



2022

CODE OF ETHICS & BUSINESS CONDUCT

Effective Date: March 1, 2022

Our world and our industry are undergoing dramatic change that will continue into 2022 and beyond.

We live in uncertain times. The lasting effects of the pandemic, the impacts of climate change and the transformation of our energy system can introduce uncertainty into our future plans and objectives. At the same time, these changes can also provide opportunities for our Companies to innovate and lead our communities to a bright future.

To help steady our footing on the path ahead, we'll need to rely on our corporate values. This includes always "doing the right thing" – a value which serves as our ethical North Star by guiding our workplace behavior and actions.

To help realize this value, the UNS Energy Code of Ethics and Business Conduct is designed to ensure we undertake our day-to-day work activities with the utmost integrity, honesty and fairness. The Code tells an important story about our Companies. It demonstrates what we care about, our expectations of one another and how we reinforce what we believe. The Code and concepts it embodies can be applied to every aspect of our work, including in our daily interactions with coworkers, customers and other stakeholders. In so doing, the Code helps to animate our values, pulling them off the page and into our everyday lives.

Please take a moment to read the Code and understand its contents. If you have questions, ask. If you have feedback, share it. If you see or suspect behavior that is inconsistent with our values or our policies, speak up.

The Code becomes a living document when we thoughtfully practice ethical behavior every day. When we live our values, and lead with them, they become the cornerstone of our success, shaping a safe and respectful workplace in service to our customers and our communities.

Thank you for following our Code and, in so doing, giving life to our values.



**A MESSAGE FROM THE
PRESIDENT & CEO**

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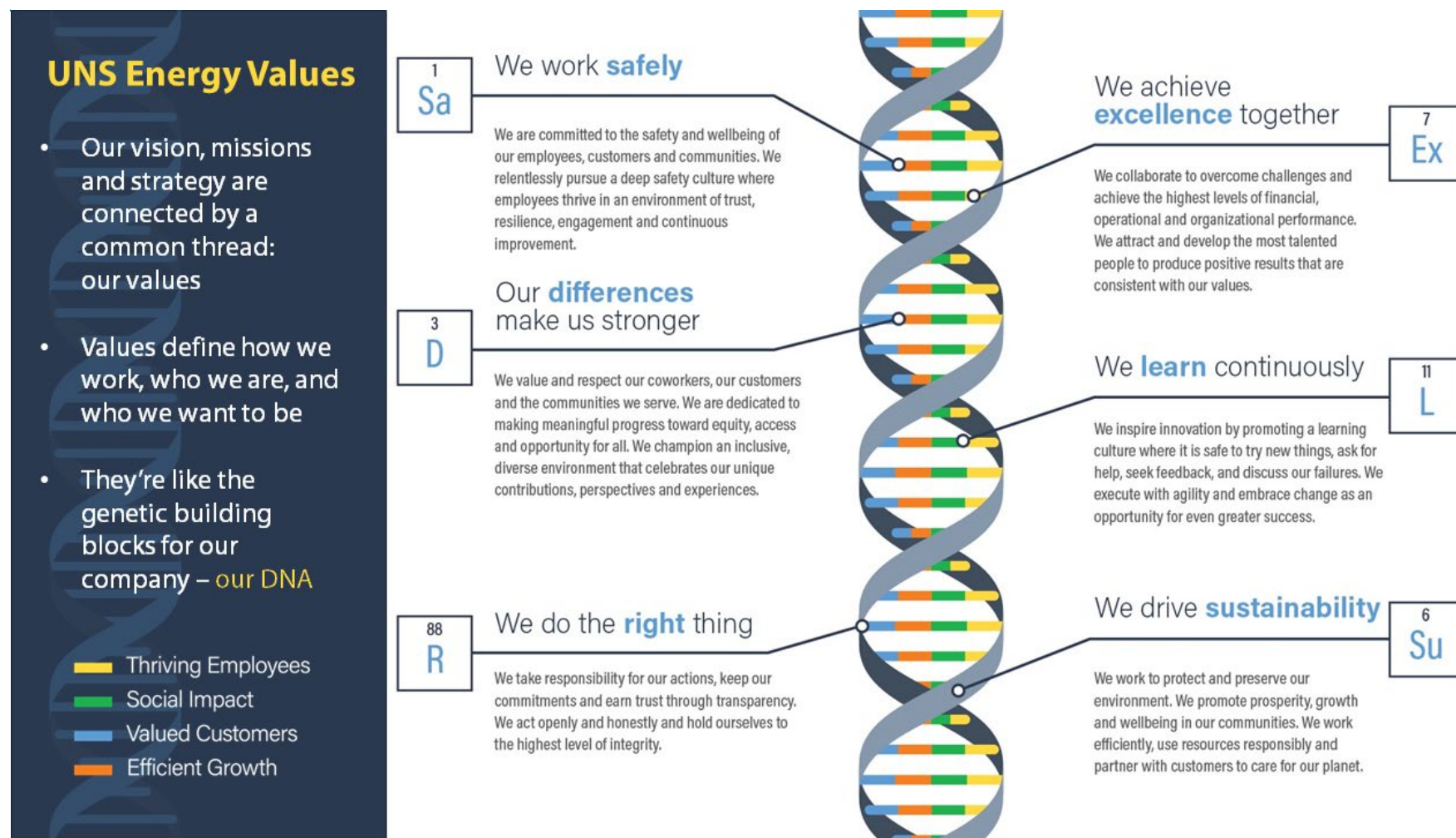
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(Please note that the questions on the following pages are for example purposes only and were not actually asked by the pictured employees.)



