

Whistleblower Policy

Introduction

TransAlta Corporation and its subsidiaries (collectively, the "**Company**" or "**TransAlta**") are committed to the highest standards of honesty and accountability, and maintaining an environment in which individuals can report complaints and concerns without fear of retaliation, discrimination or disadvantage, whether or not such reports are made confidentially and/or anonymously.

Purpose

The purpose of Policy 004 Whistleblower (the "**Policy**") is to encourage those affiliated with the Company to act responsibly and ethically, protect its interests and reputation and maintain public confidence in the Company.

The Policy is also intended to encourage TransAlta stakeholders to raise concerns and complaints with respect to any actual or suspected misconduct of the Company or its Personnel (as defined below), including any potential violation of applicable laws, accounting, internal accounting controls, auditing or financial reporting standards, as well as potential contraventions of the Company's policies including, without limitation, Policy 001 Corporate Code of Conduct (the "**Code of Conduct**").

Scope and Application

This Policy applies to the Company's Board of Directors (the "**Board**"), officers, full and part-time employees, contractors, and other stakeholders (collectively, "**Personnel**").

Personnel have an important role to play in achieving TransAlta's goals while adhering to the Code of Conduct. Personnel are likely to be the first to know when someone inside the Company or connected with the Company is acting improperly, illegally or otherwise violating the Code of Conduct. TransAlta takes all allegations of misconduct seriously. Misconduct by any Personnel reflects poorly on TransAlta's reputation, exposes the Company to legal and other risk, and does not reflect the Company's values, as entrenched in the Code of Conduct.

Financial Reporting and Internal Controls

The Company is committed to providing financial disclosure to the public and to its shareholders that is timely, full, true and plain. The Company employs internal controls to prevent and detect improper accounting activities that could affect its financial reporting.

The Board's Audit, Finance and Risk Committee (the "**AFRC**"), is responsible for ensuring TransAlta has appropriate procedures in place for the receipt, retention, and treatment of complaints and concerns relating to potential violations of applicable laws, accounting, internal accounting controls, auditing or financial reporting standards, as well as potential contraventions of the Code of Conduct. In

addition, the AFRC is responsible for ensuring that TransAlta has an adequate process for submitting these concerns confidentially and anonymously to TransAlta. The Board has also delegated to the Human Resources Committee (the "**HRC**") the responsibility of establishing procedures for the receipt, retention and treatment of, and to review, complaints relating to ethical or legal violations, except those the AFRC considers.

What to Report

Personnel are strongly encouraged to report any misconduct that they become aware of during the course of their employment or dealings with the Company including, but not limited to, the following:

1. suspected violations of the Company's policies including, without limitation, the Code of Conduct;
2. suspected violations of the law, whether civil or criminal or applicable regulatory requirements;
3. fraud or deliberate error in the preparation, evaluation, review or audit of any financial statements;
4. inadequate internal accounting controls or non-compliance with internal accounting controls;
5. any effort to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external auditor of TransAlta in connection with the preparation, examination, audit or review of any financial statements or other records of TransAlta;
6. misrepresentations or false statements to or by Personnel regarding a matter contained in the financial records, financial reports or audit reports;
7. failure to record or disclose significant information relating to the financial circumstances of the Company;
8. fraud or other questionable practices, including those related to invoicing and other purchasing matters;
9. improper transfer pricing, such as valuation of goods or services exchanged between related entities;
10. improper related party transactions in which one party receives some benefit not obtainable in an arm's-length transaction;
11. improper appropriation or diversion by any Personnel of opportunities presented to the Company;

12. embezzlement, such as misappropriation of Company funds or property, including through the falsification of financial records;
13. claims submitted for reimbursement of goods or services not actually received or provided;
14. acceptance of gifts, services or entertainment outside of the normal business environment that violate the Code of Conduct;
15. improper payments, such as illegal political contributions, bribes, kickbacks or payoffs to government officials, intermediaries, customers or suppliers;
16. breaches of occupational health and safety legislation or environmental legislation;
17. danger to health, safety or security of any Personnel or the public;
18. significant risk to the Company's assets, property or resources;
19. instances of abusive, harassing or offensive conduct in the workplace; or
20. actions that have the effect of concealing any of the foregoing.

