Direct Testimony and Schedules
Michelle A. Bleicher

Before the Minnesota Public Utilities Commission

State of Minnesota

In the Matter of the Application of Minnesota Power
For Authority to Increase Rates for Electric Utility
Service in Minnesota

Docket No. E015/GR-26-199

Exhibit _____

COST ALLOCATIONS AND EMPLOYEE EXPENSES

November 2, 2026

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I. INTRODUCTION AND QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Michelle Bleicher, and my business address is 30 W. Superior Street, Duluth, MN 55802.

Q. By whom are you employed and in what position?

A. I am employed by ALLETE, Inc. ("ALLETE"), doing business as Minnesota Power ("Minnesota Power" or the "Company"). My current position is Supervisor of General Accounting at ALLETE.

Q. Please describe your educational background and work experience with ALLETE and Minnesota Power.

A. I graduated from the University of Minnesota-Duluth in 2002 with a bachelor's degree in Accounting and a bachelor's degree in Business Administration with an emphasis in Human Resources. I have worked for ALLETE for twenty years in various roles in the Internal Audit, General Accounting, and Accounts Payable departments.

Q. What is the purpose of the testimony you are presenting on behalf of Minnesota Power?

A. My testimony supports the Company's cost allocation process and its employee expense review, including support for travel, dues/memberships, and related employee expenses. In addition, I provide a brief discussion on research expenses.

Q. How is your testimony organized?

A. I first provide a description of the Company's cost allocation process. I then discuss Minnesota Power's employee expenses, organizational dues, and related topics.

Q. Are you sponsoring any exhibits in this proceeding?

A. Yes. I am sponsoring the following schedules for my Direct Testimony:

- MP Exhibit ___ (Bleicher), Direct Schedule 1 – Investor Relations;
- MP Exhibit ___ (Bleicher), Direct Schedule 2 – Board of Directors;

- MP Exhibit ___ (Bleicher), Direct Schedule 3 – Equity Allocator;
- MP Exhibit ___ (Bleicher), Direct Schedule 4 – Corporate Credit Card Policy;
- MP Exhibit ___ (Bleicher), Direct Schedule 5 – Employee Handbook ALLETE Minnesota Power;
- MP Exhibit ___ (Bleicher), Direct Schedule 6 – Expenses for Employees User Manual;
- MP Exhibit ___ (Bleicher), Direct Schedule 7 – Expenses for Supervisors User Manual;
- MP Exhibit ___ (Bleicher), Direct Schedule 8 – Summary of Employee Expenses;
- MP Exhibit ___ (Bleicher), Direct Schedule 9 – Employee Expense Key Word Search List; and
- MP Exhibit ___ (Bleicher), Direct Schedule 10 – Supporting Information regarding the Value the Company and Customers Derive from the Edison Electric Institute.

II. COST ALLOCATIONS

A. Company Structure

Q. Please briefly describe ALLETE's corporate structure in 2025 and prior years.

A. Throughout most of 2025 and for many years prior, the Minnesota Power operating utility was an operating division, not a subsidiary, of ALLETE. Most recently, the Company was identified as "ALLETE, Inc. d/b/a Minnesota Power" in most regulatory filings. The majority of ALLETE's net income was from Minnesota Power's regulated utility operations, and the remainder was from wholly-owned subsidiaries – principally ALLETE Clean Energy, Inc. ("ACE"); BNI Energy, Inc.; ALLETE Renewable Resources, Inc.; New Energy Equity, LLC; Superior Water, Light and Power Company ("SWLP") – and an investment in the American Transmission Company, LLC. Other than SWLP, these wholly-owned subsidiaries are not regulated utilities.

Q. Did ALLETE undergo an acquisition transaction in 2025?

A. Yes. On December 15, 2025, ALLETE was acquired by Canada Pension Plan Investment Board ("CPP Investments") and Global Infrastructure Partners ("GIP") (the "Acquisition").[1] As a result of the Acquisition, ALLETE became a wholly-owned subsidiary of Alloy Parent, LLC, which is in turn owned by CPP Investments and GIP. The transaction established general support in a Settlement Stipulation reached by the Company and interested parties on July 11, 2025 ("Settlement Stipulation").[2] This transaction was approved by the Minnesota Public Utilities Commission ("Commission") in an order dated December 10, 2025 (the "Acquisition Order"), which included the Settlement Stipulation.[3]

Q. Did the Commission's approval of the Acquisition contain conditions relevant to your testimony?

A. Yes. One of the conditions of the Commission's approval of the Acquisition was that within six months, the Company had to file a petition with the Commission proposing a corporate reorganization in which entities within the Company that are not regulated utilities would be separated from Minnesota Power. That petition (the "Reorganization Application") was filed on June 1, 2026, and is pending before the Commission.[4] In the Reorganization Application, the Company proposed that Minnesota Power will become a wholly owned subsidiary, called Minnesota Power, Inc., of a new ALLETE entity called ALLETE, Inc. (the "Reorganization").[5]

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[1] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, ACQUISITION CLOSING UPDATE (Dec. 16, 2025) (eDocket No. 202512-225912-01).

[2] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, SETTLEMENT STIPULATION OF DOC, ALLETE, GIP, CPPIB (July 11, 2025) (eDocket No. 20257-220879-01).

[3] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, ORDER APPROVING PETITION FOR ACQUISITION WITH CONDITIONS AND ESTABLISHING OTHER REQUIREMENTS (Dec. 10, 2025) (eDocket No. 202512-225721-01).

[4] *In the Matter of the Application of ALLETE, Inc., d/b/a Minn. Power, for Approval of an Internal Corporate Reorganization and Associated Affiliated Int. Agreements*, Docket No. E015/M-26-227, PETITION FOR APPROVAL (June 1, 2026) (eDocket No. 20266-232407-03).

[5] As described in the Reorganization Application, Alloy Parent, LLC will contribute all issued and outstanding stock of ALLETE, Inc. to ALLETE Holdings Inc. ("ALLETE Holding Company"). Then, ALLETE, Inc. will

Q. Broadly speaking, how do the Acquisition and the Reorganization relate to the Company's approach to cost allocations?

A. Before the Acquisition, it was already important for the Company to properly allocate expenses between the regulated utility operations of Minnesota Power and the other operations and subsidiaries of ALLETE. After the Acquisition, and after the Reorganization is approved, it will remain important to properly allocate expenses between the regulated utility, Minnesota Power,[6] and the other companies within ALLETE. In the Acquisition, Minnesota Power (and GIP and CPP Investments) pledged that they are committed to adhere to Commission direction regarding cost allocations.[7] Consistent with this commitment, the Company's principles and processes relating to cost allocations will be unchanged by the Acquisition and the Reorganization, except for minor administrative changes discussed below.

Q. How does the Company ensure accurate cost assignment and allocation between regulated and non-regulated activities?

A. The Company complies with the guidance developed by the Commission in Docket No. G,E999/CI-90-1008. In that docket, the Commission identified four principles for ensuring cost separation between regulated and non-regulated activities:

- Tariffed rates shall be used to value tariffed services provided to the non-regulated activity;
- Costs shall be directly assigned to either regulated or non-regulated activities whenever possible;
- Costs that cannot be directly assigned are common costs, which shall be grouped into homogeneous cost categories. Each cost category shall be allocated based

convert from a corporation to a Minnesota limited liability company and change the name of the company to ALLETE, LLC and subsequently to Minnesota Power, LLC, a Minnesota limited liability company, and then Minnesota Power, Inc., while the name of ALLETE Holding Company will change to ALLETE, Inc. ("New ALLETE") *Id.* at Attachment A-3.

[6] Which will become Minnesota Power, Inc. as part of the Reorganization.

[7] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, ORDER APPROVING PETITION FOR ACQUISITION WITH CONDITIONS AND ESTABLISHING OTHER REQUIREMENTS at Settlement Stipulation Section ¶ 1.69 (Dec. 10, 2025) (eDocket No. 202512-225721-01).

on direct analysis of the origin of the costs whenever possible. If direct analysis is not possible, common costs shall be allocated based upon an indirect cost-causative linkage to another cost category or group of cost categories for which direct assignment or allocation is available; and

- When neither direct nor indirect measures of cost causation can be found, the cost category shall be allocated based upon a general allocator computed by using the ratio of all expenses directly assigned or attributed to regulated and non-regulated activities, excluding the cost of fuel, gas, purchased power, and the cost of purchased goods sold.[8]

The Company directly assigns costs whenever possible. Approximately 88 percent of Minnesota Power's 2025 regulated and non-regulated operations and maintenance ("O&M") expenses were directly assigned.

Q. Please describe the process for charging costs that are directly assignable.

A. Company employees submit time sheets biweekly in the Oracle Time and Labor software application. As they do so, they indicate the time spent performing work for Minnesota Power, non-regulated activities, or subsidiaries. The employee's time entry is electronically submitted to his or her supervisor for review and approval. Time spent directly working on specific Minnesota Power, non-regulated, or subsidiary business is directly assigned. Time that benefits more than one activity or entity is allocated using the allocation methods discussed below.

Costs incurred to purchase goods or services relating to Minnesota Power, non-regulated activities, or subsidiaries are directly charged or billed to the applicable entity.

[8] *In re Investigation into the Competitive Impact of Appliance Sales and Service Practices of Minn. Gas and Elec. Utils*., Docket No. G,E999/CI-90-1008, ORDER SETTING FILING REQUIREMENTS at 5, 7 (Sept. 28, 1994) (eDocket No. 332944) (clarified by ORDER CLARIFYING COMMISSION ORDER DATED SEPTEMBER 28, 1994 at 2 (Mar. 7, 1995) (eDocket No. 332965).

B. Allocation Process

Q. Please describe the process of allocating costs that are not directly assignable.

A. Given that approximately 88 percent of Minnesota Power's costs are directly assigned, 12 percent of 2025 O&M expenses could not be directly assigned. These expenses were mostly for general and administrative support activities that benefit all entities in the ALLETE consolidated group, of which Minnesota Power is a part. Such activities may include accounting, human resources, Board of Directors, legal, and information technology expenditures.

To allocate such costs, a cost pool is created for each similar type of administrative and general activity. Expenses within each cost pool are then allocated utilizing an allocation method specifically designed for that activity.

There are 30 different "Allocation Methods" currently being utilized by the Company.[9] The allocators are specific in nature and include factors such as number of employees, fixed asset balances, corporate equity, number of plan participants, number of security terminals, and number of desktop and laptop computers.

As an example, payroll services are provided by Minnesota Power for several ALLETE entities. The reason that the cost of payroll services cannot be directly assigned is that payrolls for all ALLETE companies are processed as one batch. This means that the cost of that processing has to be allocated. The Allocation Method used for payroll services is based on the number of employees in each entity. This Allocation Method is logical because the cost of providing payroll services correlates closely with the number of employees in each ALLETE subsidiary.[10]

[9] *See In the Matter of the Petition of Minn. Power for Approval of Asset Separation and Acct. Methodology*, Docket No. E015/M-01-1416, COMPLIANCE FILING (April 22, 2026) (eDocket No. 20264-230800-01) (describing the Company's allocation methods); and *Minn. Power's Petition for Approval of Affiliated Int. Between ALLETE and ALLETE Clean Energy*, Docket No. E015/AI-11-868, COMPLIANCE FILING (April 22, 2026) (describing the Company's Allocation Methods) (eDocket No. 20264-230800-01).

[10] *See In the Matter of the Application of ALLETE, Inc., d/b/a Minn. Power, for Approval of an Internal Corporate Reorganization and Associated Affiliated Int. Agreements*, Docket No. E015/M-26-227, PETITION FOR APPROVAL at Exhibit 7 Page 7 of 11 (June 1, 2026) (eDocket No. 20266-232407-03).

The objective of the cost allocation process is to allocate general and administrative costs in a reasonable, prudent, and fair manner that correlates the benefit each activity provides to the Company's regulated versus non-regulated and subsidiary activities. Thus, there are no general or default allocations, nor default assumptions as to whether costs should be allocated to regulated, non-regulated, or subsidiary activities.

Q. Does the Company ensure that customers are not subsidizing the activities of Minnesota Power's affiliated companies?

A. Yes. In Docket Nos. E015/AI-08-339, E015/AI-08-340, and E015/AI-08-341 addressing Administrative Services Agreements between ALLETE and various subsidiaries, the Commission ordered that "the Company must demonstrate in future rate cases that the First Amendment to Services Agreement has not resulted in cross-subsidization by Minnesota Power's ratepayers of the activities of its affiliated companies."[11] Many years ago, Minnesota Power implemented cost allocation procedures to ensure accurate cost assignment between regulated and non-regulated activities. The processes described above continue to demonstrate and ensure that the Company's customers are not subsidizing the activities of Minnesota Power's affiliated companies.

Q. Have Minnesota Power's cost allocation methods changed materially since its most recent rate case?

A. No, but there are two categories of minor changes that I want to mention.

First, each year there are minor updates to the Allocation Methods. These updates reflect adjustments to allocation methods and special segments as well as changes to

[11] *See In the Matter of Minn. Power's Petition for Approval of an Admin. Serv. Agreement Between ALLETE, Inc. and its Subsidiary, ALLETE Prop., LLC (f/k/a MP Real Estate Holdings, Inc.)*, Docket No. E015/AI-08-339, ORDER at 1 (Jan. 13, 2009) (eDocket No. 5700326); *In the Matter of Minn. Power's Petition for Approval of an Admin. Serv. Agreement Between ALLETE, Inc. and its Subsidiary, Superior Water, Light and Power Co. (SWLP)*, Docket No. E015/AI-08-340, ORDER at 1 (Jan. 13, 2009) (eDocket No. 5700325); *In the Matter of Minn. Power's Petition for Approval of an Admin. Serv. Agreement Between ALLETE, Inc. and its Subsidiary, Minn. Power Enter., Inc.*, Docket No. E015/AI-08-341, ORDER at 1 (Jan. 13, 2009) (eDocket No. 5700324).

percentages between regulated, non-regulated, and subsidiary activities as the amount of ALLETE's regulated and non-regulated activity has ebbed and flowed. These changes have been provided in annual Compliance Filings in Docket No. E015/M-01-1416, most recently submitted in April 2026 (the "2026 Compliance Filing").[12] The Allocation Methods are designed to match, as closely as is reasonably possible, the costs being allocated with the corresponding benefit received from the activity.

Second, the Company underwent the Acquisition and has filed for approval of the Reorganization. As I noted above, the Company's Cost Allocation Methodology ("CAM") is essentially unchanged by the Acquisition and the Reorganization. But there are a few technical changes.

Q. Please describe those changes.

A. The Company's CAM has to be updated to reflect the names of the Company's new corporate entities, such as Minnesota Power, Inc., resulting from the Reorganization.[13] A copy of the proposed updated CAM is attached to the Reorganization Application.[14] Also, Minnesota Power will share management functions and personnel with New ALLETE. These shared costs will be allocated in accordance with the updated CAM, which is expected to result in cost allocations consistent with the Company's current and long-standing Minnesota Power allocations previously approved by the Commission.

C. Allocation of Investor Relations Expenses

Q. Has the Commission ever imposed specific requirements regarding cost allocations for Investor Relations on Minnesota Power?

A. Yes. In 2016, the Commission directed Minnesota Power to provide background information about its Investor Relations and Shareholder Services ("Investor

[12] *In the Matter of the Petition of Minn. Power for Approval of Asset Separation and Accounting Methodology*, Docket No. E015/M-01-1416, COMPLIANCE FILING (April 22, 2026) (eDocket No. 20264-230800-01).
[13] *See In the Matter of the Application of ALLETE, Inc., d/b/a Minn. Power, for Approval of an Internal Corporate Reorganization and Associated Affiliated Int. Agreements*, Docket No. E015/M-26-227, PETITION FOR APPROVAL at 23, 24 (June 1, 2026) (eDocket No. 20266-232407-03).
[14] *Id.* at Exhibit 7.

Relations") costs, including how costs of these activities are allocated between shareholders and customers and why the allocation is reasonable.[15] The Company has provided such information in past rate cases.

Q. Please explain the duties and responsibilities of the Company's Investor Relations department.

A. Prior to the Acquisition, the Investor Relations department was responsible for all aspects of Minnesota Power's Investor Relations policies, objectives, and initiatives. The Investor Relations team maintained and improved relations between ALLETE and its shareholders and/or the broader financial community, which was necessary to attract and retain the equity capital needed to operate the Company.

After the Acquisition, the Company's stock is no longer traded on a public stock exchange. During 2026, the Company eliminated its Investor Relations Department and transferred employees within that department to other areas within the Company. While the Acquisition closed in December 2025, there were some Investor Relations costs in 2026 for services provided prior to the Acquisition and to close out shareholder accounts, but they were relatively minimal.

Q. Is the Company seeking recovery of any Investor Relations expenses as part of this rate case?

A. No. I mentioned above that the Commission's approval of the Acquisition included various conditions. Paragraph 1.52 of the Settlement Stipulation specifies that "[a]s long as the Partners own Minnesota Power, Minnesota Power shall not seek rate recovery of Investor Relations costs."[16] Accordingly, the Company is not seeking recovery of any Investor Relations costs as part of this rate case, as reflected on MP Exhibit ___ (Bleicher), Direct Schedule 1. Also, because no Investor Relations costs are included in

[15] *In re Minn. Power's (MP's) Petition for Approval of Affiliate Interests Between ALLETE, Inc. and ALLETE Clean Energy (ACE)*, Docket No. E015/AI-15-712, ORDER (Jan. 14, 2016) (eDocket No. 20161-117279-01).
[16] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, ORDER APPROVING PETITION FOR ACQUISITION WITH CONDITIONS AND ESTABLISHING OTHER REQUIREMENTS at Settlement Stipulation Section ¶ 1.52 (Dec. 10, 2025) (eDocket No. 202512-225721-01).

Minnesota Power rates, there is no allocation of such costs to customers and no additional information to provide regarding determination of the allocation.

D. Allocation of Board of Directors Expenses

Q. Has the Commission asked Minnesota Power to provide information related to cost allocations of Board of Directors expenses?

A. Yes. In 2016, the Commission directed Minnesota Power to provide information about how its Board of Directors expenses are allocated between shareholders and customers and why the allocation is reasonable.[17] The Company has provided such information in past rate cases.

Q. Please explain the nature of ALLETE's Board of Directors expenses.

A. The ALLETE Board of Directors costs primarily include compensation for services provided by the independent members of the Board of Directors and—to a lesser extent—reimbursement for, or payment of, expenditures incurred by the independent members of the Board of Directors for Company business, such as travel expenses to attend board meetings. Any expense reimbursements are reviewed and approved prior to payment.

Q. Please explain the makeup of ALLETE's Board of Directors following the Acquisition.

A. ALLETE's Board of Directors is comprised of fourteen members. This includes three members representing GIP, two members representing CPP Investments, and the CEO of ALLETE. The remaining eight members of the Board of Directors are considered "independent" members. This structure was agreed to by the Company, GIP, and CPP Investments, and the Commission made it a compliance condition in the Acquisition.[18]

[17] *In re Minn. Power's (MP's) Petition for Approval of Affiliate Interests Between ALLETE, Inc. and ALLETE Clean Energy (ACE)*, Docket No. E015/AI-15-712, ORDER at 1 (Jan. 14, 2016) (eDocket No. 20161-117279-01).
[18] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, ORDER APPROVING PETITION FOR ACQUISITION WITH CONDITIONS AND ESTABLISHING OTHER REQUIREMENTS at Order Point 14 (Dec. 10, 2025) (eDocket No. 202512-225721-01).

Q. How does Minnesota Power ensure that it is budgeting a reasonable amount of Board of Directors expenses?

A. The annual budget is initiated at the work area level and is subject to a series of reviews and approvals. The Board of Directors expense budget is no exception.

Q. How are ALLETE's Board of Directors costs allocated between Minnesota Power regulated activities and non-regulated activities?

A. For the 2027 test year, Board of Directors costs (which as described below consist only of expenses relating to the independent members) are allocated approximately 67 percent to Minnesota Power regulated activities using the Company's corporate equity allocator, as described below. The remaining 33 percent of costs are allocated to subsidiaries. The allocation is based on each entity's forecasted equity balance at the close of 2027.

Q. Does Minnesota Power propose to include a portion of ALLETE's Board of Directors costs in rates?

A. Yes. The Board of Directors serves as the key oversight for the Company, and a utility cannot function without a board of directors or other management body—regardless of whether it is publicly held or a private company. As such, Board of Directors costs should be included in rates. However, Paragraph 1.54 of the Settlement Stipulation and Order Point 2 of the December 10, 2025, Order in the Acquisition specifies that "[f]or as long as Minnesota Power is owned by the Partners, Minnesota Power will not request rate recovery of board compensation or expenses for any board member not independent from the Partners."[19] In compliance with this requirement, no board compensation or expenses for the non-independent board members have been included. The costs associated with those directors have been excluded from the Company's rate request in this case.

[19] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, ORDER APPROVING PETITION FOR ACQUISITION WITH CONDITIONS AND ESTABLISHING OTHER REQUIREMENTS at Settlement Stipulation Section ¶ 1.54 and Order Point 2 (Dec. 10, 2025) (eDocket No. 202512-225721-01).

Board of Directors expenses that are included in the Company's rate request include compensation, travel costs, lodging, and other incidental costs allocable to Minnesota Power. For the eight independent Board members for whom expenses are sought in this rate case, the Company is taking the approach as in its previous rate cases: it is seeking all of the Board expenses, except for meal expenses.

Volume 3, Schedule H – 4 provides the Board of Directors compensation and expense reimbursements for the 2027 test year. Volume 3, Schedule H – 1 and MP Exhibit ___ (Bleicher), Direct Schedule 2 show an adjustment of $51,715 Total Company ($44,350 MN Jurisdictional) to reduce the Company's rate request by excluding Board of Directors reimbursements for meal expenses, based on the same methodology used for calculating the proposed employee expense adjustment.

Q. Will Minnesota Power have its own Board of Directors if a holding company is formed as requested in the Reorganization Application?

A. Consistent with how other regulated utilities are governed within a holding company structure, Minnesota Power will have an internal Board of Directors that will be made up of only New ALLETE and Minnesota Power employees. As a result, participation on the Minnesota Power Board of Directors is not expected to incur material additional costs. New ALLETE's Board of Directors will continue to provide primary oversight to all of New ALLETE's subsidiaries, post-formation of a holding company.

E. Corporate Equity Allocator

Q. What is the purpose of this section of your testimony?

A. The purpose of this section of my testimony is to discuss Minnesota Power's "corporate equity" allocator and to explain why the Company uses this allocation methodology.

Q. Does Minnesota Power allocate any costs to the Minnesota utility using its corporate equity allocator?

A. Yes. In its annual compliance filings in Docket No. E015/M-01-1416, *Asset Separation and Accounting Methodology*, the Company describes each Allocation Method

currently in use and the basis on which costs are allocated. As of 2026, only Board of Directors costs are allocated solely on the corporate equity allocator method.[20] As stated above, the Company will only seek recovery on allocated costs for the eight independent members of the Board of Directors.

Q. Does Minnesota Power allocate any costs to the Minnesota utility using the corporate equity allocator in combination with other allocators?

A. Yes, the 2026 compliance filing in Docket No. E015/M-01-1416 also shows that there are areas of costs that are allocated based on combinations of corporate equity and fixed asset balances. These areas are Audit, Strategic Planning, Financial Planning, Tax Services, Financial Reporting, Finance Services, External Communications, Legal Services, and General Accounting Services. Costs within these areas are directly assigned when possible. However, not all charges in these areas can be directly assigned, because such costs are incurred routinely for the benefit of all or multiple areas of ALLETE.

Q. Please describe why Board of Directors costs cannot be directly assigned.

A. Generally, it is not possible to readily identify or quantify which ALLETE entity benefits from activities and expenses such as those of the Board of Directors. Meetings of the Board of Directors cover a myriad of topics that involve ALLETE as a whole, as well as specifics for subsidiaries. It would be impractical to directly assign the costs of such meetings.

Q. Please explain why Board of Directors costs cannot be allocated using an indirect cost causative allocator.

A. Allocating certain types of costs using an indirect cost causative allocator is not always practical or capable of being done in a consistent manner. For example, Board of Directors costs bear no rational relationship to headcount, number of computers, fixed

[20] *In the Matter of the Petition of Minn. Power for Approval of Asset Separation and Accounting Methodology*, Docket No. E015/M-01-1416, COMPLIANCE FILING (April 22, 2026) (eDocket No. 20264-230800-01).

asset balances, and the like. Rather, Board of Directors costs are incurred based on the overall needs of ALLETE.

Q. Why does the Company use a corporate equity allocator for Board of Directors costs, instead of the Commission's general allocator of "expenses less purchased goods sold"?

A. For the Board of Directors, the corporate equity allocator is superior to the "expenses less purchased goods sold" because it more directly aligns expenditures with the associated value of each entity. Minnesota Power has long used the corporate equity allocator; it has done so since its initial 2001 filing in Docket No. E015/M-01-1416. The use of the corporate equity allocator was also addressed in Docket No. E015/AI-15-712 and explained as follows:

> Corporate Equity is calculated utilizing the amount of equity investment in various entities – ALLETE/MP, MP Lines of Business,[21] and ALLETE Subsidiaries. It is not the intent to claim equity as a cost causative factor of increased activity. However, it is an available "number" that often can be equated with the value of an entity and, as such, it is often interpreted that the activity support for an entity increases with its value. Minimal use of the method is desired.[22]

Q. Does use of the corporate equity allocator for Board of Directors costs harm customers?

A. No. To the contrary, the use of the "expenses less purchased goods sold" allocator could result in higher allocations to Minnesota Power and its customers over time as a result of fluctuations in expenditures at Minnesota Power.

Q. Has the Company performed a comparison of the corporate equity allocator method and the "expenses less purchased goods sold" method?

A. Yes. In the rate case filed by Minnesota Power in 2023 (Docket No. E015/GR-23-155) (the "2023 Rate Case"), the Company demonstrated that in 2022, the corporate equity

[21] This component, "MP Lines of Business," is no longer in use.

[22] *In the Matter of Minn. Power's (MP's) Petition for Approval of Affiliate Interests between ALLETE, Inc. and ALLETE Clean Energy (ACE) – New Lease Agreement*, Docket No. E015/AI-15-712, ORDER at 11 (Jan. 14, 2016) (eDocket No. 20161-117279-01) (quoting Minnesota Power's explanation of the corporate equity allocator).

allocator method utilized by Minnesota Power resulted in an allocation to customers of approximately 51.4 percent of corporate costs, which was lower than the amount allocated using a modified expenses less purchased goods sold allocator, which would have resulted in approximately 75.7 percent of corporate costs being allocated to Minnesota Power regulated operations. Even when depreciation, amortization, and property and other tax expenses were added back into the calculation, the allocation under the expenses less purchased goods sold would have resulted in an allocation to customers of 73.3 percent, still considerably higher than utilizing the corporate equity allocator method.

Consistent with that previous comparison, Minnesota Power has undertaken a comparison using 2025 data. It shows that the corporate equity allocator method produces results that are more favorable for customers than the "expenses less purchased goods sold" method. MP Exhibit ___ (Bleicher), Direct Schedule 3 illustrates the allocation percentages using the corporate equity allocator versus the "expenses less purchased goods sold" allocator. In the 2025 Most Recent Fiscal Year, the corporate equity allocator method utilized by Minnesota Power resulted in an allocation to customers of approximately 54.1 percent, which again is lower than the amount allocated using a modified expenses less purchased goods sold method, which would result in approximately 85.7 percent of corporate costs being allocated to Minnesota Power regulated operations. This calculation excluded depreciation, amortization, property and other taxes from expenses. Adding these items back into the calculation would still result in a higher allocation to customers of 78.8 percent under the "expenses less purchased goods sold" method compared to utilizing the corporate equity allocator method.

Q. Please summarize why the corporate equity allocator is reasonable for Minnesota Power's customers.

A. The corporate equity allocator is the better method because it more directly aligns Board of Directors' expenses with the value of each entity, rather than the level of expenditure at each entity, which is neither dependent on nor the objective of the Board of Directors'

efforts. The corporate equity allocator is not subject to annual swings in expenditure levels, and customers benefit when the Company makes a new or additional investment in an entity. A comparison of the allocation methods shows that customers are helped, not harmed, by the Company's use of the corporate equity allocator.

III. EMPLOYEE EXPENSES

Q. What is the purpose of this section of your testimony?

A. In this section of my testimony, I provide support for the employee expense information that the Company is providing in compliance with Minn. Stat. § 216B.16, subd. 17 ("Employee Expense Statute"). The employee expense schedules are provided in Volume 3, Schedule H to the Company's initial filing. I have also provided the Company's written policies governing employee expenses. They are provided in MP Exhibit ___ (Bleicher), Direct Schedule 4 and MP Exhibit ___ (Bleicher), Direct Schedule 5.

A. Overview of Employee Expenses and the Company's Policy

Q. How does Minnesota Power incur "employee expenses"?

A. Employee expenses are those expenditures incurred by employees in the course of their employment and in support of the Company's business, such as travel, meals, lodging, and similar expenses. These expenses are tracked in the Company's employee expense reporting system. These expenses are among the categories set forth in the Employee Expense Statute. Employee expenses include expenditures for airfare, hotel stays, car rentals, parking, meals for business purposes, and dues for memberships in organizations. These may be expenses that, in the furtherance of their work for the Company, an employee pays for using their own financial resources and then is reimbursed, or there may be expenses that are paid for using a Company credit card or invoiced directly to and paid by the Company.

Q. Are the Company's employee expenses needed for the provision of utility services?

A. Yes. Company business regularly requires that employees work at locations other than their offices or primary work locations. Employees often incur expenses when they

work in the field to ensure the reliability of the Company's facilities and equipment, manage workers across the Company's service territory, meet with customers and other stakeholders, or travel to attend conferences or trainings to maintain their knowledge base. Additionally, some employees work at remote locations and must attend meetings or training at the Company's main offices in Duluth, Minnesota, causing them to incur travel expenses. Employees also attend training from time to time to ensure they are performing their jobs at their highest capacity or complete continuing education to maintain their professional licenses.

The Company encourages employees to take advantage of web-based training to the greatest extent possible, but not all training sessions are available through this technology, and certain professional licenses limit the use of web-based or on-demand training to comply with licensing requirements. Employee expense guidance is provided in the Company's Employee Handbook, which is attached to my Direct Testimony as MP Exhibit ___ (Bleicher), Direct Schedule 5.

Q. Does Minnesota Power have an employee expenses policy?

A. Yes. The Company developed a written policy after its 2009 rate case (Docket No. E015/GR-09-1151) (the "2009 Rate Case"). That policy is documented in Section V of the Employee Handbook and provides guidelines for all employees regarding business-related expenses.

Q. How does Minnesota Power implement, and ensure that employees adhere to, its employee expenses policy?

A. The Company provides guidance to employees in a number of ways. First, the Employee Handbook addresses customer impacts of employee expenses:

> A significant portion of ALLETE consists of regulated utility operations. As such, both Minnesota Power and Superior Water Light & Power are subject to regulatory review to ensure that the utility rates we charge our customers are reasonable and deemed necessary for the provision of utility service. Thus, the impacts on Minnesota and Wisconsin ratepayers should always be considered when incurring and charging an expense.

> Expenses incurred while working on regulated operations (such as Minnesota Power, Superior Water Light & Power) should be charged to a regulated work order. Expenses incurred while working on non-regulated operations (such as BNI Energy, ALLETE Clean Energy, New Energy Equity or non-regulated business development) should be charged to a non-regulated work order. The Company has also determined that entertainment expenses will not be charged to ratepayers (as specified in Entertainment Events and Meals below); therefore, the correct cost type and a non-regulated work order must be used for all costs associated with entertainment expenses. Contact Accounting with questions on the proper use of accounts.[23]

Additional procedures and required expense documentation for employees are explained in the Company's Corporate Credit Card Policy, attached as MP Exhibit ___ (Bleicher), Direct Schedule 4. Any employee wishing to receive a corporate credit card must receive supervisor approval, sign a corporate credit card agreement, and complete Expense Training, which is administered electronically through the Oracle Learner Self-Service application. Copies of the instructional materials provided to employees and supervisors are attached as MP Exhibit ___ (Bleicher), Direct Schedule 6 and MP Exhibit ___ (Bleicher), Direct Schedule 7, respectively.

Q. Did the Acquisition impact employee expense reimbursements for the Company's employees?

A. No. Employees will continue to incur the same types of employee expenses under the same policies as they did prior to the Acquisition, and the Company's expense reimbursement policies and employee expense handbook will continue to address how employees may incur and seek reimbursement for employee expenses.

[23] MP Exhibit __ (Bleicher), Direct Schedule 5 – Employee Handbook ALLETE Minnesota Power at 27.

B. Employee Expenses Review

Q. What requirements govern Minnesota Power's filing of employee expenses data for this rate case filing?

A. As noted above, the requirements for filing employee expenses data are set forth in the Employee Expense Statute. The information provided in compliance with the Employee Expense Statute is provided in Volume 3, Schedule H to the Company's initial filing.

Q. Please explain the information contained in Volume 3, Schedule H.

A. Volume 3, Schedule H of Minnesota Power's initial filing contains detailed information about employee expenses for the 2025 Most Recent Fiscal Year, in accordance with the Employee Expense Statute. Specifically, in Schedule H, Minnesota Power has provided the following schedules:

- Schedule H – 1 Summary of Employee Expenses;
- Schedule H – 1A Travel and Lodging Expenses for Employees;
- Schedule H – 1B Travel and Lodging Expenses for Vice President / Ten Highest Paid;
- Schedule H – 2A Food and Beverage Expense for Employees;
- Schedule H – 2B Food and Beverage Expense for Vice President / Ten Highest Paid;
- Schedule H – 3 Recreational and Entertainment Expense;
- Schedule H – 4 Board of Directors Expenses and Compensation;
- Schedule H – 5A Ten Highest Paid Officers and Employees' Compensation;
- Schedule H – 5B Additional Expenses for Vice President / Ten Highest Paid;
- Schedule H – 6 Dues and Expenses for Membership in Organizations or Clubs;
- Schedule H – 7 Gift Expenses;
- Schedule H – 8 Dues and Memberships with Lobbying;
- Schedule H – 9 Miscellaneous Expense;
- Schedule H – 10 Aircraft Expenses; and
- Schedule H – 11 Lobbying Expenses.

In Volume 3, Schedule H – 8, I have included a schedule showing the lobbying-related portion of certain dues. This schedule is to be used in conjunction with Volume 3, Schedule H – 6. Volume 3, Schedule H – 9 contains the details of employee expenditures for parking, registrations, fees, and other miscellaneous expenditures. This schedule provides additional transaction details for travel and also includes other employee-type expenditures not specifically required under the Employee Expense Statute. The Company is not requesting recovery of Minnesota Power's allocated share of corporate aircraft expense; therefore, as indicated in Volume 3, Schedule H – 10, information regarding such expenses is not included. As indicated in Volume 3, Schedule H – 3, a detailed schedule is not included for Recreational or Entertainment expenses as these are accounted for in non-regulated expenditures. Similarly, as Volume 3, Schedule H – 11 indicates, lobbying expenses are excluded expenses for which the Company is not seeking recovery, as discussed below; therefore, transaction data is not included. Finally, MP Exhibit ___ (Bleicher), Direct Schedule 8 provides a one-page summary of the total amounts for each of the employee expense categories in Schedule H. This one-page summary is also provided as Volume 3, Schedule H – 1.

Q. Does Minnesota Power request that any of the information in Volume 3, Schedule H be classified as non-public data?

A. Yes. Volume 3, Schedule H – 5A includes compensation information for the ten highest paid employees of the Company. The Employee Expense Statute allows for the salary of one or more of the ten highest paid officers and employees of Minnesota Power, other than the five highest paid, to be treated as private data on individuals. Minnesota Power requests that the salaries of the highest paid employees, other than the five highest paid be kept non-public for competitive reasons. Accordingly, the Company has submitted Volume 3, Schedule H – 5A consistent with the Commission's procedures for protecting nonpublic information.

Q. Please provide additional information explaining how Minnesota Power tracks and accounts for employee expenses.

A. The Company uses software called Oracle Payables to process all invoices, employee expense reimbursements, and company credit card reconciliations. In addition to payment for business meals and travel expenses, employees are encouraged to use a corporate-issued credit card for registrations, books, dues and subscriptions, safety work clothing, and miscellaneous relatively inexpensive ($3,000 or less) material purchases necessary to conduct Company business.

All transactional details are maintained in Oracle Payables and are also stored in a data warehouse. The data warehouse provides a single source for storing all financial transactions, allowing users to access information in one location rather than needing access to multiple financial sub-ledgers.

Q. How did Minnesota Power extract the data provided with this rate case?

A. As previously noted, the Employee Expense Statute requires that Minnesota Power provide employee expenses data from the Company's last completed fiscal year—in this case, 2025. The original extraction of data was limited to costs assigned to the Minnesota electric jurisdiction, either directly or through allocation. Cost types were developed as part of the Company's chart of accounts to capture expenses into categories based on the Employee Expense Statute. This is consistent with how data was extracted in the Company's previous rate cases.

Q. How was the data warehouse queried to develop the employee expense schedules?

A. Using the data warehouse, queries were made on each cost type, exported to Microsoft Excel, and then separated into spreadsheets based on the filing requirements of the Employee Expense Statute. These expenses were either paid via direct Company invoices from the vendor, employee expense report reimbursement, or by corporate credit cards issued to employees. Searches for employee expenses charged via expense report or credit card for cost types not specifically identified in the Employee Expenses Statute—such as cost types used for contractor services, safety clothing and equipment

for plant, construction or maintenance personnel, or office supplies—were also completed.

Q. How was the queried data formatted for executive employees and Board of Directors?

A. The Employee Expense Statute requires the Company to include schedules of expenses for the ten highest paid officers and employees,[24] board members,[25] and travel and lodging and food and beverage expenses for all employees at the level of vice president or above.[26] A list was compiled of the ten highest paid employees for 2025. For simplicity, this list was combined with the vice president-level and higher group and used a single group of individuals for both the top ten highest paid and the vice president level and higher reporting requirements. Volume 3, Schedules H – 4, 5A and 5B include the compensation and expenses of the board members and the ten highest paid employees, respectively. For other incidental expenses, the executive-specific cost types were used to pull the data. These cost types were designed to be used by all executives for their expenses, as a way to comply with the Employee Expense Statute for both the top ten highest paid and the vice president level and higher reporting requirements.

Consistent with the Company's 2021 rate case (Docket No. E015/GR-21-335) (the "2021 Rate Case") and the 2023 Rate Case, Minnesota Power is voluntarily not requesting recovery of employee expenses for the travel, lodging, and meals of ALLETE Chair, President and Chief Executive Officer, Bethany M. Owen, ALLETE Vice President, Chief Financial Officer, and Corporate Treasurer Jeffrey J. Scissons (positions and titles currently held by these individuals), and former ALLETE Senior Vice President, Chief Financial Officer Steven W. Morris. Data for those persons has been omitted from the Schedules.

[24] Minn. Stat. § 216B.16, subd. 17(a)(5).
[25] Minn. Stat. § 216B.16, subd. 17(a)(4).
[26] Minn. Stat. § 216B.16, subd. 17(b).

Finally, Minnesota Power has also excluded from these schedules reimbursements for food and incidentals expenses for members of ALLETE's Board of Directors, as discussed below.

Q. How was the data for the Employee Expenses Schedules reviewed?

A. Minnesota Power rigorously reviewed the data in several ways to identify expenses that may not be appropriate for recovery in rates, before organizing it into each required reporting category. The first level of review was a keyword search process.

Q. How was the keyword search process performed?

A. The Company used keyword searches as an aid to identify transactions for review. Minnesota Power started with the keyword listing from the Company's last rate case, and included additional words that should be searched for based on most recent company activity. The keyword list is attached as MP Exhibit ___ (Bleicher), Direct Schedule 9 to my testimony. Transactions where keywords were found were further reviewed to determine the appropriateness of the business purpose. The Company also made a good-faith effort to identify and review any expenses containing a misspelled search term. The keyword search was one of many ways in which the large amount of data was analyzed, but it should not be assumed that all transactions where these words were found have been excluded.

Q. Please describe the line-by-line evaluation performed after keyword search-based exclusions were complete.

A. Minnesota Power then reviewed the data for transactions related to employee recognition, foreign travel, lobbying, investor relations, economic development, and life and social events. This process was largely manual and included line-by-line reviews of all employee expenses. Transactions were excluded based on the following criteria:

- Individual employee recognition was excluded;
- Foreign travel was excluded, except to the extent it was specifically related to utility operations, such as agreements with Manitoba Hydro;

- Lobbying-related transactions[27] were excluded. In addition, dues paid by the Company to organizations were evaluated to determine whether any portion of those dues was used for or related to lobbying, and if so, an adjustment was made to remove the lobbying portion;
- Employee expenses transactions incurred in connection with Investor Relations were identified and removed from the employee expense schedules; as described above, the Company is not seeking recovery of any Investor Relations expenses in the 2027 test year.
- Employee expense transactions incurred in connection with Economic Development are included in the employee expenses schedules. Economic Development employee expenses are subject to the 50 percent exclusion for all 2027 test year expenditures for interim rates and final rates, as discussed in the Direct Testimony of Company witness Amanda L. Turner. Costs related to Economic Development activities are also addressed in the Direct Testimony of Company witness Arik C. Forsman;
- All expenses related to individual employee safety and employee recognition awards were excluded;
- Life and social event transactions, including non-discretionary length of service awards (including gift cards) and retirement awards issued by ALLETE's Human Resources Department, were removed, consistent with the Commission's Findings of Fact, Conclusions, and Order in the 2021 Rate Case.
- As mentioned above, all expenses charged by Bethany M. Owen, Jeffrey J. Scissons, and Steven W. Morris were excluded, and each expense from their respective assistants was manually reviewed and excluded when appropriate;
- Expenses related to the Board of Directors prior to the Acquisition, such as food and incidentals, were excluded, but travel and lodging remain. There were no post-Acquisition Board of Directors costs for the independent directors in 2025.

[27] Lobbying transactions as defined in FERC Account 426.4 Expenditures for certain civic, political, and related activities as discussed below.

Of the six non-independent Directors, only Bethany M. Owen charges expenses to the Company and all of her charges have been excluded, as noted above; and

- Consistent with a commitment made by the Company in the Acquisition proceeding, all expenses related to the Acquisition were excluded.[28]

Q. How did Minnesota Power identify transactions with a vague line description?

A. Minnesota Power first manually reviewed each transaction to assess if the vendor and line description, by itself, provided an adequate description to determine its business purpose. If the vendor or line description was vague but contained the word "meeting," "travel," or "training" or the line description was detailed enough to contextualize the expense, the expense would be included. If the context could not be determined by this review and analysis, then the item would be removed.

Q. Is it reasonable to conclude that employee expenses that are not appropriate for rate recovery have been appropriately excluded from the test year?

A. Yes. The Company's review of employee expenses was thorough and complete. Minnesota Power has made a good-faith effort to exclude any items that are not necessary for the provision of utility services and attempted to err on the side of exclusion rather than inclusion of expenses. That said, the determination of the validity of transactions requires careful consideration and the application of judgment. For example, when an employee's business description of the expense did not provide enough information to determine validity, other information in the accounting data — such as the description of the charging work order or knowledge of the type of work that employee is engaged in on a daily basis — was reviewed to gain additional insight. Ultimately, supervisors are responsible for determining the validity of their employees' expenses before approving them. The supervisors are in the best position to understand the scope of work being performed by an employee and any necessary employee expenses related to that work.

[28] *In the Matter of the Petition of Minn. Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, Docket No. E015/PA-24-198, ORDER APPROVING PETITION FOR ACQUISITION WITH CONDITIONS AND ESTABLISHING OTHER REQUIREMENTS at Settlement Stipulation Sections ¶ 1.40 and ¶ 1.41 (Dec. 10, 2025) (eDocket No. 202512-225721-01).

Q. Has Minnesota Power excluded all employee expenses related to the Acquisition?

A. Yes. The Company excluded all expenses that stemmed from activities, events, meetings, and other items related to the Acquisition, as noted above.

Q. Could you provide additional information about employee expenses in the "gifts" category in the Company's 2027 test year?

A. The category commonly referred to as "gifts" consists of forms of compensation that include service anniversary, retirement, performance, and safety awards, and other nominal employee and non-employee gifts.

Service Awards

Service awards are small amounts, provided by gift cards, that are given to employees as they reach milestones in their employment history with the Company, such as 20 years of service. As discussed in the Direct Testimony of Company witness Wing H. Chan, such service awards are reasonable and important components of the Company's overall compensation and benefits package. In the 2021 Rate Case, Minnesota Power was denied recovery of these awards, and has excluded those costs from Schedule H-7 in this rate case. But because service awards are an important part of the Company's overall approach to employee retention, it is seeking recovery of these expenses in the 2027 test year.

Retirement Awards

Retirement awards, provided in the form of a $250 gift card, are given to employees when they retire from the Company. Retirement awards are appropriate because they provide meaningful recognition to employees for their service to the Company and support the Company's "exit with respect" strategy. In the 2021 Rate Case, Minnesota Power was denied recovery of these awards, and those costs have been excluded from Schedule H-7. Because retirement awards provide meaningful recognition of the Company's employees and supports employee morale, it is seeking recovery of these expenses in the 2027 test year.

Performance Awards

Performance awards covered under the employee expense "gifts" category are provided in the range of $50 to $250 via gift card and are intended to recognize more immediate accomplishments, such as going above and beyond normal job duties or delivering exceptional performance on specific projects. These are an important way to support employee morale, and Minnesota Power is seeking recovery of these expenses in the 2027 test year.

Less frequently, the Company has provided larger spot bonus awards. These are paid as compensation, and the Company does not consider them to be within the "gifts" category of employee expenses. These spot bonus awards are discussed in the Direct Testimony of Company witness Chan.

Safety Awards

Safety is a core value of the Company's culture. The Company, its employees, and its customers all benefit from a commitment by the Company's employees to provide its services in a safe manner. Rewarding employees for safety helps to encourage and re-enforce this commitment. This can be in the form of nominal gifts at safety meetings and recognition for identifying hazards and reporting them timely. The Company was allowed recovery of these costs in past rate cases and is seeking recovery of these costs in the 2027 test year.

Other Employee and Non-Employee Gifts

Employee gifts and non-employee gifts that are not covered in the above awards include small items for employee life events (such as birthdays or baby showers) and customer outreach events. The Company is not seeking recovery of these items in the 2027 test year.

The Company's budgeted "gifts" – everything described above except spot bonuses -- total $225,545 ($193,423 MN Jurisdictional) for the 2027 test year. These expenses

have been adjusted by $137,144 ($117,612 MN Jurisdictional) for the reasons explained above, as well as to account for non-recoverable costs found in the Company's employee expense review, as shown on MP Exhibit ___ (Bleicher), Direct Schedule 8. The remaining amount sought for this category, consisting of service awards, retirement awards, performance awards, and safety awards, totals $88,401 ($75,811 MN Jurisdictional).

Q. What are the results of Minnesota Power's employee expense review?

A. The total forecasted amount of employee expenses (including Board of Directors expenses and compensation) for the 2027 unadjusted test year is $7,023,923 Total Company. As a result of the employee expense review, Minnesota Power has identified a Test Year Adjustment in the amount of $747,838 Total Company. This amount has been excluded from the test year cost of service. The remaining amount of employee expenses is $6,276,085 Total Company. A summary schedule of the Test Year Adjustment, by type of expense, is included as MP Exhibit ___ (Bleicher), Direct Schedule 8.

Q. How does Minnesota Power's forecasted total employee expense for the 2027 test year compare to 2025 actuals?

A. As mentioned in the Direct Testimony of Company witness Joshua G. Rostollan, the Company forecasts an increase of $2.2 million (unadjusted) in employee expenses in the 2027 test year as compared to 2025 actuals. The increase is smaller when one considers the adjustments. For 2025, the Company's actual total amount of employee expenses (including Board of Directors expenses and compensation and adjusted by subtracting for 2025 Adjustments) was $4,539,288. As noted above, the Company's forecast for the 2027 test year, after removal of the Test Year Adjustment, is $6,276,085. The change from the 2025 figure to the 2027 figure is $1,736,797. The reason for the increase from 2025 is that the Company anticipates higher travel costs, increased training registration fees, and increased membership dues.

Q. Why is the Company anticipating increases in employee travel costs, training registration fees, and membership dues?

A. As the Company continues the clean energy transition, Minnesota Power's employees are traveling to various, sometimes new, locations to construct, inspect, and maintain new and existing generation resources, distribution lines, transmission lines, and substations. Company employees also need to be trained and stay informed on how to maintain new infrastructure that the Company is constructing and operating. These activities lead to higher employee travel costs, training registration fees, and membership dues. In addition, the Company has seen an increase in travel costs, such as fuel and airfare prices, due to inflation. The Company expects this trend to continue to contribute to the overall cost of attending such trainings and traveling to Company worksites.

These costs are needed for the Company to have a skilled workforce that can respond to the needs of Minnesota Power customers and continue to provide safe, reliable, and cost-effective electric service, all while working towards the clean energy transition. This requires the Company to enroll its employees in both internal and external training courses and forecast costs to enroll additional employees in such trainings as the Company forecasts increased headcount to support such expanded operations. In addition, travel costs and training fees continue to increase from year to year. Overall, these costs are intended to ensure the Company has a skilled, well-trained workforce that it will need to provide safe, reliable, and cost-effective electric service while considering inflationary increases associated with such costs.

Q. Has the Company fulfilled its commitments and Commission requirements in developing its schedules and the employee expense and adjustment?

A. Yes. The information provided in my Direct Testimony and the Employee Expenses Schedules satisfies the requirements established by the Employee Expense Statute.

C. Memberships and Dues

Q. Has the Company included costs associated with memberships and dues in its employee expenses?

A. Yes. Minnesota Power has included these costs in the 2027 test year and rate recovery request. Please refer to the Direct Testimony of Company witness Turner for more information on how memberships and dues were included in the test year and rate recovery request.

Q. Please explain how Company memberships in various trade, professional, and industry organizations provide value to Minnesota Power's customers.

A. The Company and its customers derive value from membership in each of the organizations for which the Company has included dues amounts in its rate request. These organizations provide key insights into and education on various aspects of the industry and allow Minnesota Power and its employees to efficiently provide service to Minnesota Power customers. Additionally, many of the Company's employees maintain licenses that are necessary to perform Company functions related to the planning, design, and maintenance of Minnesota Power's generation and power delivery systems. These licenses require ongoing continuing education—including awareness of new technologies, requirements, codes, and standards—which many of these organizations provide access to for members. Minnesota Power thoughtfully evaluated the memberships and dues that resulted in the amounts included in the 2027 test year, and only those that provide value to the Company's customers and were reasonable and necessary were included.

Q. Does the Company seek recovery for the dues it pays to Chambers of Commerce?

A. Yes. It is important to participate in the Chambers of Commerce of the communities it serves. By supporting these organizations, the Company demonstrates its commitment to local communities and can ensure that it is being responsive to the needs of consumers in those communities.

Q. How much does the Company seek to recover to pay Chambers of Commerce dues?

A. The Company is a member of numerous Chambers of Commerce across its service area and pays membership dues to these Chambers of Commerce. The Company's membership dues for these Chambers of Commerce totaled $84,726 ($72,659 MN Jurisdictional) in 2025. But the Company recognizes that some of these dues may not be recoverable because they include advertising activities. An adjustment of $10,790 Total Company ($9,253 MN Jurisdictional) was made for these activities. It is important to be engaged with the communities it serves and participate in those Chambers of Commerce, consistent with the Company's commitment in the Acquisition that it would maintain historical levels of community involvement in the State of Minnesota. Therefore, the total amount of Chambers of Commerce related dues requested is $73,936 Total Company ($63,406 MN Jurisdictional).

In addition, the Company also provides sponsorships to certain Chamber of Commerce events. These sponsorships are also included in employee expenses.

Q. Does the Company seek recovery for the dues it pays to the Edison Electric Institute ("EEI")?

A. Yes. EEI is an association that represents all U.S. investor-owned electric companies. EEI is engaged in electric system reliability, sustainability, taxation, energy policy, transmission infrastructure, and other issues of concern to the electric utility industry. The Company and its customers benefit from EEI's expertise and activity on these issues. In particular, the Company and its customers specifically benefit from EEI's extensive work related to transmission, the clean energy transition, response to wildfires, and coordination with the National Association of Regulatory Utility Commissioners ("NARUC"). Company employees also participate in the EEI Rates and Regulatory Affairs Committee, which provides education on rate-related topics and current issues. Minnesota Power has been a long-time member of EEI and has benefited from the organization's expertise and education on emerging policy issues, safety,

operations, and other topics, which, in turn, support positive development and administration of programs and policies for customers.

The electric utility industry operates in a unique business environment, and it is invaluable to have a resource and forum to share best practices and creative solutions with other utilities, particularly during this era of historic change related to the electric industry as a whole. Membership in EEI allows the Company to leverage these solutions on behalf of its customers. Furthermore, EEI provides many services that Minnesota Power cannot duplicate on its own, including critical industry data, strategic business intelligence, training, public policy leadership, state and federal regulatory developments, and conferences. For example, there are important tax and rate education sessions that EEI offers only to its members that, if Minnesota Power had to create and deploy similar programs, would be very costly to the Company.

Q. Does the Company seek recovery for that portion of the dues, paid to organizations such as EEI, that are used for lobbying activities?

A. No. Minnesota Power has closely reviewed whether any portion of dues paid to these organizations was used to conduct lobbying. The Company records dues related to lobbying expenses to FERC Account 426.4 (Expenditures for Certain Civic, Political, and Related Activities). For example, the invoice received from EEI identifies the percentage of dues is used for lobbying-related expenses, and that lobbying portion of the invoice was recorded to FERC Account 426.4. The Company recorded $466,431 Total Company directly to FERC Account 426.4 for lobbying-related expenses in 2025, including $56,732 Total Company of the 2025 EEI dues.

As an additional measure, Minnesota Power reviewed its employee expense records to identify any lobbying-related portion of dues not already recorded directly to FERC Account 426.4. The results of this review are included in Schedule H – 8, Lobbying-Related Portion of Certain Dues and Memberships, which shows an adjustment of $25,714 Total Company ($22,052 MN Jurisdictional) to the test year expenses.

Q. Do Company personnel attend EEI presentations, trainings, and conferences?

A. Yes. Many Company employees participate in EEI activities such as conferences and trainings. To further illustrate the value received by the Company and its customers from the Company's membership in EEI, I have provided some additional information about the Company's interactions with the EEI. The Company has prepared a representative list of some Company employees who attended EEI events in 2025, attached as MP Exhibit ___ (Bleicher), Direct Schedule 10. This information includes the conference or training courses attended and a description of what was learned by the attendees that will aid them in their position with the Company.

The information in Direct Schedule 10 provides a granular demonstration of the value that the Company obtains from its membership and participation in EEI. For example, one participant at EEI's Wildfire Technology Summit described how information learned there was useful in refining the Company's wildfire strategy. That said, attendance at presentations, trainings, and conferences is only one facet of the way in which the Company and its customers derive value from the Company's involvement with EEI.

Q. Does the Company seek recovery for dues paid to the American Gas Association ("AGA") or Minnesota Utility Investors ("MUI")?

A. No. Consistent with the Company's approach in the last two rate cases, Minnesota Power is not seeking recovery of dues paid to MUI. In addition, the Company did not pay dues to AGA in 2025 and did not budget for dues to AGA in 2027.

D. Other Employee Expense Matters

Q. Are there sometimes situations where employees are reimbursed for expenses they incurred, but there is no vendor name associated with the expense as set forth in the Schedules the Company is filing?

A. Yes. When an employee purchases an item with his or her own financial resources, the employee is considered the "vendor" that the Company is paying. This is logical and is

standard practice in any expense tracking system as the system needs to know whom to pay. Minnesota Power reimburses the employee directly, so the employee is the "vendor" for purposes of employee expenses. This is no different than where Minnesota Power pays a contractor's invoice and records only that contractor's name in the ledger, even though there may be third-party expenses detailed on the contractor's invoice, such as fuel or equipment rentals.

Further, the identity of the third party that the employee paid can be determined from the employee's expense report—the supporting documentation is attached to the expense report. Minnesota Power maintains this supporting documentation for future inquiry.

Q. Under what conditions is it appropriate for an employee to make a purchase for the Company using his or her personal financial resources?

A. While employees are trained to use their Company-issued credit card for all company-related purchases, as stated in the Company's Corporate Credit Card Policy (MP Exhibit ___ (Bleicher), Direct Schedule 4), this is not always possible. Various situations arise where an employee is not able to use the Company-issued credit card, including the following: where a magnetic stripe or chip on the card has suddenly become unusable; a Company-issued credit card is not able to be processed at the point of sale due to a reader or card malfunction; the point of sale does not accept credit cards—as happens in certain locations where Minnesota Power's employees need to travel for Company business, including linemen or right-of-way agents—or a Company card has been identified as lost and a replacement Company card has not yet arrived for that employee.

Q. In the event an employee uses his or her own financial resources to make a purchase or purchases and then seeks reimbursement, how are those expenses reviewed?

A. The employee must submit an expense reimbursement request and provide sufficient documentation to support the purchases that were made. The employee's supervisor must review the report and confirm that the expenses for which the employee seeks

reimbursement are consistent with Company policies and appropriately documented. This process for completing an expense report is provided in the Company's instructional manual which is attached as MP Exhibit ___ (Bleicher), Direct Schedule 6. The Company maintains records of these reimbursement requests should future questions arise related to these employee expenses.

Q. Has the Company faced additional scrutiny for these types of employee expenses in prior rate cases?

A. Yes. In the 2016 rate case (Docket No. E015/GR-16-664) (the "2016 Rate Case"), the Office of the Attorney General – Residential Utilities Division ("OAG-RUD") objected to expenses that identified an employee as the "vendor" in the Company's general ledger accounting system as a broad matter.

Q. How did the Commission decide this issue in that rate case?

A. The Commission determined the Company provided sufficient process, and evidence of that process, to reject the OAG-RUD's objections on this issue.

Q. Has the Company addressed this issue since the 2016 Rate Case?

A. Yes, although it was not required. In response to the concerns that the OAG-RUD raised in the 2016 Rate Case, the Company implemented a change to its employee expense tracking system: employees must include information identifying a third-party payee. Because this is a customization to a standard reporting system, the Company may not be able to maintain this feature in future system upgrades or new implementations.

Q. How are Board of Directors expense reimbursements processed?

A. Board of Directors expense reimbursements are not processed within the employee expense reporting system but rather are accounted for and paid using the same processes as with any other external vendor. As a result, the nature and detail of the expense items are not maintained in the employee expense reporting system at the level needed for reporting in this rate case. To address this, the Company manually added the expense detail—with exceptions for personal mileage and internally generated accounting

entries for Board of Directors' compensation expenses and consistent with the Acquisition's Settlement Stipulation—to the Board of Directors schedule included in Volume 3, Schedule H – 4.

Q. Has the process for reimbursing Board of Directors expenses changed due to the change in the make-up of the Board since the Acquisition?

A. No. The process for reimbursement of Board of Directors expenses has not changed. As mentioned previously in my testimony, as of 2026, ALLETE's Board is made up of fourteen members, eight of which are independent. The Company is seeking recovery for the expenses related to only those eight independent Board members.