Our Vision and Values

At UNS Energy and its subsidiary companies (collectively, the Company), our overarching vision is **to be an exceptional energy provider that positively impacts the lives of our employees, customers and communities**. When conducting our business in pursuit of these important aspirations, our Company is committed to maintaining the **highest ethical standards**. As such, in carrying out our job duties, we each must have a personal commitment to act ethically, responsibly and in alignment with our core Company values illustrated below:



Company Compliance Program

Overview

One of our Company's fundamental objectives is to foster and maintain an organization-wide culture of compliance. To help attain this important goal, the Company has developed a corporate compliance and ethics program (Compliance Program) that applies to UNS Energy and all of its subsidiary companies. At its core, the Compliance Program is intended to promote a culture that encourages ethical conduct and a commitment to compliance with the law and Company policy and facilitate our exercise of due diligence to prevent and detect criminal conduct and non-compliance.

Our Compliance Program is founded on the laws applicable to the Company, the standards and principles reflected in this Code of Ethics and Business Conduct (Code) and various related Company policies and procedures. A critical component of the Compliance Program is the requirement that members of the UNS Energy Board of Directors (Board) and our officers and employees always comply with the law, the Code and our Company policies and procedures. For simplicity, officers and employees are collectively referred to in the Code as "employees."

Todd Hixon, our Chief Compliance Officer, manages the Compliance Program with the assistance of the Corporate Compliance Committee, Corporate Compliance Program Manager, and other members of the Compliance and Ethics Department.

Purpose of the Code

The Code is a set of guidelines that provides resources and guidance to help us act ethically and comply with our legal obligations. Because we are required to follow the Code in carrying out our work duties, it is critical that you are familiar with the Code and understand how it relates to the work you do for the Company.





The Code supplements our Company policies and procedures, which the Board and employees are also expected to understand and follow. To that end, you should also review and be familiar with the Company's policies and procedures, in particular those that are specific to your department or otherwise relate to your job.

Contractors who perform work for the Company are also required to act ethically and comply with all applicable policies, procedures and laws. See the ***Company's Contractor Code of Business Conduct*** for more information.



Corporate Policies and Procedures can be found under the "[Policies](#)" button on the Company Intranet site.

Following the Code


Compliance with the Code is not optional – rather, it is a core responsibility of each of us. Remember that behavior that violates the Code can put us all at risk, including by damaging the Company's reputation and potentially leading to fines and criminal liability for the Company and individual employees. Any employee who violates the Code may be subject to corrective action, including, if appropriate, termination of employment. Supervisors, managers, directors and officers may also be subject to corrective action if they know an employee is considering doing something that violates the Code and do nothing to stop it, or they know that an employee has violated the Code and fail to take appropriate action.

Assistance with the Code

If you ever are unsure of how to interpret or apply the Code or handle a particular ethical situation, you should first refer to the Code and talk to your supervisor. If you prefer to speak to someone else, please contact any of the individuals listed under “Reporting Concerns and Getting Help” below.

Reporting Concerns and Getting Help

If you have a concern about a potential violation of the law, the Code or any of the Company’s compliance-related policies, you are encouraged to promptly discuss the concern with:

- Your supervisor,
 - Another member of your chain of command,
 - Our [Human Resources Department](#),
 - Our Corporate Compliance Program Manager, Jack Wolcott, (520) 884-3770 or (520) 330-1871 (cell),
 - Our Chief Compliance Officer, Todd Hixon, (520) 884-3667 or (520) 241-9270 (cell), or
 - A member of the Corporate Compliance Committee,
 - Chris Norman, VP, Public Policy & Corp Strat, Customer & Regulatory Svcs, (520) 884-3649 or (520) 661-7637 (cell)
 - Cynthia Garcia, VP, Eng and Safety & CIO, T & D Operations, (520) 918-8246 or (520) 360-0197 (cell)
 - Dallas Dukes, VP, Customer Experience Programs & Pricing, (520) 884-3729 or (520) 990-1759 (cell)
 - Erik Bakken, VP, System Operations & Energy Resources, (520) 918-8351 or (520) 405-7282 (cell)
 - Frank Marino, Senior VP & CFO, (520) 745-3448 or (520) 307-3216 (cell)
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- Gail Zody-Serbia, VP, Human Resources, (520) 884-3917 or (520) 965-7236 (cell)
 - Lisa Hoye, Director, Internal Audit, (520) 917-8437 or (520) 235-1417 (cell)
 - Mike Sheehan, VP, Strategic & Energy Acquisition, (520) 884-3656 or (520) 861-8161 (cell)
 - Terry Nay, VP, Field Operations, (520) 571-4106 or (520) 390-9253 (cell)

To the extent possible and consistent with our legal obligations and effective investigations, we will keep confidential all ethics or compliance reports and the identities of the reporter and the person(s) implicated by the report. Please note, however, that we may be required to disclose certain criminal or illegal actions to regulatory agencies or other authorities.

If you are uncomfortable using any of the reporting methods offered above, you may use the Company's Ethics Helpline, hosted by our third-party provider, NAVEX Global, at the listed number or website address. Reports can be made anonymously using the Ethics Helpline.



ETHICS HELPLINE

1-866-294-5534 or <http://fortis.ethicspoint.com>

After you complete a report on the Ethics Helpline, you will be assigned a unique code called a "report key." Write down your report key and password and keep them in a safe place because you will need them to access your report and any related responses or questions. Although Ethics Helpline reports can be made anonymously, please keep in mind that it is often more difficult to effectively investigate an anonymous report. To allow a faster and more thorough investigation, we encourage you to provide contact information.

If you choose to remain anonymous, it is essential that you follow up on your report periodically in case we have questions or need additional information to help us effectively investigate.

All reports of potential or actual compliance violations must be made in good faith. To preserve the integrity of our reporting system, any employee who knowingly makes a false, malicious or bad faith report or allegation may be subject to corrective action.



QUINN TILLMAN

SUPERVISOR, POWER GENERATION SGS

I am afraid that if I report a concern online through the Ethics Helpline, the Company will be able to identify me by my computer's address. How can I be sure that I will remain anonymous when making an ethics or compliance report through the Helpline website?