How to Report a Concerns

The Company encourages employees and contractors to report concerns to an immediate supervisor. Where a satisfactory response is not achieved, or if the individual is uncomfortable addressing concerns with a supervisor, such individual should report the concerns to an immediate supervisor's business leader, a TransAlta Human Resources Business Partner, or a member of TransAlta's Legal or Internal Audit teams.

Stakeholders and other members of the public, as well as any employee or contractor who is uncomfortable or does not wish to provide a complaint to an immediate supervisor, TransAlta Human Resources Business Partner, or a member of TransAlta's Legal or Internal Audit teams, may submit complaints confidentially and anonymously through the Company's Ethics Helpline, available 7 days a week, 24 hours a day as follows:

Online: transalta.ethicspoint.com
Toll Free Call Centre (Canada/United States): 1 (855) 374-3801
Toll Free Call Centre (Australia): 1-800-40-5308

In doing so, the individual may also request that the complaint be forwarded to the Chairperson of the AFRC or HRC, as applicable.

If the individual does not wish to use the Company's Ethics Helpline, complaints and concerns may also be submitted in writing by mail directly to the Chairperson of the AFRC or HRC as follows:

"Private and Strictly Confidential"
Chairperson of the Audit, Finance and Risk Committee/
Human Resources Committee of TransAlta Corporation
Subject Matter "004"
TransAlta Corporation
1400, 1100 – 1st Street SE
Calgary, AB T2G 1B1

Envelopes so marked will be forwarded to the Chairperson of the AFRC or HRC, as applicable.

Nothing in this Policy prevents Personnel from making a report through an applicable securities regulator, a recognized self-regulatory organization or other law enforcement agency.

Confidentiality and Anonymity

Where a complaint is made with a request for confidential treatment, in accordance with applicable law and any rules or requirements adopted by securities regulatory authorities and any stock exchange upon which TransAlta's securities are listed, the identity of the person making the complaint and information that could reasonably be expected to reveal such person's identity will be revealed only to the following individuals (provided such complaint does not involve such individual(s)): (i) to the person to whom the complaint was made, (ii) President and Chief Executive Officer ("CEO"); (ii) to the members of the Board, AFRC and/or HRC, as applicable, (iii) to such other persons as Executive Vice President, Legal, the Chairperson of the Ethics Committee, the Chairperson of the AFRC, the Chairperson of the HRC or the Chairperson of the Board, as applicable, reasonably determines advisable to carry out an adequate evaluation or investigation of the matters described in the complaint, or (iv) as may be required by law, applicable regulatory authorities or a court of competent jurisdiction.

All complaints can be submitted anonymously if so desired and no attempts will be made by TransAlta to identify the sender. However, should you choose to make a complaint anonymously, please be advised that TransAlta be unable to adequately investigate and resolve the matters specified in your complaint if you fail to provide sufficient information regarding the allegations, including a means by which to contact you.

Receipt of Complaints

Upon receipt of a complaint, unless provided directly to the Chairperson of the AFRC or HRC, the complaint must be promptly forwarded to the Chairperson of the Ethics Committee (as defined below), on behalf of the Ethics Committee (as defined below).

The Chairperson of the Ethics Committee shall promptly forward any complaint that raises a material issue or concern to the President and Chief Executive Officer ("**CEO**") of TransAlta, provided that the complaint does not involve the CEO. If the complaint involves the CEO, the Chairperson of the Ethics Committee will provide a copy of the complaint to the Company's Executive Vice President, Legal and External Affairs, and the Chairperson of the AFRC or HRC, as applicable.

The Chairperson of the Ethics Committee shall promptly forward all complaints of potential or suspected material breaches of applicable laws, accounting, internal accounting controls, auditing or financial reporting standards, as well as potential material contraventions of the Code of Conduct to either the Chairperson of the AFRC or HRC, as applicable. The AFRC or HRC, as applicable, shall report to the Board on any such matters as it sees fit, as well as the results of any investigation undertaken in connection therewith.

