



**POSITION DESCRIPTION  
PRESIDENT & CHIEF EXECUTIVE OFFICER**

**Overview**

The President & Chief Executive Officer (the “CEO”) is appointed by and reports to the Board of Directors (the “Board”) of TransAlta Corporation (“TransAlta”), which has responsibility for the overall stewardship of TransAlta. The CEO’s primary responsibilities include:

1. Providing strategic leadership to the Corporation and developing, with approval of the Board, TransAlta’s strategic direction and strategic plan.
2. Managing the business of TransAlta, including the development of business and financial plans, policies and operations, to create long-term sustainable shareholder value in a way that is consistent with the interest of shareholders, customers, employees and other stakeholders.
3. Timely execution of the decisions of the Board.
4. Ensuring that the culture of TransAlta enables it to respond to its changing environment and that TransAlta has the capacity and competence to capitalize on opportunities to enhance value for TransAlta and its stakeholders.
5. Identifying and communicating material risks and risk mitigation plans and procedures to the Board and ensuring that TransAlta follows the risk mitigation plans and procedure.
6. Communicating with and representing TransAlta to its major stakeholders.
7. Acting as the principal spokesperson for TransAlta.

**Key Leadership Responsibilities**

The CEO has the following key leadership responsibilities:

**1. Strategic Leadership**

- Develop, for the Board's approval, the strategic plan of TransAlta and the business and operational plans to deliver on the approved strategy
- Manage the overall business in a profitable, sustainable and ethical manner to create long-term shareholder value.
- Report regularly to the Board on TransAlta’s progress towards its strategic goals and material deviations from the strategic goals.
- Keep the Board informed on all significant operational, financial and other matters relevant to TransAlta, including legal, regulatory and governmental policy developments.

**2. Financial Leadership**

- Develop annual business plans, as well as annual capital commitment and expenditure budgets, which support the strategic plan of the Corporation.

- Obtain approval from the Board for new investments in assets and divestitures as required under the Corporation's general authorities and guidelines.
- Recommend financial objectives and policies, including the dividend policy, to the Board for approval.
- Ensure that effective controls are in place and take appropriate steps to ensure the integrity of the internal controls and management information systems.
- Ensure the accuracy, completeness, integrity and appropriate disclosure of TransAlta's financial statements and other financial information.
- Provide regular updates to the Board on financial performance of the Corporation relative to both budget and plan.

### **3. Risk Management and Compliance Leadership**

- Identify the principal risks of TransAlta's business and develop, implement and maintain a comprehensive risk management system that manages these risks.
- Ensure that the business risks undertaken by TransAlta are within the guidelines established by the Board.
- Ensure appropriate and timely disclosure of information required to be disclosed by securities laws.
- Certify on behalf of TransAlta the accuracy of its financial disclosure.
- Ensure that a robust compliance system is in place to address the regulatory requirements of the Corporation's operating and trading businesses within the markets in which it operates.

### **4. Ethical and Legal Leadership**

- Create a tone at the top and a pervasive culture of ethical and responsible decision making throughout TransAlta, based on the principles, values and policies approved by the Board, and as set out more specifically in TransAlta's Code of Conduct ("Code") and to personally uphold the Code.
- Ensure the safe and efficient operation of TransAlta in compliance with TransAlta's environmental, health and safety policies and practices.
- Ensure that the operation and activities of TransAlta are conducted in accordance with laws, regulations and industry standards.

### **5. People Leadership**

- Develop and maintain an effective organizational design for TransAlta by delegating to the entire organization the functions and responsibilities required to run the operations business and growth of the Corporation while retaining oversight and ultimate responsibility for the discharge of these functions.
- Review the performance of the senior executive team and make recommendations to the Human Resources Committee and the Board regarding the compensation of such officers.
- Be accountable for leadership development and succession planning across TransAlta, including executive succession, and report to the Board on potential CEO successors.

- Foster a culture of trust and respect to promote the Corporation's commitment to transparency, fairness and accountability in its dealings within the Corporation and with other stakeholders.
- Ensure that policies which support human rights and respect the values of the Corporation are adopted, followed and promoted within the organization.

## **6. Public Leadership**

- Act as the principle spokesperson for TransAlta and provide effective leadership for the development and maintenance of relationships with shareholders and other stakeholders, including governments, regulators, customers, employees, the financial community and the public to foster relations which recognize the values and contributions of TransAlta in the communities it serves.
- Require all operations to be conducted in compliance with TransAlta's values and policies.
- Be a community leader and provide direction to the Management team in order for TransAlta to contribute positively to the well-being of the communities in which it operates.

## **7. Relationship with the Board**

- Collaborate with the Chair of the Board to prepare agendas for Board meetings.
- The CEO is not an independent director and is not a member of Board Committees, but attends Committee meetings, other than in camera sessions.

### **Non-Exhaustive List**

The foregoing list of duties is not exhaustive. The CEO also performs functions required by legislation, stock exchange requirements and other laws and undertakes any other functions delegated by the Board as may be appropriate from time to time in the circumstances.