

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 100

CODE OF ETHICS FOR DIRECTORS AND EMPLOYEES

I. OBJECTIVE

The Association demands the highest possible ethical conduct from individuals serving as its directors as well as from its employees. Full compliance with this Policy is mandatory, and directors and employees are expected to foster, promote and maintain a culture of transparency, integrity, honesty and high ethical standards. This Policy is promulgated in part by the Board of Directors of the Association pursuant to Section 406 of the Sarbanes-Oxley Act of 2002 and the rules of the SEC promulgated thereunder and specifically applies for the purposes therein to the Senior Financial Officers of the Association. For these purposes, Senior Financial Officers means the Principal Executive Officer, Principal Financial Officer, and Principal Accounting Officer. This Policy applies, however, to all Association directors and employees. This Policy contains standards reasonably necessary to promote: honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; full, fair, accurate, timely, and understandable disclosure in the periodic reports required to be filed by the Association and in other public communications; and, compliance with applicable governmental laws, rules and regulations (Laws) as well as accounting and auditing standards and Association Policies and Procedures. It should be read in conjunction with the Association's Conflict of Interest policies.

II. CONTENT

Directors and employees of the Association must:

- A. Act with honesty and integrity, ethically handling actual or apparent conflicts of interest in personal and professional relationships. Directors and employees should recognize that even the appearance of a conflict of interest can damage the Association. A conflict of interest may exist because of a relationship of theirs or of a family member that is inconsistent with the Association's best interests, of the Association's Bylaws or Policies or Procedures, or could cause a conflict with their ability to perform their director or employee job responsibilities.
- B. Report to the Chief Executive Officer, General Counsel, or Chair of the Audit and Finance Committee, as applicable, any transaction that reasonably could be expected to give rise to a conflict of interest.

- C. Produce, or cause to be produced, full, fair, accurate, timely, and understandable disclosure in reports and documents that the Association prepares or submits to the Securities and Exchange Commission, if applicable, and in other public communications.
- D. Comply with applicable Laws, Association Policies and Procedures, and Accounting and Auditing Standards and Policies.
- E. Promptly report any violation of this Policy to the Chief Executive Officer, General Counsel, or Chair of the Audit and Finance Committee, as applicable.

III. APPLICABILITY

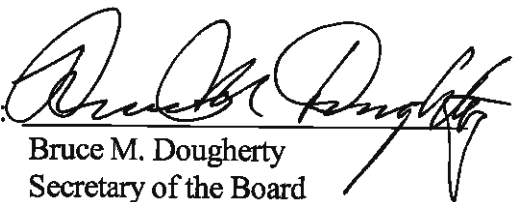
- A. The Association reserves the right to determine when actual or potential conflicts of interest exist, and then to take any action, which in the sole judgment of the Association, is needed to prevent the conflict from continuing.
- B. Directors and employees will be held accountable for their adherence to this Policy. Failure by a director to observe the terms of this Policy shall be dealt with as provided by the Association's Bylaws and applicable law. Failure of an employee to observe the terms of this Policy may result in disciplinary action, up to and including immediate termination of employment. Any employment action taken under this Policy shall be consistent with applicable personnel policies and collective bargaining agreements.
- C. Any request by a Director for a waiver of any provision of this Policy must be submitted to and approved by the Board of Directors. A request by a Senior Financial Officer for a waiver of any provision of this Policy must be in writing and addressed to the Chair of the Audit and Finance Committee. The Board will have the sole and absolute discretionary authority, acting upon such recommendation as may be made by the Audit and Finance Committee, to approve any waiver from this Policy. Any waiver of this Policy for Senior Financial Officers will be disclosed promptly on Form 8-K or any other means approved by applicable SEC rules or listing standards, if applicable. Any request by an employee for a waiver of any provision of this Policy must be submitted to and approved by the employee's supervisor and the Principal Executive Officer.
- D. Nothing contained in this Policy is intended by the Association to be, nor shall it be construed as, an employment agreement.

IV. **RESPONSIBILITIES**

- A. All employees are responsible for compliance with and being alert to possible violations of this Policy. Any employee witnessing a possible violation of this Policy shall inform his or her supervisor.
- B. The Board of Directors and the Chief Executive Officer shall undertake reasonable efforts to ensure compliance with this Policy.

Date Approved: May 25, 2016

Attested:


Bruce M. Dougherty
Secretary of the Board