To the extent appropriate, other members of the Company's senior management team will be apprised of relevant complaints and issues by the Ethics Committee and/or the Chairperson of the AFRC or HRC, as applicable, unless the complaint or issue involves a member of the senior management team and the complaint or issue could give rise to a potential conflict of interest. In such a case, the relevant member of the senior management team will not be apprised of the applicable complaint or issue or the details of any related investigation.

Reporting of Complaints

The Chairperson of the Ethics Committee will provide a quarterly report of any complaints of potential or suspected material breaches of applicable laws, accounting, internal accounting controls, auditing or financial reporting standards, as well as potential material contraventions of the Code of Conduct in the preceding quarter to the AFRC or HRC, as applicable. A copy of this report will also be provided to the Company's internal auditors.

At each AFRC or HRC meeting, as applicable, the respective committee will review and consider the details contained in the quarterly report and take any action that it deems appropriate.

Investigation of Complaints

i) Ethics Investigation Committee

To respond to complaints, TransAlta has established an Ethics Investigations Committee (the "**Ethics Committee**"), which is committed to receiving, screening and overseeing the investigation of complaints submitted pursuant to this Policy.

The Ethics Committee is comprised of representatives from the following business units:

- Legal Department;
- Human Resources; and

- Subject Matter Experts ("**SME**") as required.

The Ethics Committee will meet quarterly, and more frequently if required to respond to complaints. The Chairperson of the Ethics Committee will be appointed by the Executive Vice President, Legal and External Affairs (the "**Chairperson of the Ethics Committee**"). The Ethics Committee will adopt such internal processes as may be reasonably necessary to carry out the provisions of this Policy.

ii) Roles and Responsibilities

The Ethics Committee is responsible for ensuring that investigations of complaints submitted pursuant to this Policy are conducted properly.

Business unit leaders and managers, at the request of the Ethics Committee, must support the conduct of any investigation on a confidential basis.

All Personnel must comply with this Policy, including but not limited to the following:

- cooperating with any investigation and sharing all available information;
- being open and honest about concerns and incidents that they may have witnessed; and
- to the extent they are involved in an investigation, maintaining confidentiality during and subsequent to the investigation's completion.

iii) Investigation Procedure

Subject to the other provisions of this Policy, the procedures set out below apply to all complaints received by the Ethics Committee.

1. All complaints will be kept in confidence, subject to the terms of this Policy and applicable law. Information will only be shared to the extent necessary to completely and fairly investigate and resolve a complaint.
2. The individual making a complaint may elect to remain anonymous. An individual making an anonymous complaint may be advised that maintaining anonymity could hinder an effective investigation. Regardless of the situation, and to the extent permitted by applicable law, the anonymity of the person making the complaint shall not be divulged without the direct consent of that person.
3. The individual making a complaint must provide enough detail for the complaint to be evaluated, including names, dates, location, description of events that took place, and description of why the incident(s) may constitute misconduct subject to this Policy.

