



Siebert Williams Shank & Co. West Coast Utilities Conference March 20, 2024



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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 reconciled to the most directly comparable GAAP measure, if presented, is included in the appendix.

This presentation was prepared as of March 20, 2024, and ALLETE, Inc. assumes no obligation to update the information or the forward-looking statements contained herein. The 2024 outlook contained herein was provided, and is as of March 20, 2024.

For more information, contact:

Vince Meyer
Director, Investor Relations
and Treasury
(218) 723-3952
vmeyer@allete.com

ALLETE Highlights



Updated five-year capital expenditure plan of \$4.3 billion reflects significant investments in regulated renewable and transmission projects necessary to advance a clean-energy future and meet state carbon-free energy goals.

Regulated clean energy investments and strategic initiatives of 2023 and 2024 support annual growth objective of 5 percent to 7 percent commencing in 2025, through our forecast period of 2028 and beyond.

Executing On Significant Regulated Initiatives – Minnesota Power EnergyForward

- Consequential rate case supports further renewable / clean energy expansion and improving returns
- RFPs on Minnesota Power's projects drive robust CAPX / rate base growth in next 5 years
- Planned 2025 IRP will extend runway for regulated investment growth beyond 5-year plan
- MN Riders / current cost recovery reduces regulatory lag and external financing needs
- Robust engagement with regulators and all stakeholders, constructive regulatory frameworks

ALLETE Broad Transmission Investment Opportunities Are Unique And Significant

Strong Financial Position

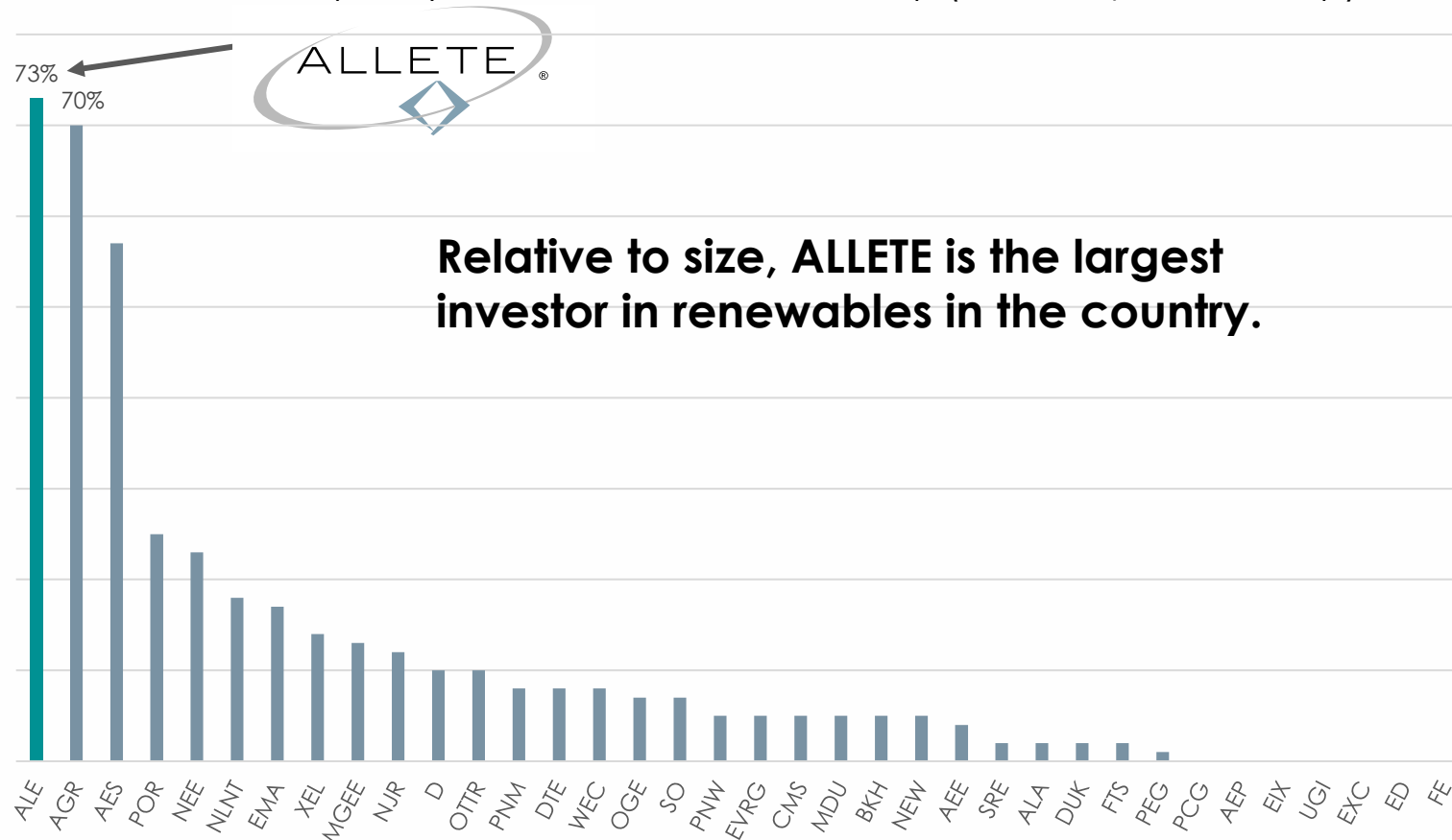
- Supported by one of the strongest balance sheets in the industry: low leverage, large cash balances, and available lines of credit

Non-regulated / Supplemental Growth

- New Energy Equity delivering strong financial results and with unique positioning in the distributed solar space

Ranked #1 in renewable investment, ALLETE has evolved to be a market leader.

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



Source: Company public filings, SNL, Press Releases, Bloomberg market data as of 14-Feb-24
 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's attractive value proposition

	Financial Targets
Long-term earnings growth	5 - 7%
Targeted payout ratio	60 - 70%
Long-term dividend growth	align with earnings

Sustainable clean energy solutions

Multi-faceted earnings growth potential

Differentiated capital investment opportunities

Solid balance sheet and credit ratings with growing cash flow from operations

Attractive and growing dividend

ALLETE's strategy for success is *Sustainability in Action*



EXPAND RENEWABLES

- 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 in renewable energy for customers
- 700 MW of wind and solar as well as up to 500 MWh of storage to be added as a result of a successful IRP
- New Energy Equity a leading developer of distributed solar
- Established renewable platform at ALLETE Clean Energy of over 1,600 MW



REDUCE CARBON

- Minnesota Power
 - Transitioned seven of nine coal facilities
 - 50% renewable energy supply at end of 2020, goal of 70% by 2030
 - Coal-free by 2035 and 100% carbon-free vision by 2050¹
- BNI – supporting carbon capture and sequestration in Minnkota Power Cooperative's Project Tundra

¹ New MN Legislation requiring 100% carbon-free energy by 2040 will provide clean energy opportunities in 2025 IRP.



ENHANCE GRID RESILIENCY

- Investing in infrastructure for managing the delivery of increasing amounts of renewable energy, and enhancing the resiliency and reliability of the grid
- Engaged with Grid United on North Plains Connector – first in the nation to connect three ISOs



DRIVE INNOVATION

- Reducing water use, investing in more weather resistant infrastructure, identifying alternative low- or zero-carbon fuels and carbon capture and sequestration technology
- HVDC Modernization advances clean energy opportunities and enhances reliability

Workplace

- 2022 Minnesota Census Honor Roll with special distinction recognizing ALLETE for Women in Board of Director and in Executive Officer Roles
- Minnesota Power & ALLETE Clean Energy named Yellow Ribbon Companies
- Advancing DE&I in the workplace, supply chain, communities, communication and customers

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

- Strong track record of service reliability
- Minnesota Power residential bills below the national average
- Well-positioned to serve the C&I customer segment
- Strong focus on customer ESG & competitiveness needs

Accelerating clean energy trends drive ALLETE's 5-7% growth objective



SUSTAINABILITY IN ACTION GROWTH STRATEGY

- Expanding renewable sources of energy
- Strengthening and expanding the electric grid
- Developing innovative solutions
- Reducing overall carbon emissions
- Financing growth with substantial liquidity

