**TransAlta Corporation**

**Annual and Special Meeting of Shareholders**

Event Date/Time: April 28, 2023 — 2:30 p.m. E.T.

Length: 20 minutes

## Corporate participants

**John Dielwart**

TransAlta Corporation — Chair

**Scott Jeffers**

TransAlta Corporation — Vice President, Legal and Corporate Secretary

**Gary Woods**

TransAlta Corporation — Vice President, Gas & Renewables

**Marcia Perry**

TransAlta Corporation — Vice President, People and Talent

**Kyle Gould**

Computershare Trust Company — Scrutineer

## PRESENTATION

**Operator**

Good afternoon. My name is Jenny (phon), and I will be your conference Operator today. At this time, I would like to welcome everyone to TransAlta Corporation’s annual and special meeting of shareholders. Thank you for joining us.

Mr. Dielwart, you may begin.

**John Dielwart** — Chair, TransAlta Corporation

Thank you. Good afternoon, fellow shareholders, and welcome to the 2023 Annual and Special Shareholder Meeting of TransAlta Corporation. Thank you for joining us today.

The board and management very much appreciate your interest and attendance. I am John Dielwart, Chair of the Board of Directors of TransAlta.

We are hosting today’s meeting through this virtual online platform. This is a convenient means of providing all shareholders with the ability to access and participate in the meeting, wherever they may be located and whatever their particular circumstances may be.

While the meeting is virtual only, we will proceed in the same manner as a physically attended meeting.

Today, I’m joined by John Kousinioris, President and Chief Executive Officer; Todd Stack, Executive Vice President, Finance and Chief Financial Officer; and Scott Jeffers, Vice President and Corporate Secretary.

In order to make the best use of our time, two shareholders have been asked to move and second the resolutions which we will consider at this meeting. I will call upon them at the appropriate time.

I would now like to call this meeting to order. In accordance with the bylaws, as Chair of the Board, I will act as chair of the meeting, and Scott Jeffers will act as secretary of the meeting.

I’ll begin with a few brief procedural matters for the meeting.

We are pleased to welcome all guests to the meeting, but I would remind you that only registered shareholders or duly appointed proxyholders are entitled to ask questions during the meeting, to vote, or to take an active part in the business of the meeting.

Registered shareholders or proxyholders that wish to ask questions or make comments during the meeting may do so through the text box located on your screen, in accordance with the instructions that appear on your web page.

You can submit your live questions now and throughout the meeting.

If you have a question or comment specific to a matter of business, please identify the matter of business in your question or comment.

For any questions or comments, we ask that you provide your name and indicate whether you are a shareholder or proxyholder. Any questions not answered during the meeting will be answered following the meetings, and the responses will be posted to our website.

All questions submitted will be provided to our Corporate Secretary, Scott Jeffers, who will read them aloud to the entire meeting.

Please note that only shareholders who held shares at the close of business on March 17, 2023, the record date for this meeting, are entitled to vote at this meeting.

If you are a registered shareholder or a duly appointed proxyholder and wish to vote during the meeting, you can do so through the electronic ballot that will appear on your screen.

If you are a beneficial shareholder that already submitted your voting instruction form directly to your intermediary, or if you named John Kousinioris or myself as your proxyholder and returned your voting instruction form as instructed by your intermediary, your votes have already been registered with our transfer agent, and no further action is required.

I wish to express thanks to the many shareholders that have already submitted their proxies in advance.

The secretary has provided me with proof that the notice of this meeting and the accompanying management proxy circular, forms of proxy, and voting instruction form were mailed on March 23, 2023 to shareholders of record at the close of business on the record date.

In addition, these documents, as well as the Corporation’s annual report containing the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2022 were made available electronically on or before March 23, 2023.

With the consent of the meeting, Kyle Gould of Computershare Trust Company, the Corporation’s registrar and transfer agent, will act as scrutineer and report on the number of shareholders present in person and the number of shares represented in person or by proxy.

Computershare is on the line and has detailed records relating to the holdings of common shares on March 17, 2023.

The scrutineers have provided me with a preliminary report on attendance, and the count indicates that approximately 56.5 percent of the common shares outstanding are currently represented at this meeting.

