

Board and Workforce Diversity

TransAlta has historically and remains today committed to diversity as is exhibited both by the number of women on its Board and in executive positions. As well, the Corporation is committed to the hiring of ethnically diverse employees throughout the organization. TransAlta believes that diversity enhances both the quality and effectiveness of our performance and is an essential element to effective corporate governance. In our view, diversity provides varied insights and perspectives which we believe will produce stronger results across a number of key performance indicators and a strong workplace culture.

We also believe that consideration and selection of candidates should be based on merit, including a review of any candidate's experience and educational background, with the best-suited candidate being selected for the opportunity. To ensure candidates with competitive skills and diverse backgrounds can secure positions at the executive levels of the Corporation, we believe that the Corporation must ensure that critical positions in the central business operations of the Corporations are open to candidates with diverse backgrounds. We believe that our succession planning processes ensure that candidates with diverse backgrounds can build the background they need to achieve the promotions required to lead key elements of the Corporation's business strategy.

In support of our commitment to diversity, our Board and Management will, when considering the merits of a candidate, also consider the diversity needs of the Corporation having regard to gender, ethnicity, age, sexual orientation, personal abilities, stakeholder perspectives, geographic location and other factors which may enhance our ability to deliver sustainable value to our shareholders.

We believe that our commitment to diversity will enhance our insight, oversight and foresight thereby benefiting both the Corporation and all our stakeholders.