CONTRACTOR CODE OF BUSINESS CONDUCT

INTRODUCTION

UNS Energy Corporation, a Fortis company, and its subsidiaries (collectively “UNS”) are committed to conducting business in compliance with all applicable laws and in a manner that meets the highest level of integrity and ethical standards. UNS expects that its Contractors will share the same commitment. A “Contractor” is any individual or organization, including but not limited to consultants, suppliers, manufacturers, contractors, agents, bidders or proposers with whom UNS conducts business or is pursuing a business relationship (collectively, the “Contractors” or “you”). This Contractor Code of Business Conduct (the “Code”) sets forth the standards of conduct to which Contractors and their subcontractors, employees and agents (collectively “Representatives”) must adhere while conducting business with or on behalf of UNS. Contractors will take appropriate steps to ensure that the Code is communicated to and understood and followed by their Representatives while doing business with or on behalf of UNS. References to “we,” and “our” refer to UNS and references to “you” and “your” refer to the Contractor and, if applicable, its Representatives.

The business practices of Contractors and their Representatives may reflect on UNS or affect the work environment at UNS. Thus, failure to strictly comply with the standards set forth in the Code and all applicable local, state and federal laws could result in termination of your purchase order, statement of work or contract or make you ineligible to participate in UNS programs. UNS may immediately remove Representatives who behave in a manner that is unlawful or inconsistent with this Code from UNS property. Although UNS expects Contractors to adhere to this Code, UNS may audit Contractors to confirm compliance with this Code.

Contractors and Representatives play an essential role in UNS’s ability to provide quality services to our customers while meeting the highest standards of legal and ethical conduct, and we appreciate your commitment to making compliance with this Code a priority as you work with UNS.

STANDARDS OF CONDUCT

General Expectations

CONFLICTS OF INTEREST

UNS employees are required to act in the best interest of UNS and avoid situations that could result in a conflict with UNS’s interests. Contractors and Representatives will exercise reasonable diligence to prevent even the appearance of a conflict of interest with UNS and shall:

- Refrain from offering any gifts or favors to UNS employees in an attempt to influence such employees.
- Not provide meals or entertainment to UNS employees unless they are reasonable, business-related and infrequent.
• Not use personal relationships with employees of UNS to influence business decisions made by such UNS employees.
• Disclose to your UNS business contact any familial relationships (spouse, parent, grandparent, child, grandchild, sibling, or same or opposite sex domestic partner) or other relationships that might create a conflict of interest (or ensure that the UNS employee discloses such relationship) prior to conducting business with UNS.

QUALITY OF PRODUCTS AND SERVICES
UNS expects that products and services provided by each Contractor will be of the highest quality and will be fairly and reasonably priced so that UNS customers are served with the best value for their dollars. In addition to any specific requirements in your agreement with UNS, products and services will meet or exceed applicable government standards, including environmental and safety standards.

Health and Safety
UNS is dedicated to providing safe, injury-free working conditions and a healthy work environment. Compliance with this commitment is a condition of your engagement with UNS.

WORKPLACE SAFETY
Each Contractor is responsible for ensuring that its Representatives complete all necessary safety training and perform work in conformance with all applicable safety rules, laws, standards and procedures and for complying with and enforcing any additional UNS safety policies and procedures communicated to Contractor.

REPORTING INJURIES, DAMAGE AND UNSAFE CONDITIONS
In addition to any other legal reporting requirements, each Contractor must immediately report any occupational injuries, unsafe conditions or practices and damage to property occurring as a result of the Contractor’s or its Representative’s activities for or on behalf of UNS to its UNS point of contact.

ALCOHOL AND DRUG USE
UNS’s commitment to providing a healthy and safe working environment is compromised by the consumption of alcohol and illegal drugs. While performing work for UNS, Contractors and Representatives may not consume, use or be impaired by alcohol or illegal drugs or be under the influence of prescription drugs that impair a person’s ability to perform work in a safe and efficient manner.

WORKPLACE VIOLENCE
Acts or threats of physical violence, intimidation and harassment will not be tolerated. Engaging in violence or threatening or intimidating behavior may result in termination of your contract with UNS or removal of your Representative from UNS property, as deemed appropriate by UNS.

WEAPONS IN THE WORKPLACE
Unless otherwise expressly permitted by UNS, no Contractor or Representative may carry, use or store any type of weapon on any UNS premises or job site, in UNS vehicles or when Contractor is engaged in performing work for UNS. The term “weapon” includes firearms, ammunition and explosives but does not include tools used for legitimate business purposes.
**Labor and Human Rights**

UNS complies with all applicable civil rights, human rights, and immigration and labor laws and expects each Contractor to comply with such laws.

**EMPLOYMENT PRACTICES**

Contractors and their Representatives shall be in full compliance with all applicable laws and regulations, including, but not limited to, those listed below.

1. **Equal Employment Opportunity/No Harassment** – Contractors shall not discriminate in hiring or employment practices and shall create and maintain a work environment free of discriminatory acts, harassment or retaliation without regard to race, color, religion, gender, national origin, veteran status, citizenship, age, disability, pregnancy, sexual orientation, gender identity, marital status, political affiliation, union membership or any other factor not related to job performance.

2. **Labor Conditions** – No child and/or forced or indentured labor will be used in any Contractor supply chain. Contractors shall not use workers under the legal minimum working age of the jurisdiction in which Contractor performs work for UNS. Contractor will ensure that its employees are free from undue risk of physical harm or exploitation and are compensated in accordance with all applicable wage and work hour laws and regulations.