E. Additional Exclusions

Q. Is the Company requesting recovery for Minnesota Power's allocated share of corporate aircraft expenses?

A. No. The Company has excluded all corporate aircraft expenses from its submissions in this case.

Q. Has the Commission identified any requirements regarding Minnesota Power's accounting for lobbying expenses for this rate case filing?

A. Yes. In Minnesota Power's 2009 Rate Case, the Company was required to adopt accounting procedures to identify lobbying expenses and "to record these expenses to FERC Account 426.4, Civic and Political Expenses."[29]

Q. Has Minnesota Power adopted procedures to identify lobbying expenses and record these expenses to FERC Account 426.4?

A. Yes, as explained above, Minnesota Power has adopted procedures to identify lobbying expenses. It records these expenses to FERC Account 426.4. Consistent with my testimony above, the expenses recorded in this FERC Account are not included in

[29] *In the Matter of the Application of Minn. Power for Auth. to Increase Rates for Elec. Serv. in Minn.*, Docket No. E015/GR-09-1151, FINDINGS OF FACT, CONCLUSIONS, AND ORDER at Order Point 17 (Nov. 2, 2010) (eDocket No. 201011-56128-01).

Minnesota Power's rate request. As part of reviewing employee expenses, Minnesota Power also looked for any indirectly related lobbying expenses and exclude these items.

An adjustment to exclude these expenditures from rate recovery is incorporated in the total Test Year Adjustment, as discussed above. Accordingly, the 2027 test year appropriately excludes lobbying expenses from the Company's cost of service.

IV. RESEARCH EXPENSES

Q. Has the Company included costs for research expenses in the 2027 test year?

A. Yes. Minnesota Power included $190,000 Total Company ($162,110 MN Jurisdictional) of expenses to support Electric Power Research Institute ("EPRI") research as detailed in Volume 3, Direct Schedule G-4. EPRI is a non-profit energy research, development, and deployment organization that provides thought leadership and expertise to the energy sector related to generation, delivery, and use of electricity for the benefit of the public.

Q. Please describe Minnesota Power's investments in EPRI research and how it benefits customers.

A. Minnesota Power has a long history of working with EPRI research experts to address energy and environment related problems. EPRI conducts independent research and development to support the electric industry and address its strategic planning, technical and operational challenges. The independent research may be owned by EPRI or the Company, depending upon the specific nature of the research and related licensing restrictions. Minnesota Power can add or remove target subject areas to best support Minnesota Power operations, providing efficient utility research and development coverage to a full array of current issues that concern the electric utility industry. Current funding covers research areas related to the research and analysis of environmental and climate policy design and implementation, emerging clean energy technology, planning for a clean energy future, and resource planning in changing power supply mix. Each year, Minnesota Power reviews the EPRI programs in which the Company participates and makes adjustments that best support current issues. Customers benefit from

leveraging research focused on target subject areas that support the Company's planning function.

V. CONCLUSION

Q. Does this complete your Direct Testimony?

A. Yes.

Minnesota Power
Investor Relations Costs in Regulated Expense

	2025	2026 [1]	2027 Test Year	2027 Test Year
	Total Company	Total Company	Total Company	Jurisdictional 85.32%
Labor and Overheads	$92,806	$50	$-	
Professional Services	268,776	4,942	-	
Materials	1,102	-	-	
Travel	453	-	-	
Meals	2,048	-	-	
Lodging	210	-	-	
Office Supplies / Postage	748	35	-	
Rental Expense	868	-	-	
Registration / Fees	1,948	-	-	
Dues and Subscriptions	-	-	-	
Other	5,811	-105	-	
Aircraft Costs	9,608	-	-	
Total Unadjusted	384,378	4,922	-	
Percentage Requested in Rate Recovery			0%	
Test Year Adjustment			$-	$-

[1] Actuals through June of 2026.

Minnesota Power
Board of Directors Costs in Regulated Expense

	2027 Test Year Total Company	2027 Test Year Jurisdictional
Board of Directors		85.758%
Compensation	$829,866	
Contract / Professional Services / Materials	103,298	
Meeting and Training Expenses	109,622	
Total Board of Directors Expenses Allocated to Minnesota Power	1,042,786	894,273
Less: Adjustment for Board of Directors Meal Expenses	(51,715)	(44,350)
Portion of Board of Directors Costs requested in Rate Recovery	$991,071	$849,923

Minnesota Power
Expenses Less Purchased Goods Allocator Calculation

Comparison of 2025 Allocation Methods

	Minnesota Power Regulated
Total O&M per FERC Form 1	$816,806
Less: Purchased Fuel Costs	(135,562)
Less: Purchased Power	(361,727)
	319,517
Addback: Allocated Expenses	9,533
Total Minnesota Power Expenses	$329,050
ALLETE, Inc. Consolidated Expenses	$383,860
Percentage attributed to Minnesota Power Regulated	**85.7%**
Total O&M (Including Transmission Services)	$816,806
Less: Purchased Fuel Costs	(135,562)
Less: Purchased Power	(361,727)
Add: Depreciation and Amortization	193,369
Add: Property and Other Taxes	43,016
Add: Payroll tax	5,942
	561,844
Add back: Allocated Expenses	9,533
Add back: Allocated Taxes	228
Total Minnesota Power Expenses	$571,605
ALLETE, Inc. Consolidated	$725,785
Percentage attributed to Minnesota Power Regulated	**78.8%**
Corporate Equity Allocator in Use	**54.1%**



CORPORATE CREDIT CARD POLICY

REVISED OCT 2025

ALLETE INC.

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PROGRAM POLICY

All regular employees who travel on Company business and/or are authorized to make minor purchases for Company business may be issued a corporate credit card. Employees must, however:

- Have supervisory approval,
- Complete the Request for New Account Form (Form 4969),
- Sign the Corporate Credit Card Agreement (Form 6218b) and
- Complete the required credit card training and quiz in My ALLETE Advantage.

Interns and Temporary employees hired through ALLETE and its subsidiaries *may* be issued a Corporate Credit Card in the event of specific business reasons a credit card is needed (e.g. The employee's position will require them to have frequent need to use a corporate credit card for minor purchases as part of their job duties). **Contract employees hired through third party agencies are not permitted to have a corporate credit card.**

Accepting the corporate credit card and signing the agreement requires compliance with the guidelines and procedures contained in this policy and procedure manual. Failure to comply with the published guidelines and procedures may result in disciplinary action, up to and including termination of employment.

PROGRAM OBJECTIVES

Employees are strongly encouraged to use the corporate credit card whenever possible and appropriately. Key benefits to the Company of employees using the corporate credit card include improved cost control and monitoring, elimination of costly processing for small dollar invoices and the receipt of Company rebates/credits from the credit card vendor. If used properly, the key benefits to employees using the corporate credit card include convenience, security and flexibility.

PROGRAM CONTACTS

Wells Fargo Customer Service – 1-800-932-0036 – Cardholder customer service 24/7 – report disputed items

Program Coordinator/Card Program Administrator – Sarah Tucker – Ext. 3378

Card Program Administrator (Back-up) – Jorden Nikunen – Ext. 3356 **Program**

Manager – Amy DeCaigny – Ext. 3733

Corporate Credit Card Inquiries E-mail: corporatecreditcard@allete.com

HOW TO OBTAIN A CORPORATE CREDIT CARD

1. An employee's immediate supervisor completes and signs the Corporate Credit Card Request for New Account (Form 4969) and Credit Card Agreement (Form 6218b).
2. Forward both forms to corporatecreditcard@allete.com.
3. The employee completes the required Credit Card and Expense Policy Training & Quiz in My ALLETE Advantage.
4. When the new card is received, the employee follows the activation instructions on the card to activate the new account

Note: If an employee transfers to a new subsidiary, they will be required to submit new forms and retake the Credit Card and Expense Policy Training and Quiz

PROGRAM ACCOUNT LIMITS

The chart listed below shows standard account limits for Company employees based on their titles.

If any employee wants either limit increased temporarily, they will need to provide a reasoning to their immediate supervisor. Their immediate supervisor will forward their approval via email to corporatecreditcard@allete.com.

Temporary limits can be implemented for a max of 3 months

Title	Single Purchase Limit	Monthly Purchase Limit
All employees under Vice President title	Up to $3000	$5,000
Vice President – Senior Vice President	Up to $5000	$15,000
CEO, President, Chairman	$10,000	$15,000
Supply Chain Representatives	$10,000	$15,000

REQUESTING LIMIT CHANGES TO ACCOUNT

- Supervisor approval is required when requesting a temporary single transaction limit increase. Temporary increases over $10,000 will require VP approval.

- Supervisor approval is required when requesting a temporary monthly purchase limit increase. Temporary increases over $15,000 will require VP approval.

    - Vice President approval is required when requesting a **permanent** single transaction limit greater than $3,000.
    - Vice President approval is required when requesting a **permanent** monthly purchase limit greater than $5,000.

- A request should be sent to corporatecreditcard@allete.com to increase the monthly or single transaction limit along with the appropriate justification and approval

TARGETED AND RESTRICTED TRANSACTIONS

Employees ***should use*** their corporate credit card for the following items:

- Business travel expenses
  - ✓ Commercial air travel (purchased through CTS)
  - ✓ Transportation (taxi, shuttle, etc.)
  - ✓ Enterprise rental vehicles
  - ✓ Parking fees
  - ✓ Lodging and associated expenses
- Business meals
  - ✓ Make sure to write on receipt who all attended the meal
- Conference, seminar, or class registration
- Dues and subscriptions
- Work clothing (safety boots, flame-retardant clothing)
- Miscellaneous small dollar material purchases

Employees ***should NOT use*** their corporate credit card for the following items:

- Cash advances
- Contract or professional services
- Gift cards or certificates (purchase through MPECU using Form 6151)
- Inventory items (Stores)
- IT hardware and software
  - Including cell phones, monitors, scanners, video conferencing equipment, digital cameras – use Hub – IT Assist)
- Medical expenses
- Personal charges
- Political contributions
- Purchases over $3,000
  - Purchases greater than $3,000 require a purchase requisition
  - See Requesting Limit Changes for additional detail

- Single item purchases greater than single transaction limit.
  - Cardholders ***may not*** split purchases to avoid their single transaction limit.
- Small dollar materials with negotiated pricing
  - *Such as office supplies.* A full list of CPA's and preferred suppliers can be found on the Supply Chain home page under Suppliers & Contractors.

NOTE: *These lists may not be all-inclusive.*
Questions on appropriate uses should be directed to Supply Chain.

NOTE: Misuse of the Corporate credit card for unauthorized charges may result in disciplinary action up to and including termination of employment.

ACCOUNT MAINTENANCE

For account maintenance, such as a name change or replacing a card for a broken or damaged card, contact corporatecreditcard@allete.com.

REPORTING LOST OR STOLEN CARDS

- Contact Wells Fargo Customer Service **IMMEDIATELY** – 1-800-932-0036 to report a lost or stolen card. Wells Fargo will record the circumstances of the loss or theft, the cardholder's name and account number. They will issue a replacement card to cardholder.
- Contact corporatecreditcard@allete.com to report the lost or stolen card.

REPORTING FRAUDULENT CHARGES

- The cardholder is held accountable for ***all*** charges on their Corporate credit card, and must promptly report all fraudulent charges.
- Contact Wells Fargo Customer Service **IMMEDIATELY** – 1-800-932-0036 to report possible fraudulent charges. Cardholder may be required to review all charges considered fraudulent. Wells Fargo will issue a new card for a new account if it is determined that the existing account should be cancelled at this time.
- Contact corporatecreditcard@allete.com to document the report of fraud.

HANDLING A DISPUTED CHARGE

- Contact the merchant to attempt to resolve the disputed charge as soon as possible.
- If you cannot resolve the disputed charge with the merchant, contact Wells Fargo Customer Service – 1-800-932-0036 to report the disputed charge on the account. Wells Fargo will record the circumstances of the disputed charge and advise you on resolution.
- Visa®/MasterCard® regulations stipulate that we cannot dispute the charge(s) due to the lapse in time. Regulations require disputes to be initiated within 60 days of posting.

STATEMENT CUT-OFF DATE/MONTHLY LIMIT REFRESHED

Statement cut-off date is the 25th of the month. Full monthly limit is refreshed on the 26th of the month.

RESPONSIBILITIES

CARDHOLDER

1. The corporate credit card is the property of the Company and is to be used for Company business purposes ***only***. Any inadvertent personal charges must be reimbursed within 30 days. A personal check must be attached to the reconciliation to cover all personal charges. This is something that is closely monitored and should not happen unless you are paying for safety boots, flame-retardant clothing, personal phone calls or personal expenses related to business travel.

2. The corporate credit card is issued in the name of the cardholder and no one except that cardholder may use the card.

3. Cardholder safeguards the corporate credit card and its account number against loss or theft.

4. Cardholder agrees to follow Company policy related to use of the corporate credit card and co-signs the Corporate Credit Card Agreement with immediate supervisor to confirm agreement.

5. Cardholder verifies the accuracy of each transaction.

6. Cardholder identifies and resolves disputed and unauthorized charges, including immediate reporting of fraudulent charges to Wells Fargo.

7. Cardholder completes transaction reconciliation within 30 days, documenting a valid business justification to include explanation of expenditures, dates, places / locations and names of the individuals if purchase applied to someone other than cardholder.

8. Cardholder attaches ***all receipts, scanned (clear and legible),*** containing an itemized list of all items purchased and the total cost for all of the items purchased to the expense report within Oracle iExpense. (Substitute Receipt Form 6320 must be completed, approved by supervisor and attached to the expense report in Oracle for all missing receipts.) Cardholder submits completed expense report (with a digital copy of all receipts) through Oracle to supervisor for review and approval.

See the Oracle 101 iExpense Manual for detailed instructions.

9. Reconciliations are due within 30 days of transaction download into Oracle iExpenses.
    a. **Account Suspension -** accounts with delinquent transactions older than 60 days will be placed in suspension**:**
        i. First time suspension: all transactions must be reconciled and approved. Email corporatecreditcard@allete.com once the report has been submitted and approved by the supervisor for the account to be reinstated.

        ii. Second time suspension: all transactions need to be reconciled and approved, and the employee must ask their Vice President for approval to reinstate their corporate card. *The approval email should be forwarded to corporatecreditcard@allete.com.* Once these tasks have been completed, the account will be reinstated.

        iii. Third time suspension: the account will be closed and any company-related expenses will be processed through the expense personal reimbursement process.
            1. If an employee wishes to have their card reinstated, the employee must:
                a. Have all transactions be reconciled and approved.
                b. Review and pass the corporate credit card training and quiz, located in My ALLETE Advantage.
                c. Create a comprehensive "action plan" which outlines agreed upon steps to insure adherence to company policy going forward.
                d. Send the action plan to their VP **and** the CFO of ALLETE for review. *The approval will be heavily dependent on the comprehensive "action plan".*
                e. Forward a photo of the completed training and quiz, the action plan and the VP & CFO approvals to corporatecreditcard@allete.com for the card to be reinstated.

        iv. This reinstatement process is required for all subsequent occurrences.

10. Cardholder returns the corporate credit card to immediate supervisor before leaving service.

***NOTE**: Violation of this policy may result in disciplinary action, up to and including termination of employment.*

SUPERVISOR

*It is the supervisor's responsibility to ensure every reconciliation is **complete** and **accurate** before it is submitted in Oracle (to Accounts Payable). Please carefully review each of your employees' reconciliations before you approve it.*

1. Immediate supervisor authorizes the issuance of corporate credit cards.

2. Immediate supervisor requests adjustments to monthly and/or single transaction limits by contacting corporatecreditcard@allete.com.

3. Immediate supervisor ensures that cardholder does not use the corporate credit card for personal use and that any inadvertent personal charges are reimbursed to Company within 30 days. (Exception: Personal charges for safety boots or flame-retardant clothing are allowed.)

4. Immediate supervisor ensures that all corporate credit card policies are adhered to concerning appropriate use of the corporate credit card and co-signs the Corporate Credit Card Agreement with cardholder.

5. Immediate supervisor ensures that cardholder has listed a detailed valid business justification for all transactions listed on the reconciliation form.

6. Immediate supervisor ensures that cardholder has attached a digital copy of ***all receipts*** containing an itemized list of all items purchased and the total cost for all of the items purchased. (Substitute Receipt Form 6320 must be completed, approved by supervisor and attached to the expense report in Oracle for all missing receipts.)

   See the Oracle 101 iExpense Manual for detailed instructions.

7. Immediate supervisor reviews and approves expense report with the digital copy of all receipts for final reconciliation.
   - ***Note: Once the expense report has been approved by the supervisor, there are no other reviews done of the expense report. Supervisor review is the main control over an employee's credit card purchases.***

8. Immediate supervisor notifies program coordinator or card program administrator upon cardholder's termination of employment with the Company.
   - Immediate supervisor will work with employee to have all credit card transactions reconciled before the employee's last day of employment. Any charges unreconciled after the employee's last day will then reconciled by the immediate supervisor.

PROGRAM COORDINATOR

1. Act as liaison with card provider, Company and cardholders.
2. Creates and maintains corporate credit card manual, administration manual and administrator user guide.
3. Administers the day-to-day operation of the procurement card function.
4. Performs daily maintenance of cards and database applications.
5. Creates new accounts; maintains documentation files of all cardholder agreements, approvals and correspondence.
6. Maintains monthly and single transaction limit adjustments to accounts.
7. Responds to program inquiries; provides guidance on policies and procedures.
8. Assists in account problem resolution.
9. Handles security issues, such as fraud, compromised accounts and lost/stolen cards by working with the cardholder and card provider.
10. Electronically monitors card activity by cardholders and business units; monitors and evaluates reports designed to maintain the integrity of the program.
11. Conducts random compliance checks of card transactions to ensure cardholder compliance with program policies and procedures.
12. Coordinates with internal auditors on program reviews.
13. Identifies and drives future program applications/enhancements.

ACCOUNTS PAYABLE

1. Receives monthly summary invoice for corporate credit card charges from Wells Fargo. Uploads individual transactions into iExpense for each cardholder's account.
2. Processes payment to Wells Fargo so that it is received by the due date.
3. Processes final approval for payment of the expense report.

HOW TO ENTER A MASTERCARD/EXPENSE REPORT

PROGRAM POLICY

Employees are encouraged to use the corporate credit card program as much as possible; however, for those times when an employee has to use personal funds for authorized and appropriate business-related out-of-pocket expenditures, reimbursement should be requested using an expense report.

Instructions for entering a MasterCard reconciliation and/or an expense report are detailed in the **iExpense Manual or iExpense training video** on the Supply Chain training page.

ALLETE, Inc. and Minnesota Power

EMPLOYEE HANDBOOK

ISSUED: April 2026

WELCOME

Welcome to ALLETE!

ALLETE is a sustainable clean-energy leader. We are well-positioned as a provider of resilient, reliable and competitively-priced energy with operations across the nation. ALLETE also invests in energy-centric businesses and transmission infrastructure. Our businesses include clean-energy producers and developers and regulated utilities, all with a focus on putting sustainability into action.

ALLETE and its employees expect and embrace lifelong learning, creativity, diversity, personal accountability, and continuous improvement in all that we do. Our culture drives excellence through our shared values, which we live every day. They are fundamental to who we are and will be – both as a Company and as individuals. From this strong values-based foundation, we will achieve the right results, the right way.

The employee handbook is a foundational tool used to provide employees with guidance on Company policies and procedures which reflect our shared purpose and shared values to support our Company's strategy.

Employees may contact ALLETE Human Resources for questions, suggestions, or concerns by calling 218.723.3921 or sending an email to HR@allete.com.

Employees can use the ALLETE Integrity Helpline to raise concerns anonymously and confidentially by calling 866.776.6951 or by visiting https://allete.ethicspoint.com.

NEITHER THIS HANDBOOK NOR ANY OTHER COMPANY GUIDELINES, POLICIES, OR PRACTICES CREATES AN EMPLOYMENT CONTRACT, BARGAIN, OR AGREEMENT OR CONFERS ANY CONTRACTUAL RIGHTS WHATSOEVER. EMPLOYMENT WITH THE COMPANY IS AT-WILL, AND EITHER THE EMPLOYEE OR THE COMPANY MAY TERMINATE EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE, REASON OR NOTICE. NO REPRESENTATIVE OF THE COMPANY IS AUTHORIZED TO PROVIDE ANY EMPLOYEE, INDIVIDUALLY OR ON A COLLECTIVE BASIS, WITH AN EMPLOYMENT CONTRACT OR SPECIAL ARRANGEMENT CONCERNING THE TERMS OR CONDITIONS OF EMPLOYMENT UNLESS THE CONTRACT OR AGREEMENT IS IN WRITING AND SIGNED BY CHAIR, PRESIDENT & CEO.

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I. INTRODUCTION

This Employee Handbook is a collection of policies, general information, guidelines, and practices that apply to employees in the business units known as ALLETE, Inc., and Minnesota Power. For purposes of this guide, the above business units will be referred to as "the Company."

Employees are expected to use both common sense and good judgment in applying this information to individual circumstances. Suggestions and questions on the contents of this handbook should be referred to Human Resources.

These guidelines are not intended to be all-inclusive. All versions of the Employee's Handbook dated prior to the most current version are expressly revoked and will have no further application.

The Company reserves the right to unilaterally modify this handbook and all other Company policies, except for the policy concerning at-will employment, regardless of whether they are contained in this handbook. When changes are made to the policies and guidelines contained herein, the Company will endeavor to communicate them in a timely fashion, typically in a written supplement to the handbook or in a posting on Stream. The Company reserves the right to take any disciplinary action it deems appropriate regardless of the procedures set forth in this handbook.

If any portion of this handbook conflicts with the provisions of an existing Collective Bargaining Agreement or any statute, which applies to an employee's position or special situations, the provisions of the Collective Bargaining Agreement or statute will apply.

A. BACKGROUND CHECK POLICY

This policy establishes defined employment standards for Company employees whose job responsibilities necessitate ongoing background checks.

Except as otherwise stated in this policy, employees covered by this Background Check Policy ("Covered Employees") are those employees in positions for which an identity verification and/or criminal background check is required to comply with the Maritime Transportation Security Act (MTSA) and/or the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection Standards. An employee is a Covered Employee only to the extent their job requirement subjects them to the applicable law or standard.

Maritime Transportation Security Act

Covered Employees under the Maritime Transportation Security Act include those who need unescorted access to secure areas of ports, facilities, or vessels regulated by the Maritime Transportation Security Act (MTSA). Covered Employees must obtain a Transportation Worker Identification Credential (TWIC). A TWIC card – a tamper- resistant card containing the worker's biometric (fingerprint template) – is obtained through the Department of Homeland Security. The Covered Employees are responsible for keeping their TWIC card active which requires re-application to the Department of Homeland Security.

If a Covered Employee is unable to obtain, or loses their TWIC authorization, the Covered Employee will be immediately relieved of job responsibilities and may be subject to

employment action, up to and including termination. Covered Employees, who are unable to obtain, or maintain their TWIC authorization and dispute the Transportation Security Administration's findings, should submit a written appeal with the Transportation Security Administration. Human Resources will review each situation on a case-by-case basis, Corporate Legal Services may be consulted.

North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) Standards

Covered Employees under the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) Standards include those who have authorized cyber access or authorized unescorted physical access to Critical Cyber Assets. These employees must undergo a personnel risk assessment and complete security awareness training. In accordance with these standards, a personnel assessment includes, at a minimum, identity verification and a 7-year criminal background check.

Based on the personnel risk assessment information, the Covered Employee may be immediately relieved of job responsibilities and may be subject to employment action, up to and including termination. This review will be on a case-by-case basis. The background check results will be reviewed by Human Resources and will take into account the severity and timing of the transgression, to determine the level of risk to the Company. Acceptance of risk will require a written statement from Human Resources to be kept on file. The Company may make arrangements for the employee to perform alternative productive work (that does not require authorized cyber access or unescorted physical access to Critical Cyber Assets) during a period of suspension, provided such work is available and the employee is qualified to perform it. Such arrangements will be determined on a case-by-case basis Human Resources.

B. COMPANY POLICIES, PROCEDURES AND MANUALS

The Company has a variety of policies, procedures, manuals and resources available to employees on the Company intranet, known as Stream. Stream is an interactive site which allows employees to submit stories, post content, and converse with others in the Company.

The following guides may be referenced throughout this handbook and can be found on Stream, located in the dropdown menu of the Toolbox under the Policies, Procedures & Manuals section.

- Code of Business Conduct
- Corporate Credit Card Policy (Supply Chain)
- Corporate Travel Services Guidelines (Supply Chain)
- Cyber Technology Policies (Cyber Technology Services)
- Employee Benefit Guide (Human Resources)
- Purchasing Manual (Supply Chain)
- Record Management Policy (Record Services)
- Safety Manual (Safety)
- Transportation Manual: Vehicle and Equipment Policies

II. DIVERSITY & INCLUSION

A. EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION

It is the policy of the Company to recruit, hire, train, and promote persons in all job titles without regard to actual or perceived race, color, creed, national origin, ancestry, citizenship status, religion, sex, gender (including pregnancy, childbirth, related medical conditions and lactation) gender identity, marital status, familial status, sexual orientation, status with regard to public assistance, membership or activity in a local commission, disability, or age. The Company will not discriminate against qualified employees or applicants because of physical or mental handicap or because they are protected veterans or disabled veterans or veterans of the Vietnam Era. To review the Affirmative Action Plan, contact the Human Resources department.

Affirmative action will be provided to ensure equal employment opportunity under Section 503 of the Rehabilitation Act of 1973 and Section 402 of the Vietnam Era Veterans Readjustment Act of 1974.

Employment decisions and personnel actions will be based on furthering the principle of equal employment opportunity. Such decisions and actions include hiring, promotion, transfer, layoff, return from layoff, job evaluation, compensation, benefits, Company- sponsored training, education, tuition assistance, and Company-sponsored employee social and recreation activities.

The Company is committed to equal employment opportunity for all individuals.

Human Resources has the overall responsibility for implementing the program and reporting progress. ALLETE's CEO will receive and review reports on the progress of the program.

Every employee is expected to comply with the letter, spirit, and intent of this policy. Anyone who feels they are being discriminated against should contact the primary leader of Human Resources, or by calling the ALLETE Integrity Helpline, 1.866.776.6951 or by visiting https://allete.ethicspoint.com.

Appropriate disciplinary action will be taken against any employee who engages in discriminatory behavior in violation of this policy or for any other violation of our Equal Employment Opportunity/Affirmative Action Plan ("EEO/AA").

Employees and applicants are protected from coercion, intimidation, interference, or discrimination for filing a complaint or assisting in an investigation under applicable federal and state laws such as the Minnesota Human Rights Act, the Rehabilitation Act, Vietnam Era Veterans Readjustment Assistance Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and the Family & Medical Leave Act.

B. REASONABLE ACCOMMODATIONS & INTERACTIVE DIALOGUE POLICY

The Company is committed to providing equal employment opportunities to qualified individuals with disabilities. Consistent with this commitment, the Company will provide reasonable accommodations to applicants and employees who are qualified individuals with disabilities if a reasonable accommodation would allow the individual to perform the essential functions of the job, unless doing so would create an undue hardship.

Designation of responsible official. The Company has designated an official to be responsible for the implementation of its reasonable accommodation procedures. This individual is the Company's EEO/AA Officer responsible for implementing its affirmative action obligations. The individual's name, title, and contact information is as follows:

Laura Krollman
Vice President– ALLETE Human Resources
30 W. Superior St.
Duluth, MN 55802
218-723-7536
lkrollman@allete.com

Description of process. To obtain a reasonable accommodation, the Company must be informed of:

1) the existence of a disability,
2) the disability-related limitation(s) or workplace barrier(s) that need to be accommodated, and,
3) if known, the desired reasonable accommodation.

Please note, the Company is not required by law to provide the accommodation of the employee's choice.

After receiving a request for an accommodation or learning indirectly that an individual may require such an accommodation, the Company will engage in an interactive dialogue with the individual. Even if an individual has not formally requested an accommodation, the Company may initiate an interactive dialogue under certain circumstances, such as when the Company has knowledge that an individual's performance at work has been negatively affected and a reasonable basis to believe that the issue is related to any of the protected classifications set forth above, in compliance with applicable law. In the event the Company initiates an interactive dialogue with an individual, it should not be construed as the Company's belief an individual requires an accommodation, but will serve as an invitation for the individual to share with the Company any information the individual desires to share, or to request an accommodation.

The interactive dialogue may take place in person, by telephone, or by electronic means. As part of the interactive dialogue, the Company will communicate openly and in good faith with the individual in a timely manner in order to determine whether and how the Company may be able to provide reasonable accommodation. To the extent necessary and appropriate based on the request,

the Company will attempt to explore the existence and feasibility of alternative accommodations as well as alternative positions for the individual.

Form of requests for reasonable accommodation. If the applicant/employee believes an accommodation is needed because of a disability, the individual is encouraged to submit a written request for reasonable accommodation using the Form that is located on Stream ("Reasonable Accommodation Request Form"). Reasonable accommodation requests may also be made verbally or in writing to an employee's supervisor or manager. There are no special or specific words required to submit a written or verbal reasonable accommodation request. If a request is initially submitted through an informal writing or verbally, the requester should follow up such a request by completing the Accommodation Request Form.

Submission of Accommodation Request Forms by employees. Accommodation Request Forms requesting reasonable accommodation must be submitted to Human Resources (hrbusinesspartners@allete.com).

Recurring requests for a reasonable accommodation. In instances of a recurring need for an accommodation (e.g., a hearing impaired employee's need for a sign language interpreter for meetings), the requester will not be required to repeatedly submit or renew their request for accommodation each time the accommodation is needed.

Supporting medical documentation. If the disability, for which a reasonable accommodation is sought, is not known or readily observable and the need for accommodation is not known or obvious, the Company may request and review medical documentation in support of a request for reasonable accommodation. Such requests will never be open-ended and will be limited to documentation of the individual's disability and the functional limitations for which reasonable accommodation is sought.

Timeframe for processing requests. Requests for accommodation will be processed as expeditiously as reasonably possible and consistent with all applicable federal, state, and local law. The Company treats requests for accommodation on a case-by-case basis.

Reasonable accommodation requests by applicants. All applicants are made aware of the Company's reasonable accommodation obligation and are invited to request any reasonable accommodation needed to participate fully in the application process.

Denial of reasonable accommodation. Any denial or refusal to provide a requested reasonable accommodation will be provided in writing electronically. The written denial will include the reason(s) for the denial by the authorized decision maker or the individual's designee.

Confidentiality. All requests for reasonable accommodation, related documentation (such as request confirmation receipts, requests for additional information, and decisions regarding accommodation requests), and any medical or disability-related information provided to the Company will be treated as confidential medical records and maintained in a separate Human Resources file, in accordance with Section 503 of the Rehabilitation Act.

Training. The Company provides training for its supervisors and managers regarding the implementation of the reasonable accommodation and interactive dialogue procedures outlined above.

Retaliation. The Company expressly prohibits any form of discipline, reprisal, intimidation, or retaliation against any individual for requesting an accommodation in good faith.

Company Required Physical Examination

The Company may require a physical examination and evaluation of an employee when it appears justifiable by behavior, performance, frequent absence, or suspected serious illness. The provision is designed to protect the employee by encouraging early diagnosis of disease or disability and by discontinuance of work under conditions that might prove dangerous or harmful.

A physical examination may also be required to determine if the employee is physically qualified for an impending job change. If required by the Company, the examination and/or evaluation will be arranged and paid for by the Company and done on Company time.

If any health care record or medical information adversely affects any employment decision, the Company will notify the employee within ten days of the final decision.

C. LACTATION ACCOMMODATION

The Company will provide parents reasonable paid break time to express milk for their child. Designated private rooms are available at each facility for employees to use as needed during breaks. A list of rooms is located on Stream in the Lactation and Privacy Rooms section located in the Human Resources page under Your Life. Rooms are in close proximity to the work area, shielded from view, and free from intrusion from coworkers and the public, and will have access to an electrical outlet. Expressed milk can be stored in Company refrigerators or refrigerators provided in the lactation room. Employees should sufficiently mark or label their milk.

D. DISCRIMINATION, HARASSMENT & RETALIATION PREVENTION

Respecting Diversity

The Company is committed to providing a workplace that is respectful to the diversity represented within the organization and within our communities. It is not appropriate to display any material in the workplace that may be offensive or derogatory to others regarding race, color, creed, religion, sex, national origin, marital status, sexual orientation, status with regard to public assistance, membership or activity in a local commission, disability, age, etc.

All employees are expected to be responsive to requests by supervisors or coworkers to limit the communication of personal beliefs, either verbally or non-verbally, (clothing, literature, items posted on walls, bulletin boards, computer screens, etc.), particularly when such expression is causing disruption.

Supervisors must be sensitive and aware of any potentially offensive or derogatory behavior or material in their work area. It is the supervisor's responsibility to ensure that it is immediately addressed and discontinued.

Employees who feel material in the workplace is offensive or derogatory should immediately bring the concern to their supervisor, Human Resources, or by calling the ALLETE Integrity Helpline, 1.866.776.6951 or by visiting https://allete.ethicspoint.com.

Workplace Harassment

All employees have the right to work in an environment free of discrimination, which encompasses freedom from harassment. The Company prohibits harassment of its employees in any form, whether committed by supervisors, non-supervisory employees, or non-employees (contractors, visitors, etc.) where the Company has some control over their conduct. Such conduct by employees will result in appropriate corrective action, up to and including termination.

For purposes of this policy, "harassment" is generally defined as unwelcome verbal, visual, or physical conduct, which a reasonable person would find to show hostility or aversion toward an individual on the basis of race, color, creed, religion, sex, national origin, ancestry, citizenship status, familial status, age, physical or mental disability, genetic information, protected veteran status, or sexual orientation, or that of one's relatives, friends, or associates, or any other characteristic protected by applicable federal, state, or local law, and that:

- Has the purpose or effect of creating an intimidating, hostile or offensive work environment;
- Has the purpose or effect of unreasonably interfering with an individual's work performance; or
- Adversely affects an individual's employment opportunities.

Harassing conduct includes, but is not limited to:

- Continual or repeated verbal abuse, including negative verbal slurs, stereotyping, threats, intimidation, and graphic verbal commentaries about an individual's body.
- Written or graphic materials or objects placed on or circulated within Company premises (walls, bulletin boards, computer terminals, vehicles, etc.) that show hostility or aversion toward an individual or group or are sexually suggestive.
- Repeated offensive sexual flirtations, advances or propositions; unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature.

Conduct by employees, which is intimidating or disrespectful, either verbally or physically, toward another individual is prohibited, and will result in corrective action, up to and including termination.

Sexual Harassment

Sexual harassment includes harassment on the basis of sex or gender (including pregnancy, childbirth, related medical conditions and lactation), gender identity or gender expression (including transgender status), and/or sexual orientation. Sexual harassment includes unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, and other

verbal, visual or physical conduct of a sexual nature or which is directed at an individual because of that individuals' sex or gender (including pregnancy, childbirth, related medical conditions and lactation), gender identity or gender expression (including transgender status), and/or sexual orientation when:

- Submission to that conduct or those advances or requests is made either explicitly or implicitly a term or condition of an individual's employment; or
- Submission to or rejection of the conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- The conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Examples of conduct that violates this policy include:

- unwelcome flirtations, leering, whistling, touching, pinching, assault, brushing up against someone's body, blocking normal movement
- requests for sexual favors or demands for sexual favors in exchange for favorable treatment
- obscene or vulgar gestures, posters, or comments
- sexual jokes or comments about a person's body, sexual prowess, or sexual deficiencies
- propositions, or suggestive or insulting comments of a sexual nature
- derogatory cartoons, posters, and drawings
- sexually-explicit e-mails or voicemails
- uninvited touching of a sexual nature
- unwelcome sexually-related comments
- comments, inquiries, or gossip about one's own or someone else's sex life or sexual activities
- conduct or comments consistently targeted at only one gender, even if the content is not sexual
- teasing or other conduct directed toward a person because of the person's gender

Procedure for Reporting Incidents. All employees are responsible for prompt notification of any situation that involves harassment, intimidation, or disrespectful treatment of individuals. Such situations should be reported to a supervisor, Human Resources, or by calling the ALLETE Integrity Helpline, 1.866.776.6951 or by visiting https://allete.ethicspoint.com.

Company Response to Reported Incidents. Every reported incident of employee harassment, intimidation, or potential violence will be promptly and thoroughly investigated with respect for the confidences and sensitivities of the situation.

Discipline for Harassment. Violation of this policy may result in disciplinary action, up to and including discharge, as determined by the Company in its reasonable discretion.

Retaliation. The Company prohibits and will take appropriate corrective action, up to and including termination, with any employee who engages in reprisal or retaliation against another employee who reports alleged harassment, intimidation, or potential workplace violence.

III. WORKING AT THE COMPANY

A. HIRING POLICIES

Employment Authorization Verification

New hires will be required to complete section 1 of federal Form I-9 on the first day of employment and must present acceptable documents authorized by the U.S. Citizenship and Immigration Services proving identity and employment authorization no later than the third business day following the start of employment with ALLETE. Employees who are currently employed and have not complied with this requirement must contact Human Resources immediately.

Employees must also contact Human Resources if their status has changed. If employment authorization is for a limited period of time, proof of renewed employment eligibility prior to expiration will be required to remain employed by the Company.

Employment of Relatives Policy

This policy sets parameters for hiring relatives at ALLETE. These guidelines are designed to avoid both actual and perceived conflicts of interest based on an employee's relationship with another employee who is a relative (as defined by the policy).

This policy applies to all employees regardless of employment status (i.e., full-time, part-time, temporary, contractor, or intern). This policy also applies to all external candidates seeking employment for any open union or non-union position. Employees who are covered under a collective bargaining agreement should refer to the applicable agreement or letter of understanding for more information.

Due to the potential for actual or perceived conflicts of interest, including favoritism, personal conflicts from outside the work environment being carried into the working relationship, etc., the Company will hire, promote, or allow for the transfer of relatives of persons currently employed only if:

A. The candidate for employment, promotion, or transfer will not be working directly for a supervising relative. Candidates must have more than two levels of supervision between them and a relative

B. The candidate for employment, promotion, or transfer will not occupy a position on the same crew, team, or work group at the same primary reporting location as a relative.

For purposes of this policy, a "relative" is defined as a member of a person's family or extended family, whether related by blood or marriage, and may include any of the following individuals: current or former spouse, parent, grandparent, child, grandchild, sister, brother, uncle, aunt, niece, nephew, first cousin, in-law relations (father, mother, son, daughter, brother, sister), step- relations (parent, child, brother, sister, grandparent), or domestic partner.

Employees must promptly report to their supervisor and Human Resources any change in their relationship status that creates a conflict of interest and/or creates a violation of this policy.

The eligibility of an applicant for employment will be determined prior to any contact with the applicant by the hiring manager and an applicant with a relative that makes such applicant ineligible for a job position due to this policy will be identified and so notified. For all offers of employment, the hiring manager must attest that the candidate for employment or other employment action is not a relative, to the best of their knowledge, as defined above. Failure to do so will result in the delay of the job offer.

This policy does not prohibit the Company from employing relatives.

This policy is in addition to and an expansion of the ALLETE Code of Business Conduct.

In extraordinary circumstances, the company may authorize an exception to this policy. Any person(s) seeking an exception to this policy must contact Human Resources to initiate the process. Any exception that is granted must be documented by the hiring manager's supervisor, the primary Human Resources leader, and the company's CEO or President.

Former Employees

It is important to conduct reference and background checks on every applicant, including former employees. Human Resources, the vice president of the previous department and the previous supervisor should be consulted before deciding to hire a former employee.

B. EMPLOYMENT CLASSIFICATIONS

To determine eligibility of benefits and overtime status and to ensure compliance with federal and state laws and regulations, the Company classifies its employee as shown below. The Company may review or change employee classifications at any time. Union employees should refer to their respective Collective Bargaining Agreement.

Exempt: Exempt employees are typically paid on a salary basis and are not eligible to receive overtime pay.

Non-exempt: Non-exempt employees are paid on an hourly basis and are eligible to receive overtime pay for overtime hours worked as covered by the overtime provisions of FLSA, state laws, and any applicable Collective Bargaining Agreement.

Full-time: Full-time jobs are authorized for a normal work schedule of 40 hours per week and maintain continuous employment status. Some full-time shift positions may work more than 40 hours one week and less hours the next, dependent upon the shift schedule. Generally, these employees are eligible for the full-time benefits package and are subject to the terms, conditions, and limitations of each benefits program. Full-time positions can be exempt or non-exempt.

Part-time: Part-time jobs are established on an ongoing basis for a specific number of budgeted hours per year, less than 40, and who maintain continuous employment status. Part-time employees are eligible for some of the benefits offered by the company and are subject to the terms, conditions, and limitations of each benefits program. Part-time positions can be exempt or non-exempt.

Temporary: Temporary jobs are established for brief but specific periods of time or for the duration of a special project with an anticipated end date. Temporary positions may have full-time or part-time schedules depending on the need of the department and are non-exempt positions. Employment beyond any initially stated period does not in any way imply a change in employment status.

Intern: Intern jobs ("internships") are established for college or high school students for a specific time period and with an anticipated end date. Internships may have full-time or part-time schedules depending on the need of the department and the employee's school schedule, and are non-exempt positions.

C. UNION INTRODUCTORY PERIOD

For information on the probationary period and seniority for union members, refer to the appropriate Collective Bargaining Agreement.

The fact that an employee is employed beyond the probationary period does not create any right to continued employment.

Probationary status should be clearly made known to each new employee. The employee should also be told that the Company reserves the right during the employee's probationary status to terminate employment for any reason not contrary to public law.

D. PERSONNEL FILES

It is necessary and appropriate to establish, maintain, and retain current work-related information for employees. This includes all official documents, such as employment application, job history, and performance appraisals, as well as reports, correspondence, and memoranda pertaining to the employee.

Files are confidential. Employees may review their own files in Human Resources. Files for non-vested employees (i.e., employees who leave service having less than five years of continuous service) are maintained for five years after an employee leaves the Company. Files for vested employees are not destroyed.

It is the employee's responsibility to report any changes in name, address, telephone number, marital status, family dependents, and emergency contacts. For name changes, a copy of the employee's new Social Security Card must be provided to Human Resources.

Supervisory personnel who have a business-related "need to know" may review relevant job-related information. Authorized personnel can secure duplications of documents, data, or information filed in Human Resources. Information pertaining to disciplinary corrective interviews is only available to the primary leader of Human Resources or designee. The primary leader of Human Resources or designee will determine whether the corrective interview contained in a file is relevant information that the current or new supervisor should be made aware of.

Privacy of Employment Records

The Company acknowledges the concern of individual employees that their privacy be safeguarded. The following is designed to protect employees and prevent unauthorized disclosure of written information to coworkers, other parties, organizations, and businesses. Individual employees are entitled to know what historical records pertaining to them are collected, maintained, used, or disseminated.

The Company will, to the fullest extent practicable, collect, maintain, use, and disseminate information in such a way that it is used only for necessary and legal purposes; accurate for its intended use; safeguarded from misuse; and retained in accord with approved retention schedules.

Individual employees will be permitted to inspect historical information pertaining to them, have a copy of all or part of the information, and if necessary, propose a correction or amendment to the records. Such proposal for correction or amendment will be reviewed and, if found appropriate, used to modify the information on file.

The Company will collect information, to the greatest extent practicable, directly from the individual employee.

Employment Verification or References Policy

Human Resources is the only authorized source for providing reference information on employees and ex-employees. When inquiries are received from outside the Company regarding current or former employees, calls or letters must be referred to Human Resources.

Other than basic verbal verifications (e.g., dates of employment, job title, etc.), Human Resources will only respond to a written reference inquiry. Along with the written request, an authorization to release information (signed by the employee) will be required for any employment verification or reference request.

When the written request and authorization to release are received, Human Resources will only provide information that is documented in the personnel file to verify:

- Name of the employee
- Dates of employment
- Positions held during employment
- Salary verification
- Reason for leaving
- Documented illegal acts in accordance with applicable laws
- Driving, accident, and drug and alcohol history in accordance with U.S. Department of Transportation regulations

Only the primary leader of Human Resources or Corporate Legal Services may authorize providing additional information.

Exception: Human Resources or Corporate Legal Services may provide additional information to representatives of government agencies if it can be determined that the request is legitimate. However, proper identification and proof of the legal authority is required.

E. LEAVING THE COMPANY

ALLETE hopes that employment with the Company will be a mutually rewarding experience; however, the Company acknowledges that varying circumstances can cause employees to resign employment. The Company intends to handle any resignation in a professional manner with minimal disruption to the workplace. If the employee leaves service for any reason, supervisors should complete the Separation Checklist (Form 4820) with the employee on or before the employee's last day of work.

The Company requests that an employee resigning from a position provides as much advance notice as possible. Two weeks is considered a customary and appropriate notice for many positions. Employees in leadership positions should provide additional notice, where possible. Employees planning to retire are asked to give a notice of 90 days or more to their supervisor and Human Resources, whenever possible, by completing Form 884.

Resignations may be submitted through the Human Resource Information System, which will route to the employee's supervisor. The Company reserves the right to provide an employee with pay in lieu of notice in situations where job or business needs warrant.
Discharge or Layoff. The Company reserves the right to terminate employment for any reason not contrary to public law. Each situation should be evaluated following standards found in the Guide to Corrective Action and the Collective Bargaining Agreements.

When layoff is necessary, the affected employee should be advised as far in advance as possible and the reason for the layoff should be explained. More information regarding the Company's severance plan is available through Human Resources or applicable Collective Bargaining Agreement.

Final Pay and Benefits. The Company will pay separated employees in accordance with applicable laws and other sections of this handbook. Employees should notify the Company if their address changes to ensure tax information is sent to the correct address. Access to final pay statements and tax information will be available through the Human Resource Information System.

Applicable benefits, including benefit continuation information, will be sent directly to the employee's home address after their last day worked. Employee's retiring should set up a meeting with Human Resources prior to separation to discuss retirement options.

Return of Property. Employees should return all property at the time of separation, including but not limited to: Company computers, modems, terminals, software, remote access cards, flash drives, portable radios, and any other technological equipment; Company keys, proximity cards, and Company picture ID; Company credit cards; Fuel cards; and Company documents.

Exit Interview. The purpose of the exit interview is to provide Company leadership with greater insight into why an employee leaves employment; identify any trends requiring attention or opportunities for improvement; and to assist the Company in developing effective recruitment and retention strategies. Once an employee's separation notification has been submitted, the employee will receive an emailed link to a confidential online survey (in-person interview is also available if desired). Participation in the survey is voluntary and appreciated.

F. OTHER EMPLOYMENT

Employees shall not accept employment with another employer while working for the Company if the additional employment interferes in any way with the employee's ability to perform their full job responsibilities. If the employment creates a conflict of interest, approval from the Chief Financial Officer must be granted. For more information on conflicts of interest, refer to the ALLETE Code of Business Conduct.

The Company recognizes there are many situations that require interpretation under this policy. Because of variations in working conditions (hours worked, type of work, etc.) involved in supplemental employment, it is the responsibility of the supervisor to determine when another work situation interferes with an employee's ability to fully perform their job.

Employees who consult with, advise, or render professional services to outside firms, educational institutions or individuals who have, or seek to have, a business relationship with the Company must first receive approval from the Chief Financial Officer.
In both cases above, employees who are corporate officers should seek approval from the Board of Directors.

Employees Seeking Political Office
While most political activities do not require time off from work, the Company recognizes that seeking and holding public office could interfere with an employee's duties. The Company's policy is to neither accommodate an employee's political activities, including candidacy for public office, to the extent feasible and practicable nor to reward or punish employees for their political activities.

Employees desiring to seek an elective political office should keep in mind the following:

- Employees will be granted an unpaid leave of absence to campaign, attend legislative sessions, committee meetings or political conventions, and tend to duties required of public office or any other reasonable activity.
- During a leave of absence, the employee has the right to continue insurance coverage (medical, dental, and life) and any flexible benefits elected.
- An employee must not directly or indirectly suggest that the Company supports the employee's candidacy. As a corporate entity, law prohibits the Company from supporting candidates for elected office.

IV. SAFETY, HEALTH & SECURITY

A. SAFETY

The Company is committed to fostering a healthy and safe work environment. In addition to knowing and following safety rules and regulations, we strive to continuously learn from each other in an environment of mutual trust and respect.

The AWAIR (A Workplace Accident & Injury Reduction) program describes the requirements and methods used to reduce employees' risk of injury while working at ALLETE and fulfills the requirements of the Minnesota AWAIR Statute. It will ensure all employees understand the hazards of a job and know how to properly control known hazards, while giving workers the tools to identify new hazards in the workplace and take corrective actions. For more information, please access the full ALLETE AWAIR program here.

Employee Safety Responsibilities, Trainings, and Meetings

Employees are responsible for following safety rules and reporting safety hazards to their supervisors so that corrective action can be taken. A complete list of safety responsibilities that all employees are expected to adopt can be found in the Health & Safety Manual located on Stream.

The Company provides safety training for employees based on their job scope. Training requirements for each employee can be found through the training portal on My ALLETE Advantage. All employes are expected to attend regular safety meetings, either in person, virtually, or pre-recorded, facilitated by department supervisory personnel (or their designee), or Safety Improvement Teams.

- Operations field employees are expected to attend (or view) twelve safety meetings.
- Office based personnel are expected to attend (or view) safety meetings as determined by department leadership (no fewer than four per year).

Personal Protective Equipment (PPE)

The Company will supply personal protective equipment, including safety glasses and protective clothing (such as chemical suits, or flame-resistant clothing) when necessary to perform the job. Training on how and when to utilize the PPE will be completed at the local sites and will meet requirements as laid out by regulatory and Company standards.

Safety Footwear: Employees are required to wear safety toed footwear where risk and conditions warrant. The Company will provide partial purchase price reimbursement to support safety footwear usage; refer to applicable Collective Bargaining Agreement.

Safety Eyewear: Prescription safety eyewear is available only to employees with occupational eye injury risk. Employees should talk with their supervisor to determine whether they are eligible to receive prescription eyewear. Safety eyewear is authorized using Form No. 4751.

First Aid Equipment: First Aid Kits, Automatic Defibrillators (AED's), and Fire Extinguishers should be located in every regularly occupied Company building and on many of the fleet vehicles used by operating employees. Safety representatives or otherwise designated employees

are responsible for inspecting and maintaining first aid kits, AED's and Fire Extinguishers in their departments.

Flame-Resistant Clothing ("FR"): The FR program is available to employees whose primary responsibilities and tasks have the potential to expose them to flames or electric arcs. Employees who primary responsibilities and tasks are accomplished in an office setting are not eligible for the program, but such employees will be provided with temporary FR as needed. For program details, refer to the FR Stream page or the applicable Collective Bargaining Agreement.

B. SUBSTANCE ABUSE

We have established comprehensive substance abuse policies designed to create a safe and healthy work environment. These policies cover the use of drugs and other controlled substances, and they are applicable to all employees and applicants. Each applicant and employee will be provided with a copy of the applicable substance abuse policies, e.g., Federal Motor Carrier Safety Administration policy for commercial motor vehicle drivers; Pipeline and Hazardous Materials Safety Administration policy for covered pipeline employees; and Substance Abuse Policies for non-U.S. Department of Transportation (DOT)-regulated applicants and employees.

We, at the Company, have a vital interest in insuring safe, healthful and efficient working conditions for our employees. In addition, as a [federal contractor or grantee], we have a duty to provide the public with quality [goods and/or services] safely, efficiently and at a reasonable cost. The unlawful presence of controlled substances in the workplace conflicts with these vital interests and constitutes a violation of the public trust. For these reasons, we have established, as a condition of employment and continued employment, the following drug-free workplace policy.

The unlawful or unauthorized use, abuse, manufacture, solicitation, theft, possession, transfer, purchase, sale, dispensation, or distribution of controlled substances, drug paraphernalia, or alcohol by an individual anywhere on Company premises, while on Company business (whether or not on Company premises), while driving a Company vehicle or driving a personal vehicle for Company business, or while representing the Company, is strictly prohibited. Employees also are prohibited from reporting to work or working while they are using or under the influence of alcohol, any drugs as well as any controlled substances which may impact an employee's ability to perform the employee's job or otherwise pose safety concerns.

This policy does not apply to prescription or over-the-counter medications taken by employees in safety-sensitive positions which: (1) have been lawfully prescribed to, or obtained by, the employee; (2) are being used by the employee in accordance with the prescription's guidelines (if applicable); and (3) before reporting to work under the influence of such medication, the employee has inquired whether the drug manufacturer or the employee's physician warns against driving, operating machinery or performing other work-related safety-sensitive tasks. If such warnings exist, the employee taking the medication must inform their supervisor or Human Resources of such restrictions before reporting to work under the influence of such substances. When informing the employee's supervisor(s) or Human Resources of such restrictions, the employee should not identify the medication(s) being used or the reason for its use. The Company will evaluate and respond to this information on a case-by-case basis. Responses may include, among other things, temporary job reassignment or modifications, a request for additional medical documentation and

consultation, and/or an instruction that the employee not work until the restriction is removed. Any employee reporting to work in a safety-sensitive position without first advising the Company about warnings accompanying lawfully prescribed or obtained medications will be subject to disciplinary action up to and including possible termination of employment. An employee's lack of knowledge concerning such warnings will not excuse a violation of this rule where an employee has failed to make the inquiries required by this rule.

Employees must notify Human Resources of any criminal drug statute conviction for a violation occurring within the workplace within five (5) days of such conviction. Within ten (10) days of such notification or other actual notice, the Company will advise the contracting agency of such conviction.

Notwithstanding the general prohibitions above, reasonable, and responsible consumption of alcohol may be permitted at certain company-sponsored events and functions.

Violation of this policy may result in disciplinary action, up to and including termination.

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist employees recovering from substance and alcohol dependencies, and those who have a medical history that reflects treatment for substance abuse conditions. Additionally, in the discretion of the Company, any employee who violates this policy may be required, in connection with or in lieu of disciplinary sanctions, to participate to the Company's satisfaction in an approved drug assistance or rehabilitation program. However, employees may not request an accommodation to avoid discipline for a policy violation.

To maintain a drug-free workplace, the Company has established a drug-free awareness program to educate employees on the dangers of drug abuse in the workplace. Such education may include: (1) distribution of our drug-free workplace policy; (2) a discussion of our policy and the penalties that may be imposed for violations during onboarding; (3) the availability of any drug free counseling, rehabilitation and employee assistance programs; (4) distribution of published educational materials regarding the dangers of drug abuse; (5) reorientation of all involved employees in cases in which a drug-related accident or incident occurs; and (6) inclusion of the policy in employee handbooks and any other personnel policy publications.

C. SMOKING POLICY

The health and safety of our employees is a priority for ALLETE. The Company’s smoking policy states that smoking, including e-cigarettes or vaping, are not permitted in Company-owned or occupied buildings; including but not limited to all office areas, cafeterias and lunchrooms, control rooms, construction trailers, Company vehicles and equipment, warehouses, power plants, and Company parking ramps. Additionally, the Company complies with all state mandated smoke-free areas around building entrances. In all situations, rights of non-smokers will be given preference to smokers’ privileges.

The use of tobacco is discouraged. Smoking will be allowed in designated outside locations only, away from all facility entrances, and in outside parking lots. In no event shall the use of marijuana be allowed on or in any company property. Employees may not use marijuana at any time during

working hours, including meal breaks and rest breaks and may not use marijuana on Company premises, including in an employee's personal vehicle. For other prohibited items please refer to the Substance Abuse policy.

D. WORKPLACE VIOLENCE

We are strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and visitors and damage to Company and personal property.

Threats, threatening language or any other acts of aggression or violence made toward or by any Company employee will not be tolerated. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious, and/or destructive action undertaken for the purpose of domination or intimidation.

Employees are prohibited from carrying or possessing weapons while on Company property or while acting in the course and scope of employment. Unauthorized items or objects that create or could create a substantial risk of harm to the employee or another person are prohibited, including, but not limited to:

- firearms;
- explosives;
- other objects, materials or substances capable of causing death or serious injury.

This weapons prohibition extends to personal, Company, and rental vehicles used for Company business. Possession of a license to carry a concealed handgun does not exempt an employee from this policy.

Firearms are not allowed in Company facilities or on Company property, except in parking facilities or parking areas if the firearm is properly and securely stored in a locked vehicle. Notwithstanding the foregoing, the Company may allow authorized employees or contractors to use a shotgun on power plant property for the purpose of de-slagging boilers. Any shotgun used for this purpose must be stored in a locked cabinet on Company property when not in use for the limited purpose allowed.

An employee who carries pepper spray for personal protection while coming to and going from work may carry the spray while on Company property or while acting in the course and scope of employment only if it is properly and securely stored (in a locked location to the extent possible) at all times other than when the employee is coming to and going from work.

Employees should immediately report all potentially dangerous situations, including threats by co-workers, to any member of management with whom they feel comfortable, to the primary leader of Human Resources, Security & Emergency Management (218.355.3852 or 218.355.3400), or to the ALLETE Integrity Helpline at 1.866.776.6951 or by visiting https://allete.ethicspoint.com. Reports may be maintained confidential to the extent maintaining confidentiality does not impede our ability to investigate and respond to the complaints. All reports will be promptly investigated.

No employee will be subjected to retaliation, intimidation, or disciplinary action as a result of reporting in good faith under this policy.

Employees threatened by an outside party should follow the steps detailed in this section. It is important for us to be aware of any potential danger on our premises. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else. Employees are encouraged to inform their supervisor or another Company leader if they are involved in a situation outside of work (including a domestic matter) that may pose a risk to the workplace. If an employee has listed a Company worksite in a restraining, stalking, or other protective order, they must immediately notify their supervisor, Human Resources, or Security & Emergency Management of that fact and the surrounding circumstances.

If an investigation confirms that a violation of this policy has occurred, the Company will take swift and appropriate corrective action.

Preventing Workplace Violence

The Company will make every effort to provide a workplace free of violence. Prior to most incidents of violence (domestic and workplace) there are warning signs of trouble. Either the signs are not recognized, or the escalation and urgency of the situation is not understood. All employees must take the potential for violence seriously.

Supervisors should take the following actions to reduce the potential for workplace violence:

- Develop and maintain a relationship with each employee supervised.
- Learn the signs and symptoms of violence.
- Recognize the warning signs of building aggression and react immediately. Do not wait until a “convenient” time.
- Address any threat, no matter how casually it is expressed, as unacceptable behavior that will not be tolerated at work.
- Encourage employees to provide feedback and communicate about problems that need leadership’s attention.
- Never diminish or ignore employee concerns or complaints. Evaluate each circumstance and seek consultation.
- Encourage employees to utilize Company resources such as employee relations and employee assistance programs.
- When a supervisor learns that an employee may be involved in a violent domestic situation or has been threatened in any way, consult with Human Resources and Security & Emergency Management and consider developing a safety plan.
- Recognize “mob” behavior when it starts in an employee group and stop it immediately.
- Consult with Human Resources regarding options whenever there are concerns about an individual’s anger level (employee, customer, vendor, etc.).

Any employee who is concerned about aggressive or violent comments or behavior in the workplace should promptly discuss the matter with their supervisor, Human Resources, or Security & Emergency Management.