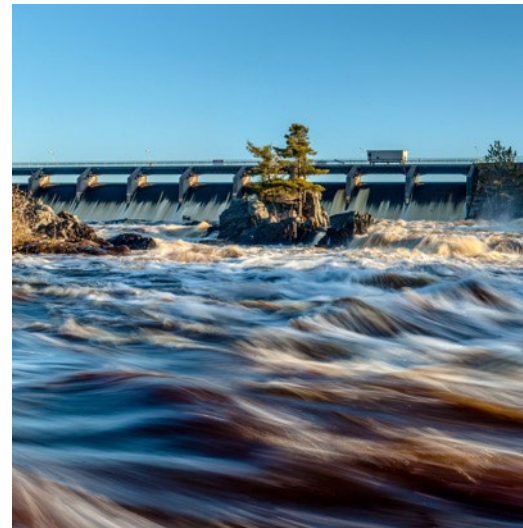
The Inflation Reduction Act: A significant catalyst

Regulated growth opportunities

- Significant renewable infrastructure and transmission investments over the next decade
- Improving ROE
- Superior Water, Light & Power, ATC investments, and other regulated opportunities

New Energy Equity and ALLETE Clean Energy opportunities

- Leveraging existing platforms / Maximize pipeline and portfolio value
- Expand products and services
- Diversify new customers, assets and geographies
- Improve ALLETE Clean Energy financial returns



Setting the stage for future growth: ALLETE is well positioned to leverage clean energy trends

Regulated Operations



- Generates, transmits and distributes electricity in northern Minnesota; rich in natural resources
- Expediting the transition away from coal, creating renewable infrastructure opportunities
 - Planned \$4.3b investments in wind generation/solar/storage and supporting transmission & distribution over the next 5 years;
- Currently providing ~60% renewable energy; goal to deliver 100% carbon-free energy by 2050
- Position for inter-regional connections advancing its high voltage transmission strategy

- Provider of electric, natural gas and water service in northwestern Wisconsin
- Smart metering advancing along with increased renewable service offerings
- Natural gas expansion opportunities
- First community solar garden began producing energy in Oct. 2023
- ~\$67M estimated capex spend 2024 – 2028

- 8% ownership
- ATC owns and operates the electric transmission system in portions of Wisconsin, Michigan, Minnesota & Illinois
- Growing equity investment with planned ten-year build-out
- Capital investment in MISO Tranche 1 expected to be ~\$900M; investment in Tranche 2 will be incremental
- Updated ten-year capital investment plan ~\$6.6B-\$8.1B
- ALLETE will participate in future investment opportunities

Non-Regulated Operations



- Leading developer of commercial and industrial, and community-scale solar energy projects
- Core competency includes adding value through sharing national capabilities with regional co-development partners
- Involved in greenfield development, as well as acquiring mid-stage and late-stage projects, bringing them through completion
- Off-take agreements, sourced internally and through third party aggregators are executed with high quality corporate customers, municipalities and non-profit organizations

- Established platform focused on developing, acquiring, and operating clean energy and renewable energy projects
- 1,600 MWs of wind projects; 8 states; utilities, municipalities and fortune 500 C&I customer base, and growing
- Will continue to evaluate additional growth opportunities, such as solar and storage solutions

- Operates a lignite mine near Center, North Dakota
- Producing about 4M tons annually, under a long-term cost-plus arrangement to 2037
- Supporting carbon capture and sequestration in Minnkota Power Cooperative's Project Tundra
- Leveraging BNI established relationships for clean energy advancement
- Recognized for best in class reclamation practices

ALLETE is actively engaged in developing significant transmission opportunities

~\$4.3B Investment in Transmission and Clean Energy Initiatives

Increase of nearly \$1B in CapX over the next 5 years*

Capital Expenditures

(millions)	2024	2025	2026	2027	2028	2024-2028	Project Total	Potential Recovery Method
Regulated Operations								
High kV Transmission Expansion	\$ 45	\$ 80	\$ 215	\$ 480	\$ 705	\$ 1,525	\$ 1,710	Rider
Solar RFP**	35	130	300	100	75	640	640	Rider
Wind RFP**	5	105	215	300	–	625	625	Rider
Storage**	–	10	10	10	100	130	350	Rider/COD
Base & Other	225	215	235	270	190	1,135		Rider/Base
ALLETE Clean Energy (base capX)	15	5	5	5	5	35		
Corporate & Other								
Nemadji Trail Energy Center	40	55	40	40	10	185	185	COD
Other	10	15	10	20	15	70		
Total	\$ 375	\$ 615	\$1,030	\$1,225	\$1,100	\$4,345		

Rate Base Growth CAGR ~ 14%

Table excludes any incremental ALLETE Clean Energy projects, New Energy asset ownership, additional equity investment at ATC or additional investment opportunities.

Further transition to clean energy will provide additional investment in transmission and renewables beyond 2028.

* From last reported CapX plan.

** Dependent on RFP selections for solar, wind and storage.

Regulated Rate Base Growth Supports ALLETE's Long-term 5-7% Growth Objective

Significant Transmission Investment Opportunities for ALLETE

High kV Transmission Strategy Core Elements:

- Grid is built around major generation sources
- Long lead time projects
- Incorporation into broader regional plan



The North Plains Connector will provide increased Grid Sustainability

- An ALLETE project – engaged with Grid United
- Will provide the nation's first critical link to three energy markets – MISO, SPP, WECC – improving reliability, resiliency and flexibility of the nation's grid
- ALLETE's share expected to be at least 35% ownership, or ~1,000 MW of 3,000 MW capacity
- Total project cost estimate ~\$2.5B
- Regulatory approvals needed: Federal and state approvals and permits, NEPA, Major Facility Siting Act
- ALLETE will pursue long-term capacity contracts and ownership on the line

Transformational long-term investment opportunities

Opportunities beyond 2027, not included in our 5-year CapX table:



Transmission Planning

North Plains Connector – ALLETE engagement with Grid United to build 385-mile HVDC transmission line from ND to MT.

MISO Tranche 2 - Expect at least ~2-3% participation in MISO Tranche 2.

Benefits a broader customer base beyond Minnesota Power jurisdiction.

Long Range Plan will help to maintain a reliable and resilient regional power grid.



Minnesota Legislation

Enacted in Minnesota requires electric utilities to source retail sales with 100% carbon-free energy by 2040 – this legislation will provide opportunities in our next IRP, slated for early 2025.



Coal Fleet Transition

Developing plans to replace over 800 MW of baseload generation from Boswell Units 3 & 4 in Cohasset, MN by 2030 and 2035, respectively.

This excludes any incremental ALLETE Clean Energy projects and New Energy asset ownership, and additional equity investment at ATC.

Supports ALLETE's Long-Term EPS growth objective of 5-7%

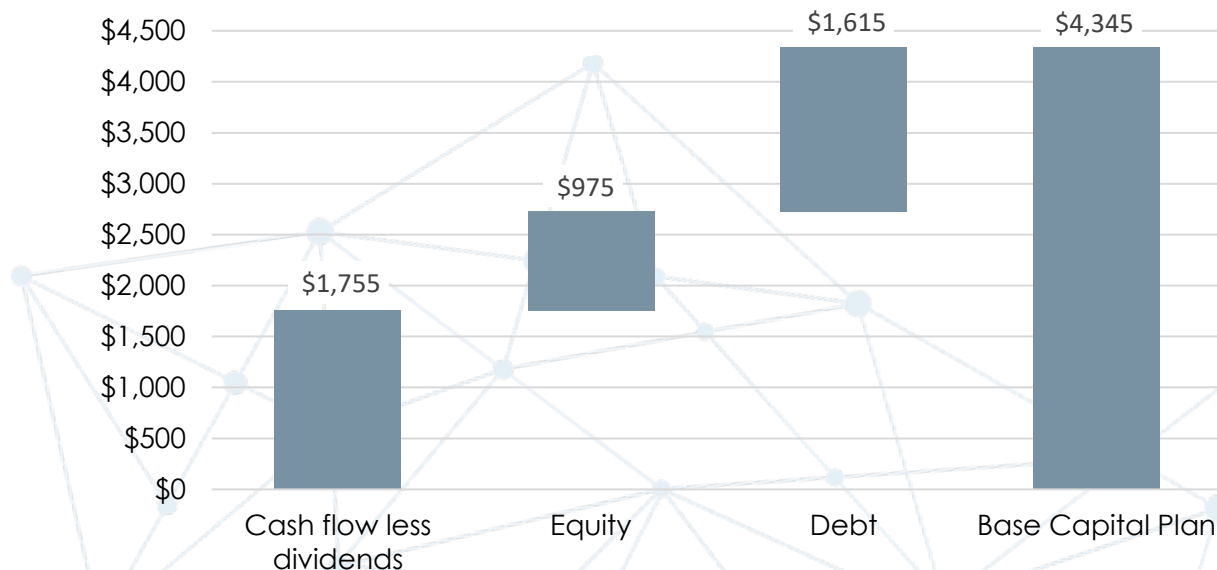
ALLETE financing plan is funded predominantly by cash flow from operations

Strong cash flow from operations

Line of credit \$355M

IRA opportunities and access to tax equity partners

Financing sources 2024 - 2028



Excludes possible acquisitions / additional development projects.