3. **Immigration** – All Representatives must be authorized to work in the United States, and Contractor will have obtained all necessary documentation indicating such authorization prior to permitting its Representatives to work for UNS.

**The Environment**

UNS is committed to conducting its business in an environmentally responsible manner. Contractors and Representatives are required to comply with all applicable environmental laws and regulations and operate in a way that minimizes the negative environmental impact of their products and services.

**Ethics**

Contractors must operate within the highest standards of ethical conduct when dealing with UNS, Representatives, UNS employees, customers and the public. Contractor will ensure that its actions, and those of its Representatives, comply with the letter and spirit of this Code.

**BUSINESS RECORDS**

Accurate records are of critical importance to UNS in meeting its legal, regulatory and financial obligations. Contractors and Representatives must ensure that all communications, proposals, deliverables, books, time sheets, invoices, records and accounts are truthful, accurate, complete, and understandable and provided in a timely manner to UNS. Contractors and Representatives shall not falsify or inaccurately report information.

**ANTI-CORRUPTION**

Contractors and Representatives shall comply with the provisions of the Foreign Corrupt Practices Act and shall not engage in any form of bribery, extortion, embezzlement or other corrupt practices.
**Fair Competition**
When conducting business for or on behalf of UNS, Contractors and Representatives shall uphold fair business standards in advertising, sales and competition.

**Use of Assets**
Contractor and its Representatives shall protect UNS’s tangible and intangible property and ensure that use of such assets is for UNS business-related purposes only.

**Intellectual Property**
UNS’s intellectual property rights, including our trademarks, service marks, logos, copyrights, trade secrets, inventions, discoveries and patents are valuable assets that must be protected. Contractors and Representatives must respect and protect UNS’s intellectual property rights and the intellectual property rights of others and may not infringe on those rights.

**Confidentiality**
Confidential information includes information that is not known by the public and that may be harmful to UNS, its employees or its customers if disclosed. All non-public information obtained by Contractor or its Representatives in the course of performing services for UNS should be considered confidential. UNS is committed to safeguarding and protecting its own confidential information and the personal information of its customers and employees. Contractor must maintain the confidentiality of information entrusted to it in accordance with its agreements with UNS and applicable law. The obligation to protect UNS’s confidential information continues even after the business relationship with UNS ends.

**Computer and Information Security**
UNS supports an information security program that meets or exceeds recognized industry standards. Contractors with access to UNS’s information security systems must also have a security program in place that meets recognized industry standards and must comply with UNS’s minimum information security standards. Contractors or Representatives with access to UNS customer or employee information or access to UNS’s information security systems shall:

- Provide UNS with the ability to review Contractor information security practices upon reasonable request.
- Use UNS-provided information technology and systems only for authorized UNS business purposes.
- Comply with all UNS policies and procedures communicated to Contractor with respect to confidentiality, security and privacy, including keeping passwords confidential and not using another person’s password.
- Not take photographs or video of UNS’s facilities or property without express written approval from UNS.
- Not connect any non-UNS device into any UNS network or device without approval.
- Use only approved, authorized and properly licensed software on UNS’s computer systems in accordance with the terms of such license or terms of use.
- Immediately report any known or suspected unauthorized access to or breach of UNS’s computer system or network or loss of UNS-owned information resources (such as fobs, phones, laptops, USB drives, etc.) to (520) 770-2020.
PREMISES SECURITY
At all times while on UNS premises, Contractors and Representatives must comply with all UNS policies communicated to Contractor with respect to UNS’s physical security procedures, which may include, but are not limited to:

- Providing government-issued identification prior to entry.
- Conducting background checks and personnel risk assessments for all Contractors requiring certain types of restricted access.
- Wearing ID badges at all times while on UNS property, with no exceptions. Badge holders must agree to the terms of a UNS “Badge Holder Checklist” to be permitted on UNS property.

Customer Relations
Contractors and Representatives working in direct contact with UNS customers shall:

- Be accurate and truthful when providing information to UNS customers.
- Wear professional clothing appropriate for the work being performed.
- Carry proper identification at all times and be willing to show it to UNS customers upon request.
- Bear in mind that the conduct, demeanor and actions of Contractors and Representatives may affect the reputation of UNS and perform the services in a polite, professional, efficient and competent manner.
- Not represent to customers that they are employees of UNS or its subsidiaries.

Reporting Violations
The Code does not anticipate or specifically address all potential ethical issues that may arise as part of your relationship with UNS. Contractors are encouraged to contact their UNS business contact with questions or for guidance on how to proceed in a given situation. UNS prohibits retaliation against anyone who raises concerns or is involved in an investigation for possible violations of this Code. Violations of this Code of Business Conduct may be reported to any of the following:

- Your UNS business contact.
- For information security concerns, the UNS IT Security Department at (520) 770-2020.
- The UNS Code of Ethics Violations Reporting Hotline Toll-free Telephone Number: 1-866-294-5534 (anonymous reporting).
- Website: http://www.fortis.ethicspoint.com (anonymous reporting).

Updates to Code and Disclaimer
UNS reserves the right to amend and modify this Contractor Code of Business Conduct at its discretion. The provisions of the Code are not intended to change any obligations set forth in the Contractor’s agreement with UNS and in the event of any conflict, the terms in your agreement with UNS will prevail.