



Together we are
+ positively powerful +



POSITIVELY GENEROUS



\$97,814



\$67,633



\$103,242



\$18,779

=



\$287,468

ALLETE TOTAL



\$250,000
UNITED WAY



\$108,275
EDUCATION



\$69,925
COMMUNITY
ENRICHMENT



\$63,950
HEALTH & HUMAN
SERVICES



\$47,800
ARTS & CULTURE



\$19,000
TEAM GRANTS

=



\$558,950

MP FOUNDATION TOTAL

\$287,468
ALLETE



\$558,950
MP FOUNDATION

=

\$846,418

TOTAL GIVING IN 2019

Dear Friends,

Every day at ALLETE, we witness the power of people to make a difference. From quiet, unassuming moments to incredible acts of generosity, ALLETE employees make it a priority to give their time and share their talents to change lives for the better.

We are so impressed by the creativity and diversity in the choices employees make for engaging with their communities. From mentoring robotics teams to organizing a special bowhunt for military veterans to planting seedlings to replace trees felled by storm winds, they find ways to have an impact today and influence the future as well.

The Minnesota Power Foundation knows something about impact—it distributed more than \$558,000 in grants in 2019. In addition, the foundation made a strategic change in its scholarship program to direct scholarships toward talented students who have the greatest financial need. Last year, 13 young people received the appropriately named “Positively Powerful” scholarships.

In 2019, we also recognized the 10th recipient of the Don Shippar Community Leadership Award, given annually to an employee who exemplifies ALLETE’s commitment to community engagement. In the following pages, you’ll read about Shippar recipient Jerry Frederick and be treated to a sampling of the many worthwhile projects and activities undertaken by other ALLETE employees. In addition, you’ll learn about some of the financial contributions of ALLETE’s family of businesses—ALLETE Clean Energy; BNI Energy; Minnesota Power; and Superior Water, Light and Power.



We have much to celebrate as we reflect on the past year, but we also remain clear-eyed about the work that lies ahead to ensure vibrant and sustainable communities, close opportunity gaps, and help people of all ages pursue their dreams and live with purpose and passion.

Thank you to our partners, shareholders and especially to the people of ALLETE—our valued co-workers—who always show up in the ways that matter most. Together, we are making meaningful change in the communities where we work and live.

Sincerely,

Bethany Owen
ALLETE President
and CEO

Al Hodnik
ALLETE Executive
Chairman



Robotics coach is 10th recipient of Shippar Award

Jerry Frederick has seen a lot in his decades of volunteer work for various causes and organizations.

But it's his work with the Esko Subzero Robotics team and other young people that energizes him these days. Frederick, affectionately known as "Jer-bear" to many of the students he coaches and mentors, is passionate about the FIRST Robotics program and its emphasis on science, technology, engineering and math.

"I love working with kids," said Frederick, electronics technician senior at Minnesota Power. "You see those things you've seen a million times before but it's through new eyes."

Frederick's commitment to the successful Subzero Robotics team is complemented by an impressive record of volunteerism: serving on the Esko School Board and as assistant emergency coordinator for southern St. Louis County, and involvement with Grandma's Marathon, the Northshore Inline Marathon, and the Arrowhead Radio Amateurs Club. He also is the longest-standing member of ALLETE's Safety Strategy Group and a member of the Duluth/Central Contributions Committee.

All that helped earn Frederick the 2019 Don Shippar Community Leadership Award, announced at the ALLETE Annual Meeting of Shareholders in May.

Shippar Award recipient Jerry Frederick and finalists Amanda Oja and Katherine Rasley on stage at the 2019 ALLETE annual meeting.



The Shippar Award itself reached a milestone in 2019 when Frederick became the 10th recipient of the honor. The Don Shippar Community Leadership Award was established in 2010 in honor of former ALLETE Chairman, President and CEO Don Shippar and given annually to an employee who exemplifies the company's long-held value of community engagement. Many outstanding individuals from across ALLETE have been nominated for the award since then, and the nine previous recipients were recognized at the annual meeting.

Finalists for the 2019 award were Amanda Oja, customer process analyst II at Minnesota Power, and Katherine Rasley, engineer I at Minnesota Power. Along with the recognition, the Shippar Award recipient and finalists get to designate Minnesota Power Foundation grants to nonprofits of their choice. Frederick selected the Esko Subzero Robotics team, Oja chose Loaves and Fishes and Rasley's was split between the Arrowhead Library System and Beyond the Yellow Ribbon-Hibbing/Chisholm.

"Life isn't made up with extra time to volunteer. Everyone has to put their own level of importance to do it," Frederick said. "That means one has to give up time that you would devote to something else. The interesting thing for me is I seem to get the same if not more out of it than the groups I volunteer for."

Recipients and the nonprofits they designated to receive grants

2010

Tom Lohman
CHUM

2011

Cathy Hoffman
Junior Achievement of the Upper Midwest

2012

Thor Underdahl
Safe Haven Battered Women's Shelter

2013

Crystal Burggraf
Itasca County Special Olympics

2014

Brenda Ruzic
National Kidney Foundation

2015

Jeff Forsberg
Oliver County Ambulance Association

2016

Micheline Bayiha
SPIN Worldwide

2017

Josh Athman
Pierz First Response

2018

Faye Livangood
The Salvation Army of Superior, Wisconsin

2019

Jerry Frederick
Esko Subzero Robotics

Recipients from previous years gather with 2019 Shippar Award recipient Jerry Frederick at the ALLETE annual meeting. From left are Josh Athman, Micheline Bayiha, Faye Livangood, Frederick, Jeff Forsberg, Cathy Hoffman, Crystal Burggraf, Brenda Ruzic and Tom Lohman. In back are Don Shippar, former ALLETE chairman, president and CEO, and Al Hodnik, ALLETE executive chairman. Not pictured is Shippar recipient Thor Underdahl.



