to increase our efforts to provide habitat for monarch butterflies and other pollinators at our solar facilities.
- MGE's O'Brien Solar Fields hosts a colony of honey bees, which is managed by a local honey bee expert. This project further demonstrates how solar arrays and agriculture can coexist.
- In 2025, customers participating in our demand response program, MGE Connect®, lowered demand an average of 5.3 MW per event during the 13 events that were initiated to manage demand from residential thermostats.

MGE has reduced carbon emissions by

37%

since 2005, our baseline.

31 MW

of solar capacity added to energy supply mix in 2025.

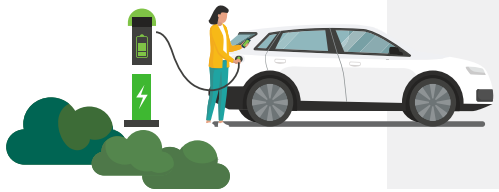
11 MW

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all-electric or plug-in hybrid light-duty vehicles.



Decarbonization Goal and Strategies

MGE is working to achieve deep decarbonization, consistent with global climate science, as quickly, responsibly and cost-effectively as we can. As MGE transitions our energy supply mix to greater use of renewables, energy efficiency and electrification by our customers become more powerful in reducing carbon emissions.

Renewable energy continues to play a significant role in helping MGE achieve its goal of net-zero carbon electricity. In 2025, the company added 31 megawatts (MW) of solar capacity and 11 MW of battery storage to its energy supply mix to serve MGE electric customers. Additionally, nearly 270 MW of renewable generation (wind and solar) and 125 MW of battery storage are expected to be added by 2030. The company continues to evaluate additional opportunities to grow our use of carbon-free electric generation.

Net-zero carbon goal consistent with climate science

MGE was one of the first utilities in the nation to commit to net-zero carbon electricity by 2050 when we announced our net-zero goal in 2019. This target is based on global climate science and is consistent with the work of the Intergovernmental Panel on Climate Change (IPCC) and its assessment of limiting global temperature increases to 1.5 degrees Celsius.

As of year-end 2025, MGE has reduced carbon emissions by 37% compared to 2005 levels, our baseline. MGE's emissions depend on the mix of resources used to serve customers, which can vary annually based on renewable energy output, weather, electricity market conditions and customer demand. The long-term trend remains lower emissions as MGE adds more carbon-free energy and works toward net-zero carbon electricity.

Achieving net-zero carbon electricity by 2050 will require the use of technologies not yet commercially available or cost-effective, but we continue to make progress toward realizing our commitments to greater sustainability. We've said since establishing our goals that if we can go further faster by working together with our customers, we will.



Emissions reductions

We have reduced emissions by installing emission reduction equipment and improving equipment efficiencies in our current generation fleet. As we work toward net-zero carbon electricity, we continue to make significant investments in local and regional cost-effective renewable generation. We also continue to engage customers around energy efficiency and work with them to electrify transportation and other end uses.

Ensuring that new and changing technology serves all customers is one of our key objectives under our framework for a more sustainable future. We are working to build a smarter, cleaner community grid that serves to benefit all customers.

Edison Electric Institute-American Gas Association ESG/sustainability reporting template

To advance further transparency and disclosure in company operations and governance, MGE participates in the Edison Electric Institute's (EEI) and American Gas Association's (AGA) environmental, social and governance (ESG)/sustainability-related reporting template. The quantitative template includes data related to MGE's energy portfolio (generation and capacity), emissions, capital expenditures and human and natural resources. The template, which is available online, is voluntary and industry-specific.

Greenhouse gas and other emissions reductions for 2025

	CO_2 ↓	NO_x ↓	SO_2 ↓	PM ↓	Hg ↓
2023	1.26 lb/kWh	0.50 lb/MWh	0.25 lb/MWh	0.03 lb/MWh	0.0000013 lb/MWh
2024	1.20 lb/kWh	0.51 lb/MWh	0.21 lb/MWh	0.04 lb/MWh	0.0000021 lb/MWh
2025	**1.34** lb/kWh	**0.58** lb/MWh	**0.23** lb/MWh	**0.05** lb/MWh	**0.0000027** lb/MWh
	37% decrease since 2005	**62%** decrease since 2005	**97%** decrease since 2005	**86%** decrease since 2005	**93%** decrease since 2005

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MGE determines its annual carbon emissions profile based on the amount of energy delivered to our customers and the sources used to generate it each year. Our carbon dioxide (CO_2) emissions are calculated from energy produced by generating units owned by MGE, energy supplied through power purchase agreements and net energy purchased on the Midcontinent Independent System Operator (MISO) market. MISO is the regional grid operator covering MGE's service territory. The market purchase emission rate is based on a MISO regional rate.

Nitrogen oxides (NO_x), particulate matter (PM), mercury (Hg) and sulfur dioxide (SO_2) emission rates are calculated from MGE-owned generation assets, including MGE's share of jointly owned units.

Clean Energy

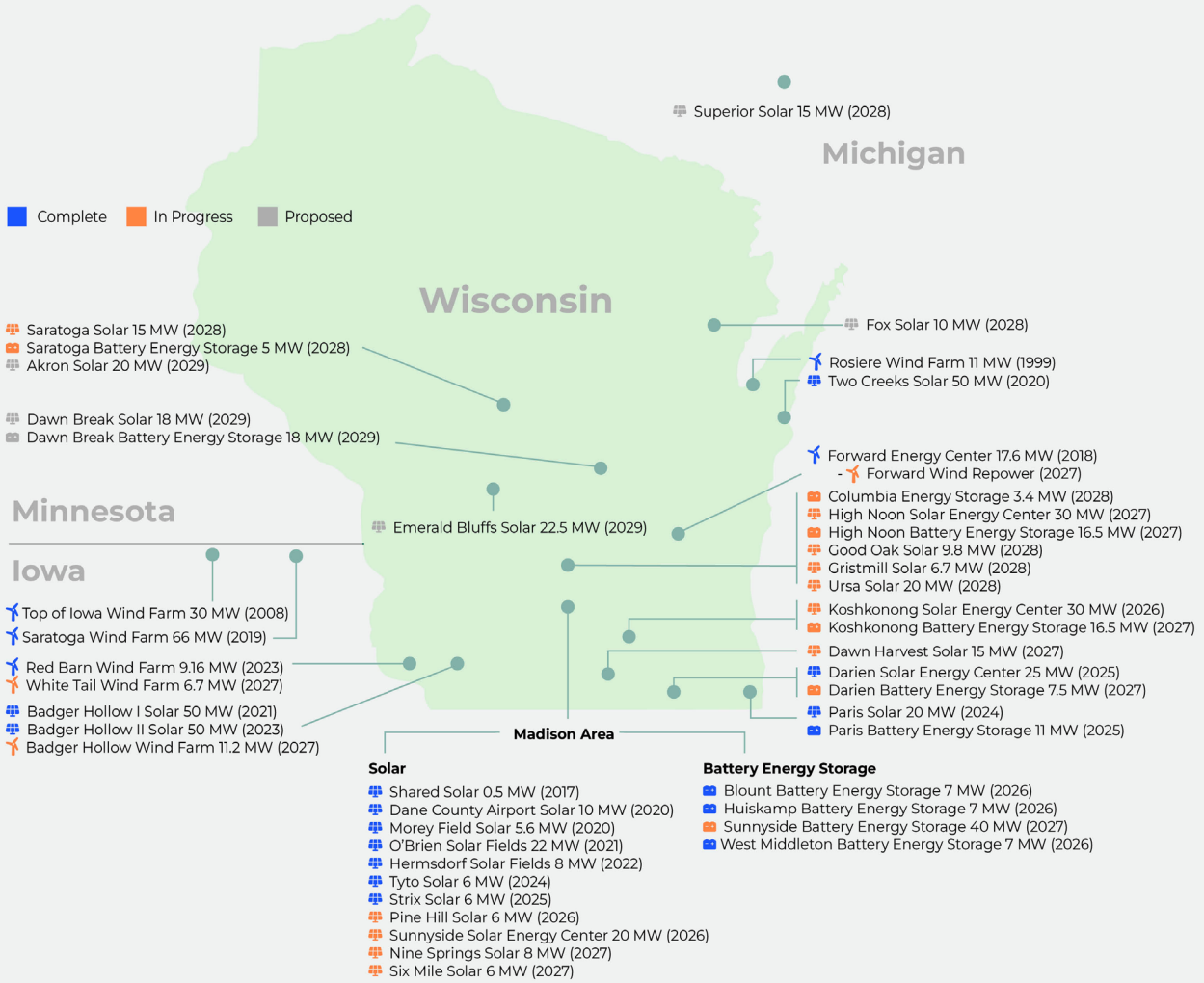
Cost-effective renewable energy continues to play a critical role in our strategy for reducing carbon emissions, which is reflected in our recent clean energy investments. We continue to evaluate potential new wind, solar and battery storage sites beyond what is currently planned.

From year to year, the sources used to serve our customers vary in percentage based on how much the sun shines, how much the wind blows and other energy market conditions. In 2025, renewable energy accounted for about 27% of MGE's overall generation mix serving customers.

Information on MGE's current and upcoming solar, wind and battery storage projects is available on *mge.com*.



MGE renewable and battery storage projects



This map was updated October 2026.

Clean energy customer programs

MGE continues to grow our use of carbon-free generation to meet our community's energy needs while working to achieve carbon reductions. MGE offers several optional programs for customers who want to reduce their emissions even faster with carbon-free energy from MGE, including:



Shared Solar. MGE's community solar program offers residential and small business customers the option to power their household or business with locally generated solar energy for up to half of their annual energy use.

Shared Solar for Business. MGE's first community solar program designed exclusively for commercial customers launched in 2026. It offers business customers a flexible, easy way to support the continued development of local, carbon-free energy while advancing their sustainability goals.



Green Power Tomorrow. MGE's long-standing green pricing program offers customers a flexible, affordable option for supporting green energy and offsetting their greenhouse gas emissions from their electric usage.

Renewable Flat Bill. This pilot program allows customers to support renewable energy with a fixed monthly electric bill for 12 months.

Renewable Energy Rider. MGE and larger business customers who seek customized renewable energy solutions have the opportunity to partner to grow locally generated renewable energy.

RNG Interconnection and Injection. Launched in 2026, this pilot enables customers who produce RNG to interconnect directly with and inject RNG into MGE's distribution system.



GPT RNG. This renewable natural gas (RNG) option is an opportunity for residential and business customers to offset their greenhouse gas emissions from their natural gas use.

Customer-owned solar

MGE also works with customers who want to install solar to help power their homes or businesses. These customers connect to our community grid and sell their excess electricity to MGE. As of year-end 2025, we have partnered with more than 3,600 customers to connect their solar installations to our grid.

Other Generation

MGE has no controlling interest in coal-fired resources. In 2011, MGE discontinued the use of coal at the only power plant in which we have sole ownership, our Blount Generating Station.

MGE is a minority owner of the coal-fired Elm Road Generating Station in Oak Creek, Wis. In October 2025, MGE, along with the plant's co-owners, filed a joint application with state regulators to end the use of coal as a primary fuel at Elm Road and transition the plant to natural gas. By the end of 2030, coal is expected to be used only as a backup fuel at Elm Road. By the end of 2032, MGE expects that Elm Road will be fully transitioned away from coal.

MGE also is a minority owner of the Columbia Energy Center. MGE and Columbia's other co-owners continue to evaluate transitioning away from coal, including potential alternatives at Columbia while maintaining electric service reliability.

Long-duration energy storage for grid reliability

The Columbia Energy Storage Project is the first long-duration energy storage (LDES) system of its kind to be developed in the United States. The 18-megawatt project is designed to improve grid stability and deliver enough electricity to power approximately 18,000 homes for 10 hours on a single charge.

The innovative project will use a closed-loop process either to create electricity or to store energy by transferring gas between its liquid and gaseous states. Through this process, the Columbia Energy Storage Project will deliver electricity to the grid when it is needed or take electricity and store its energy when the grid has excess electricity.

The project received approval from the Public Service Commission of Wisconsin in June 2025. Construction is expected to begin by the end of 2026 and be completed in 2027. MGE will own 19% of the Columbia Energy Storage Project.

Natural gas to enable clean energy transition

Natural gas is helping to enable MGE's clean energy transition. Natural gas plants add needed reliability and balance to our electric system while we continue to transition away from coal-fired generation and add more renewable capacity to our generation mix.

Natural gas complements intermittent renewable energy because natural gas plants can be dispatched quickly and at times when it's more challenging for wind or solar generation. This makes natural gas a reliable and cost-effective option to serve customers as we grow our use of renewables and invest in battery storage.

Renewable resources will be used when they are available. Natural gas will be used for generation when it is necessary for reliability, if there isn't enough wind blowing and sun shining or if battery storage resources are insufficient to meet the need at the time.

