

Policy Type: 400 Environmental, Health & Safety
Policy #: 413
Policy Name: Policy 413 Environmental

Policy Applies to TransAlta Corporation and all Subsidiaries

Introduction

TransAlta Corporation and its subsidiaries (collectively, “**TransAlta**”) are committed to protecting the public, and the environment. This Environmental Policy defines how we are integrating the protection of nature and the environment within TransAlta’s strategy, Total Safety Management System (“**TSMS**”), as well as the principles of conduct for the management of natural resources.

Policy

To meet this commitment, TransAlta will:

- Comply with applicable environmental laws and regulations, industry standards and company policies and procedures;
- Encourage communication, consultation and participation of employees, contractors and stakeholders on environmental matters;
- Promote environmental awareness and training with employees;
- Assess the environmental risks and impacts associated with our business activities and provide control measures to prevent, mitigate or eliminate them;
- Promote the sustainable use of natural resources to protect the environment and prevent pollution;
- Set and review greenhouse gas emission reduction targets in line with the Paris Agreement goals and climate change science;
- Operate in line with the mitigation hierarchy principles, to avoid, minimize and recover impacts on natural habitats and species that are threatened or protected;
- Respect designated protected areas and enable biodiversity conservation in the areas that we operate;
- Improve the efficiency of freshwater use, effluent management, energy use and waste management;
- Promote innovation through developing new technologies, applying the appropriate technologies, leveraging technological advancements and implementing appropriate environmental practices;
- Report, investigate and follow up on environmental incidents and emergency situations to identify weaknesses and take corrective action to prevent reoccurrence;

- Strive to continually improve our environmental management system to enhance our environmental performance by setting targets and objectives, learning from internal and external incidents, auditing, reviewing, monitoring and reporting transparently on environmental results and activities; and
- Maintain board and management oversight of the effectiveness of our environmental management system and climate- and nature-related risks and opportunities.