Team efforts pay off in many ways

A team of employees from ALLETE's Accounts Payable and Sales Tax departments volunteered their time last summer to help make the dream of 8-year-old Kenna Hermanson come true.

Kenna wanted to transform Webster Park in Superior, Wisconsin, into an all-inclusive, all-abilities playground so every kid could play with their friends. Kenna and her mom started fundraising and by August volunteers were erecting the last of the equipment for

a playground that would be accessible to all children. The ALLETE team built the merry-go-round and zip line and put finishing touches on the main playset.

The ALLETE team also donated \$500 to the Webster Dream Park playground through the Positively Powerful Team Grant program. Initiated in 2016, the team grants encourage group volunteerism. Teams of four or more employees volunteering on specific projects for nonprofits may apply for the \$500 grants. In 2019, the Minnesota Power Foundation distributed \$19,000 to 38 nonprofits spanning a variety of interests.

A team of employees, along with some family members, helped install equipment at Webster Dream Park in Superior, Wisconsin, so children of all abilities can enjoy the playground. From left are Heidi Mogensen, Rena Verdoljak, Tiffany Paulson, Cammi Vandenberghe, Jillian Wahto, Michelle Bleicher, Jay Sykes, Lilly Christianson, Davena Schoeder and Abrianna Greensky. In front is Kenna Hermanson, the inspiration behind the new park.

A sampling of other Positively Powerful grants

+ Alzheimer's Association RivalZ

The event engages young professionals in friendly but fierce flag football games around the country to inspire fundraising, awareness and action in the fight against Alzheimer's disease. In addition to playing in the games, the ALLETE team also organized an ice cream fundraiser that raised \$245 for the Alzheimer's Association.

+ Iron Range STEM Showcase

Sponsored by the Range Engineering Council, this event in Hibbing, Minnesota, attracted more than 1,500 sixth-graders who learned about careers in science, technology, engineering and math and saw various demonstrations of STEM in action. At the Minnesota Power booth, students could turn on a light by pedaling a bicycle and try on personal protective equipment.

+ Walking for animals

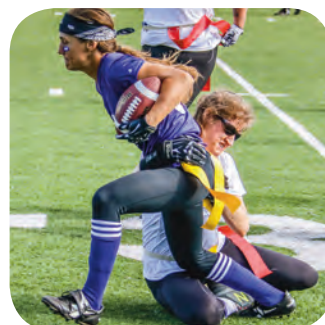
An employee team participated in the Walk for Animals and Furry 5K, the second-largest fundraiser of the year for Animal Allies Humane Society. The event raises awareness and money for the animal shelter to provide care to homeless pets.

+ Grand Rapids Amateur Hockey Association

Employees handled the penalty box, clock and announcing for a Bantam B1 home game against Greenway.

+ Supporting snowmobile runs

One employee team supported a vintage snowmobile fun run and spaghetti feed to benefit the Aurora Volunteer Fire Department and another team helped out at the Yeti Tour to benefit the Northland Newborn Association. Teams helped set up trails and register participants, among other tasks.



Positively Powerful grants benefited a variety of nonprofits in 2019. From top to bottom: Employees played flag football to raise awareness of Alzheimer's disease. // Sixth-graders were able to try on personal protective equipment at a Minnesota Power booth at the Iron Range STEM Showcase. // Lori Hoyum, Lindsey Buran, Calla Gilbertson and Susanna Airis walked to raise money for Animal Allies Humane Society. // Employees joined forces in a vintage snowmobile run to benefit the Aurora Volunteer Fire Department.



Gifts help initiatives meet basic human needs

Fighting food insecurity is a priority for the Minnesota Power Foundation, which gives thousands of dollars each year to food shelves and other hunger initiatives. It's also a priority for ALLETE employees who donate their time to help at food shelves and food banks or coordinate food drives and fundraisers in their workplaces.

The Quad City Food Shelf moved from Gilbert, Minnesota, to its new home in Mountain Iron, Minnesota, with help of a \$10,000 grant from the Minnesota Power Foundation. The new location offers more square footage, an expanded grocery store-style food space and room for a thrift store.



A Minnesota Power team with representatives from the Boswell Energy Center, Generation Operations, Rapids Energy Center and the Coleraine Service Center helped pack 1,035 food boxes for the Second Harvest North Central Food Bank Itasca Holiday Program. // Some of the many thank-you cards from food banks and food shelves that received financial gifts from the Minnesota Power Foundation.

Treadmills, training, and donations make a splash

Encouraging healthy lifestyles and communities is evident in the priorities of ALLETE companies. Consider these examples:

+ When one of the treadmills at the Fit-4-Life fitness center in Center, North Dakota, broke down and couldn't be repaired, **BNI Energy** stepped in with a \$4,000 grant to help the fitness center purchase a new one.