Support for innovative energy technologies

MGE Energy and MGE are partnering with Realta Fusion to explore the joint development of a 200-megawatt electric (MWe) fusion energy power plant in Wisconsin. As part of this partnership, the utility company has agreed to provide Realta with support in areas where the utility has significant expertise, including engineering, siting, permitting and interconnection associated with the anticipated 200-MW plant.

Fusion energy holds the potential to provide firm, around-the-clock carbon-free electricity while supporting long-term reliability. A fusion power plant in Wisconsin would represent a first-of-its-kind investment in next-generation carbon-free energy technology and help advance MGE's net-zero carbon electricity goal.

Resource planning and carbon regulation

When making generation decisions, MGE engages in extensive resource planning analysis and modeling, which consider many factors, including forecasted energy use projections; long-term impacts on customers, investors and the environment; potential future environmental regulations; assumptions related to the anticipated costs of fuel; and many other factors related to energy production. Our economic analysis explicitly includes possible projected carbon emissions limits to help ensure our decisions are financially sound—regardless of whether or how carbon is regulated in the future.

In addition, large new generating facilities are reviewed by the Public Service Commission of Wisconsin to ensure the projects are in the public interest. For larger projects, different generating scenarios are modeled in our regulatory application to demonstrate the need and to justify the cost. All proposals and decisions by the state regulatory body are part of the public record.

Net-zero Methane Emissions

MGE has a goal to achieve net-zero methane emissions from our natural gas distribution system by 2035. Methane, which is a primary component of natural gas, is more than 25 times as potent as carbon dioxide. It can be emitted during the production, transmission and distribution of natural gas.

The company completed an in-depth analysis and inventory of all our greenhouse gas (GHG) emissions associated with our electric generation and distribution, purchase and distribution of natural gas, and other sources. Our inventory documented MGE's Scope 1, Scope 2 and Scope 3 GHG emissions.



Scope 1
DIRECT

Scope 1 emissions are direct emissions from MGE facilities and operations. These are the only emissions under our direct control and management.

fossil-fueled electric generation facilities

natural gas distribution system

< 1%

other sources

Scope 2
INDIRECT

Scope 2 emissions include indirect emissions from MGE facilities and operations. Most of MGE's Scope 2 emissions come from transmission line losses from purchased power to serve our customers.

facilities and operations

transmission line losses from purchased power

Scope 3
INDIRECT

Scope 3 emissions are indirect emissions caused by what are considered "value chain" activities, such as purchases of materials, the creation of waste, employee travel and how a company's product is used by its customers.

purchased power for resale

upstream natural gas (emissions from our gas suppliers)

downstream natural gas (emissions from gas use by our customers)

< 1%

other sources

Scope 3 GHG emissions

When companies look at measuring their GHG emissions, they often look at their Scope 1 and Scope 2 GHG emissions. MGE's Scope 3 GHG emissions account for around 50% of our overall GHG emissions.

Our Scope 3 GHG emissions include three main categories (other categories of Scope 3 GHG emissions are considered statistically insignificant). The three main categories are purchased power for resale (which is covered under our 2050 carbon reduction goal), upstream natural gas emissions from our gas suppliers and downstream natural gas emissions from gas use by our customers.

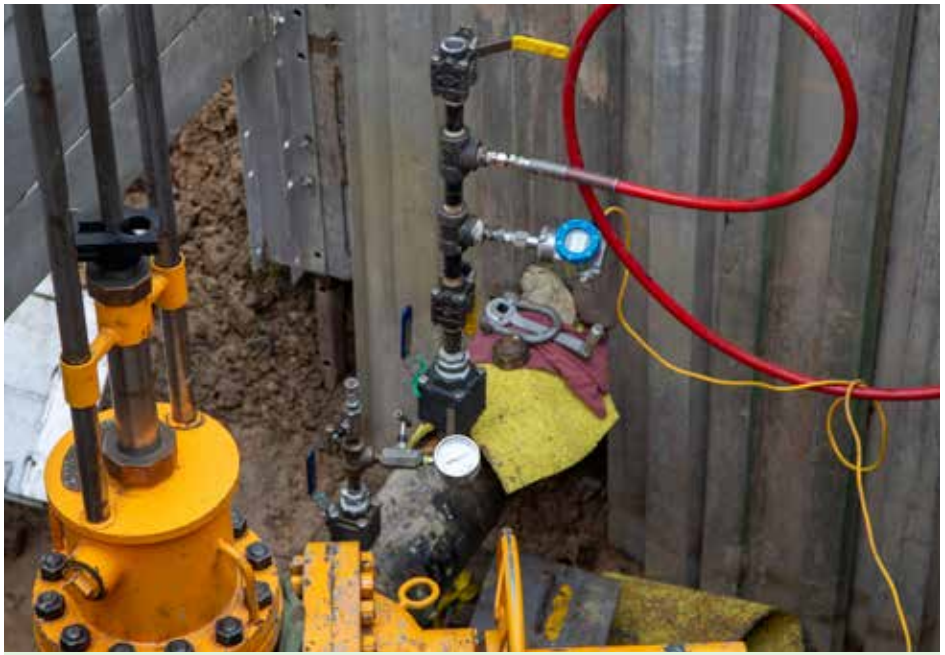
MGE contracts with two natural gas transmission companies, Northern Natural Gas and ANR Pipeline Company, both of which are part of the ONE Future Coalition. ONE Future is a coalition of natural gas companies working to reduce methane emissions voluntarily across the natural gas supply chain to 1% or less by 2025. In its 2025 report, based on 2024 data, ONE Future cited a methane intensity of less than one half of 1%, beating its 1% goal for the eighth year in a row.

Northern Natural Gas and ANR Pipeline Company also are part of the U.S. Environmental Protection Agency's Methane Challenge Program. Partners in this voluntary program report systemic and comprehensive actions to reduce methane emissions as part of efforts to enhance transparency in the industry.

Proactive steps taken

MGE is working to reduce overall emissions from our natural gas distribution system cost-effectively as quickly as possible.

- We already have replaced all piping made of cast iron, bare or unprotected steel and other material considered to be leak-prone in our natural gas distribution system.
- Our leak inspection and repair schedules exceed federal requirements.
- Our ongoing efforts to improve our system and our partnerships to prevent damages help to advance safety and reduce emissions.



Cross-compression technology reduces methane emissions

Since 2023, MGE has been using an environmentally friendly cross-compression technology during natural gas pipeline replacement projects. Typically, when operations are transferred from one pipeline to another, some of that gas is vented into the atmosphere. With the cross-compression process, the gas being transferred is captured, significantly reducing the amount of methane gas that is released, preventing GHG emissions.

In two 2026 projects, MGE was able to recover 284,000 standard cubic feet of natural gas. This practice avoided 170 tons of CO_2e. CO_2e is a unit of measurement that converts greenhouse gases into the equivalent amount of CO_2 emissions that would cause the same amount of global warming.

Cross compression is a valuable addition to MGE's methane reduction toolbox as we work toward our goal of net-zero methane emissions from our natural gas system by 2035.

Modern Grid

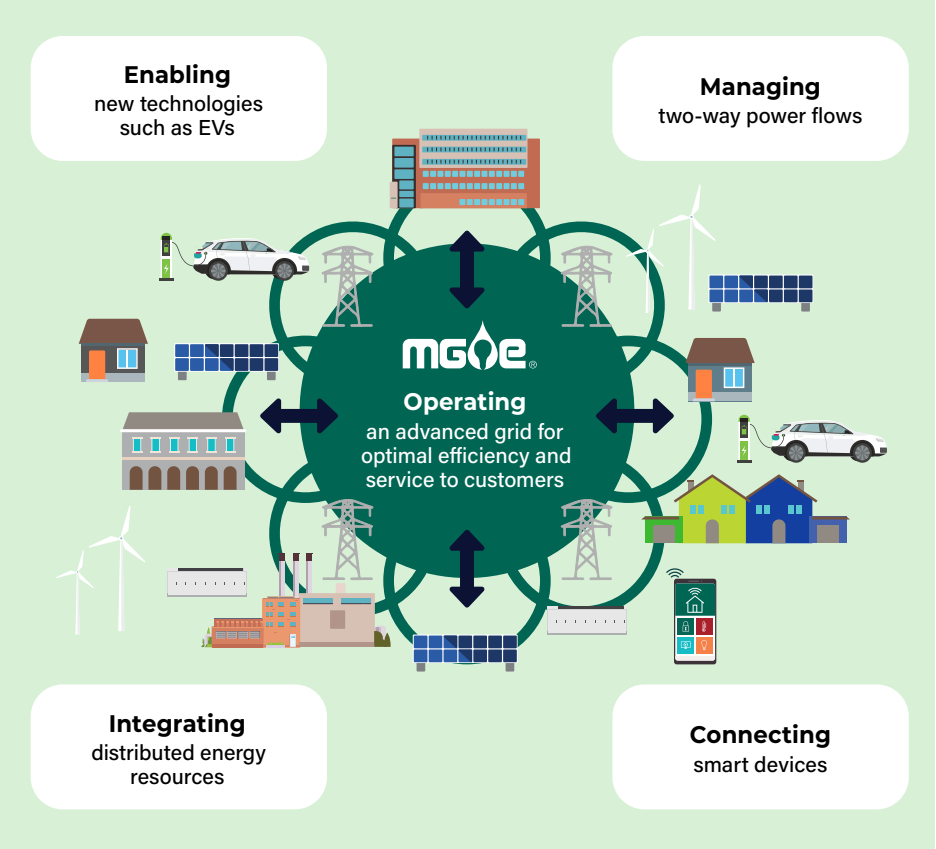
MGE has a responsibility to provide safe, reliable energy to all our customers every hour of every day to help preserve the health, safety and vitality of our communities. We continue to modernize our electric distribution grid and invest in new technologies to meet our obligations to our customers and to achieve deep decarbonization.

A modern, more integrated grid is efficient, connected, smart and resilient. Resources, tools and programs to help customers manage their use and to help MGE manage the grid more efficiently serve to ensure the grid operates safely, reliably and cost-effectively. We are investing in a more advanced, integrated and resilient grid to bring the benefits of cost-effective clean energy and new technologies to all our customers.

Utility as conductor of the distribution grid

The electric grid is a shared resource for the benefit of everyone. Our increasingly more advanced electric grid requires a conductor to ensure the system develops and operates in a way that keeps electricity safe, reliable and affordable for everyone. As the public utility, MGE serves as this conductor for our community grid. With the utility serving as the conductor of the electric grid, new technologies and resources can add value to the system because the utility is able to dispatch generation and balance demand as needed.

The utility as conductor can optimize the efficiency and use of the electric system's assets to help control costs and to optimize benefits and value over time, which leads to lower costs for all customers. The benefits of grid resiliency, reliability and a more efficiently managed power system are captured for all customers, individually and collectively.



Energy Efficiency, Demand Response and Conservation

Managing our collective energy use is a key strategy for reducing carbon emissions. As MGE decarbonizes its electric generation, the role of energy efficiency, conservation and demand-side management, which includes how and when our customers use energy, becomes more powerful in achieving carbon reductions.

MGE is committed to providing customers with the tools and resources they need to make wise energy choices that help reduce their individual carbon footprints. We strive to meet customers where they are to engage them in energy efficiency. Through the use of new technologies, hands-on workshops, energy education, conservation kits and innovative rate options, MGE is helping to empower customers to take control of their energy use to better manage long-term costs and to achieve deep decarbonization.

Managing demand with smart thermostats

Electric use peaks during stretches of hot, humid days when air conditioners run in a majority of homes and businesses. These periods of high electric use put pressure on utilities to generate and distribute enough electricity to everyone who needs it.

MGE Connect® is our demand response program for residential and small business customers. With customers' permission, minor temperature adjustments are made to their smart thermostats to shift energy use from periods of high demand. The program helps MGE better understand the role and impact of smart devices in helping manage demand on our community grid.

In 2025, MGE Connect helped reduce peak usage by an average of 5.3 megawatts per event during several days with high demand. This is equal to the energy generated by 16,000 solar panels per event. MGE called a total of 13 events between June 1 and Oct. 3, 2025.

Exploring managed water heating

MGE is working to launch a smart water heater pilot project. This is the next step in understanding the impacts of managed water heating after we partnered with residents at a local multifamily property to test the technology, which allowed MGE to shift water heating without impacting customer comfort. Through the voluntary pilot program, participating customers will allow MGE to manage when their water heater is running. The goal is to shift when energy is being used to help better manage the grid. Shifting demand from peak periods helps to manage long-term costs for all customers.

Conserving energy with MyMeter

MGE's MyMeter dashboard offers all business customers tools and strategies to reduce their energy use, especially during periods when demand for electricity is at its peak. MyMeter's online dashboard gives customers energy usage information as granular as 15-minute increments, enabling them to identify energy-saving adjustments to cut costs and to reduce their environmental footprint.

MGE provides training videos and works with customers to help them use MyMeter effectively to manage their energy use.
Visit *mge.com/mymeter* to learn more.