I, therefore, declare that a quorum is present, and this meeting is properly constituted for the transaction of business.

A copy of the scrutineer’s final report will be filed with the records of the meeting.

There are five formal items of business to be dealt with today.

You will be asked to elect each of the 13 nominee directors to the board for the coming year; receive the financial statements of the Corporation for the fiscal year ended December 31, 2022, and the associated auditor’s report; reappoint the Corporation’s auditors, Ernst & Young LLP, for the ensuing year; considering a nonbinding resolution relating to the Corporation’s approach on executive compensation, otherwise known as say-on-pay; and lastly, consider an ordinary resolution to approve an increase in the number of common shares issuable under the Corporation’s share unit plan.

These items are described in detail in this year’s management proxy circular.

Voting for all matters will proceed by way of ballot. The ballots for each motion will be collected by the scrutineers through the Lumi platform, and the results of each ballot will be tabulated by the scrutineers and announced following the last item of business.

Prior to the opening of polls for the voting, I am pleased to report that we have received a sufficient number of proxies to carry each item of business, including the election of each nominated director. Nonetheless, we encourage shareholder participation at the meeting and will now proceed with the formal business of presenting each item of business, so that it can be formally approved.

Accordingly, the polls are now open and will remain open until the last item of business to be voted upon has been concluded.

Starting with the minutes of the last annual meeting of shareholders, which was held on April 28, 2022, I declare that the minutes have been verified and signed and are filed in the Corporation’s minute book. Anyone wishing a copy of the minutes may contact the Corporate Secretary following the meeting.

Before moving to the first item of formal business, the election of directors to the board, I would like to take a moment to acknowledge the retirement of Bev Park from the Board of Directors last year. Bev served on the Board of Directors since 2015 and, during her tenure, she played an instrumental role in advancing the Corporation’s strategy, including her capacity as Chair of the Audit, Finance and Risk Committee. And I would like to sincerely thank her and wish her the best in her retirement and for all the contributions she has made to the Corporation.

I would also like to acknowledge the appointment of Manjit Sharma to the Board of Directors on January 1, 2023, and the nomination of Candace MacGibbon as a new member of the Board of Directors. Both Manjit and Candace possess attributes of leadership, collaboration, vision, and integrity, which will undoubtedly benefit not only the Board of Directors but the entire Corporation.

Nominations have already been proposed in the management proxy circular. The 13 individuals being proposed for nomination are: The Honourable Rona Ambrose, Al Fohrer, Laura Folse, Harry Goldgut, John Kousinioris, Candace MacGibbon, Thomas O’Flynn, Bryan Pinney, James Reid, Manjit Sharma, Sandra Sharman, Sarah Slusser, and myself, John Dielwart.

The detailed biographies of the directors standing for election to the board are included in the management proxy circular.

Those are the 13 individuals being proposed, each of whom has agreed to serve as a director if elected.

I now declare the meeting open for nominations.

Scott Jeffers, would you please nominate them as directors for the coming year?

**Scott Jeffers** — Vice President, Legal and Corporate Secretary, TransAlta Corporation

My name is Scott Jeffers. I’m a shareholder, and I nominate the following nominees for election to the board: The Honourable Rona Ambrose, John Dielwart, Alan Fohrer, Laura Folse, Harry Goldgut, John Kousinioris, Candace MacGibbon, Thomas O’Flynn, Bryan Pinney, James Reid, Manjit Sharma, Sandra Sharman, and Sarah Slusser, be elected as directors of the Corporation and to hold office until the next annual meeting of shareholders or until their successors are elected or appointed.

**John Dielwart**

Thank you, Scott. Under the Corporation majority voting policy, shareholders can vote for or against a director nominee. The majority of the total votes cast must be voted for a director nominee in order for that director to be elected to the Board of Directors. Additional details about TransAlta’s majority voting policy are contained in the management proxy circular.

Under TransAlta’s advanced notice bylaws, shareholders are required to give at least 30 days’ advance notice of their intention to nominate any other directors at the meeting.

As no notices were received under the Corporation’s advanced bylaw, I will now ask Gary Woods to move a motion that nominations are closed and ask Marcia Perry to second that motion.

