

OTTER TAIL CORPORATION POLITICAL CONTRIBUTIONS AND LOBBYING POLICY

I. Statement of Policy

Otter Tail Corporation (including all of Otter Tail Corporation's subsidiaries, collectively "Otter Tail") is committed to complying with all applicable campaign finance and corporate political contribution laws and reporting requirements. All employees and Directors must comply with all laws and regulations restricting the use of corporate funds for such purposes.

II. Objective

As a public company, Otter Tail is subject to various laws and regulations at the federal, state, and local levels. Changes to these laws and regulations can affect our business, employees, communities, and shareholders. Our success depends, in part, on sound public policies.

We are committed to being an active and responsible corporate citizen through legally permissible participation in the political process. Frequently we also rely on professionals with subject matter and public policy expertise to advance matters of public policy that are consistent with our values, our legal obligations, and our Code of Conduct.

The purpose of this Policy (the "Policy") is to set forth Otter Tail's specific corporate governance requirements for corporate political engagement, and general guidance for any interrelated political process support and participation.

III. Scope

The primary focus of this Policy is political contributions as defined below. This Policy also addresses other interrelated political activities, which could include:

- a. Political Action Committee activity and support;
- b. Personal support of political activity;
- c. Trade and local association contributions; and
- d. Legislative lobbying.

IV. Definitions

Political contribution: Any (a) advance, gift, loan, conveyance, deposit, payment, or distribution of money or anything of value to influence an election, including payments to political candidates; (b) transfer of funds between political committees; or (c) payment

by a person other than a candidate that are rendered to a candidate or political committee.

V. Provisions

A. Corporate Political Contributions

1. Otter Tail does not make direct or indirect contributions to candidates for political office, political parties or committees, or political committees organized for the advancement of political candidates, whether federal, state, or local.
 - In 2010, the United States Supreme Court ruled in *Citizens United v. Federal Election Commission* that U.S. corporations may not be prohibited generally from using their funds to pay for certain independently made partisan political advertisements and other political communications referred to as “independent expenditures” and “electioneering communications.” Notwithstanding the Supreme Court’s decision, **Otter Tail has determined we will not make any independent expenditure or pay for any electioneering communication, as those terms are defined by applicable law.**
2. The prohibition described in the preceding paragraph covers not only direct political contributions but also other assistance or support. **Otter Tail does not:**
 - Host fundraisers, either on company property or in other locations (like hotels or convention centers);
 - Purchase or furnish food, gifts, equipment, or other goods to be used at political events or fundraisers;
 - Lend Otter Tail’s name to political events or fundraising efforts;
 - Use company email accounts or letterhead for the purposes of influencing political elections or advancing political parties or committees; or
 - Reimburse employees for personal donations or expenses incurred in connection with any of the foregoing.

This list is not exhaustive and is used for example purposes only. If you have questions, please ask the Legal Department or the Director, Legislative Affairs at Otter Tail Power Company for advice.

3. Where legally permitted, Otter Tail may make corporate contributions in connection with state and local ballot initiatives and referenda on important

policy issues that are likely to impact our business and our stakeholders. Such actions must be reviewed and approved in advance in accordance with Section F1.

B. Political Action Committees

1. Employees and Directors may voluntarily participate in the political process by contributing personal funds to Political Action Committees (PACs) established by Otter Tail Power Company. These PACs are multi-candidate committees and qualified non-party committees. The PAC that contributes to federal candidates is registered with the Federal Election Commission (FEC) and is subject to the associated FEC requirements. The PACs make federal and state political contributions on a bipartisan basis to political parties, political committees, and candidates.
2. Otter Tail does not, under any circumstances, require any employee or director to contribute to a PAC or to make any political contribution and prohibits retaliation against anyone who does not contribute to a PAC.
3. The PACs comply with all applicable laws concerning political contributions, including laws requiring public disclosure of such contributions. When permitted by law, corporate funds and facilities may be used to provide administrative support to a PAC.
4. Each PAC has a board or steering committee responsible for reviewing and approving federal, state, and local political contribution requests. All PAC activities (including solicitation and contributions to parties and candidates) are governed and overseen by their respective governing bodies, which include employees from across Otter Tail.