Serving as a trusted resource

Our Residential and Community Services team continues to connect in new ways with customers around energy efficiency, new technologies and other energy-related needs. Our energy experts work with community partners and customers to help customers understand their energy usage and their bills and to identify resources for assistance and more. Deepening our engagement with customers is one of our objectives under our framework for a more sustainable future.

Ask the Experts

One of the ways MGE differentiates itself as your community energy company is through our Home Energy Line, which allows residential customers to get energy tips and "ask the experts" their energy-related questions via phone or email. In 2025, MGE energy experts provided individualized advice to more than 2,000 customers and conducted targeted digital engagement with customers and community partners throughout the year. MGE also maintains a separate line for business customers who need assistance.

Partnering with FOCUS ON ENERGY®

FOCUS ON ENERGY®, Wisconsin's statewide energy efficiency and renewable resource program, is MGE's partner in educating customers about the value of energy efficiency and conservation. MGE works with residential and commercial customers seeking incentives and rebates through FOCUS ON ENERGY® to make energy-saving improvements.

Multifamily assistance

MGE promoted energy efficiency and conservation across 11 new multifamily construction projects and 65 retrofit projects in 2025. MGE provided FOCUS ON ENERGY® information and referrals to about 100 multifamily customers through direct outreach and partnerships with six key housing-market stakeholders.

Site visits

MGE continues to offer site visits to help business customers address their energy needs and conservation goals, answer technology-specific questions and identify general efficiency opportunities. In 2025, MGE's Business Customer Relations team conducted more than 300 in-person and virtual site visits, resulting in nearly 50 FOCUS ON ENERGY®-completed energy assessments.

2025 MGE customer participation in FOCUS ON ENERGY® programs

Customer Type	Number of Customers	Kilowatts (kW) Saved	Kilowatt-hours (kWh) Saved	Therms Saved	Conservation Project Incentives
Business	1,029	2,739 kW	18,704,782 kWh	808,537	$2.65 million
Residential	16,772	2,522 kW	9,999,586 kWh	1,114,863	$3.37 million

Electrification of Transportation

Transportation remains the leading contributor of direct greenhouse gas emissions in the U.S. The electrification of transportation (and other end uses) is a key strategy for reducing carbon emissions. MGE works with customers, stakeholders, municipalities and other community partners to grow the use of electric vehicles (EVs) and to facilitate charging options throughout our community. We also partner with customers to manage EV charging remotely.

As the number of EVs on the road continues to grow, MGE is prepared to meet the need with managed charging, our growing public charging network of nearly 60 stations—powered by renewable energy—and programs to facilitate charging.

Partnerships with customers to expand public fast charging

The goal of MGE's Public Charging Network Expansion program is to build a broader, more strategic and more accessible fast-charging network across the service territory by partnering with customers. MGE partners with site hosts to install and operate charging stations in key locations. MGE provides the charging equipment, maintenance and network operations while the site hosts supply the location and electrical access.

A number of charging locations have come online with several more on the way. MGE also is partnering with the Wisconsin-based convenience store and gas station chain Kwik Trip to install fast charging at four locations in our service territory.





Managed charging

Demand for electricity to charge EVs can be unpredictable as customers charge at their convenience. With MGE's managed charging program, Charge Ahead, the customer or utility remotely controls vehicle charging to better correspond to the needs of the electric grid. The opportunity to shift EV charging to lower-cost times and periods when renewable generation is most productive will help us prepare for more EV charging on our distribution grid.

Managed charging also serves to benefit all MGE customers by reducing the need for electrical system upgrades and new generation facilities long-term. As more drivers opt for EVs, MGE's ability to work with customers to manage charging becomes increasingly important.

EV programs and partnerships

- **Charge Ahead.** MGE is partnering with EV drivers in our service territory to test how smart charging can save customers money and help plan for the impact of EVs on our grid. Charge Ahead uses a software platform to communicate with participants' vehicles, allowing MGE to manage when the vehicles are charging.
- **Commercial EV Charging Allowance (CEVCA)**. Approved by regulators in 2025, the CEVCA pilot program helps commercial customers install EV chargers at their businesses and properties by providing a revenue-based allowance to reduce the up-front cost of chargers.
- **EV fleet analysis.** MGE offers an EV fleet analysis for business customers. It helps them compare electric and gas vehicles using data from telematics. The analysis also provides a total cost of ownership summary and recommendations for EVs and charging infrastructure.
- **Partnerships with local dealerships.** In addition to educating dealerships on available charging programs, MGE works closely with them on their own electrification efforts by providing technical assistance for installing chargers at their facilities.
- **EV Ambassadors.** MGE has long partnered with local EV drivers to help educate customers about EVs and EV charging. Through the EV Ambassador program, local drivers showcase their vehicles at community events and talk with interested customers about their experiences with EVs.
- **EV Owners Group.** Current MGE customers can join the EV Owners Group and receive discounted charging at select public chargers owned and operated by MGE; receive updates about MGE EV programs, services and station installations; and provide feedback on EV charging opportunities. Participation in the EV Owners Group helps MGE better understand how EV charging patterns and behavior may impact the grid.

EV resources and tools for drivers

MGE helps to educate customers, businesses and our community at large about the benefits of EVs. Our experts attend community events with EVs to share information on driving and charging EVs. For example, each year, MGE sponsors the National Drive Electric Week event held in Madison. Local EV drivers showcase their vehicles to attendees while MGE EV experts share information about EV charging and the benefits of driving electric.









Ongoing partnership with Madison

MGE continues to work with the City of Madison to further the electrification of transportation, including:

- **Electric buses.** Providing technical assistance in the City's development of an all-electric bus rapid transit system.
- **Fleet.** Furnishing charging infrastructure for new fleet vehicles when the City received a Wisconsin Office of Energy Innovation grant.
- **Electric fire truck.** Supplying charging equipment for the Madison Fire Department's first electric fire truck.
- **Electric garbage trucks.** Assisting the City in procuring and installing a charger for two electric refuse trucks.

Charge Up Dane County

MGE partners with Dane County on Charge Up Dane County, an initiative to install EV charging infrastructure in underserved locations. The initiative is funded by a federal Charging and Fueling Infrastructure grant. Charge Up Dane County is currently in the planning phase. MGE is providing expertise as part of an advisory commission established by the County.

Pole-mounted chargers

MGE works to reduce the barriers to EV adoption. Studies show that about 80% of EV charging happens at home. This can be challenging for drivers who don't have a garage or dedicated parking, such as those who live in multifamily dwellings.

In 2025, MGE completed the installation of five pole-mounted EV chargers around Madison. Each charger is attached to an existing MGE utility pole in neighborhoods that have been traditionally under-resourced and where there is a high prevalence of multifamily buildings.



MGE's EV fleet goal

MGE continues to add cleaner vehicles to our fleet, where possible. We are targeting a goal of 100% all-electric or plug-in hybrid light-duty vehicles by 2030. Currently, about 65% of our light-duty vehicle fleet is all-electric or plug-in hybrid.

Natural Resources and Biodiversity

MGE takes steps to protect our natural resources. This means doing our part to help improve waterways, preserve the natural beauty of our communities and protect wildlife habitats.

Combating the decline of monarchs

Monarch butterfly populations in the United States have seen substantial declines in their population the last few decades. In 2024, the U.S. Fish and Wildlife Service proposed to categorize the monarch as threatened under the Endangered Species Act.

One of the biggest impacts on the monarch population is the loss of habitat for breeding, migrating and overwintering. Adult monarchs feed on the nectar from many flowering plants throughout the growing season, but they breed only in areas where milkweed is found. Milkweed is critical for their survival. Monarchs lay their eggs on milkweed and their caterpillars are dependent on milkweed as a food source during their development. Milkweed is native to Wisconsin and can be found almost anywhere wildflowers grow throughout the state.

MGE providing habitat: MGE has been increasing our habitat for monarchs and pollinators at our facilities. We have planted native plants, including flowering natives, on MGE-owned and MGE-operated solar generation sites.

We are managing our sites so that native plantings flourish and invasive plants do not overtake them. At three of our MGE-owned and MGE-operated solar sites, our native seed mixes were planted to support the monarch's life cycle from egg to caterpillar to adult.

A protection agreement: Since monarchs migrate, they need to be able to find suitable habitat throughout their migration pathway. Increased development, fragmented habitat and intentional removal of milkweed all contribute to an overall reduction in habitat.

The voluntary Monarch Candidate Conservation Agreement with Assurances (Monarch CCAA) is designed to increase monarch habitat throughout their migratory range using transportation and utility properties, such as rights-of-way and generation facilities, to plant monarch-friendly milkweed and flowering plants. MGE has applied to join the Monarch CCAA and is awaiting feedback and final acceptance. MGE also is exploring the possibility of combining its CCAA with a voluntary program for bumblebees.





Agrivoltaics in action

Agrivoltaics, also known as dual-use solar, is the use of land for solar generation and agriculture. MGE continues to expand its practice of agrivoltaics at various solar facilities.



In summer 2024, MGE's 6-megawatt (MW) Tyto Solar facility in Fitchburg, Wis., began hosting grazing sheep for the growing season. The practice of solar grazing, which is a form of agrivoltaics, offers sustainable vegetation management of grass and brush in and around the site's more than 13,000 solar panels. In 2025, MGE added our 8-MW Hermsdorf Solar Fields in Madison and 6-MW Strix Solar site in Fitchburg to the sheep's grazing sites.

In spring 2026, MGE welcomed honey bees to our 22-MW O'Brien Solar Fields in Fitchburg. In partnership with a local honey bee expert, five beehives were set up and a colony of honey bees now resides at the site.

The bees collect nectar from native pollinator plants at the site and also forage elsewhere, typically traveling up to two miles from the hive. This project serves as another way to demonstrate how solar arrays and agriculture can coexist.

Solar research

MGE is partnering with the University of Wisconsin and Argonne National Laboratory to study solar generation impacts on natural resources such as water recharge, native bees and small prairie animals. Research results will help us better understand biodiversity and natural resource impacts at our solar sites.

Retrofitting power poles to reduce impacts to eagles

Electric distribution lines can be unsafe for eagles. Eagles that use them to perch risk electrocution. With the help of a grant from Eagle ILF, an organization approved by the U.S. Fish and Wildlife Service to oversee eagle mitigation programs, MGE is retrofitting 100 utility poles in our service territory to an eagle-safe configuration. The retrofitted poles will prevent electrocution by providing adequate clearance and other safety measures for eagles that perch on the lines or by providing deterrents to prevent eagles from landing on lines that are unsafe. MGE expects these improvements will benefit other hawks and raptors that use electric lines for perching.

Building platforms for ospreys

Ospreys often attempt to nest on tall structures near bodies of water, giving them a clear view of fish and other prey. Building nests on top of electric transmission or distribution cross arms can be dangerous for the ospreys. It also can increase fire risk from sticks and debris coming in contact with electrical cables. In 2025, MGE discovered a pair of ospreys attempting to nest on cross arms near one of our substations. To encourage a safer nesting option, MGE built two osprey platforms above our power lines. We had our first pair use them in 2026. The construction of platforms has been added to our mitigation options when we come across nests on our lines.

Helping protect birds and bats

MGE has developed an avian protection plan for our wind sites and other facilities. The plan is designed to ensure compliance with regulations and consider mitigation options for avian species to reduce risk.

Additionally, as part of the company's cave bat permit at MGE's Rosiere Wind Farm in northeast Wisconsin, the company has worked with the Wisconsin Department of Natural Resources (DNR) to develop a plan for acoustic monitoring of bats during their roosting and migration seasons. Acoustic monitoring is expected to provide a more complete estimate of bat populations in the area, which can help the DNR determine species trends in the area.



Falcon restoration



Since 2009, peregrine falcons have nested at our Blount Generating Station in downtown Madison. Man-made nesting boxes at power plants have proven to be ideal homes for the birds of prey, which are an endangered species in Wisconsin. MGE has seen 63 falcons hatch at Blount Generating Station since 2009 when they began nesting at the plant. Falcon expert Greg Septon typically visits the power plant in spring to band the newborn chicks for tracking throughout their lifetimes. For more information on MGE's falcons, visit *mge.com/falcons*.



Fund for Lake Michigan/Salt Wise Strategic Development Grant

Lake Michigan's water is critical to Wisconsin's future. MGE supports the Fund for Lake Michigan (the Fund), which helps sustain the lake for those who depend on it. Among its projects, the Fund supports the Wisconsin Salt Wise Strategic Development Grant. It provides funding to help communities and regions of the state protect our waterways by becoming salt certified.

In winter, many companies and individuals use salt to combat icy sidewalks and roads; however, excess salt flows into our waterways, negatively impacting water quality. One teaspoon of salt pollutes five gallons of water, and once in the water, salt cannot be removed. Additionally, chloride, a chemical in salt, is toxic to small aquatic life.

Oftentimes, more salt than is needed to fully melt ice on parking lots and sidewalks is applied. That means some of the salt put down is washed away. Salt certification provided through the grant trains participants to calculate the amount of salt needed for an area without a lot of waste.