**Gary Woods** — Vice President, Gas & Renewables, TransAlta Corporation

My name is Gary Woods. I’m a shareholder, and I so move.

**John Dielwart**

May I have that motion seconded?

**Marcia Perry** — Vice President, People and Talent, TransAlta Corporation

My name is Marcia Perry. I am a shareholder, and I second the motion.

**John Dielwart**

Thank you, Gary and Marcia. Scott, have we received any questions or comments in regard to the election of directors?

**Scott Jeffers**

We have not, Chair. Thank you.

**John Dielwart**

Given that there have been no comments, we will now proceed to the vote. You are able to vote for or against each of the individual director nominees. We remind you that the board is recommending voting for each of the director nominees set forth in the management proxy circular.

The next item of business is submission of our 2022 annual consolidated financial statements, together with the auditor’s report.

A copy of the 2022 annual report, which contains the annual consolidated financial statements for the fiscal year ended December 31, 2022, together with the auditor’s report, has been made available to each registered shareholder and beneficial shareholder who requested a copy. Copies are also available online under the Corporation’s profile at sedar.com and on TransAlta’s website, transalta.com.

The Board of Directors has approved these financial statements, and the secretary will now be asked to table the financial statements and the auditor’s report.

**Scott Jeffers**

Mr. Chair, the Corporation’s annual consolidated financial statements for the fiscal year ended December 31, 2022, together with the auditor’s report, are tabled.

**John Dielwart**

Thank you, Scott.

Ms. Valerie Bertram, a representative of Ernst & Young LLP, is also available to answer questions with respect to the annual financial statements of the Corporation.

Scott, have we received any questions or comments on the financial statements?

**Scott Jeffers**

We have not, Chair. Thank you.

**John Dielwart**

Thank you. The next item of business is to reappoint the auditors. As you will see in the management proxy circular, shareholders are being asked to authorize the reappointment of Ernst & Young LLP as the auditors for TransAlta for the ensuing year at such remuneration as will be fixed by the board.

I will now ask Gary Woods to move a motion that Ernst & Young LLP be reappointed auditors of the Corporation, to hold office until the close of the next annual meeting of shareholders, and Marcia Perry to second the motion.

**Gary Woods**

My name is Gary Woods. I’m a shareholder, and I so move.

**John Dielwart**

May I have that motion seconded?

**Marcia Perry**

My name is Marcia Perry. I am a shareholder, and I second the motion.

**John Dielwart**

Thank you, Gary and Marcia. Scott, have we received any comments or questions on this matter?

**Scott Jeffers**

We have not, Chair.

**John Dielwart**

Thank you. We remind you that the board is recommending voting for the reappointment of Ernst & Young LLP as the auditors for TransAlta.

The next item of business is the consideration and approval, on an advisory basis, of an ordinary resolution approving TransAlta’s approach to executive compensation, commonly known as say-on-pay.

The effect of this nonbinding advisory resolution is to give shareholders the opportunity to endorse or not endorse the Corporation’s approach to executive compensation. The full text of this nonbinding advisory resolution is set out on Page 38 of this year’s management proxy circular. To be effective, the resolution must be passed by a majority of the votes cast at this meeting.

I will now ask Gary Woods to move the resolution and accept the Corporation’s approach on executive compensation, and Marcia Perry to second the resolution.

**Gary Woods**

My name is Gary Woods. I’m a shareholder, and I move that the nonbinding advisory resolution regarding TransAlta’s approach to executive compensation be passed as a resolution of the shareholders of this corporation.

**John Dielwart**

Thank you, Gary. May I have that resolution seconded?

**Marcia Perry**

My name is Marcia Perry. I am a shareholder, and I second the resolution.

**John Dielwart**

Thank you, Marcia. Scott, have we received any questions or comments on this matter?

**Scott Jeffers**

We have not, Chair. Thank you.

**John Dielwart**

Thank you, Scott. We remind you that the board is recommending voting for the Corporation’s approach to executive compensation.

The next item of formal business is considering an ordinary resolution confirming and approving an increase in the number of common shares issuable under the Corporation’s share unit plan. Full details are provided on Pages 38 to 40 of this year’s management proxy circular. The complete text of the ordinary resolution approving the increase in the number of common shares issuable under the share unit plan is set out on Page 40 of this year’s management proxy circular.

