

	Social and Relationship	Results	Comments
<b>11. Support youth education with community investment</b>	Approximately \$0.75 million of community investment spending will be directed to supporting youth education	Achieved	Some of our partnerships included the University of Calgary, Southern and Northern Alberta Institute of Technology, Mount Royal University, Banff Centre for Arts and Creativity (Indigenous leadership scholarships), Mother Earth Children's Charter School (Indigenous kindergarten to grade 9), Calgary Stampede (The Young Canadians - ages 7 to 18), national Canada and US Indigenous scholarships (post-secondary for trades and academic) and the Alberta Council for Environmental Education
<b>12. Increase internal best practice Aboriginal engagement awareness</b>	Develop an engagement and consultation best practices document for project planning and development as a guide for employees to work with Indigenous communities and stakeholders	Achieved	An Indigenous Awareness presentation was developed, which includes historical facts and basic concepts around consultation and engagement, which will be shared with all employees. The same presentation will be used at the Schulich School of Engineering at the University of Calgary in 2018 for one of their ethics courses
	Comprehensive	Results	Comments
<b>13. Transition from coal to gas-fired and renewable generation</b>	Continue negotiations with the Government of Alberta, using a principles-based approach, to ensure we have regulation certainty and the capacity needed to invest in clean power	Achieved	We signed a Memorandum of Understanding with the Alberta Government in 2016 to advance coal to gas conversions, expand credits for existing renewable energy facilities and level the playing field for incumbents from a capacity market. We also signed an OCA with the Alberta Government totaling \$524 million of compensation to the Corporation

## 2018 Sustainable Development Targets

Our 2018 and longer-term sustainability targets support the long-term success of our business. Targets are set in line with business unit goals to manage key areas of concern for stakeholders and ultimately improve our environmental and social performance in these areas. We continue to evolve and adapt targets to focus on anticipated key areas of materiality to stakeholders. Targets are outlined below:

	Human and Intellectual	Annual Performance Status
<b>1. Reduce safety incidents</b>	Achieve an Injury Frequency Rate below 0.53	20 per cent improvement over 2017 performance (0.75)
	Achieve a Total Incident Frequency rate below 2.83	New target
<b>2. Manage employee turnover</b>	Maintain voluntary turnover percentage under eight per cent	Consistent with 2017 target, we seek to maintain voluntary turnover under 8 per cent as this is considered a healthy amount of turnover
<b>3. Support employee development</b>	Advance our Elevate leadership training, completing training for 75 professionals or subject matter experts	Builds upon 2017 target and our continued focus on employee development

	Natural	Annual Performance Status
<b>4. Minimize fleet-wide environmental incidents</b>	Keep recorded incidents (including spills and air infractions) below 9	20 per cent improvement over 2017 target
<b>5. Increase mine reclaimed acreage</b>	Replace annual topsoil at Highvale mine at a rate of 70 acres/year	Below 2017 target (74 acres)
<b>6. Reduce air emissions</b>	95 per cent reduction from 2005 levels of TransAlta coal facility NO <sub>x</sub> and SO <sub>2</sub> emissions by 2030	Consistent with 2017 (long-term target)
<b>7. Reduce GHG emissions</b>	Our goal, in line with a commitment to the UN Sustainable Development Goals (SDGs), is to reduce our total GHG emissions in 2021 to 30 per cent below 2015 levels (Our GHG and clean power targets assume reasonably anticipated growth and operating scenarios)	Consistent with 2017 (long-term target)
	Our goal, in line with a commitment to the UN SDGs and prevention of two degrees Celsius of global warming, is to reduce our total GHG emissions in 2030 to 60 per cent below 2015 levels (Our GHG and clean power targets assume reasonably anticipated growth and operating scenarios)	
	Social and Relationship	Annual Performance Status
<b>8. Support quality education for youth</b>	Support equal access to all levels of education for youth and Indigenous peoples	New target
Our education goal and targets support UN SDG Goal 4: <i>Quality Education related to ensuring "inclusive and equitable quality education" and related to "eliminating gender disparities in education"</i>	Approximately \$0.75 million of community investment spending will be directed to supporting youth education	Consistent with 2017 target
<b>9. Increase internal best practice Aboriginal engagement awareness</b>	Develop sustainability and indigenous engagement materials for Integration within our developmental leadership programs at TransAlta	New target
	Comprehensive	Annual Performance Status
<b>10. TransAlta will be a leading clean power company by 2030</b>	By 2022, we will convert six coal plant units from coal-fired generation to gas-fired generation	New target
Our clean power goal and targets support the UN SDG Goal 7: <i>Affordable and Clean Energy related to ensuring "access to affordable, reliable, sustainable and modern energy"</i>	By 2025, 100 per cent of our owned asset company-wide net generation capacity will be from gas and renewables	New target
	We will continue to seek new opportunities to grow our portfolio of 2,265 MW wind, hydro and solar assets	New target
	Continue to explore viability of Brazeau 900 MW pumped hydro expansion – doubling our hydro capacity in Alberta	New target