E. VISITORS

For safety and security purposes, employees who have visitors coming to our Corporate Offices are required to notify ALLETE HQ Visitor Center allete_hq_vc@mnpower.com with the Date, Time, Name and Company of their guest(s) along with who to contact when they arrive onsite.

Upon arrival, the guest(s) will enter AHQ through the east vestibule door to sign in and be issued a visitor badge. Visitor Center personnel will then contact the employee of their guest(s) arrival so they can come down to meet and escort them to the meeting destination.

Employees who have visitors scheduled for meetings at our other locations are encouraged to follow each site's visitor protocol.

F. INSPECTIONS

The Company reserves the right to require employees on either Company property or on a client's property to agree to the inspection of their person, personal possessions, property, a personal vehicle parked on Company or client property, and work areas, to the maximum extent permitted by applicable law. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases, and other personal possessions or places of concealment, as well as personal mail sent to the Company or to its clients. Searches of Company facilities and property, including Company property in the possession of the employee, may be conducted at any time and do not have to be based upon reason to believe Company policy is being violated. Employees are expected to cooperate in the conduct of any search or inspection. **Employees should have no expectation of privacy in any personal items brought into the workplace or in any Company work area or property used by the employee, whether or not locked with an employee or Company lock.**

G. DRIVING, MOTOR VEHICLE, AND EQUIPMENT POLICIES

Employees who operate Company vehicles for business use or personal use, personal vehicles, rental vehicles used on behalf of the Company, and equipment should review the Transportation Manual for relevant policies, including applicable license requirements and use of mobile devices.

The Transportation Manual is located on the Stream in the Required Notices, Guides & Manuals section in the Human Resources page under Your Career.

H. GENERAL SAFETY

Working Conditions

The Company values the safety of its employees. Employee working conditions will be controlled and improved, to the extent possible, so that employees are not subject to undue or unreasonable conditions such as cold, heat, dust, vibration, and noise. A comprehensive safety program is administered to address safety in a wide variety of working conditions, both indoors and outdoors. Please refer to the Safety Manual, provided to all employees, for specific information.

Supervisors are expected to apply the "rule of reason" during inclement weather. Work should continue only when no substantial hardship will result to the employee, when such work is necessary during an emergency, or when service to the public must be maintained.

I. INCLEMENT WEATHER

Because the Company provides an essential public service 365 days a year, around the clock, it is the Company's intention to be open and operating during all normal business hours regardless of weather conditions.

During inclement weather situations, employees are responsible for notifying supervisors if they will be absent or late for work. Any employee who needs to discuss their travel situation or report an inability to get to work should notify their supervisor as soon as possible.

As everyone's situation will be unique, please use personal judgment regarding safety, and do not take unnecessary risks. If an employee decides to stay home, they should notify their supervisor to discuss whether flexible work arrangements are available. If flexible work arrangements are not available or if an employee chooses to not work that day, time will be recorded as vacation/PTO.

V. GENERAL POLICIES & PROCEDURES

A. RULES OF CONDUCT

Integrity is the foundation of everything we do. We all have a shared responsibility to uphold the Company's integrity and to maintain the highest ethical standard by doing the right thing, each and every time.

The Code of Business Conduct applies to all employees and directors of ALLETE and its subsidiaries and business divisions as outlined in the ALLETE Code of Business Conduct found on Stream.

Conduct with Customers and Other Employees
Company customers have the right to expect proper conduct and courtesy from each employee. It is the daily responsibility of each employee and supervisor to ensure that this happens.

Customers should receive thorough and prompt attention to inquiries, requests, and needs. They should be advised of approximately when they can expect action and be notified of any unexpected delay and the reason for it.

Employees are expected to conduct themselves in an appropriate manner with all other Company employees.

Business Gifts and Gratuities
Employees should refer to the ALLETE Code of Business Conduct regarding Business Gifts. Generally, employees should:

- Not solicit, expect, or encourage the receipt of gifts or gratuities from any

organization or individual that has, or seeks to have, a business relationship with the Company.
- Not accept gifts or other gratuities, which go beyond a nominal value, and are given under circumstances that place the employee or the Company under an obligation that may tend to influence business relations.
- Not accept gifts in the form of cash.
- Seek legal counsel when dealing with governments and public officials.

Entertainment (e.g., recreational outings, theaters, dinners, sporting events, etc.) should be considered an acceptable business courtesy only on special occasions, providing the frequency and cost to the donor is within reason.

Certain business courtesies, such as a modest lunch or dinner offered by a vendor or salesperson in connection with a business meeting, are acceptable, unless offered on a continuing and repetitive basis.

Employees may not accept unusual or extended hospitality from any organization or individual that has, or seeks to have, a business relationship with the Company, without prior approval from the Chief Financial Officer. In all cases, good ethical and moral judgment shall be exercised.

Off-the-job Conduct

As a general rule, employees' personal lives are their own. At the same time, the Company takes pride in being highly respected by the communities and industries we serve. What we do and say off the job must not reflect poorly on the Company's reputation or interfere with our job performance. Our off-the-job conduct should not conflict with the Company's values or harm its interests. We must be mindful when we engage in personal activities away from work while wearing apparel branded with a Company name or logo. Depending on the circumstances, we could be perceived as representing the Company.

B. ATTENDANCE

All employees are expected to arrive on time, ready to work, every day they are scheduled to work. If unable to arrive or begin work on time, or if an employee will be absent for an entire day, the employee must contact their supervisor as soon as possible. Employees may be required to provide documentation of any medical or other excuse for being absent or late, where permitted by applicable law, as described in the policies within this handbook. The Company reserves the right to apply unused vacation, sick time, or other paid time off to unauthorized absences, where permitted by applicable law. Absences resulting from approved leave, vacation, or legal requirements are exceptions to this policy. Excessive absenteeism or tardiness may result in discipline up to and including termination. Failure to report to work or call in for a scheduled shift without prior approval also may result in discipline up to and including termination. In the event an employee does not give notice and does not report to work, the job abandonment policy will apply.

Job Abandonment Policy

The Company expects employees to report for work on time for every scheduled shift. If an employee is unable to report to work at the designated time, the employee's supervisor must be

notified as soon as practicable but no later than the employee's scheduled start time. **Employees who fail to report to work or fail to notify the Company with an acceptable reason for the absence for a period of 3 consecutive business days, will be considered as having voluntarily resigned from the Company as a result of job abandonment.**

If the employee is unable to contact the Company for any absence, a representative (such as a family member or friend) should do so on the employee's behalf. If the employee or the employee's representative is unable to contact the Company due to extreme circumstances (such as a medical emergency or natural disaster that prohibits the employee or the employee's representative from contacting the Company within three days), the employee or the employee's representative must contact the Company as soon as practicable to explain the situation. In extreme circumstances, the employer will consider the explanation and its timing before determining if the voluntary resignation will be upheld.

Absences, tardiness, and early departures protected by federal, state, or local law are not considered in applying this policy.

C. DRESS CODE & APPEARANCE

Employees should dress appropriately and must follow Company guidelines for appropriate safety apparel, including personal protective equipment.

D. PERSONAL TELEPHONE CALLS

Disruptions during working time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum, and only be made or received after working time, or during meal or break times.

E. EMPLOYEE BUSINESS EXPENSES AND TRAVEL

Employees may incur reasonable business-related expenses that are chargeable to the Company or reimbursed upon appropriate supervisory approval. Employees are expected to use sound business judgment and plan travel and other business-related expenses to minimize costs. Most of these costs should be charged on the employee's corporate credit card. Other small out-of-pocket expenditures may be reimbursed through the use of expense reports. Infrequently, expenditures may be paid for via vendor invoices. Invoices must contain the appropriate work order, cost type, and business purpose prior to appropriate supervisory approval.

The policies included below and the procedures included in the Corporate Credit Card Policy must be followed carefully to ensure compliance with Generally Accepted Accounting Principles (GAAP), Internal Revenue Service (IRS), other government regulations and regulatory requirements, as well as, to maintain good controls to safeguard Company assets (cash and credit cards) against loss from unauthorized use. This manual can be found on Stream, in the Toolbox section under Policies, Procedures & Manuals.

Ratepayer Impact

A significant portion of ALLETE consists of regulated utility operations. As such, both Minnesota Power and Superior Water Light & Power are subject to regulatory review to ensure that the utility rates we charge our customers are reasonable and deemed necessary for the provision of utility service. Thus, the impacts on Minnesota and Wisconsin ratepayers should always be considered when incurring and charging an expense.

Expenses incurred while working on regulated operations (such as Minnesota Power, Superior Water Light & Power) should be charged to a regulated work order. Expenses incurred while working on non-regulated operations (such as BNI Energy, ALLETE Clean Energy, New Energy Equity or other non-regulated business development) should be charged to a non-regulated work order. The Company has also determined that entertainment expenses will not be charged to ratepayers (as specified in Entertainment Events and Meals below); therefore, the correct cost type and a non-regulated work order must be used for all costs associated with entertainment expenses. Contact Accounting with questions on the proper use of accounts.

Note: The Company developed this policy after the 2009 rate case (Docket No. E015/GR-09-1151). This policy is required to stay in the employee's handbook, in addition to the employee expense compliance plan to ensure implemented policies are followed.

Corporate Credit Card

The Company's Corporate Credit Card program is available to employees who are authorized to make minor purchases for Company business. Employees are strongly encouraged to use the corporate credit card where appropriate and whenever possible—e.g., business travel expenses, business meals, work clothing, etc.

There are numerous benefits to using the credit cards including: improved cost control and monitoring, elimination of processing small dollar invoices, and receiving rebates/credits from our credit card vendor.

To request a Corporate Credit Card, and review the Corporate Credit Card Policy which includes cardholder and supervisor responsibilities, and how/when to submit expense reports, please visit the Corporate Credit Card Page on Stream under the Supply Chain Department.

Meal Expenses

The Company reimburses employees for reasonable meal expenses, which include food, non-alcoholic beverages, alcoholic beverages and associated taxes and tips. The Company will not reimburse employees for THC beverages. While traveling, up to three meals a day may be reimbursed. Travel Meals related to approved professional organizations, industry or trade associations are reimbursable. Employees should consider the following:

- Tips and gratuities should be reasonable in relation to the locale visited and commensurate with the service performed.
- Employees are to fully consider the appropriateness of alcohol and the Company's liability when serving and/or consuming alcohol. Employees must comply with the Company's fitness of duty provisions, which are outlined in Section II: Company Practices. Employees

who drive commercial motor vehicles are subject to the requirements of the U.S. Department of Transportation concerning drugs, marijuana, and alcohol.

- Employees must ensure that expenses are charged to the correct cost type and work order. Employees should contact their accounting representative for further information.
- Proper documentation for expenses will be required, i.e., itemized receipt, business purpose, name or group name of those in attendance, and affiliation and company of any non-employees.

Business Meeting and Event Expenses

Whenever possible, business meetings should be held on Company property and limited to business needs.

Meals with employees and non-employees that take place during normal business hours may be reimbursed if they principally benefit the Company and have a valid business purpose.

Meals with employees and non-employees that are not associated with travel and take place outside of normal business hours due to not being able to reasonably be conducted during regular business hours may be reimbursed if they principally benefit the Company and have a valid business purpose. Meals to discuss casual business matters will not be reimbursed.

Business Meals related to approved professional organizations, industry or trade associations are reimbursable.

An employee may include charges on their expense report for larger team meetings where supervisors are in attendance with other staff members and charged to an employee's corporate credit card. Otherwise, when two or more employees are in attendance for a meal meeting for Company business, the highest-ranking employee must submit the costs for reimbursement.

Entertainment Events and Meals

Entertainment Events and Meals include tickets for sporting events, other ticketed entertainment, recreational events (e.g., golfing, fishing, resort activities, etc.) and associated expenses. Any expenses associated with entertaining employees or non- employees are reimbursable only when the principal purpose of the activity benefits the Company.

The Company has determined that entertainment expenses will not be charged to ratepayers; therefore, a non-regulated work order and the correct cost type must be used for all costs associated with entertainment including tickets, food, and beverages, etc.

Corporate Travel Services

The Company's Corporate Travel Service is available to employees who are authorized to travel for Company business. Employees must follow Company guidelines and use contracted travel providers. Contracted travel providers are available for airfare, lodging and car rental. Direct Travel Inc./Concur must be used for air travel and can be used for lodging as well. Enterprise Rent-A-Car (local reservations in Duluth, MN) and National Car Rental (national & international reservations) must be used for car rental. All travel arrangements and reservations should be made

through the contracted travel providers to ensure use of negotiated financial benefits and to provide adequate Duty of Care.

For more information pertaining to Corporate Travel guidelines and arrangements including Direct Travel Inc./Concur Profile Instructions, Emerald Club Enrollment and Corporate Hotel Rates, please visit the Corporate Travel Services page on Stream under the Supply Chain Department.

Business Travel Accompanied by a Spouse

When a companion accompanies the employee on a business trip, the companion's expenses are generally paid by the employee. All expense reports requesting the Company pay for spousal travel must include appropriate documentation. This should be approved in advance by the Chief Financial Officer and include a brief explanation as to why the spouse's attendance is required. All approved charges will be reflected in the employee's taxable income.

Motor Vehicle Use for Travel

For business travel, the Company provides the option of rental vehicles or personal vehicle use. When using rental vehicles, refer to the Corporate Travel Services Guidelines. When using personal vehicles, refer to the Transportation Manual. The Transportation Manual is located on the Stream in the Required Notices, Guides & Manuals section in the Human Resources page under Your Career.

Mileage Reimbursement for Personal Vehicle Use

Per IRS guidelines, private automobile travel will be reimbursed based on the approved mileage rate for employees using their own vehicle for Company business. For documentation purposes, employees must disclose the point of departure, the destination and the total miles for the trip. Employees should be aware that if mileage is paid but is not reimbursable under IRS guidelines, that reimbursement to the employee is taxable income per IRS regulations.

Expense reimbursement scenarios:

- Between home and regular work location, whether by car or bus, is never reimbursable.
- Between home and temporary work location/customer, if an employee has a regular work location elsewhere, it is reimbursable. The amount of reimbursement is the lesser of: 1) the distance from an employee's home to the temporary work/customer location or 2) the distance from an employee's regular work location to the temporary work/ customer location.
- Between regular work location and temporary work location/customer is always reimbursable.
- Between two or more temporary work locations/customers is always reimbursable.

Definitions:

- Home – this is the place where an employee resides. Transportation expenses between the employee's home and main or regular work location are personal commuting expenses.
- Regular work location – an employee's principal place of business.

- Temporary work location – this is not an employee's regular work location, but another Company or off-site location to which the employee travels to perform work-related activities or to attend meetings or events. Travel to this location is for a year or less.

All of the above rules also apply on weekends; therefore, mileage incurred from home to regular work location is NOT reimbursable on the weekend.

Parking Expenses

For the selection of parking associated with business-related events, employees should consider whether the parking fees are reasonably priced, and location allows for the safe and efficient conduct of business.

Parking for a business-related activity is reimbursable only if the amount incurred is outside the employee's normal work location or if parking at the employee's work location is pre-approved. If an employee's parking at their normal work location is pre-approved, any amount reimbursed over the IRS limit is taxable.

The following parking expenses are not reimbursable:

- Expenses paid to park employee's car at their normal work location, when this expense is not pre-approved.
- In and out expenses associated with parking garages if incurred at a normal work location, and there is no related-business purpose.
- Parking tickets or expenses associated with towing a vehicle.

Non-Reimbursable Travel Expenses

Non-reimbursable expenses include:

- Incremental expenses incurred as a result of personal stopovers, weekend side trips or other personal travel scheduled within or around the business itinerary.
- Excess baggage charges for personal items (excluding bag fees required by the airline such as for the first checked bag), personal grooming, health-related expense (except for emergencies not covered by the employee's medical insurance program), late payment fees associated with reimbursement for use of personal credit cards, personal travel insurance, loss of cash advance money or personal funds, dependent care expenses, and household expenses incurred during an employee's travel.
- Purchase of luggage, clothing, or other personal items is not reimbursable. If items are lost in transit, employees should replace items, attempt reimbursement through airlines (or other vendors), then via homeowners insurance.
- Traffic/parking fines, towing, court costs, airline club memberships, class upgrade charges for airline (excluding premium seat upgrades), personal entertainment expenses, personal gifts, personal reading materials, airline headset rental, etc.

Company Aircraft Use

The Company uses its own aircraft for some transportation. Use of the Company's aircraft must be approved by a vice president prior to travel. Employee should contact the Aircraft Coordinator and complete Form No. 3597 for travel arrangements.

Air Travel Policy

The Company has an air travel policy regarding the number of Company officers allowed to be on a commercial flight or Company aircraft at one time. Employees should contact the CEO's assistant regarding this policy before booking flights.

F. INTERNATIONAL TRAVEL POLICY

This policy outlines guidelines and procedures related to conducting work and accessing ALLETE, Inc., including all of its business units and subsidiaries (hereinafter, the "Company") systems and assets for employees traveling internationally on behalf of the Company or for personal reasons. This policy applies to all employees, regardless of title or position.

International Travel at the Request of the Company for Work-Related Purposes

Eligibility. Full-time and part-time employees traveling internationally at the request of the Company for work-related purposes, including business meetings, conferences, trainings, and short-term project assignments for less than 90 consecutive days, may be permitted to work outside the United States. Contractors, interns, and temporary employees are not permitted to perform work on behalf of the Company while traveling outside of the United States.

Employees traveling internationally for work-related purposes requires the approval of the business unit President and Company Chief Executive Officer.

Eligible employees that require access to Company systems while traveling internationally may be granted system access under this policy.

Eligible International Work Locations & Approval Process. The Company aims to safeguard the well-being of its employees and systems while ensuring international travel and work assignments are conducted smoothly and effectively.
To ensure the security of Company systems, Company data can be accessed in locations classified as Level 1 or Level 2 Travel Advisory by the U.S. Department of State ("Travel Advisory") at the time of approval for employees traveling internationally at the request of the Company for work-related purposes. This includes accessing Company data, including email, VDI, Microsoft 365, etc., via Company provided or personal laptops and cell phones. The following outlines the process for approval for any other level of Travel Advisory, which is discouraged.

Travel to a location with a Travel Advisory Level 3, Level 4, or "other" is discouraged unless there is a significant business case for the travel and access to Company assets or information may be limited by CTS, including by geofencing.

Advance coordination with CTS Cyber Security & Compliance is required prior to accessing Company data internationally. Employees must contact CTS Cyber Security & Compliance at least three weeks prior to departure, except in the case of a business emergency as approved by the Business Unit President and Company Chief Executive Officer.

Any additional technology costs associated with international travel to a location with a designation other than a Travel Advisory Level 1 or Level 2, will be allocated to the employee's

department. Loaner equipment may be issued for the duration of travel (generally around $5,000) for an employee traveling to a country with a Level 3, Level 4, or "other" Travel Advisory. Any employee traveling abroad should take only that business information that is needed, including paper documentation, electronic documentation, and passwords.

Responsibilities.

- Employees: Employees shall adhere to this policy, ensure personal safety, and comply with all requirements. Employees must report any work-related injuries immediately to their supervisors and Workcare. Report any suspected unauthorized access of Company resources to CTS Cyber Security & Compliance.
- Supervisors: Supervisors shall support employees and ensure compliance to all policy requirements.

Visa and Documentation. Employees must ensure they have the appropriate visas and documentation for the country they are traveling to. This includes:

- Valid passport with at least six months validity beyond the intended stay.
- Necessary work visas or permits for short-term assignments.
- Additional documentation required by the host country (e.g., invitation letters, proof of accommodation, etc.).

Keep paper and electronic copies of your passport and any other applicable travel documents should yours be stolen. Know the location of the nearest U.S. Consulate, as they may be able to assist you in obtaining replacement travel documents, if needed.

Health and Safety. Employees must prioritize their health and safety during international travel and should consider:

- Obtaining necessary vaccinations and health clearances as recommended by health authorities.
- Enrolling in the U.S. Department of State's Smart Traveler Enrollment Program (STEP) to receive updates and make it easier for the embassy to assist in emergencies.
- Familiarizing themselves with local health risks and safety measures.
- Keeping emergency contact information readily accessible.

Compliance with Local Laws and Regulations. Employees are required to comply with all local laws and regulations of the host country. Respect cultural norms and practices and avoid activities that may be deemed illegal or unethical in the host country or in the United States.

Reporting and Communication. Employees must maintain regular communication with their supervisors during their travel and assignments. This includes but not limited to:

- Providing contact information and a detailed itinerary before departure.
- Checking in at agreed intervals.
- Immediately reporting any injuries, health concerns, symptoms, incidents, or emergencies experienced.

Post-Travel Requirements. Upon return, employees must:

- Understand and follow all applicable quarantine requirements before returning to the workplace.

- Follow Company policies and take appropriate workplace precautions with respect to any health concerns or symptoms that may be experienced after the trip.
- Report any possible occupational injury or illness to their supervisor or WorkCare.
- Report any potential unauthorized access of Company devices CTS Cyber Security & Compliance.

Short-Term Travel Internationally for Personal Reasons

Full-time and part-time employees traveling for personal reasons who seek to perform work outside the United States, to access to Company systems, or both, while traveling internationally for no more than 30 days may be granted system access if traveling to a country designated as a Level 1 or Level 2 Travel Advisory. Employee access to Company systems and data while traveling internationally for no more than 30 days to a country designated as a Level 1 or Level 2 Travel Advisory must be approved in advance by both the employee's supervisor and the Manager of Cyber Security & Compliance or their designee. To ensure the security of Company systems, Company data can be accessed in locations classified as Level 1 or Level 2 Travel Advisory at the time of approval for employees traveling internationally for personal reasons. This includes accessing Company data, including email, VDI, Microsoft 365, etc., via Company-provided or personal laptops and cell phones.

Employees will not be allowed to access Company systems or data if traveling to a country designated as Level 3, Level 4, or "other"; transporting Company-provided equipment, including laptops and cell phones, to these locations is strictly prohibited unless there has been prior authorization through the mechanisms of this policy. Employees traveling for personal reasons should also review and ensure compliance with all local laws and regulations.

G. COMMUNICATION & COMPUTER SYSTEMS

Security of Information Assets and Services

The Company's cyber technology and information is integral to the successful operation of its business. If not handled and used properly, the Company's operations, finances, reputation, and/or competitiveness could be materially impacted. As such, we all have a responsibility to be good stewards of the Company's cyber technology and information.

The Company's Cyber Technology Policies outline practices all of us should follow to ensure the integrity, availability, and recoverability of the Company's cyber technology and information. These policies are located on Stream and can be found several different ways and are posted prominently under Departments > CTS; a link to the policies is located towards the top of the page. Information may also be found by going to Stream > Toolbox > Policies, Procedures and Manuals.

Adherence to these policies is critical because each of us has the power to directly impact the resiliency and security of the Company's cyber technology and information. It is important that we: 1) incorporate the principles of the Company's cyber technology policies into our day-to-day work practices; 2) reach out and ask questions when we need clarification on them; and 3) are transparent about when we aren't following them and ask for help to ensure we do follow them going forward.

Employees must not tamper with nor circumvent the cybersecurity protections and policies applied to the Company cyber technologies, doing so may put the Company at undue risk of a cybersecurity event and a violation of policy. Suspected cybersecurity events and policy violations must be reported to Cyber Security & Compliance.

Mobile Devices

The Company's policies regarding corporate mobile devices and personal mobile devices (Bring your own device policy) are outlined in the Cyber Technology Policies located on Stream.

Vice president approval is required for all mobile and smartphone devices, bi-weekly reimbursement for Company use of a personal cell phone, and all HUB request/orders for technology before equipment is purchased and activated.

Non-business use of the Company-owned cellular device is permitted if use is minimal in duration and doesn't result in any violation to any other Company policy or additional cost to the Company. No personal payment by the employee for other options is allowed.

Employees who occasionally use their personal cell phone for business use (i.e. for business trips) can request reimbursement via expense report for any overage charges due to the business use. Supervisor approval is required.

H. SOCIAL MEDIA

The Company understands that social media can be an easy, fun and rewarding way to share activities and opinions with family, friends and co-workers around the world. Using social media, however, presents certain risks and carries with it certain responsibilities. The purpose of this policy is to assist employees in making responsible decisions about use of social media as related to employment.

This policy builds on longstanding ethical principles and Company policies, essentially extends to social media participation expectations of what is required for appropriate, professional behavior in other situations.

Guidelines. In the rapidly expanding world of electronic communication, "social media" can mean many things. For purposes of this policy, social media includes all means of communicating or posting information or content of any sort electronically or on the Internet, including, for example, to an employee's own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity website, web bulletin board or chat room, whether or not associated with the Company.

Ultimately, employees are solely responsible for what they communicate electronically or post online. Any social media activity that adversely affects an employee's job performance or adversely affects another employee, customer, supplier, shareholder, or person who works on behalf of the Company or the Company's legitimate business interests may result in disciplinary action up to and including termination of employment.

Know and follow the rules. Any social media posting an employee makes must be consistent with Company policies, including, ALLETE's Code of Business Conduct, policies prohibiting unlawful harassment, information asset security policies, disclosure policies and other Employee Handbook policies. Inappropriate postings that may include discriminatory remarks, harassment, threats of violence, or similar inappropriate or unlawful conduct will not be tolerated.

Be mindful. Employees' online interactions must comply with the Discrimination, Harassment, & Retaliation Prevention policy and avoid posting offensive or derogatory material in violation of that policy.

Be honest and accurate. Employees should make sure they are honest and accurate when posting information or news, and if they make a mistake, correct it quickly. Be open about any previous posts they have altered. Remember that the Internet archives almost everything; therefore, even deleted posting can be searched. Never post any information or rumors that are known to be false about the Company, fellow employees, customers, suppliers, shareholders, or people working on behalf of the Company or its subsidiaries.

Post only appropriate content.

- Maintain the confidentiality of the Company's trade secret and private or confidential information. Do not post internal reports, policies, procedures or other internal business-related confidential information or communications. Social media postings should never disclose confidential customer or employee information.

- Respect financial disclosure laws. Never communicate or give a "tip" about inside Company information so that they may buy or sell stocks or other securities. Such conduct could violate the Company's insider trading policy and the law.

- Do not create a link from a blog, website, or other social networking site to a Company website without first obtaining any necessary consent and without identifying as a Company employee.

- Express only personal opinions. Never represent as a spokesperson for the Company. If the Company or any of its subsidiaries is the subject of the content an employee is creating, employees need to be clear and open about the fact that they are an Company employee and make it clear that the views do not represent those of the Company, other employees, shareholders, customers, suppliers or people acting on behalf of the Company. If an employee creates a social media posting related to the work they do or other topics associated with the Company, make it clear that the employee is not speaking on behalf of the Company by conspicuously including a disclaimer such as: "I am employed by ALLETE, Inc. The views I express on this site are my own and do not necessarily reflect the views of the Company."

Using Social Media at Work. Generally, employees should refrain from using social media while on work time or on equipment provided by the Company, unless it is work-related as authorized by a manager or supervisor. Social media activities during work hours are subject to the Company's communications, technology, and confidentiality policies. If an employee is uncertain

about whether their use of social media complies with this policy, they should consult with their supervisor prior to posting.

Media Contacts. Refer all media inquiries related to Company business, whether from the public, news media or bloggers, to the Corporate Communications for an official response. If an employee come across negative or inaccurate social media postings about the Company or its interests, refrain from responding directly. Instead, pass the posts or information along to the Corporate Communications whose employees are trained to address such comments.

Retaliation Prohibited. The Company prohibits taking negative action against any employee for reporting in good faith a possible violation of this social media policy or cooperating with an investigation related to this policy.

Social Media Policy for Authorized Users. Increasingly, The Company uses social media as a way to share news, events and information with its customers and other stakeholders, relying on certain authorized employees to participate in social media on behalf of the Company as part of performing their job duties.

This policy applies to all employees who have been authorized by their supervisor and approved by the primary leader of Corporate Communications to engage in social media on behalf of the Company ("Authorized Company Business Users"). The purpose of this policy is to guide Authorized Company Business Users in their use of social media on behalf of the Company.

Authorized Company Business Users' social media activities are also subject to the Company's Social Media policy. To the extent that there is any conflict between this policy and the Company's Social Media Policy, the terms of this policy are controlling with respect to Authorized Company Business Users.

Guidelines. Ultimately, each Authorized Company Business User is responsible for what they posts online. Authorized Company Business Users must always protect trade secret and private or confidential information and not post content to social media unless they have been authorized to do so. Authorized Company Business Users should not comment on subjects outside their area of expertise without first obtaining accurate information from qualified sources. Authorized Company Business Users must not use aliases or otherwise deceive people about their identity.

Always Use Properly Configured Security Settings. Administrators of Company-initiated social media sites must be employees of the Company or a contracted partner. Authorized Company Business Users must establish and maintain robust passwords on all social media accounts, including administrator accounts to help minimize the risk of unauthorized use of these accounts or unauthorized administrative access to the Company's social media tools. The Company's Information Technology department can assist with the requirements for robust passwords.

Respect Intellectual Property Rights. All posting must respect the copyright, trademark and other intellectual property rights of third parties. Authorized Company Business Users acting in the course and scope of their work assignments may use the Company logos or trademarks.

Any marketing campaign with endorsements or testimonials (e.g., from an employee, customer, marketing partner, etc.) must comply with the Federal Trade Commission guidelines. If unsure about these requirements, employees should consult with the Corporate Communications or Corporate Legal Services prior to launching the campaign.

Follow the rules and policies of any specific website and forums. Authorized Company Business Users should be aware of and comply with applicable terms of use.

Limit content to Company concerns. Authorized Company Business Users should restrict their social media content to Company matters and should not publish, forward or share unrelated messages.

Receive authorization for Company-initiated social media sites. Individuals or departments seeking to create social media sites for business purposes must first obtain approval from the primary leader of Corporate Communications.

Violation of Policy. Any employee who violates this policy is subject to disciplinary actions, up to and including termination of employment. The Company also reserves the right to disable Company computers and/or accounts for violation or suspected violation of this policy.

Nothing in this policy is designed to interfere with, restrain, or prevent employee communications regarding wages, hours, or other terms and conditions of employment.

I. SOLICITATION & DISTRIBUTION

Solicitation by an employee of another employee is prohibited while either the person soliciting, or the person being solicited is on working time. Working time includes the time during which any of the employees involved are actually scheduled to work, and does not include scheduled rest periods, meal breaks, or other specified times when employees are not expected to be working. Distribution of advertising material, handbills, or other literature by employees during working time (or in working areas) is prohibited.

Solicitation and/or distribution by third parties is prohibited at all times.

J. CONFLICTS OF INTEREST

Employees may not use their position, influence, knowledge of confidential information, including trade secrets, or the Company's assets for personal commercial gain, for the benefit of any competing company or organization, or for the benefit of any other third party except as may be required in performance of their duties as employees of the Company. Further, employees shall not maintain an outside business or financial interest, or engage in any outside business or financial activity, which conflicts with the interests of the Company or which interferes with the employee's ability to fully perform the employee's job responsibilities, unless such prohibition is restricted by applicable law.

Violation of this policy may result in disciplinary action, up to and including discharge.

K. CONFIDENTIAL INFORMATION

Employees may learn confidential information, including trade secrets, about the Company. Confidential information are items of information relating to the Company, its services, products, clients/customers, suppliers, vendors, and business partners that are not generally known or available to the general public, but have been developed, compiled or acquired by the Company at its great effort and expense. Confidential information includes, but is not limited to: business model, methods, operations, strategies, plans for future business, marketing initiatives, Protected Critical Infrastructure Information, confidential contractual terms, customer information, finances, and revenues. Each employee must safeguard confidential Company information. Confidential information may not be disclosed or distributed to any individual or entity, or used for the benefit of any individual or entity other than the Company, without the prior written consent of the Corporate General Counsel.

Nothing in this policy, or any other agreement employees may be required to sign as a condition of employment and/or continuing employment, prohibits or limits an employee from initiating communications directly with, responding to any inquiry from, reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other information to, or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission, the Department of Justice, or any other federal, state, or local governmental, law enforcement, or regulatory authority, agency, or commission charged with the enforcement of any laws (collectively, Governmental Authority). Employees are not required to notify or seek permission from the Company before engaging in any such activity. In connection with any such activity, employees must inform such Governmental Authority that the information the employee is providing is confidential. For the avoidance of doubt, employees are not permitted to voluntarily reveal to any third party, including to any Governmental Authority, information an employee came to learn during the employee's work with the Company that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege, attorney work product doctrine and/or other applicable legal privileges. The Company does not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information. Further, nothing in this policy prohibits, prevents, or otherwise limits any employee's ability or right to seek or receive any monetary award or bounty from any such governmental agency in connection with protected "whistleblower" activity.

These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement [or policy] and are controlling.

Violation of this policy may result in disciplinary action, up to and including discharge.

Employees may be required to sign agreements further detailing these obligations as a condition of employment and/or continued employment with the Company.

VI. WORK HOURS & COMPENSATION

A. WORK SCHEDULES

A normal workday consists of eight hours. Workweek and compensation schedules normally consist of 5 workdays or 40 hours per week beginning on Saturday and ending on the following Friday, with a 30-minute lunch break. Individual work schedules may vary depending on the needs of the department. Union employees should refer to their respective Collective Bargaining Agreement for work hours and compensation.

Meals and Rest Periods. Union employees receive meal and rest periods under the conditions and provisions of their Collective Bargaining Agreement.

Non-union employees normally receive a meal period of 30 minutes (unpaid time). Depending on the nature of the work, paid rest periods should be provided whenever possible, as determined by the supervisor. Scheduling rest periods should be arranged to ensure that customer service is not compromised. Minnesota employees receive a paid 15-minute break for every four consecutive hours worked. Please see the applicable state supplement for additional details.

Supervisors directing employees who have worked substantial overtime should see that reasonable rest time has been given before regular duties are continued. Both physical hardship and safety should be taken into consideration.

Sunday Work. Non-union, non-exempt, non-shift employees who are not regularly scheduled to work on Sundays but are required to work on a Sunday due to staffing needs will be paid double time for all hours worked on that given Sunday. Double time will not be paid for employees who are choosing to adjust or flex their schedule, resulting in work being performed on a Sunday.

Holiday Work. Non-union exempt employees who are required to work will be paid their normal scheduled hours and will be granted another day off, when the schedule allows.

Non-union, non-exempt employees:

- Full-time non-shift employees who are required to work their normal scheduled hours or are called in to work on a designated holiday, will be paid at their regular rate for the holiday and double time for any hours worked. They have the option of being paid their regular rate plus overtime at straight rate and taking the holiday at a later date (banked holiday). When the banked holiday is taken, it should be charged to Holiday taking Banked.
- Full-time shift employees whose regularly scheduled workday falls on a holiday will receive straight time pay for the holiday and time and one-half for hours worked. They have the option of being paid their Regular rate and taking the holiday at a later date (banked holiday). When the banked holiday is taken, it should be charged to Holiday taking Banked.

- Part-time employees eligible to receive paid holidays as described in the Paid Holidays section of this handbook, and who are required to work on a designated holiday will be paid their regular rate for allocated holiday hours and double time for hours worked.
- Part-time, temporary and intern employees not eligible for paid holiday as described in the Paid Holidays section of this handbook, and who are required to work on a designated holiday will receive time and one-half for the hours worked.

Adjusting regular schedules as a shift worker

Shift employees may request permission to change working hours from the department's shift schedule. The supervisor and employees affected must mutually agree to such a change. Human Resources should be notified in advance of any changes to avoid violation of state and federal law.

Exchanging shifts or days off within the same workweek by mutual agreement between employees in the same job classification is allowed when:

- Payment of overtime is not required.
- There is no change in the rate of pay.
- Sufficient notice is received (at the supervisor's discretion).
- The exchange will not hinder the work or unduly inconvenience other employees.
- The supervisor must approve the exchange.

Such an exchange will not be approved if it results in a situation which violates Collective Bargaining Agreements, state and federal law or any other Company personnel practice.

Alternative Work Arrangements

Alternative work arrangements, including hybrid work schedules, may be implemented to help employees balance work and other commitments. Not every job is well-suited for alternative work arrangements. The decision to implement alternative work arrangements is at the sole discretion of area leadership and Human Resources. Available alternative work arrangements may include the following:

- Working a hybrid schedule.
- Working remotely. Remote work is only allowed in certain states within the United States. Supervisors and Human resources will assess permanent remote work requests on a case-by-case basis. Every remote work arrangement must be approved by Tax and Human Resources prior to supervisor approval.
- Compressed work week.

The Company reserves the right to change or terminate any alternative work agreement if it determines in its sole discretion that the work arrangement is no longer in the best interest of the Company. All of the employee's obligations and responsibilities, and terms and conditions of employment with the Company remain unchanged, except those specifically addressed by the Alternative Work Arrangement approval form located in the Human Resources information System. Union employees should refer to the appropriate Collective Bargaining Agreement. The schedule developed must be in accordance with the Fair Labor Standards Act (FLSA) workweek provisions.

B. OVERTIME

All overtime must be pre-approved by the supervisor. Overtime for union employees will be paid under the conditions and provisions outlined in the applicable Collective Bargaining Agreement.

C. RECORDING HOURS WORKED

The Company is required by applicable federal, state, and local laws to keep accurate records of hours worked by employees. To ensure the Company has complete and accurate time records and that employees are paid for all hours worked, non-exempt employees are required to record all time worked including hours in excess of the standard workweek; and time off including vacation, PTO, holidays, and other time off, in the time entry system prior to time entry being closed. Exempt employees are also required to enter time worked and time off up to the exempt full-time equivalency. Employees can speak with their supervisor or Human Resources for specific instructions. Failure to properly record time may result in discipline, up to and including discharge.

Employees must notify their supervisor or Human Resources of any pay discrepancies, unrecorded, or incorrectly recorded work hours.

Falsifying time entries is strictly prohibited. Falsifying time entries includes working "off the clock." Immediately report to Human Resources any employee, supervisor, or manager who falsifies an employee's time entry or encourages or requires an employee to falsify time entries or work off the clock.

D. PAYROLL

The standard pay period is biweekly for employees. Pay dates are every other Friday. If a payday falls on a holiday, payment is made on the preceding normal working day. Special provisions may be required from time to time if holidays fall on pay dates.

Payment is made by direct deposit and/or paper check. Employees are encouraged to sign up for direct deposit through the Human Resource Information System. Paper checks are sent via U.S. Postal Service to employees' home address, therefore arrival dates are unknown.

Employees should review their paychecks for accuracy and immediately report any issues to Human Resources – Payroll.

Payroll Deductions and Income Tax Withholding. The Company is required by law to make certain deductions from employees' pay each pay period, including, but not limited to; deductions for federal income tax, Social Security and Medicare taxes, state income taxes, and any other deductions required under law or by court order for wage garnishments. The amount of tax deductions will depend on earnings and the information listed on the federal Form W-4 and applicable state withholding form. Employees may update withholding forms through the Human Resource Information System. A Form W-2 Wage and Tax Statement will be mailed to each employee on or before January 31 each year.

Employees may also authorize certain voluntary deductions from their paycheck where permissible under state law. Deductions are reflected on the wage statement.

The Company will not make deductions to pay that are prohibited by federal, state, or local law.

Employees will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law. If an error is found, an adjustment will be made as soon as reasonably possible, but no later than the next regular payday.

The Company will not retaliate against employees who report erroneous deductions in accordance with this policy.

North Dakota Income Tax Reciprocity. North Dakota has income tax reciprocity agreements with Minnesota and Montana. Employees who are Minnesota residents and who work in North Dakota are required to complete Form NDW-R Reciprocity Exemption from Withholding if they do not want North Dakota income tax withheld from wages.

E. SAFE HARBOR POLICY FOR EXEMPT EMPLOYEES

The Company does not make improper deductions from the salaries of exempt employees and complies with the salary basis requirements of the FLSA. Employees classified as exempt from the overtime pay requirements of the FLSA will be notified of this classification at the time of hire or change in position.

Permitted deductions. The FLSA limits the types of deductions that may be made from the pay of an exempt employee. Deductions that are permitted include:

- Deductions that are required by law, e.g., income taxes;
- Deductions for employee benefits when authorized by the employee;
- Absence from work for one or more full days for personal reasons other than sickness or disability;
- Absence from work for one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy, or practice of providing compensation for salary lost due to illness;
- Offset for amounts received as witness or jury fees or for military pay;
- Unpaid disciplinary suspensions of 1 or more full days imposed in good faith for workplace conduct rule infractions; and
- Any full workweek in which the employee does not perform any work.

During the week an exempt employee begins work for the company or during the last week of employment, the employee will only be paid for actual hours worked. In addition, an employee may be paid only for hours worked during a period when the employee is using unpaid leave under the Family and Medical Leave Act (FMLA).

Improper deductions. In any workweek in which exempt salaried employees perform any work, their salary is not subject to reduction for any of the following reasons:

- Partial day absences for personal reasons, sickness, or disability;

- Absence due to the Company's decision to close a facility on a scheduled work day;
- Absences for jury duty, attendance as a witness, or military leave in any week in which any work is performed; or
- Any other deductions prohibited by state or federal law.

However, subject to applicable state and local laws, it is not an improper deduction to reduce exempt salaried employees' accrued vacation, personal, or other forms of paid time off banks for full or partial day absences for personal reasons, sickness, or disability.

If an employee classified as exempt believes that an improper deduction has been taken from the employee's pay, the employee should immediately report the deduction to the HR department. The report will be promptly investigated, and if it is found that an improper deduction has been made, the company will reimburse the employee for the improper deduction. In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy may result in disciplinary action, up to and including discharge.

F. VOLUNTEER AND COMMUNITY ACTIVITIES

Company employees are encouraged to be active in community life and to provide time, talent, and financial support to activities that strengthen communities in the service area.

Full-time employees, part-time employees, temporary employees, and interns may be provided with paid time off during normal working hours for time spent in volunteer activities for the benefit of a 501 (c)3 not-for-profit organization or educational institution taking place within the ALLETE service area or that directly benefits ALLETE customers.

Employees who wish to volunteer during work hours should discuss their plans with their supervisor, providing reasonable advance notice. Upon receiving supervisor approval, employees must complete the Volunteer Time Off Request Form before participating in volunteer activities.

Each supervisor has the responsibility to weigh the granting of time off for community service against priority needs of Company operations and services to customers. Supervisors are encouraged to try to honor employees' requests. However, decisions should be contingent on the Company's own business needs and should not incur any additional labor costs to the department or Company. For non-salaried employees, volunteer time off hours will not be considered as hours worked for purposes of calculating overtime.

Additional information, including the work order numbers to report volunteer time off, can be found on the Volunteer Paid Time Off Stream page.

G. COMPENSATION AND ADMINISTRATION

The Company's compensation program is an essential component of the competitive package offered to employees to attract, retain, and recognize high quality talent.

Non-union compensation philosophy is based on two components:

- Paying salaries that are competitive in the outside market for comparable positions (Market-Based, Externally Competitive), and
- Paying employees equitably relative to others in the Company (Internally Equitable)

Union compensation is negotiated with International Brotherhood of Electrical Workers, Local 31 or Local 1593 and paid in accordance with the Collective Bargaining Agreements.

The Company complies with state and federal discrimination law, FLSA requirements, worker protection laws, and labor laws. Legal requirements are inherent in the design of the administrative system supporting the salary administration program and encourage consistent application of policies and procedures within all departments.

Compensation Strategy and Process. A cornerstone of the Company's strategy is to provide supervisors with the flexibility to allow their employees' pay to align with an employee's proficiency level. This concept of linking compensation to proficiency, competency, and accomplishing set goals is called pay for performance. The philosophy, strategy, and the Company's process to execute pay for performance is supported by the Compensation Lifecycle referenced in the Non-Union Employee Compensation Guide located on Stream (Human Resources/Your Money /Compensation).

H. EMPLOYEE RECOGNITION, GIFTS, BONUSES, AND AWARDS

The Company recognizes the importance of rewarding employees for exceeding expectations. Employee recognition expenses need to be reasonable in amount, have a business purpose, and be compliant with the ALLETE Code of Business Conduct. Employee recognition, gifts, and bonuses include High Performance Awards, Spot / Project Bonuses, Gift Cards, Non-Monetary Gifts, Special Time Off with Pay, Recognition Meals and Events, and Other Employee Recognition.

High Performance Awards. High Performance awards reward outstanding performance and results. As part of the annual non-unit merit adjustment process, High Performance Awards are designed to reward the top 5-10% of non-union, non-management employees. Nominations for High Performance Awards should be submitted by the employee's supervisor during the annual merit adjustment process.

Spot and Project Bonuses. Timely spot bonuses in the form of a one-time payment may be made to non-union employees to recognize extraordinary efforts, accomplishments, and going above and beyond normal job duties. The amount should be commensurate with the level of accomplishment.

Gift Cards and ALLETE Store. Gift cards are used for recognizing non-union employees who have added value to the organization through day-to-day excellence and effort. The amount of a gift card may not exceed $250. All gift cards are considered taxable income and must be purchased through the Minnesota Power Employee Credit Union by using Form 6151.

The Company has partnered with Advantage Emblem to create an e-commerce site where employees can purchase select apparel and other logoed items. ALLETE store gift codes can be requested employee recognition using Form 6862. Both gift card and ALLETE store gift codes require supervisor approval.

All gift cards are considered taxable income to employees for Federal, State, FICA and Medicare tax purposes. However, when payroll records the gift card as employee, the amount of the taxable income will be increased to offset the additional tax deductions. Under IRS code, all cash awards are taxable and gift cards are equivalent to cash. Gift cards are to be treated as cash and must be safely secured.

Gift cards for recognizing service and retirement are awarded through the Service Award program administered by Human Resources. Gift cards for these reasons should not be purchased by individual departments.

Employees are not allowed to purchase gift cards outside this program and seek reimbursement from the Company.

Non-Monetary Gifts. Departments may recognize their employees with a non-monetary gift. Under IRS code, non-monetary gifts that are de minimis are considered non-taxable. Gifts for life events, such as flowers for a birth, funeral, holiday gifts, occasional tickets for entertainment events, coffee or travel mugs, snacks and fruit baskets, are considered de minimis so long as the value does not exceed $100 and is occasional and unusual in frequency. Cash and cash equivalents (Visa Gift Cards, ALLETE Store gift codes, gift certificates, etc.) do not qualify as non-monetary gifts as they are considered by the IRS to be the same as cash and thus taxable. Non-monetary gifts must also be awarded under conditions and circumstances that don't create the likelihood of the IRS definition of *disguised pay*.

Special Time Off with Pay. The Company supports granting reasonable amounts of paid special time off in recognition of the extra effort of non-union, exempt employees who have worked unusual amounts of unpaid overtime, or who have gone above and beyond their normal work duties. The amount and scheduling of special time off with pay is determined by the department leadership. Employees who are granted special time off should charge their time to Other Time Off with Pay.

This is not entitlement nor is it the intention that unpaid overtime hours worked be accumulated or special time off be granted on an hour-by-hour basis.

Recognition Meals. Recognition meals are meals incurred to recognize employee(s) for work-related accomplishments. Recognition meals and events should be appropriate and reasonable. Recognition meal documentation must include the business purpose and name(s) of attendee(s). All ALLETE non-union retirement recognitions must follow the policy guidelines located on Stream (Human Resources/Your Life/Retirement).

Other Employee Recognition. Employees are recognized for their on-going contributions to the Company in the form of service awards and retirement awards. These award programs are administered by ALLETE's Human Resources department.

Other employee recognition such as tickets for sporting events, other ticketed entertainment, and recreational events (e.g., golfing, fishing, resort activities, etc.) and requires approval by the department's director or vice president. Other employee recognition costs such as meals, gifts, awards, and other associated expenses may be approved by the department's manager. Employee recognition expenses need to be reasonable in amount, have a business purpose, and be compliant with the ALLETE Code of Business Conduct.

VII. EMPLOYEE BENEFITS

A. BENEFITS OVERVIEW

To maintain a competitive package, our compensation and benefits are benchmarked comparing relevant industries and both regional and national practices. We review developments and refine our plans and policies to meet evolving economic conditions and ensure alignment with corporate strategy and the needs of a multi-generation workforce.

General benefit information can be found in annual Benefit Summary booklets located on the Human Resources Stream page. More detailed information is contained in the Employee's Benefit Guide, which is also located on the Human Resources Stream page. Complete details are in the legal plan documents that govern the operation of the applicable Plans.

If there should ever be any difference between the information contained in the summary documents and the provisions of the legal plan documents, the legal plan documents would be the final authority. Employees can review the documents by making arrangements through Human Resources – Benefits during regular work hours.

Time off benefit information can be found in the Employee Time off Addendum located after the closing words section of this handbook.

B. EMPLOYEE WELL-BEING BENEFITS

In addition to offering several employee benefits, the Company provides a variety of well-being benefits including:

- Employee Resource Program
- Interest Free Wellness Loans
- Group Activity Sponsorship
- Fitness Resources

View the well-being resources and benefits on the Human Resources Stream page under Your Health.

C. CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA)

COBRA provides the opportunity for eligible employees and/or covered dependents to continue medical, dental and/or vision benefits for a period of up to 18 months when group medical, dental and/or vision coverage for the employee and/or dependents has been lost due a qualifying life event, such as employee separation from service, reduction in hours, a leave of absence, divorce or legal separation, entitlement to Medicare, or where a dependent child no longer meets eligibility requirements. Contact Human Resources – Benefits to learn more about COBRA rights.

D. PROFESSIONAL DEVELOPMENT

The Company offers a wide variety of professional development opportunities to foster employee engagement and employee growth, both internally and externally.

Training, Seminars and Conferences: Training courses required for a job assignment are fully paid by the Company. Individual departments may choose to send individuals to conferences or seminars at Company expense. The Company will pay employees for training related travel in accordance with the Fair Labor Standards Act. Supervisors are responsible to ensure that training is appropriate for the individual and related to business needs.

Professional Certification Programs: Costs associated with obtaining a recognized professional certificate may be paid at the Company's discretion. The certificate must be pertinent to the career development of an employee and in the best interest of the Company. Supervisors must pre-approve any certification-related expenses. If expenses are paid by the Company and the certification is not obtained, further attempts at obtaining certification will be at the employee's expense.

Company-Sponsored Training and Development: The Company sponsors workshops and courses for the development of employees. Supervisors are expected to remain current on opportunities available and utilize this resource in career planning with their employees. Supervisors of shift workers are responsible to make information on workshops and training courses readily accessible and provide alternatives that allow employees to attend training opportunities scheduled during their work shift.

Apprenticeship Program: Certain jobs covered by the Collective Bargaining Agreement have approved apprenticeships. Apprenticeship standards have been formulated by the Minnesota Power Joint Apprenticeship Committee representing the Company and IBEW Local 31. The apprenticeship program was established to give employees an opportunity to learn a bona fide trade while developing a high degree of responsibility, skill and observance of safe work practices. Supervisors may obtain a copy of the Apprenticeship Standards online or by contacting Human Resources. This pamphlet includes an appendix describing the qualifying work experience and requirements for each job classification covered.

Tuition Reimbursement Program: The Company's Tuition Reimbursement Program encourages personal development through formal education so that employees can maintain and improve job-related skills or enhance their ability to compete for jobs they are qualified for within the Company.

The benefit may be used to achieve a job-related technical education, certificate, diploma or degree at any appropriately accredited school, college or university. Complete program details may be obtained by viewing Form 3269 on Stream or by contacting Human Resources.

Memberships: An employee may seek Company support for membership in an organization whose function is basically job-related. Supervisors are responsible for determining those employees eligible for joining qualifying organizations. Support will be considered for professional societies, trade organizations, and local civic groups.

Employees who are members of qualifying organizations are expected to actively participate in the activities of the organization. Supervisors are responsible to periodically review the appropriateness and significance of involvement in the organization.

The Company will pay dues and meal expenses associated with meetings of qualifying organizations. Travel expenses for out-of-town meetings and other expenses may be allowed at the discretion of the supervisor.

Subscriptions: The Company may pay for subscriptions to periodicals, journals, magazines, and similar publications which are job-related, and where their availability will result in a direct benefit to the Company. Supervisors are responsible for periodically reviewing the appropriateness and significance of subscriptions in their area.

Computer Purchase Program: The Computer Purchase Program is designed to assist employees with the purchase of a personal computer through a three-year interest free loan up to $3,000. Complete program details may be obtained by viewing Form 6093 on Stream or by contacting Cyber Technology Services.

E. WORKERS' COMPENSATION BENEFITS

Always call 911 for emergencies. If it is not an emergency, WorkCare is an excellent resource to assist ill or injured employees and supervisors with appropriate care suggestions. If medical attention of any type is necessary, employees are expected to call WorkCare at 888.449.7787. to report the injury or illness.

Occupational Injury or Illness is defined as any injury or illness incurred out of or in the course of employment when the activities of an employee's job are a significant contributing factor to the employee's injury or illness. This includes repetitive, cumulative, or other non-acute symptoms. Supervisors must ensure the employee receives prompt medical attention, rest, or transportation home, based on the circumstances. Whether or not medical attention is required at the time, the employee must immediately report the injury to their supervisor and contact WorkCare. If medical attention is later required, the WorkCare form will be on file to verify the incident. Employees may access the Workplace Injury Reporting Procedures on Stream.

Reporting Lost Time. The supervisor must report any lost time resulting from an occupational illness or injury to the Human Resources Workers' Compensation coordinator immediately. Further instruction for time entry will be provided at that time. The supervisor must also notify the Workers' Compensation coordinator when the employee returns to work.

Occupational Health and Safety Act (OSHA). All OSHA recordable injuries will be recorded on an OSHA Log and on a Summary of Occupational Injuries and Illnesses forms (OSHA Form 300 and 300A) by Human Resources. The logs are readily available through Human Resources to any OSHA investigator who requests to inspect them.

Recreational Activity Injury. State workers' compensation laws do not cover injuries incurred while an employee participates in a voluntary recreational activity, even one sponsored by the Company, such as a health promotion program, athletic event, picnic, party or outing. Such injuries will not be covered under Workers' Compensation benefits. All bills for medical care should be processed through the individual's health insurance and related time off should be recorded as PTO or Sick Time, as applicable.

A FEW CLOSING WORDS

This Handbook is intended to provide a broad summary of things our employees should know about the Company. The information in this Handbook is general in nature and, should questions arise, employees should consult their supervisor or Human Resources for complete details. While we intend to continue the policies, rules, and benefits described in this Handbook, the Company may always modify the matters set forth in this Handbook in its sole discretion, to the maximum extent permitted by applicable law. Please do not hesitate to speak to your supervisor or Human Resources with any questions about the Company or its personnel policies and practices.

ALLETE, INC. AND MINNESOTA POWER EMPLOYEE TIME OFF ADDENDUM

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IV. TEMPORARY EMPLOYEES, INTERNS, AND PART-TIME EMPLOYEES REGULARLY SCHEDULED TO WORK LESS THAN 0.5 FTE 94

PAID TIME OFF OVERVIEW				
Policy	**Full-time non-union employees and full-time union employees represented by IBEW Local 31**	**Full-time union employees represented by IBEW Local 1593**	**All part-time employees regularly scheduled to work 0.5 FTE or greater**	**Temporary employees, Interns, and part-time employees regularly scheduled to work less than 0.5 FTE**
Vacation	X		X*	
PTO		X		
Paid Holidays	X	X	X	
Floating Holidays	X		X	
Sick and Safe Time Bank	X*			
Accrued Sick and Safe Time				X*
Parental Leave	X		X	
Funeral Leave	X	X		
Voting Time	X	X	X	X
Jury Duty	X	X	X	
School Conferences and Activities Leave	X	X	X	X

*This form of time off meets the statutory requirements of Minnesota's Earned Sick and Safe Time law.

The chart above outlines paid time off policies. Employees who do not qualify may be eligible for unpaid time off. In addition to the paid time-off benefits listed, employees may also be eligible for time off (paid or unpaid) under the following policies: Military Leave, FMLA, and Personal Leave. For more information on other forms of wage replacement, summary plan descriptions and plan documents are located on the Human Resources Stream page, which includes information on short-term disability and Minnesota Paid Leave.

I. FULL-TIME NON-UNION EMPLOYEES AND FULL-TIME UNION EMPLOYEES REPRESENTED BY IBEW LOCAL 31

This section covers a collection of time-off policies and practices that apply to full-time non-union employees and full-time union employees represented by IBEW Local 31. If any policy conflicts with the provisions of an existing collective bargaining agreement or any statute, the provisions of the collective bargaining agreement or statute control.

A. VACATION

Eligibility. Employees start accruing Vacation immediately. For full-time employees represented by IBEW Local 31, Vacation is available for use after completion of 90 days of continuous service. All other eligible employees may use Vacation as it accrues.

Purpose. Vacation is a paid-time-off benefit that allows employees to take time off from work for rest, relaxation, vacation, and any other personal purpose except for personal illness or injury. For information on time off related to Sick and Safe Purposes, see Sick and Safe Time.

Additional Benefit Details. Vacation accrues based on hours entered each pay period, up to a maximum of 80 hours entered per pay period, to the extent such limitation is permitted by applicable law, as outlined in the applicable Vacation Schedule:

Vacation - Schedule 2 Non-union employees hired after 12/31/2000, union employees represented by IBEW Local 31 hired after 1/31/2018, and employees who previously opted in to Schedule 2				
Years of Service*	Hourly Accrual	Per Pay Period Accrual Cap (Hourly Vacation Accrual Rate x 80 Hours)	Per Year Accrual Cap (Hourly Vacation Accrual Rate x 2,080 Hours)	Maximum Vacation Accrual Cap**
0 – 1	0.038462	3.07696	80 hours	200 hours
2 – 9	0.057693	4.61544	120 hours	240 hours
10 – 19	0.076924	6.15392	160 hours	280 hours
20+	0.096154	7.69232	200 hours	320 hours

Vacation - Schedule 1 Non-union employees hired prior to 1/1/2001 and union employees hired prior to 2/1/2018, who previously opted in to Schedule 1 (closed to new enrollments)				
Years of Service*	Hourly Accrual	Per Pay Period Accrual Cap (Hourly Vacation Accrual Rate x 80 Hours)	Per Year Accrual Cap (Hourly Vacation Accrual Rate x 2,080 Hours)	Maximum Vacation Accrual Cap**
0 – 5	0.038462	3.07696	80 hours	200 hours
6 – 11	0.057693	4.61544	120 hours	240 hours
12 – 13	0.061539	4.92312	128 hours	248 hours
14 – 15	0.065385	5.23080	136 hours	256 hours
16	0.069231	5.53848	144 hours	264 hours
17	0.073077	5.84616	152 hours	272 hours
18	0.076924	6.15392	160 hours	280 hours
19	0.080770	6.46160	168 hours	288 hours
20	0.084616	6.76928	176 hours	296 hours
21	0.088462	7.07696	184 hours	304 hours
22	0.092308	7.38464	192 hours	312 hours
23	0.096154	7.69232	200 hours	320 hours
24	0.100000	8.00000	208 hours	328 hours
25	0.103847	8.30776	216 hours	336 hours
26	0.107693	8.61544	224 hours	344 hours
27	0.111539	8.92312	232 hours	352 hours
28	0.115385	9.23080	240 hours	360 hours
29	0.119231	9.53848	248 hours	368 hours
30+	0.123077	9.84616	256 hours	376 hours

* Employees will become eligible for the next (higher) accrual rate in the pay period in which their anniversary date falls.

