



**First Quarter 2022
Earnings Report Presentation**

May 5, 2022

Forward-looking statement

Any statements contained in this presentation and statements that ALLETE, Inc. representatives may make orally in connection with this presentation that are not historical facts are forward-looking statements. Actual results may differ materially from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties and investors are directed to the risks discussed in documents filed by ALLETE, Inc. with the Securities and Exchange Commission.

ALLETE's presentation and other communications may include certain non-Generally Accepted Accounting Principles (GAAP) financial measures. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance, financial position or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP in the company's financial statements.

Non-GAAP financial measures utilized by the Company may include a presentation of earnings (loss) per share and earnings. ALLETE's management believes that non-GAAP financial measures provide useful information to investors by removing the effect of variances in GAAP reported results of operations that are not indicative of changes in the fundamental earnings power of the Company's operations. Management believes that the presentation of the non-GAAP financial measures is appropriate and enables investors and analysts to more accurately compare the company's ongoing financial performance over the periods presented. Non-GAAP measures to the most directly comparable GAAP measure, if presented, is included in the appendix.

This presentation was prepared as of May 5, 2022, and ALLETE, Inc. assumes no obligation to update the information or the forward-looking statements contained herein. The 2022 outlook contained herein was provided, and is as of February 16, 2022.

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Visit our website at www.allete.com



ALLETE's sustainability-in-action strategy delivers growth



Expand renewable sources of energy

- Currently ranked #1 among investor-owned utilities for investment in renewable energy based on market capitalization
- Minnesota Power #1 in Minnesota, and #2 in Midwest as a renewable energy provider
- New Energy a leading developer of distributed solar



Reduce overall carbon emissions

- Minnesota Power
 - Retired/idled seven of nine coal facilities
 - Renewable goals of 50% at end of 2020, and 70% by 2030
 - Coal-free by 2035 and 100% carbon-free by 2050
- ALLETE Clean Energy
 - 1,500 MW helping utilities and C&I customers achieve sustainability goals nationwide



Strengthen the electric grid

- Investing in infrastructure for managing the delivery of increasing amounts of renewable energy, and enhancing the resiliency and reliability of the grid



Adopt innovative solutions

- Reducing water use, investing in more weather resistant infrastructure, identify alternative low-or zero-carbon fuels and carbon capture and sequestration technology



Workplace

- 2020 Women on Board Winner for Board Gender Diversity
- Minnesota Power & ALLETE Clean Energy named Yellow Ribbon Companies
- Commitment to advancing DE&I
- Proactive and deliberate COVID-19 response

Community

- Partnering with diverse suppliers
- Corporate funding and employee volunteerism to those in need – and addressing the opportunity gap
- Full commitment to regional economies and host communities

Customers

- Well-positioned to serve the C&I customer segment
- Strong focus on customer ESG & competitiveness needs
- Donating Level 2 electric vehicle charging stations to business customers