QUESTION

ANSWER

The Ethics Helpline is run by an independent third party which does not share any information about the identity of anonymous reporters. The Company is committed to protecting employees' anonymity and does not try to learn the identity of anyone who anonymously raises a concern, including through the Helpline website. However, if you are still concerned about your anonymity, you can access the Helpline through a public computer, call the Helpline telephone number, or contact the Compliance and Ethics department anonymously.

Please note that not all issues are appropriate to address through the Ethics Helpline. See the [Compliance and Ethics FAQs](#) on the Compliance intranet page.



JACK WOLCOTT
CORPORATE COMPLIANCE
PROGRAM MANAGER



Our Commitment to Prevent Retaliation

The Company does not tolerate retaliation in any form by management or any other individual or group against any employee who, in good faith:

- Based on a reasonable belief, reports a potential or actual violation of the law, the Code or Company policies or procedures,
- Supports such a report made by another employee,
- Raises an ethics or compliance-related question, or
- Participates in any ethics or compliance-related investigation.

This protection extends to any report made in good faith but which proves to be mistaken or not substantiated.



To learn more about the Company's commitment to prevent retaliation, see our [Whistleblower Policy \(CORP-03\)](#), or visit our Compliance intranet page's [FAQs and Tools](#) link.

Investigations

Upon receiving a good-faith report of a compliance concern, we will promptly begin an investigation and take all action appropriate to prevent or correct any violation. Any recommended corrective action resulting from the investigation will be communicated to the impacted employee's supervisor in order to help prevent the issue from happening again.

If a concern is raised involving the conduct of a member of the Company's senior leadership team (director, senior director or officer), the report will be reviewed by our General Counsel, who will determine how the investigation will be conducted, including by potentially hiring outside counsel. If a concern is raised involving the conduct of our General Counsel, our Chief Executive Officer will determine how the investigation will take place.

Compliance Roles and Responsibilities

The Company, the Board and all employees have important shared responsibilities to ensure we maintain our high ethical standards and uphold our values and culture of compliance. Our specific responsibilities are as follows:

Company Responsibilities

- Implement and enforce the Code,
- Review and update the Code as appropriate,
- Distribute the Code to the Board and employees and obtain from each of them an acknowledgement that they have read, understand and agree to comply with the Code,
- Create and maintain a workplace that promotes ethical conduct, integrity, trustworthiness, safety, accuracy, and Code compliance as the most important principles in all business activities and relationships,
- Provide training about the meaning and use of the Code, and a way to obtain advice and guidance about the meaning and use of the Code,
- Ensure employees are able to anonymously and/or confidentially report actual or suspected Code violations without fear of retaliation,
- Investigate promptly any charges or indications of illegal or unethical conduct, and promptly address the conditions causing or contributing to any improper conduct,
- Provide appropriate corrective action for Code violations or failure to take appropriate steps to detect, report or address such conduct, and
- Audit and monitor Company-wide compliance with the Code.

Board Member and Employee Responsibilities

- Read, understand and follow the Code,
- Complete Company training programs on the Code,
- Seek advice from appropriate Company sources if you are unclear about the meaning or use of the Code,
- Contribute to a workplace environment that promotes following the Code,
- Demonstrate through daily conduct your personal commitment to following the Code,
- Refuse to tolerate any conduct by any Board member, employee, supplier, customer, consultant, or any other person or organization with whom the Company has a relationship, that violates the Code or that otherwise is inappropriate or improper, and
- Report any actual or suspected violation of the law, the Code, or other Company policies and procedures, as provided in the Reporting Concerns and Getting Help section on [page 4](#).



Additional Responsibilities for Supervisory Personnel

In addition to the employee responsibilities on [page 7](#), Company supervisory personnel have a special responsibility for implementing and enforcing the Code, working to ensure that Code violations do not occur and discovering and reporting violations if they do occur. The specific additional supervisor responsibilities are as follows:

- Ensure that all employees under your supervision have ready access to the Code and read and understand its requirements, including the duty to report actual or potential Code violations and the procedures for making such a report,
- Ensure that all employees under your supervision receive appropriate training in the meaning and use of the Code,
- Promptly investigate or refer to the Compliance and Ethics Department any actual or potential Code violation that you observe or which is reported to you,
- Maintain a workplace environment that stresses commitment to the Code, and demonstrate your own commitment to the Code by managing your areas of responsibility in strict accordance with the Code, and
- Maintain a workplace that encourages open communication about Code requirements and reporting of actual or potential Code violations free from the fear of retaliation.

Ethics and Standards of Business Conduct

The Company expects our Board and employees to always act according to general standards of business conduct and ethical behavior. Specifically, in addition to the compliance responsibilities covered elsewhere in the Code, our Board and employees should not engage in any of the following activities, each of which is against Company policy and may be illegal:

- Violate any law or regulation,
- Influence the judgment or conduct of anyone in a position of trust or authority by offering, giving, asking for, promising, or receiving gifts or favors,



- Misuse, abuse or steal the Company's or anybody else's property,
- Commit fraud or otherwise purposely mislead by making a false representation or through concealment,
- Participate in dishonest conduct (e.g., lie or cheat),
- Intentionally injure someone or their property,
- Violate safety protocols, rules or practices, including tampering with safety devices and/or equipment,
- Discriminate against anyone on the basis of any protected characteristic,
- Threaten, intimidate, bully, coerce, harass, or engage in acts of violence against any person,
- Engage in any other conduct that violates any Company policy or procedure, whether in person, by e-mail, text message or telephone, on social media, or in any other fashion, or
- Retaliate against an employee for reporting a violation of the law, the Code or Company policy.