4. If the individual making a complaint would like to receive feedback, the individual will be provided with a reference number and internet address where they may check the status of their complaint.
5. The Ethics Committee will conduct an initial assessment to determine the nature, scope, and materiality of the complaint.
6. After completing its initial assessment, the Ethics Committee may refer a complaint to any appropriate Company business unit (*i.e.*, Human Resources) to consider, assess and respond to the complaint.
7. For complaints concerning material breaches of securities laws, accounting, internal accounting controls, auditing or financial reporting standards, the Ethics Committee will promptly notify the AFRC and thereafter assess, evaluate and investigate the complaint at the direction of the AFRC. The Company is firmly committed to compliance with all applicable securities laws, accounting standards and controls, and audit practices.
8. For all other complaints, the Ethics Committee will assess, evaluate and investigate the complaint in accordance with this Policy.
9. If the Ethics Committee deems it appropriate, the Ethics Committee may engage independent external advisors, at the expense of the business unit to which the complaint relates or as directed by the CEO, to examine or seek to resolve any complaint. Such advisors may include external legal counsel, investigators, or auditors (who are not affiliated with the Company's external auditor) for the purpose of undertaking any investigation and/or recommending appropriate action.
10. Following investigation and evaluation of a complaint, the Ethics Committee shall prepare a draft report (in a format deemed appropriate by the Ethics Committee) and include recommended disciplinary or remedial action, if any. The final report will be brought to the appropriate members of senior management for implementation.
11. The Chairperson of the Ethics Committee, in conjunction with the Executive Officer of the Company's business unit to which the complaint relates, may, subject to this Policy, jointly present the draft report to the CEO and/or the Executive Vice President, Legal and External Affairs, as applicable.
12. Upon approval by the CEO and/or the Executive Vice President, Legal and External Affairs, as applicable, the draft report will be finalized and any recommendations will be brought to the appropriate members of senior management for implementation.

Retaliation, Discrimination and Harassment

Neither the Company nor any officer, director or employee of the Company will take any reprisal or retaliation measures, including to end the employment of, demote, discipline, suspend or impose a penalty related to the employment of any employee

of the Company or intimidate or coerce any employee of the Company in relation to their employment (or threaten to do any of the foregoing) based upon any lawful action taken by or on behalf of that employee (i) with respect to the good faith reporting of complaints or concerns under these procedures, seeking advice with respect to such reporting, or indicating a good faith intent to make such a report, (ii) in co-operating with or participating in an internal investigation of a report pursuant to these procedures, (iii) in providing information, causing information to be provided, or otherwise assisting in an investigation regarding any conduct which the employee reasonably believes constitutes criminal conduct or a violation of applicable laws, where the information or assistance is provided to or the investigation is conducted by a regulatory, legislative or law enforcement authority, or (iv) in filing, causing to be filed, testifying, participating in, or otherwise assisting in a proceeding filed or about to be filed relating to alleged criminal conduct or an alleged violation of applicable laws. Disciplinary action, up to and including termination of employment or contract for cause/a serious reason, will be taken against anyone who retaliates (or encourages others to do so), directly or indirectly, against any Personnel who reports misconduct.

Any such attempt should be reported immediately to a TransAlta supervisor, Human Resources Business Partner, through the Ethics Helpline or to the Chairperson of the AFRC or HRC, as applicable.

False, Malicious and Bad Faith Complaints

Persons filing a report under this Policy should be acting in good faith. Acting in “good faith” means that, to your knowledge, you are making an honest and substantively complete report, and/ or participating honestly in an investigation.

The sensitive nature of corporate and professional reputation demands that the Company view very seriously any complaint that, in a material respect and at the time and in the light of the circumstances under which it was made, is misleading or untrue or does not state a fact that is required to be stated or that is necessary to make the statement not misleading. The Company regards the making of such complaints as a serious offence that may result in disciplinary action, up to and including dismissal for cause/a serious reason.

Retention of Reports

The AFRC or HRC, as applicable, will retain as part of its records any submissions under this Policy (including any reprisals as required by applicable law), tracking their receipt, investigation and resolution, for a period of at least six years.

Policy Exceptions

Exceptions to this Policy can only be given through the written authorization of the CEO (unless the matter concerns the CEO), or the Chairperson of the AFRC or HRC, as applicable.

Policy Enforcement

The Code of Conduct and other policies governing Personnel conduct have an important role in defining the culture of the Company. Any violation of this Policy may result in disciplinary action, up to and including termination of employment or contract for cause/a serious reason. It is the responsibility of all Personnel to understand and abide by the contents of this Policy or seek clarification where required.

Policy Review and Update

A review of this Policy shall be conducted annually by the Ethics Committee to ensure that this Policy and associated procedure remain current and applicable in light of the environment in which TransAlta operates.

Effective Date

This Code is effective from May 23, 2017, and was last reviewed by the Governance, Safety and Sustainability Committee and the Board on April 23, 2025.