



WHISTLEBLOWER POLICY AND PROCEDURE

TITLE: Whistleblower Policy	AFFECTED DEPARTMENTS: ALL
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Introduction

The purpose of this document is to supplement the Algoma Steel Inc. (Algoma; the Company) Code of Business Conduct and Fraud Policy to provide more detail regarding the process and procedure for “Whistleblower Events”. A “whistleblower”, under this policy, is an employee or director of Algoma, who reports misconduct to people or entities that are authorized to investigate and can take corrective action.¹

It is the policy of Algoma to comply and oblige its employees to comply with all applicable legal and regulatory requirements relating to corporate reporting and disclosure, accounting and auditing controls and procedures, securities compliance and other matters pertaining to fraud against stakeholders (“covered matters”). Every employee of Algoma has the responsibility to assist the Company in meeting these legal and regulatory requirements.

Algoma's internal operating controls, corporate reporting and disclosure procedures are intended to prevent, deter and remedy any violations of the applicable laws and regulations related to covered matters. Even the best systems of controls and procedures, however, cannot provide absolute safeguards against such violations. The Company has the responsibility to investigate and report to appropriate agencies, as required, any violations of applicable legal and regulatory requirements relating to covered matters, and the actions taken by the Company to remedy such violations.

This policy governs the process through which employees and others, acting on behalf of the Company, either directly or anonymously can notify representatives of the Company of potential violations or concerns. In addition, this policy establishes a mechanism for responding to, and keeping records of, any complaints from employees and others regarding such potential violations or concerns.

¹While the Whistleblower Policy specifically relates to all employees of Algoma Steel Inc, other parties (including but not limited to former employees, vendors, customers and any party that becomes aware of a whistleblower event) are encouraged to report concerns as defined in the Whistleblower Policy

Reporting Alleged Violations or Concerns

Employees, consultants and directors are required to submit and other external parties are requested to submit, all good faith concerns or complaints with respect to the accuracy and integrity of the Company's accounting or auditing matters or any behaviours that may constitute a breach of the Algoma's Code of Business Conduct. Good faith concerns related to questionable, incorrect, misleading, fraudulent or unethical behaviours must be reported. Those reporting alleged violations or concerns should have a reasonable belief that the information provided is substantially accurate. These behaviours may include but are not limited to:

- forgery or alteration of documents
- unauthorized alteration or manipulation of computer files
- fraudulent financial reporting
- pursuit of a benefit or advantage in violation of Algoma's Code of Business Conduct or Fraud Policy
- misappropriation or misuse of Algoma's resources, such as funds, supplies, or other assets
- authorizing or receiving compensation for goods not received or services not performed
- authorizing or receiving compensation for hours not worked

In "good faith" means a report which is made honestly, whether or not the person has all the facts or is certain a breach has occurred; a report which is knowingly false would not be in good faith. It will remain, that an employee or external party against whom a report or complaint has been made will be entitled to due process.

Concerns may be reported to one or a number of individuals including:

- a) The employee's Supervisor or Manager
- c) A Human Resource Representative
- d) Manager of Internal Audit
- e) General Counsel

The complaint may be submitted anonymously by mail or may be delivered confidentially, in person, by internal mail, by regular mail, or by electronic mail. If the complaint is written and sent via the mail, the employee should mark the envelope as "confidential and private". All complaint submissions will be treated as "confidential", but in the event that the complainant is identified, there is no guarantee that anonymity can be maintained.

Alternatively, Algoma has retained CanaGlobe Compliance Solutions, an independent service provider, to receive all Whistleblower reports via the internet, telephone or fax. Submission by internet to CanaGlobe.

Go to reporting.canaglobecompliance.com

Select "Report an incident" and the page will redirect you to select the context of your report

The Login ID: algo21ON

All submissions sent via CanaGlobe will receive a Tracking Number so that the Complainant may later be advised of the status of a complaint (even if submitted anonymously)

Submission by telephone or facsimile

Toll Free in Canada and the United States:

1-888-650-7768

When using the telephone service, you will be instructed to leave a voice message with the details of your complaint. The toll free number does not subscribe to call display.

The complaint should be in writing to assure a clear understanding of the issues presented, but may be oral. In either case, the complaint should be factual rather than speculative or conclusory, and should contain as much specific information as possible to allow for proper assessment (i.e. dates, times, places, names). The complaint describing the alleged violation or concern should be candid and set forth all the information that the complainant knows regarding the allegation or concern. In addition, all complaints must contain sufficient corroborating information to support the commencement of an investigation. In order to facilitate fact finding, the complainant may include a contact number or address in their correspondence. The Company may, in its reasonable discretion, determine not to commence an investigation if the complaint contains only unspecified or broad allegations of wrongdoing without appropriate informational support.