To be effective, this resolution must be passed by a majority of the votes cast at this meeting. I will now once again ask Gary Woods to move a motion that the ordinary resolution approving the increase in the number of common shares issuable under the Corporation’s share unit plan be approved, and Marcia Perry to second that motion.

**Gary Woods**

My name is Gary Woods. I am a shareholder. And I move that the resolution with respect to the increase in the number of shares issuable under the Corporation’s share unit plan be passed as a resolution of the shareholders of this corporation.

**John Dielwart**

Thank you, Gary. May I have that motion seconded?

**Marcia Perry**

My name is Marcia Perry. I am a shareholder, and I second the motion.

**John Dielwart**

Thank you, Marcia. Scott, have we received any questions or comments on this matter?

**Scott Jeffers**

We have not, Chair. Thank you.

**John Dielwart**

Thank you, Scott. We remind you that the board is recommending voting for the increase in the shares issuable under the Corporation’s share unit plan.

That brings us to the end of the items of business for this meeting. Scott, prior to closing the polls, can you confirm whether we have received any questions or comments on any matter of business?

**Scott Jeffers**

We have not, Chair. Thank you.

**John Dielwart**

Thank you, Scott. There being no further business, the polls are now going to close. Scrutineers will now count the votes and report back to the meeting. This will just take a moment.

I have received from the scrutineers their preliminary report on the ballot. With respect to the election of directors, the scrutineers have reported, and I declare, that the following 13 nominees have each been properly elected as directors of TransAlta for the ensuing year: the Honourable Rona Ambrose, John Dielwart, Alan Fohrer, Linda (sic) [Laura] Folse, Harry Goldgut, John Kousinioris, Candace MacGibbon, Thomas O’Flynn, Bryan Pinney, James Reid, Manjit Sharma, Sandra Sharman, Sarah Slusser.

A press release and report on the voting results indicating the detailed outcome of the vote on the election of directors will also be publicly filed after this meeting on SEDAR.

I will now ask Mr. Gould of Computershare and the scrutineer for the meeting to report on the votes cast on the other motions voted on at this meeting.

**Kyle Gould** — Scrutineer, TransAlta Corporation

Thank you. The scrutineers report that the shareholders present in person or represented by proxy have voted as follows.

The scrutineers report that the shareholders present in person—for the appointment of Ernst & Young LLP as auditors of the Corporation for the ensuing year, the ballot results show approximately 91.43 percent of the votes cast for the motion and approximately 8.57 percent cast withheld the motion.

**John Dielwart**

Thank you. I declare the motion carried.

**Kyle Gould**

With respect to the approval of the advisory resolution concerning TransAlta’s approach to executive compensation, the ballots’ results show approximately 96.22 percent votes cast for the motion and approximately 3.78 percent cast against the motion.

**John Dielwart**

Thank you. I declare the motion carried. Kyle?

**Kyle Gould**

In regards to the share unit plan, I showed 98.32 percent of the votes cast for the motion and 1.68 percent cast against the motion.

**John Dielwart**

Thank you. I declare the motion carried. That concludes the formal business of the meeting.

At this time, I would like to thank the shareholders for their participation at the meeting and their support of the company, as the company continues to execute on its clean electricity growth plan.

Since there there’s no further business, I declare that the formal business of the meeting is terminated.

## Q&A

**John Dielwart**

At this time, if you have questions, we would be pleased to answer your questions. Questions may only be asked by registered shareholders and duly appointed proxy holders and should pertain to the matters of business conducted at this meeting or otherwise be of interest to all shareholders.

Questions can be asked by typing the question into the text box of your webcast. In your question, please state your name and whether you are a shareholder or proxy holder. The meeting is now open for questions.

Mr. Jeffers, do we have any questions?

**Scott Jeffers**

Chair, there are no questions.

**John Dielwart**

Thank you. If there are no questions, on behalf of the board, I would like to thank everyone for attending. Thank you very much.

**Operator**

Thank you. Ladies and gentlemen, the conference has now ended. Thank you all for participating. You may all disconnect.