The Wisconsin Salt Wise Partnership spearheaded salt reduction efforts in Dane County. Madison launched the state's first salt certification program several years ago. MGE works with a local certified salt applicator for snow removal at our facilities.

Protecting our lakes and waterways

Pollutants transported in stormwater are harmful to lakes, rivers, wetlands and waterways. MGE implements measures to protect our water bodies. For example:

- MGE's review process for construction projects, which can often be in the hundreds each year, examines both erosion control and stormwater concerns among other things.
- We implement proper erosion control methods at all work sites. This minimizes the likelihood of soil being washed out of a site. We track permits and inspections and have dedicated staff who review new regulations, field techniques and technologies to ensure we manage our erosion-control strategies effectively.
- MGE's Environmental Affairs team regularly reviews the company's environmental emergency response plans for facilities with high risk to waterways, human health and sensitive environmental features for accuracy and improvement regarding the potential for release of materials, oils or chemicals to wetlands, water bodies or other environmentally sensitive areas from operations, bulk storage or construction.

Phosphorus reduction in local lakes

Another way MGE supports clean lakes is through Yahara WINS. This collaborative water cleanup effort began as a pilot and expanded to a 20-year program to reduce phosphorus in our watershed. Yahara WINS is exceeding expectations for modeled phosphorus reductions and is on track to meet its 20-year project goals. In 2025, the program reported phosphorus reductions of 68,303 pounds, exceeding its target watershed total for the year by more than 10,000 pounds.

Tree Line USA utility

MGE marked 28 years of being named a Tree Line USA utility in 2025. Tree Line USA promotes the dual goals of delivering safe and reliable electricity while maintaining healthy community trees. The program recognizes best practices in public and private utility arboriculture, demonstrating how trees and utilities can coexist for the benefit of communities and residents.

Sustainability Benchmarking and Performance

MGE is committed to reducing environmental impacts across all areas of the company. MGE voluntarily participates in statewide environmental performance programs.

Sustainability Steering Team

In the early 1990s, a small, informal group of MGE employees concerned about the environment laid the groundwork for something bigger. Their efforts evolved into a successful company-wide effort, the Green Team, to make environmentally responsible choices at work. In 2018, MGE developed our Sustainability Steering Team (SST). Composed of employees from across the company, the SST oversees our Environmental Management System (EMS). An EMS is a continuous improvement process that evaluates, prioritizes and manages environmental risks. Read more about MGE's EMS in the *Governance section*.

The SST also supports external sustainability engagement and benchmarking, such as our participation in the Green Tier program through the Wisconsin Department of Natural Resources and the Sustainable Business Council's Green Masters program. The team reviews, evaluates and prioritizes continuous improvement opportunities for the company, assembling Continuous Improvement Sustainability Teams to address specific improvement initiatives and tasks. The SST is overseen by our Executive Sustainability Team, which has officer representation from across MGE.

Our employee-led Green Team remains active and strong today with a renewed focus on recycling and waste reduction, eco-friendly office initiatives, supporting company-wide sustainability goals and organizing employee events and awareness campaigns.



Green Masters Program®

In 2025, MGE earned the Green Masters designation for the 12th year in a row from the Sustainable Business Council (SBC). The SBC ranks organizations against what are considered best practices in sustainability.

To achieve Green Masters status, a company in the utility sector must score higher than 75% on average in at least 10 of 15 categories, which are organized under four specific areas: Environment, Society, Workforce, and Governance and Leadership.

MGE was the first utility to be awarded the Green Masters distinction in 2014.

Dane County Climate Champion

MGE was recognized by Dane County's Office of Energy and Climate Change for leading on climate action. MGE was named a 2026 Dane County Climate Champion in the Building Energy Use category. This category recognizes buildings that use less energy per square foot than a typical comparable building, whether due to energy efficiency or on-site renewable energy. MGE was recognized for its leadership in energy benchmarking at our corporate headquarters, which has an ENERGY STAR® score of 90 and includes a rooftop solar array.

Renewable recycling

MGE is planning for how the end-of-life for renewable generation components will be managed. We recycle our solar panels when they are no longer usable. An internal group at MGE meets regularly to discuss the latest recycling opportunities for wind and solar components. MGE also partners with other Wisconsin utilities in a working group that meets quarterly to review new and proposed renewable recycling guidance provided by the Wisconsin Department of Natural Resources.

Handling e-waste

MGE works with a local company to recycle electronic waste, or e-waste. Items such as laptops, computer monitors, servers and other IT equipment are processed in multiple ways, including:

- Reselling any reusable equipment.
- Converting devices into recyclable resources while containing hazardous materials.
- Donating quality working and refurbished devices to local nonprofit and charitable organizations.

In 2025, MGE recycled, refurbished and resold more than 23,000 pounds of e-waste. That's 24% more than in 2024.

Supplier proximity

MGE's corporate policy is to buy locally. We give preference to Wisconsin manufacturers and distributors. Local purchases support the local economy and are typically more environmentally friendly. When it is time to purchase goods needed to run our company, we review our supplier database and buy from local vendors when possible and cost-effective. Many of the materials and equipment that utilities need are highly specialized; however, we buy U.S. products whenever possible.

MGE's supplier resources section on *mge.com* commits our suppliers to our Code of Ethics. MGE evaluates and makes awards on a nondiscriminatory basis.

Transparency and Disclosure

MGE is committed to providing transparency and accountability in its disclosures. This annual compendium of activities and data is an example of that ongoing commitment to those we serve.

MGE also participates in the Edison Electric Institute's (EEI) and American Gas Association's (AGA) environmental, social and governance (ESG)/ sustainability-related reporting quantitative template. The voluntary, industry-specific template includes quantitative information, such as generation and emissions data. Our EEI-AGA template is available online with other disclosures in our ESG Disclosures at *mge.com*.



2026 Corporate Responsibility and Sustainability Report

Social

As your community energy company, we consider it part of our responsibility to engage with our customers where they are. Our commitment to equitable service and to the power of working together drives how we seek to fulfill our mission to serve and to strengthen our communities.

This report includes forward-looking statements and estimates of future performance that may differ from actual results because of uncertainties and risks encountered in day-to-day business.

Highlights

- Maintaining energy affordability is a top priority as we continue to provide value to our customers and evolve as an organization to meet their changing needs.
- MGE maintains relationships with many different sectors in our community and works in partnership with hundreds of local organizations and community stakeholders to connect with customers who may be more difficult to reach directly due to language or cultural barriers, or other reasons.
- MGE's Occupational Health and Safety Policy recognizes the risks inherent to occupational health and safety and embraces safe work practices and environments as fundamental values at MGE.
- MGE's employee-led Safety Steering Team meets regularly to examine safety topics and to identify and prioritize continuous improvement opportunities.
- In 2025, MGE ranked second for the fewest number of electric outages per customer, according to results from an annual industry survey including nearly 80 electric utilities nationwide. MGE has ranked in the top four utilities in the country for the fewest number of outages in each of the last 19 years.
- When notified of a potential natural gas emergency, MGE crews continue to earn high marks. In 2025, our response time ranked in the top 10% of a nationwide industry survey including 80 natural gas utilities.
- MGE regularly conducts emergency response training exercises of our All Hazards Response Plan (AHRP). In 2026, MGE activated its AHRP for a mass flooding training exercise, which included participants and observers from the City of Madison Emergency Management and Dane County Emergency Management.
- In 2026, MGE continued to engage employees on the organization's Core Competencies introduced in 2025. The competencies are key behaviors and skills that contribute to individual and team success, guiding how employees work together across the organization while supporting the company's mission and values.
- MGE's Employee Networks provide an opportunity for employees to connect, build upon our company culture, grow and thrive in a shared community. In 2026, MGE expanded our employee engagement opportunities, launching coffee connections, spark recognition and prepared to kick off a pilot mentorship program.
- The MGE Scholarship Program has awarded more than $1.5 million in aid to students since it began in 1999.
- In 2025, MGE and our employees and retirees gave more than $300,000 to our local United Way as part of the company's annual fundraising campaign.
- In the last five years, the company's philanthropic arm, the MGE Foundation, has given more than $10 million to more than 400 community organizations.

In 2025, MGE ranked

2nd

for the fewest number of electric outages per customer.

MGE continues to rank in the top

10%

of a nationwide industry survey for our response time to potential gas emergencies.

The MGE Foundation has given more than

$10M

to 400+ community organizations in the last five years.



Engaging Our Customers Where They Are

As your community energy company, we seek to engage all our customers in a variety of ways. We work to ensure all customers experience us as "their" community energy company. Understanding the barriers our customers may face and meeting them where they are is at the core of our mission. We recognize customers have varied needs and the communities we serve are continually changing. We work to develop culturally competent initiatives, communications and services for our customers. Our dedication to understanding our customers and meeting their unique needs is reflected in how we engage, support and partner with those we serve.



Creating Connections

MGE is committed to serving and connecting with our diverse communities. Two departments, Residential and Community Services and Business Customer Relations, are dedicated to building relationships and partnerships with residential and business customers covering specific segments, including:

- Neighborhood associations
- Advocacy organizations
- Communities of faith
- Lower-income customers
- Multifamily customers
- Agricultural customers
- Community-based organizations
- Environmental organizations
- Schools
- State and local governments
- Hospitals
- Minority-owned businesses
- Entrepreneurs
- Major business customers

Through partnerships with hundreds of local organizations and community stakeholders, MGE works to reach customers across our service area, including those who may face language, cultural or other barriers to accessing information and resources.

To stay connected with our evolving customer base, MGE:

- Develops culturally relevant resources, including social media content, web materials and videos.
- Partners with local organizations to engage customers of different languages and cultures.
- Builds relationships through dedicated account managers and Residential and Community Services staff.
- Participates in community events and hosts energy workshops to share information about energy, safety and MGE programs and resources.
- Supports family-friendly community activities that create meaningful opportunities to engage directly with customers.

This approach helps MGE better understand and serve the unique needs of the communities we serve.

Developing the Future Energy Workforce

MGE works to advance talent in the energy industry by partnering with local organizations to provide educational career-oriented programming for area youth. These programs and partnerships help introduce students, including those from backgrounds underrepresented in the utility industry, to careers in energy and related fields.



Examples include:

- **STEAM CAMP**, which exposes middle school students to science, technology, engineering, arts and mathematics careers, was developed through Strang, Inc., in partnership with the Urban League of Greater Madison. MGE serves as a key host and supporter.
- **Emerging Leaders Student Program**, which gives local high school students opportunities to gain experience and knowledge about the utility industry while connecting with employees from across MGE.
- **College internship** opportunities that provide students with valuable skills and hands-on experience to support their career development. Several past and current MGE employees began their careers with our company as college interns, highlighting the significant role these opportunities play in building the future energy workforce.



Community education

MGE provides utility-based education to students across our service territory through programs, events and other activities. Topics range from energy efficiency and sustainability to safety and careers.

We also support opportunities for teachers through Wisconsin's K-12 Energy Education Program (KEEP). KEEP was established in 1995 to improve and increase energy education in Wisconsin. Teachers whose schools are in MGE's gas and electric service area can receive partial scholarships from MGE to offset the cost of coursework. In 2025, KEEP reached more than 60 educators and more than 400 youth through 25 programs that included teacher training, community engagement and networking in MGE's service territory. An additional 1,680 students are estimated to have been supported indirectly through KEEP curriculum.

MGE also incorporates in our programming several popular educational resources that include our Pedal Power bicycle, Watts Up electricity consumption meters and a mini photovoltaic kit. These resources are supplemental classroom aids or used at community events to engage young people in energy efficiency, conservation and clean energy. They are promoted through our Powerline educator newsletter, which provides information about MGE's resources, tools, programs and presentations for area schools.

Fostering Environmental Stewardship

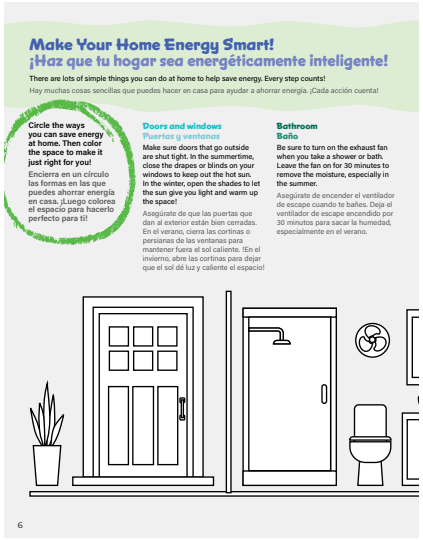
MGE's Earth Day and Arbor Day celebrations highlight the impact of strong school and community partnerships that promote energy education and engage youth and families.

Through events with local schools, the Madison Children's Museum and other community partners, MGE engaged approximately 1,500 participants in 2025 in hands-on learning experiences about energy, sustainability and environmental stewardship.

MGE's energy education program is further amplified through the distribution of nearly 2,000 copies of our *Earth Day Every Day* fun book. This downloadable, bilingual book is designed for children in grades 3 through 5 and helps show the many ways to celebrate and protect the Earth.