**No Vacation hours will accrue beyond the maximum accrual cap. Once an employee reaches the maximum accrual cap, they will not accrue any additional hours until their balance falls below the maximum accrual cap. Employees may carry over all accrued, unused Vacation up to the maximum accrual cap.

Supervisors may approve a temporary negative Vacation balance. Employees with a negative balance must attain a positive balance before taking further Vacation.

Employees are required to use available Vacation prior to taking unpaid time off unless prohibited: (1) by law; (2) by an existing collective bargaining agreement; or (3) when on an FMLA leave. If illness or disability occurs prior to the beginning of scheduled Vacation, the Vacation may be rescheduled at a time satisfactory to the Company and the employee. If illness or disability occurs after the scheduled Vacation has begun, the Vacation will continue as scheduled.

Vacation may not be used for personal illness or injury. For information on time off related to Sick and Safe Purposes, see Sick and Safe Time. Employees are not permitted to use Vacation hours during any applicable state paid leave (any family, medical, or disability benefit paid through a state).

Vacation is not accrued during an unpaid leave of absence in excess of 30 consecutive calendar days (173.3 hours). Any unused Vacation balance will forfeit upon commencement of Long-Term Disability benefits and will not accrue during that time.

Termination. Upon termination of employment for any reason, the remaining accrued and unused Vacation balance will be paid on the employee's final pay statement. If a negative Vacation balance exists, the employee's final paycheck may be reduced by that amount (subject to compliance with applicable state laws). In instances where state law prohibits the deduction, employees will be expected to repay the overage to the Company directly.

Notice. Vacation may be scheduled and taken at any time during the calendar year, with supervisory approval. Vacation must be scheduled to meet the needs of both the employee and the Company.

Time Entry. Employees enter Vacation time as "Vacation" within the time entry system.

B. PAID HOLIDAYS

Eligibility. Employees are eligible for Paid Holidays immediately upon hire.

Purpose. Specified company-designated holidays each year for which employes are entitled to receive paid time off.

Additional Benefit Details. The Company provides the following Paid Holidays per calendar year:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Eve Day
Christmas Day
New Year's Eve Day

If a Paid Holiday falls on a Saturday, the preceding Friday will be granted as the Paid Holiday. If a Paid Holiday falls on a Sunday, the following Monday will be granted. However, employees scheduled to work on Paid Holidays (12-hour rotating shift workers) will observe the Paid Holiday on the actual day.

A Paid Holiday that falls during an employee's scheduled Vacation is considered a Paid Holiday and not a Vacation day. No designated holiday time off will be granted at a later date, unless explicitly covered by a collective bargaining agreement or as described in the Holiday Work Policy.

When the Christmas and New Year's holidays fall on Saturday and/or Sunday, one of the days for each holiday will be designated as "flexible." For example:

> Example 1: Christmas Eve falls on a Friday and Christmas Day falls on a Saturday, Christmas Day will be designated as "flexible."
>
> Example 2: Christmas Eve falls on a Saturday and Christmas Day falls on a Sunday, the Monday following Christmas Day will be designated as a holiday and Christmas Eve will be designated as "flexible."
>
> Example 3: Christmas Eve falls on a Sunday and Christmas Day falls on a Monday, Christmas Eve will be designated as "flexible."

Flexible holidays are pre-identified holidays that are earned by an employee on the date of the scheduled holiday. These hours can be used at any time during the year, however if an employee uses a flexible holiday prior to the actual holiday and separates from service, the hours will be deducted from their final vacation balance. Flexible holidays will also be forfeited if not used by the end of the calendar year.

Time Entry. All Paid Holidays must be recorded as holiday time on the day observed even if the employee is off work for other reasons such as Vacation or Sick and Safe Time. Employees should record Paid Holidays as "Holiday" or "Flexible Holiday" in the time entry system, except an employee on Workers' Compensation leave should enter time to the appropriate occupational injury time entry code and not as Holiday.

C. FLOATING HOLIDAYS

Eligibility. Employees are eligible for Floating Holidays immediately upon hire on a pro-rated basis.

Purpose. In addition to Paid Holidays, the Company also provides paid time off, called "Floating Holidays" that employees may use during each calendar year for holidays celebrated or observed that are not designated as a Company Paid Holiday.

Additional Benefit Details. Employees in service on January 1 will receive 32 hours of Floating Holiday time. Floating Holiday hours can be used in any increment of .25 or more. A new employee hired, or employee who transferred to a full-time position mid-year, will receive Floating Holidays on a pro-rated basis as shown in the table below:

Month of Hire or Transfer to Full-Time	Floating Holiday Hours for Year
January–March	32 hours
April–June	24 hours
July–September	16 hours
October–December	8 hours

Floating Holiday hours will not be carried over to the next calendar year, nor will they be cashed out upon termination of employment.

Employees are not permitted to use Floating Holidays during any applicable state paid leave (any family, medical, or disability benefit paid through a state).

Notice. Employees should provide their supervisor with advanced notice to ensure business needs are met.

Time Entry. Employees should record Floating Holidays as "Floating Holiday" in the time entry system.

D. SICK AND SAFE TIME

Eligibility. Employees are eligible for Sick and Safe Time immediately upon hire.

Purpose. To provide paid leave to employees that can be used for certain reasons, including when an employee is sick, to care for a sick family member, or to seek assistance if an employee or their family member has experienced domestic abuse or other personal safety threats, which are collectively referred to as "**Sick and Safe Purposes.**" Sick and Safe Purposes include the following:

1. An employee's: (i) mental or physical illness, injury, or health condition; (ii) need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; (iii) need for preventive medical care; or (iv) need to make arrangements for or attend funeral services or a memorial, or address financial or legal matters that arise after the death of a "**family member"***;
2. Care of a family member: (i) with a mental or physical illness, injury, or health condition; (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or (iii) who needs preventive medical care;
3. Absence due to domestic abuse, sexual assault, or stalking of the employee or employee's family member, provided the absence is to: (i) seek medical attention related to physical or

psychological injury or disability caused by domestic abuse, sexual assault, or stalking; (ii) obtain services from a victim services organization; (iii) obtain psychological or other counseling; (iv) seek relocation or take steps to secure an existing home due to domestic abuse, sexual assault, or stalking; or (v) to seek legal advice or take legal action, including preparing for or participating in any civil or criminal proceedings related to or resulting from domestic abuse, sexual assault, or stalking;

4. Closure of the employee's place of business due to weather or other public emergency; or an employee's need to care for a family member whose school or place of care has been closed due to weather or other public emergency;
5. The employee's inability to work or telework because the employee is: (i) prohibited from working by the employer due to health concerns related to the potential transmission of a communicable illness related to a public emergency; or (ii) seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, a communicable disease related to a public emergency and such employee has been exposed to a communicable disease or the employee's employer has requested a test or diagnosis; and
6. When it has been determined by the health authorities having jurisdiction or by a health care professional that the presence of the employee or family member of the employee in the community would jeopardize the health of others because of the exposure of the employee or family member of the employee to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease.

* "**Family member**" for Sick and Safe Purposes means: (1) an employee's: (i) child, adult child, legal ward, child for whom the employee is legal guardian, or child to whom the employee stands in loco parentis; (ii) spouse or registered domestic partner; (iii) sibling, step sibling, or foster sibling; (iv) biological, adoptive, or foster parent, step parent, or a person who stood in loco parentis when the employee was a minor child; (v) grandchild, foster grandchild, or step grandchild; (vi) grandparent or step grandparent; (vii) , a child of a sibling of the employee; (viii) a sibling of the parents of the employee; or (ix) a child-in-law or sibling-in-law; (2) any of the family members listed in clause (1) above of a spouse or registered domestic partner; (3) any other individual related by blood or whose close association with the employee is equivalent of a family relationship; and (4) up to one individual annually designated by the employee.

Additional Benefit Details. Employees receive a front-loaded Sick and Safe Time bank of 80 hours at the beginning of each calendar year. Newly hired employees will receive a Sick and Safe Time bank of hours based on their date of hire. Employees hired on or after July 1st of any year will be advanced 48 hours and employees hired prior to July 1st will receive 80 hours.

All employees are subject to a maximum Sick and Safe Time balance of 140 hours. Unused hours are granted as additional Sick and Safe Time hours for the following year, up to the maximum balance of 140 hours. For example, employees with more than 60 hours at the end of the calendar year will only receive enough hours needed to meet the maximum balance of 140 hours at the beginning of the year.

Sick and Safe Time hours have no cash value and are not eligible for payout in connection with termination of employment. Additionally, Sick and Safe Time hours may not be used to extend an employee's termination date.

An employee's use of Sick and Safe Time will not be conditioned on searching for or finding a replacement worker.

Where permitted by applicable law, Sick and Safe Time may run concurrently with leave provided through the Family and Medical Leave Act ("FMLA"). Employees may request reasonable accommodations, such as a light duty or unpaid leave in situations where an employee does not qualify for Sick and Safe Time. For more information, *see* Reasonable Accommodations & Interactive Dialog Policy; *see* also Nursing Mothers, Lactating Employees, and Pregnancy Accommodations Policy within the Minnesota Supplement.

Employees that are absent for greater than three consecutive calendar days due to a Serious Health Condition may be eligible for other wage replacement through Short-Term Disability Salary Continuation and/or Minnesota Paid Leave. For more information, *see* the Human Resources' STREAM page.

When permitted under law, the Company reserves the right to require an employee to be examined by a physician to determine fitness for duty, return to light duty, or return to regular duty. In some circumstances the Company may require the exam be completed by a Company-designated physician. The Company will pay for all expenses of this required physical examination if completed by a Company-designated physician. Employee/Labor Relations will coordinate Company-required physical examinations and receive medical information from health care providers regarding employee illness or injury.

Employees are not permitted to use Sick and Safe Time during any applicable state paid leave (any family, medical, or disability benefit paid through a state).

Employees are required to use available Sick and Safe Time hours prior to taking unpaid time off for Sick and Safe purposes unless prohibited: (1) by law; (2) by an existing collective bargaining agreement; or (3) when on an FMLA leave.

Notice. If an employee plans to use Sick and Safe Time for foreseeable Sick and Safe Purposes, such as a preventive care appointment, the employee must inform their supervisor as far in advance as possible, but at least seven days in advance. In situations when an employee does not provide advance notice for foreseeable Sick and Safe Purposes, the Company may request the time off be rescheduled. In situations where the need for time off is unforeseeable, the employee should contact their supervisor as soon as they know they will be unable to work.

Documentation. Employees submitting a claim for Short Term Disability Salary Continuation or state paid leave, such as Minnesota Paid Leave, are required to submit a Leave Request Form (Form No. 4987). Employees may be requested, through Human Resources, to provide reasonable documentation as permitted under applicable law. Reasonable documentation may include but is

not limited to a signed statement from a healthcare professional or a written statement from the employee to document that the Sick and Safe Time was for a Sick and Safe Purpose.

Time Entry. Employees should record Sick and Safe Time as "Sick Bank Used" in the time entry system.

E. PAID PARENTAL LEAVE BENEFITS

Eligibility. Non-union employees are eligible for Company-paid Parental Leave after 30 days of service provided the child was born or adopted while the employee was employed. Union employees are eligible for Company-paid Parental Leave after 90 days provided the child was born or adopted while the employee was employed.

Purpose. The Paid Parental Leave Benefits Policy is intended to provide eligible employees with paid leave for care and bonding for a biological or adopted child.

Additional Benefit Details.

- **Minnesota Paid Leave Eligible Employees**: Effective January 1, 2026, employees who welcome a child by birth or adoption on or after this date are eligible for up to six weeks (maximum 240 hours) of supplemental Parental Leave pay. This supplemental pay must be used at the same time as Minnesota Paid Leave for bonding with a new child and will ensure the employee receives 100% of their regular base pay during this period of the leave.

- **Non-Minnesota Paid Leave Eligible Employees**: Employees will be granted 80 hours of Parental Leave to be used within 12 months of the date of birth or adoption.

For details on wage replacement for the medical recovery after the birth of a child, see the Minnesota Paid Leave and Short-Term Disability Salary Continuation Plan Documents on STREAM as applicable.

Company-paid Parental Leave may be granted a maximum of two times per calendar year regardless of number of births or adoptions. Parental Leave not taken within the 12-month period will be forfeited. Unused Parental Leave will not be paid out in connection with termination of employment.

Employees are provided with sufficient time off in connection with the birth and adoption of a child in accordance with applicable state or federal law, which will run concurrently with Parental Leave. For more information on leave allotments, *see* the applicable state supplement and FMLA policy. Additional program details can also be found on the Human Resources Stream page or in the applicable collective bargaining agreement.

Notice. Employees must provide their supervisor and Human Resources with at least 30 days' notice (or as soon as practicable) prior to the birth or adoption of the child. Notice must be provided by submitting the Leave Request Form (Form No. 4987) to both Human Resources and the employee's supervisor. Employees approved to take bonding leave on an intermittent basis must

work with their supervisor and Human Resources to plan a leave schedule at least 30 days prior to the planned leave.

Documentation. Employees must provide all documentation as required by Human Resources to substantiate the request.

Time Entry. Instructions for recording Company-paid Parental Leave in the time entry system will be provided to an Employee by Human Resources when Parental Leave is approved.

F. DAY OF SURGERY LEAVE- RELATIVE

Eligibility. Employees are eligible for Day of Surgery Leave for a Relative immediately upon hire.

Purpose. To provide paid leave for employees who need to care for a qualifying relative on the day of the relative's surgery.

Additional Benefit Details. Employees may be granted leave under this policy on the day of a qualifying relative's surgery when their presence is necessary to care for the relative. Qualifying relatives include dependent child, adult child, spouse, sibling, parent, step-parent, parent-in-law, grandparent, and grandchild (including step-grandchild, adopted grandchild or foster grandchild). Day of Surgery Leave for a Relative may be granted up to a maximum of 12 hours per occurrence (hours granted based on regularly scheduled shift). Shift workers who are scheduled to work overnight and whose presence is needed to care for a qualifying relative during the preceding day may be eligible for leave for that night shift).

Notice. Employees must notify their supervisor and Human Resources at least 7 days in advance of the requested leave. In situations where advance notice is not feasible, employees must provide notices as soon as practicable. Notice must be provided by submitting the Leave Request Form (Form No. 4987) to both Human Resources and the employee's supervisor.

Documentation. Employees must provide all documentation as required by Human Resources to substantiate the request.

Time Entry. Instructions for recording Day of Surgery Leave for a Relative in the time entry system will be provided to an Employee by Human Resources when the Day of Surgery Leave is approved.

G. FUNERAL LEAVE

Eligibility. Non-union employees are eligible for Funeral Leave immediately upon hire. Union employees are eligible for Funeral Leave following six months of continuous service.

Purpose. Funeral Leave provides eligible employees with specified paid time off to attend the funeral or address the family matters of a family member based on the relationship between the employee and the family member.
Additional Benefit Details. Funeral Leave applies as follows:

- Five (5) working days in the event of the death of an employee's spouse, registered domestic partner, or child.
- Three (3) working days in the event of the death of an employee's parent, sibling, grandchild, or child-in-law.
- One (1) working day in the event of the death of an employee's grandparent, sibling-in-law, uncle, aunt, niece, or nephew.
- Four (4) hours will be allowed to be a pallbearer at the funeral of a friend.

The family relationships listed above include step-family members, family members of a registered domestic partner, and in-laws, unless a specific leave duration is otherwise specified above.

The supervisor may release an employee from work with pay to attend the funeral services of a coworker, taking into account the operating requirements of the Company. Employees may also be eligible for Sick and Safe Time in connection with the death of a family member if such additional time off constitutes a Sick and Safe Purpose. *See* the Sick and Safe Time Policy for more details.

A supervisor may also approve additional time off based on what is reasonable for the Company to allow outside of the Funeral Leave Policy, such as Vacation, Floating Holiday, or Personal Leave of Absence.

Notice. Employees must provide as much advance notice for Funeral Leave as possible.

Time Entry. Employees should record time off for Funeral Leave as "Funeral Leave" in the time entry system.

H. VOTING TIME

Eligibility. Employees eligible to vote in an election are eligible for Voting Time immediately upon hire.

Purpose. Voting Time provides eligible employees with paid time off for the time necessary to appear at the employee's polling place, cast a ballot, and return to work on the day of that election or during the time period permitted for voting in person before election day.

Notice. The Company encourages employees to work with their managers to schedule voting time.

Time Entry. Employees should record Voting Time as "Other Time Off With Pay" in the time entry system.

I. SCHOOL CONFERENCES AND ACTIVITIES

Eligibility. Employees are eligible for School Conferences and Activities immediately upon hire.

Purpose. Eligible employees are granted up to 16 hours per calendar year of paid time off to attend their children's school conferences, school-related educational activities, graduation exercises, activity of childcare services, preschool, regular or special education program or to observe and monitor the services of such a program, or programs which cannot be scheduled outside of work hours.

Additional Benefit Details. For purposes of this Policy, "child" includes any child of the employee, whether biological, adopted, step or foster, who is in 12th grade or below.

If employees are entitled under applicable law to time off for school conferences and activities beyond 16 hours per calendar year, such time off will be unpaid unless the employee elects to use other available paid time off.

Notice. The employee must notify the supervisor as soon as possible so that arrangements can be made for the absence. An attempt should be made to schedule the absence to minimize disruption to the Company's operations.

Time Entry. Employees should record School Conferences and Activities Leave as "School Activities" in the time entry system.

J. JURY DUTY LEAVE

Eligibility. Employees are eligible for Jury Duty Leave immediately upon hire.

Purpose. Eligible employees absent from work because of jury duty will receive their regular pay.

Additional Benefit Details. Employees are not required to reimburse the Company for the stipend they receive for jury duty. Employees must report to work while temporarily excused from attendance at court.

Notice. Employees must notify their supervisor as soon as they receive a jury duty summons so that appropriate arrangements can be made for the absence.

Documentation. Employees must submit a copy of the jury duty summons or other official court documentation to their supervisor to substantiate the request for Jury Duty Leave.

Time Entry. Employees should record absences for jury duty as "Jury Duty" in the time entry system.

K. MILITARY LEAVE

Eligibility. Employees are eligible for Military Leave immediately upon hire.

Purpose. Military Leave provides leave for military service and training as required under applicable federal and state laws and in some instances, provides a pay differential.

Additional Benefit Details. An unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and applicable state laws.

The procedures that need to be followed when an employee goes on Military Leave, including who to contact regarding employee benefit impacts, can be found on the Military Leave Stream page.

If an employee's Military Leave extends beyond 24 months of military service, the employee's employment status will be changed to "furloughed." Company email will be disabled, as will the employee's username and password for any Company-related systems. Information regarding benefits (as applicable), will be sent to the employee's address as listed in the Human Resources Information System. Any known personal belongings remaining at the Company will be boxed and sent to the employee's address of record.

Pay Differential. Employees may receive pay differential if the base pay received from the military is less than the base salary received from the Company; this difference is known as "**pay differential**." If the base pay received from the military is greater than or equal to the base salary received from the Company, no pay differential will be paid. The Company provides the following types of pay differential:

- Inactive Military Duty: Employees who are required to attend annual training for the military are eligible to receive pay differential for ten working days in a calendar year. For any period exceeding ten working days in any calendar year, the employee has the option of taking unpaid leave or accrued Vacation.

- Active Military Duty: Employees who are activated by the military are eligible to receive pay differential for up to one year per activation. For any period exceeding one year, the employee has the option of taking unpaid leave or accrued Vacation.

- Basic Training: Regular, Full-time and part-time employees who join the guard or reserve while an active employee with the Company are eligible to receive pay differential for up to eight weeks during basic training. For any period exceeding eight weeks, the employee has the option of taking unpaid leave or accrued Vacation.

Vacation Accrual during Military Leave. Employees on Military Leave will continue to accrue Vacation consistent with employees who are on non-military leaves of absence. Consistent with the Company's treatment of other unpaid leaves of absence, Vacation accrual for all types of Military Leave ends after 30 calendar days of unpaid leave. The period that an employee is on a leave of absence for military service will be included as continuous service with the Company when calculating the employee's future Vacation accrual rate if the employee reports back to work (or requests reemployment, as applicable) within the time limits proscribed by law.

Holidays; Use of Vacation Time and Floating Holidays During Military Leave. If a Paid Holiday occurs during an employee's military leave, the employee will be paid full wages for that day and will not receive pay differential. This also applies to an employee's elective use of Vacation or Floating Holidays during a period of Military Leave.

Notice. When possible, employees should provide at least 30 days' advance notice of the request for Military Leave using Form No. 4987b (preferred) or other means. If 30 days' notice is not possible because of military necessity or for other reasons, employees must give as much advance notice to the Company as possible.

Documentation. When possible, employees are requested to submit a copy of the applicable military orders, training notice, or order to active duty. Employees are required to submit Leave and Earnings Statements (LES) to receive pay differential.

Time Entry. Employees should record absences for Military Leave as "Military Duty" in the time entry system.

L. FMLA LEAVE

Eligibility. An employee is eligible for FMLA Leave if the employee:

- Works for a covered employer,
- Has worked for the employer for 12 months,
- Has at least 1,250 hours of service for the employer during the 12-month period immediately before the leave is to start, and
- Works at a location where the employer has at least 50 employees within 75 miles of that worksite.
- Note: Special hours-of-service requirements apply to airline flight crew employees.

Purpose. To comply with the Family and Medical Leave Act ("FMLA"), which is a federal law that requires the Company to provide eligible employees with unpaid, job-protected leave for qualifying family and medical reasons.

Additional Benefit Details. An eligible employee can take up to 12 work weeks of FMLA Leave in a 12-month period for:

- The birth, adoption or foster placement of a child with the employee,

- The employee's serious mental or physical health condition that makes the employee unable to work,
- To care for a spouse, child or parent with a serious mental or physical health condition, and
- Certain qualifying reasons related to foreign deployment of the employee's spouse, child or parent who is a military servicemember.

An eligible employee who is the spouse, child, parent or next of kin of a covered servicemember with a serious injury or illness may take up to 26 work weeks of FMLA Leave in a single 12-month period to care for the servicemember.

Leave to care for the employee's child after birth, or placement for adoption or foster care must be taken within one (1) year of the child's birth or placement.

FMLA Leave is not paid leave, but an employee may choose to use any Company-provided paid leave if the reason for the employee's FMLA Leave is covered under the applicable paid leave policy. Employees are required to use one-half of their accrued Vacation balance during any unpaid FMLA Leave. The balance subject to use is the amount available on the date the leave begins.

Under FMLA, a child means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is under 18 years of age or who is 18 years of age or older and incapable of self-care because of a mental or physical disability at the time that FMLA leave is to commence. A parent means a biological, adoptive, step or foster parent, or any other individual who stood in loco parentis to the employee when the employee was a child. A spouse means a husband or wife as defined or recognized in the state where the individual was married, including in a common law marriage or same-sex marriage. Spouse also includes a husband or wife in a marriage that was validly entered into outside of the United States, if the marriage could have been entered into in at least one state.

Serious Health Condition. Under FMLA, a "serious health condition" is defined as an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Eligible employees may use FMLA Leave in one block of time. If medically necessary or as approved by the supervisor, the employee may take FMLA Leave intermittently in separate blocks of time, or on a reduced schedule by working less hours each day or week. The Company may temporarily transfer the employee to an available alternative position with equivalent pay and benefits to accommodate the employee's need for intermittent or reduced work schedule. Upon

return from FMLA Leave, an employee will be restored to their original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions.

Definition of Leave Year. The Company's leave year is defined as the 12-month period measured forward from the date the employee's first FMLA Leave begins. For example, an employee would be entitled to 12 weeks of unpaid leave during the year beginning on the first date FMLA leave is taken; the next 12-month period would begin the first time FMLA Leave is taken after completion of any previous 12-month period.

> Example: FMLA granted on April 1st and employee uses all 12 weeks, employee becomes eligible for another 12 weeks on April 1st of the following year.

FMLA will run concurrently with any applicable state paid leave (any family, medical, or disability benefit paid through a state).

Health Benefits Continuation during FMLA. During FMLA Leave, the Company will continue its contribution to the ALLETE and Affiliated Companies Employees' Medical and Dental Plans. For employees using paid time off concurrently with FMLA Leave, the Company will continue to deduct the employee share of Medical and Dental Plan premiums from payroll. During unpaid FMLA Leave, employees are required to contact Human Resources to arrange payment for their share of premiums.

If an employee does not return to work following FMLA Leave, the Company may seek reimbursement for its contributions to the Medical and Dental Plans. If an employee chooses not to continue Medical or Dental Plan coverage during the leave, the employee may elect to be reinstated on the same terms as prior to taking the leave.

Military Family Leave. Eligible employees with a spouse, son, daughter, or parent (but not in-law) on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement which permits eligible employees (spouse, son, daughter, parent (but not in-law) or next of kin of a covered service member) to take up to twenty-six (26) weeks of leave to care for a covered service member with a serious injury or illness during a single 12-month period (one time basis only). A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered servicemembers also includes a veteran who is

discharged or released from military services under condition other than dishonorable at any time during the five-year period preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a "serious injury or illness" for current Armed Forces members and covered veterans are distinct from the FMLA definition of "serious health condition" applicable to FMLA Leave to care for a covered family member.

Notice. When the need for FMLA Leave is foreseeable, employees should provide notification to their supervisor as far in advance as possible. To request FMLA Leave, employees should complete the Leave Request Form (Form No. 4987), discuss the absence with their supervisor, and submit the Leave Request Form to Human Resources. When requesting leave, employees are not required to share a medical diagnosis, but must provide enough information for the employer to determine whether the leave qualifies for FMLA protection. In the event of an unforeseeable need for FMLA Leave, the supervisor must immediately notify Human Resources.

Documentation. When permitted by applicable law, an employee may be required to submit a certification from a health care provider to support the need for FMLA leave to care for a covered family member with a serious health condition or for the employee's own serious health condition. Employees may also be required to furnish periodic reports (every 30 days) of their status and intent to return to work and may be required to submit a fitness for duty certificate prior to being restored to employment. This certification should be forwarded to Human Resources to be filed in the employee's confidential medical file.

Time Entry. Instructions for recording FMLA in the time entry system will be provided to an Employee by Human Resources when FMLA Leave is approved.

M. PERSONAL LEAVE OF ABSENCE

Eligibility. Employees may request a Personal Leave of Absence upon hire.

Purpose. The Company may grant a Personal Leave of Absence to provide unpaid time off for a specified period of time.

Additional Benefit Details. A Personal Leave of Absence request will be assessed based on the purpose, length of request, the Company's needs, and ability to maintain continuity of service and operations. The employee's supervisor must approve a Personal Leave of Absence. A Personal Leave of Absence that extends beyond 120 days requires vice presidential approval.

An employee must exhaust all Vacation prior to taking unpaid leave. A Personal Leave of Absence for a union employee will be granted in accordance with the terms of the collective bargaining agreement.

When an employee returns from a Personal Leave of Absence, the supervisor must notify Human Resources immediately.

Personal Leave of Absence's Effect on Company Service. The following applies in determining an employee's period of service or seniority for purposes of vacation, group insurance, pertinent salary progression schedules, etc.:

- Prior to completion of 12 months of continuous service, all time off on leave of absence will be deducted.
- Upon completion of 12 months of continuous service, all time off on leave of absence in excess of 30 days (173.33 hours) will be deducted. For an extended leave which begins in one calendar year and ends in the next, all time off in excess of 30 days for that leave will be deducted.

A Personal Leave of Absence could impact eligibility for Company benefits. Employees are encouraged to discuss benefits with Human Resources when requesting a Personal Leave of Absence.

Notice. Employees requesting a Personal Leave of Absence must request the leave as far in advance as possible. To request a Personal Leave of Absence, employees must complete a Leave Request Form (Form No. 4987), discuss the absence with their supervisor, and submit the Leave Request Form to Human Resources.

Time Entry. Employees should record absences for Personal Leave of Absence as "Other Time Off Without Pay" in the time entry system.

II. FULL-TIME UNION EMPLOYEES REPRESENTED BY IBEW LOCAL 1593

This section covers a collection of time-off policies and that apply to full-time union employees represented by IBEW Local 1593. If any policy conflicts with the provisions of an existing collective bargaining agreement or any statute, the provisions of the collective bargaining agreement or statute control.

A. PTO

Eligibility. All eligible employees start accruing PTO immediately upon hire.

Purpose. PTO is a paid-time-off benefit that allows employees to take time off from work for any purpose, such as for illness, rest, relaxation, and vacation.

Additional Benefit Details. Employees start accruing PTO immediately upon hire. PTO accrues based on hours, up to a maximum of 80 hours per pay period, to the extent such limitation is permitted by applicable law. PTO accrues based on the following schedule:

PTO Schedule		
Years of Service*	Annual Accrual Cap (Hourly PTO Accrual Rate x 2,080 Hours)	Maximum Accrual Cap**
0 – 1	152 hours	272 hours
2 – 9	192 hours	312 hours
10 – 14	232 hours	352 hours
15 – 19	240 hours	352 hours
20 – 25	280 hours	392 hours

*Employees will become eligible for the next (higher) accrual rate in the pay period in which their anniversary date falls.

**No hours will accrue beyond the maximum accrual cap. Once an employee reaches the maximum accrual cap, they will not accrue any additional hours until their balance falls below the maximum accrual cap.

Supervisors may approve a temporary negative PTO balance. Employees with a negative balance must attain a positive balance before taking further PTO.

Employees are required to use available PTO prior to taking unpaid time off unless otherwise permitted by law or directed by a collective bargaining agreement.

PTO is not accrued during an unpaid leave of absence in excess of 30 calendar days (173.3 hours) per year.

Where permitted by applicable law, PTO used may run concurrently with FMLA.

Termination. Upon termination of employment for any reason, the remaining accrued and unused PTO balance will be paid on the employee's final pay statement. If a negative PTO balance exists, the employee's final paycheck may be reduced by that amount (subject to compliance with applicable state laws). In instances where state law prohibits the deduction, employees will be expected to repay the overage to the Company directly.

Notice. PTO may be scheduled and taken any time during the calendar year, with supervisory approval. PTO must be scheduled in advance to meet the needs of both the Employee and the Company. For additional details, employees can reference the collective bargaining agreement.

Documentation. Employees may be required to provide reasonable documentation when PTO is used for more than three consecutive days or when there is a pattern or frequency of use.

Time Entry. PTO should be recorded as "ND PTO Paid Time Off" in the time entry system.

B. PAID HOLIDAYS

Eligibility. Employees are eligible for Paid Holidays immediately upon hire.

Purpose. Specified company-designated holidays each a year for which employes are entitled to receive paid time off.

Additional Benefit Details. The Company provides the following Paid Holidays per calendar year:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Eve Day
Christmas Day
New Year's Eve Day

If a Paid Holiday falls on a Saturday, the preceding Friday will be granted as the Paid Holiday. If a Paid Holiday falls on a Sunday, the following Monday will be granted. When New Year's Day falls on a weekend (Saturday or Sunday), the Paid Holiday will be observed on the first scheduled workday of the new year. Similarly, if New Year's Eve falls on a weekend (Saturday or Sunday), it will be observed on the last scheduled workday of that year.

A Paid Holiday that falls during an employee's scheduled PTO is considered a Paid Holiday and not a PTO day. No designated holiday time off will be granted at a later date, unless explicitly covered by a collective bargaining agreement or as described in the Holiday Work Policy.

Time Entry. All Paid Holidays must be recorded as holiday time on the day observed even if the employee is off work for other reasons such as vacation or illness. Employees should record Paid Holidays as "Holiday" in the time entry system, except an employee on Workers' Compensation leave should enter time to the appropriate occupational injury time entry code and not as Holiday.

C. FUNERAL LEAVE

Eligibility. Employees are eligible for Funeral Leave immediately upon hire.

Purpose. Funeral Leave provides eligible employees with specified paid time off to attend the funeral or address the family matters of a family member based on the relationship between the employee and the family member.

Additional Benefit Details. Funeral Leave applies as follows:

- Five (5) working days in the event of the death of an employee's spouse, registered domestic partner, or child.
- Three (3) working days in the event of the death of an employee's parent, sibling, grandchild, or child-in-law.
- One (1) working day in the event of the death of an employee's grandparent, sibling-in-law, uncle, aunt, niece, or nephew.
- Four (4) hours will be allowed to be a pallbearer at the funeral of a friend.

The family relationships listed above include step-family members, family members of a registered domestic partner, and in-laws, unless a specific leave duration is otherwise specified above.

The supervisor may release an employee from work with pay to attend the funeral services of a coworker, taking into account the operating requirements of the Company.

A supervisor may also approve additional time off based on what is reasonable for the Company to allow outside of the Funeral Leave Policy.

Notice. Employees must provide as much advance notice for Funeral Leave as possible.

Time Entry. Employees should record time off for Funeral Leave as "Funeral Leave" in the time entry system.

D. VOTING TIME

Eligibility. Employees eligible to vote in an election are eligible for Voting Time immediately upon hire.

Purpose. Voting Time provides eligible employees with paid time off for the time necessary to appear at the employee's polling place, cast a ballot, and return to work on the day of that election or during the time period permitted for voting in person before election day.

Notice. The Company encourages employees to work with their managers to schedule voting time.

Time Entry. Employees should record Voting Time as "Other Time Off With Pay" in the time entry system.

E. SCHOOL CONFERENCES AND ACTIVITIES LEAVE

Eligibility. Employees are eligible for School Conferences and Activities immediately upon hire.

Purpose. Eligible employees are granted up to 16 hours per calendar year of paid time off to attend their children's school conferences, school-related educational activities, graduation exercises, activity of childcare services, preschool, regular or special education program or to observe and monitor the services of such a program, or programs which cannot be scheduled outside of work hours.

Additional Benefit Details. For purposes of this Policy, "child" includes any child of the employee, whether biological, adopted, step or foster, who is in 12th grade or below.
If employees are entitled under applicable law to time off for school conferences and activities beyond 16 hours per calendar year, such time off will be unpaid unless the employee elects to use other available paid time off.

Notice. The employee must notify the supervisor as soon as possible so that arrangements can be made for the absence. An attempt should be made to schedule the absence to minimize disruption to the Company's operations.
Time Entry. Employees should record School Conferences and Activities Leave as "School Activities" in the time entry system.

F. JURY DUTY

Eligibility. Employees are eligible for Jury Duty Leave immediately upon hire.

Purpose. Eligible employees absent from work because of jury duty will receive their regular pay.

Additional Benefit Details. Employees are not required to reimburse the Company for the stipend they receive for jury duty. Employees must report to work while temporarily excused from attendance at court.

Notice. Employees must notify their supervisor as soon as they receive a jury duty summons so that appropriate arrangements can be made for the absence.

Documentation. Employees must submit a copy of the jury duty summons or other official court documentation to their supervisor to substantiate the request for Jury Duty Leave.

Time Entry. Employees should record absences for jury duty as "Jury Duty" in the time entry system.

G. MILITARY LEAVE

Eligibility. Employees are eligible for Military Leave immediately upon hire.

Purpose. Military Leave provides leave for military service and training as required under applicable federal and state laws and in some instances, provides a pay differential.

Additional Benefit Details. An unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and applicable state laws.

The procedures that need to be followed when an employee goes on Military Leave, including who to contact regarding employee benefit impacts, can be found on the Military Leave Stream page.

If an employee's Military Leave extends beyond 24 months of military service, the employee's employment status will be changed to "furloughed." Company email will be disabled, as will the employee's username and password for any Company-related systems. Information regarding benefits (as applicable), will be sent to the employee's address as listed in the Human Resources Information System. Any known personal belongings remaining at the Company will be boxed and sent to the employee's address of record.

Pay Differential. Employees may receive pay differential if the base pay received from the military is less than the base salary received from the Company; this difference is known as "**pay differential**." If the base pay received from the military is greater than or equal to the base salary received from the Company, no pay differential will be paid. The Company provides the following types of pay differential:

- Inactive Military Duty: Employees who are required to attend annual training for the military are eligible to receive pay differential for ten working days in a calendar year. For any period exceeding ten working days in any calendar year, the employee has the option of taking unpaid leave or accrued PTO.

A. Active Military Duty: Employees who are activated by the military are eligible to receive pay differential for up to one year per activation. For any period exceeding one year, the employee has the option of taking unpaid leave or accrued PTO.

- Basic Training: Regular, Full-time and part-time employees who join the guard or reserve while an active employee with the Company are eligible to receive pay differential for up to eight weeks during basic training. For any period exceeding eight weeks, the employee has the option of taking unpaid leave or accrued PTO.

PTO Accrual during Military Leave. Employees on Military Leave will continue to accrue PTO consistent with employees who are on non-military leaves of absence. Consistent with the Company's treatment of other unpaid leaves of absence, PTO accrual for all types of Military Leave ends after 30 calendar days of leave. The period that an employee is on a leave of absence for military service will be included as continuous service with the Company when calculating the

employee's future PTO accrual rate if the employee reports back to work (or requests reemployment, as applicable) within the time limits proscribed by law.

Holidays; Use of PTO During Military Leave. If a Paid Holiday occurs during an employee's military leave, the employee will be paid full wages for that day and will not receive pay differential. This also applies to an employee's elective use of PTO during a period of Military Leave.

Notice. When possible, employees should provide at least 30 days' advance notice of the request for Military Leave using Form No. 4987b (preferred) or other means. If 30 days' notice is not possible because of military necessity or for other reasons, employees must give as much advance notice to the Company as possible.

Documentation. When possible, employees are requested to submit a copy of the applicable military orders, training notice, or order to active duty. Employees are required to submit Leave and Earnings Statements (LES) to receive pay differential.

Time Entry. Employees should record absences for Military Leave as "Military Duty" in the time entry system.

H. FMLA LEAVE

Eligibility. An employee is eligible for FMLA Leave if the employee:

- Works for a covered employer,
- Has worked for the employer for 12 months,
- Has at least 1,250 hours of service for the employer during the 12-month period immediately before the leave is to start, and
- Works at a location where the employer has at least 50 employees within 75 miles of that worksite.

Purpose. To comply with the Family and Medical Leave Act ("FMLA"), which is a federal law that requires the Company to provide eligible employees with unpaid, job-protected leave for qualifying family and medical reasons.

Additional Benefit Details. An eligible employee can take up to 12 workweeks of FMLA Leave in a 12-month period for:

- The birth, adoption or foster placement of a child with the employee,
- The employee's serious mental or physical health condition that makes the employee unable to work,
- To care for a spouse, child or parent with a serious mental or physical health condition, and
- Certain qualifying reasons related to foreign deployment of the employee's spouse, child or parent who is a military servicemember.

An eligible employee who is the spouse, child, parent or next of kin of a covered servicemember with a serious injury or illness may take up to 26 workweeks of FMLA Leave in a single 12-month period to care for the servicemember.

Leave to care for the employee's child after birth, or placement for adoption or foster care must be taken within one (1) year of the child's birth or placement.

FMLA Leave is not paid leave, but an employee may choose to use any Company-provided paid leave if the reason for the employee's FMLA Leave is covered under the applicable paid leave policy. Employees are required to use one-half of their accrued PTO balance during any unpaid FMLA Leave. The balance subject to use is the amount available on the date the leave begins.

Under FMLA, a child means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is under 18 years of age or who is 18 years of age or older and incapable of self-care because of a mental or physical disability at the time that FMLA leave is to commence. A parent means a biological, adoptive, step or foster parent, or any other individual who stood in loco parentis to the employee when the employee was a child. A spouse means a husband or wife as defined or recognized in the state where the individual was married, including in a common law marriage or same-sex marriage. Spouse also includes a husband or wife in a marriage that was validly entered into outside of the United States, if the marriage could have been entered into in at least one state.

Serious Health Condition. Under FMLA, a "serious health condition" is defined as an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Eligible employees may use FMLA Leave in one block of time. If medically necessary or as approved by the supervisor, the employee may take FMLA Leave intermittently in separate blocks of time, or on a reduced schedule by working less hours each day or week. The Company may temporarily transfer the employee to an available alternative position with equivalent pay and benefits to accommodate the employee's need for intermittent or reduced work schedule. Upon return from FMLA Leave, an employee will be restored to their original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions.

Definition of Leave Year. The Company's leave year is defined as the 12-month period measured forward from the date the employee's first FMLA Leave begins. For example, an employee would be entitled to 12 weeks of unpaid leave during the year beginning on the first date FMLA leave is taken; the next 12-month period would begin the first time FMLA Leave is taken after completion of any previous 12-month period.

Example: FMLA granted on April 1st and employee uses all 12 weeks, employee becomes eligible for another 12 weeks on April 1st of the following year.

Health Benefits Continuation during FMLA. During FMLA Leave, the Company will continue its contribution to the ALLETE and Affiliated Companies Employees' Medical and Dental Plans. For employees using paid time off concurrently with FMLA Leave, the Company will continue to deduct the employee share of Medical and Dental Plan premiums from payroll. During unpaid FMLA Leave, employees are required to contact Human Resources to arrange payment for their share of premiums.

If an employee does not return to work following FMLA Leave, the Company may seek reimbursement for its contributions to the Medical and Dental Plans. If an employee chooses not to continue Medical or Dental Plan coverage during the leave, the employee may elect to be reinstated on the same terms as prior to taking the leave.

Military Family Leave. Eligible employees with a spouse, son, daughter, or parent (but not in-law) on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement which permits eligible employees (spouse, son, daughter, parent (but not in-law) or next of kin of a covered service member) to take up to twenty-six (26) weeks of leave to care for a covered service member with a serious injury or illness during a single 12-month period (one time basis only). A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered servicemembers also includes a veteran who is discharged or released from military services under condition other than dishonorable at any time during the five-year period preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a "serious injury or illness" for current Armed Forces members and covered veterans are distinct from the FMLA definition of "serious health condition" applicable to FMLA Leave to care for a covered family member.

Notice. When the need for FMLA Leave is foreseeable, employees should provide notification to their supervisor as far in advance as possible. To request FMLA Leave, employees should complete the Leave Request Form (Form No. 4987), discuss the absence with their supervisor, and submit the Leave Request Form to Human Resources. When requesting leave, employees are not required to share a medical diagnosis, but must provide enough information for the employer to

determine whether the leave qualifies for FMLA protection. In the event of an unforeseeable need for FMLA Leave, the supervisor must immediately notify Human Resources.

Documentation. When permitted by applicable law, an employee may be required to submit a certification from a health care provider to support the need for FMLA leave to care for a covered family member with a serious health condition or for the employee's own serious health condition. Employees may also be required to furnish periodic reports (every 30 days) of their status and intent to return to work and may be required to submit a fitness for duty certificate prior to being restored to employment. This certification should be forwarded to Human Resources to be filed in the employee's confidential medical file.

Time Entry. Instructions for recording FMLA in the time entry system will be provided to an Employee by Human Resources when FMLA Leave is approved.

I. PERSONAL LEAVE OF ABSENCE

Eligibility. Employees may request a Personal Leave of Absence upon hire.

Purpose. The Company may grant a Personal Leave of Absence to provide unpaid time off for a specified period of time.

Additional Benefit Details. A Personal Leave of Absence request will be assessed based on the purpose, length of request, the Company's needs, and ability to maintain continuity of service and operations. The employee's supervisor must approve a Personal Leave of Absence. A Personal Leave of Absence that extends beyond 120 days requires vice presidential approval.

An employee must exhaust all PTO prior to taking unpaid leave. A Personal Leave of Absence for a union employee will be granted in accordance with the terms of the collective bargaining agreement.

When an employee returns from a Personal Leave of Absence, the supervisor must notify Human Resources immediately.

Personal Leave of Absence's Effect on Company Service. The following applies in determining an employee's period of service or seniority for purposes of vacation, group insurance, pertinent salary progression schedules, etc.:

- Prior to completion of 12 months of continuous service, all time off on leave of absence will be deducted.
- Upon completion of 12 months of continuous service, all time off on leave of absence in excess of 30 days (173.33 hours) will be deducted. For an extended leave which begins in one calendar year and ends in the next, all time off in excess of 30 days for that leave will be deducted.

A Personal Leave of Absence could impact eligibility for Company benefits. Employees are encouraged to discuss benefits with Human Resources when requesting a Personal Leave of Absence.

Notice. Employees requesting a Personal Leave of Absence must request the leave as far in advance as possible. To request a Personal Leave of Absence, employees must complete a Leave Request Form (Form No. 4987), discuss the absence with their supervisor, and submit the Leave Request Form to Human Resources.

Time Entry. Employees should record absences for Personal Leave of Absence as "Other Time Off Without Pay" in the time entry system.

III. PART-TIME EMPLOYEES REGULARLY SCHEDULED TO WORK 0.5 FTE OR GREATER

This section covers a collection of time-off policies and practices that apply to part-time employees regularly scheduled to work 0.5 FTE or greater. If any policy conflicts with the provisions of an existing collective bargaining agreement or any statute, the provisions of the collective bargaining agreement or statute control.

A. VACATION

Eligibility. Employees start accruing Vacation immediately. Employees represented by IBEW Local 31 may use Vacation after completion of 90 days of continuous service, except that Vacation for a Sick and Safe Purpose may be used as it accrues. All other employees may use Vacation as it accrues.

Purpose. Vacation is a paid-time-off benefit that allows employees to take time off from work for rest, relaxation, vacation, and any Sick and Safe Purpose, as explained below.

Additional Benefit Details. Vacation accrues based on hours entered each pay period, up to a maximum of 80 hours entered per pay period, to the extent such limitation is permitted by applicable law, as outlined in the applicable Vacation Schedule:

Vacation - Schedule 2 Non-union employees hired after 12/31/2000, union employees represented by IBEW Local 31 hired after 1/31/2018, and employees who previously opted in to Schedule 2				
Years of Service*	Hourly Accrual	Per Pay Period Accrual Cap (Hourly Vacation Accrual Rate x 80 Hours)	Per Year Accrual Cap (Hourly Vacation Accrual Rate x 2,080 Hours)	Maximum Vacation Accrual Cap**
0 - 1	0.038462	3.07696	80 hours	200 hours
2 - 9	0.057693	4.61544	120 hours	240 hours
10 - 19	0.076924	6.15392	160 hours	280 hours
20+	0.096154	7.69232	200 hours	320 hours

Vacation - Schedule 1 Non-union employees hired prior to 1/1/2001 and union employees hired prior to 2/1/2018, who previously opted in to Schedule 1 (closed to new enrollments)				
Years of Service*	Hourly Accrual	Per Pay Period Accrual Cap (Hourly Vacation Accrual Rate x 80 Hours)	Per Year Accrual Cap (Hourly Vacation Accrual Rate x 2,080 Hours)	Maximum Vacation Accrual Cap**
0 - 5	0.038462	3.07696	80 hours	200 hours
6 - 11	0.057693	4.61544	120 hours	240 hours
12 - 13	0.061539	4.92312	128 hours	248 hours
14 - 15	0.065385	5.23080	136 hours	256 hours
16	0.069231	5.53848	144 hours	264 hours
17	0.073077	5.84616	152 hours	272 hours
18	0.076924	6.15392	160 hours	280 hours
19	0.080770	6.46160	168 hours	288 hours
20	0.084616	6.76928	176 hours	296 hours
21	0.088462	7.07696	184 hours	304 hours
22	0.092308	7.38464	192 hours	312 hours
23	0.096154	7.69232	200 hours	320 hours
24	0.100000	8.00000	208 hours	328 hours
25	0.103847	8.30776	216 hours	336 hours
26	0.107693	8.61544	224 hours	344 hours
27	0.111539	8.92312	232 hours	352 hours
28	0.115385	9.23080	240 hours	360 hours
29	0.119231	9.53848	248 hours	368 hours
30+	0.123077	9.84616	256 hours	376 hours

*Employees will become eligible for the next (higher) accrual rate in the pay period in which their anniversary date falls.

**No Vacation hours will accrue beyond the maximum accrual cap. Once an employee reaches the maximum accrual cap, they will not accrue any additional hours until their balance falls below

the maximum accrual cap. Employees may carry over all accrued, unused Vacation up to the maximum accrual cap.

Supervisors may approve a temporary negative Vacation balance. Employees with a negative balance must attain a positive balance before taking further Vacation.

In addition to rest, Vacation can also be used for certain reasons, including when an employee is sick, to care for a sick family member, or to seek assistance if an employee or their family member has experienced domestic abuse or other personal safety threats, which are collectively referred to as "**Sick and Safe Purposes.**" Sick and Safe Purposes include the following:

1. An employee's: (i) mental or physical illness, injury, or health condition; (ii) need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; (iii) need for preventive medical care; or (iv) need to make arrangements for or attend funeral services or a memorial, or address financial or legal matters that arise after the death of a "**family member"***;
2. Care of a family member: (i) with a mental or physical illness, injury, or health condition; (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or (iii) who needs preventive medical care;
3. Absence due to domestic abuse, sexual assault, or stalking of the employee or employee's family member, provided the absence is to: (i) seek medical attention related to physical or psychological injury or disability caused by domestic abuse, sexual assault, or stalking; (ii) obtain services from a victim services organization; (iii) obtain psychological or other counseling; (iv) seek relocation or take steps to secure an existing home due to domestic abuse, sexual assault, or stalking; or (v) to seek legal advice or take legal action, including preparing for or participating in any civil or criminal proceedings related to or resulting from domestic abuse, sexual assault, or stalking;
4. Closure of the employee's place of business due to weather or other public emergency; or an employee's need to care for a family member whose school or place of care has been closed due to weather or other public emergency;
5. The employee's inability to work or telework because the employee is: (i) prohibited from working by the employer due to health concerns related to the potential transmission of a communicable illness related to a public emergency; or (ii) seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, a communicable disease related to a public emergency and such employee has been exposed to a communicable disease or the employee's employer has requested a test or diagnosis; and
6. When it has been determined by the health authorities having jurisdiction or by a health care professional that the presence of the employee or family member of the employee in the community would jeopardize the health of others because of the exposure of the employee or family member of the employee to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease.

* "**Family member**" for Sick and Safe Purposes means: (1) an employee's: (i) child, adult child, legal ward, child for whom the employee is legal guardian, or child to whom the employee stands in loco parentis; (ii) spouse or registered domestic partner; (iii) sibling, step sibling, or foster sibling; (iv) biological, adoptive, or foster parent, step parent, or a person who stood in loco parentis when the employee was a minor child; (v) grandchild, foster grandchild, or step grandchild; (vi) grandparent or step grandparent; (vii) , a child of a sibling of the employee; (viii) a sibling of the parents of the employee; or (ix) a child-in-law or sibling-in-law; (2) any of the family members listed in clause (1) above of a spouse or registered domestic partner; (3) any other individual related by blood or whose close association with the employee is equivalent of a family relationship; and (4) up to one individual annually designated by the employee.

An employee's use of Vacation for Sick and Safe Purposes will not be conditioned on searching for or finding a replacement worker.
Employees are required to use available Vacation prior to taking unpaid time off unless prohibited by law or by an existing collective bargaining agreement.

Vacation is not accrued during an unpaid leave of absence in excess of 30 consecutive calendar days (173.3 hours). Any unused Vacation balance will forfeit upon commencement of Long-Term Disability benefits and will not accrue during that time.

Employees are not permitted to use Vacation hours during any applicable state paid leave (any family, medical, or disability benefit paid through a state).

Termination. Upon termination of employment for any reason, the remaining accrued and unused Vacation balance will be paid on the employee's final pay statement. If a negative Vacation balance exists, the employee's final paycheck may be reduced by that amount (subject to compliance with applicable state laws). In instances where state law prohibits the deduction, employees will be expected to repay the overage to the Company directly.

Notice. If an employee plans to use Vacation for foreseeable Sick and Safe Purposes, such as a preventive care appointment, the employee must inform their supervisor as far in advance as possible, but at least seven days in advance. If an employee plans to use Sick and Safe Time for more than three consecutive scheduled work days, the employee should inform Human Resources in advance by submitting the Leave Request Form (Form No. 4987). In situations when an employee does not provide advance notice for foreseeable Sick and Safe Purposes, the Company may request the time off be rescheduled. In situations where the need for time off is unforeseeable, the employee should contact their supervisor as soon as they know they will be unable to work.

Vacation for reasons other than Sick and Safe Purposes may be scheduled and taken at any time during the calendar year, with supervisory approval and must be scheduled to meet the needs of both the employee and the Company.

Documentation. Employees may be requested, through Human Resources, to provide reasonable documentation as permitted under applicable law. Reasonable documentation may include but is

not limited to a signed statement from a healthcare professional or a written statement from the employee to document that the Vacation was for a Sick and Safe Purpose.

Time Entry. Employees should record absences for Vacation time, including Vacation time used for a Sick and Safe Purpose, as "Vacation" within the time entry system.

B. PAID HOLIDAYS

Eligibility. Employees are eligible for Paid Holidays following the completion of one year of continuous service.

Purpose. Specified company-designated holidays each year for which employees are entitled to receive six hours of paid time off.

Additional Benefit Details. The Company provides six hours of paid time off on the following Paid Holidays per calendar year:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Eve Day
Christmas Day
New Year's Eve Day

If a Paid Holiday falls on a Saturday, the preceding Friday will be granted as the Paid Holiday. If a Paid Holiday falls on a Sunday, the following Monday will be granted.

A Paid Holiday that falls during an employee's scheduled Vacation is considered a Paid Holiday and not a Vacation day. No designated holiday time off will be granted at a later date, unless explicitly covered by a collective bargaining agreement or as described in the Holiday Work Policy.

When the Christmas and New Year's holidays fall on Saturday and/or Sunday, one of the days for each holiday will be designated as "flexible." For example:

Example 1: Christmas Eve falls on a Friday and Christmas Day falls on a Saturday, Christmas Day will be designated as "flexible."

Example 2: Christmas Eve falls on a Saturday and Christmas Day falls on a Sunday, the Monday following Christmas Day will be designated as a holiday and Christmas Eve will be designated as "flexible."

Example 3: Christmas Eve falls on a Sunday and Christmas Day falls on a Monday, Christmas Eve will be designated as "flexible."

Flexible holidays are pre-identified holidays that are earned by an employee on the date of the scheduled holiday. These hours can be used at any time during the year, however if an employee uses a flexible holiday prior to the actual holiday and separates from service, the hours will be deducted from their final vacation balance. Flexible holidays will also be forfeited if not used by the end of the calendar year.

Time Entry. All Paid Holidays must be recorded as holiday time on the day observed even if the employee is off work for other reasons such as Vacation or Sick and Safe Time. Employees should record Paid Holidays as "Holiday" or "Flexible Holiday" in the time entry system, except an employee on Workers' Compensation leave should enter time to the appropriate occupational injury time entry code and not as Holiday.

C. FLOATING HOLIDAYS

Eligibility. Employees are eligible for Floating Holidays following the completion of one year of continuous service on a pro-rated basis.

Purpose. In addition to Paid Holidays, the Company also provides paid time off, called "Floating Holidays" that employees may use during each calendar year for holidays celebrated or observed that are not designated as a Company Paid Holiday.

Additional Benefit Details. Employees in service on January 1 will receive 24 hours of Floating Holiday time. Floating Holiday hours can be used in any increment of .25 or more. A new employee hired will receive Floating Holidays on a pro-rated basis as shown in the table below:

Month of Hire	Floating Holiday Hours for Year
January–March	24 hours
April–June	18 hours
July–September	12 hours
October–December	6 hours

Floating Holiday hours will not be carried over to the next calendar year, nor will they be cashed out upon termination of employment.

Employees are not permitted to use Floating Holidays during any applicable state paid leave (any family, medical, or disability benefit paid through a state).

Notice. Employees should provide their supervisor with advanced notice to ensure business needs are met.

Time Entry. Employees should record Floating Holidays as "Floating Holiday" in the time entry system.

D. PAID PARENTAL LEAVE BENEFITS

Eligibility. Non-union employees are eligible for Company-paid Parental Leave after 30 days of service provided the child was born or adopted while the employee was employed. Union employees are eligible for Company-paid Parental Leave after 90 days provided the child was born or adopted while the employee was employed.

Purpose. The Paid Parental Leave Benefits Policy is intended to provide eligible employees with additional paid leave for care and bonding for a biological or adopted child.

Additional Benefit Details.

- **Minnesota Paid Leave Eligible Employees**: Effective January 1, 2026, employees who welcome a child by birth or adoption on or after this date are eligible for up to six weeks (maximum 240 hours, prorated based on the employee's scheduled full-time equivalency) of supplemental Parental Leave pay. Example: An employee who is scheduled to work 30 hours per week (0.75 FTE) would be eligible for up to 180 hours of supplemental Parental Leave pay (0.75 x 240 hours). This supplemental pay must be used at the same time as Minnesota Paid Leave for bonding with a new child and will ensure the employee receives 100% of their regular base pay during this period of the leave.

- **Non-Minnesota Paid Leave Eligible Employees**: Employees will be granted 80 hours of Parental Leave, prorated based on the employee's scheduled full-time equivalency, to be used within 12 months of the date of birth or adoption. Example: An employee who is scheduled to work 30 hours per week (0.75 FTE) would be eligible for up to 60 hours of Parental Leave (0.75 x 80 hours).

For details on wage replacement for the medical recovery after the birth of a child, see the Minnesota Paid Leave Plan Document on STREAM as applicable.

Company-paid Parental Leave may be granted a maximum of two times per calendar year regardless of number of births or adoptions. Parental Leave not taken within the 12-month period will be forfeited. Unused Parental Leave will not be paid out in connection with termination of employment.

Employees are provided with sufficient time off in connection with the birth and adoption of a child in accordance with applicable state or federal law, which will run concurrently with Parental Leave. For more information on leave allotments, *see* the applicable state supplement and FMLA policy. Additional program details can be found on the Human Resources Stream page or in the applicable collective bargaining agreement.

Notice. Employees must provide their supervisor and Human Resources with at least 30 days' notice (or as soon as practicable) prior to the birth or adoption of the child. Notice must be provided

by submitting the Leave Request Form (Form No. 4987) to both Human Resources and the employee's supervisor. Employees approved to take bonding leave on an intermittent basis must work with their supervisor and Human Resources to plan a leave schedule at least 30 days prior to the planned leave.

Documentation. Employees must provide all documentation as required by Human Resources to substantiate the request.

Time Entry. Instructions for recording Company-paid Parental Leave in the time entry system will be provided to an Employee by Human Resources when Parental Leave is approved.

E. VOTING TIME

Eligibility. Employees eligible to vote in an election are eligible for Voting Time immediately upon hire.

Purpose. Voting Time provides eligible employees with paid time off for the time necessary to appear at the employee's polling place, cast a ballot, and return to work on the day of that election or during the time period permitted for voting in person before election day.

Notice. The Company encourages employees to work with their managers to schedule voting time.

Time Entry. Employees should record Voting Time as "Other Time Off With Pay" in the time entry system.

F. SCHOOL CONFERENCES AND ACTIVITIES

Eligibility. Employees are eligible for School Conferences and Activities immediately upon hire.

Purpose. Eligible employees are granted up to 16 hours per calendar year of paid time off to attend their children's school conferences, school-related educational activities, graduation exercises, activity of childcare services, preschool, regular or special education program or to observe and monitor the services of such a program, or programs which cannot be scheduled outside of work hours.

Additional Benefit Details. For purposes of this Policy, "child" includes any child of the employee, whether biological, adopted, step or foster, who is in 12th grade or below.