Workplace Conduct

Harassment-Free, Professional Workplace

The Company is committed to providing employees a safe workplace and does not tolerate any form of harassment, whether based on race, color, religion, sex (including pregnancy, sexual orientation or gender identity), national origin, age, disability, and genetic information (including family medical history) or any other legally-protected characteristic. The Company is also committed to providing employees with a respectful and professional workplace, and we expect our employees to treat one another, as well as third parties, with respect and dignity and in a manner that ensures a safe and professional working environment.



To learn more, [click here to view HR-10 Disability, Non-Discrimination and Accommodation Policy.](#)

Equal Employment Opportunity

The Company complies with equal opportunity and affirmative action laws, which prohibit discrimination in employment based on race, color, religion, sex (including pregnancy, sexual orientation or gender identity), national origin, age, disability, and genetic information (including family medical history) or any other legally-protected characteristic. These laws are intended to ensure that people are treated fairly throughout the employment process. The Company is committed to the principles of equal opportunity in recruiting, hiring, training, transferring and promoting employees and recognizes the duty to provide equal employment opportunities to all qualified individuals. The Company has affirmative action plans to ensure that all personnel actions are applied equally, fairly and consistently to all employees without regard to any legally protected characteristic.

Employee Health and Safety

The Company takes seriously the safety of our employees and is committed to fully complying with all applicable health and safety laws. Every employee is responsible for establishing and maintaining a safe work environment and is expected to comply with all health and safety laws and Company policies. All employees are responsible for immediately bringing to their supervisor's attention any hazardous condition in the workplace.



See our [Safety Policies](#) for more information.

Workplace Violence

Violent behavior of any kind or threats of violence, whether implied or direct, are not tolerated and are prohibited on Company property, at Company-sponsored events and at any Company worksites.



See our [Threatening Behavior and Workplace Violence Prevention and Response Policy \(SAF-SEC-02\)](#) for more information.

Firearms Policy

Because the Company is committed to providing a safe workplace, free from threats, intimidation and violence, the Company prohibits firearms in the workplace, except in limited, pre-approved circumstances.



See our [Corporate Firearms Policy \(SAF-SEC-01\)](#) for more information.



SAM D'ALMEIDA
COMMUNICATIONS ENGINEER II

My coworker has been irritable with others at work lately, and today he behaved aggressively to me. The incident made me feel afraid, and I think maybe I should say something but I don't want to make the situation worse. What should I do?

QUESTION

ANSWER

You should report this incident to your supervisor or Human Resources immediately. Our Company is committed to maintaining a workplace that is free of intimidation, violence or the threat of violence.

For more information, including recommended response and reporting actions, see [SAF-SEC-02, Threatening Behavior and Workplace Violence Prevention and Response Policy](#).



ARI SLOANE
MANAGER, SECURITY SERVICES

Labor-Management Relations

The Company recognizes the right of every employee to organize and bargain collectively through union representatives. Employees must not attempt to improperly influence the actions of an officer or employee of a labor organization in their capacity as a labor organization representative.

Drugs and Alcohol in the Workplace

The Company is committed to a work environment free from the illegal or inappropriate use of drugs or alcohol. Any employee whose job performance or behavior indicates they may be impaired while engaged in Company business may be requested by management to submit to drug and/or alcohol testing according to Company policy. Violation of any Company substance abuse policy is a serious offense and may lead to corrective action up to and including termination of employment.



See the applicable subsidiary company substance abuse policy ([TEP/UES](#)) and employee handbook for more details ([TEP/UES](#)).



TAYLOR DILLS
APPRENTICE LINEMAN/
CABLEMAN

One of my coworkers reported an employee conduct concern to their supervisor and it was investigated by Human Resources and the Compliance and Ethics Department. After a few months, it seemed like nothing happened to the person whose conduct was reported. Why does it seem as though nothing was done to address my coworker's concern?

QUESTION

ANSWER

We value all employees at UNS and take employment decisions very seriously. We have a process for investigating concerns and applying progressive discipline to address performance concerns or substantiated violations of Company policy or the Code. On most occasions where an employee violates our Code of Ethics, and termination is considered, the Corporate Compliance Committee reviews the circumstances and, after careful consideration, makes the determination. The process is confidential to protect those individuals involved and may "seem as though nothing was done" to those not involved in the process.



KRISTY PORTER
MANAGER, EMPLOYEE &
LABOR RELATIONS

Conflicts of Interest

The Board and employees must avoid any business, financial or other relationship where their personal interests conflict with, or appear to conflict with, the Company's interests. A conflict of interest arises when a Board member or employee has an opportunity for personal gain (other than regular employment compensation) because of their position with the Company or when such individual has personal interests that are inconsistent with Company interests. A few common examples of conflicts of interest include:

- Having another job that interferes with the performance of an employee's role at UNS,
- Making a material financial investment in an organization that competes with, or supplies goods or services to the Company,
- Accepting gifts, payments, loans, or offers of employment from people or organizations that are doing or seeking to do business with the Company, or
- Having a personal relationship with somebody in the same vertical line of supervision.

Let your area Vice President know about any potentially significant interest you or any family member may have in any company that competes with the Company or is doing business, or seeking to do business, with the Company (other than receiving routine electrical or gas service). This will allow the Company to evaluate that interest and ensure that

your job responsibilities will not require you to make decisions that could be influenced by that interest. A "significant" interest means anything substantial enough to influence judgment or interfere with the best interests of the Company. In addition, all employees should disclose any potential or actual conflict of interest when completing the Conflict of Interest Questionnaire during the Company's annual compliance training.

One of the best ways to determine whether a conflict of interest exists is to ask yourself: "Is my decision to do something based on the Company's best interest?" If the answer is no, a conflict of interest may exist, and you are obligated to report it.



See our [Conflict of Interest Policy \(CORP-02\)](#) for more on identifying, addressing and reporting conflicts of interest.

Outside Employment

Employees are generally permitted to work outside the Company or be involved with other companies, provided the outside employment or involvement does not interfere or appear to interfere with the employee's job with the Company or create, or appear to create, a conflict of interest.



