

An Engaged Workforce

COMPANY BRIEF WEC Energy Group, based in Milwaukee, is one of the nation's premier energy companies, serving 4.4 million customers in Wisconsin, Illinois, Michigan, and Minnesota. The company's principal utilities are We Energies, Wisconsin Public Service, Peoples Gas, North Shore Gas, Michigan Gas Utilities, and Minnesota Energy Resources. The company's other major subsidiary, We Power, designs, builds, and owns electric generating plants. WEC Energy Group (wecenergygroup.com), a component of the S&P 500, has nearly \$29 billion of assets, 8,500 employees, and approximately 55,000 stockholders of record.



Susan H. Martin

An Interview with Susan H. Martin, Executive Vice President, General Counsel and Corporate Secretary, WEC Energy Group

EDITORS' NOTE Susan Martin was named to her current post in June 2015. Martin previously held the same positions for Wisconsin Energy Corp. and We Energies since March 2012. She also is Corporate Secretary to the boards of directors and manages all governance matters. She joined We Energies in March 2000 as an attorney in Legal Services and was appointed law director – We Generation in June 2006.

In December 2007, she was appointed Vice President, Corporate Secretary, and Associate General Counsel of Wisconsin Energy Corp. and We Energies. Prior to joining We Energies, she was associated with the law firm of Foley & Lardner LLP for six years. She earned her bachelor's, master's, and doctoral degrees in English and literature from the University of Michigan, and a juris doctor degree cum laude from the University of Wisconsin. Martin currently serves on the boards of the Milwaukee Public Museum, the Milwaukee Symphony Orchestra, and the United Community Center.

Would you discuss your role at WEC Energy Group and your key areas of focus?

My role focuses on two distinct but intertwined worlds: legal affairs and corporate governance affairs. As general counsel of a large public company, with several separately regulated public utility subsidiaries, I lead the legal team and direct all legal strategy; counsel the CEO and other executive management and advise the board of directors; and serve as a strategic thinker and advisor who understands the business and its risks and challenges. As the corporate secretary, I lead the corporate affairs team in its support of the governance responsibilities of the board of directors of our parent company as well as the boards of our operating subsidiaries; advise on emerging governance issues; and oversee our relations with shareholders.

Has the role of General Counsel evolved and how critical is it for the role to be actively engaged in business strategy?

Today, it is pretty typical to have the roles of General Counsel and Corporate Secretary combined, and this makes sense. Even though the focus of each role or function is somewhat different, they have common features. Each role is driven by a dedication to compliance with laws, regulations, policies, and rules. Each role considers how to best manage risks to the organization's good standing with regulators, with shareholders, with customers, and with employees.

Has increased regulation caused a more complex environment from a legal standpoint?

Let's say there is never a dull moment. In many areas – financial regulation of public companies, or regulation of utility markets, or the environmental challenges to generate or deliver energy, or the data security or privacy concerns of customers, employees, or vendors – the pace continues to escalate, and the complexity keeps growing.

How do you define good governance?

We are committed to conducting business with a high level of integrity, a business value that is the foundation of all of our decisions and actions. We are acutely aware of our responsibility to have the appropriate governance structure and management systems in place for anticipating, planning, and managing corporate initiatives. We believe that effective corporate governance is an essential driver of stockholder value and a key component of sustainability at successful companies.

Have you been happy with your ability to attract and retain talent within the legal function at WEC Energy Group and would you highlight the strength of your team?

The opportunity to work as a lawyer in an industry that is as complex as the utility industry attracts people who seek intellectually challenging legal work. Working in-house provides a collegial engagement with non-lawyers – business leaders, engineers, accountants, environmental scientists, power plant operators, field workers. The sense of urgency and engagement with the business is what keeps talent here. Our legal team is small, but deeply experienced – both in substantive legal expertise and in business acumen. We are dedicated to supporting the company's key initiatives while managing its legal risks and embodying our ethical corporate culture.



Joan M. Shafer

An Interview with Joan M. Shafer, Executive Vice President – Human Resources and Organizational Effectiveness, WEC Energy Group

EDITORS' NOTE Joan Shafer was named to her current post in June 2015, and became Compliance Officer in April 2016. She previously served for three years as Senior Vice President – customer services for We Energies, the principal utility subsidiary of Wisconsin Energy Corp. In this role, Shafer directed customer research and programs, eServices, the meter-to-bill and credit and collections processes, and

the business and residential customer care centers. She also was responsible for the company's administrative services department, including facilities, security, property management, and mail services. Shafer joined We Energies in 1978 and has held a variety of positions in human resources, operations, and customer service. These positions included Manager – customer services in the company's Fox Valley service area and Process Manager – customer contact center in Pewaukee, Wisconsin. In 1998, Shafer became Director – customer contact centers. She was named Assistant Vice President – customer services in 2002, and Vice President – customer services in 2003. Shafer earned a Bachelor of Science degree in psychology from the University of Wisconsin – Stevens Point and a Master of Arts degree in industrial relations from the University of Cincinnati. Shafer is a trustee for Mount Mary University and a member of the Alverno College School of Business advisory board. She is a board member of Seton Catholic Schools, and Vice Chair and member of the board of directors of PAVE (Partners Advancing Values in Education). She is the past President and current ex-officio member of the board of trustees for the

Milwaukee Montessori School and past-Chair of the board of directors for the Girl Scouts of Wisconsin Southeast. She also is a past member and Secretary of the United Way of Waukesha board of directors and served as the Vice Chair for the 2011 annual campaign. In 2004, Shafer received the Athena Award in recognition of her outstanding leadership and numerous contributions to her field and the community. In 2009, she was among the recipients of the Women of Distinction Award from the Waukesha County Community Foundation. In 2012, she was co-awarded the United Way of Waukesha County Outstanding Volunteer of the Year. She is a customer service expert and has spoken at numerous national conferences.