MGE also provides coloring books highlighting energy efficiency, providing educators and families with resources to continue energy education year-round.







Energy Affordability

Energy affordability, or energy burden, is a top priority for MGE. MGE continues to address and manage energy affordability as we transition our energy supply to cleaner sources. We're working to achieve greater sustainability and to manage long-term costs by growing our use of carbon-free, renewable energy, which carries no fuel costs and serves to reduce rate volatility.

Cost containment

MGE has been able to contain and manage costs, and our fuel costs have been decreasing. This is due, in part, to our recent renewable generation projects coming online. Throughout the past 10 years, customer rate increases have been below the rate of inflation. An MGE residential electric customer bill as a percentage of wallet at 1.45% is below the Wisconsin utility peer average of 1.63%. MGE's affordability as a percentage of customer wallet has improved 24% since 2015.

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Support for customers

Support for low- to moderate-income customers is extended in a number of ways. MGE committed $500,000 to support affordability initiatives for low- to moderate-income customers in our 2025 rate case, which set rates for 2026 and 2027. These initiatives focus on increasing access to energy assistance and on reducing household energy costs through energy efficiency. Beginning with outreach in spring 2026, eligible customers who received energy assistance were eligible to receive a $200 bill credit from MGE.

Other efforts include a free smart thermostat and professional installation for qualifying customers. Through MGE Connect, MGE's voluntary demand response program, participants can earn rewards for helping to reduce energy use during periods of peak demand. Together, these programs are designed to provide financial relief and help customers better manage their energy use to lower energy costs.

MGE also continues to engage customers around its Back on Track program, which was approved by state regulators in July 2025. Back on Track is a program that helps customers with limited income or health-related energy needs who have accrued past-due account balances get back on track. The program builds on MGE's long-standing efforts with other programs and agencies to connect eligible customers with available benefits.

The regulatory framework

Wisconsin's utility regulatory framework is pivotal to ensuring that MGE meets our fundamental obligation to provide customers with access to safe, reliable and affordable energy. Utility regulation exists to protect customers and it governs almost all aspects of utilities—from rates to terms and conditions of service to generation siting and more. Utility regulation provides for transparency and consumer protections, which help ensure stable pricing and reliable service, among other things, in the delivery of an essential service to our communities.

Employee Engagement and Development

Our values

From safety and operational excellence to sustainability and workplace culture, we are driven by our values in how we serve, partner and engage with our employees, customers and communities. To serve as your community energy company is to embrace our mission, values and vision for working toward a better future for all those we serve.

Safety is a core value at MGE. The safety of our employees, customers and communities is our top priority.

Reliability. We invest in our people and in our systems to help ensure top-ranked energy reliability that helps to maintain the economic health and vitality of the communities we serve.

Sustainability. With a commitment to transparency, accountability and continuous improvement, we take a holistic and proactive approach to sustainable practices company-wide.

Equity. We are committed to equity and inclusion in our service to our customers, in our workplace and in our broader community and we value diverse perspectives, ideas, cultures and backgrounds.

Engagement. We are dedicated to engagement, partnership and collaboration to best serve our customers and the broader community.

Consistent with our Statement on Human Rights, MGE recognizes its impact on human rights and embraces the protection of human rights as a fundamental value.



Our community at work

MGE works to provide a respectful work environment where individuals and teams can achieve their full potential. An inclusive, welcoming environment helps to ensure all employees feel supported and valued—and part of our community at work.

Our workplace culture: the power of working together

MGE's goal is to create a healthy and productive work environment that provides a sense of belonging for all our employees. Our company values a wide range of perspectives and ideas, backgrounds and cultures. We work to foster a culture of collaboration with others of diverse skills and experiences and to ensure that all employees experience this collaborative environment as a core principle of MGE.

MGE's employee-led steering team on workplace culture works to engage employees and to identify opportunities for connecting and for living our values. Our journey continues to unfold through our commitment to listen, to learn and to challenge ourselves to deepen the ways we respect, collaborate with and value each other. We continue to evaluate processes, practices and internal systems and to plan new employee engagement opportunities.

We believe a multitude of backgrounds and ideas makes a difference in our company and in how MGE, as a community partner, can impact our broader community in meaningful ways. This commitment to our community at work and to the power of working together helps us in our service as your community energy company for all.

As of year-end 2025, MGE's voluntary turnover rate, excluding retirements, was 4%. MGE publishes its EEO-1 report, an annual data collection filed with the U.S. Equal Employment Opportunity Commission that contains demographic workforce data. The report is available online in our *ESG Disclosures* as part of our commitment to transparency and disclosure.

Employee Engagement Survey

MGE continues efforts to improve communication at all levels, increase leadership connection and foster stronger connections among employees across the organization by:

- Establishing a communication framework and collaborative workspaces.
- Hosting an all-employee family event within the community in 2025.
- Enhancing the integration of new employees through New Hire Connect: Learn and Grow and integrating Core Competencies into one-on-one discussions.
- Launching a 2026 survey through which we can focus and assess our progress in these areas, identify opportunities for continued improvement and guide our priorities moving forward.

A previous survey of the MGE workforce helped launch ongoing and regular communications opportunities for employee and executive leadership to engage on timely company and industry trends and topics.

Through Business Talks, Leadership Updates and Energy Huddles, employees and leaders have regular opportunities to share information, discuss company priorities and engage in meaningful dialogue on relevant business and industry topics.

Business Talks is a series of informational meetings designed to provide employees with company updates, celebrate successes, share industry trends and foster open communication across departments, teams and our community at work.

The **Leadership Update** is a series of regular meetings for senior leaders. These meetings share information related to business and people leadership, such as corporate goals and strategies as well as key industry and energy policy matters.

Energy Huddles are organized opportunities for two-way conversations between executive leadership and employees on timely topics.

Powering Connection

Powering Connection is an employee engagement initiative focused on strengthening workplace relationships, fostering inclusion, supporting professional growth and creating opportunities for employees to connect across the organization.

MGE's employee-led Powering Connection Leadership Committee has helped launch Employee Networks. The networks, which are open to all employees, include:

- Employee Volunteer Network
- Green Team
- Pride Network
- Veterans Network
- Women's Network

The networks are part of a broader employee engagement effort that also includes:

- **Coffee Connections**, which pairs employees from different departments for informal conversations and networking.
- A planned **mentorship program** designed to support professional development and strengthen connections across MGE.
- The **Spark Recognition** program, which encourages peer recognition tied to company goals and competencies.

These activities help foster a connected, engaged workforce through programs that encourage connection and collaboration across the company.

The Learning Center

The energy world is ever-changing. MGE is committed to sustainable workforce practices, such as career development and training.

MGE offers all employees the opportunity to learn and grow—whether it is to become more proficient in their job, improve decision-making skills or prepare for a move to another role. We support employees by providing the right tools—learning and content—needed to develop the knowledge and skills necessary to grow and to ensure MGE has a workforce that is knowledgeable, prepared and high-performing to deliver on our goals and objectives.

The Learning Center is an online resource available to all MGE employees. This cloud-based tool contains a vast library of courses available to employees for online learning, including via mobile devices. It recommends training courses for employees based on the courses they've already taken and subjects in which they have shown interest, and it provides a transcript of courses they have taken in The Learning Center as well as corporate training they attend.

The Learning Center is constantly updated with courses relevant to MGE employees. It has more than 8,000 courses, videos, podcasts and articles available, and more than 58 curated playlists. Since it was launched in 2016, MGE employees have completed more than 92,000 training sessions through 2025. That includes instructor-led training, online training and video training. In 2025 alone, employees completed more than 4,000 online courses.

The Learning Center has more than

8K

courses, videos and podcasts.

MGE employees have completed more than

92K

training sessions through 2025.



In 2025 alone, employees completed more than

4K

online courses.



The Learning Center also has sections dedicated to information about wellness, including physical, mental and financial wellness, as well as discrimination and harassment. In the Wellness and Stronger Together sections, employees can find courses, articles, podcasts and more.

External training and networking

MGE continues to partner with the University of Wisconsin E-Business Consortium (UWEBC). Created in 1998, the UWEBC brings together employees from all levels of leading Wisconsin companies to learn from each other.

The UWEBC focuses its efforts in five areas critical to a diverse range of businesses: customer service, human resources, information technology, marketing and supply chain management. Events are structured to bring together people from different industries in the following formats:

- Topic-centered peer groups
- Special interest groups
- Member-to-member advising

Support for the UWEBC from MGE gives our employees the opportunity to grow and learn by participating in UWEBC events and programming.

MGE Scholarship Program

MGE is proud to offer a scholarship program to MGE employees and retirees to assist with their children's higher education. The Madison Gas and Electric Company Scholarship Program awards partial scholarships for post-secondary education at any accredited school in the United States. There are 35 scholarships awarded annually that cover continuing students and new awardees. These scholarships are funded by MGE and administered by a third party. The awards are renewable for up to three years or until a bachelor's degree is obtained if students maintain a 2.5 cumulative grade point average. The MGE Scholarship Program has awarded more than $1.5 million to students since it began in 1999.

35
scholarships awarded annually

The MGE Scholarship program has awarded more than
$1.5M
in aid to students since 1999.



Freedom of association and collective bargaining

MGE complies with all federal, state and local employment ordinances. We also adhere to principles and norms that protect human rights in employment, including the freedom of association and the freedom to bargain collectively. MGE recognizes its employees' right to organize and engage in collective bargaining under the National Labor Relations Act. The MGE workforce is represented by three different unions:

- International Brotherhood of Electrical Workers (IBEW), Local 2304.
- United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, Local 2006, Unit 6.
- Office and Professional Employees International Union (OPEIU), Local 39.

The unionized workforce is 44.3% of MGE's total workforce, far exceeding the average private sector unionization rate in the United States of 5.9%.

The unionized workforce is
44.3%
of MGE's total workforce.



The average private sector unionization rate in the United States is
5.9%

Code of Ethics

As outlined in the company's *Code of Ethics*, employees are expected to comply with all laws and regulations and to act in accordance with the highest ethical standards in matters with each other, customers, vendors and those who do business with or seek to do business with MGE. All employees sign the Code of Ethics when they are hired and a reaffirmation of the Code of Ethics is required every year by the company's Internal Audit department. A training video in The Learning Center highlights key concepts of ethical workplace behavior. This process provides an opportunity for employees to refresh themselves on the Code of Ethics and the opportunity to address any questions or concerns they have.

MGE also expects all our suppliers to adhere to the company's Code of Ethics when conducting business with MGE and when conducting business with third parties on behalf of MGE.

We Power Safety

We power safety. Work safe. Home safe. That is our commitment at MGE, and it is embraced by our employees. Every employee and every company can always improve their safety performance. That is why we embrace a continuous improvement philosophy.

MGE Occupational Health and Safety Policy

Our Occupational Health and Safety Policy recognizes the risks inherent to occupational health and safety and embraces safe work practices and environments as fundamental values at MGE. It also allows us to document our commitment in a more formal manner.

MGE is committed to serving our community and to conducting our business in accordance with our policy, which is available at *mge.com*.

Safety vision statement

MGE's safety vision statement encompasses the business of MGE and creates a positive message that all MGE employees can adopt:

We power safety.
Work safe. Home safe.

As MGE employees, we power our own safety and the safety of those we work with to ensure everyone goes home safely.

Our goal is to have zero injuries.
Every day. Everywhere.

Safety culture

MGE marked the 11th anniversary of our journey to safety excellence in 2025. We formally kicked off our journey to safety excellence in 2014 by:

- Implementing safety training for all employees, from our CEO and executive leadership team to our frontline workers.
- Forming our Safety Steering Team, which is made up evenly of salaried and hourly employees. The team meets regularly to examine safety topics and to identify and prioritize continuous improvement opportunities.

After launching our safety initiative, MGE conducted our first Safety Perception Survey to gauge the overall health of our safety culture. We have since conducted follow-up surveys in 2016, 2018, 2021, 2023 and 2025 to continue to track our progress and to gain a better understanding of what is working well and where there is room for improvement.

Safety Steering Team

The Safety Steering Team oversees the creation of our Continuous Improvement Safety Teams (CI Safety Teams). These employee-led teams include both field and office employees. The Safety Steering Team uses the Safety Perception Survey results and other inputs to identify safety culture and performance improvement opportunities for the CI Safety Teams. Through the Safety Steering Team and the CI Safety Teams, employees have direct involvement in our ongoing journey to safety excellence.

Safety performance

In 2025, while working more than 1.3 million hours, we recorded a recordable incident rate of 1.65. A recordable incident is an event where the injury typically requires a level of care beyond basic first aid. Total recordable incident rate is figured on a (roughly) per-100-employee average.

Our lost-time incident rate in 2025 was 0.75. A lost-time event is when the employee is unable to perform his or her job because of the injury and must stay away from work to recover. Total lost-time incident rates also are figured on a per-100-employee average.

In 2025, while working more than

1.3M

hours, we recorded a recordable incident rate of



1.65

Additional safety performance information is available in our EEI-AGA ESG/ sustainability reporting template, which is available online in our *ESG Disclosures*.