Additional Financing Activities & Opportunities

Potential equity issuances using existing at-market program

Opportunistic sales of assets

Pursuit of holding company

Regulated Operations



Intentional stakeholder outreach, proactive education, integrating filings.....has resulted in tangible regulatory and legislative successes



Favorable legislative outcomes

- ✓ Recognized as 1st utility "to the table" negotiating the 100% carbon free bill
 - Legislative off ramps for reliability and affordability
 - Use of renewable energy credits to offset needed fossil generation
 - Large hydro resources to count towards 100% carbon free standard
- ✓ Specific changes incorporated to MN's Distributed Generation Solar Standard
 - MP's sales to large customers removed from compliance calculation
 - Use of competitive bidding acquisition vs feed-in tariff style program
- ✓ Only IOU in MN to receive project funding from the legislature (\$15M for HVDC)
- ✓ MN Competitiveness Fund established to support federal funding applications
- ✓ Successful against ROFR challenges
- ✓ MP not included in Community Solar Garden legislation applicable to Xcel Energy
- ✓ Legislator interest in working on industrial decarbonization/green steel initiatives
- ✓ MP's large industrial customers excluded from Solar Energy Standard requirements & Conservation Programs



Favorable regulatory outcomes

- ✓ Approval of every self-build capital project proposed
 - Bisons 1-4, Camp Ripley Solar, GNTL and economic recovery solar projects
- ✓ Approval of innovative affiliated interest transactions
 - Nobles 2 wind Farm, Nemadji Trail Energy Center
- ✓ Consistent approval of current recovery riders
- ✓ Approval of MP's 15-year preferred IRP
- ✓ Approval of MP's integrated distribution plan, reflecting significant increases in distribution-level investment
- ✓ All fuel adjustment clause significant events filings approved
- ✓ Approval of MP's settlement agreement of the 2019 rate case during the COVID-19 Pandemic
- ✓ Highest ROE awarded in MN in 2021 rate case
- ✓ 2021 rate case recovery of majority of costs
- ✓ Recovery of the Hibbing Public Utilities contract costs approved
- ✓ Recovery of the Bison metering error issue approved
- ✓ Approval of first-of-its-kind rate design and affordability programs

Minnesota Power Filed a Request with the MPUC to Increase Base Retail Electric Rates



General rate case review filed November 1, 2023

(Docket No. E015/GR-23-155)

- Interim rates approved by MPUC went into effect January 1, 2024, as filed; subject to refund ~\$64M
- Total request ~\$89M, net of riders
 - ROE 10.3%, 53% equity ratio
 - Forward 2024 test year
- Proposed customer rate stabilization mechanism
- Expect MPUC order end of 2024

The request primarily focuses on seeking recovery of revenue deficiencies related to:

Support of workforce needed to execute the clean energy transition

Inflationary and other cost pressures

Updated customer forecast

Align costs with proper recovery mechanisms

Constructive Regulatory Framework

- Forward test year
- Interim rates
- Current cost recovery riders
- Fuel adjustment clause
- Conservation Improvement Program (CIP)

2024 Rate Case Key Drivers

(millions)	Final Rates	Interim Rates
O&M	\$27	\$27
Large Power – Taconite (Production of 35M Tons)	20	20
ROE 10.3% (requested) vs. 9.65% (current)	12	–
NO _x Allowances	10	–
Prepaid Pension Asset	5	–
Reagents	4	4
Other	11	13
Rate Request – Before Riders	\$89 12.0%	\$64 8.6%
Riders to Base Rates (Transmission, PTCs)	39	39
Rate Request – After Riders	\$128	\$103

Proposed Rate Stabilization Mechanism Details:

- Annual compliance filing
- 5% trigger before rate stabilization mechanism would be billed or credited to customers through a proposed Rider for Customer Rate Stabilization Adjustment
- Includes: customer charge, demand charges, firm demand transmission and firm energy
- Excludes: items not in base rates including fuel & purchased energy costs (included in FAC) and revenues related to other LP customer programs (i.e, demand response)

Procedural Timeline for Minnesota Power Rate Case



Unique Transmission Investment Opportunities for Minnesota Power

Minnesota Power advances HVDC transmission system project to strengthen grid reliability, resiliency in Upper Midwest; Receives \$50M grant from US DOE

HVDC Modernization Project

Existing 45-year old, 465-mile HVDC line delivers renewable energy from Bison Wind Energy Center in Center, ND to customers in MN

Upgrade / Modernization Project Details:

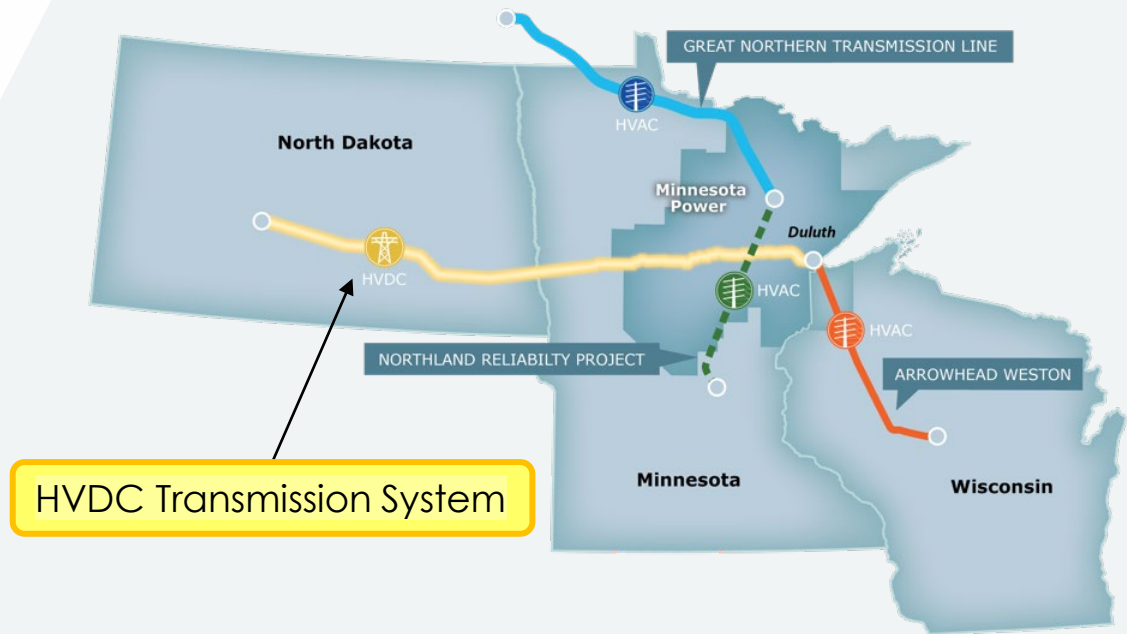
- Upgrade project to replace aging infrastructure and modernize terminal stations
- Will improve reliability and reduce transmission congestion, and enable bi-directional power flow capability
- Will aid in meeting Minnesota's accelerated standard to deliver carbon-free energy by 2040
- Expansion possibilities in the future (see Terminal Expansion Capability Project below)
- In-service expected between 2028 and 2030
- Estimated total project cost = **\$800M – \$900M**

Terminal Expansion Capability Project

- Enhancement project to prepare the HVDC system for future expansion with additional design features

Public Funding Support

- \$15M secured in Minnesota state funding to reduce customer costs
- \$50M grant award from the US Department of Energy to support expansion capability project



Regulatory Details

- Certificate of Need and Route Permit filed with MPUC June 1, 2023
- Will also seek permits from North Dakota Public Service Commission for the North Dakota portion

Significant Regional Investment Opportunities for Minnesota Power

Evolving MISO Long Range Transmission Plan will help to maintain a reliable and resilient regional power grid



Tranche 1 LRTP Portfolio



MISO Tranche 1

- 18 Projects, **\$10.3B** estimated cost; Approved by MISO Board July 2022
- Multi-Value Projects (MVPs) with cost allocated across Northern MISO (MP is **~2.5%** of MISO North)

MP Investment in Tranche 1

- MP investment rights in two LRTP Projects based on existing ownership and Minnesota Right of First Refusal statute
- Estimated MP Investment: \$650M - \$750M
- Construction spend estimated to begin in 2024 with targeted 2030 in service