C. Personal Support of Political Activity

1. Otter Tail encourages our employees and Directors to participate in the political and democratic process by becoming informed voters and supporting candidates and issues of their own choice. We recognize and respect that employees and Directors may voluntarily choose to support political parties, candidates, or issues through personal political contributions and on their own time.
2. Employees and Directors of Otter Tail may, **in your individual capacity**, support political parties and candidates with your own efforts and funds. If and when you do, **make clear your views are your own and not those of Otter Tail**. Otter Tail does not expend its resources or support any political party or candidate. Accordingly, Otter Tail cannot and will not reimburse or subsidize your efforts or expenditures on behalf of political parties or candidates. You should avoid conflicts of interest and the appearance of

conflicts of interest in donating to candidates who may directly regulate Otter Tail.

D. Trade and Local Associations Contributions

1. Otter Tail belongs to many trade associations, some of which are 501(c)(4) or 501(c)(6) organizations. Our membership in these associations requires us to pay annual dues. We also actively promote the economic health of the jurisdictions we serve through financial contributions to other activities organized by chambers of commerce and local economic development organizations.
2. We do not make contributions to these trade associations for the purpose of making political contributions. However, a portion of our membership dues may be used for legislative lobbying purposes to have a voice in legislative matters that have similar effects on many industry participants.
3. To help ensure that the trade and industry associations do not use any portion of the dues paid by us to them for political contributions (other than lobbying for the benefit of industry participants generally), the Otter Tail Power Company Director, Legislative Affairs officer informs these organizations of Otter Tail's Policy prohibiting such contributions and requests each trade association to which Otter Tail pays more than Twenty-Five Thousand Dollars (\$25,000) annually to provide a written confirmation a) that our dues or other payments were not used for contributions to political parties or candidates and b) a breakdown of any portion of our dues which are not deductible pursuant to the Internal Revenue Code to additionally verify that no amounts are being used for political contributions.

E. Lobbying Activities

1. It is important for Otter Tail to interact with legislators, regulators, and other public policymaking bodies to further the interests of Otter Tail. Thus, as part of our involvement in the political process, we regularly express our views and concerns on public policy to public officials. We monitor current legislation, analyze trends, and support and promote the advancement of public policies to benefit our company and its stakeholders.
2. Expenditures made in support of Otter Tail's lobbying activities are an allowable expense and subject to review and approval in the normal course of business.
3. Our legislative staff at Otter Tail Power Company actively lobby public officials on issues that impact Otter Tail Power Company and its ability to do business. Otter Tail retains registered lobbyists to advocate on our behalf as needed. We comply with all lobbying and

disclosure laws.

F. Compliance and Oversight

1. The use of corporate funds occurs in compliance with this Policy and all applicable laws and corresponding legal reporting requirements. To ensure compliance, requests are initiated by the Otter Tail Power Company Director, Legislative Affairs. The requests are reviewed and approved by Otter Tail Corporation's General Counsel, Otter Tail Power Company's President, and Otter Tail Power Company's Director, Legislative Affairs.

Any contribution of less than Two Thousand Five Hundred Dollars (\$2,500) requires no further approval, a contribution of Two Thousand Five Hundred Dollars (\$2,500) to Ten Thousand Dollars (\$10,000) must also be approved by Otter Tail Corporation's Chief Executive Officer.

Any contribution requests of more than Ten Thousand Dollars (\$10,000) require approval of the Chief Executive Officer and the Corporate Governance Committee of Otter Tail Corporation.

2. The entire political activities process is subject to oversight by Otter Tail Corporation's Chief Executive Officer, and General Counsel, and a report shall be provided to them at least annually. In addition, Otter Tail management shall provide a report to the Corporate Governance Committee of the Board.
3. All Otter Tail employees are expected to comply with this Policy. Failure to do so may result in disciplinary action up to and including termination of employment.
4. Otter Tail reserves the right to amend, terminate, or otherwise modify this Policy at any time.

VI. Additional Resources

- A. Otter Tail Corporation's Code of Conduct.