

Xcel Energy's 2024 Annual Meeting of Shareholders

Answers to Shareholder Questions

Below is the list of questions we received ahead of and during our Annual Meeting of Shareholders that were not addressed during the meeting. Questions have been grouped by topic and substantially similar questions have been grouped and answered once. Please note, we have made minor edits for clarity, corrected typos, removed inappropriate language and removed names of individuals. Xcel Energy's responses to these questions, including any forward-looking statements¹ in this document, reflect management's views as of May 22, 2024.

Q:

What are Xcel Energy's policies regarding political contributions? Who do you donate to?

A:

- Xcel Energy has had a political contributions policy since 2007
- We provide more disclosure than is required by law, and have published a political contributions report annually since 2017
- Our policy requires advanced approval for contributions to candidate campaigns, ballot measures or initiatives and organizations registered under Section 527 of the Internal Revenue Code, and all contributions to 501(c)(4) organizations. All of these contributions are disclosed in an annual Political Contributions Report, which is reviewed by the GCN Committee.
- No corporate funds were given to individual political campaigns and no corporate funds were used for independent expenditures advocating for or against a candidate in 2023.
- No corporate funds were given to a ballot measure campaign and no corporate funds were used for independent expenditures advocating for or against a ballot measure in 2023.
- Xcel Energy has a responsibility to participate in the formation of sound public policies to protect the interests of the company and its customers, shareholders and employees. We seek to have interactions that are clear, transparent and in full compliance with all laws, regulations and Company policies. We engage with policymakers and regulators at all levels on a wide range of matters, including economic development, tax policy, energy policy and more. We may provide financial support to political candidates, committees and other political organizations by making corporate contributions when it is legally permissible to do so.
- Employees are free to give to whatever political organizations they choose. We cannot tell them what to do in that regard. Some employees support the company PAC, which is 100% funded from voluntary, employee contributions. The PAC makes contributions to candidates in accordance with federal law and with guidance from an elected employee PAC member board.
- The Xcel Energy Board plays an important role in providing oversight of our public policy engagement and political participation with respect to significant policy issues that could impact the reputation of the electric and gas utility industry and Xcel Energy. The GCN Committee annually reviews our Political Contributions Policy, lobbying expenditures, contributions and key lobbying activities.

Q:

What is Xcel Energy's position on DEI (diversity, equity, and inclusion)?

A:

- We aim to create an inclusive and equitable work culture where diversity is valued and celebrated, while taking the same approach to conducting business and serving communities
- Because social sustainability is central to our business strategy, we are building a workforce that reflects the diversity within our communities. Our most successful ideas and outcomes result from collaboration between people with different experiences and perspectives. By viewing opportunities and challenges through multiple lenses, we are better able to leverage our strengths and achieve our strategic priorities.
- We have launched new avenues for development, recruitment, hiring and advancement to reach a broader candidate pool. Various business resource groups bring employees together to support their interests and share their perspectives. We are broadening our supplier base and making sustainability a key component of our support for community organizations.
- Xcel Energy's Board of Directors, as well as the Board's GCN Committee, annually review and provide oversight of the company's workforce strategy, including DEI initiatives.
- We received accolades from Military Times as a Best for Vets employer, the Human Rights Campaign for its Equality 100 Award: Leader in LGBTQ+ Workplace Inclusion and a score of 100 on the Disability Equality Index for our disability inclusion in the workplace.
- Sustainability is a Key Performance Indicator as part of our corporate scorecard and annual incentive plan

Q:

What is your policy on contract employees?

A:

- We seek to attract, develop and retain the best workforce and foster a workplace where every person feels engaged and valued
- We continually evaluate the appropriate mix of contractors and employees based on various considerations such as business needs, cost, skills, and flexibility
- Contractors play an important role in ensuring we have adequate resources to meet our ongoing commitments to customers and shareholders, while also giving us the flexibility to transition the organization toward our clean energy future
- A mix of contractors, part-time employees and full-time employees helps us evolve in a rapidly changing environment
- Safety is a top priority at Xcel Energy, including our contractors
- Xcel Energy's "Safety Always" initiative provides the Company's contractors and employees the resources and support they need to do their jobs safely
- In 2023, we made significant progress in our Safety Always approach, and we realized our best safety performance in the past decade
- We apply the same safety rules, training requirements and reporting standards to our contractor workforce as we do to our employee workforce

Q:

What percent of your common shares reinvest rather than receiving a cash dividend?

A:

Approximately 3 percent

Q:

What are your plans for Unit 3 of your Comanche coal plant?

A:

- We have approved plans to retire Comanche Unit 3 by 2030
- We are evaluating options for the Comanche site, including a 10 MW long-duration battery
- We are focused on a just transition — a sustainable economic shift as we retire all Xcel Energy coal-fueled power plants.
- The clean energy transition affects employees and communities that for decades hosted our plants. While every place is unique and requires special attention, our transitions are based on several core commitments:
 - Be proactive, transparent and consistent
 - Provide a long runway
 - Retain talent and support our employees
 - Sustain and empower our communities
- We have retired 19 coal units, with no associated forced workforce reductions

Q:

The company has in place a director resignation governance policy that provides the Board post-election discretion to determine whether to accept or reject the resignation of an incumbent director who fails to be reelected. Does the policy undermine the voting rights of shareholders by allowing the Board to have the final say on the unelected director's status?

A:

- Our Board values the input of our shareholders and believes that it is essential for shareholders to have a critical role in the election of directors. Our Guidelines on Corporate Governance require an incumbent director in an uncontested election to tender a resignation to our GCN Committee if the director does not receive a majority of the votes cast "FOR." After taking into account that committee's recommendation, the Board will act on the offer of resignation and publicly disclose its decision within 90 days of the date of the certification of the election results. In making its recommendation or decision, the GCN Committee and the Board may each consider any factors or other recommendations that it considers relevant and appropriate.
- The intent of the policy is not to entrench the Board or undermine shareholders. We believe it is important for our Board to have discretion regarding what next steps should be taken in the event of a failed election in order to serve the best interests of Xcel Energy and our shareholders. For example, our policy allows the Board to consider whether accepting the resignation offer would cause Xcel Energy to be in violation of its governing documents or fail to meet any applicable regulatory requirements. Likewise, in certain instances, the underlying issue that caused a failed director election can be resolved without the need for a director to leave the Board. This is true for a situation involving overboarding or poor meeting attendance. Another benefit of our policy is that it allows our Board additional time to appoint a replacement who has the necessary skills and experience so that the functioning of the Board is not impaired due to the sudden loss of a unique qualification or expertise. Our policy effectively empowers the Board to secure the resignation of a director who fails to receive a majority vote and to facilitate an orderly transition.
- Since we adopted our current majority vote and director resignation policy, no director has failed to receive support from a majority of the votes cast

¹ The statements contained in this document about our future performance, including, without limitation, future financial and operational results, strategies, visions, prospects, consequences and all other statements that are not purely historical, are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Although we believe that our expectations are based on information currently available and on reasonable assumptions, we can give no assurance they will be achieved. There are a number of risks and uncertainties that could cause actual results to differ materially from any forward-looking statements made herein. A discussion of some of these risks and uncertainties is contained in our Annual Report on Form 10-K and subsequent filings with the Securities and Exchange Commission, which are available on our website: www.xcelenergy.com. These reports address in further detail our business, industry issues and other factors that could cause actual results to differ materially from those indicated in this document. In addition, any forward-looking statements included herein represent our estimates only as of the date hereof and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update forward-looking statements from time to time, we specifically disclaim any obligation to do so, even if our internal estimates change, unless otherwise required by applicable securities laws.