Northland Reliability Project: Iron Range to Benton County

- ✓ New double circuit 345 kV line from MP Iron Range to GRE Benton County
- ✓ Includes expansion of MP Iron Range Substation and addition of series compensation station at MP Riverton Substation
- ✓ Estimated total project cost = **\$970M - \$1,350M**
- ✓ Joint project development and ownership with **Great River Energy**
- ✓ Certificate of Need and Route Permit filed with MPUC in August 2023

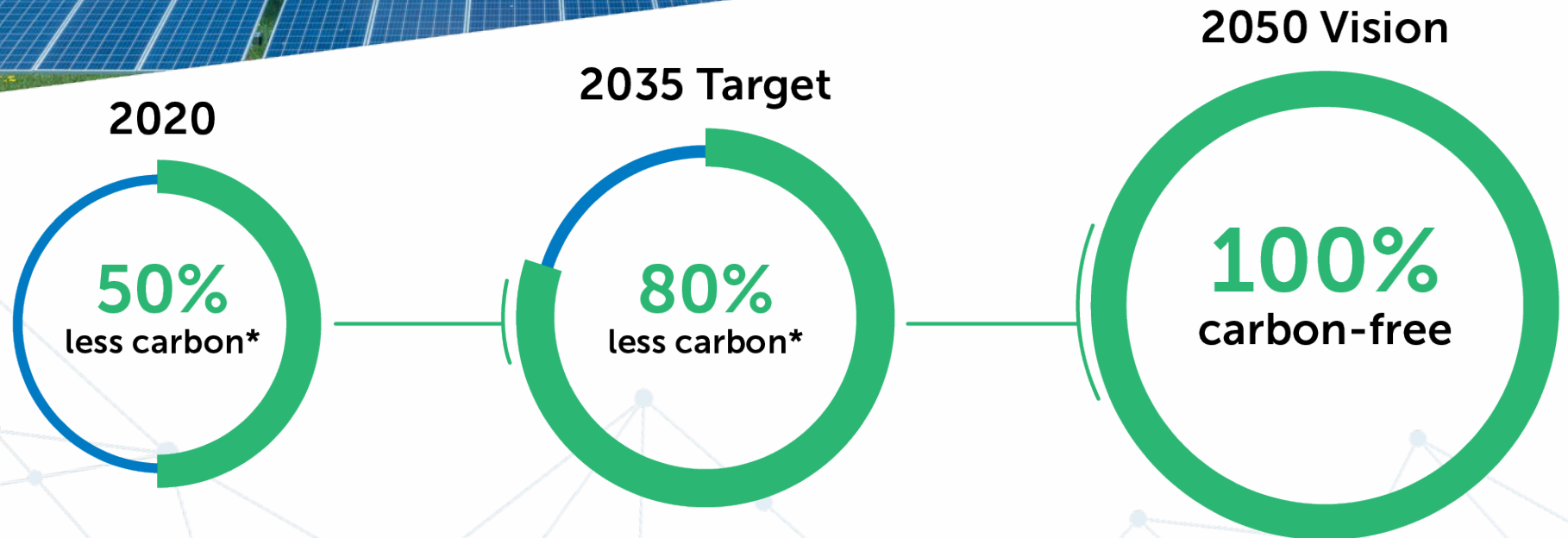
CapX Alexandria – Monticello

- ✓ Add second circuit to existing double-circuit capable line
- ✓ Estimated MP Investment: **\$20M**
- ✓ Joint investment with **CapX Fargo Project owners**
- ✓ Certificate of Need and Route Permit filed with MPUC September 2023

Minnesota Power's 100% carbon-free energy vision

We are committed to making a sustainable transition to a **reliable, affordable** and **carbon-free** energy mix for our customers.

*From 2005 levels



State of Minnesota enacted new legislation requiring electric utilities to source retail sales with 100% carbon-free energy by 2040. We will build on our current momentum and factor this new Minnesota legislation's requirements into Minnesota Power's next IRP filing in spring of 2025.

ALLETE's regulated electric, natural gas and water distribution company in Wisconsin



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Constructive regulatory environment

- Public Service Commission of Wisconsin regulated
- January 2023 rate case order for \$3.3M in additional revenue based on 55% equity and 10.0% ROE
- Next rate case to be filed in first half of 2024

Significant rate base investment growth

- 12/31/2023 YE rate base \$97M
- ~\$12.8M in 2024, ~\$54M estimated spend 2025 – 2028

Leverage existing footprint

- Grow customer municipality relationships

Pilot new customer service products

- Innovation
- Leverage technology
- Partner

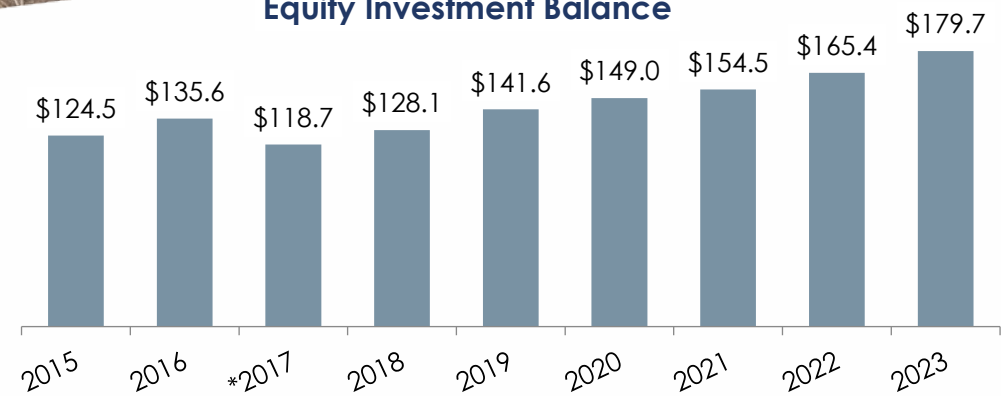
ALLETE's investment in ATC continues to grow

And is a meaningful contributor to earnings

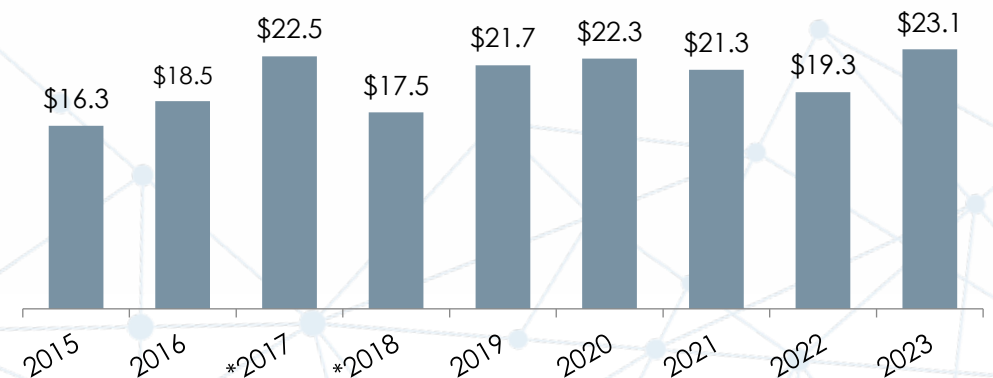


- Wisconsin-based transmission company
 - Owns and operates electric transmission system in portions of Wisconsin, Michigan, Minnesota and Illinois
- 8% ownership delivers steady earnings and cash flow
- FERC regulated – 10.52% approved ROE
- ATC's October 2023 10-year capital investment forecast calls for \$6.6B-8.1B in system improvements, including MISO Tranche 1 of ~\$900M; participation in MISO Tranche 2 will be incremental.