If employees are entitled under applicable law to time off for school conferences and activities beyond 16 hours per calendar year, such time off will be unpaid unless the employee elects to use other available paid time off.

Notice. The employee must notify the supervisor as soon as possible so that arrangements can be made for the absence. An attempt should be made to schedule the absence to minimize disruption to the Company's operations.

Time Entry. Employees should record School Conferences and Activities Leave as "School Activities" in the time entry system.

G. JURY DUTY LEAVE

Eligibility. Employees are eligible for Jury Duty Leave immediately upon hire.

Purpose. Eligible employees absent from work because of jury duty will receive their regular pay.

Additional Benefit Details. Employees are not required to reimburse the Company for the stipend they receive for jury duty. Employees must report to work while temporarily excused from attendance at court.

Notice. Employees must notify their supervisor as soon as they receive a jury duty summons so that appropriate arrangements can be made for the absence.

Documentation. Employees must submit a copy of the jury duty summons or other official court documentation to their supervisor to substantiate the request for Jury Duty Leave.

Time Entry. Employees should record absences for jury duty as "Jury Duty" in the time entry system.

H. MILITARY LEAVE

Eligibility. Employees are eligible for Military Leave immediately upon hire.

Purpose. Military Leave provides leave for military service and training as required under applicable federal and state laws and in some instances, provides a pay differential.

Additional Benefit Details. An unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and applicable state laws.

The procedures that need to be followed when an employee goes on Military Leave, including who to contact regarding employee benefit impacts, can be found on the Military Leave Stream page.

If an employee's Military Leave extends beyond 24 months of military service, the employee's employment status will be changed to "furloughed." Company email will be disabled, as will the employee's username and password for any Company-related systems. Information regarding benefits (as applicable), will be sent to the employee's address as listed in the Human Resources

Information System. Any known personal belongings remaining at the Company will be boxed and sent to the employee's address of record.

Pay Differential. Employees may receive pay differential if the base pay received from the military is less than the base salary received from the Company; this difference is known as "**pay differential**." If the base pay received from the military is greater than or equal to the base salary received from the Company, no pay differential will be paid. The Company provides the following types of pay differential:

- Inactive Military Duty: Employees who are required to attend annual training for the military are eligible to receive pay differential for ten working days in a calendar year. For any period exceeding ten working days in any calendar year, the employee has the option of taking unpaid leave or accrued Vacation.

- Active Military Duty: Employees who are activated by the military are eligible to receive pay differential for up to one year per activation. For any period exceeding one year, the employee has the option of taking unpaid leave or accrued Vacation.

- Basic Training: Regular, Full-time and part-time employees who join the guard or reserve while an active employee with the Company are eligible to receive pay differential for up to eight weeks during basic training. For any period exceeding eight weeks, the employee has the option of taking unpaid leave or accrued Vacation.

Vacation Accrual during Military Leave. Employees on Military Leave will continue to accrue Vacation consistent with employees who are on non-military leaves of absence. Consistent with the Company's treatment of other unpaid leaves of absence, Vacation accrual for all types of Military Leave ends after 30 calendar days of unpaid leave. The period that an employee is on a leave of absence for military service will be included as continuous service with the Company when calculating the employee's future Vacation accrual rate if the employee reports back to work (or requests reemployment, as applicable) within the time limits proscribed by law.

Holidays; Use of Vacation Time and Floating Holidays During Military Leave. If a Paid Holiday occurs during an employee's military leave, the employee will be paid full wages for that day and will not receive pay differential. This also applies to an employee's elective use of Vacation or Floating Holidays during a period of Military Leave.

Notice. When possible, employees should provide at least 30 days' advance notice of the request for Military Leave using Form No. 4987b (preferred) or other means. If 30 days' notice is not possible because of military necessity or for other reasons, employees must give as much advance notice to the Company as possible.

Documentation. When possible, employees are requested to submit a copy of the applicable military orders, training notice, or order to active duty. Employees are required to submit Leave and Earnings Statements (LES) to receive pay differential.

Time Entry. Employees should record absences for Military Leave as "Military Duty" in the time entry system.

I. FMLA LEAVE

Eligibility. An employee is eligible for FMLA Leave if the employee:

- Works for a covered employer,
- Has worked for the employer for 12 months,
- Has at least 1,250 hours of service for the employer during the 12-month period immediately before the leave is to start, and
- Works at a location where the employer has at least 50 employees within 75 miles of that worksite.
- Note: Special hours-of-service requirements apply to airline flight crew employees.

Purpose. To comply with the Family and Medical Leave Act ("FMLA"), which is a federal law that requires the Company to provide eligible employees with unpaid, job-protected leave for qualifying family and medical reasons.

Additional Benefit Details. An eligible employee can take up to 12 workweeks of FMLA Leave in a 12-month period for:

- The birth, adoption or foster placement of a child with the employee,
- The employee's serious mental or physical health condition that makes the employee unable to work,
- To care for a spouse, child or parent with a serious mental or physical health condition, and
- Certain qualifying reasons related to foreign deployment of the employee's spouse, child or parent who is a military servicemember.

An eligible employee who is the spouse, child, parent or next of kin of a covered servicemember with a serious injury or illness may take up to 26 workweeks of FMLA Leave in a single 12-month period to care for the servicemember.

Leave to care for the employee's child after birth, or placement for adoption or foster care must be taken within one (1) year of the child's birth or placement.

FMLA Leave is not paid leave, but an employee may choose to use any Company-provided paid leave if the reason for the employee's FMLA Leave is covered under the applicable paid leave policy.

Under FMLA, a child means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is under 18 years of age or who is 18 years of age or older and incapable of self-care because of a mental or physical disability at the time that FMLA leave is to commence. A parent means a biological, adoptive, step or foster parent, or any other

individual who stood in loco parentis to the employee when the employee was a child. A spouse means a husband or wife as defined or recognized in the state where the individual was married, including in a common law marriage or same-sex marriage. Spouse also includes a husband or wife in a marriage that was validly entered into outside of the United States, if the marriage could have been entered into in at least one state.

Serious Health Condition. Under FMLA, a "serious health condition" is defined as an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Eligible employees may use FMLA Leave in one block of time. If medically necessary or as approved by the supervisor, the employee may take FMLA Leave intermittently in separate blocks of time, or on a reduced schedule by working less hours each day or week. The Company may temporarily transfer the employee to an available alternative position with equivalent pay and benefits to accommodate the employee's need for intermittent or reduced work schedule. Upon return from FMLA Leave, an employee will be restored to their original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions.

Definition of Leave Year. The Company's leave year is defined as the 12-month period measured forward from the date the employee's first FMLA Leave begins. For example, an employee would be entitled to 12 weeks of unpaid leave during the year beginning on the first date FMLA leave is taken; the next 12-month period would begin the first time FMLA Leave is taken after completion of any previous 12-month period.

> Example: FMLA granted on April 1st and employee uses all 12 weeks, employee becomes eligible for another 12 weeks on April 1st of the following year.

Health Benefits Continuation during FMLA. During FMLA Leave, the Company will continue its contribution to the ALLETE and Affiliated Companies Employees' Medical and Dental Plans. For employees using paid time off concurrently with FMLA Leave, the Company will continue to deduct the employee share of Medical and Dental Plan premiums from payroll. During unpaid FMLA Leave, employees are required to contact Human Resources to arrange payment for their share of premiums.

If an employee does not return to work following FMLA Leave, the Company may seek reimbursement for its contributions to the Medical and Dental Plans. If an employee chooses not to continue Medical or Dental Plan coverage during the leave, the employee may elect to be reinstated on the same terms as prior to taking the leave.

Military Family Leave. Eligible employees with a spouse, son, daughter, or parent (but not in-law) on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement which permits eligible employees (spouse, son, daughter, parent (but not in-law) or next of kin of a covered service member) to take up to twenty-six (26) weeks of leave to care for a covered service member with a serious injury or illness during a single 12-month period (one time basis only). A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered servicemembers also includes a veteran who is discharged or released from military services under condition other than dishonorable at any time during the five-year period preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a "serious injury or illness" for current Armed Forces members and covered veterans are distinct from the FMLA definition of "serious health condition" applicable to FMLA Leave to care for a covered family member.

Notice. When the need for FMLA Leave is foreseeable, employees should provide notification to their supervisor as far in advance as possible. To request FMLA Leave, employees should complete the Leave Request Form (Form No. 4987), discuss the absence with their supervisor, and submit the Leave Request Form to Human Resources. When requesting leave, employees are not required to share a medical diagnosis, but must provide enough information for the employer to determine whether the leave qualifies for FMLA protection. In the event of an unforeseeable need for FMLA Leave, the supervisor must immediately notify Human Resources.

Documentation. When permitted by applicable law, an employee may be required to submit a certification from a health care provider to support the need for FMLA leave to care for a covered family member with a serious health condition or for the employee's own serious health condition. Employees may also be required to furnish periodic reports (every 30 days) of their status and intent to return to work and may be required to submit a fitness for duty certificate prior to being restored to employment. This certification should be forwarded to Human Resources to be filed in the employee's confidential medical file.

Time Entry. Instructions for recording FMLA in the time entry system will be provided to an Employee by Human Resources when FMLA Leave is approved.

J. PERSONAL LEAVE OF ABSENCE

Eligibility. Employees may request a Personal Leave of Absence upon hire.

Purpose. The Company may grant a Personal Leave of Absence to provide unpaid time off for a specified period of time.

Additional Benefit Details. A Personal Leave of Absence request will be assessed based on the purpose, length of request, the Company's needs, and ability to maintain continuity of service and operations. The employee's supervisor must approve a Personal Leave of Absence. A Personal Leave of Absence that extends beyond 120 days requires vice presidential approval.

An employee must exhaust all Vacation prior to taking unpaid leave. A Personal Leave of Absence for a union employee will be granted in accordance with the terms of the collective bargaining agreement.

When an employee returns from a Personal Leave of Absence, the supervisor must notify Human Resources immediately.

Personal Leave of Absence's Effect on Company Service. The following applies in determining an employee's period of service or seniority for purposes of vacation, group insurance, pertinent salary progression schedules, etc.:

- Prior to completion of 12 months of continuous service, all time off on leave of absence will be deducted.
- Upon completion of 12 months of continuous service, all time off on leave of absence in excess of 30 days (173.33 hours) will be deducted. For an extended leave which begins in one calendar year and ends in the next, all time off in excess of 30 days for that leave will be deducted.

A Personal Leave of Absence could impact eligibility for Company benefits. Employees are encouraged to discuss benefits with Human Resources when requesting a Personal Leave of Absence.

Notice. Employees requesting a Personal Leave of Absence must request the leave as far in advance as possible. To request a Personal Leave of Absence, employees must complete a Leave Request Form (Form No. 4987), discuss the absence with their supervisor, and submit the Leave Request Form to Human Resources.

Time Entry. Employees should record absences for Personal Leave of Absence as "Other Time Off Without Pay" in the time entry system.

IV. TEMPORARY EMPLOYEES, INTERNS, AND PART-TIME EMPLOYEES REGULARLY SCHEDULED TO WORK LESS THAN 0.5 FTE

This section covers a collection of time-off policies and practices that apply to temporary employees, interns, and part-time employees regularly scheduled to work less than 0.5 FTE. If any policy conflicts with the provisions of an existing collective bargaining agreement or any statute, the provisions of the collective bargaining agreement or statute control.

A. ACCRUED SICK AND SAFE TIME

Eligibility. Employees start earning Accrued Sick and Safe Time immediately upon hire.

Purpose. To provide paid leave to employees that can be used for certain reasons, including when an employee is sick, to care for a sick family member, or to seek assistance if an employee or their family member has experienced domestic abuse or other personal safety threats, which are collectively referred to as "**Sick and Safe Purposes.**" Sick and Safe Purposes include the following:

1. An employee's: (i) mental or physical illness, injury, or health condition; (ii) need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; (iii) need for preventive medical care; or (iv) need to make arrangements for or attend funeral services or a memorial, or address financial or legal matters that arise after the death of a "**family member"***;
2. Care of a family member: (i) with a mental or physical illness, injury, or health condition; (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or (iii) who needs preventive medical care;
3. Absence due to domestic abuse, sexual assault, or stalking of the employee or employee's family member, provided the absence is to: (i) seek medical attention related to physical or psychological injury or disability caused by domestic abuse, sexual assault, or stalking; (ii) obtain services from a victim services organization; (iii) obtain psychological or other counseling; (iv) seek relocation or take steps to secure an existing home due to domestic abuse, sexual assault, or stalking; or (v) to seek legal advice or take legal action, including preparing for or participating in any civil or criminal proceedings related to or resulting from domestic abuse, sexual assault, or stalking;
4. Closure of the employee's place of business due to weather or other public emergency; or an employee's need to care for a family member whose school or place of care has been closed due to weather or other public emergency;
5. The employee's inability to work or telework because the employee is: (i) prohibited from working by the employer due to health concerns related to the potential transmission of a communicable illness related to a public emergency; or (ii) seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, a communicable disease related to a public

emergency and such employee has been exposed to a communicable disease or the employee's employer has requested a test or diagnosis; and

6. When it has been determined by the health authorities having jurisdiction or by a health care professional that the presence of the employee or family member of the employee in the community would jeopardize the health of others because of the exposure of the employee or family member of the employee to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease.

* "**Family member**" for Sick and Safe Purposes means: (1) an employee's: (i) child, adult child, legal ward, child for whom the employee is legal guardian, or child to whom the employee stands in loco parentis; (ii) spouse or registered domestic partner; (iii) sibling, step sibling, or foster sibling; (iv) biological, adoptive, or foster parent, step parent, or a person who stood in loco parentis when the employee was a minor child; (v) grandchild, foster grandchild, or step grandchild; (vi) grandparent or step grandparent; (vii) , a child of a sibling of the employee; (viii) a sibling of the parents of the employee; or (ix) a child-in-law or sibling-in-law; (2) any of the family members listed in clause (1) above of a spouse or registered domestic partner; (3) any other individual related by blood or whose close association with the employee is equivalent of a family relationship; and (4) up to one individual annually designated by the employee.

Additional Benefit Details. Accrued Sick and Safe Time is earned based on hours worked each pay period at the rate of one hour for every 30 hours worked, up to a maximum of 48 hours earned each year. Up to 80 hours of unused Accrued Sick and Safe Time can be carried over each calendar year.

An employee's use of Accrued Sick and Safe Time will not be conditioned on searching for or finding a replacement worker.

Termination. Upon termination of employment for any reason, any remaining Accrued Sick and Safe Time will be forfeited.

Notice. If an employee plans to use Accrued Sick and Safe Time for foreseeable Sick and Safe Purposes, such as a preventive care appointment, the employee must inform their supervisor as far in advance as possible, but at least seven days in advance. If an employee plans to use Accrued Sick and Safe Time for more than three consecutive scheduled work days, the employee should inform Human Resources in advance by submitting the Leave Request Form (Form No. 4987). In situations when an employee does not provide advance notice for foreseeable Sick and Safe Purposes, the Company may request the time off be rescheduled. In situations where the need for time off is unforeseeable, the employee should contact their supervisor as soon as they know they will be unable to work.

Documentation. Employees may be requested, through Human Resources, to provide reasonable documentation as permitted under applicable law. Reasonable documentation may include but is not limited to a signed statement from a healthcare professional or a written statement from the employee to document that the Accrued Sick and Safe Time was for a Sick and Safe Purpose.

Time Entry. Employees enter Accrued Sick and Safe Time as "Accrued Sick and Safe Time" within the time entry system.

B. VOTING TIME

Eligibility. Employees eligible to vote in an election are eligible for Voting Time immediately upon hire.

Purpose. Voting Time provides eligible employees with paid time off for the time necessary to appear at the employee's polling place, cast a ballot, and return to work on the day of that election or during the time period permitted for voting in person before election day.

Notice. The Company encourages employees to work with their managers to schedule voting time.

Time Entry. Employees should record Voting Time as "Other Time Off With Pay" in the time entry system.

C. SCHOOL CONFERENCES AND ACTIVITIES

Eligibility. Employees are eligible for School Conferences and Activities immediately upon hire.

Purpose. Eligible employees are granted up to 16 hours per calendar year of paid time off to attend their children's school conferences, school-related educational activities, graduation exercises, activity of childcare services, preschool, regular or special education program or to observe and monitor the services of such a program, or programs which cannot be scheduled outside of work hours.

Additional Benefit Details. For purposes of this Policy, "child" includes any child of the employee, whether biological, adopted, step or foster, who is in 12th grade or below.

If employees are entitled under applicable law to time off for school conferences and activities beyond 16 hours per calendar year, such time off will be unpaid unless the employee elects to use other available paid time off.

Notice. The employee must notify the supervisor as soon as possible so that arrangements can be made for the absence. An attempt should be made to schedule the absence to minimize disruption to the Company's operations.

Time Entry. Employees should record School Conferences and Activities Leave as "School Activities" in the time entry system.

D. JURY DUTY LEAVE

Eligibility. Employees are eligible for Jury Duty Leave immediately upon hire.

Purpose. Employees absent from work because of jury duty will receive the time off unpaid.

Notice. Employees must notify their supervisor as soon as they receive a jury duty summons so that appropriate arrangements can be made for the absence.

Documentation. Employees must submit a copy of the jury duty summons or other official court documentation to their supervisor to substantiate the request for Jury Duty Leave.

Time Entry. Employees should record absences for jury duty as "Other Time Off Without Pay" in the time entry system.

E. MILITARY LEAVE

Eligibility. Employees are eligible for Military Leave immediately upon hire.

Purpose. Military Leave provides leave for military service and training as required under applicable federal and state laws and in some instances, provides a pay differential.

Additional Benefit Details. An unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and applicable state laws.

The procedures that need to be followed when an employee goes on Military Leave, including who to contact regarding employee benefit impacts, can be found on the Military Leave Stream page.

If an employee's Military Leave extends beyond 24 months of military service, the employee's employment status will be changed to "furloughed." Company email will be disabled, as will the employee's username and password for any Company-related systems. Information regarding benefits (as applicable), will be sent to the employee's address as listed in the Human Resources Information System. Any known personal belongings remaining at the Company will be boxed and sent to the employee's address of record.

Pay Differential. Part-time employees may receive pay differential if the base pay received from the military is less than the base salary received from the Company; this difference is known as "**pay differential**." Temporary employees and Interns do not qualify for pay differential. If the base pay received from the military is greater than or equal to the base salary received from the Company, no pay differential will be paid. The Company provides the following types of pay differential:

- Inactive Military Duty: Employees who are required to attend annual training for the military are eligible to receive pay differential for ten working days in a calendar year.

B. Active Military Duty: Employees who are activated by the military are eligible to receive pay differential for up to one year per activation.

- Basic Training: Regular, Full-time and part-time employees who join the guard or reserve while an active employee with the Company are eligible to receive pay differential for up to eight weeks during basic training.

Notice. When possible, employees should provide at least 30 days' advance notice of the request for Military Leave using Form 4987b (preferred) or other means. If 30 days' notice is not possible because of military necessity or for other reasons, employees must give as much advance notice to the Company as possible.

Documentation. When possible, employees are requested to submit a copy of the applicable military orders, training notice, or order to active duty. Employees are required to submit Leave and Earnings Statements (LES) to receive pay differential.

Time Entry. Employees should record absences for Military Leave as "Military Duty" in the time entry system.

F. FMLA LEAVE

Eligibility. An employee is eligible for FMLA Leave if the employee:

- Works for a covered employer,
- Has worked for the employer for 12 months,
- Has at least 1,250 hours of service for the employer during the 12-month period immediately before the leave is to start, and
- Works at a location where the employer has at least 50 employees within 75 miles of that worksite.
- Note: Special hours-of-service requirements apply to airline flight crew employees.

Purpose. To comply with the Family and Medical Leave Act ("FMLA"), which is a federal law that requires the Company to provide eligible employees with unpaid, job-protected leave for qualifying family and medical reasons.

Additional Benefit Details. An eligible employee can take up to 12 workweeks of FMLA Leave in a 12-month period for:

- The birth, adoption or foster placement of a child with the employee,
- The employee's serious mental or physical health condition that makes the employee unable to work,
- To care for a spouse, child or parent with a serious mental or physical health condition, and
- Certain qualifying reasons related to foreign deployment of the employee's spouse, child or parent who is a military servicemember.

An eligible employee who is the spouse, child, parent or next of kin of a covered servicemember with a serious injury or illness may take up to 26 workweeks of FMLA Leave in a single 12-month period to care for the servicemember.

Leave to care for the employee's child after birth, or placement for adoption or foster care must be taken within one (1) year of the child's birth or placement.

FMLA Leave is not paid leave, but an employee may choose to use any Company-provided paid leave if the reason for the employee's FMLA Leave is covered under the applicable paid leave policy.

Under FMLA, a child means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is under 18 years of age or who is 18 years of age or older and incapable of self-care because of a mental or physical disability at the time that FMLA leave is to commence. A parent means a biological, adoptive, step or foster parent, or any other individual who stood in loco parentis to the employee when the employee was a child. A spouse means a husband or wife as defined or recognized in the state where the individual was married, including in a common law marriage or same-sex marriage. Spouse also includes a husband or wife in a marriage that was validly entered into outside of the United States, if the marriage could have been entered into in at least one state.

Serious Health Condition. Under FMLA, a "serious health condition" is defined as an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Eligible employees may use FMLA Leave in one block of time. If medically necessary or as approved by the supervisor, the employee may take FMLA Leave intermittently in separate blocks of time, or on a reduced schedule by working less hours each day or week. The Company may temporarily transfer the employee to an available alternative position with equivalent pay and benefits to accommodate the employee's need for intermittent or reduced work schedule. Upon return from FMLA Leave, an employee will be restored to their original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions.

Definition of Leave Year. The Company's leave year is defined as the 12-month period measured forward from the date the employee's first FMLA Leave begins. For example, an employee would be entitled to 12 weeks of unpaid leave during the year beginning on the first date FMLA leave is taken; the next 12-month period would begin the first time FMLA Leave is taken after completion of any previous 12-month period.

> Example: FMLA granted on April 1st and employee uses all 12 weeks, employee becomes eligible for another 12 weeks on April 1st of the following year.

Health Benefits Continuation during FMLA. During FMLA Leave, the Company will continue its contribution to the ALLETE and Affiliated Companies Employees' Medical and Dental Plans. For employees using paid time off concurrently with FMLA Leave, the Company will continue to deduct the employee share of Medical and Dental Plan premiums from payroll. During unpaid

FMLA Leave, employees are required to contact Human Resources to arrange payment for their share of premiums.

If an employee does not return to work following FMLA Leave, the Company may seek reimbursement for its contributions to the Medical and Dental Plans. If an employee chooses not to continue Medical or Dental Plan coverage during the leave, the employee may elect to be reinstated on the same terms as prior to taking the leave.

Military Family Leave. Eligible employees with a spouse, son, daughter, or parent (but not in-law) on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement which permits eligible employees (spouse, son, daughter, parent (but not in-law) or next of kin of a covered service member) to take up to twenty-six (26) weeks of leave to care for a covered service member with a serious injury or illness during a single 12-month period (one time basis only). A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered servicemembers also includes a veteran who is discharged or released from military services under condition other than dishonorable at any time during the five-year period preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a "serious injury or illness" for current Armed Forces members and covered veterans are distinct from the FMLA definition of "serious health condition" applicable to FMLA Leave to care for a covered family member.

Notice. When the need for FMLA Leave is foreseeable, employees should provide notification to their supervisor as far in advance as possible. To request FMLA Leave, employees should complete the Leave Request Form (Form No. 4987), discuss the absence with their supervisor, and submit the Leave Request Form to Human Resources. When requesting leave, employees are not required to share a medical diagnosis, but must provide enough information for the employer to determine whether the leave qualifies for FMLA protection. In the event of an unforeseeable need for FMLA Leave, the supervisor must immediately notify Human Resources.

Documentation. When permitted by applicable law, an employee may be required to submit a certification from a health care provider to support the need for FMLA leave to care for a covered family member with a serious health condition or for the employee's own serious health condition.

Employees may also be required to furnish periodic reports (every 30 days) of their status and intent to return to work and may be required to submit a fitness for duty certificate prior to being restored to employment. This certification should be forwarded to Human Resources to be filed in the employee's confidential medical file.

Time Entry. Instructions for recording FMLA in the time entry system will be provided to an Employee by Human Resources when FMLA Leave is approved.

RECEIPT OF EMPLOYEE HANDBOOK

By signing below, I acknowledge that I have received a copy of the ALLETE/Minnesota Power Employee Handbook (handbook) and that I have read it, understand it, and agree to comply with it. I understand that the Company has the maximum discretion permitted by law to interpret, administer, change, modify, or delete the rules, regulations, procedures, and benefits contained in the handbook at any time with or without notice. No statement or representation by a supervisor, manager, or any other employee, whether oral or written, can supplement or modify this handbook. Changes can only be made if approved by an authorized representative in Human Resources of the Company. I also understand that any delay or failure by the Company to enforce any rule, regulation, or procedure contained in the handbook does not constitute a waiver on behalf of the Company or affect the right of the Company to enforce such rule, regulation, or procedure in the future.

I understand that neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. I further understand that, unless I have a written employment agreement signed by an authorized Company representative, I am employed "at-will" (to the extent permitted by law) and this handbook does not modify my "at-will" employment status.

If I am covered by a written employment agreement (signed by an authorized Company representative) or a Collective Bargaining Agreement that conflicts with the terms of this handbook, I understand that the terms of the employment agreement or Collective Bargaining Agreement will control.

This handbook is not intended to preclude or dissuade employees from engaging in legally protected activities under the National Labor Relations Act (NLRA). This handbook is not intended to violate any local, state, or federal law. No provision or policy applies or will be enforced if it conflicts with or is superseded by any requirement or prohibition contained in federal, state, or local law, or regulation. Furthermore, and notwithstanding the provisions set forth in Section V(J) ("Confidential Information"), nothing in this handbook, or any other agreement employees may be required to sign as a condition of their employment and/or continuing employment, prohibits or limits an employee from initiating communications directly with, responding to any inquiry from, reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other information to, or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission (SEC), the Department of Justice (DOJ), or any other federal, state, or local governmental, law enforcement, or regulatory authority, agency, or commission charged with the enforcement of any laws (collectively, Governmental Authority). Employees are not required to notify or seek permission from the Company before engaging in any such activity. Employees recognize that, in connection with any such activity, employees must inform such Governmental Authority that the information the employee is providing is confidential. For the avoidance of doubt, employees are not permitted to voluntarily reveal to any third party, including any Governmental Authority, information an employee came to learn during the employee's work with the Company that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege, attorney work product doctrine and/or other applicable legal privileges. The Company does not

waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information.

This handbook supersedes any previous handbook or policy statements, whether written or oral, issued by the Company.

If I have any questions about the content or interpretation of this handbook, I will contact the primary leader of Employee and Labor Relations or the primary leader of Human Resources.

Employee Name (printed):_____

Employee Signature:_____

Date: _____

RECEIPT OF THE COMPANY'S DISCRIMINATION, HARASSMENT & RETALIATION PREVENTION POLICY

I have read and understand the company's Discrimination, Harassment, and Retaliation Prevention Policy. My signature below confirms my knowledge, acceptance, and agreement to comply with the policy.

_____
Employee Name (printed)

_____
Employee Signature

_____
Date Signed by Employee

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

COLORADO SUPPLEMENT

I. PREGNANCY ACCOMMODATIONS

In compliance with Colorado law (Colo. Rev. Stat. § 24-34-402.3 et seq.), the Company will not discriminate against an applicant or employee because of pregnancy, childbirth, or related conditions. If an applicant or employee requests a reasonable accommodation due to health conditions related to pregnancy or the physical recovery from childbirth, the Company will endeavor to provide a reasonable accommodation to enable applicants and employees to perform the essential functions of the job, unless the accommodation would impose an undue hardship on the operation of the Company's business. The Company will engage in a timely, good faith, and interactive process with the employee to determine effective, reasonable accommodations for the employee for conditions related to pregnancy, physical recovery from childbirth, or a related condition.

Reasonable accommodations may include, but are not limited to: more frequent or longer break periods; more frequent restroom, food, and water breaks; acquisition or modification of equipment or seating; limitations on lifting; temporary transfer to a less strenuous or hazardous position if available, with return to the current position after pregnancy; job restructuring; light duty, if available; assistance with manual labor; or modified work schedules.

The Company will not require an applicant or employee affected by pregnancy, physical recovery from childbirth, or a related condition to accept an accommodation that the individual chooses not to accept if the individual did not request an accommodation or if the accommodation is not necessary for the applicant or employee to perform the essential functions of the job, nor will the Company require a pregnant employee to take leave if another reasonable accommodation is available which will permit the employee to continue working.

The Company reserves the right to require an applicant or employee to provide a note stating the necessity of a reasonable accommodation from a licensed health care provider before providing a reasonable accommodation.

The Company will not take adverse action against a pregnant employee who requests or uses a reasonable accommodation related to pregnancy, physical recovery from childbirth, or a related condition. The Company will not deny employment opportunities to an applicant or employee based on the need to make a reasonable accommodation related to the applicant's or employee's pregnancy, physical recovery from childbirth, or a related condition.

If employees have any questions concerning this policy, they should contact Human Resources.

II. BREAKS & MEAL PERIODS (FOR NON-EXEMPT EMPLOYEES)

Rest Breaks. Non-exempt employees are authorized and permitted paid ten (10) minute rest periods for each four (4) hours of work, or major fraction of that time. For purposes of this policy, "major fraction" means any time greater than two (2) hours. An additional rest period is required

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

for any period that rounds up to four (4) hours. For example, a shift of two (2) hours or fewer requires no rest periods, a two (2) hour and one (1) minute shift requires a single rest period, and a six (6) hour shift also requires a single rest period, but a six (6) hour and one (1) minute shift requires two (2) rest periods.

Rest breaks should be taken as close to the middle of each work period of four (4) hours or major fraction thereof as is practical. Shorter or longer shifts and other factors that make such scheduling impractical may alter this general timing. Employees do not need to obtain approval from or notify their supervisor when taking a rest break. Employees are encouraged to take their rest breaks; they are not expected to and should not work during their rest breaks. Employees are paid for all rest break periods and do not need to clock out when taking a rest break.

Rest breaks may not be combined with each other or with the meal period. In addition, rest breaks may not be taken at the beginning or end of the work day to arrive late or leave early. Each rest break must be a separate break, meeting the requirements described above. If any work is performed during a rest break, or if the rest break is interrupted for any work-related reason, the employee is entitled to another uninterrupted paid rest break.

Meal Periods. Non-exempt employees who work more than five (5) hours in a workday are provided an unpaid, off-duty and uninterrupted meal period of at least thirty (30) minutes. During this period, employees are permitted to leave premises, and to do personal activities. Employees are responsible for scheduling their own meal period, but should confirm them with their supervisor(s). To the extent practical, meal periods must be at least one (1) hour after starting and one (1) hour before ending shifts.

If an employee's type of work makes an uninterrupted, duty-free meal period impractical, the employee will be permitted to eat while working and paid for such time. Employees will be informed by their supervisor if they will be provided with on-duty meal periods.

When scheduling meal periods, employees should try to anticipate their work flow and deadlines. During a meal period, employees are relieved of all duties and should not work during this time. When taking a meal period, employees should completely stop working for at least thirty (30) minutes. Employees are prohibited from working "off the clock" during their meal period.

Those employees who use a time clock must clock out for their meal periods. Employees are required to clock back in and promptly return to work at the end of any meal period. Employees who record their time manually must accurately record their meal periods by recording the beginning and end of each work period. Unless otherwise directed by their supervisor in writing, employees are not required to get approval from or notify their supervisor when taking a meal period. Employees are to immediately notify Human Resources and/or their supervisor if they believe that they are prevented by the nature of their work from taking a timely and/or complete meal period.

Meal Period Waiver. Non-exempt employees may voluntarily waive their meal period in writing. See Human Resources to obtain this waiver form.

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

No Working During Rest Breaks and Meal Periods. Non-exempt employees are completely relieved of all work duties and responsibilities during their rest breaks and meal periods. All rest breaks and meal periods must be taken outside employees' work areas, such as in a break room. Employees may leave the premises during meal periods, but may not leave the premises during rest periods. Employees should not visit or socialize with employees who are working while taking their rest break or meal period. Employees are required to notify Human Resources immediately if they believe they are being pressured or coerced by any manager, supervisor, or other employee to forego any portion of a provided rest break or meal period. Additionally, employees are required to notify Human Resources immediately if they believe their workload, schedule, deadline, or other quota make rest break or meal periods infeasible.

Summary Chart. Below is a chart that generally summarizes the number of rest breaks and meal periods provided to non-exempt employees (these figures may vary depending on the timing of an employee's breaks).

Hours of Work	Rest Breaks	Meal Breaks
2 or fewer hours	0	0
Over 2 and up to 5 hours	1	0
Over 5 and up to 6 hours	1	1
Over 6, and up to 10 hours	2	1
Over 10, and up to 14 hours	3	1
Over 14, and up to 18 hours	4	1
Over 18, and up to 22 hours	5	1
Over 22 hours	6	1

III. PAID TIME OFF (SUPPLEMENT TO THE TIME OFF ADDENDUM)

The Company provides eligible employees with paid time off in the form of paid vacation time/PTO. Despite any general Handbook policy to the contrary, all accrued, unused vacation time/PTO may be carried over from year to year, but an employee may only accrue up to a maximum of the then-applicable annual accrual. Once an employee reaches this overall accrual cap, no additional time will be accrued until an employee uses some of the already accrued time at which point accrual will continue subject to the annual accrual maximum and overall accrual cap. Accrued, unused vacation time/PTO will be paid upon separation of employment.

IV. LEAVE FOR STALKING, SEXUAL ASSAULT, OR DOMESTIC ABUSE/VIOLENCE

The Company will provide up to three (3) working days of unpaid leave in any 12-month period for Colorado employees who are victims of stalking, sexual assault, domestic abuse, or domestic

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violence. To be eligible, an employee must have one (1) year of service with the Company. The leave is available for seeking a civil protection order (restraining order); obtaining medical or psychological care for the employee or the employee's children; securing legal assistance or participating in related court proceedings; securing the home from the perpetrator; or seeking alternative housing.

Employees must substitute available paid time off during unpaid leave taken under this policy.

Employees must give the Company at least three (3) days advance notice of their intention to take time off and provide appropriate documentation upon request, which may include documentation from the court or the prosecuting attorney that the employee appeared in court. In cases of imminent danger to the health and safety of the employee, reasonable advance notice is not required.

V. COLORADO PAID FAMILY AND MEDICAL LEAVE

Deductions and Benefits

- The employee share of Colorado's Family and Medical Leave Insurance ("FAMLI") premiums is set at 0.44% of employee wages through 2026.
- Paid family and medical leave benefits are available to most Colorado employees who have a qualifying condition and who earned $2,500 over the previous year for work performed in Colorado.
- The qualifying conditions for paid family and medical leave are:
    - Caring for a new child during the first year after the birth, adoption, or foster care placement of that child.
    - Caring for a family member with a serious health condition.
    - Caring for your own serious health condition.
    - Making arrangements for a family member's military deployment.
    - Obtaining safe housing, care, and/or legal assistance in response to domestic violence, stalking, sexual assault, or sexual abuse.
- Covered employees are entitled to up to 12 weeks of paid family and medical leave per year. Individuals with serious health conditions caused by pregnancy complications or childbirth complications are entitled to up to 4 more weeks of paid family and medical leave per year for a total of 16 weeks.
- An additional 12 weeks of paid leave is available for parents of children receiving inpatient care in a Neonatal Intensive Care Unit ("NICU").
- Leave may be taken continuously, intermittently, or in the form of a reduced schedule.
- Leave will be paid at a rate of up to 90% of the employee's average weekly wage, based on a sliding scale. Employees may estimate their benefits by using the benefits calculator available at famli.colorado.gov.
- You don't have to work for a minimum amount of time in order to qualify for paid family and medical leave benefits.

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

- If FAMLI leave is used for a reason that also qualifies as leave under the federal FMLA, then the leave will also count as FMLA leave used.
- Employees may choose to use sick leave or other paid time off before using FAMLI benefits, but they are not required to do so.
- The employee and Company may mutually agree, with a written agreement, to supplement FAMLI benefits with sick leave or other paid time off in order to provide full wage replacement.

Filing Claims

- Instructions on how to apply for benefits are available at famli.colorado.gov.
- Employees or their designated representatives apply for FAMLI benefits by submitting an application and any required documentation through My FAMLI+, available at famli.colorado.gov.
- Applications may be submitted in advance of the absence from work, and in some circumstances, they may be submitted after the absence has begun.
- Approved applications will be paid by the FAMLI Division within two weeks after the claim is properly filed, and weekly thereafter for the duration of the approved leave.
- Employees can appeal claim determinations to the FAMLI Division.
- Individuals who attempt to defraud the FAMLI program may be disqualified from receiving benefits.

Job protection and continued benefits

- The Company does not interfere with employees' rights under FAMLI, and does not discriminate or retaliate against them for exercising those rights, including taking FAMLI leave, talking to others about FAMLI, and filing complaints of FAMLI violations.
- An employee who has worked for the Company for at least 180 days is entitled to return to the same position, or an equivalent position, upon their return from FAMLI leave.

Retaliation, Discrimination, and Interference Prohibited

- The Company does not interfere with employees' rights under FAMLI, and may not discriminate or retaliate against them for exercising those rights.
- Employees who suffer retaliation, discrimination, or interference may file suit in court, or may file a complaint with the FAMLI Division.

Interaction with Other Leave Policies

FAMLI leave is designed to run concurrently with the federal FMLA and Colorado Family Care Leave, pursuant to Colo. Rev. Stat. § 8-13.3-203. If FAMLI leave is used for a reason that also qualifies as leave under FMLA or Colorado Family Care Leave, then the leave may also count as FMLA leave or Colorado Family Care Leave used, as applicable. Employees may choose to use sick leave or other employer-provided paid time off before using FAMLI benefits, but are not

required to do so. If mutually agreed upon with the Company, employees may supplement FAMLI benefit payments with sick leave or other paid time off in order to receive full wage replacement.

Questions and/or Complaints about FAMLI Leave

If you have questions regarding this FAMLI policy, please contact Human Resources. For questions about determinations by the Department on leave eligibility, entitlement, and/or benefits, please contact the Department directly. The Company is committed to complying with the FAMLI and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FAMLI.

VI. COLORADO HEALTHY FAMILIES AND WORKPLACES ACT

Employees in Colorado are entitled to sick leave through the Healthy Families and Workplaces Act. The Company provides a form of paid leave to all eligible employees that can be used under the same terms and conditions as required by the Healthy Families and Workplaces Act.

Employees can use Company-provided paid time off for the following purposes:

- Caring for a physical or mental illness, injury or health condition, or medical diagnosis, care, or preventive medical care, of an employee or employee's family member, defined as an immediate family member related by blood, marriage, civil union, or adoption, a child for whom the employee stands or previously stood in loco parentis, or a person for whom the employee is responsible for providing or arranging health or safety care.
- Specified purposes if employee or family member is a victim of domestic abuse, sexual assault, or harassment.
- Closure of an employee's place of business or a child's school or place of care due to a public health emergency.
- Grieving, attending funeral or memorial services, or dealing with financial and legal matters after a family member's death.
- Closure of a family member's school or place of care due to inclement weather, loss of power, heating, or water, or other unexpected occurrence or event.
- Evacuating employee's residence due to inclement weather, loss of power, heating, or water, or other unexpected occurrence.

For more information on the amount of paid time off available, see the Time Off Addendum.

The Company does not retaliate against an employee for requesting or using paid sick leave. An employee has the right to file a complaint or bring a civil action if paid sick leave is denied by the employer or the employer retaliates against the employee for exercising the employee's rights under Colo. Rev. Stat. Ann. §§ 8-13.3 - 401 to 8-13.3.418.

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

COLORADO
Department of Labor and Employment

COLORADO WAGE & HOUR RIGHTS & RESPONSIBILITIES:

The COMPS Order (Colorado Overtime & Minimum Pay Standards) Poster & Notice

Effective 1/1/2025

Use new version released by each December

Colorado Minimum Wage: $14.81 per hour in 2025, updated yearly (COMPS Rule 3)

- Must pay at least minimum wage for all time worked, whether by hour, salary, commission, piece rate, etc.
- Use the highest minimum wage applicable; ColoradoLaborLaw.gov lists all local minimum wages
- 15% lower is allowed for unemancipated minors — but not for some local minimum wages

Overtime: 1½ regular rate after 40 weekly hours, or 12 daily or consecutive (Rule 4)

- Can't give time off instead of overtime pay; can't average overtime and non-overtime weeks (or days)
- Agriculture: Overtime after 48 hours (56 at some highly seasonal sites); extra breaks and pay on long days
- Some (not all) jobs in health, ski, and heavy vehicles are partly or fully exempt (Rules 2.3-2.4)

Meal Periods: 30 minutes uninterrupted & duty-free, in shifts over 5 hours (Rule 5.1)

- Can be unpaid only for employees completely relieved of duty, and allowed do personal activities
- If work doesn't allow uninterrupted meal periods: must allow eating on duty, on paid time
- As much as practical, meal periods must be at least 1 hour after starting shifts, and 1 hour before ending

Rest Periods: 10 minutes, paid, every 4 hours (Rule 5.2)

# Work Hours:	Up to 2	>2, up to 6	>6, up to 10	>10, up to 14	>14, up to 18	>18, up to 22	>22
# Rest Periods:	0	1	2	3	4	5	6

- Need not be off-site, but must not include work, and should be in the middle of the 4 hours if practical
- Rest periods count as time worked, including for minimum wage and overtime
- Extra pay is owed for rest period time not authorized or permitted, including for employees not paid hourly
- Break rules differ for some agricultural work (Rule 2.3, & the Agricultural Labor Conditions Rules)

Deductions, Credits, Charges, & Withheld Pay (Rule 6, & Colorado Wage Act)

- Final pay: Owed promptly (if a termination by employer) or at next pay date (if employee resigned)
- Unused vacation: Must pay to departing employees, even if fired for cause or resigned without notice
- Tip credit: Can lower hourly pay up to $3.02 if tips (not service charges) aren't diverted to untipped staff
- Meals: Can charge cost or value (without profit) of voluntarily accepted meals
- Lodging: Can charge $25-$100 weekly (by housing type) if voluntary and primarily for employee benefit
- Uniforms: Can't charge or require deposits for special uniforms, special cleaning, or ordinary wear and tear
- Other deductions: Only for items in CRS 8-4-105; not for poor work, breakage, quitting without notice, etc.

Time Worked: All on-duty or on-premises time that must be paid (Rule 1.9)

- Cleanup or setup (examples: put on or remove clothes, or gear, worn only at work)
- Checking in or out (timeclock, security or safety screening, etc.), or waiting to do so
- Receiving or sharing work information, or wait for tasks – but not just off-duty time on premises
- Travel for employer benefit – but not normal commuting (Rule 1.9.2)
- Sleep time required to be on-site – but not if lengthy and uninterrupted (Rule 1.9.3)

Exemptions from COMPS (Rule 2.2 lists all; highlights below)

- Executive/supervisor, administrator, or professional: $56,485 (updated yearly) in salary (not hourly pay)
- Other high-level work: non-manual jobs paid 2¼ times the above salary; ⅛ owners who actively manage
- Some (not all) salespeople, computer professionals, drivers, camp/outdoor ed staff, or property managers
- Duties to pay wages, including most limits on deductions, still apply if exempt from COMPS

Employer Responsibilities (Rule 7)

- Give employees pay statements (total pay, rate, tips, credits, and time worked), and keep for 3 years
- Display this poster/notice where easily seen (or give to employees); also include in any handbook/manual
- Use translations (available from this Division) of this poster/notice for employees with limited English
- Not giving (or undercutting) posters or notices may disallow employer credits, deductions, or exemptions
- Individuals with control over work may be liable for wages and violations, even at incorporated employers

Complaint & Anti-Retaliation Rights (Rule 8)

- File complaints in the Division or Court, or send the Division confidential tips
- Retaliation, or actions interfering with rights, may yield fines or other consequences
- Immigration status is irrelevant to these rights, and can't be used to interfere with rights

Contact Us:

DIVISION OF LABOR STANDARDS & STATISTICS

303-318-8441 / 888-390-7936 / cdle_labor_standards@state.co.us *(English or Spanish)*

For all laws, guidance, & complaints: ColoradoLaborLaw.gov

Spanish guidance & complaints: LeyesLaboralesDeColorado.gov

This notice in other languages: cdle.colorado.gov/LaborStandardsPosters

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ACKNOWLEDGEMENT & RECEIPT OF COLORADO OVERTIME AND MINIMUM PAY STANDARDS ORDER ("COMPS ORDER") POSTER

I acknowledge that I have received Colorado Overtime and Minimum Pay Standards Order ("COMPS Order") poster.

_____
Employee Signature

_____
Print Name

_____
Date

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ILLINOIS SUPPLEMENT

I. DISCRIMINATION AND SEXUAL HARASSMENT (ADDENDUM TO EQUAL EMPLOYMENT OPPORTUNITY POLICY)

In compliance with the Illinois Human Rights Act ("IHRA"), all employees have the right to be free from unlawful discrimination or sexual harassment. This means that employers may not treat people differently based on actual or perceived race, color, religion, sex (including married individuals and unmarried mothers), sexual orientation, gender identity, gender expression, national origin, age, physical or mental disability, pregnancy, citizenship status, genetic information, ancestry, marital status, parental status, pregnancy, AIDS/HIV status, medical condition, political affiliation, protective order status, arrest record, or conviction record, military status, family responsibility, reproductive health decisions, or any other protected status under federal, state, or local law. This applies to all employer actions, including hiring, promotion, discipline and discharge.

Employees also have the right to reasonable workplace accommodations based on pregnancy (as described below), religious belief, and disability, so long as such an accommodation does not cause an undue hardship on the Company. This means employees can ask for reasonable changes to their job if needed because they are disabled, because they have a known limitation relating to pregnancy, childbirth, or a related medical condition, or because of a sincerely held religious belief. Employees requesting a reasonable accommodation for a disability or religious accommodation should contact Human Resources and follow the steps outlined in those respective policies in the main handbook. Employees requesting a pregnancy related accommodation should refer to the Pregnancy and Nursing Accommodation policy below.

The Company does not treat people differently or otherwise retaliate against an employee because they have reported discrimination or sexual harassment, participated in an investigation, or helped others exercise their right to complain about discrimination or sexual harassment.

II. EXTERNAL COMPLAINTS

In addition to the internal complaint process at the Company, employees who suspect a violation of the Company's Equal employment, Anti-Sexual Harassment, or Anti-Discrimination Policies or a violation of federal, state, or local law, may choose to file a charge of discrimination or sexual harassment under the Act with the Illinois Department of Human Rights ("IDHR") or the Equal Employment Opportunity Commission.

The charge process for violations of the law can be initiated by completing the form at www.illinois.gov/dhr or by contacting the IDHR at IDHR.Intake@illinois.gov, or either of these offices:

Chicago Office
555 W. Monroe St., 7th Floor
Chicago, IL 60661

Springfield Office
535 W. Jefferson Street, 1st Floor
Springfield, IL 62702

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(312) 814-6200	(217) 785-5100
(866) 740-3953 (TTY)	(866) 740-3953 (TTY)
(312) 814-6251 (Fax)	(217) 785-5106 (Fax)

The Charge process for the EEOC can be completed by contacted the EEOC at:

EEOC - Chicago District Office:
230 S Dearborn Street, Suite 1866
Chicago, IL 60604
800-669-4000
TTY: 800-869-8001
Fax: 312-588-1260

Employees also can contact the Illinois Sexual Harassment and Discrimination Helpline at 1-877-236-7703.

III. ANTI-SEXUAL HARASSMENT

The Company is committed to providing a work environment that provides employees equality, respect, and dignity. In keeping with this commitment, the Company strives to be a place free of harassment in the workplace and this includes sexual harassment. Sexual harassment, which is illegal under federal and state law, is defined as unwanted or unwelcome sexual advances, requests for sexual favors, or any conduct of a sexual nature when: (1) submission to the conduct is an explicit or implicit term or condition of employment, (2) submission to or objection of the conduct is used as the basis for an employment decision, or (3) the conduct has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment is conduct based on sex, whether directed towards a person of the opposite or same sex, and may include explicit sexual propositions, sexual innuendo, suggestive comments, sexually oriented kidding, teasing, practical jokes, jokes about obscene printed or visual material, or physical contact such as patting, pinching, or brushing against another person's body. This list is illustrative only, and not exhaustive.

No form of harassment will be tolerated.

If you suspect violations of this policy, you must report suspected sexual harassment or sex discrimination using the internal complaint procedure described in the Handbook. You may also initiate an external charge using the information provided above.

IV. PREGNANCY & NURSING ACCOMMODATIONS

In compliance with Illinois law, the Company will not discriminate against an employee because of pregnancy; will reasonably accommodate employees experiencing a known limitation relating

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to pregnancy, childbirth, or a related medical condition, so long as the accommodation does not cause an undue hardship on the Company.

Such accommodations include modifications or adjustments to the work environment or circumstances under which the employee's position is customarily performed, including but not limited to more frequent or longer bathroom, water intake, or rest breaks; seating accommodations or acquisition or modification of equipment; assistance with manual labor, light duty, or a temporary transfer to a less strenuous or non-hazardous position; job restructuring or a part-time or modified work schedule; appropriate adjustment or modifications of examinations or training materials; assignment to a vacant position; or providing leave to recover from childbirth or pregnancy.

Additionally, the Company will provide reasonable breaks to accommodate an employee desiring to express breast milk for the employee's infant child unless doing so created an undue hardship for the Company. If an employee is nursing, the Company will provide a private space, other than a bathroom, and a reasonable amount of time to express breast milk during the work day as required by law. The break time, when possible, should run concurrent with the employee's meal period. Any additional time needed to express breast milk during the first year following the child's birth, will be paid. After this period, hourly employees must clock in/out for these breaks. Please contact Human Resources to make arrangements.

The Company will not require an employee to accept an accommodation that the employee did not request or to which the employee did not agree, nor will the Company force an employee to take leave if another reasonable accommodation is available.

The Company may require certification from the employee's health care provider concerning the employee's need for a reasonable accommodation to the same extent such a certification is required for other conditions related to a disability, to the extent permitted by applicable law. Where permitted, a certification should include: (1) medical justification for the requested accommodation(s); (2) a description of the reasonable accommodation(s) medically advisable; (3) the date the accommodation(s) became advisable; and (4) the probable duration of the reasonable accommodation(s).

The Company will not deny employment opportunities or take adverse employment action against employees if such decision is based on the Company's need to make a reasonable accommodation, and the Company will not retaliate against an employee who requests an accommodation or otherwise exercises the employee's rights under the IHRA.

Employees with questions or concerns regarding this policy or who would like to request an accommodation should contact Human Resources.

Employees who suspect a violation of this policy should report it to the Company using the internal Complaint procedure described in the handbook. Employees may also file an external complaint with the IDHR or the EEOC using the contact information provided above.

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V. ILLINOIS PAID LEAVE

Eligibility. The Company provides paid leave to covered employees who work in Illinois pursuant to the Illinois Paid Leave for All Workers Act (the "PLFAWA"). This policy does not apply to employees who work in Chicago for at least 80 hours within a 120-day period. This policy also does not apply to employees who work in Illinois who are eligible to accrue and use at least 40 hours in a year for any reason under the Company's general Vacation policy, unless otherwise required by applicable law.

Accrual. Employees begin to accrue paid leave pursuant to this policy at the start of employment. Employees accrue paid leave at a rate of one (1) hour for every forty (40) hours worked, up to a maximum accrual of forty (40) hours each year. Exempt employees shall be deemed to work forty (40) hours in each workweek unless their regular workweek is less than 40 hours, in which case paid leave accrues based on that regular workweek. For purposes of this policy, the year is the consecutive 12-month period beginning January 1st and ending on December 31st. Paid leave accrual under this policy is tracked as Vacation.

Usage. An employee may begin to use accrued paid leave 90 days following commencement of the employee's employment. Paid leave may be used in a minimum increment of two (2) hours, except if an employee's scheduled workday is less than 2 hours, the employee's scheduled workday will be used to determine the amount of paid leave. An employee may not use more than forty (40) hours of accrued paid leave in any year.

An employee may use paid leave for any reason. An employee is not required to provide an the Company a reason for the leave. An employee may choose whether to use paid leave provided under this policy prior to using any other leave provided by the employer or under state law.

An employee's use of paid leave will not be conditioned upon searching for or finding a replacement worker to cover the hours during which the employee takes paid leave.

Notice and Documentation. Employees must make requests to use paid leave orally or in writing to Human Resources. If use of paid leave is foreseeable, the employee must provide 7 calendar days' notice before the date the leave is to begin. If use of paid leave is not foreseeable, the employee must provide such notice as soon as is practicable after the employee is aware of the necessity of the leave.

An employee will not be required to provide documentation or certification as proof or in support of the leave.

Payment. Employees will receive payment for paid leave at their hourly rate of pay at the time the employee uses the paid leave, unless otherwise required by applicable law, and no less than the applicable minimum wage. Use of paid leave is not considered hours worked for purposes of calculating overtime.

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Carryover & Payout. An employee may carry over their accrued, unused paid leave under this policy to the following year. Accrued but unused paid leave under this policy will not be paid at separation.

Enforcement & Retaliation. The Company will not threaten to take or take any adverse action against an employee because the employee exercises rights or attempts to exercise rights under this policy or the Act, opposes practices that the employee believes to be in violation of the Act, or supports the exercise of rights of another under the Act. Additionally, during any period an employee takes leave under the Act, the Company will maintain coverage for the employee and any family member under any group health plan for the duration of such leave at no less than the level and conditions of coverage that would have been provided if the employee had not taken the leave. Nonetheless, the employee is still responsible for paying the employee's share of the cost of the health care coverage, if any.

Employees with questions regarding this policy can contact Human Resources.

VI. LEAVE FOR DOMESTIC/SEXUAL/GENDER VIOLENCE OR OTHER CRIMES OF VIOLENCE

In accordance with the Illinois Victims' Economic Security and Safety Act ("VESSA"), employees who are the victims of domestic violence, sexual violence, gender violence or any other crime of violence, or who have family or household members who are the victims of domestic violence, sexual violence, gender violence or any other crime of violence whose interests are not adverse to the employee as it relates to the domestic violence, sexual violence, gender violence or any other crime of violence, may be eligible for up to four (4) weeks of unpaid leave within any 12-month period, except an employee may be eligible for up to a cumulative total of not more than two (2) weeks (10 work days) of unpaid leave for the purposes described in reasons (6), (7) or (8) below which must be completed within 60 days after the date on which the employee receives notice of the death of the victim.

Leave runs concurrently with Family and Medical Leave and therefore does not extend any unpaid time available to the employee under Family and Medical Leave, if applicable.

Employees must substitute available paid time off during unpaid leave taken under this policy, but this substitution does not extend the 4-week period.

Reasons for Leave. Eligible employees may take leave if they are, or if a family or household member is, experiencing an incident of domestic violence, sexual violence, gender violence or any other crime of violence, so that they or a member of their family or household may:

1) Seek medical attention for or recover from physical or psychological injuries caused by domestic violence, sexual violence, gender violence or any other crime of violence;

2) Obtain services from a victim's services organization;

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3) Obtain psychological or other counseling;

4) Participate in safety planning, temporary or permanent relocation, or take other actions to increase their physical safety or economic security;

5) Seek legal assistance or remedies to ensure their health and safety, including preparing for or participating in any civil or criminal legal proceeding related to or derived from domestic violence, sexual violence, gender violence or any other crime of violence;

6) attend the funeral or alternative to a funeral or wake of a family or household member who is killed in a crime of violence;

7) make arrangements necessitated by the death of a family or household member who is killed in a crime of violence; or

8) grieve the death of a family or household member who is killed in a crime of violence.

For purposes of this policy, "family or household member" means a spouse or party to a civil union, parent, grandparent, child, grandchild, sibling, or any other person related by blood or by present or prior marriage or civil union, other person who shares a relationship through a child, or any other individual whose close association with the employee is the equivalent of a family relationship as determined by the employee, and persons jointly residing in the same household.

Notice and Certification of the Need for Leave. Eligible employees must provide the Company with at least forty-eight (48) hours advance notice of the need for leave, unless such notice is not practicable. To request leave, an employee must provide a sworn statement indicating that the employee or a family or household member is a victim of domestic violence, sexual violence, gender violence or any other crime of violence and that leave is necessary for one of the reasons described above.

The employee seeking leave also must provide supporting documentation from one of the following sources if the employee has possession of such document: (1) an employee, agent, or volunteer of a victim's services organization, an attorney, a member of the clergy, or a medical or other professional from whom the employee or the employee's family or household member has sought assistance in addressing domestic violence, sexual violence, gender violence, or any other crime of violence and the effects of the violence; (2) a police, court or military record; (3) a death certificate, published obituary, or written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or government agency, documenting that a victim was killed in a crime of violence; or (4) other corroborating evidence.

Intermittent and Reduced Schedule Leave. Unpaid leave may be taken consecutively, intermittently (in separate blocks of time) or on a reduced leave schedule (reducing the usual number of hours worked per workweek or work day).

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Employee Benefits. During an approved leave, the Company will maintain the employee's health benefits as if the employee continued to be actively employed. If paid time off is substituted for unpaid leave, the Company will deduct the employee's portion of the applicable health plan premium as a regular payroll deduction. If the employee's leave is unpaid, the employee must make arrangements with Human Resources prior to taking leave to pay their portion of any applicable health insurance premiums each month. If the employee elects not to return to work at the end of the leave period, the employee will be required to reimburse the Company for the cost of the health benefit premiums paid by the Company for maintaining coverage during the unpaid leave period, unless the employee cannot return to work because of continuation, recurrence, or onset of domestic or sexual violence or other circumstances beyond the employee's control.

Periodic Reports. During a leave, an employee must provide periodic reports regarding the employee's status and any change in the employee's plans on returning to work.

Returning from Leave. Upon returning from leave, employees will be restored to the same or an equivalent position.

Employees will not be subject to discharge, harassment, or discrimination for exercising rights or attempting to exercise rights under this policy, opposing practices that they believe to be in violation of this policy, or supporting the exercise of rights of another under this policy.

For additional information on this leave, please contact Human Resources.

VII. LEAVE FOR EMERGENCY WORKERS

In accordance with Illinois law, the Company will provide the necessary unpaid time off to employees who volunteer as emergency workers. Employees must make a reasonable effort to notify the Company as soon as possible about their need for leave under this policy. Within seven working days after the emergency response or other covered event, you must provide Human Resources with a written statement from the corresponding private or governmental entity, verifying your participation, including the date and time of the event.

Employees who take emergency response leave will be reinstated in accordance with the applicable law. Also, employee benefits will continue during the leave, at your expense.

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MARYLAND SUPPLEMENT

I. PREGNANCY ACCOMMODATIONS

In compliance with Maryland law, if a pregnant employee requests an accommodation for a disability caused or contributed to by pregnancy, the Company will explore reasonable accommodations with the pregnant employee, and it will endeavor to provide a reasonable accommodation unless doing so would impose an undue hardship on the Company. Such accommodations may include changing the employee's job duties; changing the employee's work hours; relocating the employee's work area; providing mechanical or electrical aids; transferring the employee to a less strenuous or less hazardous position; or providing leave.