+ Employees at **Superior Water, Light and Power** are better able to serve those in their community who are living with dementia and their families after completing training offered by Dementia Friendly Superior.

+ **Minnesota Power** and **ALLETE** employees are truly life-savers. For many years, employees have coordinated blood drives at the workplace, making it convenient to give the gift of life. And employees have responded, consistently earning the 100 Club Award from Memorial Blood Centers. Last year, the company was recognized as a Top 10 Sponsor for collecting 224 units of blood in 2018.

+ Representatives of **BNI Energy** and **ALLETE Clean Energy** were on hand for the grand opening in April 2019 of the Family Splash Center at the Missouri Valley YMCA in Bismarck, North Dakota. BNI donated \$20,000 to the facility and ALLETE Clean Energy donated \$15,000. The \$1.6 million project includes a zero entry pool, meaning there's a gradual depth for people to easily get in and out of the water.



From top to bottom: BNI engineer Kate Kolden and Fit-4-Life board member Dave Berger check out the new treadmill at the fitness center. // SWL&P employees completed training that helps them to serve those in the community who are living with dementia. // Memorial Blood Centers recognized ALLETE and Minnesota Power employees for generously donating blood that saves lives. // Residents of Bismarck, North Dakota, enjoy a new pool at the YMCA made possible in part by gifts from BNI and ALLETE Clean Energy.



Meeting customers face to face

While helping to educate lower-income customers about programs and services is a year-round priority, three events held weeks apart in October were an opportunity for Minnesota Power and Superior Water, Light and Power to strengthen the message by connecting with customers face to face.

Hundreds of visitors at the 16th annual Energy Awareness Expo in Duluth heard from Minnesota Power representatives about programs available to them to help reduce costs, payment plans and how to better understand their bills. The company also handed out kits containing energy efficiency products, including LED light bulbs.

Minnesota Power also had a booth at the GO show, an event tailored to seniors. Amanda Heimbach, customer policy and assistance administrator at MP,

said representatives talked with about 200 people. "It gave us a chance to encourage seniors to take advantage of the many programs we offer that can help them save money each month. And, because of a storm the night before, we also received many thanks for either keeping the power on or restoring it quickly," she said.

Superior Water, Light and Power hosted its first Energy Share where visitors found a wealth of information from SWL&P and its event partners Focus on Energy, Douglas County Energy Assistance, Wisconsin Weatherization Assistance, St. Vincent de Paul and local veterans services.

"We're building multiple ways to communicate with customers, but especially low-income customers that require additional support through the difficult winter months," said Harper Brickson, supervisor of customer service, dispatch and strategic accounts for SWL&P.

Luther Kemp (left), Aaron Anderson, Paul Holt and Rob Sandstrom stand ready to answer questions about electric vehicles at Superior Water, Light and Power's open house. The event was an opportunity to meet customers, talk about energy assistance programs and share details about SWL&P's proposed community solar project.

Saving energy, building relationships

Minnesota Power's Conservation Improvement Program has been helping residential and business customers lower energy usage and demand for many years. The CIP team worked closely with Hermantown Community Schools as its new energy management system came online in summer 2019 and continues to work with university personnel to help the University of Minnesota Duluth reach its sustainability goals.

Energy-efficiency campaigns targeting business or residential customers have been a mainstay of how Minnesota Power works with customers to reduce their energy usage. The company recently piloted a series of community blitzes focusing on business and residential customers in the same town at the same time. A blitz in the small community of Long Prairie demonstrated the value of this combined approach: it spurred 65 businesses and 67 households to get detailed energy analyses, install simple energy-saving products, and face the future armed with recommendations for long-term energy and cost savings.

The CIP team also plans and hosts the Energy Design Conference. The 29th annual conference in 2019 attracted about 500 attendees to 35 educational sessions and featured more than 30 exhibitors at the accompanying expo.

At Superior Water, Light and Power, employees found another way to connect with customers at its first-ever open house in August 2019.

"We value the feedback and opinions of our customers, which will be critical as we plan for the future," said SWL&P President Rob Sandstrom.



From top to bottom: Tina Koecher and Amanda Heimbach provided information about saving energy and saving money to more than 200 people at the GO Show, formerly called the Senior Expo. // Thomas Glonek staffed the kids table at SWL&P's first Energy Share. // Andrea Smith, Donna LeMmons and Mari Beltezore answered questions and assisted customers at the Energy Awareness Expo in October 2019. // Lindsey Buran, Minnesota Power, and Scott Wishart of Energy Insight explained energy conservation programs and answered questions at the 29th annual Energy Design Conference in February 2019.



Responding to emergencies

Safety is always top of mind at ALLETE's companies, and that strong safety ethic extends beyond the workplace to include the communities where employees live and work. A \$10,000 grant from the Minnesota Power Foundation helped the Duluth Fire Department purchase a new emergency response boat that will contribute to safety and security at the Port of Duluth/Superior.

Marine 19, an all-hazard quick response vehicle, is the only boat of its kind in the western Great Lakes and will respond to fires and all kinds of water emergencies. The watercraft features a thermal-imaging night-vision camera, side-scan sonar, radar, GPS navigation system, pumps, a water cannon, firefighting foam, emergency medical equipment and gear to handle hazardous materials.