Equity Investment Balance



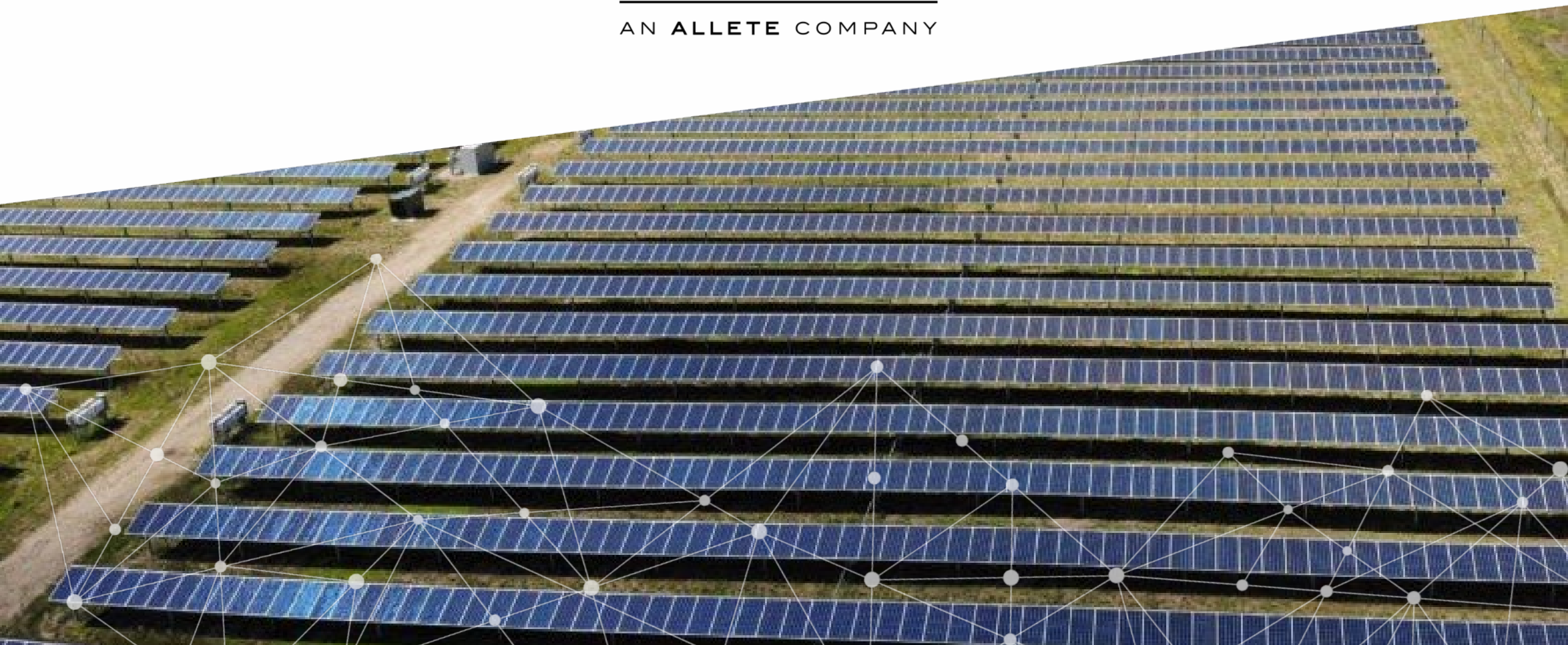
Equity Earnings (pre-tax)



* Impacted by the remeasurement of deferred income tax assets & liabilities resulting from tax reform



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Growing Project Opportunities & Strong Execution



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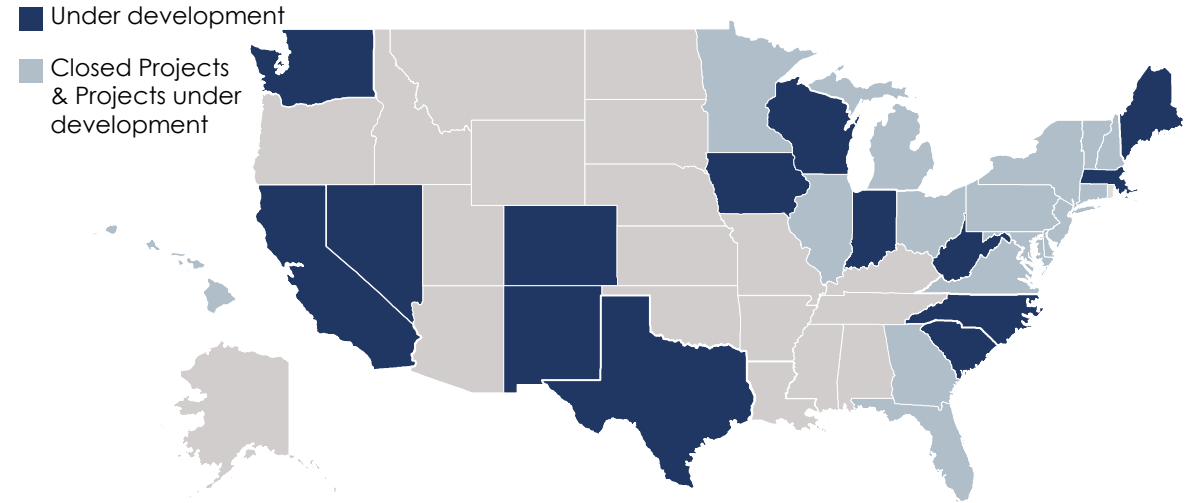
Strategy and Opportunities

- Expansive pipeline of projects developed in over 20 states throughout the U.S. with significant presence and project opportunities in Virginia, New Mexico, Illinois, Minnesota and New York – currently top three largest solar garden developer in Illinois, Minnesota, New Mexico and Virginia
- Promising new markets in MD, CA, PA, CO, WA, MI, WI and OH
- Additional longer term growth opportunities include:
 - C&I Solar
 - Storage
 - Platform acquisitions
 - Solar project ownership
 - Electric vehicle charging
 - Synergies for procurement and O&M with ALLETE solar portfolio

2023 Accomplishments / 2024 Guidance

- Exceeded 2023 full year earnings target of \$16M - \$17M
- Project pipeline remains robust and growing
- Expect ~\$19M to \$21M of net income in 2024

States with projects closed and under development



Total pipeline of projects has expanded since acquisition.

Key statistics:

500MW+ Projects closed

>2GW+ Development pipeline



Highlights

- Positioned to benefit from the accelerating transition to clean energy
- Inflation Reduction Act legislation impacts include incentives, clarity around the 10-year time horizon and increased flexibility around structuring and financing projects
- Established platform focused on developing, acquiring and operating clean energy and renewable energy projects
- Premier geographic footprint in wind-rich regions, diversified across eight states
- Long duration contracts with solid counterparty credit
- Broadening business model and core competencies beyond wind to include storage, solar and other technologies, paired with existing sites

ALLETE Clean Energy has multiple avenues by which to raise and reallocate capital into energy transition opportunities.

Corporate Customers

Walmart
McDonald's
Starbucks
Smithfield Foods
Oshkosh

Utility Customers

Montana-Dakota Utilities Co.
Xcel Energy
NorthWestern Energy
ODEC
Alliant Energy



Executing on near-term strategy

Near-term focus:

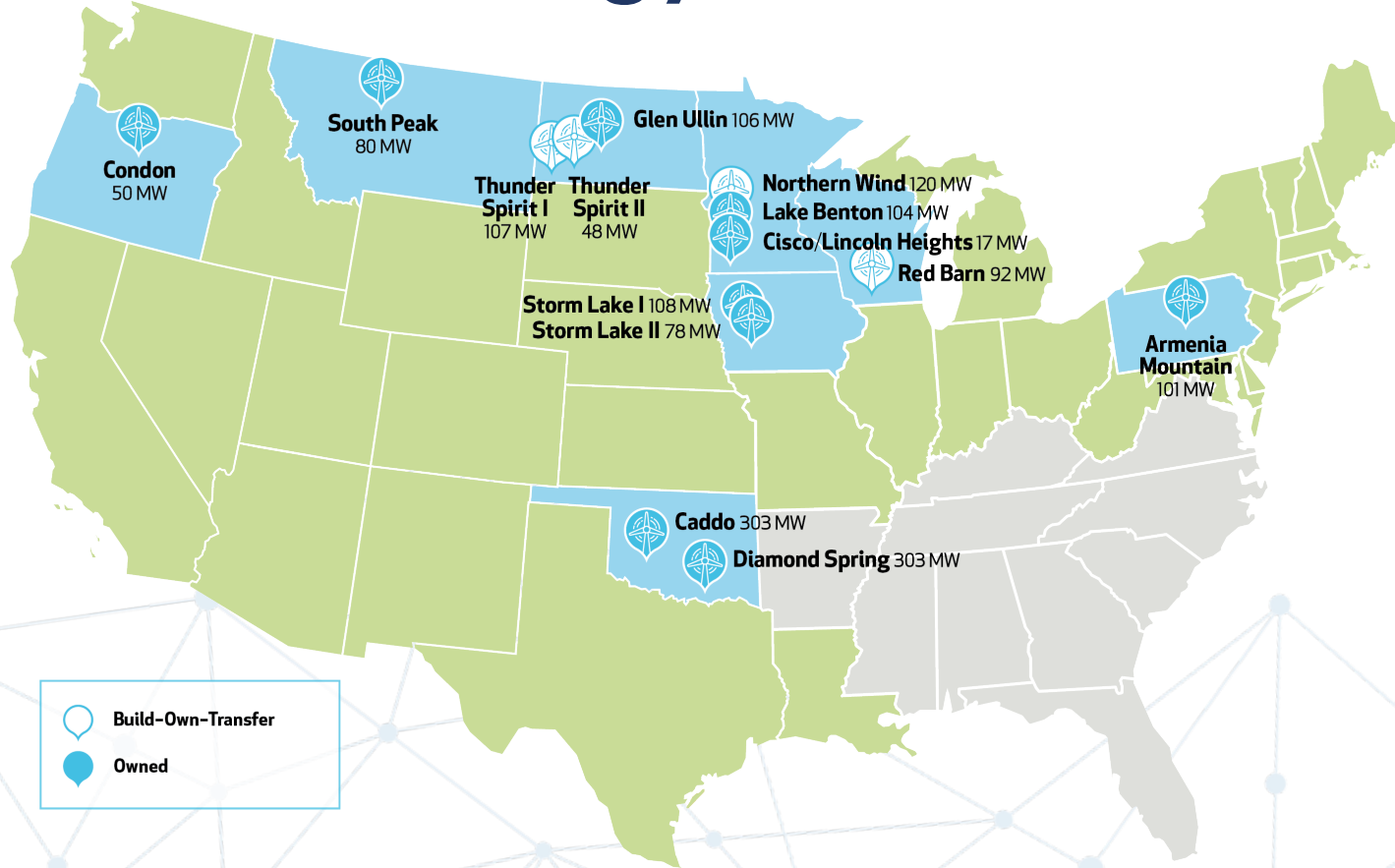
- Multiple geographic regions are being impacted by inflation, renewable penetration, congestion and delayed infrastructure builds
 - Diamond Spring and Caddo projects impacted by this congestion
 - Mitigation efforts to improve economics underway
- Maximize portfolio value
 - Optimization of legacy fleet (>400 MW)
 - Armenia
 - Condon
 - Lake Benton
 - Storm Lake
 - Pipeline execution of current projects
 - Whitetail
 - Ruso