Sprains and strains prevention

MGE has an ongoing partnership with Briotix Health, a workplace injury-prevention sports medicine provider that employs athletic trainers. The trainers teach our operations employees how to properly warm up and stretch before performing physically demanding work. This partnership also serves office employees, which allows them to gain a better understanding of ergonomics and ways to reduce discomfort while working.

In 2025, the athletic trainers had more than 300 employee interactions, which include individual and group interactions. Coupled with other safety culture initiatives since this partnership began, sprain and strain injuries requiring medical treatment have fallen dramatically.

Consultations are not limited to work-related injuries. Most of the consultations involve non-work-related injuries or issues.

Inclusion and empowerment in our safety program

MGE employees lead monthly large group and small group safety meetings. Field crews hold daily safe start job briefings or "tailboards" at individual job sites. These briefings, developed by one of our early CI Safety Teams, focus on hazard awareness and job-specific safety. They engage, involve and empower each employee on the job site and establish accountability.

MGE's Stop Work Authority program, developed by one of our CI Safety Teams, specifically addresses differences through a "Speak Up Listen Up" safety training. This training focuses on respect for each employee's opinions of whether a job is safe to proceed. Specifically, the training encourages workers to speak up if they are unsure whether a job should proceed. The training also emphasizes that employees need to listen to a coworker's concerns and respect the idea that each employee has the right and the obligation to use Stop Work Authority if there is a question that needs to be answered. The process trains our workforce to respect the value everyone brings to the job. From the employee with decades of experience to the employee new to the job, all employees have equal authority and responsibility to stop work when a perceived unsafe condition or behavior is reported.

Continuous Improvement Safety Teams

Our employees understand the path of continuous improvement—they believe in it, and the results from their safety efforts are proof that they're committed to it. Our Safety Steering Team oversees the creation of our employee-led CI Safety Teams and determines the topic each team will address. CI Safety Teams typically go through a Rapid Improvement Workshop to help team members develop the program around the assigned topic. The team shares its plans and explains the implementation process in meetings attended by the Safety Steering Team, executive management and the CEO. This collaboration has demonstrated a strong commitment to employee safety and holds all levels of employees and management accountable for their role in continuously improving MGE's safety culture.

Accomplishments of our CI Safety Teams range from developing a job briefing process that identifies hazards to uncovering key influencers that may cause employees to take risks on the job and introducing an at-home safety platform to help reduce injuries by engaging employees in bringing safety home.

Among other resources for employees, the Bring Safety Home Team keeps a cabinet stocked with personal protective equipment (PPE) for employees to access, such as safety vests for bike riders. Employees are encouraged to take the PPE from this cabinet and use it at home when needed.

Public Safety

In addition to the safety of our employees, the safety of our customers and community is a top priority. MGE works to create an environment of electric and natural gas safety and incident prevention. The inspection standards we require on job sites are well above the minimum required.

Contractor outreach

MGE takes steps to work with responsible contractors who meet our criteria for health and safety, labor and the environment. We partner with ISNetworld (ISN) to streamline our contractor data management processes and help manage contractor qualification requirements.

This platform allows us to view essential information about contractors, including:

- Health, safety and environmental programs.
- Health and safety statistics and citations.
- A rolling three years of Occupational Safety and Health Administration forms.

With ISN, we can share industry best practices with contractors, benchmark performance and monitor contractor and supplier risks. For MGE contractor injury data, please see our EEI-AGA ESG/sustainability reporting template, which is available online in our *ESG Disclosures*.

MGE also trains outside contractors on the importance of identifying underground utilities before digging and what to do if they find or hit an underground line while working. We also provide contractors with electrical and gas handbooks that outline the safety procedures required when working in our service area.

MGE is a member of the Public Service Commission of Wisconsin's Damage Prevention Council. This group of stakeholders works to address underground utility locating challenges and to strengthen locating practices.

Customer outreach

A big part of MGE's commitment to safety excellence is educating customers about being safe around electricity and natural gas. We work to keep customers informed about potential dangers and what to do in an emergency. MGE communicates these important messages through community events, advertising, information included with our bills, on our social media channels and in other materials and on *mge.com*. From carbon monoxide safety and flooding to downed power lines and digging, MGE wants customers to be informed and to know where to turn if they have questions and what to do in an emergency.



Safety in the classroom

MGE partners with schools throughout our service territory and offers a wide array of classroom lessons, including electric and natural gas safety. MGE provides important energy safety lessons to students through materials and classroom visits. One of our most popular programs is MGE's Switch to Safety.

An MGE representative uses a tabletop electric safety model to illustrate and to simulate potentially dangerous electric safety situations. In addition, gas safety is discussed with students who are provided scratch-and-sniff cards to help them recognize the smell of natural gas. MGE reaches hundreds of Madison-area students annually through our Switch to Safety program.

Disaster Response and Recovery Planning

MGE is committed to meeting customers' energy needs on a typical day as well as during a storm, natural disaster or cyberattack. We continually review and update our disaster recovery strategies to help ensure safe and effective business continuity during challenging times.

All hazards response

Whether it's a natural disaster or a human-caused disaster, MGE has plans in place to prevent and mitigate damage and ensure safety. Having a well-defined and practiced All Hazards Response Plan (AHRP) is critical to managing and responding appropriately to emergency situations. MGE's AHRP encompasses everything from storm response to cyberattacks. Members of the Incident Command Structure conduct AHRP exercises every year to ensure we are ready to respond to any situation.

First responder training

MGE works closely with police and firefighters who respond to emergencies within our service territory. MGE's training specialists partner with our Electric and Gas Operations departments to conduct gas and electric safety training with first responders within the communities we serve. MGE also conducts drills with the Madison Fire Department periodically at both of our Madison power plants.

Mass flooding training exercise

We activated the AHRP in May 2026 for a mass flooding training exercise. This tabletop exercise was developed to allow participants to work through a simulated scenario that included a large flooding event on the Madison isthmus. A key purpose of the exercise was to identify strengths and weaknesses in our ability to respond and conduct business with limited access to facilities. The exercise included observers from the City of Madison Emergency Management and Dane County Emergency Management.

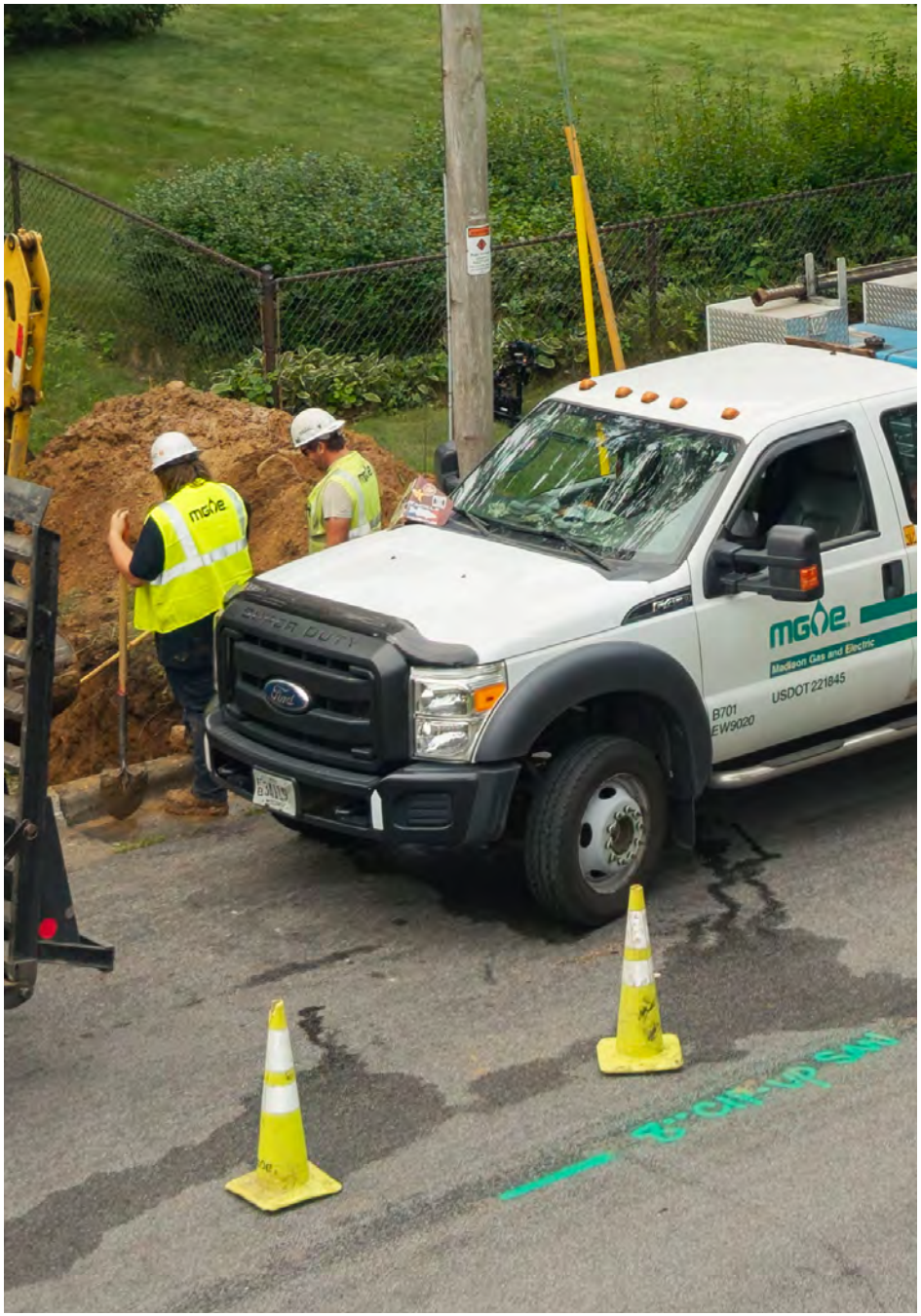


Mutual assistance

MGE is a member of the Midwest Mutual Assistance Group. The idea of a mutual assistance group is to provide a quick and easy way for utilities to get help from or to offer help to other utilities with overwhelming restoration needs after a severe storm or other incident. MGE has provided assistance to other utilities and received assistance.

MGE has continued our commitment to mutual assistance by supporting neighboring utilities during major restoration efforts. Following deployments to other Wisconsin utilities in July and November 2025, MGE also sent:

- Nine Electric Construction and Operations employees in early July 2026 to assist three utilities in southeast Wisconsin, northeast Illinois and eastern Michigan after severe weather events.
- Nine employees later in July 2026 to Wisconsin's Fox Valley to support restoration efforts after a tornado and widespread storm damage.



Reliability and Emergency Response

Ensuring reliability

MGE is a national leader in electric reliability. We are committed to transitioning to greater use of renewable resources while maintaining our top-ranked reliability.

According to results from an annual industry survey including nearly 80 electric utilities nationwide, in 2025, MGE ranked second for the fewest number of electric outages per customer.

On average, MGE customers experience one outage every two and a half years. That's compared to a nationwide average of more than three outages every two years.

MGE has ranked in the top four utilities in the country for the fewest number of outages in each of the last 19 years. That includes ranking number one seven times in the last 19 years.

In 2025, MGE ranked

2nd

for the fewest number of electric outages per customer.

Industry leader in emergency response

When notified of a potential natural gas emergency, MGE crews continue to earn high marks. In 2025, our response time ranked in the top 10% of a nationwide industry survey including 80 natural gas utilities.

This ranking is reflective of our dedicated employees who always put customer safety first and understand what it means to serve as your community energy company. It also highlights the strong process MGE has in place—from when the call comes into the Customer Center to when our employees arrive on-site.

To strengthen our focus on gas safety and reliability, we have added a corporate measure centered on preventing third-party damage to gas facilities. This complements our existing measure focused on timely response to potential gas events. Together, these metrics reflect our enhanced efforts to keep our communities safe. Our performance ranks in the top 6% of industry peers.

Doing Business with MGE

MGE selects suppliers on the basis of quality, delivery, cost and customer service. Small businesses and businesses with limited experience or financial capability are encouraged to participate in the supply process. MGE selects suppliers who can produce high-quality products and services for the company and its customers. Suppliers doing business with MGE are expected to comply with MGE's Code of Ethics.

Our commitment to "buy Wisconsin"

MGE promotes economic development within our service area and throughout Wisconsin in several ways, including procurement policies that favor Wisconsin businesses and small businesses. MGE prefers to do business with qualified Wisconsin suppliers whenever possible.

MGE is committed to increasing the use of businesses that help to ensure that our suppliers and vendors reflect the communities we serve. MGE evaluates and makes awards on a nondiscriminatory basis.

Economic development

A healthy economy contributes to a healthy community. MGE is committed to advancing continued growth and a thriving economy in the greater Madison region. We partner with business, education and government leaders to ensure our area businesses have the resources and connections they need to start, stay competitive and grow with the region.