Donation 'lifts' Greenway Rec

One man's idea is making life easier for the Greenway Joint Recreation Association, which owns and operates the hockey arena in Bovey, Minnesota, along with the Greenway Sports Complex. Minnesota Power electrician Bobby Zuehlke noticed an unused aerial lift in storage at Boswell Energy Center and suggested donating it to the association. He knew they could use the lift to repair lights, hang banners, paint, and do other maintenance at the Greenway Rec facilities.

Greenway Rec offers youth sports programs, including basketball, baseball, softball, football, hockey and figure skating.

"Bobby's idea to donate equipment that we were no longer using is a great example of how one person can take the initiative and do something to make their community better."

PAUL UNDELAND
Manager—Thermal Business Operations

Minnesota Power electrician Bobby Zuehlke (right) identified an unused resource at Boswell Energy Center that could meet a need at the Greenway Joint Recreation Association. He, along with several Greenway High School students, Paul Undeland of Minnesota Power (left), and Rock Troumbly (back), Greenway Rec assistant director, welcomed the lift to the hockey arena last summer.



Top: A team of volunteers planted white pines at Forest Hill Cemetery in Duluth in late June. // Bottom left: Digging planting holes for the large trees was challenging work. // Bottom right: The team placed 7-foot white pines near the Boswell monument.

Rajala Woods puts down roots in cemetery with Minnesota Power tie

Vanessa and John Paulson's idea to clean up a gravesite turned into a way for Minnesota Power to honor its past and link to its future.

Vanessa Paulson, a Minnesota Power employee, and John Paulson, a Minnesota Power retiree, came across the gravesite of Clay Boswell while riding bikes in Forest Hill Cemetery in Duluth. Boswell, president and chairman of the board, retired from Minnesota Power in 1966. The unkempt gravesite disheartened the Paulsons and they spearheaded an effort to remove the roots of a spruce felled in a windstorm in 2016 and clean up the site.

In June, a group of employees from Duluth and the Boswell Energy Center in Cohasset cleaned up the gravesite and planted a selection of white pines, including 32 seedlings, as part of the company's Rajala Woods initiative.

"Restoring long-lived conifer species through Rajala Woods can and should take place at locations where it benefits both the environment and the community," said Kurt Anderson, director of Environmental and Land Management. "In this case, the 2016 windstorm decimated some of the white pines at the cemetery, which has limited financial resources and has slowly been trying to replant. Along with the connection to Clay Boswell, we felt this was a good opportunity to restore some of the natural beauty of Forest Hill."

The Rajala Woods forest legacy initiative launched in 2015 with the goal of planting 3 million conifer seedlings in central and northeastern Minnesota over

10 years. In 2020, the company will have planted 1.4 million trees and is on track to hit 3 million by the end of 2024. So far, the tree survival rate is more than 90 percent, thanks to sustainable forest management practices.

Rajala Woods seedling trees are thriving at the initiative's Yellow Ribbon Forest near Baxter. A class from the Warrant Officer Candidate School at Camp Ripley cleared brush and overgrowth along the mile-long trail in the forest to allow for the healthy growth of the previously planted 35,000 white pine, red pine and jack pine seedlings. The trail is a way to honor the sacrifices made by service members and their families.



In addition to planting white pines at the Boswell gravesite, volunteers also planted seedlings in another area of Forest Hills. The nonprofit cemetery, which dates back to the 1880s, lost several hundred trees in a 2016 windstorm.



Aerial display of stewardship values

ALLETE's environmental ethic goes sky-high with Minnesota Power's commitment to hosting peregrine falcon nesting boxes at two of its power plants.

Each year, the impressive birds of prey return to nest sites at Hibbard Renewable Energy Center in Duluth and Boswell Energy Center in Cohasset to lay eggs and raise their young. And almost every year, ALLETE employees support the Raptor Resource Project in banding the young birds so their behavior can be tracked. Power companies like Minnesota Power played an important role in re-establishing the peregrine falcon, which was removed from the Endangered Species List in 1999.

In 2019, four employees selected by lottery climbed the power plant stacks with experts from the raptor project to band five chicks.

"You guys are kind of the caretakers, and that really builds a connection with the falcons," said John Howe, director of the raptor center in Iowa.

Peregrine falcon chicks are banded between three and four weeks of age. The leg bands allow researchers to track the falcons and their behavior, and do not harm the birds. Falcons raised in Minnesota Power nest boxes have been reported in Florida, Central America and on oil rigs in the Gulf of Mexico.

Employees also suggest names for the young birds. In a company-wide vote in 2019, the chicks at Boswell were named Liberty and Freedom and the chicks at Hibbard were named Benton, Viking and Lincoln, a reference to three ALLETE Clean Energy wind sites in Minnesota.

More than 100 falcons have hatched at the two sites, including 79 at Boswell, since 1993. The Boswell site is one of the top producers among the partners of the Raptor Resource Project.

Diem Carson was one of the employees who helped band the chicks at Hibbard Renewable Energy Center. "Mine was a boy and very loud, the loudest," she said. // At Boswell Energy Center, Kristin Zbytovsky gives a thumbs-up after climbing the stack to the catwalk where the nest box is located. "It was fabulous. A once-in-a-lifetime experience," Zbytovsky said.

Clean energy on the move

ALLETE businesses are finding ways to meet the changing needs of customers and help them lower their carbon footprint. **ALLETE Clean Energy** continues to invest in wind facilities, **Superior Water, Light and Power** is preparing to launch its first community solar garden and **Minnesota Power** is well on its way to delivering 50 percent renewable energy by 2021 through its EnergyForward strategy.