Algoma is not required to provide facilities for non-employees to anonymously submit allegations of wrongdoing in the areas noted above. However, the Company is required to receive, retain and treat submissions of alleged wrongdoing from whatever source they originate in a similar manner. Therefore, Algoma encourages all parties submitting such allegations to do so through the methods outlined above, to ensure that retention and treatment of such complaints are performed appropriately.

Employees that receive complaints (including Managers or Supervisors) are required to report suspected fraudulent or dishonest conduct to the General Counsel or the Manager of Internal Audit. In addition, Managers or Supervisors are responsible for maintaining a system of management controls, which detect and deter fraudulent or dishonest conduct. Failure by a Manager or Supervisor to establish management controls or report misconduct within the scope of this policy may result in adverse personnel action against the Manager or Supervisor, up to and including dismissal. The General Counsel and Manager of Internal Audit are available to assist management in establishing management systems and recognizing improper conduct.

When receiving a complaint, reasonable care should be taken in dealing with suspected misconduct to avoid:

- baseless allegations
- premature notice to persons alleged to have engaged in misconduct and/or to others not involved with the investigation
- violations of a person's rights under law

Accordingly, a Manager, Supervisor or Human Resource Representative receiving or being informed of an alleged misconduct:

- should not contact the person alleged to have engaged in misconduct, or the person's supervisor and/or manager, to further investigate the matter or demand restitution;
- should not discuss the case with anyone other than the CEO, the General Counsel or the Manager of Internal Audit;
- should direct all inquiries from any lawyer retained by the person alleged to have engaged in misconduct to our General Counsel;
- should direct all inquiries from the media to Algoma's Manager of Corporate Communications, or in the event that he/she cannot be contacted, to our General Counsel.

Employees who receive, or otherwise become aware of, complaints with regard to covered matters from external parties, whether through the mail, from conversations with the parties, or otherwise, should forward the mail, or a memo containing a synopsis for the conversation or other method of complaint, to the General Counsel or the Manager of Internal Audit. The employee who received or otherwise became aware of the complaint should retain a copy of the correspondence, also, in a secure location.

Investigation of Complaints & Corrective Action

The Manager of Internal Audit shall notify the sender and acknowledge the receipt of the reported violations or suspected violations within 5 business days. The protocol for the investigation of complaints is outlined in Algoma's Fraud Investigation and Prevention Policy and Procedure. All findings arising out of the whistleblower events will be communicated to the Audit Committee of the Board of Directors.

Reprisal for Submitting Complaints, Providing Information or Participating in an Investigation

All allegations made by whistleblowers must be made in "good faith" (as described earlier in this policy). Algoma reserves the right to discipline employees, who make allegations without reasonable, good faith belief in the truth and accuracy of the information or if they knowingly provide false information or make false accusations.

Algoma will use best efforts to protect whistleblowers against reprisal, as described below. Algoma cannot guarantee confidentiality, however, and there is no such thing as an "unofficial" or "off the record" report. Algoma will keep the whistleblower's identity confidential, unless (1) the person agrees to be identified; (2) identification is necessary to allow Algoma or law enforcement officials to investigate or respond effectively to the report; (3) identification is required by law; or (4) the person accused of Fraud Policy or Code of Business Conduct violations is entitled to the information as a matter of legal right or due process in disciplinary or other legal proceedings. In the event that the whistleblower's identity must be disclosed, reasonable attempts will be made to advise the whistleblower prior to the information release. It is Algoma's intent to ensure that the

whistleblower has an opportunity to present objections or concerns related to the disclosure of their identity.

Algoma employees may not retaliate against a whistleblower with the intent or effect of adversely affecting the terms or conditions of employment (including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or wages). Whistleblowers who believe that they have been retaliated against may file a written complaint with the General Counsel or the Manager of Internal Audit. A proven complaint of retaliation shall be addressed and may result in disciplinary actions against the retaliating individual(s) up to and including dismissal. This protection from reprisal is not intended to prohibit Managers or Supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

Retention of Complaints and Documents

All complaints submitted by an employee regarding an alleged violation or concern will remain confidential to the extent possible. For a period of six years, the Corporate Secretary will maintain for the Audit Committee:

- a) A log of all reports and complaints,
- b) Related written statements and
- c) Work papers supporting the results of any investigations relating thereto

It is a violation of the Company's policy to destroy any corporate audit records that could be subject to or related to an investigation by the Company or other government or legal agency.

Compliance with this Policy

All employees must follow the procedures outlined herein and cooperate with any investigation initiated pursuant to this policy. The Company must have the opportunity to investigate and if necessary, remedy any alleged violations, and each employee must ensure that the Company has an opportunity to undertake such an investigation.