MIHO CHUREI
LEAD PLANT ACCOUNTANT

My coworkers and I disagree with a recent promotion decision made in our department. The employee who received the promotion has less experience than others, and we think that she was only promoted because her uncle is a Director. Doesn't the Company have rules that prohibit nepotism?

QUESTION

ANSWER

The Company's Conflict of Interest Policy contains guidelines on managing personal relationships, but the scenario you've described here may not necessarily represent a violation. Managers, generally with advice from Human Resources and subject matter experts on the role, are given discretion to choose the most qualified candidate to fill a vacancy or new position. If that candidate happens to be related to another Company employee, the relationship does not by itself preclude the candidate from being selected, provided he or she was the most qualified candidate. Talk to your supervisor about your concerns if you still have questions.



DALLAS DUKES
VP ENERGY PROGRAMS
& PRICING

Charitable Organizations and Serving on Boards

You are encouraged to participate in charitable, civic or other community organizations, provided those activities do not interfere with your job with the Company or create, or appear to create, a conflict of interest. Before agreeing to serve on the board of directors or similar body of a for-profit enterprise or government agency, you must obtain Corporate Compliance Committee approval. Before Board members can agree to such an assignment, they must consult with our CEO, the Chair of the Audit and Risk Committee and the Chair of the Board and obtain prior Board approval. Serving on the board of directors of a nonprofit organization does not require prior approval, provided such appointment does not pose a conflict of interest with the Company in respect to any of the Company's contributions or supply of services to the organization.

In dealing with potential conflicts, the best practice is to refer to our Conflicts of Interest Policy and ask and ask advice from your supervisor, Human Resources, Legal, the Compliance and Ethics Department, or a member of the Corporate Compliance Committee. Or, if you are not comfortable with those avenues, the potential Conflict of Interest can be reported by using the Company's Helpline at <http://fortis.ethicspoint.com> or (866) 294-5534.



Responsibilities to Customers, Suppliers, and Competitors

Bribes and Kickbacks

Bribes and kickbacks are illegal. All Company transactions must be handled in a way that avoids any question of illegal or improper payments or any suspicion of wrongdoing. All transactions must be properly entered in the Company's accounting records.

Gifts, Favors, Payments and Entertainment

In carrying out business for the Company, we all must maintain the highest ethical standards, including in the context of giving or receiving gifts, entertainment or favors while conducting Company business. In general, employees may occasionally give and/or receive appropriate business gifts incident to their work, but only if the gifts are legal, valued at \$200 or less, per vendor, per year, and not given or received with the intent to influence or to secure personal advantage.

Except as specifically permitted by law, payments, gifts or entertainment provided to government officials or personnel are strictly prohibited.



See our [Corporate Business Gifts and Entertainment Policy \(CON-GA-21\)](#) for acceptable practices regarding business gifts.



NICOLE SANTA CRUZ
T&D SUPERVISOR II

We have a request for proposal in process and the current vendor would like to host our next status meeting at the Top Golf complex, at their expense. Is it okay for our team to attend?

QUESTION



MAYA HEMINGWAY
SUPERVISOR, PROCUREMENT & CONTRACTS

ANSWER

Based on the circumstances you've described, your team should not attend and the vendor's invitation should be reported to your area Vice President. Requesting, accepting or giving anything which creates an appearance of impropriety or suggests an attempt to influence or to secure personal advantage is not permitted. Because the Company is currently considering this vendor for award of the service contract, your team's acceptance of this business gift could cause other competitors in the bid process to believe this vendor may have an unfair advantage in being selected as the successful bidder.

Payments to Agents and Consultants

All payments to agents or consultants acting on behalf of the Company must be made in accordance with sound business practices and be reflective of the reasonable value of the services performed. Employees must not knowingly aid any person or entity to circumvent laws or defraud the interests of the Company's investors or creditors.

Sales and Marketing

All information you provide about the Company's products and services, including when conducting sales and marketing activities, must be clear, accurate and truthful.

Antitrust Matters

Antitrust laws relate to our dealings with customers and competitors, including when the Company is the seller or buyer of electricity or other products or services. Federal and state antitrust laws, which are an important means of maintaining an open, competitive marketplace, prohibit a wide range of practices that could restrain trade or limit competition (e.g., bribery, price fixing, bid rigging, etc.). No agreements or understandings of any kind may be made with our competitors, suppliers or customers to fix, stabilize or control prices in violation of the antitrust laws. Also, employees should not enter into any agreement or understanding with competitors to boycott certain customers or suppliers. Antitrust violations can cause serious consequences including fines and imprisonment.





Protecting Company Assets

Company Property

Every employee is responsible for protecting the Company's assets, including tangible things like cash, tools, equipment and facilities, and intangible things like corporate opportunities, intellectual property and business information, from misuse or misappropriation. Employees must not obtain, use or divert any Company property for personal use or benefit or use the Company's name or purchasing power to obtain personal benefits. All Company assets must be used lawfully in furtherance of Company objectives.

Company Contracts

Contracts to which the Company is a party must be in writing; are not to be entered into without the proper internal reviews, approvals and signatures; and must be handled in accordance with applicable Company policies and procedures, including those pertaining to contract development, competitive solicitation of vendors, signature authorization, and electronic storage. Contact the Legal Services Department or Procurement and Contracts Department with questions about contract development or contract processes.



See the [Legal Review of Contracts Policy \(LEG-SV-09\)](#), [Legal Statement of Work Policy \(LEG-SV-10\)](#), [Electronic Storage of Contracts Policy \(LEG-SV-11\)](#) and the [Contracts Development Process Policy \(LEG-SV-12\)](#) for information regarding Company contracts.

For Procurement contracts, see the [Contract Development & Administration Procedure \(MAC-PR-26\)](#), the [Sole Source or Single Source Purchases Procedure \(MAC-PR-27\)](#) and the [Formal Solicitation Policy \(P&C-01\)](#).

