

Technology in Action

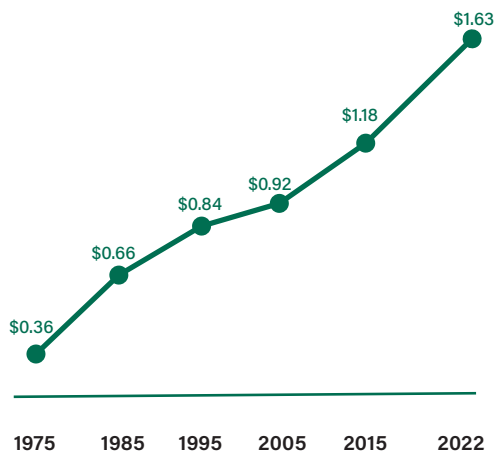
Bringing the benefits of sustainability to all.

MGE Energy increases dividend for 47th consecutive year

In mid-August, the board of directors of MGE Energy increased the regular quarterly dividend rate approximately 5% to \$0.4075 per share on the outstanding shares of the company's common stock. This raises the annualized dividend rate by 8 cents from \$1.55 per share to \$1.63 per share.

"We recognize the importance of dividend growth to the overall shareholder value proposition," Chairman, President and CEO Jeff Keebler said. "We continue to move forward in our clean energy transition to achieve our goals of net-zero carbon emissions by 2050 and carbon reductions of at least 80% by 2030. Today's action by our board demonstrates the continued strength and resilience of MGE Energy's long-term business strategy in building your community energy company for the future."

47 Years of Dividend Increases (Annualized Dividend Rate - Rounded)



Long-term shareholder value

MGE Energy has a history of disciplined financial management and a commitment to building long-term shareholder value. MGE

Energy has increased its dividend annually for the past 47 years and has paid cash dividends for more than 110 years. The financial publisher Mergent consistently ranks MGE Energy as a "Dividend Achiever" for its record of consecutive dividend increases.

Clean energy investment

Our regulated utility, Madison Gas and Electric (MGE), has the highest credit ratings in the nation for combination utilities from both Moody's and Standard & Poor's. MGE Energy's continued financial strength positions the company well for future investments in our core business and our ongoing clean energy transition.

MGE Top Credit Quality

S&P
Corporate Credit: **AA-**
Outlook: **Stable**

Moody's
Secured: **Aa2**
Unsecured: **A1**
Outlook: **Stable**

Our utility subsidiary projects an estimated \$700 million in clean energy investment between 2015, when MGE announced its Energy 2030 framework for a more sustainable future, and year-end 2025, by which time a number of renewable energy projects are expected online. These projected investments in renewable energy and battery storage are expected to increase the company's owned renewable generation capacity by more than nine times when completed.

With the planned retirement of the coal-fired Columbia Energy Center by midyear 2026, these investments will help to replace lost capacity. MGE continues to evaluate additional investments in cost-effective, clean energy projects to maintain its top-ranked electric reliability and to achieve its carbon reduction goals of at least 80% by 2030 and net-zero carbon by 2050.



NASDAQ: MGEE Newspaper Listing: MGE

MGE top-ranked for electric reliability

MGE continues to be a national leader in electric reliability. For 2021, MGE's electric service reliability ranked No. 1 in the country for both the fewest number of outages and shortest duration of outages per customer, according to preliminary results of an annual survey of more than 75 electric utilities nationwide.

SAIFI, which measures the frequency of customer outages, was 0.28 in 2021, which means, on average, MGE customers experience about one outage every four years. SAIDI, which measures total customer outage times, was 39.6 minutes in 2021.

MGE has ranked in the top three utilities nationwide for the fewest number of outages in each of the last 15 years, according to the survey. In addition to 2021, MGE ranked No. 1 nationwide for the fewest outages in 2017, 2018 and 2020, which recorded MGE's best performance ever for both metrics. MGE is committed to growing its use of renewable energy while maintaining top-ranked reliability for our customers.

MGE receives safety award

In mid-September, MGE received from the American Gas Association (AGA) its 2022 Leading Indicator Safety Award in the small combination utility category. Leading indicators serve to help prevent accidents and injuries. The award recognizes MGE's dedicated focus in proactively addressing safety hazards and implementing effective safety programs. The AGA's Safety and Occupational Health Committee selected MGE to accept the award at the organization's fall committee meetings in California.

"This award recognizes the commitment of all our employees who put safety first every day," said Ted Wadzinski, Assistant Vice President Gas Operations, Measurement and Operations Support. "It also captures and recognizes the many proactive, employee-led efforts throughout the years in our journey to safety excellence."

Commitment to safety

MGE launched a corporate safety initiative in 2014 to improve the company's safety culture and journey to safety excellence. The initiative created MGE's employee-led Safety Steering Team and Safety Executive Team.

The Safety Steering Team, made up evenly of exempt and non-exempt employees, meets regularly to examine safety topics and to identify and prioritize continuous improvement opportunities. The team oversees the creation of MGE's employee-led Continuous Improvement Safety Teams (CI Safety Teams). MGE has had 10 CI Safety Teams since the initiative began. Their efforts have included developing the near-miss/good catch reporting process for safety issues as well as the Stop Work Authority process and the Safety Proactive Observation Team, among others.

New Occupational Health and Safety Policy

As part of MGE's ongoing commitment to safety, the company approved a new Occupational Health and Safety Policy earlier this year.

"The policy recognizes the risks inherent to occupational health and safety and embraces safe work practices and environments as fundamental values at MGE," explained Jeff Jaeckels, Director Safety, Sustainability and Environmental Affairs. "Our commitment to safety and how we govern our commitment isn't new, but this policy reflects our companywide commitment to serving our community and to conducting our business in accordance with this policy."

The policy reinforces MGE's safety culture of continuous improvement and the use of performance data to help make decisions to improve safety. The policy is available at mge.com.

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MGE Energy and MGE seek environment-friendly options and waste minimization when serving our shareholders, customers and community. Help your community energy company advance cost-effective sustainable practices by going paperless for your materials.

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Learn more at mgeenergy.com:

- Stock price
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- Stock purchase plan
- Company news
- Dividends and earnings

The *Inside View* is published

periodically to provide investors with information about MGE Energy. MGE Energy's primary asset, Madison Gas and Electric, provides highly reliable gas and electric service and promotes economic development in south-central and western Wisconsin.