Favorable landscape supports ALLETE Clean Energy strategy:

- Strong industry growth through favorable customer sentiment and growing macro trends of ESG
- Continues to attract large amounts of capital and investor interest
- Benefits from supportive legislative policy

Strategically positioned as demands for clean energy accelerate



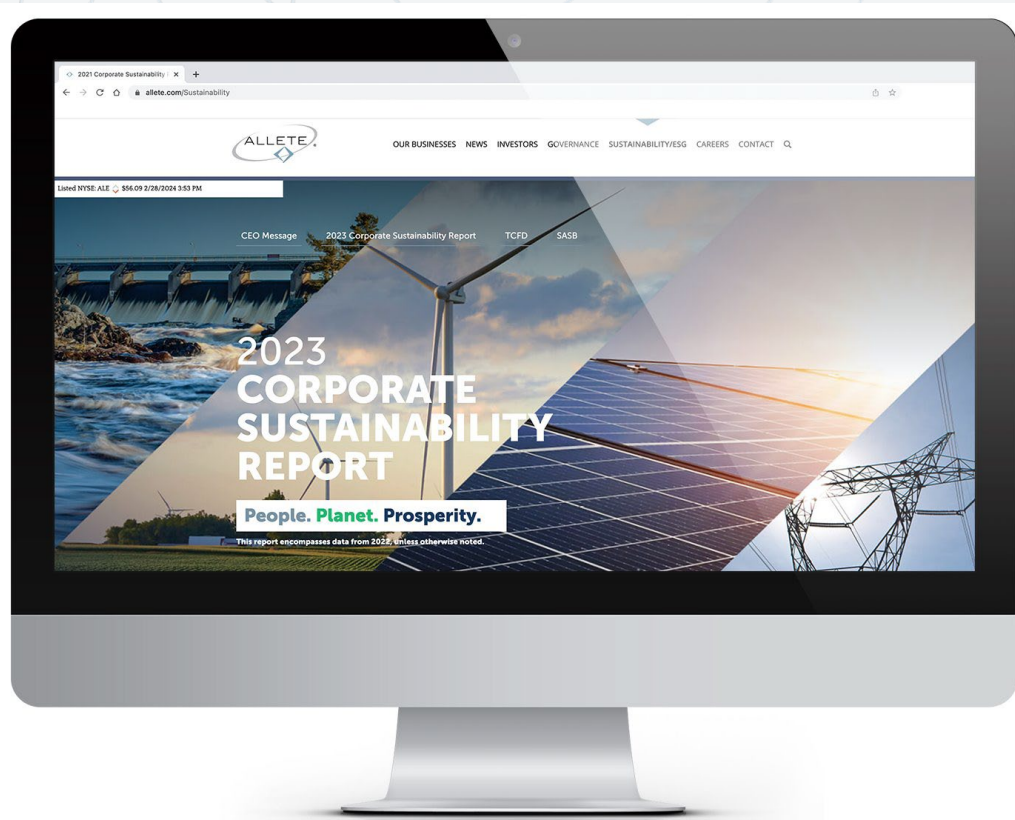
Existing platform optimization

- Recontract
- Repower
- Build transfer
- Partnerships
- Optimization of legacy fleet

Value drivers of various assets

- Interconnection rights
- Landowner and customer relationships
- Project permits
- Multi-technology co-location potential
- Partnerships
- High quality wind resources

Owns and has built-transferred over 1,600 MW of operating capacity in five major energy markets across the U.S.
~4 million MWhs produced reducing carbon emissions by 1.7MMt → That's enough to power 218K homes' energy use for one year and equivalent to taking 373K cars off the road.



Find ESG Information at ALLETE.com/Sustainability

100% Carbon-Free Energy by 2050

mnpower.com/CarbonFreeEnergyVision

**Environmental Stewardship
at Minnesota Power**

mnpower.com/Environment

Serving Our Community

mnpower.com/Community

APPENDIX



Consolidated Earnings *(millions)*

Year Ended December 2023

	2023	2022
Regulated Operations	\$147.2	\$149.9
ALLETE Clean Energy	71.7	16.3
Corporate and Other	28.2	23.1
Net Income Attributable to ALLETE	\$247.1	\$189.3
Diluted Earnings Per Share of Common Stock	\$4.30	\$3.38

Consolidated Earnings *(millions)*

Fourth Quarter December 2023

	2023	2022
Regulated Operations	\$34.8	\$30.5
ALLETE Clean Energy	5.3	1.3
Corporate and Other	11.4	19.9
Net Income Attributable to ALLETE	\$51.5	\$51.7
Diluted Earnings Per Share of Common Stock	\$0.89	\$0.90

2024 Guidance Highlights

2024 Guidance Range \$3.60 - \$3.90 per share

- | | |
|--|-----------------|
| • Regulated Operations | \$2.65 - \$2.85 |
| • ALLETE Clean Energy, Corporate and Other | \$0.95 - \$1.05 |

Key Factors, Expectations, Considerations and Assumptions

• Regulated Operations

- Reflects interim rates for the Minnesota Power 2023 rate case of approximately \$64M; interim rates are subject to refund.
- Industrial sales of approximately 7.0 million MWh in 2024 reflect anticipated production from our taconite customers of approximately 35 million tons in 2024.
- Higher operating and maintenance expense due to higher employee staffing and inflationary cost increases.
- Higher depreciation and property tax expenses due to additional plant in service.
- Additional investments in American Transmission Company LLC of approximately \$6 million.
- Guidance for 2024 assumes that we will achieve constructive outcomes in regulatory proceedings.

• ALLETE Clean Energy

- Total wind generation of approximately 3.7 million MWh in 2024 with the expectation of normal wind resources (3.2 million MWh in 2023).
- Reflects continued substation network outage located near the Caddo wind energy facility in the first quarter of 2024.
- Reflects Production Tax Credits estimated to be approximately \$18 million in 2024.
- Reflects the sale of the Project Whitetail in 2024.
- Reflects higher operating and maintenance expense in 2024.

• Corporate and Other

- Reflects New Energy net income of approximately \$19 million to \$21 million.
- Similar results at BNI Energy, Inc. and Nobles 2 Power Partners, LLC.
- Slightly lower earnings at ALLETE Properties, LLC.
- Reflects decreased earnings from ALLETE'S investments in Minnesota solar projects, due to Investment Tax Credits recognized in 2023.