The Company may require certification from the employee's health care provider concerning the medical advisability of a reasonable accommodation to the same extent a certification is required for other temporary disabilities. A certification should include: (1) the date the reasonable accommodation became medically advisable; (2) the probable duration of the reasonable accommodation; and (3) an explanatory statement as to the medical advisability of the reasonable accommodation.

Employees with questions or concerns regarding this policy or who would like to request an accommodation should contact Human Resources.

II. MARYLAND HEALTHY WORKING FAMILIES ACT

Pursuant to Maryland law, employees are entitled to earn sick and safe leave at the rate of 1 hour for every 30 hours that an employee works up to a maximum of 40 hours per year. The Company provides a form of paid leave to all eligible employees that can be used under the same terms and conditions as required by the Healthy Families and Workplaces Act. For more information, see the Time Off Addendum.

An employee is allowed to use company-provided paid time off under the following conditions:

- To care for or treat the employee's mental or physical illness, injury or condition;
- To obtain preventative medical care for the employee or the employee's family member;
- To care for a family member with a mental or physical illness, injury or condition;
- For maternity or paternity leave; or
- The absence from work is necessary due to domestic violence, sexual assault or stalking committed against the employee or the employee's family member and the leave is being used: (1) to obtain medical or mental health attention; (2) to obtain services from a victim services organization; (3) for legal services or proceedings; or (4) because the employee has temporarily relocated as a result of the domestic violence, sexual assault or stalking.

A family member includes a spouse, child, parent, grandparent, grandchild, sibling or legal

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guardian. For a complete list of family members included under the law, please see §3-1301(G) of the Labor and Employment Article of the Maryland Annotated Code.

With each pay period, employees will be provided with a statement of leave used and available leave.

Retaliation. The Company will not threaten to take or take any adverse action against an employee because the employee exercises rights or attempts to exercise rights under this policy or the Act, opposes practices that the employee believes to be in violation of the Act, or supports the exercise of rights of another under the Act. It is a misdemeanor for an employee to bring a complaint, action, or to testify in action under this Act in bad faith.

Complaints. An employee who feels as if their rights have been violated under this Act may contact the Commissioner of Labor and Industry at:

COMMISSIONER OF LABOR AND INDUSTRY 1100 North Eutaw Street, Room 607 Baltimore, MD 21201 https://www.dllr.state.md.us/paidleave/ Email: ssl.assistance@maryland.gov

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MINNESOTA SUPPLEMENT

I. NURSING MOTHERS, LACTATING EMPLOYEES, AND PREGNANCY ACCOMMODATIONS

Minnesota's Nursing Mothers, Lactating Employees, and Pregnancy Accommodations law (Minnesota Statutes § 181.939) gives pregnant and lactating employees certain legal rights.

Pregnant employees have the right to request and receive reasonable accommodations, which may include, but are not limited to, more frequent or longer breaks, seating, limits to heavy lifting, temporary transfer to another position, temporary leave of absence or modification in work schedule or tasks. The Company does not require an employee to take a leave or accept an accommodation.

Lactating employees have the right to reasonable paid break times to express milk at work unless they are expressing milk during a break that is not usually paid, such as a meal break. The Company will provide a clean, private and secure room that is not a bathroom near the work area that includes access to an electrical outlet for employees to express milk.

The Company does not retaliate, or to take negative action, against a pregnant or lactating employee for exercising their rights under this law.

Employees who believe their rights have been violated under this law can contact the Minnesota Department of Labor and Industry's Labor Standards Division at dli.laborstandards@state.mn.us or 651-284-5075 for help. Employees also have the right to file a civil lawsuit for relief. For more information about this law, visit dli.mn.gov/newparents.

II. EARNED SICK AND SAFE TIME EMPLOYEE NOTICE

Employees in Minnesota are entitled to earned sick and safe time, a form of paid leave. The Company provides a form of paid leave to all eligible employees that can be used for earned sick and safe purposes, as defined by law. See the Time Off Addendum for more details. A year for purposes of the employee's earned sick and safe time accrual is: a calendar year (January 1st through December 31st).

Earned sick and safe time is paid at the same base rate employees earn from employment. Employees are not required to seek or find a replacement for their shift to use earned sick and safe time. They may use earned sick and safe time for all or part of a shift, depending on their need.

Earned sick and safe time can be used for:

- an employee's mental or physical illness, treatment or preventive care;
- the mental or physical illness, treatment or preventive care of an employee's family member;

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- absence due to domestic abuse, sexual assault or stalking of an employee or their family member;
- closure of an employee's workplace due to weather or public emergency or closure of their family member's school or care facility due to weather or public emergency;
- when determined by a health authority or health care professional that an employee or their family member is at risk of infecting others with a communicable disease; and
- making funeral arrangements, attending a funeral service or memorial or addressing financial or legal matters that arise after the death of a family member.

Notifying employer, documentation

The Company may require employees to provide up to seven days of advance notice when possible (for example, when an employee has a medical appointment scheduled in advance) before using sick and safe time.

The Company may require employees to provide certain documentation regarding the reason for their use of earned sick and safe time if they use it for more than two consecutive days.

If an employee plans to use Company-provided paid time off for an appointment, preventive care or another permissible reason they know of in advance, they must inform their supervisor as far in advance as possible, but at least seven days in advance. In situations where an employee cannot provide advance notice, the employee should contact their supervisor as soon as they know they will be unable to work.

Retaliation, right to file complaint

The Company does not retaliate, or to take negative action, against an employee for using or requesting earned sick and safe time or otherwise exercising their earned sick and safe time rights under the law. If an employee believes they have been retaliated against or improperly denied earned sick and safe time, they can file a complaint with the Minnesota Department of Labor and Industry (see below). They can also file a civil action in court for earned sick and safe time violations.

For more information

Contact the Minnesota Department of Labor and Industry's Labor Standards Division at 651-2845075 or esst.dli@state.mn.us or visit the department's earned sick and safe time webpage at sickleave.mn.gov. This notice contains important information about your employment.

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III. RIGHT TO REVIEW PERSONNEL RECORDS

Under Minnesota law, employees have the right to review their personnel record once every six (6) months and, if they leave employment with us, they may review it once every year as long as we maintain the personnel record.

Employees who would like to review their personnel record must make a good faith request in writing, and we will provide an opportunity for review of the record or make a copy (at no cost). Employees may also request copies (at no cost) at the time the record is reviewed. We will provide an opportunity for review of personnel records within seven (7) working days of the written request, or if the personnel record is physically located outside of Minnesota, within fourteen (14) working days of the written request.

What is contained in the personnel record is carefully defined under Minnesota law. The law does not require that we allow employees to review and copy information that is not contained in their personnel record. Employees who dispute information contained in their personnel record may submit a request to have it removed from the record. If we do not agree that the information should be removed, a written response to the information of up to five (5) pages may be submitted.

We will not take any action against an employee for appropriately asserting the employee's rights to review the personnel record. If an employee's rights as provided by this law are improperly denied, the law provides certain remedies.

This notice only describes some of employees' rights under the law. For more information, the Minnesota statutes further detailing these rights can be found at Minnesota Statutes § 181.960 through Minnesota Statutes § 181.965. These laws can be found on the internet at http://www.leg.state.mn.us/leg/statutes.asp or in public libraries throughout the state.

IV. PREGNANCY & PARENTAL LEAVE

Eligibility. All employees are eligible for leave under the Minnesota Parental Leave Act ("MPLA").

Basic Leave Entitlement. The MPLA provides eligible employees with up to twelve (12) weeks of unpaid leave (i) for the birth or placement for adoption of a child (but not foster care placement) or (ii) if a female employee, for prenatal care, or incapacity due to pregnancy, child birth, or related health conditions. Leave for the birth or adoption of a child may begin within twelve (12) months after the birth or adoption, except where the child must remain in the hospital longer than the mother, the leave may not begin more than twelve (12) months after the child leaves the hospital.

Protection of Group Health Insurance. During any period of leave pursuant to the MPLA, employees may continue any health insurance under the same terms and conditions as if the employee was not on leave.

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Restoration of Employment and Benefits. At the end of MPLA leave, subject to some exceptions, employees generally have the right to return to the same or equivalent position with equivalent pay, benefits and other terms.

MPLA and FMLA. Where both FMLA and MPLA apply, any leave taken will be counted under both laws at the same time. This policy will be interpreted to comply with the law(s) that apply to a particular leave. If employees have any questions concerning MPLA leave or FMLA leave, they should contact Human Resources.

V. MINNESOTA PAID LEAVE

Beginning January 1, 2026, Minnesota offers paid leave to employees who experience a qualifying event that is medical or family related. Employees whose reporting location is Minnesota are expected to work no less than 50% of their time in Minnesota. Employees outside of Minnesota that work 50% or more of their time in Minnesota must alert Human Resources as they may be eligible for MPL.

Qualifying Reasons. Employees are eligible to take leave under Minnesota Paid Leave ("MPL") for the following events:

- To care for your own serious health condition, including care related to pregnancy, childbirth, and recovery;
- Bonding Leave – to care for and bond with a child welcomed through birth, adoption, or foster placement;
- Caring Leave – to care for a family member with a serious health condition;
- Military Family Leave – to support a family member called to active duty; and
- Safety Leave – to respond to issues related to domestic violence, sexual assault, or stalking for yourself or a family member

Qualifying employees are eligible for up to 12 weeks or medical *or* family leave. An employee who qualifies for both family and medical leave is eligible for a maximum of 20 weeks of paid leave. Leave may be taken continuously or intermittently.

Leave under MPL runs concurrently with other eligible leave, such as paid pregnancy leave, and federal FMLA.

Job Protection and Health Insurance Continuation. Generally, employees who take leave under MPL are restored to their original or an equivalent position upon return from leave. The Company will continue to fund its portion of any healthcare or group insurance premium while the employee is on leave, but the employee is still responsible for their portion of benefit premiums while on leave.

Leave Notice. If the need for leave is foreseeable, the employee must provide the Company at least 30 days' advance notice before the beginning of the employee's leave. If 30 days' notice is

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

not practicable because of a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable.

Prohibition on Retaliation. The Company will not interfere with or retaliate against employees who attempt to exercise their rights under MPL.

How to Apply. Employees who need to apply for leave, or need further information may contact Human Resources.

VI. WAGE DISCLOSURE PROTECTIONS

Under the Minnesota Wage Disclosure Protection law, you have the right to tell any person the amount of your own wages. The Company does not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against you for disclosing your own wages. Your remedies under the Wage Disclosure Protection law are to bring a civil action against your employer and/or file a complaint with the Minnesota Department of Labor and Industry at 651-284-5075 or 800-342-5354.

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

WISCONSIN SUPPLEMENT

I. WISCONSIN FAMILY AND MEDICAL LEAVE (ADDENDUM TO FMLA POLICY)

Like the Family and Medical Leave Act ("FMLA") Policy described elsewhere in this Handbook, the Wisconsin Family and Medical Leave Act ("WFMLA") may require employers to provide family and medical leaves of absence for eligible employees. Either or both of these laws may apply to a leave. Where both laws apply, any leave taken will be counted under both laws at the same time. This policy will be interpreted to comply with the law(s) that apply to a particular leave. This policy provides employees information concerning any WFMLA entitlements and obligations that differ from the FMLA entitlements and obligations that are set forth elsewhere in this handbook. If employees have any questions concerning WFMLA leave, they should contact Human Resources.

Eligibility. WFMLA leave is available to "WFMLA eligible employees." To be a WFMLA eligible employee, an employee must:

1) Have worked for the Company for at least fifty-two (52) consecutive weeks;
2) Have worked at least 1,000 hours in the fifty-two (52) weeks preceding the commencement of leave; and
3) Be employed by an employer that has fifty (50) or more employees.

Basic Family and Medical Leave Entitlement. The FMLA provides eligible employees up to twelve (12) workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The WFMLA provides eligible employees up to six (6) workweeks of unpaid leave in a 12-month period for the birth or adoption of a child and up to two (2) workweeks in a 12-month period of leave for an employee's own serious health condition or to care for a covered family member with a serious health condition. For FMLA purposes the Company's leave year is defined as the 12-month period measured forward from the date the employee's first FMLA leave begins . For WFMLA the 12-month period is measured by a calendar year from January 1st to December 31st. The total leave will not exceed twelve (12) weeks in any 12-month period (FMLA) or ten (10) weeks in any 12-month period (WFMLA) except for leave to care for an injured Servicemember which will not exceed twenty-six (26) weeks of leave during a single 12-month period as described in more detail below. It is the Company's policy to provide the greater leave benefit provided under the FMLA or WFMLA and to run leave under concurrently under the FMLA and WFMLA whenever possible.

In addition to the entitlements outlined in the FMLA policy, under the WFMLA, an employee may also take leave to care for a domestic partner or parent-in-law who has a serious health condition. Unlike FMLA, WFMLA does not include leave for certain qualifying exigencies or to care for the employee's child after placement for foster care.

The WFMLA has special rules that affect the amount of leave an eligible employee may take for a particular reason in the applicable 12-month period. Eligible employees under the WFMLA may take:

THE INFORMATION BELOW SUPPLEMENTS THE NATIONAL POLICIES CONTAINED IN THE EMPLOYEE HANDBOOK FOR EMPLOYEES WHO WORK IN THE RELEVANT STATES

1) Six (6) workweeks of leave for birth or adoption of a child;
2) Two (2) workweeks of leave for an employee's own serious health condition; and
3) Two (2) workweeks of leave to care for a covered family member with a serious health condition.

Spouses Employed by the Same Company. Unlike the FMLA, which provides that spouses employed by the same Company are limited to a combined total of twelve (12) workweeks in a 12-month period, no such limitation applies to WFMLA if the leave is taken for: (1) birth and care of a newborn child; (2) placement of a child for adoption or foster care, or (3) care for a parent who has a serious health condition.

Leave Because of The Birth or Placement of a Child. Under the WFMLA, leave because the birth of a child or placement of a child with the employee for adoption must commence within sixteen (16) weeks before or after the birth or adoption. Under the FMLA, leave because of the birth of a child or placement of a child with the employee for adoption (or foster care) must be concluded within the 12-month period beginning on the date of birth or placement.

Restoration of Employment and Benefits. As with FMLA leave, at the end of WFMLA leave, subject to some exceptions, employees generally have the right to return to the same or equivalent position with equivalent pay, benefits and other terms. There is no key employee exception under WFMLA.

Substitute Paid Leave for Unpaid FMLA and WFMLA Leave. Employees must use half of any accrued paid time off while taking unpaid FMLA leave. Employees may elect to use any accrued paid time off while taking unpaid WFMLA leave. The substitution of paid time for unpaid FMLA and/or WFMLA leave time does not extend the length of FMLA and/or WFMLA leaves and the paid time will run concurrently with an employee's FMLA and/or WFMLA entitlement.

NOVEMBER 2024



ORACLE 101 – IEXPENSES (CREDIT CARD/EXPENSE REPORTS)

ALLETE INC.

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Processing an accidental, personal charge, or reimursement to company on your corporate credit card. 39

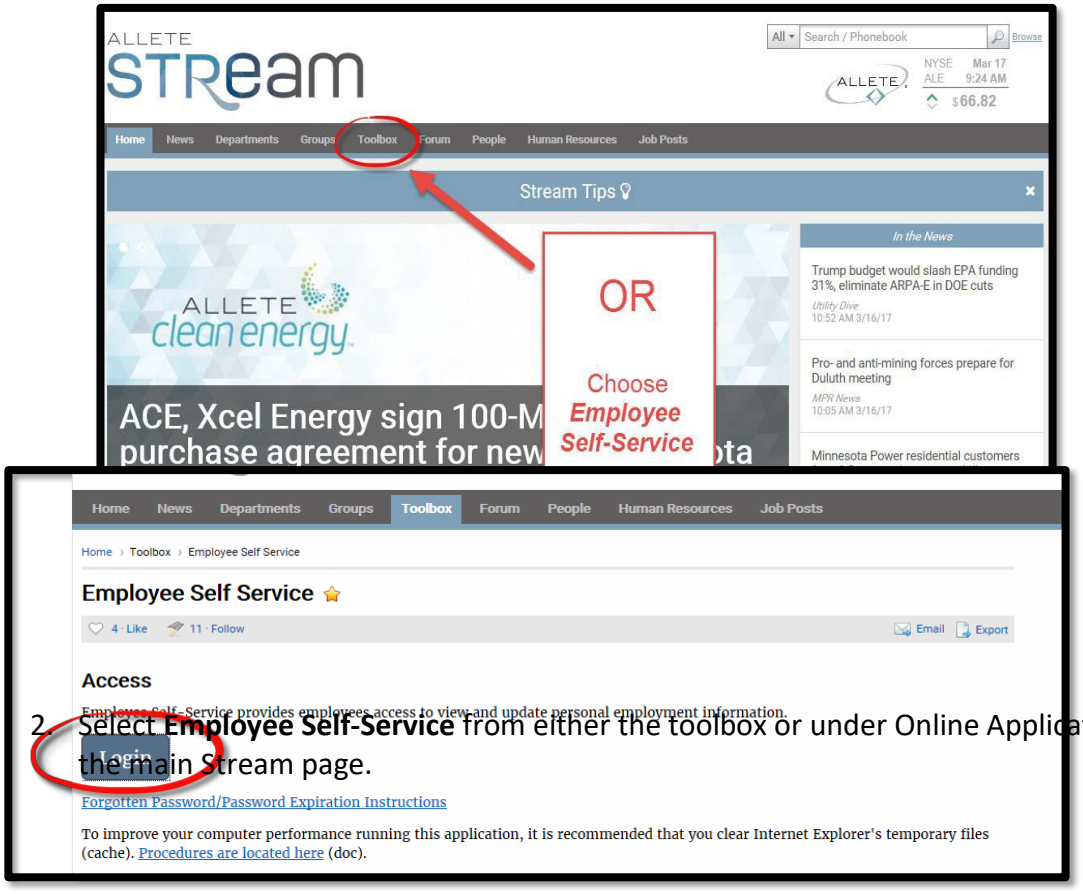
I. ENTERING MASTER CARD/EXPENSE REPORTS

NOTES:

- You can enter both, Master Card charges AND Expense Report charges, simultaneously.
- You do NOT have to reconcile all MasterCard charges for each month at the same time; however, if done separately, approval is needed for each reconciliation.
- If you do not reconcile MasterCard charges in a timely manner, Oracle will NOT let you enter Expense Report charges until the MasterCard charges with warnings are reconciled.

A. NAVIGATION TO EXPENSE REPORTS (ORACLE IEXPENSE)

1. Log in to Employee Self Service from the ALLETE Stream Intranet Page.

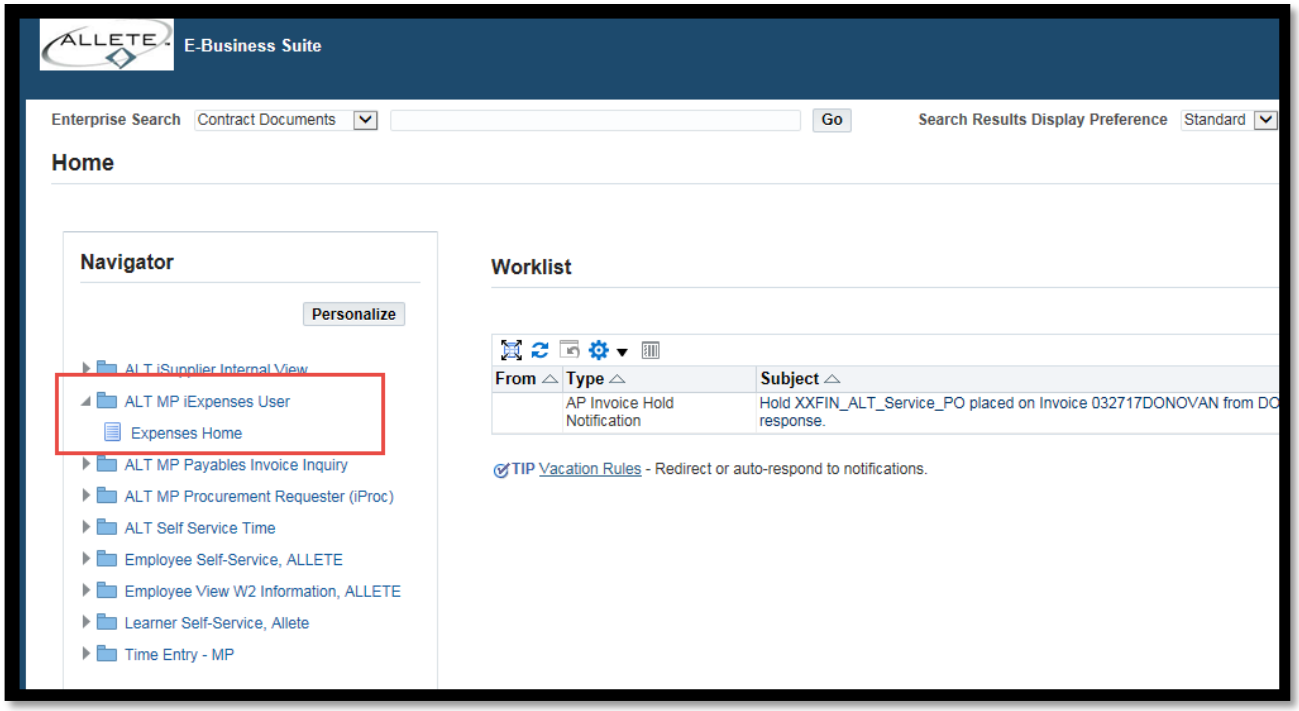


2. Select **Employee Self-Service** from either the toolbox or under Online Applications on the main Stream page.

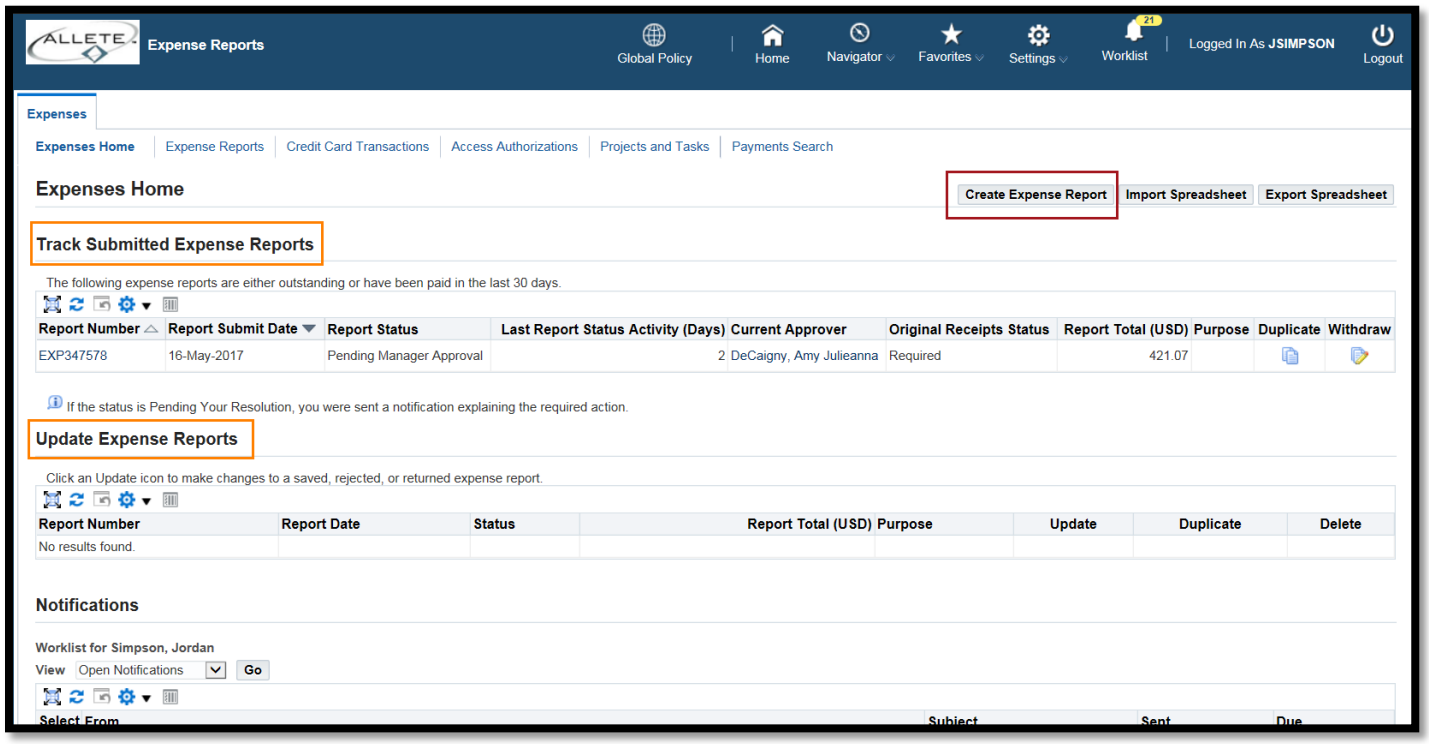
1. Click the **Login** button.

2. Enter your User Name and Password and click **Login**



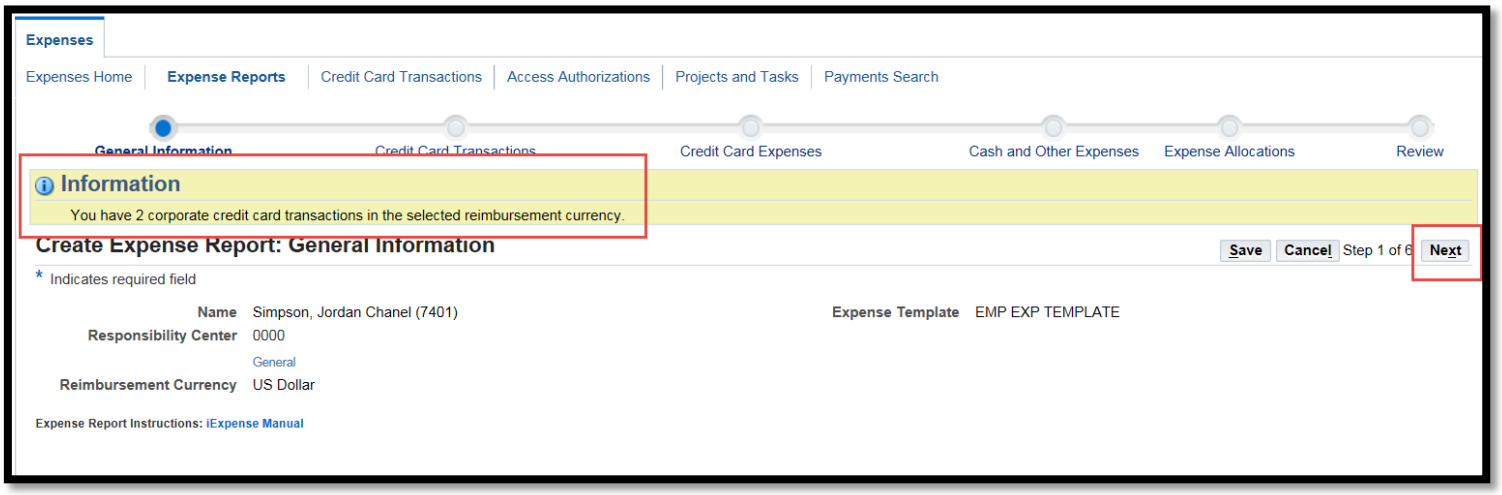


3. From the Navigator Menu, choose ALT MP iExpenses User (or SWLP or ACE or ARR iExpenses User), Expenses Home.



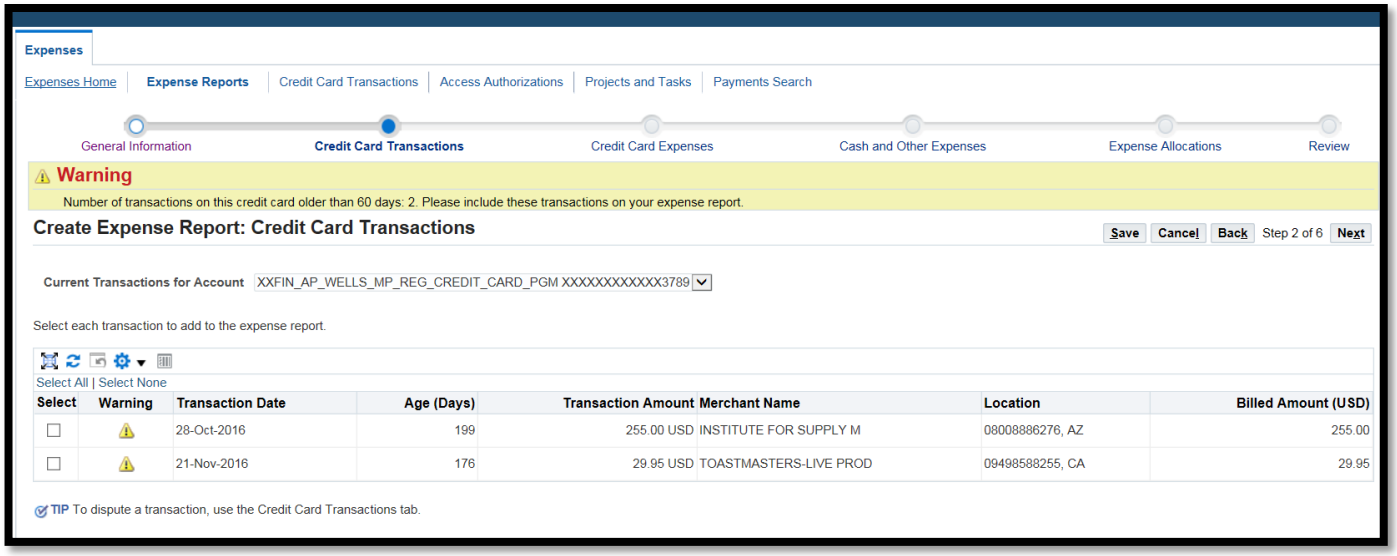
4. Click **Create Expense Report**.
    a. On this screen you can also:
        i. **Track Submitted Expense Reports**- submitted reports that are either awaiting approval or have been approved.
        ii. **Update Expense Reports**- reports that are saved, rejected, or have been returned to you. Click the Update pencil to edit the expense report and resubmit, or alternatively, click the garbage can to delete the expense report.

B. EXPENSE REPORT – GENERAL INFORMATION & CREDIT CARD TRANSACTIONS



1. <u>Credit Expense Report: General Information</u>
    b. Notice the Information box stating the number of credit card transactions waiting to reconcile.

c. If you don't have credit card transactions to reconcile, but you do have receipt based or mileage based transactions, click ***next*** to proceed to the Receipt Based Expenses tab or the Mileage Expenses tab.

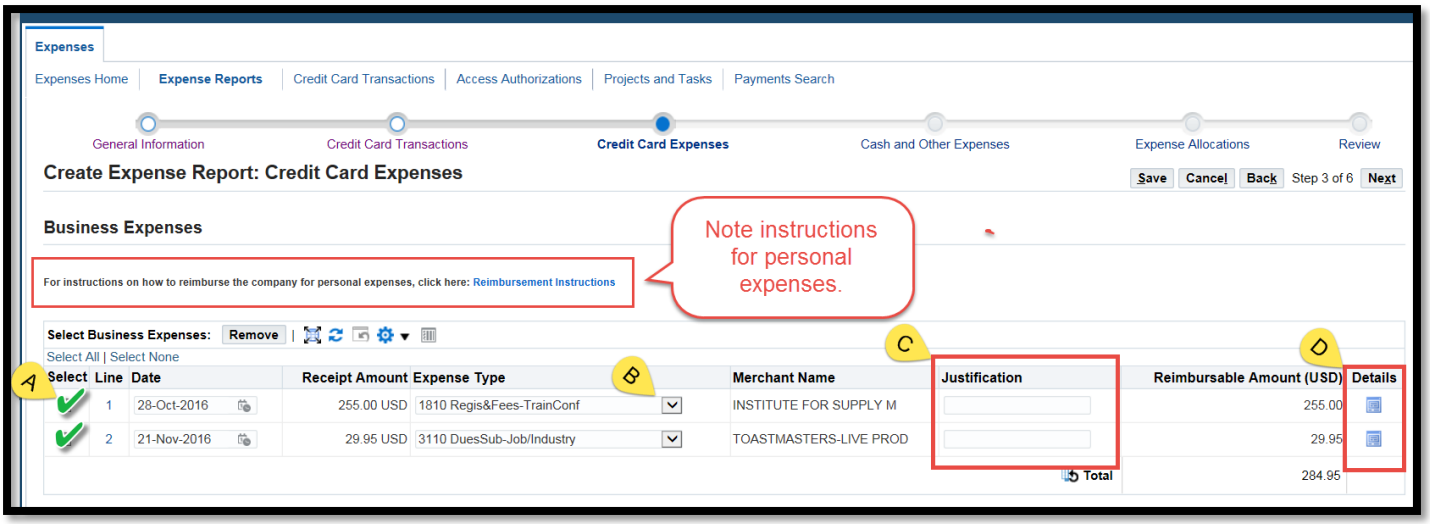


2. Credit Expense Report: Credit Card Transactions

a. Notice the warning box stating the number of transactions older than 60 days. Credit card users will also receive alerts in their company email warning of credit card transactions older than 30 days and 60 days.

b. Please reconcile your credit card within 30 days of the transaction dates.

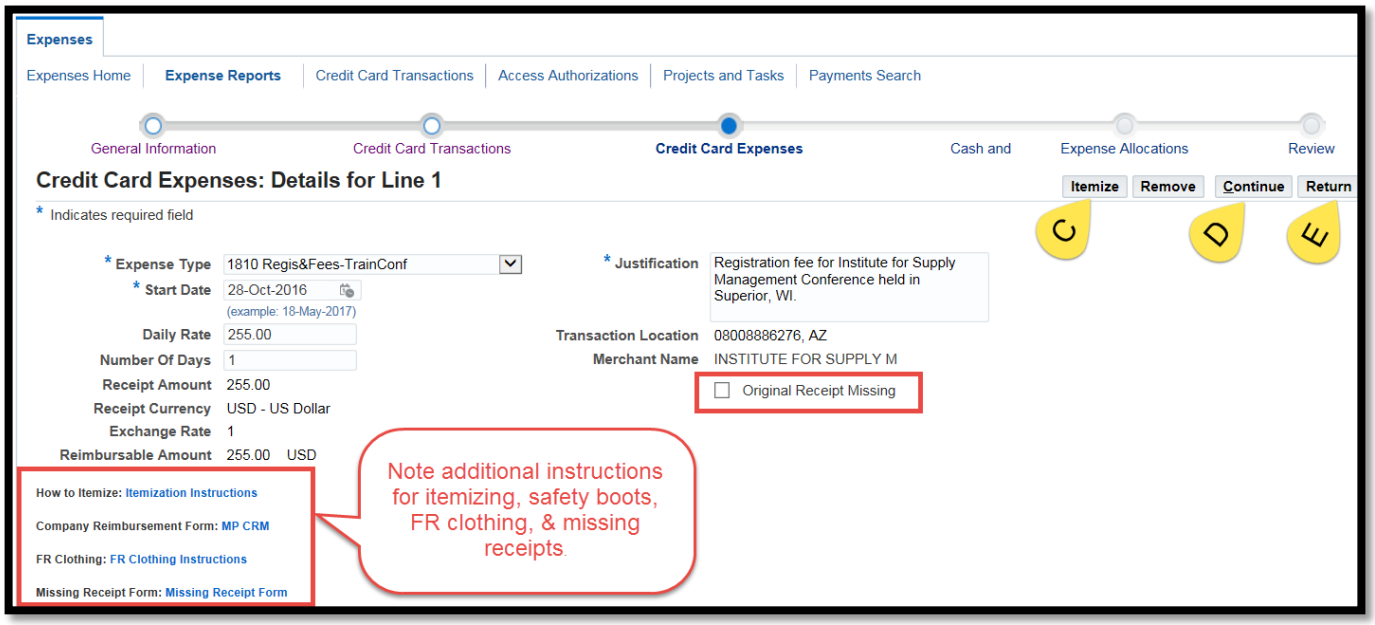
C. EXPENSE REPORT – CREDIT CARD EXPENSES



1. Credit Expense Report: Credit Card Expenses

a. Select the credit card transactions to reconcile.
b. Choose an Expense Type from the drop down menu.

c. Enter a justification explanation, business purpose.
d. Click the Details box.



2. Credit Card Expenses: Details for Line X

a. Fill in the details for the credit card line: Expense type, justification, etc.
b. ***Additional information***:

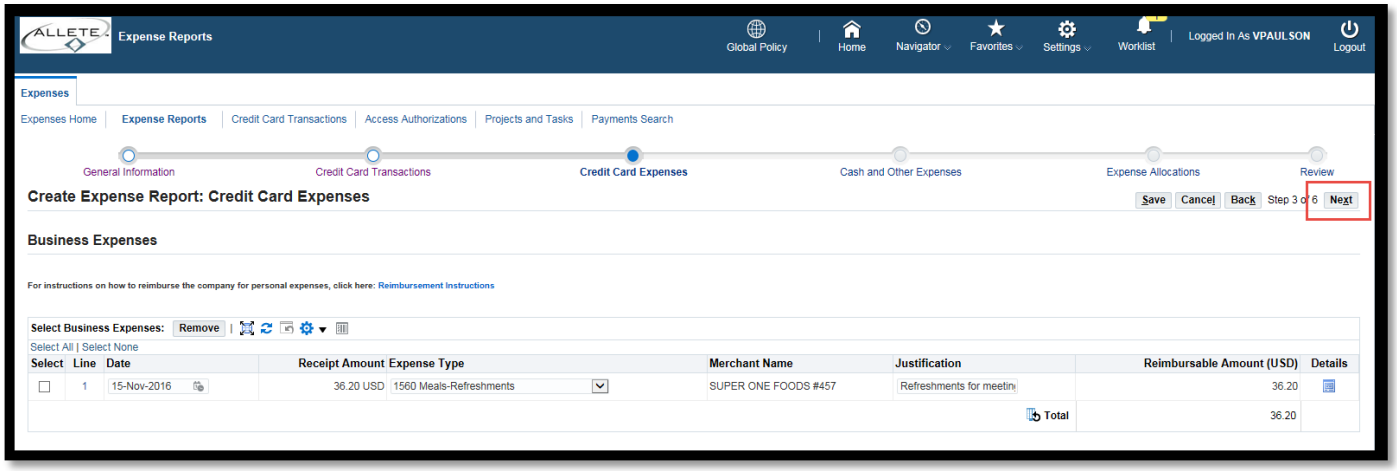
i. This information changes per the expense type that is chosen. In the above example, additional information questions do not populate.

ii. Other expense types (such as 1560– Meals Refreshments) will populate questions that need to be answered before moving on.

c. Itemize if you need to split a charge to multiple work orders, or to itemize personal expenses for Safety Boots or FR Clothing. (See example of itemization on page 17.)

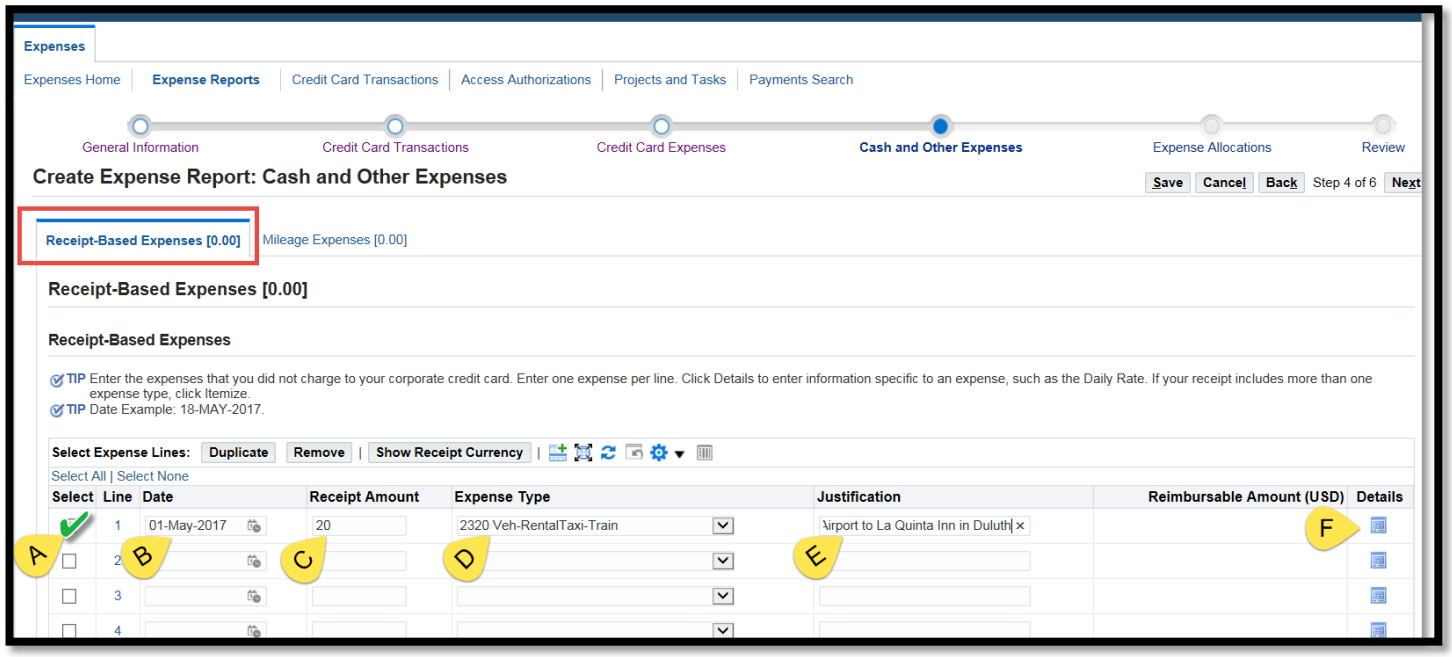
d. Click ***Continue*** to see the details of the next line.

e. Click ***Return*** to go back to the Credit Card Expenses page.



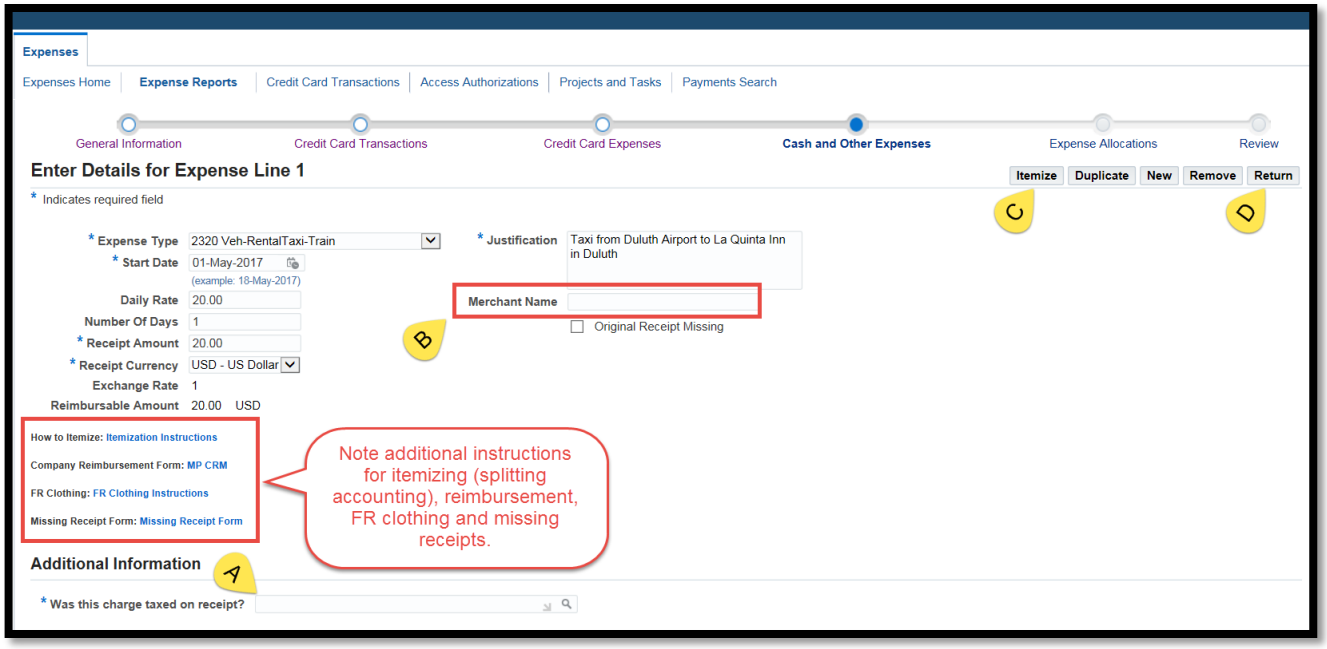
3. <u>Credit Expense Report: Credit Card Expenses</u>
    a. After clicking return, you are brought back to Credit Card Expenses page.
    b. Click ***Next***
    c. If you have receipt based transactions or mileage expenses to reconcile, proceed to the next section, ***Cash and Other Expenses***

D. EXPENSE REPORT - CASH AND OTHER EXPENSES



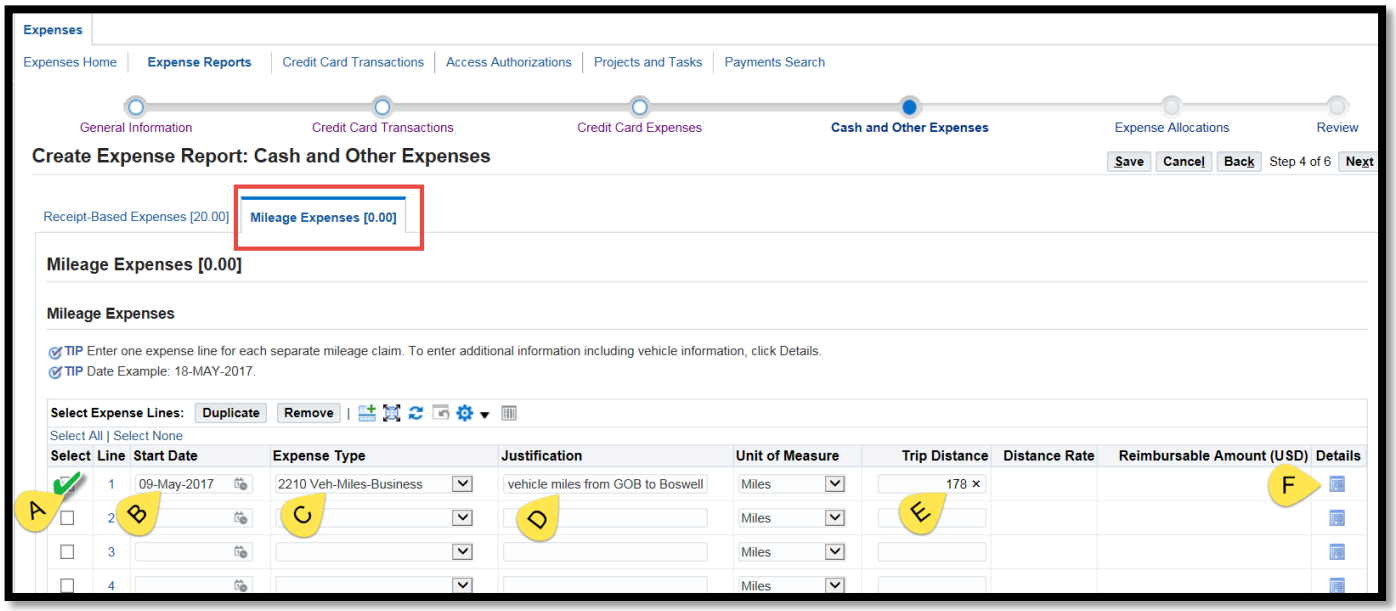
Receipt Based Expenses (personal reimbursement process)

1. Under ***Receipt Based Expenses,*** you can enter information to be reimbursed (this is used for scenarios where you want to be reimbursed for something you personally paid for – where you did not use your *company credit card).* ***Do not enter credit card expenses here.***
   a. Select the transaction line.
   b. Enter date expenses incurred.
   c. Enter Receipt Amount.
   d. Select Expense Type from the drop down menu.
   e. Enter Justification reason.
   f. Click Details box.

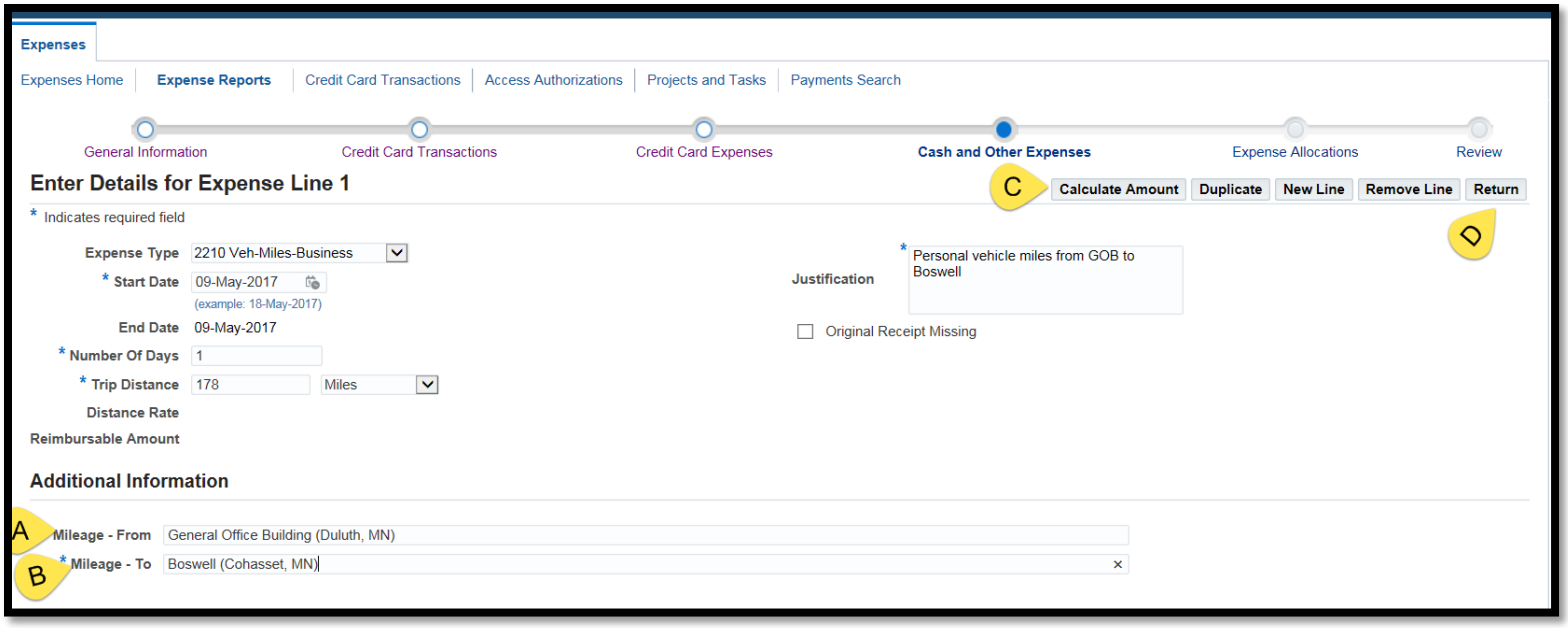


2. <u>Enter Details for Expense Line</u> (Receipt Based Expense)
   a. Enter Yes or No if tax was charged on receipt.
   b. Enter the Merchant Name.
   c. Click ***Itemize*** to split costs to different projects and work orders. (See example of itemization on page 16.)
   d. Click ***Return***

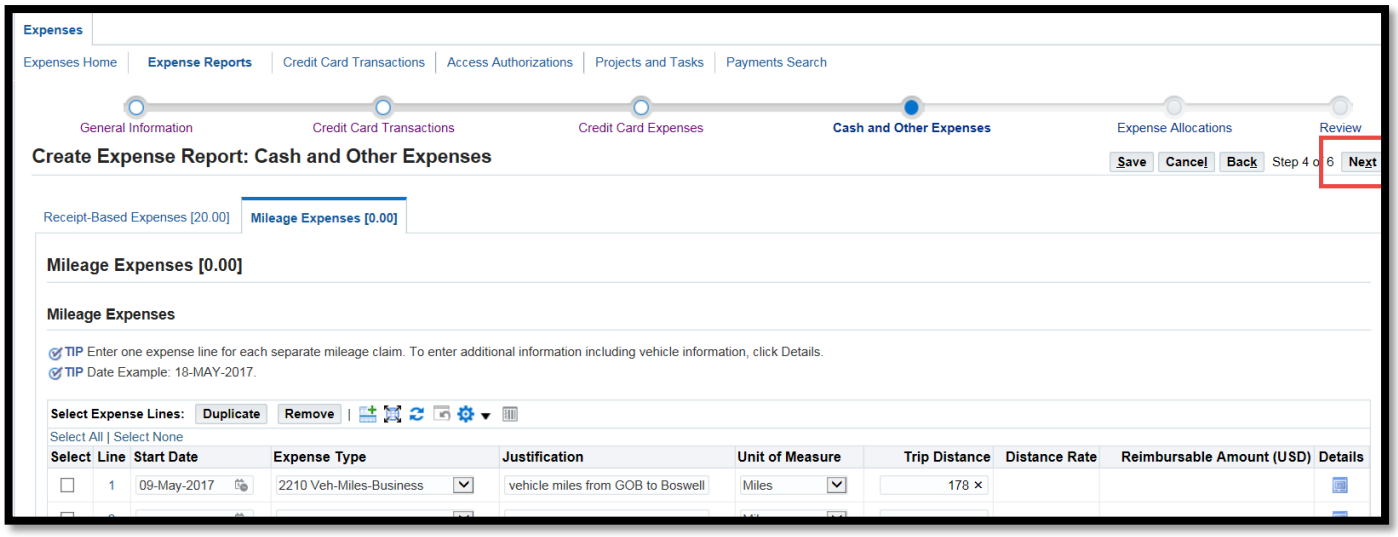
Mileage Based Expenses



3. Mileage Expenses
   a. Select the transaction line.
   b. Enter date mileage expense incurred.
   c. Choose Expense Type from drop down menu.
   d. Enter Justification reason.
   e. Enter trip distance.
   f. Click ***Details*** box.

