

## PREVENTION OF SEXUAL HARASSMENT IN THE WORKPLACE POLICY STATEMENT

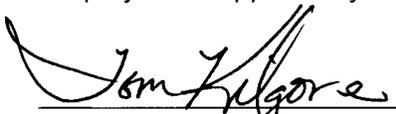
Sexual harassment is a form of discrimination that is prohibited by both federal law and TVA policy. Accordingly, all managers and employees shall avoid any action or conduct which could be viewed as sexual harassment and shall also take steps to prevent this offensive, unaccepted behavior from occurring in the workplace.

The United States Equal Employment Opportunity Commission (EEOC) has established that sexual harassment includes unwelcome sexual advances and requests for sexual favors. Other verbal or physical conduct of a sexual nature is considered sexual harassment when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment.
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals.
- Such conduct has the effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Cases of alleged sexual harassment are investigated by TVA's Director of Equal Opportunity Compliance as claims of discrimination or by the agency's Inspector General as violations of conduct regulations. When harassment is found, disciplinary actions up to and including termination will be taken as circumstances warrant. Conversely, employees who deliberately make false allegations of sexual harassment violate TVA's conduct regulations and are also subject to disciplinary action.

An employee who believes he or she is being harassed on the basis of sex should report the problem to his or her supervisor, human resource representative, an Equal Employment Opportunity counselor, or the Inspector General.



Tom Kilgore, President and  
Chief Executive Officer

4/30/09

Date

## TVA POLICY STATEMENT ON DIVERSITY

Managing diversity is a critical component in our ability to be competitive and must extend beyond the traditionally targeted groups, making it inclusive of all employees, regardless of race, color, national origin, ethnicity, gender, abilities/disabilities, religion, age, personality, or other differences. In support of this commitment, we have identified “respect” as one of our corporate values. Specifically, we value everyone—and everyone’s work; we treat each other with consideration and dignity; and we give people the benefit of the doubt. We understand that managing and utilizing diversity are keys to business success.

Managing diversity is a comprehensive managerial process for developing an environment that works for all employees. It is an ongoing process that is “inclusive” in its approach—designed to address the needs of every employee. Successfully managing diversity is measured by our accomplishments in two fundamental areas:

- We must develop and maintain a workforce that is representative (at all levels) of the Tennessee Valley population, ensuring that TVA maintains the advances that have been made in equal employment opportunities while continuing to be aggressive in reaching these goals.
- We must create a working environment where each employee is enabled to contribute their individual talents to the successful achievement of TVA’s business objectives. This environment must be built around the values of integrity, respect, accountability, teamwork, continuous improvement, honest communication, and flexibility.

Achieving this goal is the responsibility of every manager and employee in the Agency. Each individual is expected to model the appropriate behavior, and measures will be developed to ensure that this goal is achieved.

  
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Tom Kilgore, President and  
Chief Executive Officer

4/30/09  
Date

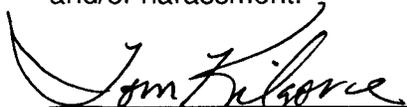
## **EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE EMPLOYMENT POLICY STATEMENT**

It is the policy of the Tennessee Valley Authority (TVA) to provide equal opportunities in employment for all persons. TVA promotes the full utilization of all employees through equal opportunity employment programs for minorities, women, persons with disabilities, and disabled veterans to eradicate prohibited discrimination. TVA policy also prohibits discrimination against any person on the basis of race, color, religion, sex, sexual orientation, national origin, age (40 years of age or older), disability, or genetic information.

This statement reaffirms our commitment to the following major equal employment opportunity program objectives:

- Continue efforts to eradicate every form of prejudice and prohibited discrimination from human resources policies and practices, working conditions, and disciplinary actions.
- Utilize to the fullest extent the present skills of employees by all means, including the redesign of jobs, where feasible.
- Provide maximum opportunity for employees to enhance their skills through on-the-job training, work study, and other training programs so they may perform at their highest potential and advance in accordance with their abilities.
- Provide counseling and resolution alternative for employees and applicants who believe they have been subjected to prohibited discrimination.
- Provide for the prompt and just disposition of discrimination complaints.
- Provide sufficient qualified resources and personnel to administer the equal employment opportunity program in a positive and effective manner.
- Enhance employment opportunities for disabled veterans and persons with disabilities by providing reasonable accommodation and removing architectural barriers.
- Review, evaluate, and control managerial and supervisory performance to ensure that equal employment policies and programs are supported and administered fairly.

All TVA employees, managers, and supervisors are responsible and will be held accountable for achieving TVA equal employment opportunity program objectives and for fulfilling its equal employment opportunity program requirements. Furthermore, this responsibility includes the maintenance of a work environment free of discrimination and/or harassment.

  
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Tom Kilgore, President and  
Chief Executive Officer

4/30/09  
Date