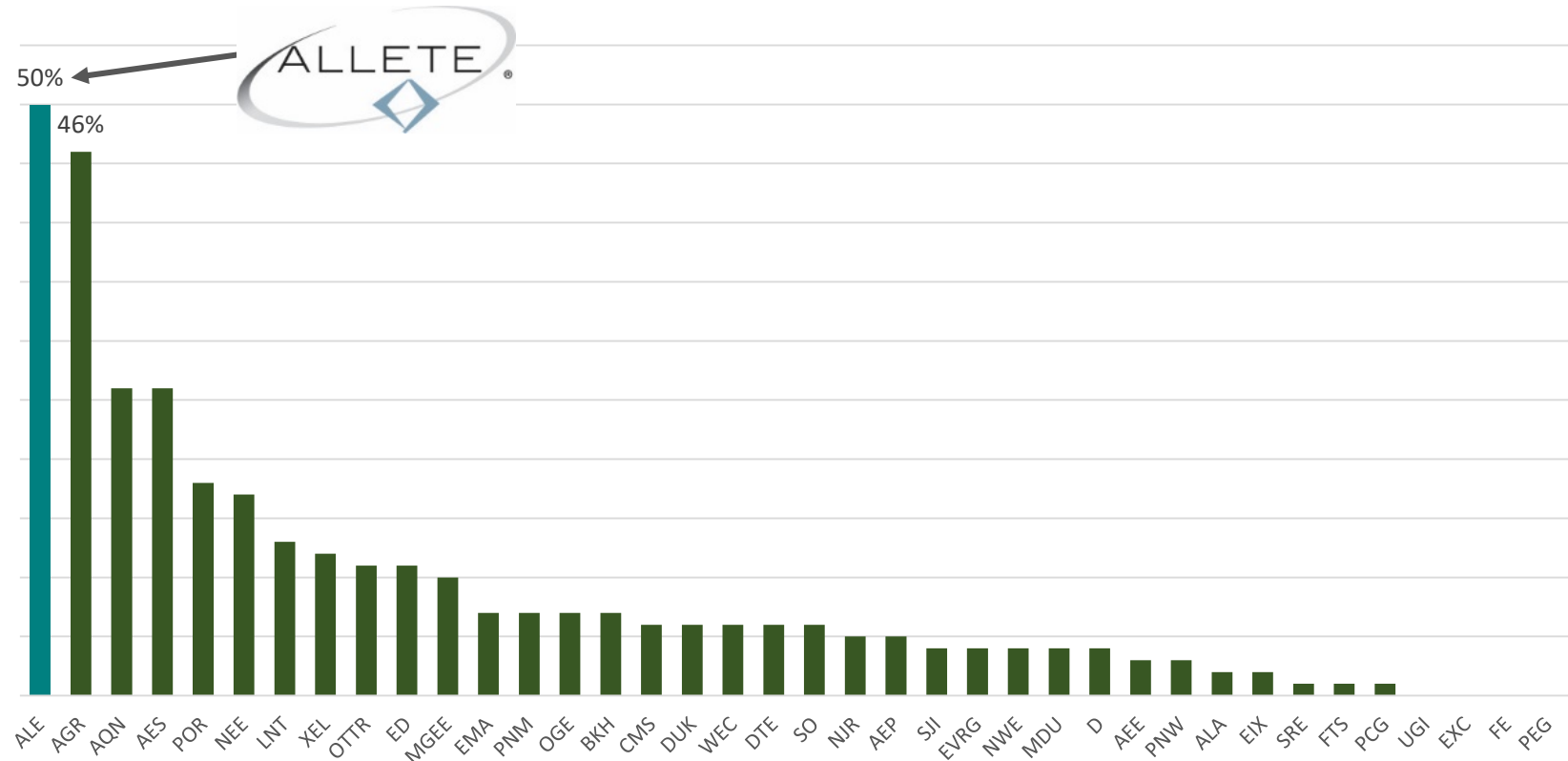
Corporate Sustainability Report Includes TCFD, SASB, EEl, and DE&I components