How has the HR function evolved and what are the keys to being effective in human resources today?

HR provides a critical business service and, at its best, serves as a full partner to our operating companies to help them achieve their business goals. Our role is to help our businesses attract and retain the most effective and engaged employees through creative recruitment and supportive programs. We also serve the employees, retirees, and applicants and are responsible to be a resource for them on a myriad of questions they may have associated with our companies. We need to be easy to do business with through actively listening to the voice of our customers.

WEC Energy group places a major focus on building a diverse and inclusive workforce. Would you discuss these efforts and how critical they are to the long-term success of the company?

As an organization, we believe and value a diverse and inclusive work place that reflects the customers and communities we serve. We have active employee development networks that encourage education, mentoring, and networking. Through our succession management process we work to ensure that we are cultivating diverse talent.

How do you measure employee engagement and ensure that you have an engaged workforce?

Traditionally, we have used survey tools given to the entire workforce. We believe that all engagement is “local,” meaning that the most important relationship is the one between the employee and their immediate supervisor. As a result, we have asked each leader to work collaboratively with their team and develop their team “engagement” plan. Another critical component to engagement is that each employee believes they have a method and means to grow and develop within the organization. To further this, we have a tool that an employee can use to meet with their supervisor and collaborate on a plan for their individual growth. Both components are critical to ensure a highly engaged workforce.

You commit a great deal of your personal time to community engagement and supporting various causes. What makes this so important to you and would you highlight some of these efforts?

I’ve been very fortunate in my life. I had parents who cared about me and valued education and community. While there wasn’t a lot of money, they always made sure we got to the library and had lots of books at home; we took music lessons and I had the opportunity to participate in Girl Scouts and attend camp. I credit my parents, and many others along the way, who helped me to become successful. I believe it is my responsibility to pay back by paying it forward.

I spend most of my volunteer time with organizations that are assisting children and young people. For many years, I was a member and Board Chair for our southeastern Wisconsin Girl Scout council. I was a member of the board of First Stage Children’s Theater. I was President of the Board of Trustees of the Milwaukee Montessori School and continue as an emeritus member. I am Vice Chair of PAVE – Partners Advancing Values in Education. PAVE’s mission is to make excellent education opportunities possible for all Milwaukee families. I am a member of the board of trustees for Mount Mary University.



M. Beth Straka

An Interview with M. Beth Straka, Senior Vice President-Corporate Communications and Investor Relations, WEC Energy Group

EDITORS' NOTE Beth Straka was named to her current post in June of 2015. Previously, Straka served as Vice President of equity research in the power and utilities group at Barclays. Straka is certified in series 7, 63, 86 and 87 by The Financial Industry Regulatory Authority. Before joining Barclays, Straka served as Vice President – Equity Research for Lehman Brothers Inc. Previously, she managed investor relations for both Allegheny Energy, Inc. and Duquesne Light Company. While with Duquesne Light, she

also served as Vice President – Corporate Communications. Straka holds a Bachelor of Science degree in accounting from Pennsylvania State University and a Master of Business Administration degree from Duquesne University in Pittsburgh, Pennsylvania. She has a background in public accounting and is a certified public accountant.

What makes WEC Energy Group an industry leader and how do you define the strength of the company?

WEC Energy Group is considered an industry leader in a number of important categories. Our strength lies in what we deliver to our key stakeholders. First, the company provides world-class reliability and exceptional customer care. Among our Wisconsin electric and natural gas utility operations, our We Energies subsidiary ranks number one, in the Midwest as the most reliable utility and among the most reliable in the nation for eight of the past 10 years. We Energies also has ranked number two, and Wisconsin Public Service ranked number four, in the Midwest for customer satisfaction.

Simply put, our relentless focus on service and satisfaction, as well as operating efficiency and financial discipline, have delivered long-term value, providing WEC Energy Group’s shareholders with among the best total returns in the industry over the past decade.

Would you highlight your efforts to continue to build awareness and understanding for WEC Energy Group?

We are focused on building a strong brand for each of our utility operations through exceptional customer service, world-class reliability, and financial discipline. Our efforts will continue to be concentrated on keeping the customer at the heart of our business and working to help grow and support the communities we serve. Our operational performance ultimately transcends to our parent company, WEC Energy Group, through consistent earnings and dividend growth, and compelling shareholder return.

Is it important to engage the employees in your communications efforts?

To remain successful, this is extremely important. I believe we need to be thinking about employee engagement increasingly as the industry addresses the uncertainty of evolving regulatory requirements and slower demand growth in the energy marketplace. Ensuring that employees are informed and aligned with the company’s strategic direction is vital to their growth as employees and to the success of our business. After all, our employees are the frontline ambassadors in every customer interaction.

What advice do you give to young women starting their careers and do you feel the opportunities are present today for women at senior levels in business?

Opportunities exist if you prepare well, and if you are open to taking risks and making some sacrifices along the way. Careers are developed when you prepare yourself to capitalize on the opportunities. I would encourage young women today to seek a good education with a solid foundation in a discipline that can provide a platform for growth or development, such as accounting and finance or engineering. I would advise young women to take some risks in their career paths and remain passionate and committed about what they have chosen to do with their lives. ●