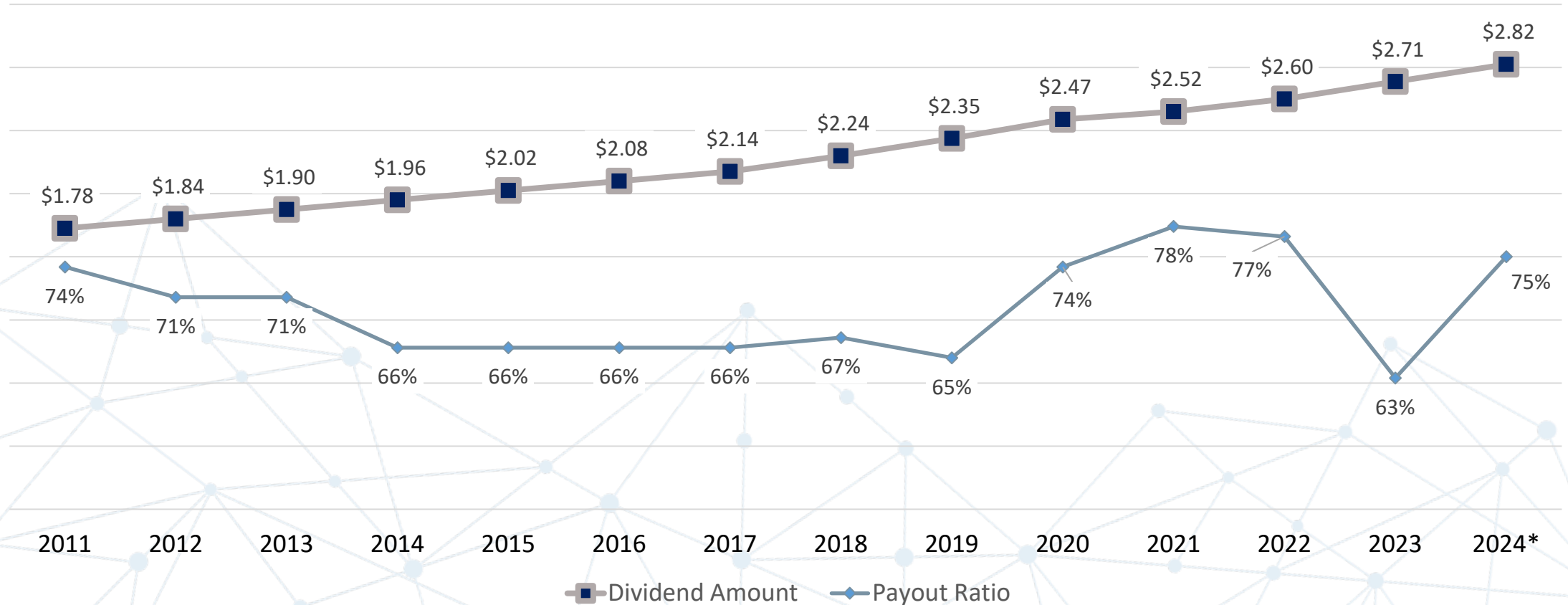
- **Earnings per share dilution of approximately \$0.03 per share from higher average shares outstanding.**
- **Consolidated effective income tax expense of approximately 5 percent in 2024.**

The Company also updated its five-year capital expenditure plan to \$4.3 billion, which is a \$1 billion increase from its previous five-year plan. The plan includes increased capital investments in renewable and transmission projects, and the Company expects this capital expenditure plan to drive multi-year earnings growth beginning in 2025, in line with its stated financial objectives.

ALLETE anticipates long-term dividend growth

In February of 2024, the ALLETE Board of Directors increased the annualized common stock dividend from \$2.71 to \$2.82 per share.

ALLETE has paid common stock dividends consecutively since 1950.



*Based on midpoint of 2024 earnings guidance

Inflation Reduction Act creates value for all of ALLETE's businesses

- ✦ Production Tax Credits (PTC) and Investment Tax Credits (ITC) extensions provide new options for investment
- ✦ PTC and ITC eligibility for solar and storage projects greatly benefits Minnesota Power, New Energy and ALLETE Clean Energy
- ✦ Transferability of tax credits adds monetization options for all ALLETE businesses
- ✦ Is directionally positive for cash flows and credit positive for rating agency perspective
- ✦ No impact of the alternative minimum tax provision on ALLETE

ALLETE expects to generate tax credits in the years 2023-2028:



** Dependent on RFP selections.*

ALLETE will maintain its financial discipline as it executes on its strategy

Financial Discipline in Action

- ✓ ALLETE companies carry appropriate capital structures to support consolidated investment grade credit ratings
- ✓ Maintain a solid investment grade credit rating
- ✓ 60-70% dividend payout ratio
- ✓ Business segments must achieve their targeted rates of return and support the dividend

Credit Ratings

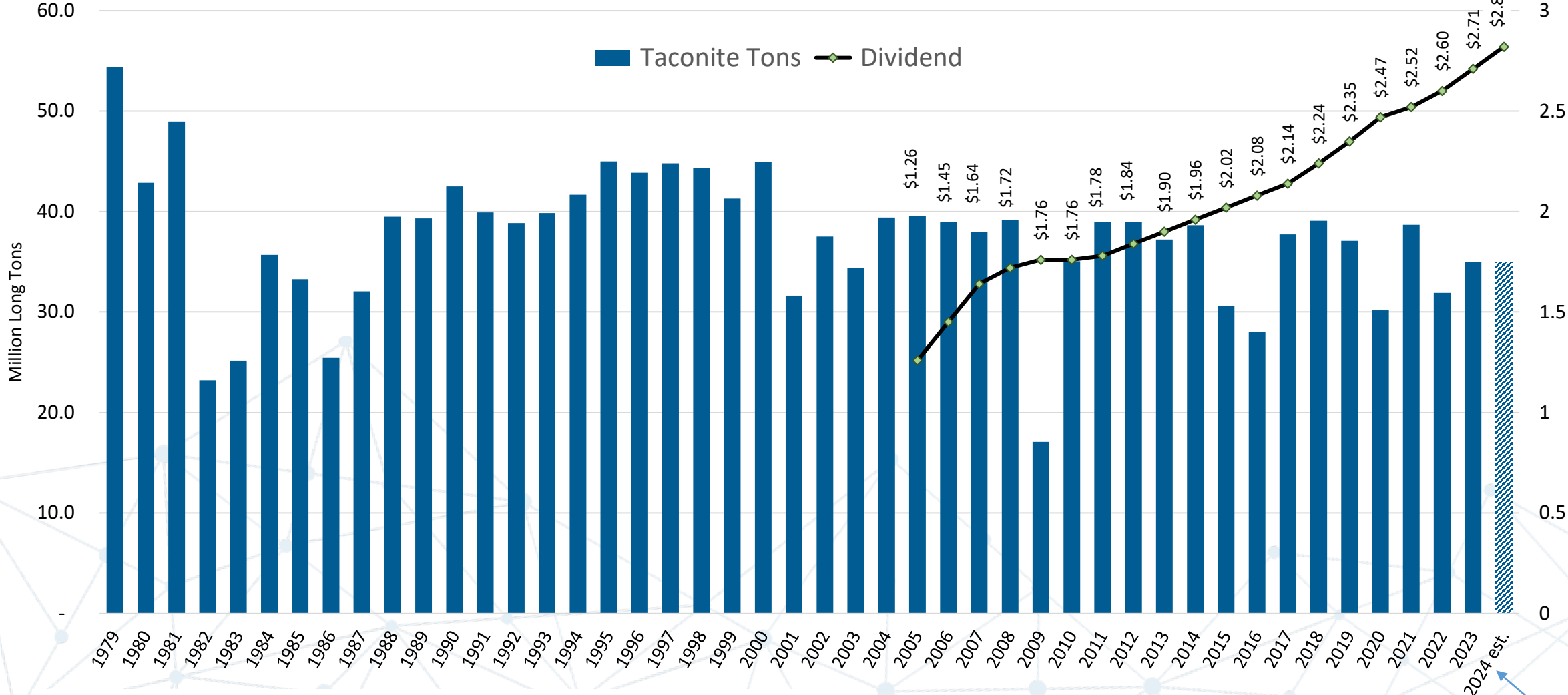
	Issuer Credit Rating	Commercial Paper	First Mortgage Bonds
S&P Global Ratings	BBB	A-2	N/A
Moody's	Baa1	P-2	A2

Debt to Capital Ratio = 35%*

* As of 12/31/2023

Regulated, contracted or recurring revenues are consistent with our risk profile and business investment thesis