Company Communication Devices

Use of the Company's communication devices, including phone systems, computers, and mobile devices, is intended to be for business purposes only. Incidental personal use may be permitted provided such use does not negatively impact productivity, compromise system security or capacity or contravene the law or Company policy. Such devices may not be used for improper or illegal activities, such as the communication of defamatory, pornographic, obscene or demeaning material, hate literature, inappropriate blogging, illegal gambling, copyright infringement, harassment, obtaining illegal software or files, or any other conduct prohibited under the Code. The Company monitors and audits its communication resources for improper usage, security purposes and network management.



To learn more about the Company's communication devices or social media guidelines, visit our [intranet policies and procedures page](#) and click on MIS-IS-12, Information Security and Acceptable Use Policy or HR-08, Social Media Policy.



Cyber and Data Security

Cyber and data security are important concerns for the Company. To protect our Company-related data, never open suspicious emails, reveal your computer password to anyone, or download software onto any Company device without receiving permission from Information Services Security.



See our [Company IT-related policies](#) for more information.

Accounting and Financial Integrity

We will accurately record all business transactions as required by applicable laws and regulations, generally accepted accounting principles, and Company policies, procedures and internal controls. Company funds are to be used only for lawful and proper purposes. All bank accounts containing Company funds will be established and maintained in the name of UNS Energy or the applicable subsidiary. All assets, liabilities, transactions, and accounts involving Company funds will be clearly and accurately identified in the books and records of the Company.

Specifically, employees shall not do any of the following:

- Make any false or artificial entries in the Company's books and records for any reason,
- Cause the Company's books or records to be incorrect or misleading in any way,
- Participate in creating a record intended to conceal any improper transaction,
- Delay the prompt or correct recording of disbursements of funds,
- Hinder or fail to provide full disclosure with our internal or external auditors, Chief Financial Officer or other officers, to ensure that all issues relating to internal and external audit reports are resolved,
- Conceal knowledge of any untruthful, misleading or inaccurate statement or record, whether intentionally or unintentionally made, or
- Conceal or fail to bring to the attention of appropriate supervisors transactions that do not seem to serve a legitimate Company commercial purpose.

Employees must report any suspected violation of any of these prohibitions, or of any accounting standards or securities laws and regulations, as set forth in the Reporting Concerns and Getting Help section above. If you receive any inquiry from a financial analyst or others associated with the financial and investment communities, you are required to immediately direct the inquiry to our Chief Financial Officer.



GABRIEL VANEGAS
SUBSTATION ENGINEERING SR. TECH

I sometimes have questions about whether certain expenses can be capitalized or not, and my coworkers don't always know the answer. Why is this distinction so important and whom can I contact when I'm unsure of how to classify an expense?

QUESTION

ANSWER

There are various regulations, accounting guidance (FASB), Securities and Exchange Commission regulations, and FERC regulations that govern how different items need to be recorded and reported. The Accounting group is familiar with the rules, and is happy to provide assistance in getting it right, but it is all of our responsibility to comply with the regulations and ensure that all transactions are recorded accurately. Improper reporting has a number of consequences; it damages our reputation and can result in additional legal and auditing costs to correct errors after the fact, can lead to loss of market confidence leading to higher borrowing costs, and may result in fines or sanctions by our regulators.



CHRISSY CUEVAS
MANAGER, PLANT ACCOUNTING

Business Expenses

The Board and employees often pay for things on behalf of the Company while performing their job functions. The Company will reimburse Board members and employees for authorized expenses after an expense report is properly completed and submitted. Some employees have been issued Company procurement cards, which are to be used for authorized expenses only.



See our [Procurement Card Policy \(MPC-01\)](#) and [Business Related Travel Policy \(HR-38\)](#) for more information regarding proper business expenses.

Internal Audit

Our Internal Audit and Risk Advisory Services Department (Internal Audit) has unlimited access to Company records, physical properties, and personnel. All employees are required to assist Internal Audit in fulfilling their departmental functions.



See the [Internal Audit & Risk Advisory Services \(IA&RAS\) Charter](#) for more information.

Intellectual Property

Federal and state laws protect intellectual property, including copyrights, trademarks, patents and trade secrets. Employees must comply with all intellectual property laws in carrying out Company business. Employees should not reproduce any copyrighted material without first determining whether such copying is allowed. Software that the Company licenses or purchases from third parties may only be used according to the terms of the license or purchase agreement, and should not be copied or distributed unless specifically allowed under the license agreement and the Company's procedures. The Company is the exclusive owner of any invention, improvement, concept, trademark or design prepared or developed by an employee in connection with their job. Please consult the Legal Services Department or the Chief Compliance Officer with intellectual property-related questions.



KEYSHA DAWSON
PROGRAM MANAGER, CORP L&D

I'm going on a business trip and want to stay an extra couple days for vacation. Can I use my ProCard for the expenses for the vacation part of my trip?

QUESTION

ANSWER

No. Costs incurred for the business portion of your trip should be charged to the ProCard, and costs for the personal portion of the trip should be separated and paid for personally. However, we understand there may be exceptions. An example of an exception: if you are staying at a hotel and rent a movie, the movie is a personal expense that will most likely be charged to your ProCard along with business-related expenses such as the room charge. When reconciling your ProCard, you need to identify the personal expense and code it as such so that the cost of the movie can be deducted from your paycheck. Other examples may include the cost of a rental car for the days it is used on your vacation, as well as meal charges that cannot be separated out when paid for family members accompanying you on your trip.

See our [Employee Expense Statement Procedure \(CON-GA-01\)](#) and [Business Related Travel Policy \(HR-38\)](#) for more information.