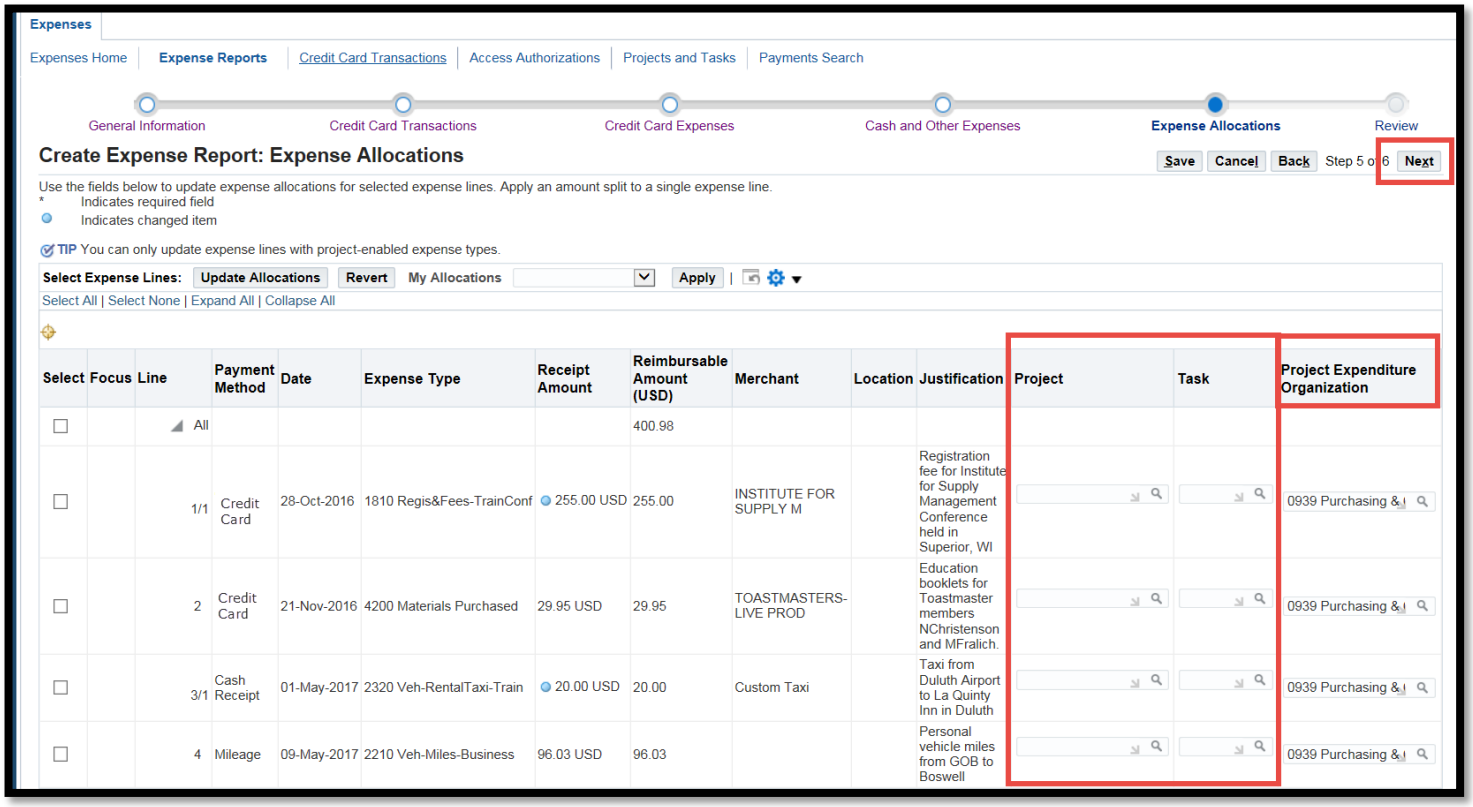


4. <u>Details for Mileage Expense</u>: (Mileage to and from should be an address not a city. (i.e. GOB not Duluth, or your home address not the city you live in.)
   a. Enter Mileage From.
   b. Enter Mileage To.
      1. If it's a round trip, enter Round trip in the justification or in the Mileage to area.
   c. Click ***Calculate Amount***
   d. Click ***Return***

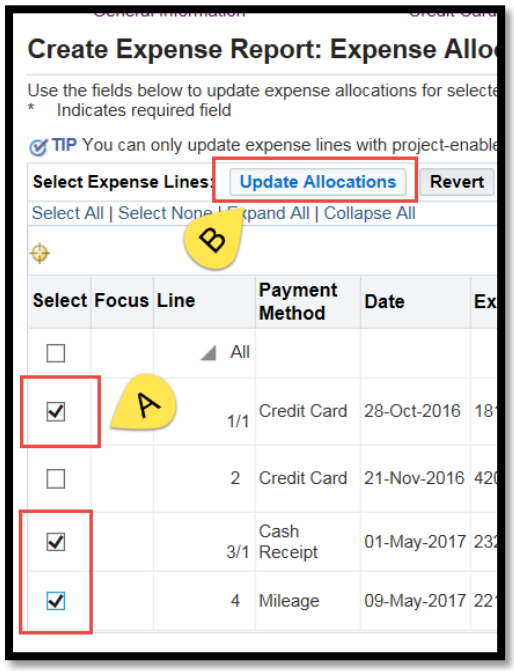


5. Click ***Next***

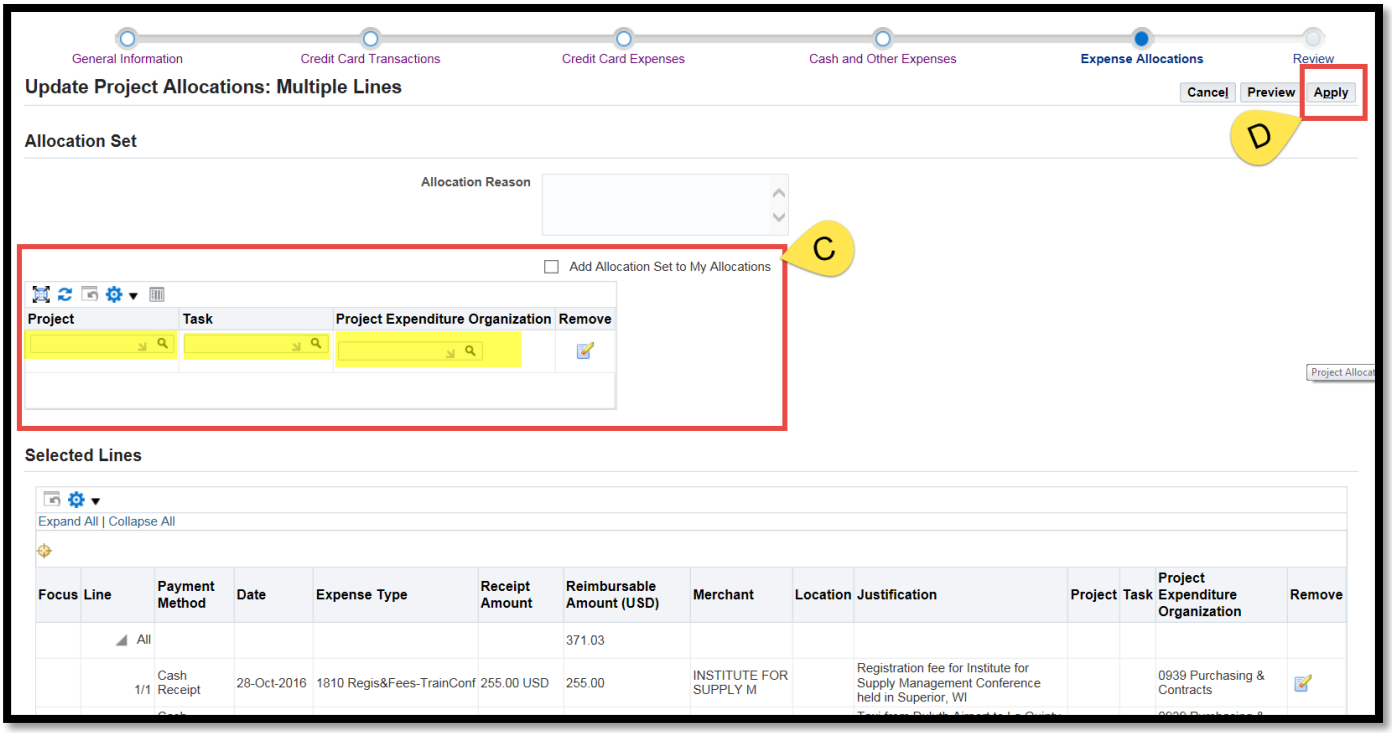
E. EXPENSE REPORT - EXPENSE ALLOCATIONS



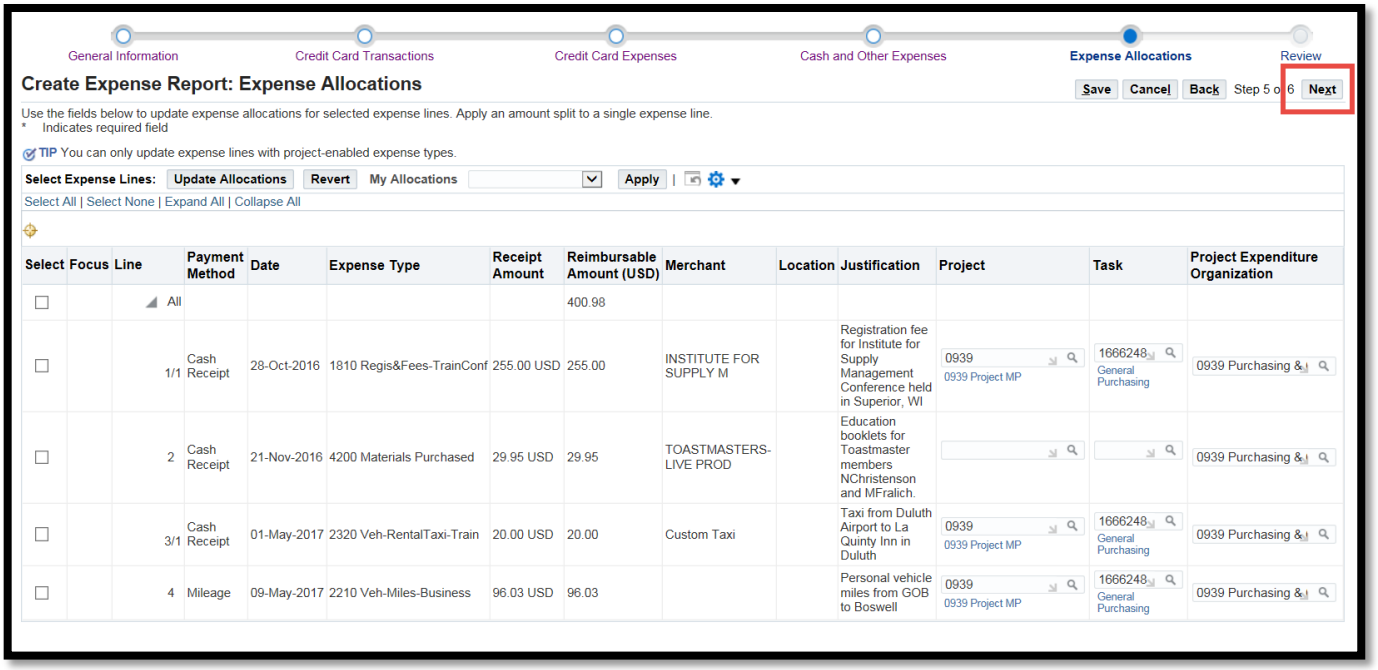
1. Enter project and task information for each transaction line. Click **Next**.
2. Project Expenditure Organization:
    a. If you do not have anything populated in this field, start entering your department's project number (aka responsibility center) and hit Tab.
    b. It should pull in your department's project number.
    c. *This number stays the same, even if you use different project and task numbers for your credit card charges, receipts and mileage.*



1. **TIP:** Have numerous lines that have the same project and task? Use the ***Update Allocations*** button.
    a. Select the lines that will have the same project and task numbers.
    b. Hit ***update allocations*** button.
    c. Enter the Project and Task.
    d. Hit ***Apply***



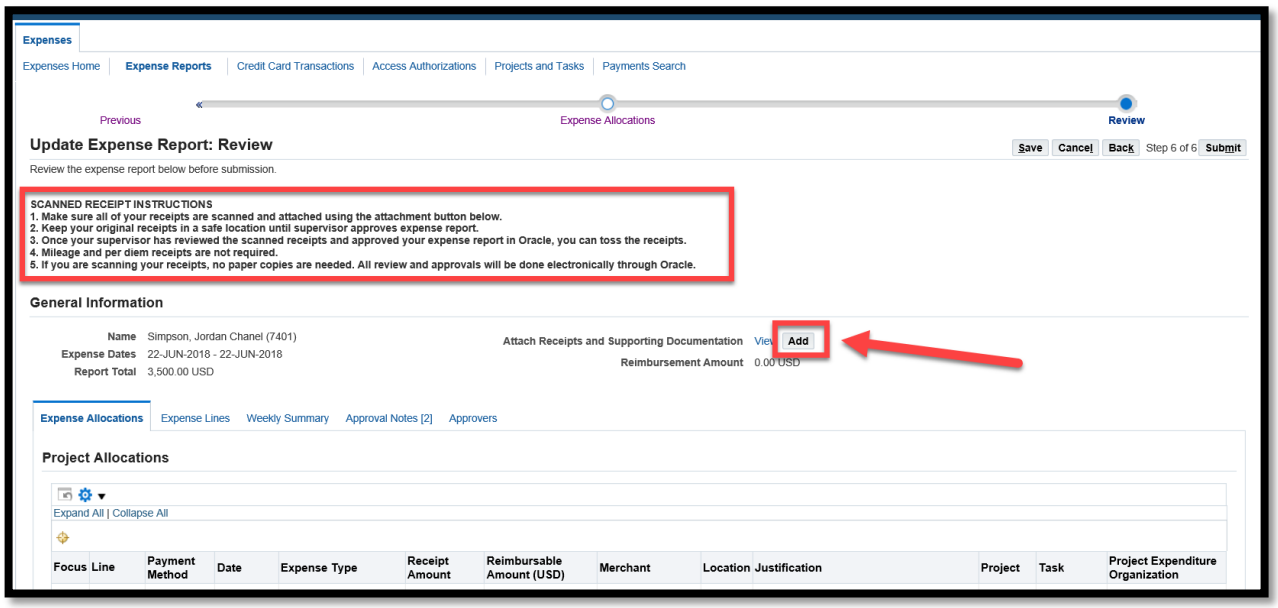
e. Enter the Project, task and project expenditure organization.
    i. Project expenditure org is your department's project number (aka responsibility center). Start typing in your department's project number and hit tab. It will auto-populate the rest.
f. Hit ***Apply***



2. The selected lines are now filled in with the one project and task you chose. Fill in remaining lines as needed.

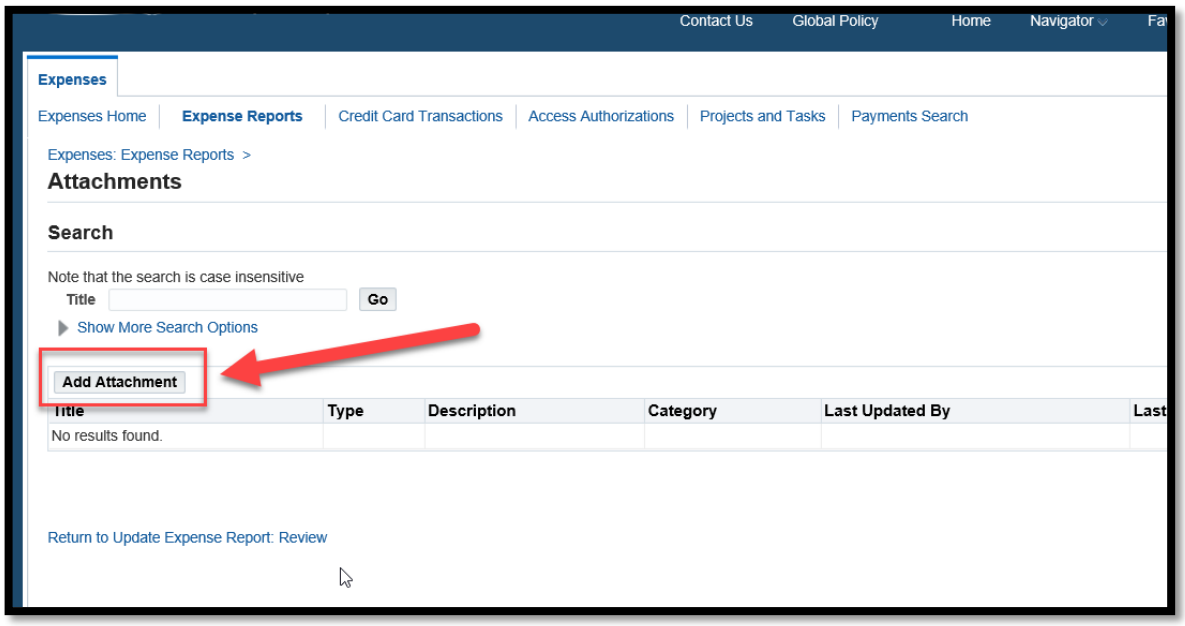
3. Review the Expense Allocations section. Click ***Next***

F. EXPENSE REPORT - REVIEW – ATTACH RECEIPTS

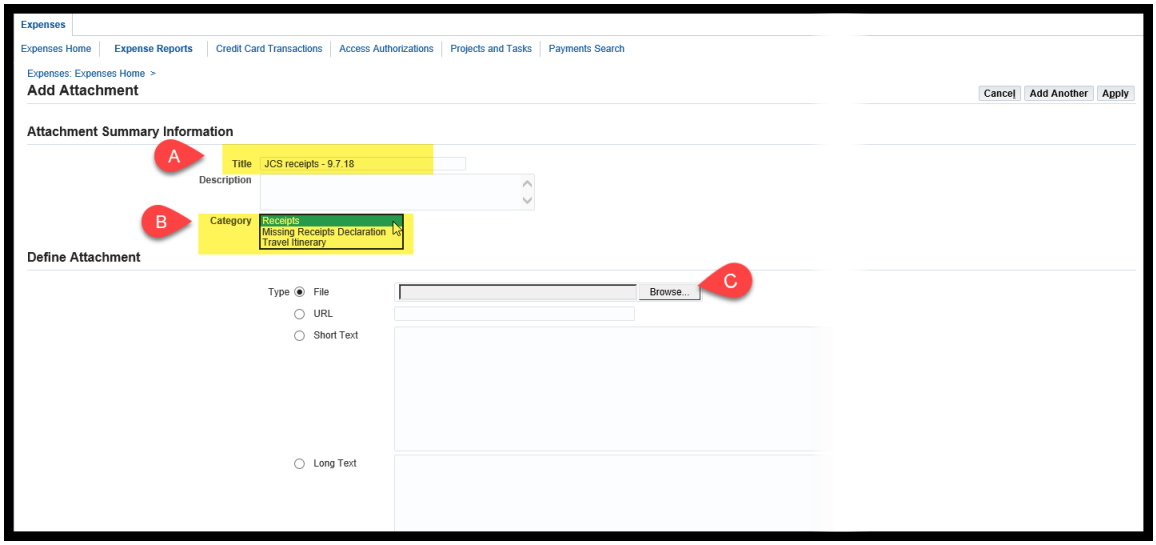


1. Attach receipts (in PDF format) and supporting documentation. Click the Add button.

a. If possible, attach the scanned receipts as one PDF when submitting an expense report.



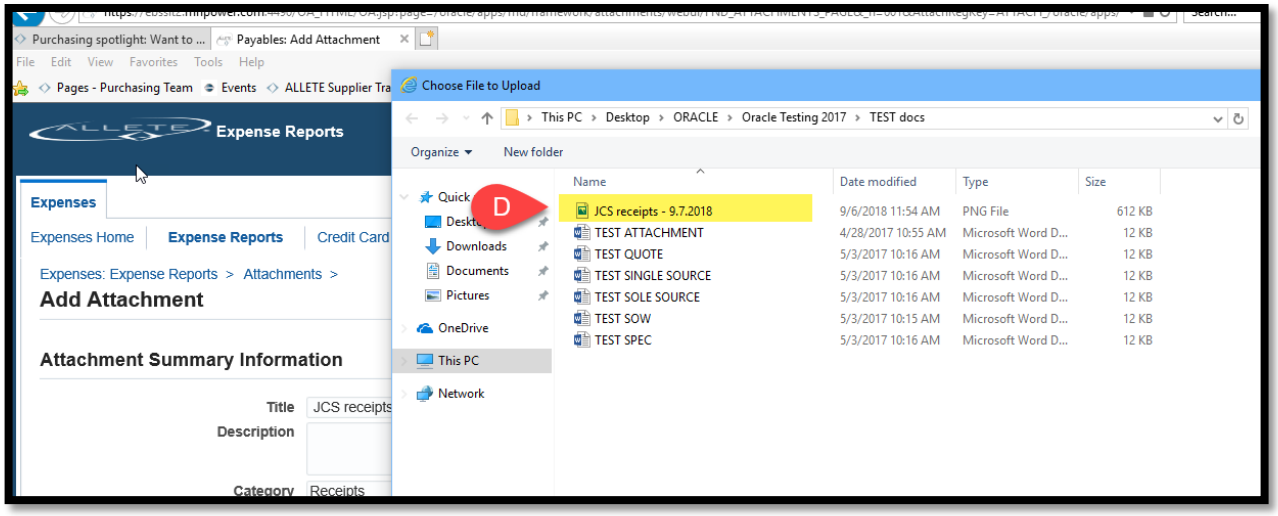
2. Click Add Attachment.



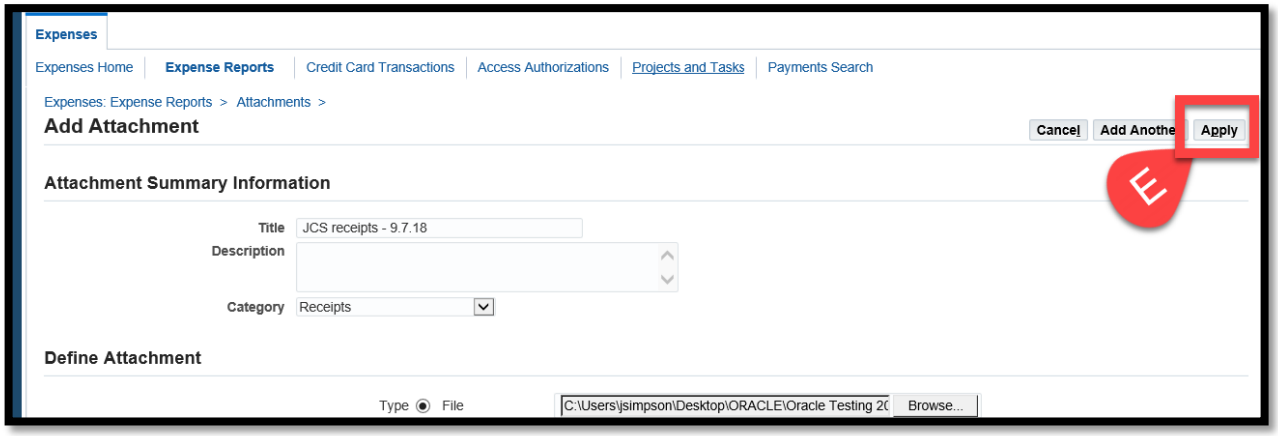
a. Add a title for your receipts.

b. Choose the Category; Receipts, Missing Receipts Declaration, or Travel Itinerary.

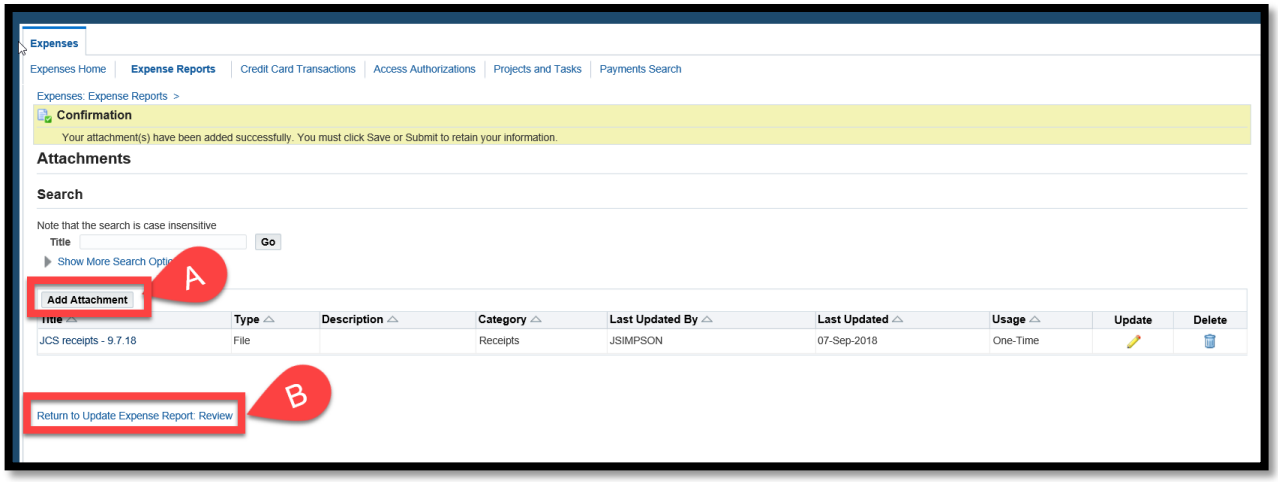
c. Click browse to upload the receipt attachment file from your computer.



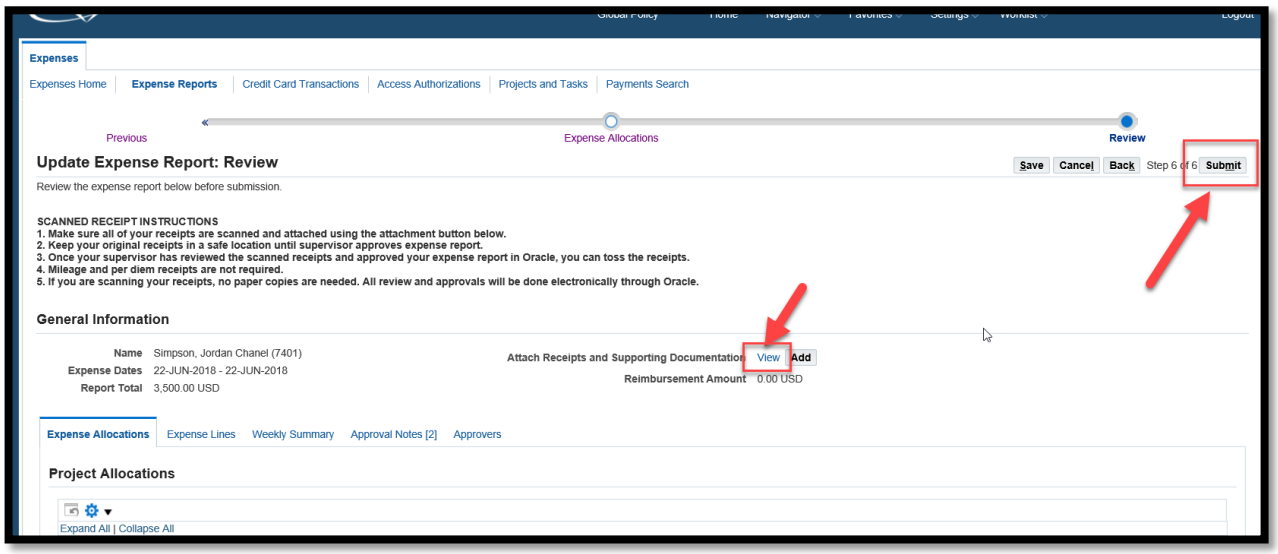
d. Select the receipt attachment file from your computer.



e. Click Apply



3. Add additional attachments if required.
    a. Click the Add Attachment button.
    b. Or Click “Return to Update Expense Report: Review”.



4. Expense Report: Review
    a. Review everything that’s been entered. Once complete, hit ***submit***.

Additional notes:

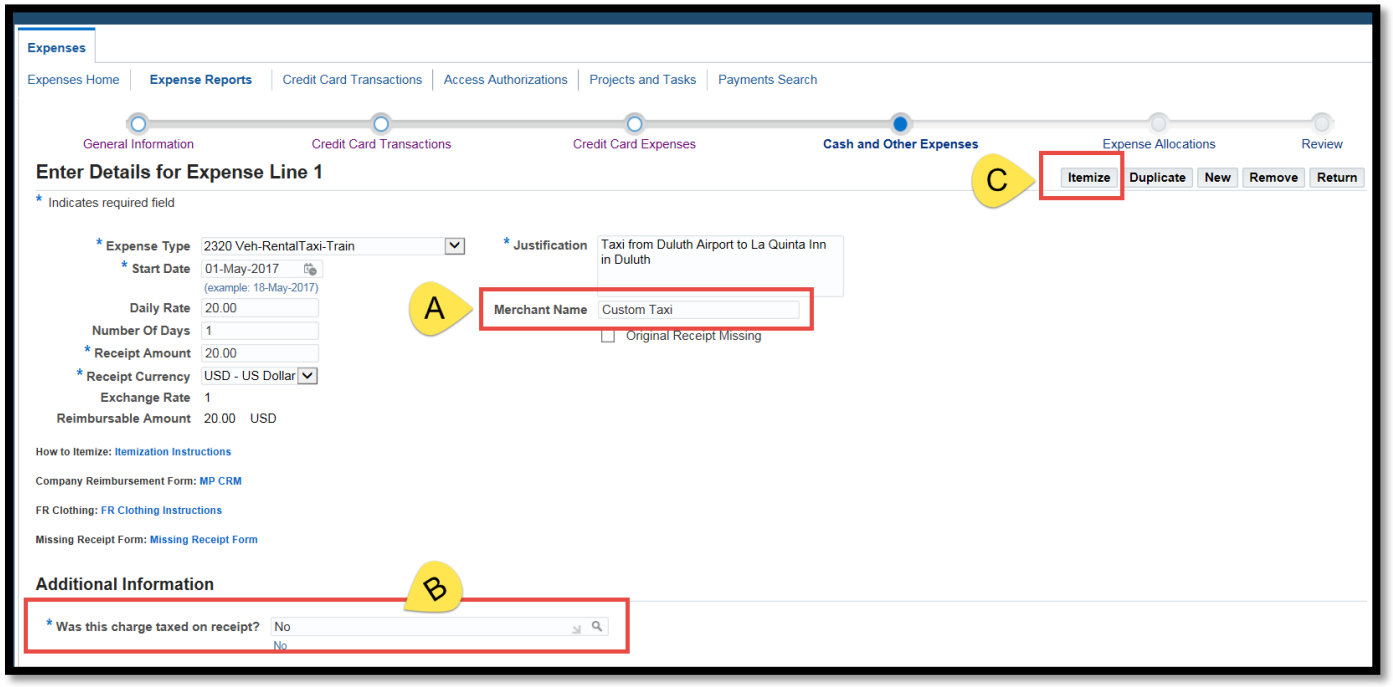
- If you need to add additional receipts after the expense report is submitted to your Supervisor, the expense report can be withdrawn, attachment added and re-submitted. The expense report will then re-route to the approver.
- Original receipts must be kept by cardholder until expense report and attachments are approved by the cardholder’s supervisor. The printable page and hard-copy receipts do not need to be submitted to the Supervisor.
- Once submitted, the approver will receive a notification from Oracle.
- The approver must verify the receipts and review all charges before approving.
- Please contact the Accounts Payable Department 218-355-3573 or accountspayable@allete.com for questions regarding attaching of receipts to an expense report.

G. TIP - ITEMIZE OR DISTRIBUTE CHARGES TO MULTIPLE WORK ORDERS

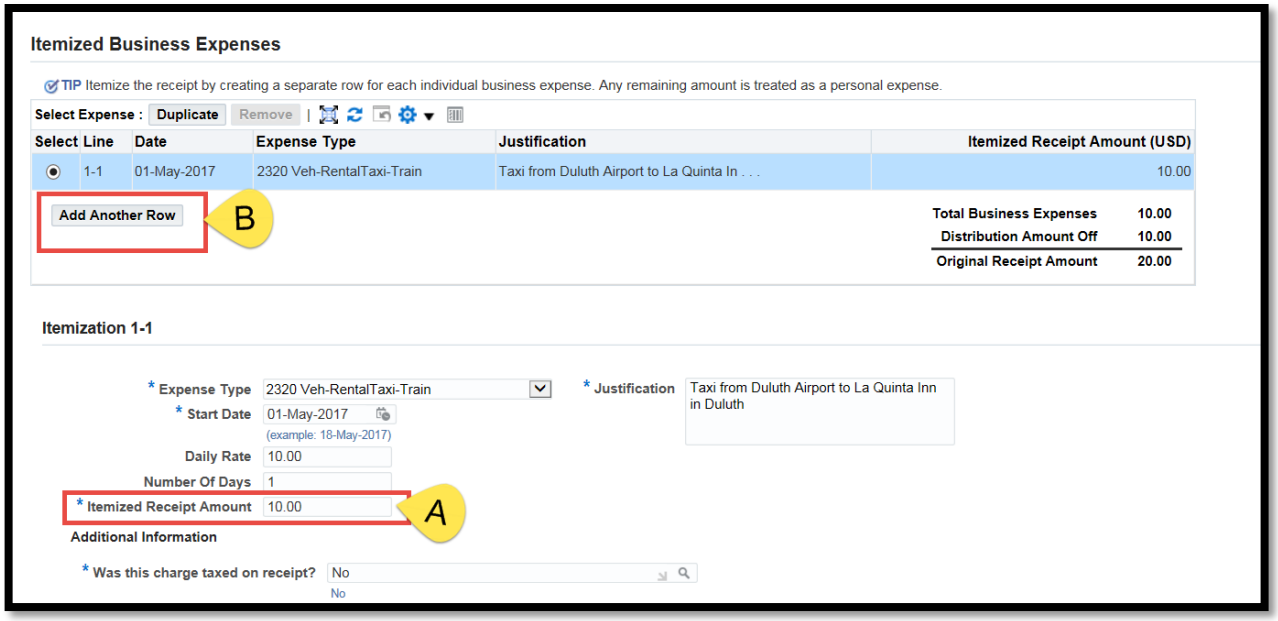
Expense lines can be itemized or split to multiple work orders



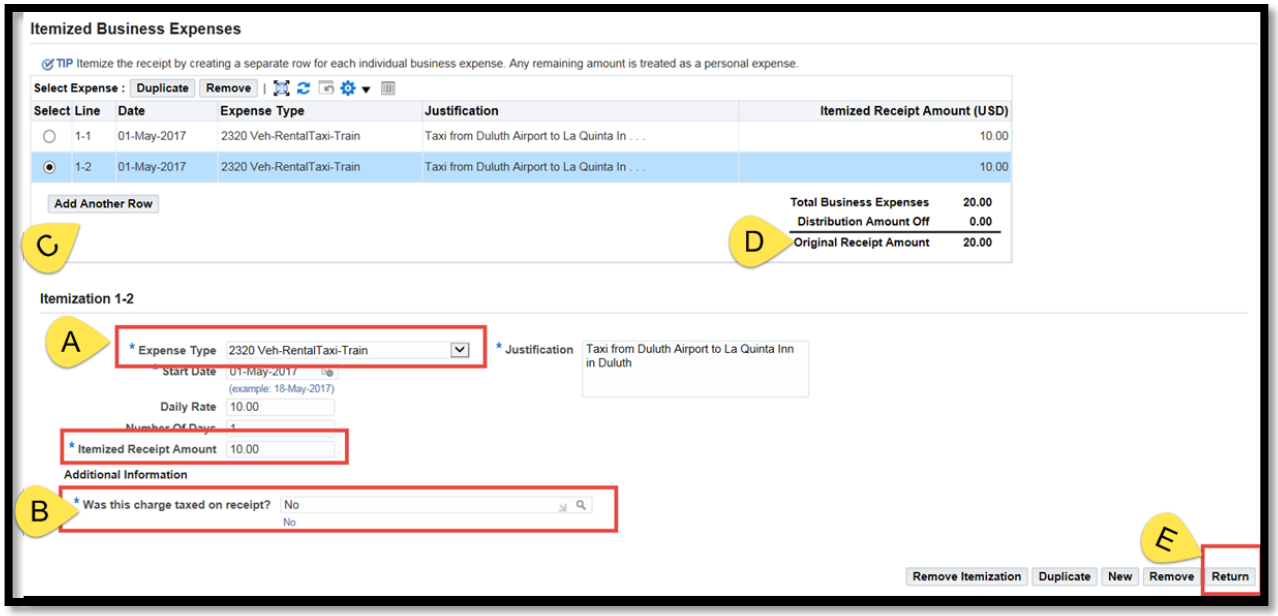
1. From the credit card expense line <u>or</u> the receipt based expense line, click the ***details*** box.



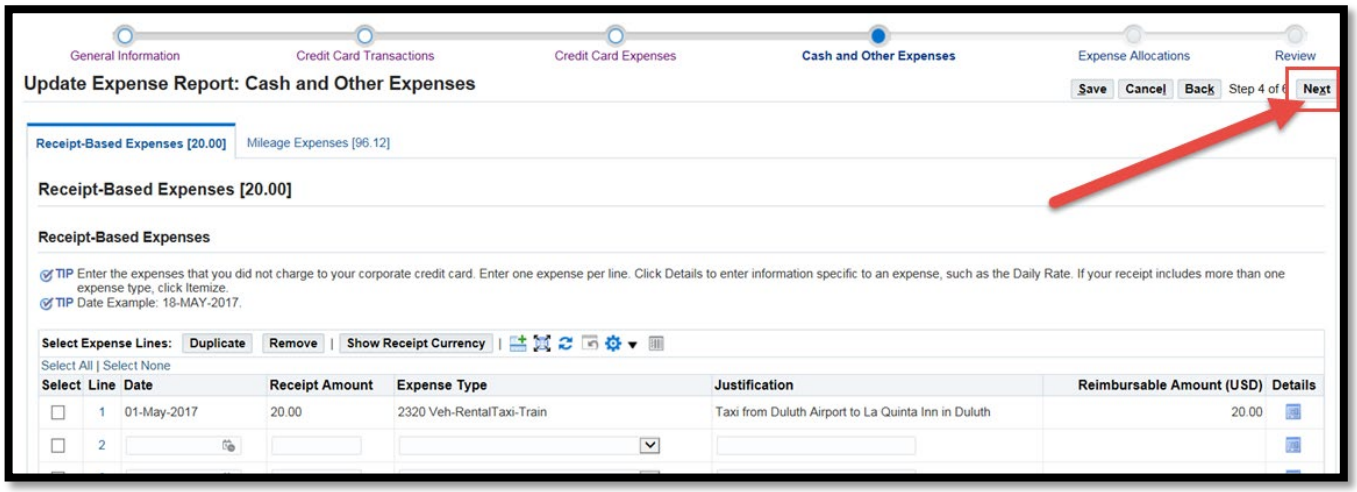
2. Details for Expense line.
   a. Enter Merchant Name if applicable.
   b. Answer Yes or No if tax was charged on the receipt.
   c. Click the ***Itemize*** button



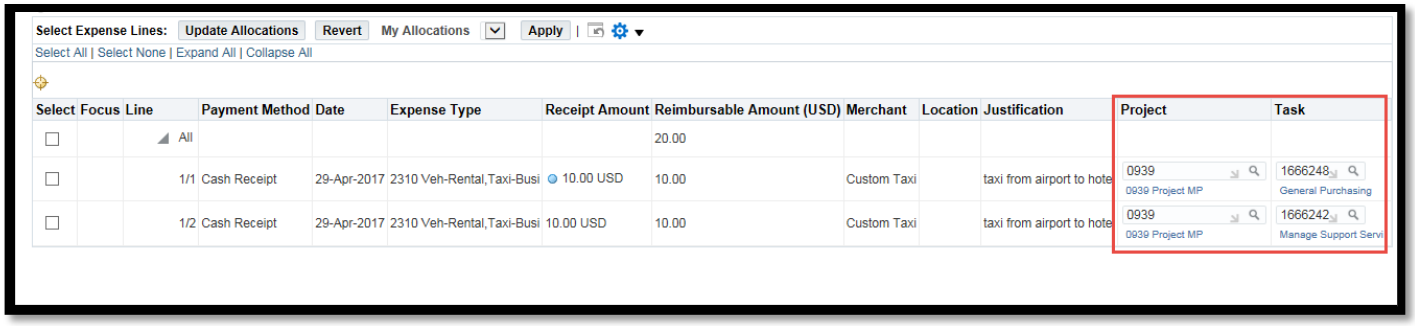
3. <u>Itemized business expenses</u>:
   a. Change the Itemized Receipt Amount,
   b. Then click **Add Another Row**



4. The remaining Receipt Amount will auto-populate,
   a. Choose an expense type,
   b. Answer the tax question,
   c. Add additional rows if required to split to additional work orders.
   d. Your total should be the total of the original receipt amount.
   e. Click ***Return***.



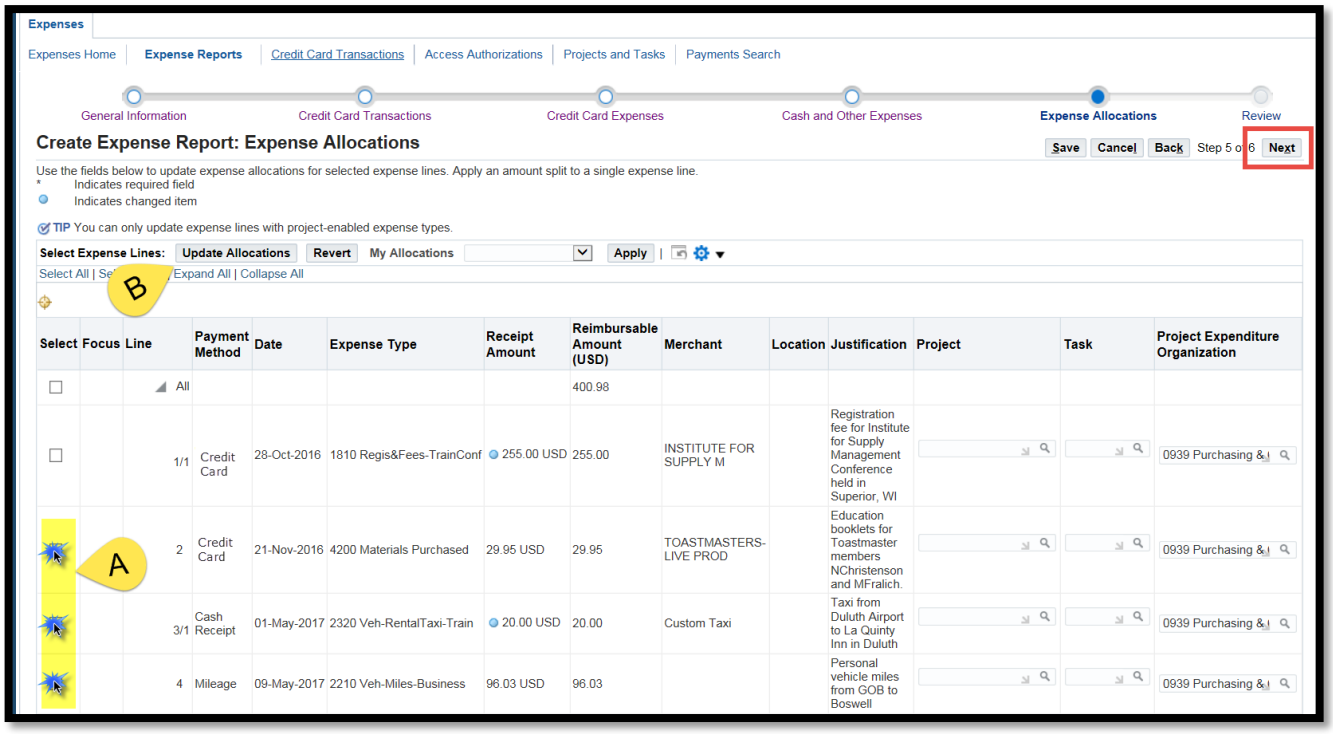
5. Click ***Next***



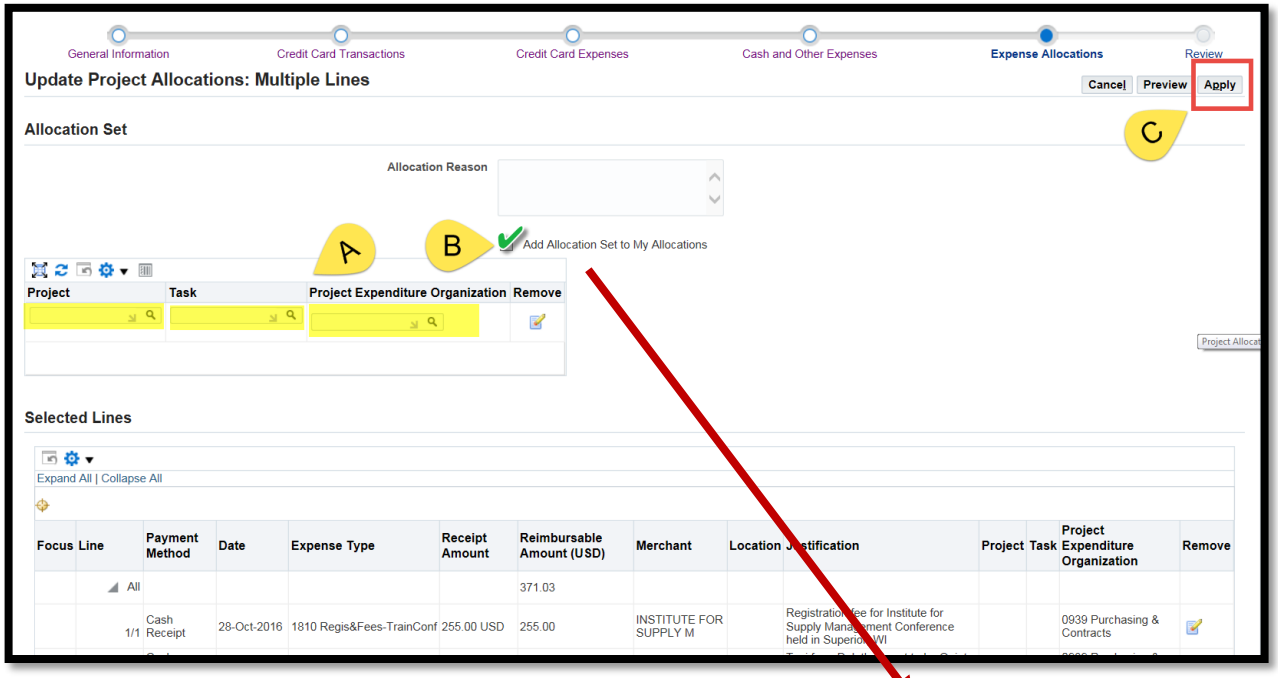
6. <u>Expense Allocation section:</u>
    a. Enter project and task for each split,
    b. Click ***Next*** to complete expense report and submit.

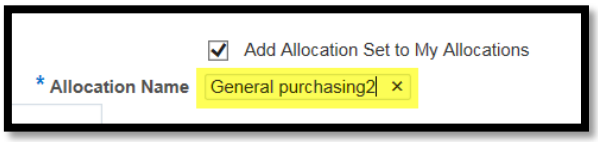
H. TIP – FILL PROJECT AND TASK NUMBERS IN EXPENSE ALLOCATION SECTION:

Do several of your expense report lines have the same project and task numbers? Follow these tricks to fill multiple lines in at once.



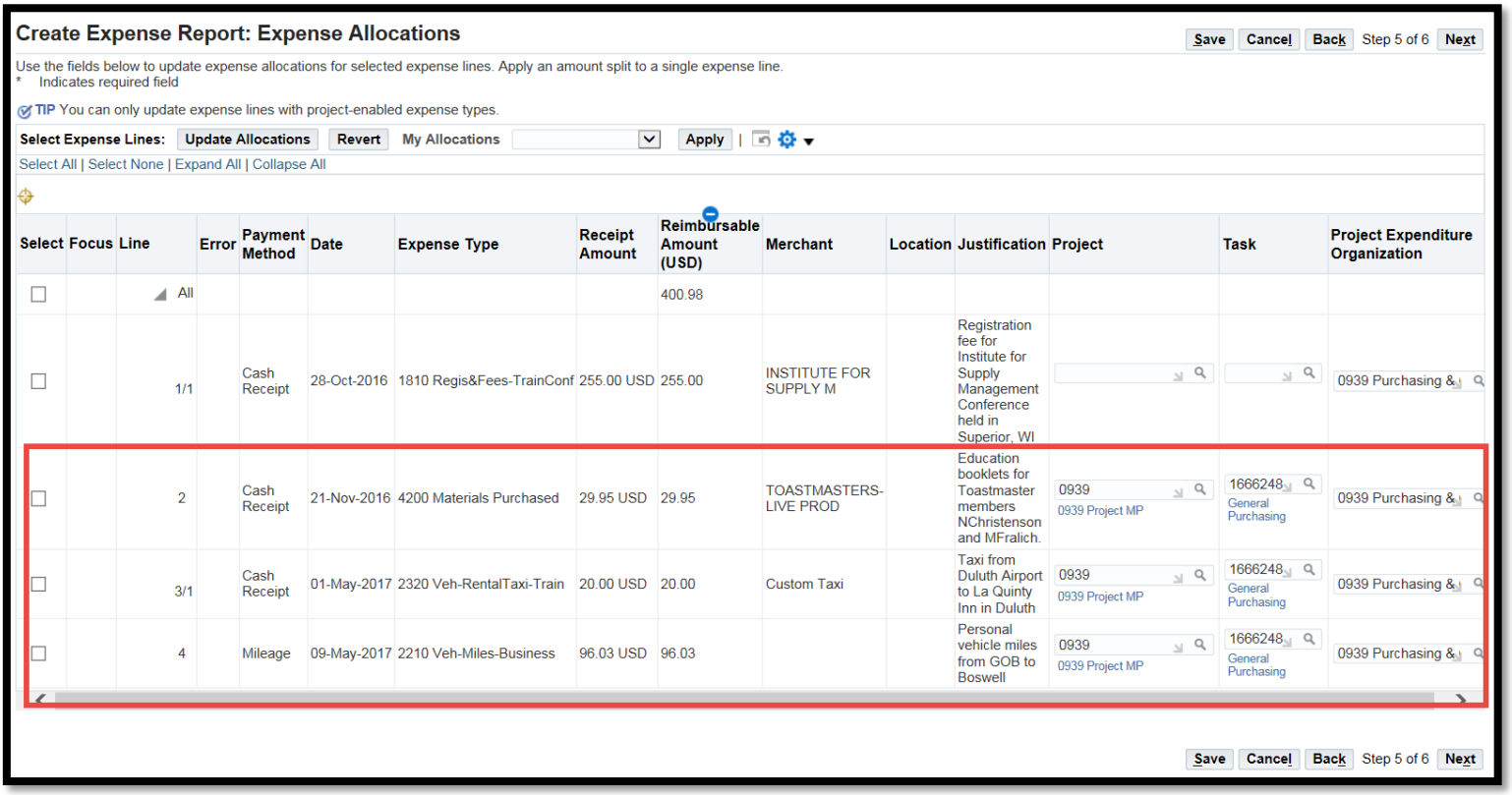
1. **Update allocations** button:
   a. Select the lines you want to update (will have the same project and task).
   b. Click ***Update Allocations***



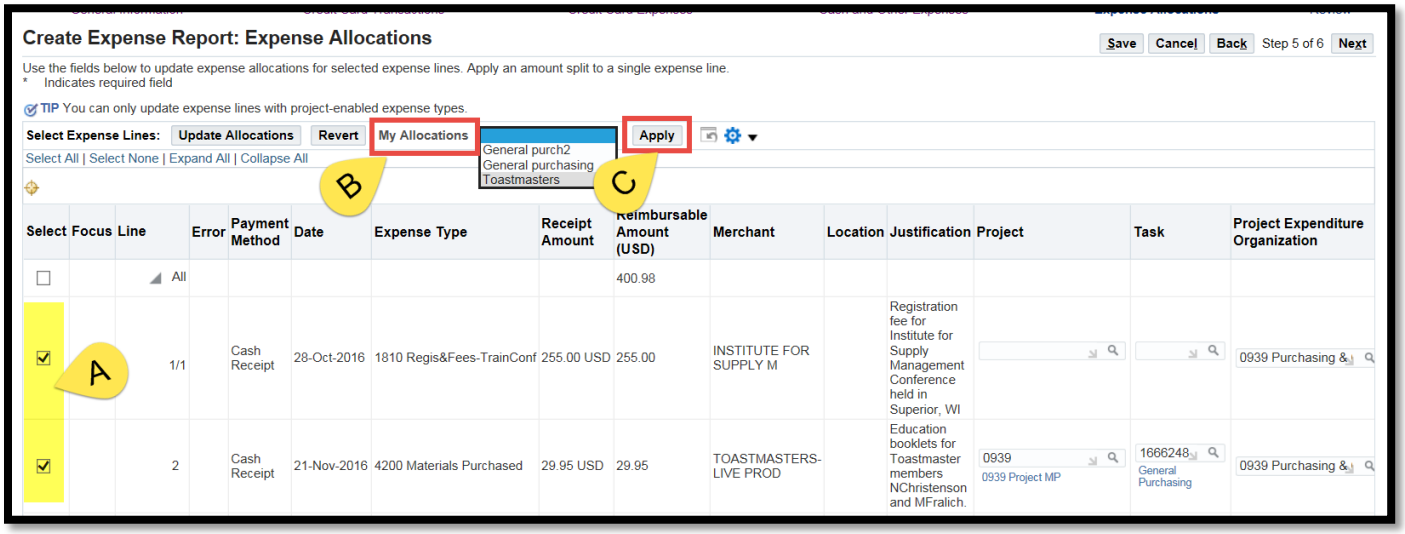


2. Update project allocations:
   a. Enter the project, task and project expenditure organization
      i. Project expenditure org. – enter your department's project number (aka responsibility center) and hit tab. This will pull in the correct information you need.

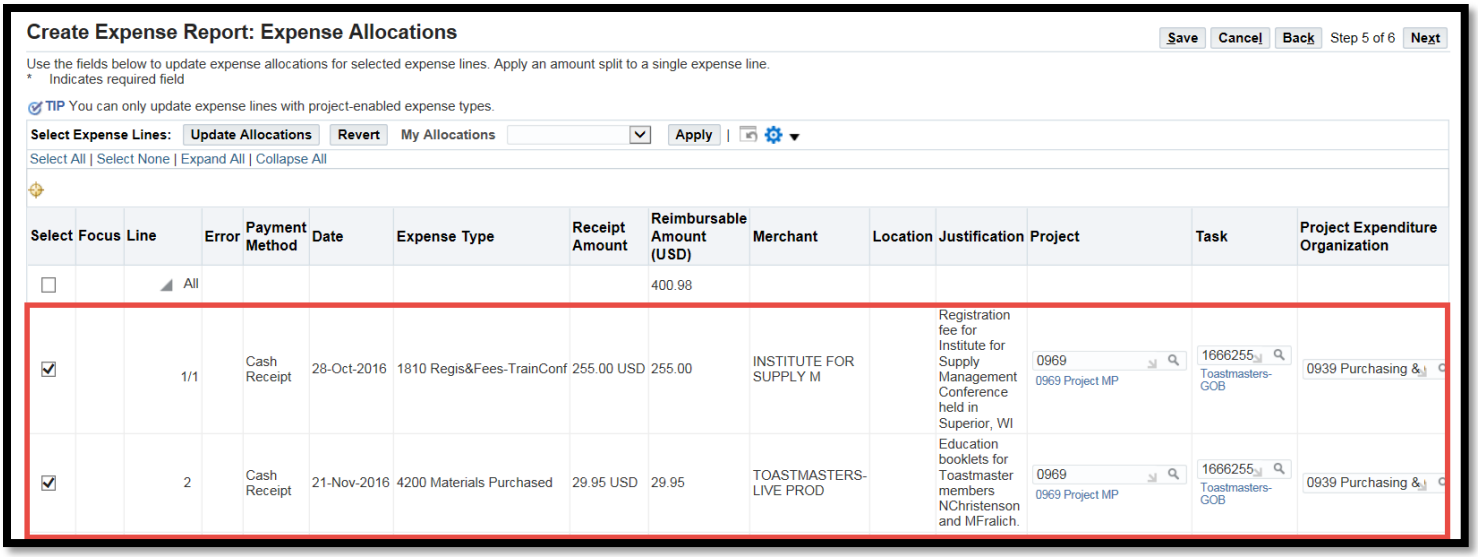
   b. **TIP**: want to quick-select these project and task numbers during your next expense report? Click the box next to ***Add Allocation Set to My Allocations***.
      i. Give the allocation a name.
   c. Hit ***Apply***



3. The information you filled in is now applied to the lines you selected.

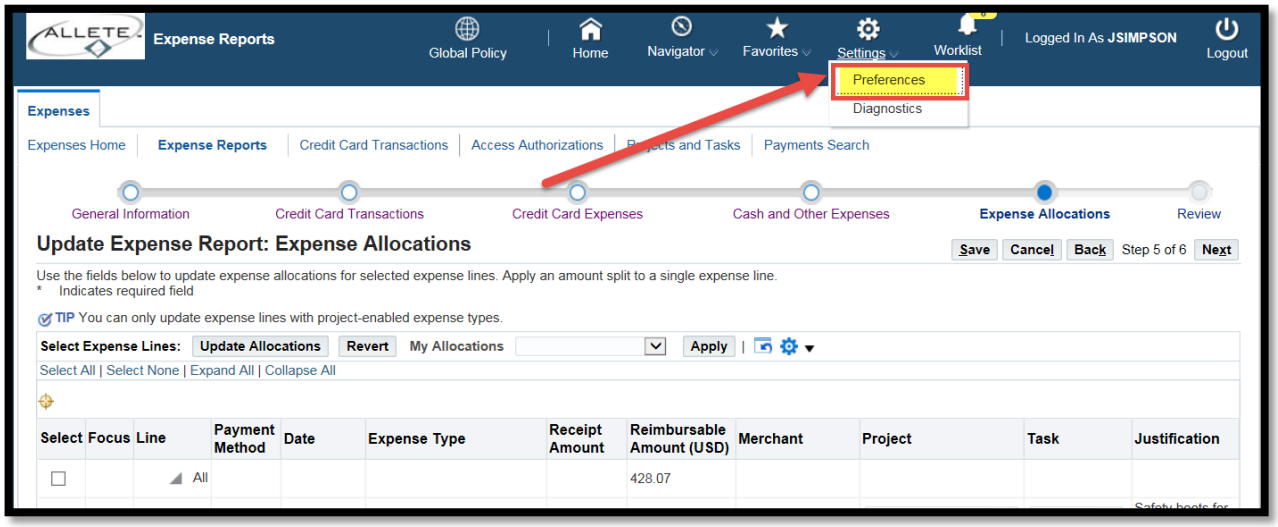


4. Using **My Allocations**: Have allocations saved and ready to use?
   a. Select the lines you want to update.
   b. Select the option under My Allocations.
   c. Click ***Apply***

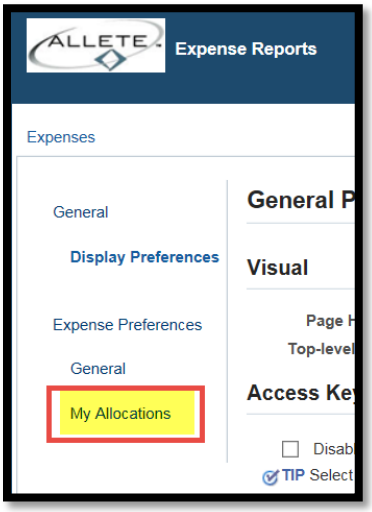


5. The set allocation is now applied to the lines you chose.

TIP - VIEW YOUR SAVED ALLOCATIONS:

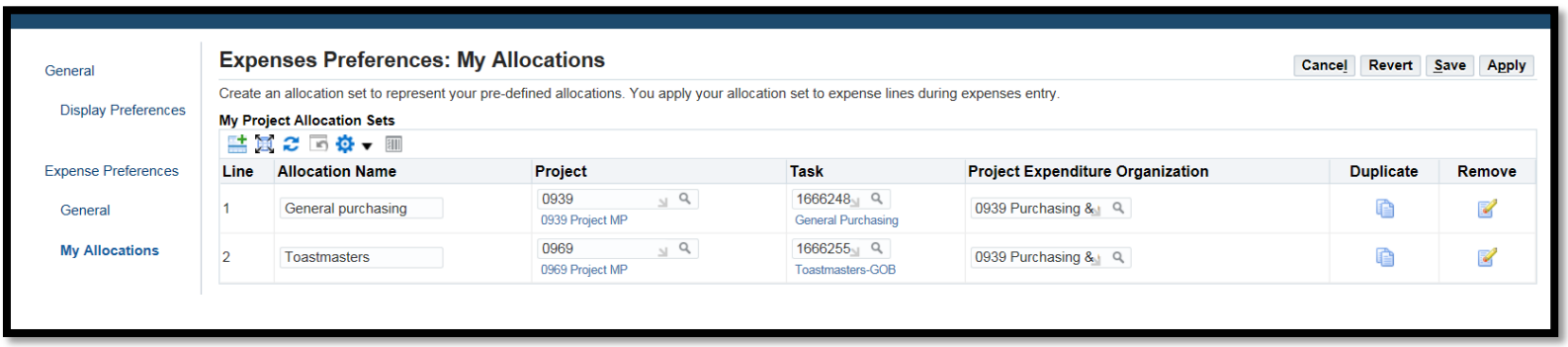


1. Want to see your saved allocations?
   i. While in Expense Reports, Click ***Settings*** then ***Preferences***



2. When in the settings, choose *My Allocations* on the far left side of the screen.

3. View, edit, add and remove your set allocations on this screen.



I. FR CLOTHING AND SAFETY BOOT INSTRUCTIONS

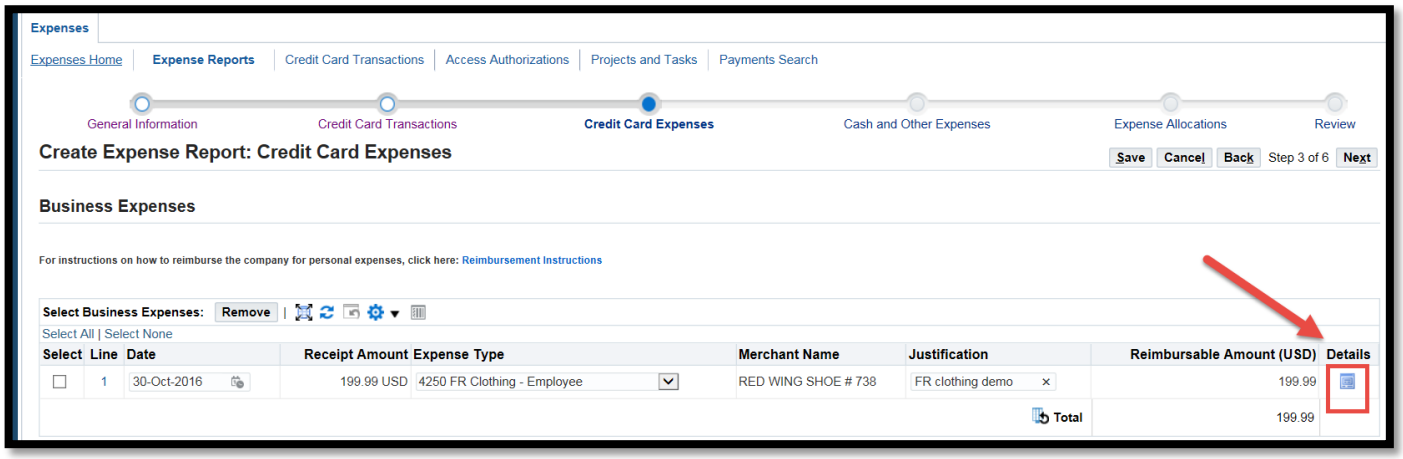
FR Clothing: FR Clothing can be purchased on corporate credit card up to the dollar amount allowed per employee. FR Clothing can also be purchased by employee's personal credit card, check, cash, where the company reimburses the employee up to the dollar amount allowed per employee.