As part of EnergyForward, Minnesota Power is investing in electric vehicle charging stations. The company is donating 20 EV charging stations to business customers for installation at their sites, along with up to \$1,500 for each business to help pay for installation.

"We see more EVs on the road every day because they are fun to drive, economical to operate and offer a great way to reduce carbon emissions," said Frank Frederickson, MP vice president of Customer Experience. "We are excited to offer our support to expand the charging network in our region for Minnesota Power customers and visitors."



Motley Mayor Al Yoder cuts the ribbon on a newly installed EV charging station at the Bricks Travel Center in Motley in December 2019. Minnesota Power installed charging stations supported by 5-kilowatt solar arrays in Motley, Two Harbors, Virginia and Ely, Minnesota. (Photo credit: Morrison County Recorder) // At 470 kilowatts, Superior Water, Light and Power's proposed community solar garden will be large enough to power about 115 homes. The site for "Superior Solar" is near Heritage Park in Superior, Wisconsin.



From Hollywood to hometown festivals

A community's identity often is expressed through the arts, festivals and other events it supports. In October, Duluth showed its creative side through the Catalyst Film Festival and, as one of the festival's sponsors, **Minnesota Power** continued its tradition of supporting the arts.

Executives, talent agents and other representatives from Hollywood and the film industry came to town for screenings, readings and networking with writers, artists and producers at the event, which was held in Duluth for the first time.

"Minnesota Power seized the opportunity to attract this industry-leading festival and organization to Duluth," said Nancy Norr, director of regional development for MP. "Our goal was not only to showcase Duluth and its rich arts and culture scene but to also create long-term economic impact generated by the production of a series or major film set here in the Northland."

Boasting an attendance of 1,200 people, the festival determined that the Catalyst visitors spent more than \$1.14 million during their time in Duluth.

The Duluth-based podcast "Take It With You" was named Best Podcast at the Catalyst Film Festival in October 2019. The podcast features a colorful crew of characters with ties to a fictional bar set in Duluth.

A sampling of other artistic and cultural expressions

'Around Town' concerts

With support from Superior Water, Light and Power, the family-friendly Bayside Sounds "Around Town" concert series offered a variety of music in outdoor settings around Superior most Wednesday nights from June through August.

Parks and parades

These may not be top of mind when you think of "culture," but like the more traditional arts offerings of theater and music, they also enrich community life and are integral to how communities see themselves.

+ In Medora, North Dakota, ALLETE Clean Energy is contributing \$25,000 to the Theodore Roosevelt Medora Foundation's Point to Point Park. The park will include mini golf, a zero-entry pool and a zip line and aims to help Medora enhance the experience of visitors to this town set in the Badlands.

+ In the six states where ALLETE companies operate, employees proudly ride floats in hometown parades and staff booths at arts and other community festivals. The Fourth of July parade in Superior is a favorite for employees at Superior Water, Light and Power. In addition to decorating a float, employees also drove the company's electric car in the parade.



From top to bottom: The Catalyst Film Festival afforded festival-goers the chance to meet people in the film and television industry such as Jonathan Joss who plays Chief Ken Hotate in the TV show "Parks and Recreation." // The "Around Town" concert series is a treat for music lovers of all ages. // A family-friendly park is in the plans for the Theodore Roosevelt Medora Foundation. (Photo credit: Medora.com) // Superior Water, Light and Power celebrated Independence Day and highlighted the company's longtime commitment to the community with an impressive float and employee participation in Superior's parade.



Helping kids reach for the stars

More fifth-graders will be able to experience STARBASE Minnesota Duluth thanks to a \$25,000 grant from the Minnesota Power Foundation. The grant will help the summer program, based at the 148th Fighter Wing in Duluth, add and equip classrooms with cutting-edge technology for STEM-related instruction.

Students spend 25 hours across five days focusing on real-world problem-solving. Guided by a team of instructors, students conduct experiments to

learn about robotics, rocketry, navigation, biology and more; use software to design projects that are brought to life through 3D printing; and learn about careers in STEM-based fields. Engineers, scientists and other STEM professionals from ALLETE are among those who inspire the fifth-graders by sharing with them what they do in their work.

“STARBASE delivers a one-of-a-kind, hands-on learning experience to area youths that broadens their world in ways that the traditional classroom can’t,” said Lori Hoyum, a policy manager at Minnesota Power who also serves on the STARBASE advisory board.

Students from Myers-Wilkins Elementary School in Duluth react as items are tested in an environment that simulates the vacuum of space. A grant from the Minnesota Power Foundation will help STARBASE expand its program to inspire and educate youth in science, technology, engineering and math.

Rockin' with robotics

The energy could barely be contained within the Duluth Entertainment Convention Center as teams of high school students competed last year in the Northern Lights Regional and the Lake Superior Regional FIRST Robotics events. The program requires students to use science, technology, engineering and math skills to design and build robots capable of performing specific tasks. **Minnesota Power** is a major sponsor, and a number of employees mentor teams.

Events like these don't run themselves and Lori Frisk, director of system operations, performance and compliance at Minnesota Power, served as volunteer coordinator for the Lake Superior competition.