MARIE SENA
PROCUREMENT & CONTRACT
COORDINATOR II

Foreign Corrupt Practices Act (FCPA)

The Company is responsible for complying with all laws governing foreign and domestic operations that reach beyond U.S. borders. The FCPA covers activities of companies and their employees, and of those acting on behalf of companies, such as foreign agents or representatives. The FCPA targets two types of misconduct: bribery or promising to pay foreign officials to obtain or retain business; and deceptive bookkeeping regarding overseas payments and transactions. The accounting standards require publicly traded companies and their subsidiaries to maintain reasonably detailed records that accurately reflect all payments and transactions. Additionally, the FCPA requires an internal control system that provides reasonable assurance that management controls the use of business assets. Board members and all employees are required to comply with the FCPA and to be extremely careful about any questionable or suspicious circumstances that may be subject to the FCPA.



See the [Fortis Anti-Corruption Policy](#) for more information.

Taxes

The Company is required to file tax forms in many jurisdictions. Our policy is to ensure that each tax filing is accurate, complete and timely made. Board members and employees must not take any action to evade Company taxes, or assist others, including Board members, employees, vendors, customers or subcontractors, to misrepresent or evade taxes of any kind.

Corporate Records Storage and Disposal

Our Legal Services and Enterprise Content Management Departments develop and maintain policies for the storage and disposal of Company records according to regulatory and internal Company requirements. Retention and disposal of certain Company records may also be affected by litigation hold orders issued by the Legal Services Department. Employees are required to adhere to Company policies regarding record storage and disposal and any applicable litigation hold orders.



See our records retention and management policies, including [Corporate Records and Document Management Policy \(ECM-01\)](#), [Litigation Hold Procedure \(LEG-SV-06\)](#), and [Corporate Records Retention and Disposal Schedule Policy \(LEG-SV-14\)](#) for more information.

Subpoenas and Pending or Threatened Litigation

If you receive or learn of a subpoena or a pending, imminent or contemplated litigation or government investigation against the Company, you must promptly contact the Legal Services Department.



Confidential Information

Company Information

Regardless of location, all Company information must be used only for its intended purpose and never for personal gain. By law, by contract or by its very nature, some Company information is confidential or proprietary and must not be disclosed to third parties. The information could be in any form, including written, oral, visual, electronic, or otherwise. Such confidential Company information includes:

- Employee information regarding salary, wages, benefits, performance, medical or other personnel data
- Information about customers
- Information about contractors, suppliers and vendors, including bid/proposal contents and pricing
- Financial information, including budgets, business plans, forecasts, costs, sales and financial results
- Financial, marketing, operating and regulatory strategies
- Technical, trade, training, operational or other business data, and related reports and analyses
- Inventions, technological developments and software/hardware improvements
- Asset acquisition and sales (actual and contemplated)
- Litigation and other legal and regulatory matters, including draft regulatory filings
- Copies of certain executed Company contracts

Confidential information does not include information that is or becomes:

- Generally available to the public (unless through unauthorized disclosure), or
- Available from a source other than UNS (if the source was not prohibited from disclosing the information)



NOLAN SOUZA
ANALYST I, RATES & REVENUE
REQUIREMENTS

I need a vendor to perform services for my business unit and the vendor would like to receive and review certain financial and technical information prior to providing a quote or bid. Can I share such information?

QUESTION

ANSWER

If the information to be shared is not publicly available, you should only share such confidential information after entering into a nondisclosure agreement with the vendor. Contact Legal Services or Procurement for assistance with nondisclosure agreements.



CHIARA DURANDO
SENIOR ATTORNEY

You may not disclose any confidential or proprietary information about the Company, or any person or organization with which the Company has a current or potential business relationship, to any person or entity, either during or after service with the Company, except (i) as set forth in a validly executed non-disclosure or confidentiality agreement, (ii) in furtherance of the business of the Company, (iii) with the written authorization of the Corporate Compliance Committee or (iv) as may be required by law.

You should always take appropriate security precautions when using Company communication devices to transmit or receive confidential, sensitive or proprietary information. Employees are required to return all Company proprietary and confidential information in their possession to the Company immediately upon the termination of their employment with the Company. If you are entering into a transaction and there is a need to share confidential information, contact the Legal Services or Procurement and Contracts Department so that the appropriate non-disclosure agreement can be put in place. If you have any questions about the confidentiality of any particular Company information, including with respect to any outside requests for such information, contact the Legal Services Department.

Customer Data

Privacy is essential in the Company's relationships with its customers. It is Company policy to not release customer information to anyone other than the customer without the customer's prior written or electronic permission, unless that information is required by law enforcement or other public agency, or it is reasonably necessary for legitimate account collection activities or to provide safe and reliable service to the customer. Such information includes customer lists, and customer phone numbers, social security numbers, addresses and payment information. Contact the Legal Services Department with any questions.



STEVEN PESQUEIRA
CUSTOMER CARE REPRESENTATIVE

I'd like to catch up with an old friend.
Can I look them up in CC&B?

QUESTION

ANSWER

No, just as you would want your personal information protected, we also protect the information of our customers. Accessing or sharing information from a customer's account is not allowed. Only authorized users on the customer's account may request this information and only for legitimate business reasons.



CARLOS LEON
SUPERVISOR, CUSTOMER CARE CENTER



BONNIE DANA
LEAD BUSINESS ANALYST

There is a candidate who I know would really help the Company if he got elected. Can I use some of my budgeted Company funds to contribute to his campaign?

QUESTION

ANSWER

No. The Federal Election Campaign Act prohibits corporations from contributing corporate funds to federal candidates. The State of Arizona applies this portion of the federal election laws to candidates running for state offices, prohibiting corporate contributions to statewide and legislative candidates. Employees are encouraged to contact the TEP Government Relations Department or a member of the UNS Energy Political Action Committee (PAC) with questions about political contributions. The UNS Energy PAC contributes money on behalf of employees to candidates who understand our industry issues and support our efforts to provide safe, reliable energy.