MGE's economic development team helps businesses get access to financing, increase profitability and connect with business resources within the region. In addition, our account managers in our Business Customer Relations area work with new and existing businesses in a variety of ways, including helping them to expand sustainably, reduce their carbon footprint and manage their energy use.



Giving Back to the Community

MGE's commitment to those we serve extends far beyond reliable energy. We are committed to helping improve the quality of life for all those we serve. We contribute to and help to better our community in three diverse ways.

The MGE Foundation

Established in 1966, the MGE Foundation is our philanthropic arm. Support from the Foundation helps our local organizations improve lives today and the lives of future generations by working to preserve the long-term health and vitality of our community. In the last five years, the Foundation has given more than $10 million to more than 400 community organizations. In 2025 alone, the Foundation contributed more than $2.3 million to more than 200 local organizations.

MGE corporate giving

MGE collaborates with hundreds of organizations to provide services that help improve lives and tackle challenges facing our community. We partner with local stakeholders in a variety of ways to advance shared goals and initiatives.

Employee volunteerism and service

Our dedicated employees embody what it means to serve as your community energy company. MGE employees play an active role in helping our community. Volunteering is one of the ways we offer support.

MGE's Employee Volunteer Network provides an opportunity for employees to connect around volunteer opportunities in our community. In addition to MGE's Employee Volunteer Network, many of our more than 700 employees volunteer on local boards and committees and as members of economic development and nonprofit organizations outside of their jobs at MGE.



Support for United Way

MGE is a longtime supporter and partner of United Way. The organization's extensive reach helps our customers and the broader community. United Way works toward lasting change, sharing MGE's goal of making our community a better place to live, work and enjoy.

MGE consistently ranks among the top 10 companies in total donations to United Way. In 2025, MGE and our generous employees and retirees gave more than $300,000 to the local campaign. Some employees also took time out of their busy schedules to volunteer by making more than 300 snack packs for the United Way to distribute to those in need throughout the community.

MGE employees also serve on various United Way boards, committees and Leadership Giving groups, helping to set the direction and address the needs facing our community.



2026 Corporate Responsibility and Sustainability Report

Governance

Our Board of Directors has a strong commitment to corporate responsibility and accountability. Community-focused and with a breadth and diversity of experience, board members bring strong, effective oversight in their service to MGE and MGE Energy.

This report includes forward-looking statements and estimates of future performance that may differ from actual results because of uncertainties and risks encountered in day-to-day business.

Highlights

- The Board of Directors schedules 10 regular full board meetings each year. In 2025, the board held 14 committee meetings.
- Eight out of the board's 10 directors are independent. All members of the Corporate Governance Committee, Audit Committee and Human Resources and Compensation Committee are considered independent.
- The Lead Independent Director is empowered to call meetings of the board and executive sessions and chairs the Corporate Governance Committee.
- The Corporate Governance Committee conducts an annual assessment of the board's effectiveness as a whole.
- As part of ongoing board refreshment, the board has welcomed four new directors since 2021.
- The company has a "clawback policy," which covers both cash-based and/or stock-based awards containing performance requirements.
- Bylaws include a director resignation policy for directors who do not receive a majority "for" vote in uncontested elections.
- MGE does not use corporate funds for political contributions to any state or federal office.
- The board engages in a comprehensive risk assessment twice a year, and every two years, the board conducts a broad-based exercise on risk with all company officers.
- The board conducts a broad-based strategic planning and review exercise with company officers every two years. These sessions review corporate strategy across all aspects of the company's business and provide directors with the opportunity to engage senior management on issues of strategic importance. These sessions, combined with the risk exercise in opposite years, help ensure strong and effective board oversight every year.

The Board of Directors schedules

10

regular full board meetings each year.

8/10

directors are independent.

The Board of Directors has welcomed

4

new directors since 2021.



Board Governance

The position of Board Chairman and CEO may be combined or separated as deemed appropriate by the board. If the Chairman and the CEO are the same person, the Chair of the Corporate Governance Committee serves in the role of Lead Independent Director.

Roles of the Chairman and CEO

Our board is led by our Chairman, President and CEO. As the individual with primary responsibility for managing the company's day-to-day operations and for executing on the company's vision and strategy, our CEO is best positioned to chair regular board meetings as we discuss key business and strategic issues. Our CEO brings company-specific experience to help the board focus on those issues of greatest importance to the company and its shareholders.

Lead Independent Director

Our Lead Independent Director has extensive authority and responsibility in ensuring the board meets its responsibilities for effective oversight and sound governance. The Lead Independent Director is responsible for the following:

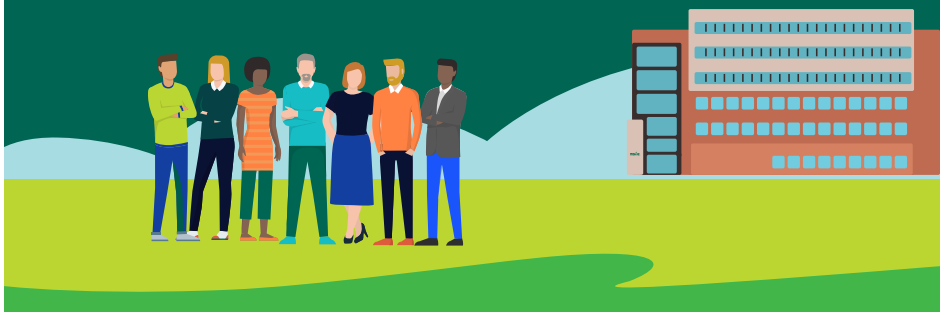
- **Board Leadership:** Is empowered to call meetings of the board or executive sessions. The Lead Independent Director also is empowered to chair executive sessions of the directors.
- **Board Information:** Provides input to the Chairman on the scope, quality, quantity and timeliness of the information provided to the board and serves as a nonexclusive conduit to the Chairman of views and concerns of our directors.
- **Corporate Governance Committee Leadership:** Chairs our Corporate Governance Committee, which evaluates on an ongoing basis the composition, structure and performance of our board and assists in board recruitment, refreshment and succession planning.

Board assessment

The board conducts an annual board self-assessment, which includes an extensive survey covering board structure and composition, meetings, committees, key responsibilities and board management. In addition, the board periodically evaluates directors' expertise and experience. A peer evaluation occurs annually for the directors up for election before being nominated for election and as part of succession planning to consider and to select new directors. This evaluation covers key professional skills, diversity of backgrounds and breadth of community and other business experience and knowledge. In addition, each director conducts an individual self-assessment once every three years to evaluate their skills and experience relative to their board service. As part of ongoing board refreshment, the board has welcomed four new directors since 2021.

Diverse experience and perspectives

Effective oversight comes from a board that represents a diverse range of experience and perspectives that provide the collective qualifications, attributes, skills and experience necessary for sound governance. See the company's annual *Proxy Statement* for additional information about our board's experience and attributes.



Our board

Our board is very active and engaged with 10 regularly scheduled meetings of the full board each year, in addition to committee meetings. There were 14 committee meetings in 2025.

10
regularly scheduled meetings of the full board each year.



14
committee meetings in 2025.

Regular board meetings help directors stay well-informed of industry and company developments. Directors may not serve on more than three other public company boards.

MGE Energy board meetings are structured to provide for active dialogue with MGE management. Internal and external subject matter experts present to the board on issues of strategic importance to inform board members' decision-making and oversight.

The board's interactions with internal and external subject matter experts provide useful information and insight relative to critical business initiatives and corporate strategy. These interactions inform the board's understanding of the company's financial performance, environmental performance, risk management and oversight and succession planning. See the company's annual *Proxy Statement* for information about some of the topics discussed by our board in 2025.

Board independence

The board makes an annual assessment of the independence of directors under the independence guidelines adopted by the Nasdaq Stock Market, Inc. These guidelines also are reflected in MGE Energy's *Corporate Governance Guidelines*.

The board has determined that eight of the 10 directors are independent under the Nasdaq Stock Market, Inc., definition of independence and the company's Directors Independence Standards, which parallel the Nasdaq Stock Market, Inc., definition.

Climate change and environmental expertise

The board has engaged and plans to continue to engage widely recognized scientific experts on topics related to climate change. Dr. Daniel J. Vimont, who serves as Professor, Atmospheric and Oceanic Sciences at the University of Wisconsin—Madison; Director, Nelson Institute Center for Climatic Research; and Co-Director, Wisconsin Initiative on Climate Change Impacts (WICCI), has presented to the board on climate change science, scenarios and projections. He last presented to the board in April 2024. This is in addition to the board's and company management's regular engagement on emerging environmental risks and risk mitigation from internal subject matter experts. MGE management brings considerable environmental expertise as well as expertise in environmental law to the company.

In 2019, MGE management began working with experts from the University of Wisconsin—Madison's Nelson Institute for Environmental Studies to evaluate the company's goal of net-zero carbon electricity by 2050. The board has discussed the work of these experts to evaluate the company's goal and strategies for achieving deep decarbonization. See *mge.com* for details of this independent analysis.



Oversight

Directors understand corporate responsibility and sustainability are integral to the company's long-term success and share management's commitments in these areas, from long-term and strategic direction to day-to-day business practices company-wide. Each director is expected to examine all major issues affecting an organization and must be committed to the highest ethical standards, accountability, transparency and open dialogue with one another and with management to provide effective oversight.

Every two years, the board conducts a broad-based strategic planning and review exercise with company officers. These sessions are designed to review corporate strategy across all aspects of the company's business and to provide directors with the opportunity to engage senior management on issues of strategic importance, such as generation strategy and planning. The board last conducted this strategic planning and review with officers in September 2026.

Oversight of executive compensation

MGE Energy's Board of Directors' Human Resources and Compensation Committee, composed of independent directors, takes into consideration performance on both short- and long-term corporate strategy, among other factors, when evaluating executive compensation. Directors consider environmental performance, among other factors, such as cost containment and management of day-to-day operations. The committee also considers other performance goals that are critical to company performance, such as earnings, system reliability and customer satisfaction as well as long-term strategic goals, including those related to sustainability. MGE Energy's annual *Proxy Statement* provides an explanation of directors' oversight of executive compensation and the company's corporate governance practices and responsibilities.

State and federal oversight

As a public utility, MGE operates under state and federal regulations. These regulations serve to protect the interests of customers, employees and investors as well as protect the environment. MGE is subject to regulation by the Public Service Commission of Wisconsin (PSCW), which has authority to regulate most aspects of MGE's business, including rates, terms and conditions of service, accounts, issuance of securities and construction of infrastructure, such as generation siting. The PSCW also has authority over certain aspects of MGE Energy as a holding company of a public utility.

The Federal Energy Regulatory Commission has jurisdiction, under the Federal Power Act, over certain accounting practices and certain other aspects of MGE's business. MGE Energy's subsidiaries also are subject to regulation under local, state and federal laws regarding air and water quality and solid waste disposal.

Oversight of sustainability matters

Our company seeks to foster a proactive and forward-thinking approach to sustainability matters, beginning with board oversight of and executive leadership on key topics and emerging issues. The board's engagement with management helps to assess performance and promote continuous improvement. MGE voluntarily participates in statewide environmental performance programs to help reduce environmental impacts across all areas of the company. See the *Environmental section* of this report for additional information.

Board oversight includes review of environmental risks and mitigation as well as assessment of current and/or future environmental regulations. It also includes review of the company's environmental and sustainability performance. The board receives timely and relevant information on a regular basis related to the company's sustainability initiatives and performance and related matters. This report also is reviewed by the board annually.

Our sustainability governance structure helps to ensure that oversight and management of sustainability-related risks and initiatives throughout the company are incorporated into our long-term strategy and day-to-day management and operations. Our approach to these matters helps to facilitate discussion related to sustainability at every level of the organization, including among the Board of Directors, executive officers, our Sustainability Steering Team and other leaders and internal subject matter experts. Our *Environmental and Sustainability Policy* guides our commitment to corporate responsibility and environmental accountability throughout the organization.

Sustainability management

MGE's employee-led Sustainability Steering Team (SST) serves to help ensure the company takes a global and proactive approach to sustainability throughout the organization. The SST is overseen by MGE's Executive Sustainability Team, which has officer representation from across MGE and which keeps the Board of Directors informed of the company's progress.

Sustainability Steering Team

- Composed of employees from across the company.
- Supports sustainability engagement and benchmarking.
- Reviews, evaluates and prioritizes continuous improvement opportunities for the company.
- Assembles the Continuous Improvement Sustainability Teams, which address specific improvement initiatives and tasks.
- Oversees MGE's Environmental Management System (EMS).

Green Tier

MGE is the only electric utility in Wisconsin to be awarded the highest participating level in the Wisconsin Department of Natural Resources' (DNR) environmental leadership program, Green Tier. MGE is one of only eight Wisconsin companies to achieve the "Tier 2" level. By participating in the Green Tier program, MGE continues its voluntary commitment to superior environmental performance, setting goals to make significant environmental improvements and committing to third-party compliance and EMS auditing, in cooperation with the DNR.