"The skills and attributes students are learning and displaying here are what we need in our future workforce," Frisk said. She worked with about 150 volunteers, including 18 ALLETE employees and retirees, to ensure everything went smoothly over the four days of competition.

Also taking a leadership role at the 2019 Robotics regional competitions was Minnesota Power engineer Katherine Rasley. Rasley helped organize a FIRST Ladies event designed to encourage girls participating in the competitions to consider careers in STEM fields that traditionally have been dominated by men.

"It's important for young women to have experiences where they see women supporting women," Rasley said.

The Minnesota Power Foundation has supported FIRST Robotics competitions for at least a decade and last year sponsored 10 teams. Over the years, the foundation has given a total of \$65,000 to support robotics teams and more than \$68,000 to support the actual competitions. ALLETE Clean Energy also donates to area Robotics teams.



Inspiration in many forms

Employees across ALLETE contribute their time and expertise to attend career fairs, host student field trips and mentor students.

The Tech Trek-Iowa STEM camp made its fourth consecutive visit to **ALLETE Clean Energy's** Storm Lake wind farm in Iowa. Thirty-two seventh-grade girls participated in the camp, and during their visit to the wind farm got a first-hand look at wind turbines and were able to try on safety equipment such as climbing harnesses and arc flash suits.

At **Superior Water, Light and Power**, employees participated in Northwestern Middle School's Reality Store, an event aimed at helping eighth-graders become responsible adults by teaching them about budgeting and bill paying, and lineworkers answered questions at Superior Middle School's Career Day. The utility also donated a used wheel balancer to Superior High School's auto tech program to replace the school's balancer, which had recently stopped working.

Women at Minnesota Power were part of a special event for girls participating in the FIRST Robotics competitions in Duluth. Katherine Rasley (center) helped organize the event and emceed a panel that also included Eva Chicheko (left), programmer analyst, and Kelly Blindauer, supervisor operations budget and analytics. Young women who attended the FIRST Ladies event said they found it inspiring and empowering. They also left with buttons that read "A woman's place is in all of time and space."



Scholarships help close 'opportunity gap'

Receiving a scholarship often makes it possible for young people—especially those who don't have a lot of financial resources to call on—to further their education and pursue their dreams. In late 2018, the Minnesota Power Foundation made a strategic change in its longtime scholarship program to directly support the Duluth Superior Area Community Foundation's Opportunity Gap initiative. The new Positively Powerful Scholarship Fund provides need-based scholarships to students attending college in Minnesota Power's service area. The first recipients were named in 2019.

The Foundation distributes \$20,000 in Positively Powerful scholarships each year: seven \$2,000 scholarships for students pursuing bachelor's degrees and six \$1,000 scholarships for students pursuing associate's degrees. Scholarship recipients must demonstrate integrity, academic achievement, grit and perseverance in addition to financial need.

"The scholarships are one way to help reduce the differences in life opportunities available to those who have financial wealth and those who do not," said ALLETE President and CEO Bethany Owen. "These scholarships also demonstrate ALLETE's commitment to sustainable communities and efforts to bridge the opportunity—and subsequent achievement—gap for people in the communities we serve."

The Duluth Superior Area Community Foundation honored ALLETE/Minnesota Power with the Opportunity Rising Partner Award. From left are Aimee Curtis, MP Foundation administrator; Arend Sandbulte, former MP CEO and ALLETE board chairman; Josceyln Skandel, manager of SWL&P regulatory compliance, policy and rates; Al Hodnik, ALLETE executive chairman; Holly Sampson, DSACF president and CEO; Bethany Owen, ALLETE president and CEO; and Nancy Norr, director of regional development.

The scholarship program is one reason **Minnesota Power/ALLETE** was chosen to receive the first Opportunity Rising Partner Award from the Duluth Superior Area Community Foundation. The award recognizes local employers addressing the opportunity gap, a reference to the vast differences in opportunities available to poor and rich children across the United States.

ALLETE's companies also award thousands of dollars in targeted scholarships to students in their communities, creating opportunities for individuals as well as building talented workforces critical to helping communities thrive.

\$50,000 to support future engineers

Donations from **ALLETE Clean Energy** and **BNI Energy** are helping the University of Mary build a new School of Engineering, and reflect ALLETE's commitment to education and the development of a skilled workforce.

ALLETE Clean Energy and BNI Energy each gave \$25,000 toward a new home for the engineering school at the private Catholic university in Bismarck, North Dakota. The university broke ground in April 2019 on the \$12 million project, which is expected to be completed this year. The rapidly growing program began enrolling students in 2016 and offers civil, mechanical and electrical engineering.

"Workforce demands in North Dakota and the region continue to grow, and we're honored to play a part in helping the University of Mary educate the next generation of engineers, fill a workforce shortage and support a healthy economy," said Wade Boeshans, BNI president and general manager.



University of Mary President Monsignor James Shea and ALLETE Clean Energy President Al Rudeck at the groundbreaking ceremony for the university's engineering school.



Dedicated to giving where it's needed

Employees and retirees of ALLETE companies have helped change lives through the United Way for years. During United Way's annual fall giving campaign, they pledge their financial support and also plan and participate in a variety of special activities. The ice cream social sponsored by ALLETE Computer

Technology Services is a perennial favorite and in 2019 employees in Duluth kicked off the fall campaign with rounds of bingo.