Employees may also contribute to a candidate with their own personal funds, but may not use any Company monies for the contribution.

STEVEN EDDY
MANAGER,
GOVERNMENT RELATIONS



Responsibility to the Public

Federal Energy Regulatory Commission (FERC) and Arizona Corporation Commission (ACC)

Many aspects of the Company's business are governed by the FERC and/or the ACC. Both of these regulatory bodies have codes of conduct and other rules and regulations that the Company must follow. As a Company employee, you are also expected to follow these codes of conduct and associated rules and regulations. Contact your supervisor or a member of the Legal Services Department to determine which codes of conduct and other rules and regulations apply to you.

Political Activities and Contributions

Employees are encouraged to be well informed, responsible citizens. While you may support candidates, political parties or other causes during your personal time with your own resources, you may not use Company funds, property or other resources to support any political party or candidate. You should not, directly or indirectly, exert influence on any other employee to support any political cause, party or candidate, including by expressing your own political views to others in the workplace. Any attempt at such exertion of influence is considered a violation of the Code and must be reported accordingly. Employees should use caution when expressing their own political views at work to ensure a respectful workplace is maintained. All employees are required to comply with all laws and regulations related to political and lobbying activities on behalf of the Company.

Federal and state laws governing campaign contributions by companies are very complex. In general, companies may not directly make campaign contributions. However, state and federal laws do allow the formation of a political action committee (PAC) by employees of a company to solicit contributions from management and certain employees. The UNS Energy Corporation PAC has been organized for that purpose.

Securities Laws and Insider Trading

The Company is required to comply with the various Canadian and U.S. federal, provincial and state laws that regulate the trading of the public securities of both Fortis Inc. (Fortis) and the Company. Canadian and U.S. securities laws require the Company to provide full, fair, accurate, timely and understandable disclosure in Fortis's and the Company's various financial reports and other official documents. If you are aware that the Company failed to disclose a material fact or correct a material misstatement in any of the Company's disclosure documents, you should immediately bring it to the attention of the Chief Financial Officer, the Chief Compliance Officer or a member of the Corporate Compliance Committee.

It is a violation of securities laws and the Code for an employee in possession of Material Information to trade or tip others to trade in the securities of the Company, Fortis, or any other Fortis affiliate, or the securities of any party to any undisclosed transaction to which the Company or any other Fortis entity is a party. For the purpose of the Code, "Material Information" is any non-public information relating to the business and affairs of the Company, Fortis, or any other Fortis affiliate that results in, or would reasonably be expected to result in, a significant change in the market price or value of any of Fortis's or the Company's securities, and includes any information that a reasonable investor would consider important in making an investment decision.

The Board and employees are subject to the Fortis Inc. Insider Trading Policy regarding trading in Fortis securities, and the UNS Energy Corporation Insider Trading Policy regarding trading in Company securities (collectively, the Securities Trading Policies). The Securities Trading Policies were adopted to ensure you comply with all applicable Canadian and U.S. laws and regulations governing insider trading. If a Board member or any employee has, or believes they may have, Material Information relating to the Company, Fortis, or any other Fortis affiliate, neither that person nor any related person may buy or sell securities of the Company (including UNS Energy and Tucson Electric Power Company) or Fortis, or engage in any other action to take advantage of, or pass on to others, that information.



Please refer to our Securities Trading Policies (Fortis/UNS Energy) prior to trading in, or providing anyone else with information to trade in, the securities of Fortis or the Company. Any questions regarding the Securities Trading Policies, what constitutes "Material Information," or insider trading generally should be directed to our General Counsel.

Environmental Compliance and Protection

The Company is subject to a complex set of federal, state, and local environmental laws and regulations. The policy of the Company is to comply with those laws and regulations. Each employee must be aware of environmental requirements and must exercise good judgment regarding the environmental impact of the Company's operations. If you discover a potential violation of environmental laws or regulations, immediately notify your supervisor, environmental leadership for your business area, and/or your area Vice President. Also, if appropriate, notify the Environmental Services Department, the Legal Services Department, the Chief Compliance Officer or a member of the Corporate Compliance Committee.



For additional information or support, please visit the [Environmental Services Intranet page](#) or otherwise contact Environmental Services or Legal Services.



Acknowledgment

As a condition of employment with the Company, each employee is required to certify at least annually that they have read, understand and will comply with the Code.

Waivers

While it is not presently the intent of the Board to grant waivers, should the Board decide to grant a waiver of compliance with a provision of the Code in the future, any such waiver must be approved by the Board's Audit and Risk Committee.

CODE OF ETHICS

COMPANY VALUES

CORPORATE POLICY/PROCEDURE CENTER

CON-GA-01, Employee Expense Statement	LEG-SV-11, Electronic Storage of Contracts
CON-GA-21, Gifts & Entertainment	LEG-SV-12, Contracts Development Process
CORP-02, Conflicts of Interest	LEG-SV-14, Corporate Records Retention and Disposal Schedule
CORP-03, Whistleblower	MAC-PR-26, Contract Development & Administration
ECM-01, Corporate Records Mgmt	MAC-PR-27, Sole Source/Single Source Purchases
Employee Handbooks (TEP/UES)	MIS-IS-12, Information Security & Acceptable Use
Environmental Services	MPC-01, Procurement Card
Fortis Anti-Corruption	P&C-01, Formal Solicitation
HR-08, Social Media	Safety Policies
HR-38, Business-Related Travel	SAF-SEC-01, Corporate Firearms
Internal Audit & Risk Advisory Services (LARAS) Charter	SAF-SEC-02, Threatening Behavior & Workplace Violence Prevention and Response
Information Services	Securities Trading (Fortis/UNS Energy)
LEG-SV-09, Legal Review of Contracts	Statement of Work/Contract Administration
LEG-SV-10, Legal Statement of Work	Substance Abuse (TEP/UES)

All corporate policies and procedures are located on inside.uns.com