Dividend growth through business cycles



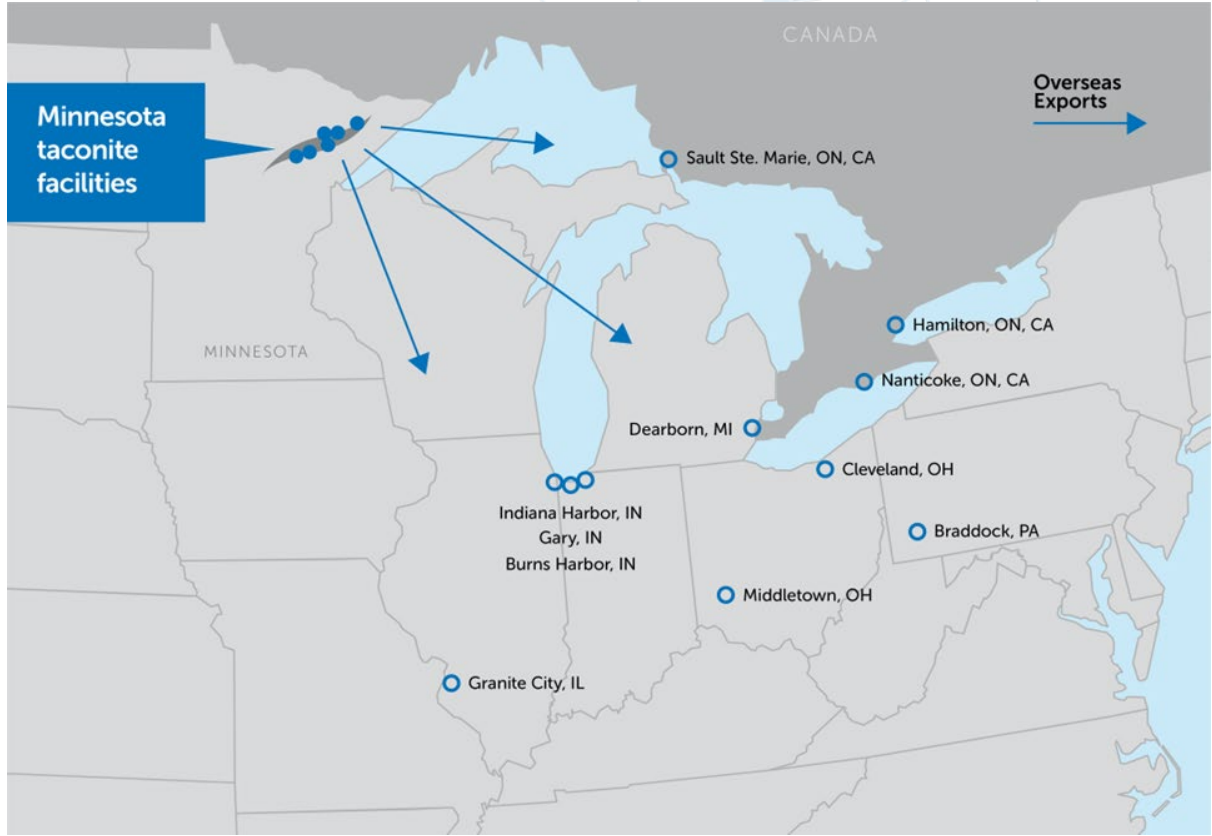
Actual taconite tons are from the MN Department of Revenue reports on taxable production.

Based on original guidance

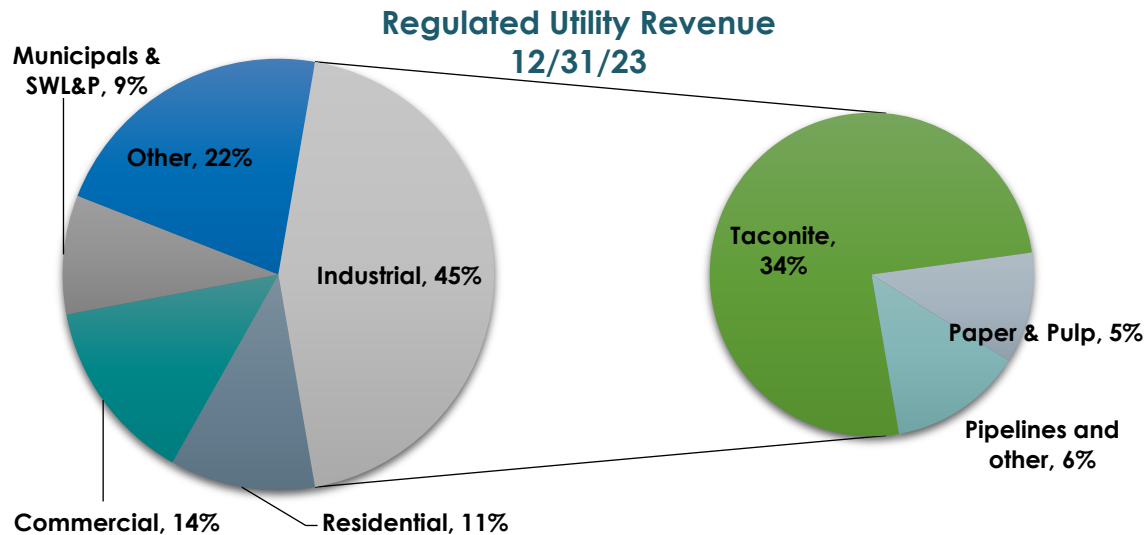
Domestic steel industry is highly dependent on Minnesota taconite

Taconite mine	Approximate Annual Capacity (million tons)
Hibbing Taconite Co.	7.8
Cliffs – United Taconite, LLC	6.0
– NorthShore Mining	5.0
– Minorca Mine	3.0
USS Corp. – Keewatin	5.2
– Minntac	14.7
Total annual capacity	41.7

1M ton change = ~5 cents/share



Traditional shipping destination points of Minnesota taconite.



Sustainability of the American Steel Industry



Vital to U.S. economy

- >\$520 billion in economic output and nearly 2 million jobs



Steel is most recyclable material on the planet

- Recycling steel reduces GHG emissions: Single car recycled = consuming more than 300 gallons of gasoline, Single refrigerator recycled reduces GHG emissions by 225 pounds of CO₂



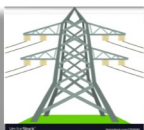
American steel industry is cleanest and most energy-efficient of leading steel industries in the world

- Of the 7 largest steel producing countries, the U.S. has the lowest CO₂ emissions per ton of steel produced and lowest energy intensity, due to high percentage of steel made from recycling scrap, the use of domestically-sourced iron ore pellets, and the increasing use of natural gas in place of coal and coke to make iron and steel with lower emissions



Steel is critical in continued development of clean energy technologies

- Vital to industries like solar power, biofuels, wind energy, green construction, low-carbon transportation, sea-water purification and surgical equipment



Steel products can help reduce energy consumption and CO₂ emissions throughout the economy

- Helps auto manufacturers by increasing fuel economy and emissions, and vital in infrastructure construction; bridges, roadways, guidrails, and utility structures



Committed to strong safety standards

- Reduced workplace incidents significantly over time

New Energy Equity Key Differentiators



AN ALLETE COMPANY

1 Seasoned Provider with Meaningful Scale

- 500+ MW developed in 17 states to date
- > 2GW portfolio across 30+ states
- Rapidly growing O&M/asset management business (300+ MW)

2 Industry Leading Profitability

- Process-oriented development approach minimizes risk exposure, limits incurrence of sunk costs and ultimately leads to maximized project profitability
- Discipline in controlling overhead maximizing EBITDA margin

3 Strong and Entrenched Relationships

- Have contracted with over 300+ commercial, municipal and educational institutions
- New Energy partners with local developers and has an internal greenfield development team which allows pipeline diversity and allows New Energy to navigate the specifics of regional markets, allowing for a broad national reach

4 Track Record of Success and Reputation

- Best-in-class name brand and reputation locally and regionally
- Proven success in expanding into new markets and pursuing growth initiatives in C&I and community solar

5 Geographic Diversification in Key Renewable Markets

- Strong presence in key markets (majority of top 19 states) where solar energy growth is expected to accelerate most over next 5 years
- Continued, disciplined expansion into new markets is underway (portfolio spans 30+ states)

6 Positive Renewable Energy Industry Tailwinds

- Significant growth potential, including (1) local, state and federal legislation (Inflation Reduction Act) throughout the country and (2) market shift (consumer and corporate) to sustainability

7 Full Suite of Capabilities, Project Monetization Optionality

- Diversified and complementary businesses include development, project implementation, project financing, O&M and asset management
- Project development and financing optionality to maximize project returns or project net income

8 Highly Experienced and Invested Management Team

- Highly qualified leadership team with diverse experience set including significant experience (10+ years on average) in the U.S. renewable energy industry

9 Significant Future Growth Potential

- New Energy is well positioned to take advantage of organic market growth expected to be installed over the next 10 years
- New Energy is also well positioned to pursue geographic expansion based on proven track record and established strategy

ALLETE