The money goes to support the families and individuals served by 15 United Ways in Minnesota, Wisconsin, North Dakota, Iowa, Oregon and Pennsylvania. One of those is the United Way of 1000 Lakes, which listed Minnesota Power atop its list of the Top 10 Most Generous Workplaces and Companies. In addition,

| | | | | | | |
|----------------------|---|---------------------|---|----------------------------------|---|---------------------------|
| \$254,139 | + | \$250,000 | + | \$26,041 | = | \$530,180 |
| Employees & retirees | | MN Power Foundation | | Corporate gifts & special events | | Total ALLETE contribution |

Employees joined the United Way of 1000 Lakes Day of Action to paint signs and posts in Veterans Park in Grand Rapids. The team included Amanda Kluge (left), Jansie Lenius, Angie Tanner, Rhonda Munger, Crystal Burggraf, Denise Wass, Monique Wedt and Lon Wedt.



the organization honored Minnesota Power with the Special Recognition award for being a leader for social change and creating a culture of caring among its employees and retirees.

ALLETE's relationship with United Way goes beyond the financial. Employees volunteer at United Way agencies and give of their time and talent throughout the year. Others serve on the boards of nonprofits, including Amanda Kluge, manager of generation support services at Minnesota Power who is president of the United Way of 1000 Lakes, and Eric Clement, manager of distribution engineering and asset management at Minnesota Power who will begin a term as president of the United Way of Northeastern Minnesota in 2020.

Employees also look forward to participating in special United Way volunteer events. Teams took part in a trash pickup along the tracks of the North Shore Scenic Railroad and helped clean the future home of the Duluth Children's Museum as part of the Head of the Lakes United Day of Caring. In Grand Rapids, a group of employees painted in Veterans Park as part of the United Way of 1000 Lakes Day of Action and in Eveleth, a team worked on a house being built through Habitat for Humanity as part of the United Way of Northeastern Minnesota's Day of Action.

Vanessa Paulson gives the exterior of the new home of the Duluth Children's Museum a fresh coat of paint during the Head of the Lakes United Way Day of Caring. // Peter Anderson and Jameson Lundquist pull out the trash bags for collecting debris along the tracks of the North Shore Scenic Railroad as part of the Day of Caring. // In Eveleth, a team of volunteers helped Habitat for Humanity build a home.



Strengthening ties with veterans and service members

The connection that ALLETE and its companies have with those who serve in the military and their families grows stronger each year. Designations as Yellow Ribbon companies came for Minnesota Power/ALLETE in 2016 and ALLETE Clean Energy in 2018. The designations formally recognize what ALLETE and its businesses have been doing from the very beginning—honoring and supporting service members, veterans and their families—in peacetime and in wartime.

So, when Navy Week, the Navy's principal outreach effort, came to Duluth in July 2019 it was only natural for Minnesota Power to host a reception for Jodi Greene, the deputy undersecretary of the Navy, at Thomson Hydro. Greene said support from the utility industry and business community for service members and veterans is important to the individuals and to the nation.

"I commend Minnesota Power and ALLETE for being a Yellow Ribbon company. Holding up our veterans is what makes America great."

JODI GREENE, Navy deputy undersecretary

Deputy Undersecretary of the Navy Jodi Greene (left) made time to talk with veterans during her visit to Thomson Hydro during Navy Week in Duluth in July 2019. Visiting with her were Brent Albiston, Brent Abrahamson, Jeff Love and Mike Geisdorf. Albiston and Love served in the Marine Corps and Abrahamson and Geisdorf served in the Navy.



Crews pitch in on projects for Veterans Day of Caring

Volunteers from **Minnesota Power** and **Superior Water, Light and Power** helped three veterans and one National Guard member with home projects during the Yellow Ribbon Committee's first "Veterans Day of Caring." The committee organized the event as a way to say "thank you for your service."

Volunteers pitched in on a variety of home projects. They cut, split and stacked firewood; raked leaves and cleaned up yards; and helped install flooring and insulation in a garage. One crew worked in the yard of a 22-year Army veteran who served in Desert Storm and had recently undergone surgery. Having help from the Yellow Ribbon volunteers meant he had one less thing to worry about as he recovered.



Bowhunt delivers memories for veterans

For Minnesota Power employee Pete Soliz, a bowhunt on land surrounding the company's Boswell Energy Center will be among his favorites. Soliz and other employees organized the hunt for a group of veterans with Ardent Archers. The area isn't normally open to the public for hunting but this was a special group.

"I was lucky enough to sit with one of the hunters and I will keep this hunt in my list of hunting stories for years to come," Soliz said. "I believe that events like this really help out the vets involved. They were able to set aside any of life's problems and just enjoy the whole experience for the weekend."

Seven veterans participated in the hunt, some bowhunting for the first time. All of the hunters saw deer and several were able to take shots. By the end of the weekend, the group had taken one deer and made numerous memories.

Activities on Veterans Day of Caring, organized by the company's Yellow Ribbon Committee, included cutting, splitting and stacking wood. // A group of veterans gathered with Minnesota Power employees for a weekend hunt on the land surrounding Boswell Energy Center. The employees placed stands and ground blinds in strategic locations, served as guides and arranged for lodging and meals.

Blankets of appreciation

The Minnesota Assistance Council for Veterans received a \$500 grant and 21 veterans received red, white and blue fleece blankets thanks to a special project at **ALLETE Clean Energy**.