If you have any questions regarding RF clothing, please email FRClothing@mnpower.com.

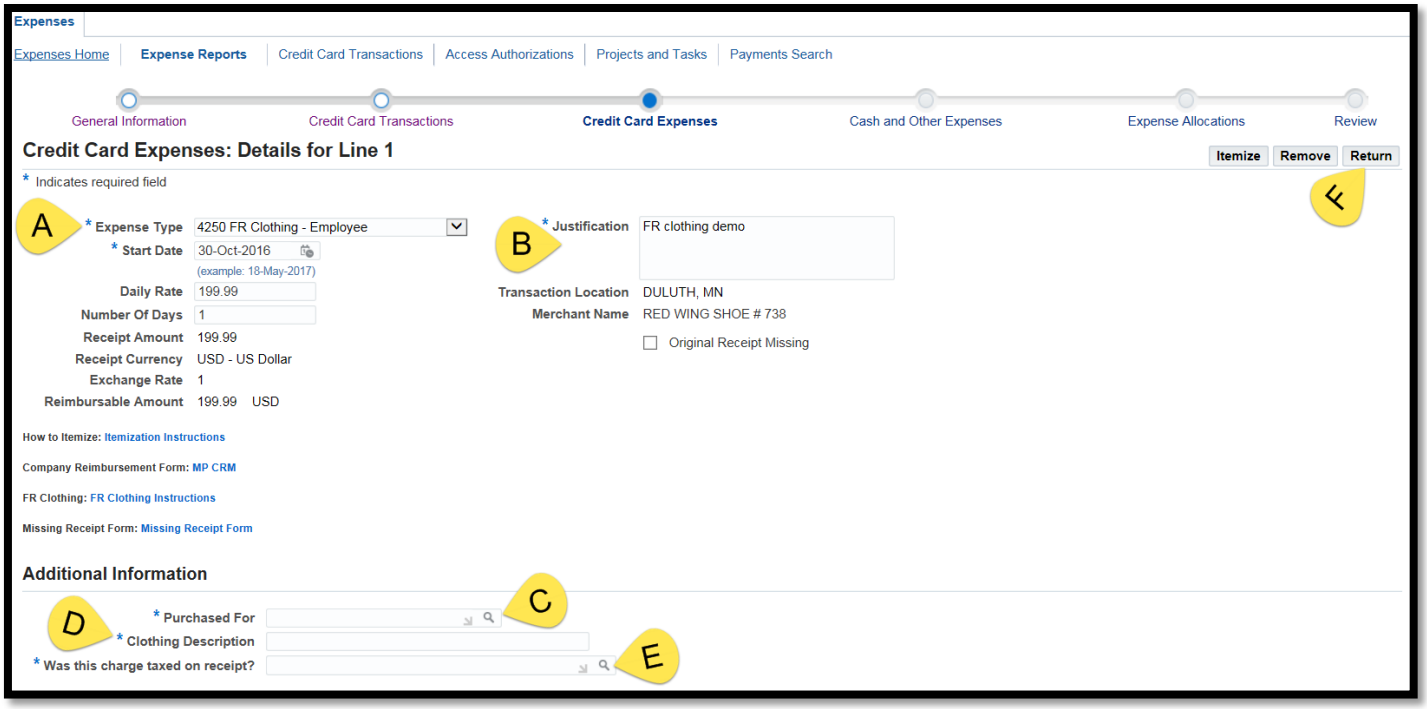
Safety Boots: Safety boots are 50% (up to $100.00) reimbursed by the company. Purchase can be on corporate credit card, where the employee reimburses the company for 50% of cost, or purchase can be done on employee personal credit card, check, cash, where the company reimburses the employee for 50% of the cost.

I) FR CLOTHING ON CORPORATE CREDIT CARD

1. If FR Clothing is purchased on Corporate Credit card, select the credit card transaction line, click ***Next***

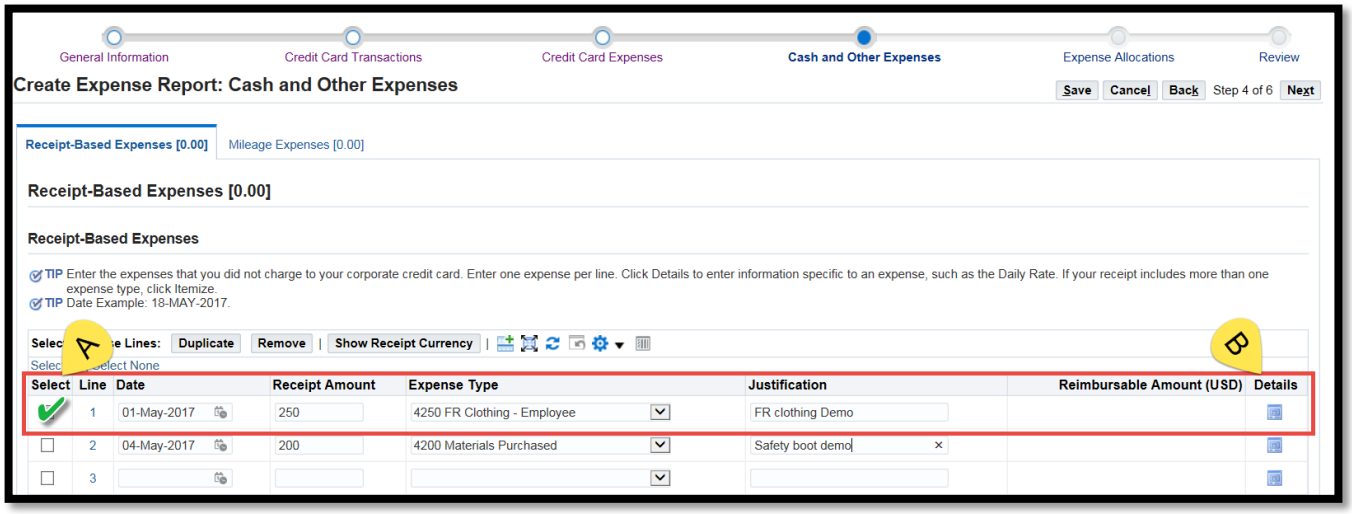


2. Click ***Details***

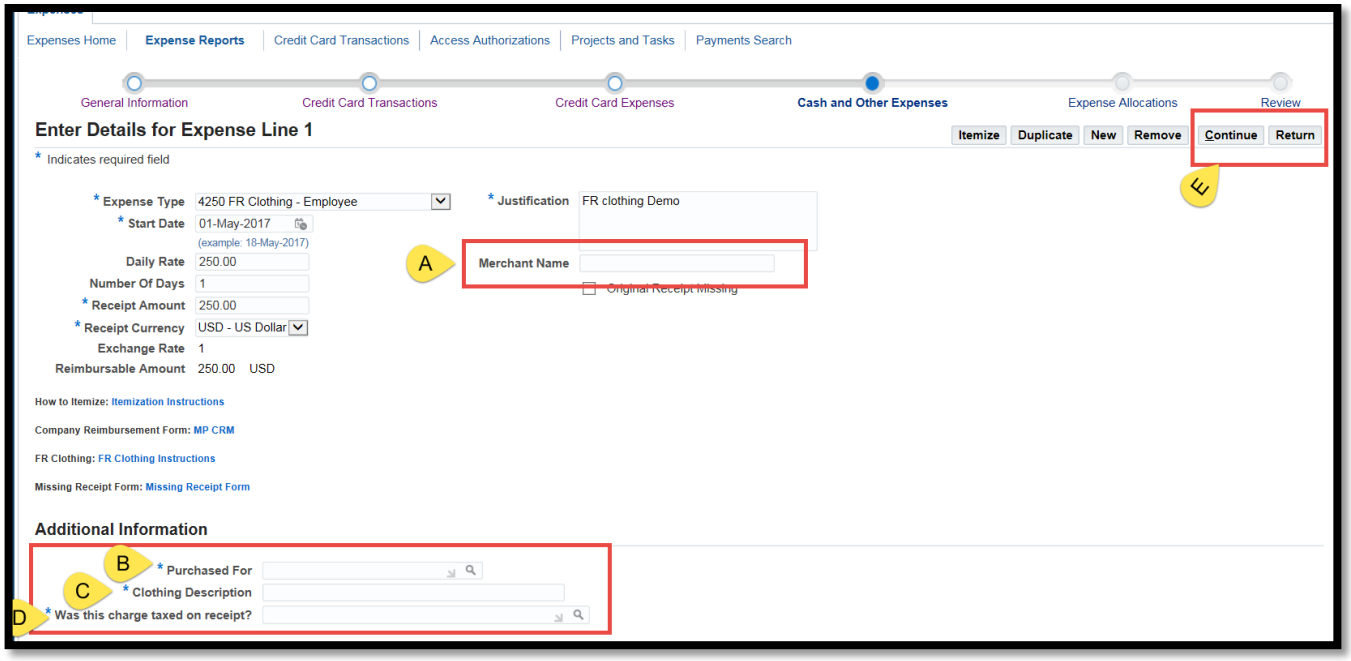


3. Enter additional information.
    a. Enter Expense type 4200 FR Clothing – Employee.
    b. Enter justification reason.
    c. Enter Employee name for whom the FR clothing was purchased.
    d. Enter a description of the clothing.
    e. Answer Yes or No if tax was charged on the receipt.
    f. Click ***return***

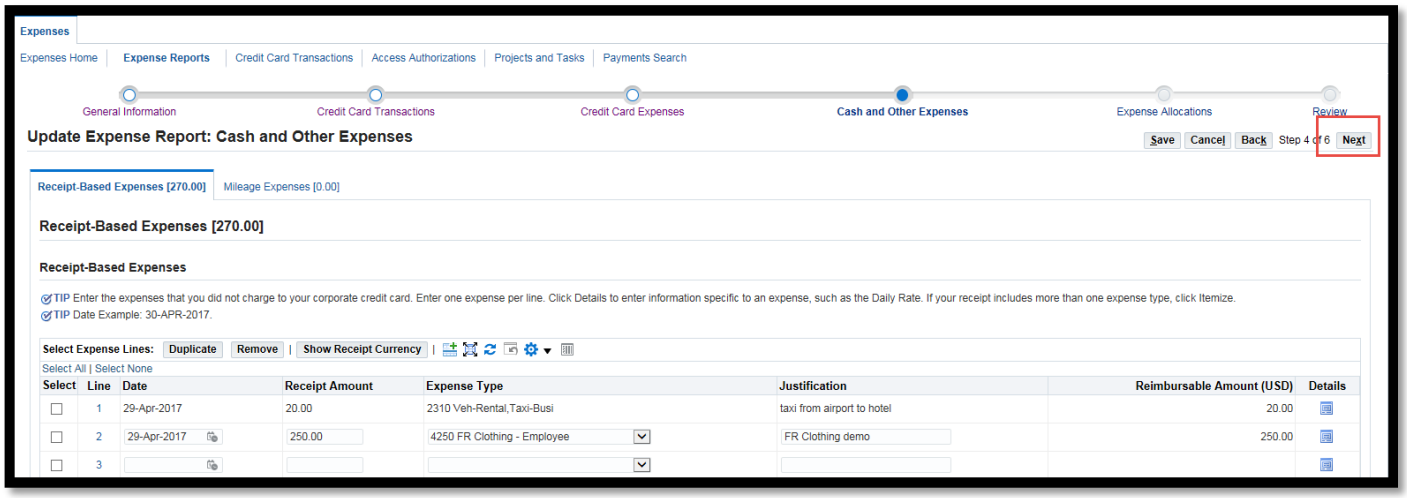
II) FR CLOTHING, RECEIPT BASED FROM EMPLOYEE PERSONAL EXPENSE



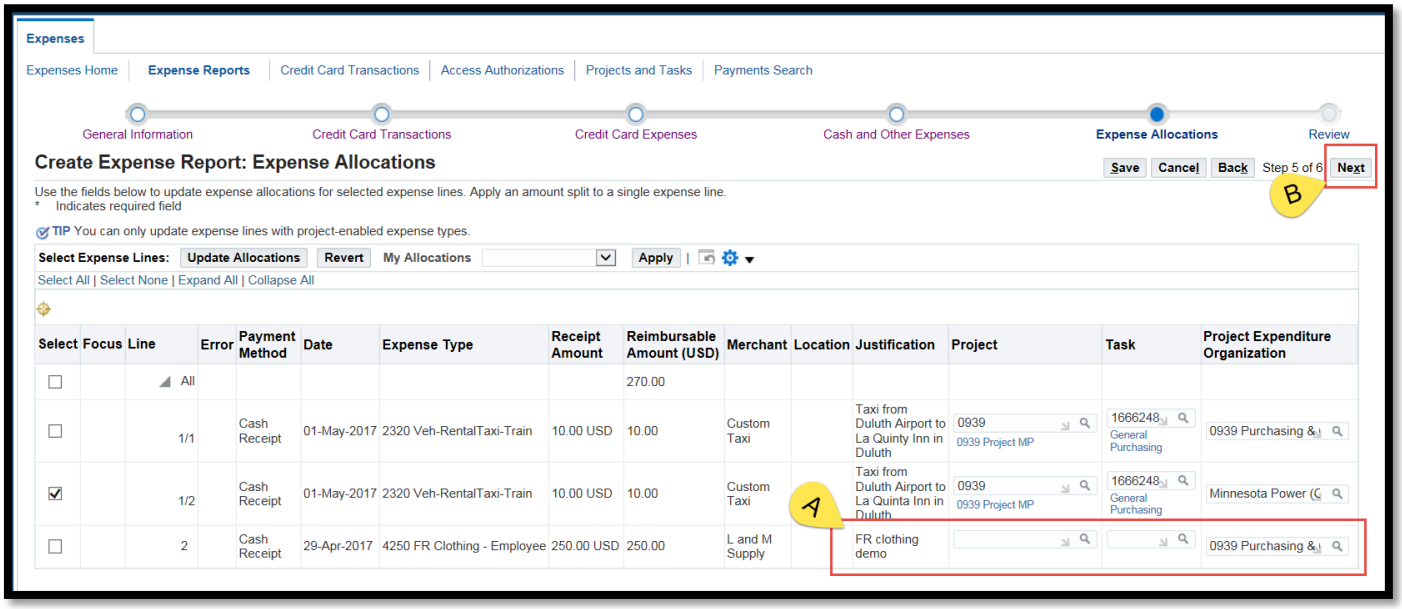
1. At the Receipt-Based Expenses tab:
    a. Select the line, enter the date, receipt amount, Expense Type 4200 FR Clothing – Employee, Justification reason.
    b. Click the ***Details*** box.



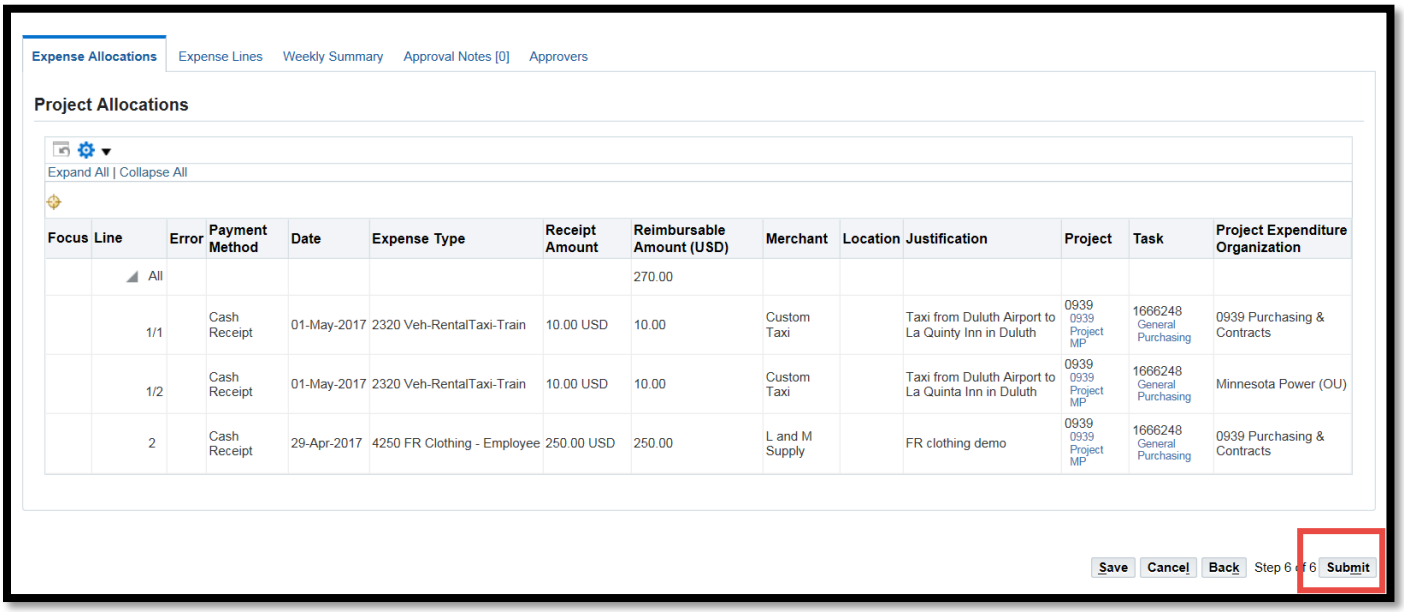
2. Fill in the Additional Information questions.
    a. Enter Merchant Name.
    b. Enter Purchased For (use the looking glass to search for Employee Name).
    c. Enter Clothing Description.
    d. Answer question Yes or No if tax was charged on receipt.
    e. Click ***Continue*** (next line) or ***Return***.



3. Once back to the previous screen, click Next.



4. Enter project and task. Click Next.

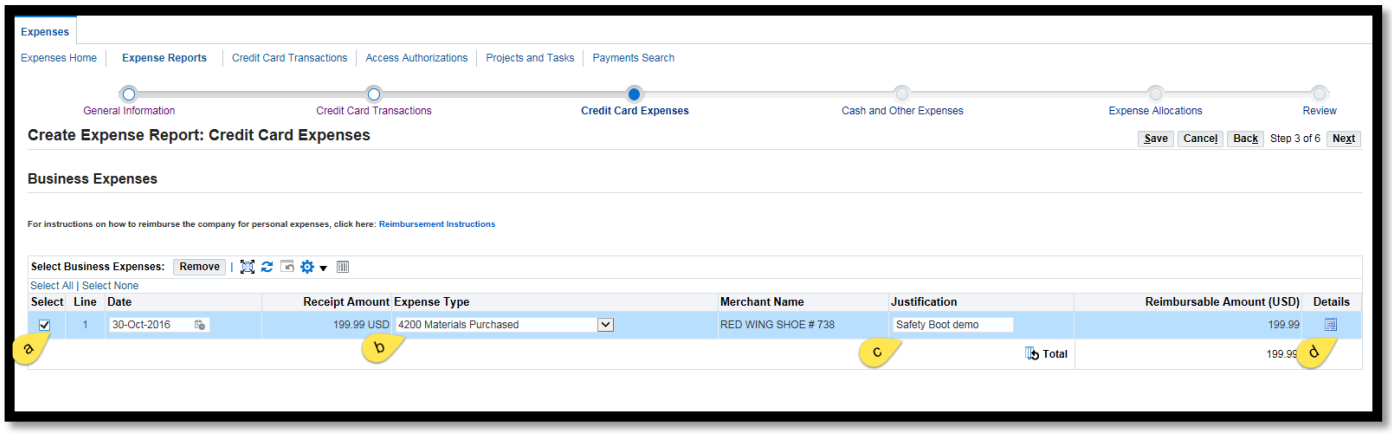


5. Verify Expense Allocations, click **Submit** to complete Expense Report.

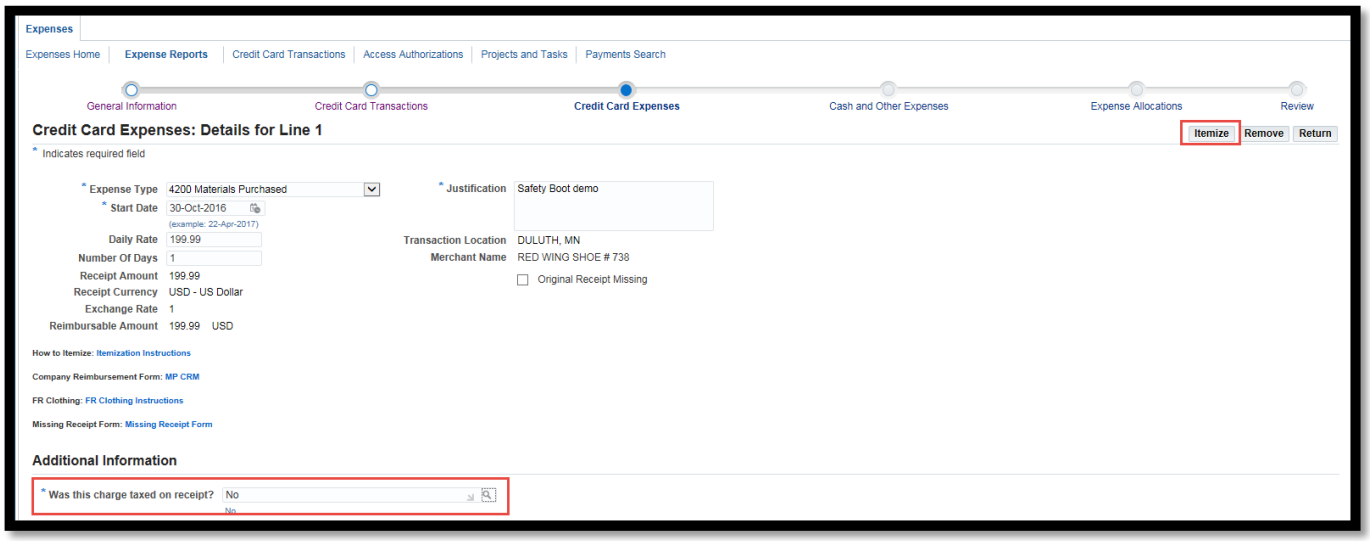
III) SAFETY BOOT EXAMPLE

A. SAFETY BOOTS PURCHASED ON CORPORATE CREDIT CARD

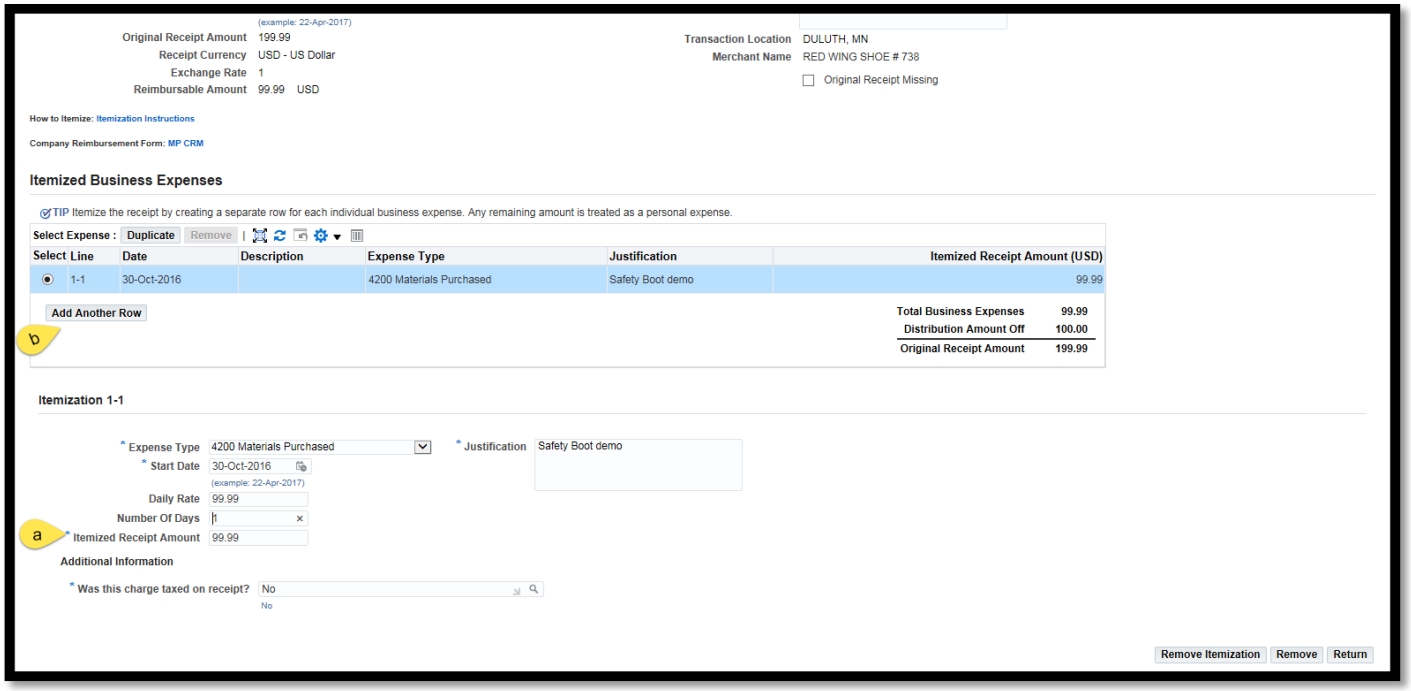
- Employee is responsible for 50% of charge. Company will pay half of safety boots (up to $100 total).
  - I.e. – purchase $250 boots – company will pay for $100, employee pays for $150
  - I.e. – purchase $180 boots – company will pay for $90, employee pays for $90



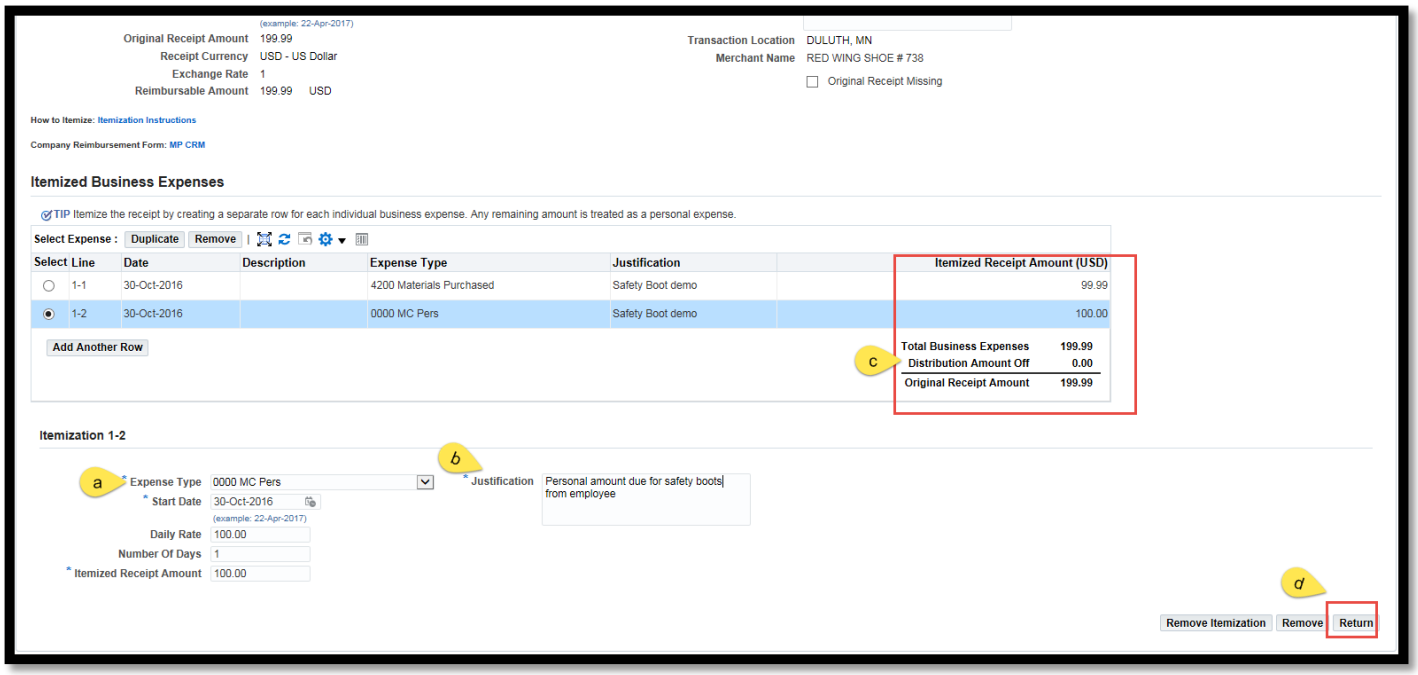
1. Reconcile the Safety boot transaction on corporate credit card
   a. Select credit card transaction line.
   b. Enter expense type of materials purchased.
   c. Enter justification reason.
   d. Click the Details box to itemize and split the charge.



2. Answer the question Yes or No if tax was charged on the receipt, click ***Itemize***.



3. Itemize to split the charge.
   a. Enter half the amount of the transaction (Company pays 50% of the boots up to $100.00).
   b. Click Add another Row.

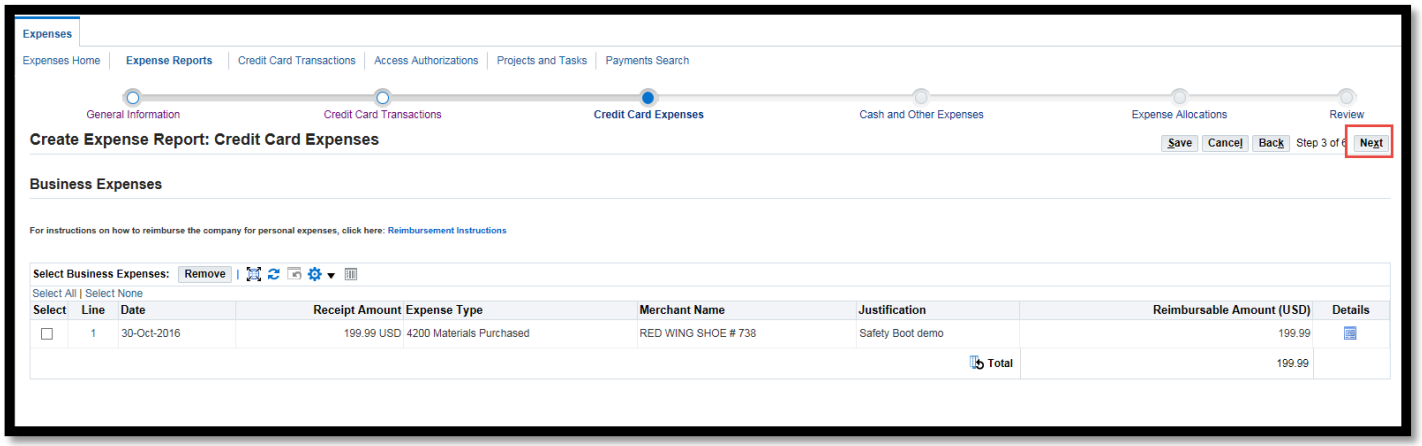


4. Enter the information for the employee personal amount due.

a. Enter the Expense Type 0000 MC Pers. With Cost Type 0000 MC Pers you want to use the appropriate below project and work order:

Expense Type	Project	Task	Project Expenditure Organization
0000 – MC Pers	ACE	MCPERACE	ALLETE Clean Energy (OU)
0000 – MC Pers	ARR	MCPERARR	ALLETE Renewable Resources (OU)
0000 – MC Pers	MP	MCPERMP	Minnesota Power (OU)
0000 – MC Pers	SWLP	MCPERSWLP	Superior WLP (OU)
Step 3 of 6	*Step 5 of 6*	*Step 5 of 6*	*Step 5 of 6*

b. Enter Justification reason.
c. Notice the total amount of the transaction does not have amount in the Distribution amount off.
d. Click Return.

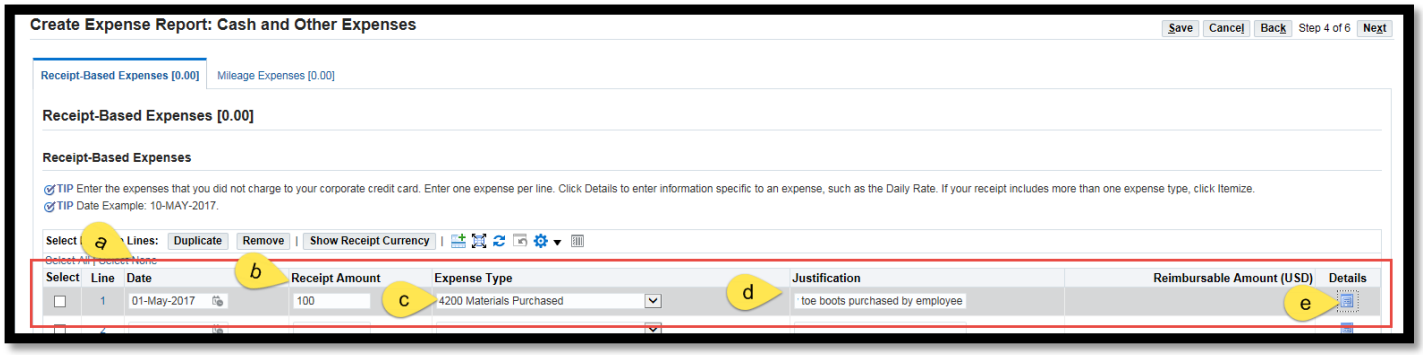


5. Click Next to continue to complete expense report.

You will now need to write a check to the company – see Section K for more information.

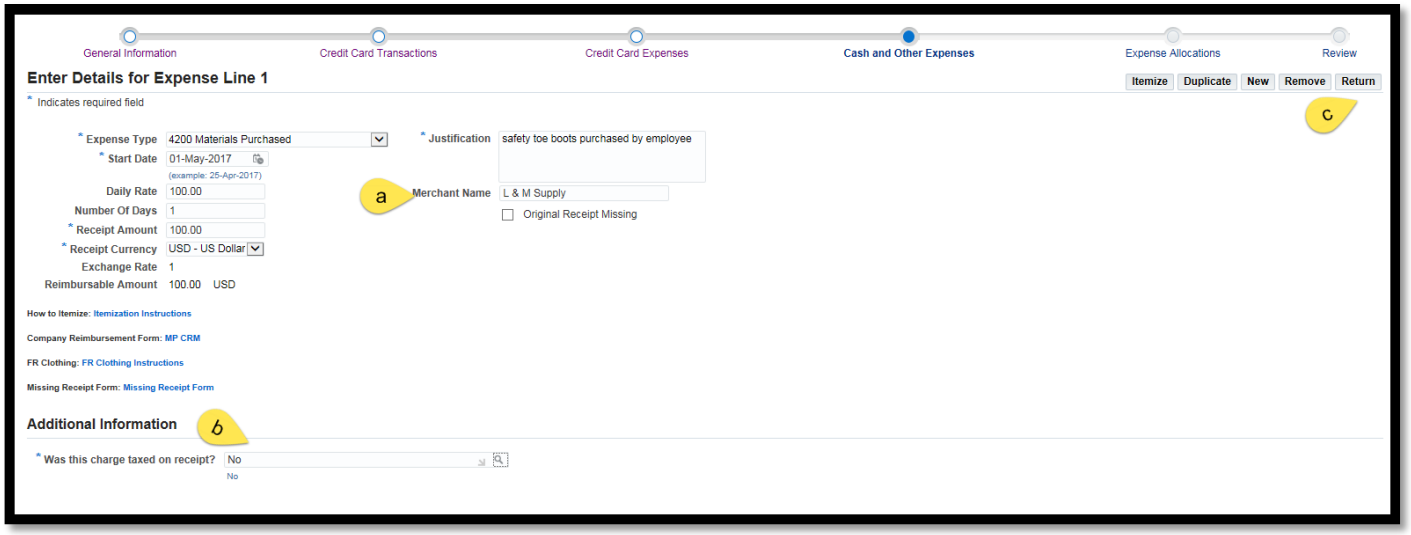
B. SAFETY BOOTS PURCHASED BY EMPLOYEE AS PERSONAL EXPENSE

- Employee is responsible for 50% of charge. Company will pay half of safety boots (up to $175 total).
  - I.e. – purchase $250 boots – company will pay for $125, employee pays for $125
  - I.e. – purchase $180 boots – company will pay for $90, employee pays for $90

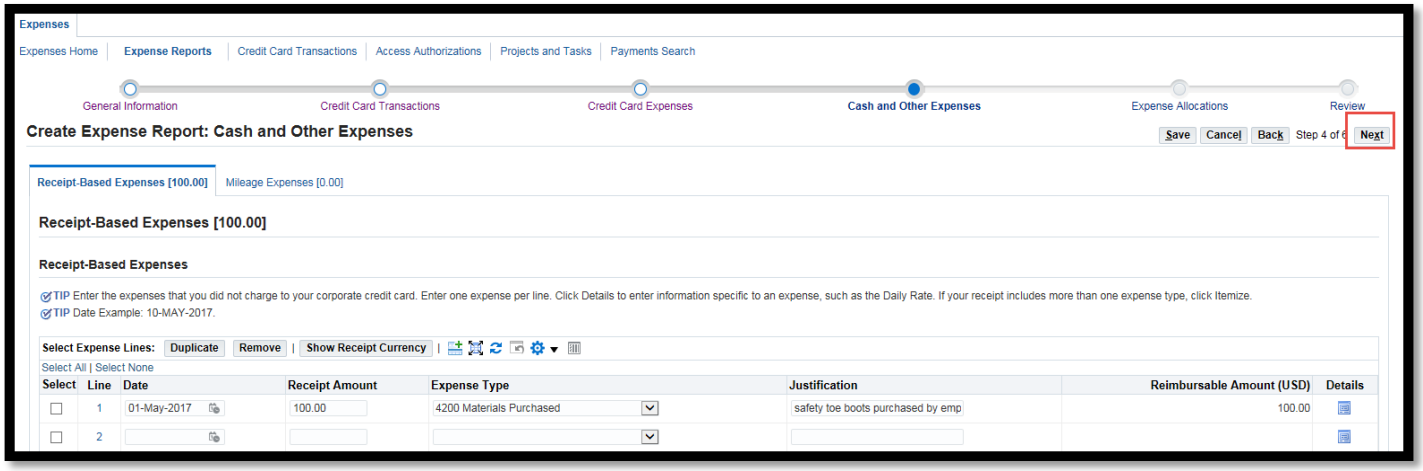


Example for a $200.00 pair of boots purchased by employee with personal credit card, check or cash.

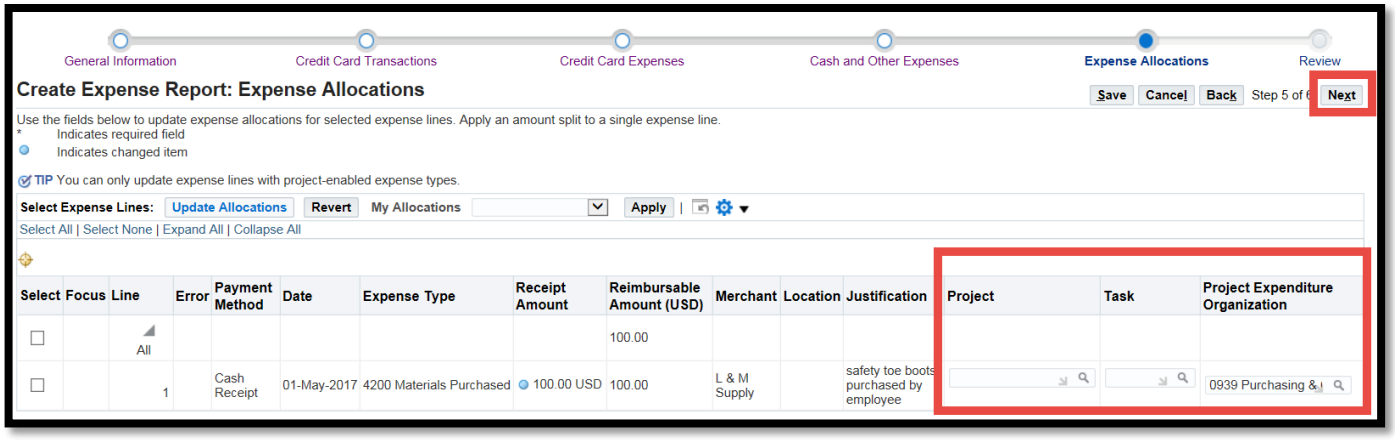
1. At the Receipt-Based Expenses tab:
   a. Enter the date boots purchased.
   b. Enter 50% of the Receipt Amount up to $100.00.
   c. Expense Type of 4200 Materials Purchased.
   d. Enter justification reason.
   e. Select the expense line and click the Details box.



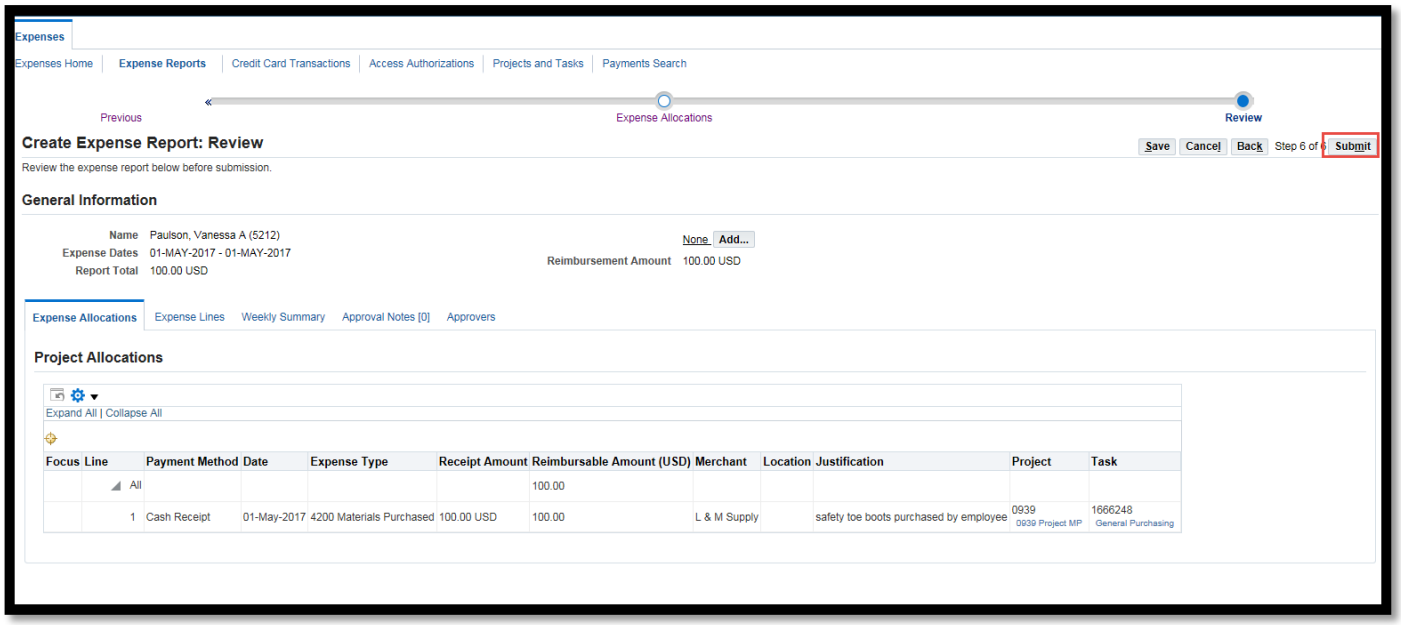
2. Enter additional information:
   a. Enter Merchant Name.
   b. Answer Yes or No if tax was charged on receipt.
   c. Click ***Return***.



3. Click ***Next***.



4. Enter Project, task and Project Expenditure Organization
    a. Project Expenditure Organization is your department's project number (aka responsibility center). Start typing in your department project number then hit **tab** on your keyboard. The rest will populate.
5. Click ***Next***.



5. Verify expense allocations and click ***Submit*** to complete Expense Report.

J. WRITING A CHECK TO THE COMPANY – ACCIDENTAL CHARGES OR REIMBURSEMENT

There are instances where an employee may owe the company money. For instance, if an employee purchases safety boots on their company card, they need to write a personal check to pay for half of the cost of the boots. Or, if an employee accidentally puts a personal charge on their company credit card.

Follow the steps below to properly reimburse the company.

1. Submit a personal check to the appropriate company – Minnesota Power, Superior Water, Light & Power, ALLETE Clean Energy, etc., – ***not cash***, for the personal amount due along with your expense report.
2. Use this accounting for your expense report

Expense Type	Project	Task	Project Expenditure Organization
0000 – MC Pers	ACE	MCPERACE	ALLETE Clean Energy (OU)
0000 – MC Pers	ARR	MCPERARR	ALLETE Renewable Resources (OU)
0000 – MC Pers	MP	MCPERMP	Minnesota Power (OU)
0000 – MC Pers	SWLP	MCPERSWLP	Superior WLP (OU)
Step 3 of 6	*Step 5 of 6*	*Step 5 of 6*	*Step 5 of 6*

PROCESSING AN ACCIDENTAL, PERSONAL CHARGE, OR REIMURSEMENT TO COMPANY ON YOUR CORPORATE CREDIT CARD.

(1) In your expense report, process the charge with the project, work order and expense type referenced in the chart above.
(2) Fill out the cash received memo:
  (a) ACE -145a
  (b) ARRI – 145b
  (c) MP/MP AFF – 144a
  (d) SWLP -145d
(3) Write a check to the company (Minnesota Power/SWLP/ACE/ etc.).
(4) Print off a copy of your expense report.
(5) In a red envelope, send:
  (a) a copy of your expense report
  (b) a copy of the cash received memo
  (c) check written out to the company
(6) Send the red envelope to Accounts Payable.

ALLETE

March 2024

Corporate Card Expense Reports
Supervisor checklist



Can you answer "Yes" to the following?

- Is the charge reasonable and for a valid business purpose?
- Do the dates of the expense make sense?
- Is the original itemized receipt attached?
- Is the "Business Justification" in Oracle sufficient?
    - It should include:
        - Explanation of the purchase
        - Specific meeting or event name
        - Date and location
        - Names of individuals if applicable
- Is the expense type correct?
- Were transactions reconciled within 30 days?
- Were all Company policies adhered to?

Answering "no" to the following questions indicates a policy violation

- Were charges split to meet the single transaction limit?
- Were any IT items purchased?
- Were any gift cards or gift certificates purchased?
- Were any materials or supplies purchased via credit card that should have been purchased off of a contract (office supplies, tools, etc.)?

Contact corporatecreditcard@allete.com to re-enroll your employee in the required credit card training

See Credit Card policy - acceptable and non-acceptable transactions.

ALLETE Corporate Card – Internal Contacts

Sarah Tucker – **corporatecreditcard@allete.com**

Vanessa Paulson – **corporatecreditcard@allete.com**

Amy DeCaigny – adecaigny@allete.com

Jillian Wahto – jwahto@allete.com

Minnesota Power
Summary of Employee Expenses

	2027 Unadjusted Test Year	Adjustments		2027 Test Year
		[1]		
Travel and Lodging - Employee	1,901,762	(37,028)		1,864,734
Travel and Lodging - Vice President / Ten Highest Paid	145,712	(20,822)		124,890
Food and Beverage - Employee	736,469	(193,375)		543,094
Food and Beverage - Vice President / Ten Highest Paid	23,019	(10,708)		12,311
Recreation and Entertainment	7,512	(7,512)		-
Expenses of Ten Highest Paid Employees	162,861	(139,706)		23,155
Dues and Subscriptions	1,449,252	(7,774)		1,441,478
Gifts - Awards	225,545	(137,144)	[2]	88,401
Registration / Fees / Parking / Other	1,329,005	(116,340)		1,212,665
Aircraft	-	-	[3]	-
Lobbying	-	-	[3]	-
Total Employee Expenses	5,981,137	(670,409)		5,310,728
Incidental lobbying - related costs included in Regulated O&M [4]		(25,714)		(25,714)
Total Employee Expense Adjustment including Incidental lobbying - related costs included in Regulated O&M		(696,123)		5,285,014
Board of Directors Expenses and Compensation	1,042,786	(51,715)		991,071
Total Employee and Board of Directors Expenses - Total Company	$7,023,923	(747,838)		$6,276,085

[1] Adjustments are based on review of 2025 actual employee expenses.

[2] Adjustment based on a combination of 2027 test year budget and 2025 actuals.

[3] Aircraft and lobbying costs are non-regulated expenses and therefore no adjustment is necessary.

Key Words

Accomplishment
ACE/ALLETE Clean Energy
Acquisition
Adams/Bob
Admin (i.e. -Administrative Professional's Day)
AEIC
AGA/American Gas
Alcohol
ALLETE/ALE Advocates
Anniversary
Appetizers
Appreciation
Award
Away/Going Away
Baby
Bagel(s)
Bakery
Bar(s)
Barbecue/BBQ
Beer
Bereavement
Beverage
Bingo
Birth
Birthday/Bday
BNI
Board
Bouquet
Bowl
Brat(s)
Brew/Brewery
Bride/Bridal
Bulldog(s)
Buns
Cake
Canada
Cancel
Candy
Card(s)
Casino
Caucus
Celebrate/Celebration
Chamber
Cheese
Chili Cook off
Christmas/XMAS
Classic
Club
Cocktail(s)
Commission
Concert
Contribution
Cookie(s)
CPP
CPPIB
Cupcake(s)
Curling
Democrat
Departure
Dismiss(al)
DLS
Donation
Donut(s)
Doughnut(s)
Drink(s)
Edison Electric
EEI
Election
Entertainment
EPRI
ERCOT
Event
Face Paint
Fair
Family Safety
Farewell
Festival
Final Four
First/1st
Fish
Fleece
Floral
Florist
Flower(s)
Frozen Four
Fruit
Fun
Fundraiser
Funeral
Gala
Game
Gathering
Gatorade
Germany
Get Together
Gibeau
Gift
GIP
Glensheen
Going away
Golf
Goodbye
Gophers
Granola
Halloween
Ham
Hamburger
Hangar
Hockey
Hodnik
Holdco
Holiday
Hospitality
Hot Dogs
Hunt
Huron
Huskies
Ice Cream
Intelligent Grid
International
Investor
Italy
Jacket
Jay Cooke
Jerky
Juice
Ketchup/Mustard
Kitchi Gammi/Kitch
Last
LEC
Legis/Legislation
Levy
Lignite
Liquor
Lobby
London
Mall of America
Marathon/Grandma's
Memorial
Merger
Minute Maid
Moneyshow
Morris/Steve
Movie
Muffin(s)
NCHC

NEE
Networking
New
New Energy
NIRI
Nobles
Northland
NTEC
NYSE
Offsite
Open
Opener
Outing
Owens/Bethany
PAC
Palooza
Pancake(s)
Paris
Party
Pastry
Pepsi
Perq or Perk
Personal
Picnic
Pie(s)
Pizza
Plant
Polar
Political
Pop
Popcorn
Powerade
Prize
Propel
Proxy
PUC
Puerto Rico
Recognition
Recreation
Refreshment(s)
Refund
Rep
Representative
Republican
Resort
Retirement
Retreat
Roll(s)
Root Beer
Saints
Scholarship(s)
Senate/Sen
Service
Shareholder
Shirt
Shower
Sirius/XSM
Ski
Snack(s)
Social
Soda(s)
Solar
Spa
Spirit Mountain
Sponsor/Sponsorship
Spouse
Steak
Super Bowl
Supplies
SWL&P/SWLP/Superior
Sympathy
Target Field
Team Building
Tenaska
Tennis
Terminated
Thank
Ticket
Timberwolves
Tip
Tournament
Treat
Trinkets
Turkey
Twins
UMD
United Way
USWAG
Valentine
Veteran
Video
Vikings
VISA
WCHA
Wedding
Welcome/Welcoming
Wild
Wine
Wolves
Wrigley
XMAS

Who attended?	What was the training or conference?	What was learned?
Manager - Treasury & Investments, Assistant Treasurer, Manager - Financial Analysis	EEI Financial Conference	There was a lot of discussion around data centers and customer affordability.
Manager - Power Delivery and Asset Management and Engineer Senior	Transmission, Distribution, Metering & Mutual Assistance Conference. It is held twice a year.	In the Transmission Track there were breakouts on Project Execution, new technologies in the Transmission space, and Transmission trends. General sessions cover more general electric utility trends and emergent issues.
Director - ALLETE Safety and Security	EEI Occupational Safety & Health Committee Conference.	The conference focused on electric utility industry safety and occupational health topics, including industry best practices, safety performance benchmarking, contractor safety, industrial hygiene, regulatory and policy developments, recordkeeping, and emerging safety trends. The event also provided opportunities to learn from peer utilities and discuss innovative approaches to improving employee safety and health performance across the industry. Lessons and key takeaways from the conference were brought back and shared with ALLETE's Safety Strategy Group for consideration and application within our safety programs.
Engineer Senior	Semiannual Transmission, Distribution, Metering and Mutual Assistance conference	This covers a wide variety of topics every year with presentation and also encompasses the AEIC meeting along with NEMA and ANSI meetings as well that I attend while there. The biggest value I see is the round table time to be able to talk to other utilities and see what kinds of issues and trends they are seeing and experiencing
Supervising Engineer	TDMMA - Transmission, Distribution, Metering, and Mutual Assistance conference that happens twice a year.	There are 4 different tracks in this conference, broken up into Transmission, Distribution, Metering, and Mutual Assistance. I lead the Emerging Issues Working Group under the Distribution Track. We focus on newer technology or disruptive areas that are affecting the utilities. The topics are quite expansive and many things are learned depending on the topic, such as advancing utility work zone safety, updates to operational and information systems, emerging issues in distribution, and learning through working groups about equipment technology.
Business Systems Analyst II	Emerging Energy Leaders 2025	Learnings included the state of the energy industry, future challenges such as data centers and grid resilience, emerging technologies, and regulatory considerations. Each day of the conference offered sessions on different topics that attendees could choose from.
Manager - CTS Strategic Initiatives and Manager - Cyber Security & Compliance	EEI's Artificial Intelligence Summit in Washington DC	Use cases we heard included:Distribution Pole Inspection, EMS Alarm Management, Work Packet Generation (Nuclear Plant Maintenance Turn Around), Source Code writing, AI designing AI chips, Agentic AI – Narrower use cases, Cyber Security (EEI, CRISP), Other, AI Building Blocks, Have an AI Action Plan, Governance and Security, Modernized Infrastructure & Consolidate Data, Operationalization, Idea Intake/Prioritization, Project Initiation, and Enablement as well as other ways that AI could benefit us and augment our current roles, not eliminate.
Risk Lead and Manager - ALLETE Risk & Insurance	Annual EEI ERM conference	Risk professionals from electric and gas utilities convened from May 13-15 to discuss a variety of emerging and relevant risk management topics. The sessions were primarily led by experienced risk practitioners from across the utility industry and covered subjects such as risk mitigation strategies, artificial intelligence, legislative and regulatory developments, extreme weather impacts, key risk indicators, affordability challenges, and other critical risk-related issues. In addition to the formal presentations, the conference provided valuable opportunities to engage directly with industry peers through one-on-one and small-group discussions.
Director - Grid Ops Engineering and Support Services	Wildfire Technology Summit	This was a great info-share forum of wildfire efforts by utilities that have been impacted by fires and steps they are taking to reduce future impacts of fires. This was an extremely valuable event and has really influenced our corporate wildfire strategy.
Meter Technician	EEI Conference	I talked with vendors and networking with other companies. Receiving information on Human Organization Performance (HOP), weather, metering, response time for storms, vegetation.

Manager - Line Operations and Superintendent - Line Operations	TDMMA - Mutual Assistance and Distribution	There are multiple blocks and it is best practices and Ideas to implement into your company it is also networking with peers in other companies, meet contractors to help with storm response and/or blue-sky day work. The blocks have training for Transmission, Substation, Metering, and Mutual assistance. They also give weather forecasts for the summer and fall. How to plan for large events and storm response, Substation design , and HOP training, Wildfire response, and new practices.
Accounting Analyst I	EEI/AGA Introduction to Public Utility Accounting Training Course	These were the topics that were covered and learned about: Public Utility Accounting and Financial Reporting, Utility Ratemaking Process, Capital Structure and Liability Management, Depreciation Accounting Principles, Income Tax – Ratemaking and Accounting Issues, Derivative Accounting and Risk Management, Planning and Budgeting Issues, and Property Accounting.
Industrial Hygienist Senior	EEI Spring Occupational Safety and Health Committee Conference	Updates on current safety, healthy, and industrial hygiene topics directly related to EEI members. It was also a great professional networking event.
Accounting Analyst I, Market Settlements and Pricing Analyst II, Accounting Analyst I	EEI/AGA Introduction to Public Utility Accounting Training Course	Basics of electricity and natural gas generation and distribution to customers, the state of the electric and gas industry, an in-depth analyses of property accounting, income tax accounting, capital structures within utilities, budgeting & reporting, and depreciation.
Supply Chain Systems Administrator II, Supply Chain Analyst II, Supplier Program Administrator II	EEI Business Development Conference	These conferences were a gathering of utilities, prime contractors, and suppliers to discuss supply chain trends, challenges, and opportunities for utilities in the US. Best practices were shared for supply chain counterparts and connections with potential new suppliers and vendors were made.
Strategic Account Manager	EEI Spring 2025 National Key Accounts Workshop	Brought together multi-site and national corporate energy users, IOU for electric, and solution providers. Key topics included unlocking grid capacity for growing power demands, data center and commercial energy strategies, and updates on energy codes and standards.
Manager - Cyber Security & Compliance and Manager - CTS Strategic Initiatives)	EEI's Artificial Intelligence Summit in Washington DC & EEI Cyber Mutual Aid Group	Presentations from member companies talked about cyber support/security and current AI issues in business
Manager - HVDC Engineering and Operations	EEI STEP - Spare Transformer Equipment Program	Not a training per se but a committee set up to share mechanics of transformers amongst participating utilities if a triggering event should occur.
Transmission Agreements & Policy Manager	EEI Executive Advisory Committee & EEI Federal Policy Committee	Discussed current energy policy issues and how they pertain to company leadership roles.
Accounting Analyst I, Market Settlements and Pricing Analyst II, Accounting Analyst I	EEI/AGA Introduction to Public Utility Accounting Training Course	A variety of topics were covered at this training, from property accounting, industry updates, derivative accounting, budgeting, Tax, etc.
Director - Tax	EEI Taxation Committee Meeting June 2026	Prohibited Foreign Entity (PFE) restrictions were the headlining topic of the conference, with presentations from Miller and Chevalier, as well as a panel discussion presented by Ameren, CMS, Southern Company, and Arizona Public Service Company. PFE rules relate to making a project ineligible for tax credits if there are ties to China, North Korea, Russia, or Iran.
Human Resource Specialist Senior	EEI Testing Program Manager/Lead Training	EEI Testing Programs covered expectations of administering pre-employment testing and what is/is not allowed for test takers.