Relative to size, ALLETE is the largest investor in renewables in the country

Solar and Wind Capacity as a Percent of Market Cap (MW / US\$ Market Cap)¹



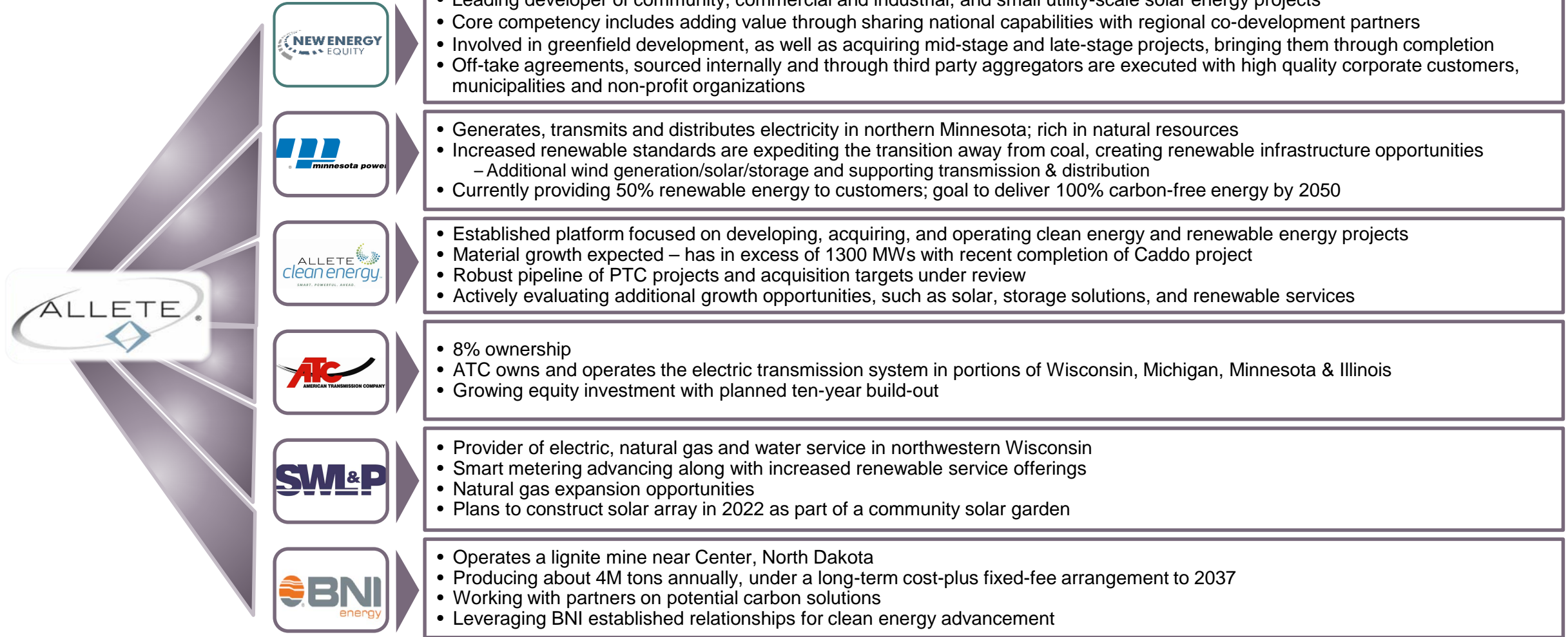
ALLETE continues to evolve as a market leader, now ranking #1 in renewable investment



- Source: Company public filings, SNL, Press Releases, Bloomberg market data as of 16-Feb-22
- Note: Includes both regulated and unregulated wind and solar net generation capacity.
- ¹ Calculated as solar and wind net owned operating capacity / market cap. Excludes development pipelines.

• Key Trends in the U.S. Renewables Sector and Overview of ALE Portfolio

ALLETE business mix provides diverse clean energy growth opportunities



ALLETE will remain predominantly a regulated utility

Consolidated Earnings *(millions)*

First Quarter 2022

	2022	2021
Regulated Operations	\$51.5	\$45.0
ALLETE Clean Energy	16.5	7.4
Corporate and Other	(1.7)	(0.6)
Net Income Attributable to ALLETE	\$66.3	\$51.8
Diluted Earnings Per Share of Common Stock	\$1.24	\$0.99

See page 7 for items that impacted earnings per share.



ALLETE Earnings Per Share

First Quarter 2022

	2022	2021
Earnings Per Share	\$1.24	\$0.99
<u>Impacts on Earnings Per Share</u>		
ALLETE Clean Energy		
February 2021 Polar Vortex – Diamond Spring		(0.10)
Corporate and Other		
Transaction Costs – New Energy Acquisition	(0.03)	