Employees spent several hours tying the fleece blankets for donation through MACV and also presented the organization with a Positively Powerful Team Volunteer grant. MACV has served veterans and their families through transitional housing and legal assistance programs for more than 25 years.

Paul Pederson, MACV's outreach manager, said veterans appreciate the national symbolism of making the blankets in red, white and blue.

"The blankets will be treasured by those who have made sacrifices defending our freedom," he said.

Wreaths to honor and remember veterans

Support for military-connected families is evident across ALLETE companies, no matter the season. To honor and remember veterans during the holidays, **BNI Energy** helps sponsor Wreaths Across America at the North Dakota Veterans Cemetery south of Mandan. Each December, wreaths are laid on the graves of veterans to honor and remember their sacrifices.



The ALLETE Clean Energy team in Duluth displays the blankets ready for delivery to the Minnesota Assistance Council for Veterans. The project also came with a \$500 grant to the organization that provides housing and legal assistance to veterans.



Rocking the ruck march

ALLETE employees stepped up again in 2019 to raise money for 23rd Veteran. Team ALLETE participated in the organization's Nearly Naked Ruck March, a 10-mile walk around Duluth's Enger Tower with weighted packs. The weight represents the weight many service members carry in their battle against combat stress.

The ALLETE team finished at the top of the leaderboard, raising more than \$7,600. It was enough for three veterans to go through 23rd Veteran's reconditioning program. The 13-week 23V Recon program uses a combination of exercise and psychology to help veterans adjust back to civilian life after their service and is offered free of charge.

The ALLETE team finished at the top of the leaderboard, raising more than \$7,600.

About 25 employees shouldered their packs and embraced the cold at the 2019 Nearly Naked Ruck March to benefit 23rd Veteran. // The ALLETE team, accompanied by furry friends, raised \$7,661 for 23rd Veteran. // Calla Gilbertson, Jacie Maslowski and Kari Fitzsimmons were among those who marched at the event at Enger Tower.



Minnesota Power Foundation

Board of Directors

- + Bethany Owen
- + Al Hodnik
- + John Muehlbauer
- + Todd Simmons
- + Kelly Desormey
- + Mike Peralá
- + Jeff Scissons
- + Melissa Weglarz
- + Gary Wheelock
- + Laura Schauer
- + Nancy Norr

Each year's recipient of the Don Shippar Community Leadership Award serves for one year on the board. In 2019 it was Jerry Frederick.

The Minnesota Power Foundation board of directors includes (front row, from left) Bethany Owen, Kelly Desormey, Aimee Curtis, Jerry Frederick, Jeff Scissons and Gary Wheelock. Back row, from left are Al Hodnik, John Muehlbauer, Todd Simmons, Mike Peralá and Melissa Weglarz. Not pictured are Laura Schauer and Nancy Norr.

History: The Minnesota Power Foundation was established in 2006 as a separate nonprofit organization to ensure a stable funding base for worthwhile causes. It is dedicated to supporting charitable organizations that help improve the quality of life in the communities where Minnesota Power has a presence.

Structure: The board of directors meets quarterly to review financials and review grant requests. Regional contribution committees made up of diverse groups of employees also meet regularly to ensure that local needs are identified and funded. These four regional contribution committees are organized by area within Minnesota Power's service territory—Duluth/Central, Northern, Western and Itasca County.

Grants: In 2019, the Foundation gave \$559,200 to 155 organizations. It has given \$11,703,000 since its inception.

The employees at ALLETE truly are agents of change.

Day in and day out, they step up and find creative ways to help their communities and the people who live in them. Their passion and energy are inspiring!

Combine their enthusiasm with the financial resources of the Minnesota Power Foundation and remarkable things will happen. For example, employees organized volunteer efforts that resulted in \$19,000 in Positively Powerful Team Grants being awarded to 38 nonprofits representing a variety of worthwhile causes. The grants are tied to group volunteerism and require that four or more employees commit to volunteering together for a specific project.

Other Minnesota Power Foundation grants exceeded \$285,000 in 2019 and supported arts and culture, community enrichment, education, and health and human services. Again, employees played a powerful role by identifying needs and helping to direct foundation resources in ways that do the most good. The foundation also gave \$250,000 to United Way.

Thank you to everyone who participated throughout the year. Together, we are influencing the future by making meaningful change to improve lives. It doesn't get much better than that!

Sincerely,



Aimee Curtis

Administrator, Community Relations
and Minnesota Power Foundation



Minnesota state Sen. Erik Simonson (second from right) and Charity Rupp, STARBASE Minnesota-Duluth director (fourth from left), joined Minnesota Power Foundation representatives, STARBASE board members and students in celebrating the foundation's donation of \$25,000 to the nonprofit committed to STEM education for fifth-graders. Aimee Curtis, Minnesota Power Foundation administrator, and Lori Hoyum, a Minnesota Power employee and member of the STARBASE advisory board, presented the check at a ceremony in April at the 148th Fighter Wing in Duluth.



For more information, please contact:

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The ALLETE 2019 Community Investment Report was written and designed by Karen Kiekow and Rachel Cincoski of Corporate Communications and printed in-house by Office Services on Flo paper manufactured by Sappi. We are proud to use the high-quality product of a valued customer in this report.

Printed on 10% post-consumer recycled fiber content.