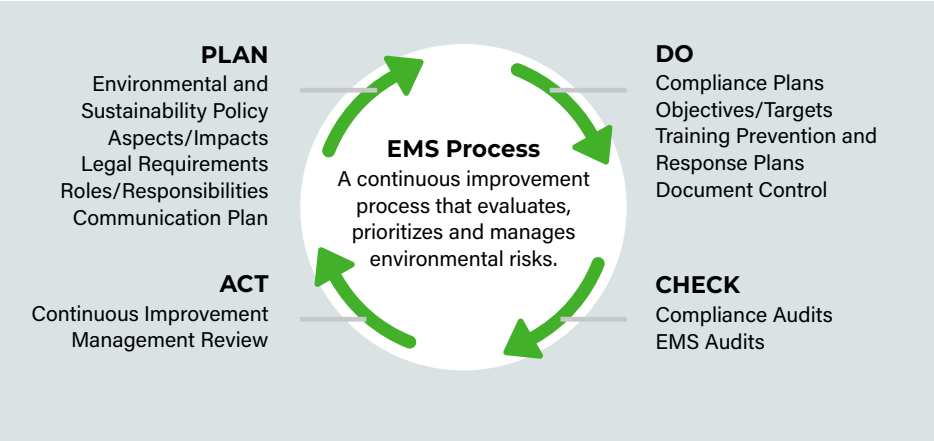
In 2017, MGE expanded the scope of our Green Tier contract. Under the expanded contract, all MGE operations are covered under our EMS. An EMS is a continuous improvement process that evaluates, prioritizes and manages environmental risks. Participation in the Green Tier program provides certification for our EMS.

The expanded scope of our EMS further demonstrates our commitment to goal setting and environmental accountability. Reporting on the performance of our EMS, including compliance audit results, occurs annually with results available on the DNR website.



Environmental Management System (EMS)

An EMS is a continuous improvement process that evaluates, prioritizes and manages environmental risks. MGE's first Continuous Improvement Sustainability Team oversaw the expansion of the company's EMS to cover all MGE operations. The expanded scope of our EMS captures environmental improvements across the company.



MGE employed an independent third party to oversee the expansion of the EMS. The independent third party's expertise in risk management and compliance helped MGE to identify operational and environmental risks and to evaluate those risks under the scope of the expanded EMS. The EMS has a risk profile or scoring convention to evaluate risks consistent with how the company assesses risk throughout the organization. The EMS process helps to ensure effective identification, assessment and management of risk at all levels of the organization.

EMS and Green Tier participation

As a participant in the highest level of the DNR's Green Tier program, MGE's EMS is required to be consistent with ISO 14001. This is an internationally recognized standard to manage our operational environmental impacts, opportunities and risks.

Participation in the Green Tier program provides certification for our EMS. Certification is based on an external system audit and an external compliance audit as explained below.

Our expansion to all operations allows for a consistent and comprehensive approach to reducing impacts and to furthering continuous improvement. Reporting on the performance of our EMS, including audit results, occurs annually with results available on the DNR website.

EMS internal and external audits

MGE works to ensure the EMS is functioning properly by participating annually in internal and external audits. We also ensure our compliance with regulatory obligations by participating in third-party compliance audits.

MGE's ISO 14001-based EMS is audited annually by a third-party auditor approved by the State of Wisconsin to perform ISO 14001-based EMS audits. Approval from the State of Wisconsin requires ISO 14001 accreditation or certification through the State of Wisconsin.

In addition, MGE hires a third-party compliance auditor to audit our environmental regulatory compliance in our operations areas. Third-party compliance audits are scheduled to ensure all operations areas are externally audited at least once within a three-year period.

The results of our third-party EMS and Green Tier compliance audits are shared with the DNR. Corrective action taken on any minor or major EMS audit findings and on any Green Tier compliance audit findings also is shared with the DNR.

EMS goals, targets and action plans

MGE's Sustainability Steering Team develops environmental objectives, targets and action plans annually. These goals are informed by MGE's Environmental and Sustainability Policy and by MGE's operational environmental impacts. A number of the goals achieved under the expanded EMS include:

- Expanded our greenhouse gas (GHG) inventory beyond our known direct (Scope 1) emissions by conducting an inventory of our Scope 1, 2 and 3 emissions sources to capture a more accurate picture of our overall GHG emissions impact.
- Applied for a Certificate of Inclusion in the U.S. Fish and Wildlife Service's voluntary Monarch Candidate Conservation Agreement with Assurances, which is designed to increase monarch habitat throughout their migratory range using transportation and utility properties, such as rights-of-way and generation facilities, to plant monarch-friendly milkweed and flowering plants.
- Created an inventory of our pollinator-friendly properties, which will enable us to consider additional voluntary opportunities for pollinators.
- Continued to evaluate and work with stakeholders to understand MGE's recycling and disposal options for existing MGE solar panels and wind turbine blades; developed environmental aspects to consider for future purchases of solar panels and wind turbine blades.
- Incorporated environmental emergencies into MGE's corporate-wide All Hazards Response Plan, which utilizes a formal incident command structure to assess, mitigate and address MGE hazards. Enhanced MGE's environmental emergency response plans for facilities with high risk to waterways, human health and sensitive environmental features.
- Developed a site attributes inventory for our properties that allows for an expedited review of environmental compliance and risk.
- Relaunched MGE's employee-led Green Team, which engages employees in environmental initiatives across the organization in support of MGE's sustainability goals and an eco-friendly workplace.

Additional goals adopted by the Sustainability Steering Team and consistent with its commitment to continuous improvement include:

- Provide ongoing support of MGE's climate goals, including goals associated with MGE's 2035 net-zero methane emissions goal from our natural gas distribution system.
- Research and implement voluntary natural resources actions at MGE sites, including voluntary actions to increase pollinator protections and reduce risk to avian species at MGE facilities.





Enterprise Risk Management

Enterprise-wide risk assessment and oversight are fundamental responsibilities of our board. Management is responsible for identifying, assessing, managing and mitigating enterprise risks, while the board oversees the effectiveness of the company's risk management framework and the most significant risks facing MGE.

As part of the company's Enterprise Risk Management (ERM) program, our board receives regular updates from management related to key business risks and mitigation strategies. These risks include environmental and sustainability matters, cybersecurity, regulatory developments, operational risks, and other factors that could affect MGE's ability to achieve its objectives and deliver long-term value to stakeholders.

All officers of the company are accountable for managing and mitigating risks within their areas of responsibility. The company's Internal Audit department facilitates a biannual ERM process on behalf of the ERM Steering Committee and the board by coordinating risk assessments with company officers and other members of management. Through this process, existing areas of risk are reassessed, emerging risks are identified and risk owners are assigned responsibility for evaluating and managing risk mitigation strategies. Internal Audit reports the results of these updates to the Audit Committee, which oversees the ERM process, to ensure the directors are aware of any material updates. This serves to complement ongoing and regular presentations and reports from company officers, the Internal Audit department and subject matter experts on risk and emerging risk identification, assessment and mitigation strategies.

Additionally, every two years, the board participates in a comprehensive enterprise risk review with company officers to discuss key risks, emerging trends and mitigation strategies. The board most recently conducted this exercise in 2025.

The company's comprehensive approach to risk management encourages open dialogue between the board and management regarding areas of concern and opportunities for improvement. This framework promotes a culture of sustainability, accountability, risk awareness and informed decision-making throughout the company. See the company's annual *Proxy Statement* for additional information about our board's risk assessment and oversight responsibilities.

ESG Reporting and Stakeholder Engagement

Our Corporate Responsibility and Sustainability Report is reviewed by the board annually. Report data and data in our *EEI-AGA ESG/sustainability reporting template* also are audited by the company's Internal Audit team.

EEI-AGA ESG/sustainability reporting template

To advance further transparency and disclosure, MGE also participates in EEI's and AGA's ESG/sustainability-related reporting quantitative template. The voluntary, industry-specific quantitative template includes data related to MGE's energy portfolio (generation and capacity), emissions, capital expenditures and human and natural resources. Board members also review MGE's quantitative template annually. The template is available online.

SASB Report

In 2026, MGE began reporting in alignment with the Sustainability Accounting Standards Board (SASB) framework. SASB provides industry-specific disclosure standards focused on sustainability topics that may be financially material to investors. The report provides a reference to information and metrics relevant to the SASB standards applicable to electric and natural gas utilities and helps stakeholders locate sustainability information across MGE's public disclosures. MGE's SASB report is available online.

Task Force on Climate-Related Financial Disclosures (TCFD)

MGE also publishes online a *TCFD report*, which provides the company's key disclosures that align to TCFD recommendations.

Shareholder engagement

Our board believes that understanding and considering shareholder perspectives advances accountability and transparency. Our investor relations efforts also help executive management and the board understand how investors view the company's policies, practices, strategies and long-term direction and help leadership assess and address investors' emerging areas of interest.

Officers engage shareholders in several ways detailed in our annual *Proxy Statement*. These efforts are in addition to the company's regular and ongoing investor relations program.

Policy engagement

MGE advocates on behalf of our customers, shareholders and employees at the local, state and federal levels of government for policies that support safe, reliable, affordable and sustainable energy. We comply with the company's *Code of Ethics* as well as all political giving, lobbying, regulatory and disclosure laws in these processes.

The company's Code of Ethics is applicable to all directors, officers and employees of the company. It includes conflict of interest; confidential and insider information; bribes, corruption and gifts; proper accounting and reporting; outside employment; government relations; political contributions and political office; company property; and reporting illegal or unethical behavior.

Political contributions

Federal laws prohibit the company from making direct contributions of corporate funds or resources to any candidate running for federal political office in the United States. MGE does not use corporate funds for political contributions to any state or federal office.

Though state and federal laws allow it, MGE does not have a state or federal political action committee (PAC). Wisconsin law does allow businesses to facilitate political contributions by their employees via a "conduit" account. MGE administers an MGE Employee Conduit for employees who prefer to use this mechanism for their contributions. All funds contributed through this conduit are made and controlled by individual employees and not by MGE. That is, all contribution decisions are made by the individual employee.

Political office

State ethics guidelines prohibit MGE employees from holding offices statewide and in the state legislature; however, MGE permits and encourages employees to participate in the democratic process, including running for municipal public office and other related activities, provided those activities do not interfere with their work performance or duties, consistent with our Code of Ethics. Employees also may make contributions to a variety of political candidates and/or PACs, apart from the MGE Employee Conduit. MGE does not and should not track other political contributions made by its employees.

Lobbying

As your community energy company, we advocate for our customers, shareholders and employees by building and maintaining relationships with policymakers; by working collaboratively with internal and external stakeholders to identify and to address matters that impact our industry, goals and corporate strategies; and by building coalitions with stakeholders, trade associations, employees, customer groups, utility associations and others to pursue and achieve common goals. MGE employs registered lobbyists and utilizes external lobbyists to engage policymakers at the local, state and federal levels to monitor legislation and policy proposals and to advocate for positions that are in the best interest of our employees, customers and shareholders.

Reports of our lobbying activities (MGE Energy and/or MGE) can be found at the federal, state and local levels. Wisconsin lobbying reports can be found at the Wisconsin Ethics Commission, *lobbying.wi.gov*. MGE typically does not incur lobbying expenses at the federal or local level that would trigger a lobbying report; however, if it does, those expenses can be found at *lda.senate.gov*, *lobbyingdisclosure.house.gov* and *cityofmadison.com/clerk/lobbyists*, respectively.

Trade organizations

MGE belongs to a number of trade organizations and coalitions that provide expertise, training and research concerning important industry topics. Some trade associations also participate in the political process, including participating in lobbying. MGE does not control the political activity of its member trade associations and, in fact, may sometimes disagree with their political positions. Trade associations must identify the portion of association dues used for lobbying and political activities to comply with tax rules.

Federal and state policies on climate change

MGE monitors actions on climate change at the federal and state levels to determine the impact to MGE's plans and our operations.

In January 2025, the federal administration signed several executive orders relating to energy and climate policy, including directing the administration to withdraw the U.S. from the Paris Agreement. The United States' withdrawal from the Paris Agreement took effect in January 2026. MGE continues to evaluate actions taken by the administration and federal government agencies to determine their applicability to MGE's decarbonization, investment and environmental compliance plans and to evaluate any potential impact to our operations.

State and regional action on climate change

In August 2019, Wisconsin Governor Tony Evers signed an executive order to establish the Office of Sustainability and Clean Energy (OSCE). The order tasks the OSCE with, among other things, ensuring that the actions of the State of Wisconsin are aligned with the goals and recommendations of the Paris Agreement, verifying that electricity consumed by the State of Wisconsin is 100% carbon-free by 2050 and developing a comprehensive multisector clean energy plan for the state.

In April 2022, the OSCE released Wisconsin's Clean Energy Plan. The plan includes a goal to achieve net-zero carbon by 2050. MGE engaged in this process by participating on a Stakeholder Advisory Team in a voluntary capacity. MGE will continue to evaluate this plan for its applicability to MGE's decarbonization plans and to evaluate potential impact to our operations.