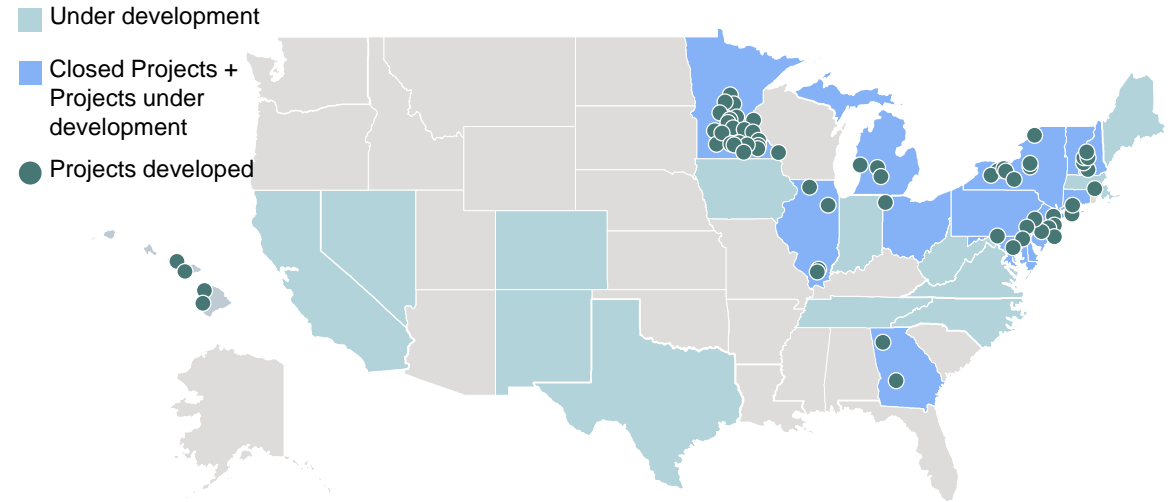
New Energy at a glance



Overview of New Energy

- New Energy is a leading developer of community, commercial & industrial, and small utility-scale solar energy projects
- Core competency includes adding value through sharing national capabilities with regional co-development partners; builds relationships that compound into future business opportunities
- Involved in greenfield development, as well as acquiring mid-stage and late-stage projects and bringing them through completion
- Offtake agreements, sourced internally and through third-party aggregators, are executed with high-quality corporate customers, municipalities and non-profits
- Successful asset sales to large investor owned utilities
- \$600mm+ invested in projects by New Energy and their partners
- Founded in 2013 and headquartered in Annapolis, MD

States with projects closed and under development



Key Statistics

330MW+
Projects closed

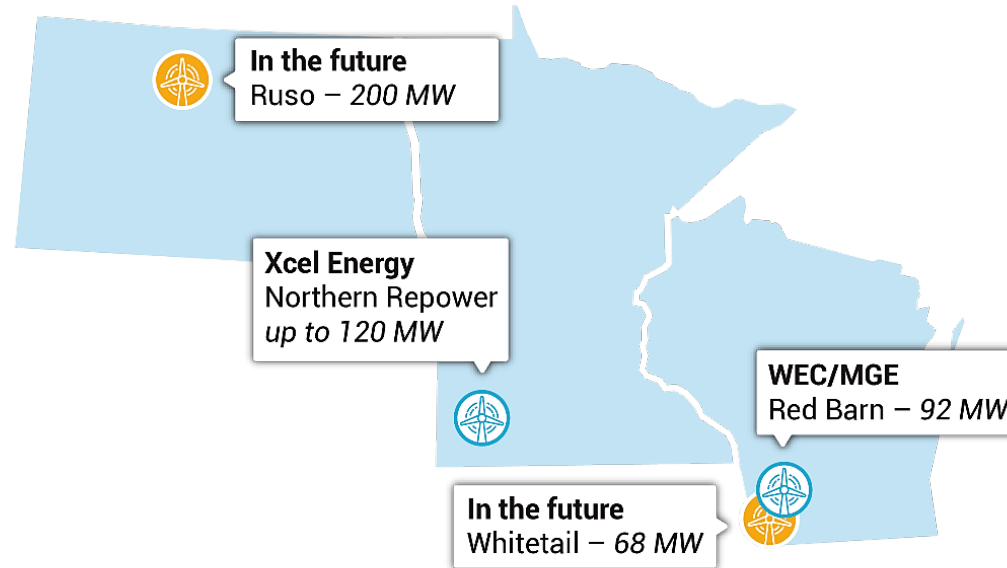

2GW+
Development pipeline

~\$20mm
2021 Adjusted EBITDA

Expanding renewables pipeline provides customer solutions




Developing high quality long term ownership or build-transfer facilities.

Repowering Northern Wind

- 100 MW project size
- Leverages existing interconnection
- Project delivery in late 2022*

- Adds new customers
- Supports customers' ESG objectives
- Leverages PTC safe harbor inventory
- Brings ~ 210 MW of projects in backlog
- Builds pipeline of potential future projects
 - Whitetail project ~ 68 MW
 - Ruso project ~ 200 MW
 - Rock Aetna – 20 MW



Building Red Barn

- Announced in May
- 92 MW project size
- Interconnection secured
- Project delivery in 2023*



* Sales subject to required regulatory and/or other customary approvals and permits

Find ESG Information at ALLETE.com

Corporate Sustainability Report

- <https://www.allete.com/Sustainability>

100% Carbon-Free Energy by 2050

- <https://www.mnpower.com/carbonfreeenergyvision>

Environmental Stewardship at
Minnesota Power

- <https://www.mnpower.com/Environment>

Serving Our Community

- <https://www.mnpower.com/Community>