



TENNESSEE
VALLEY
AUTHORITY

Code of Conduct

For the Members of the
TVA Board of Directors

Introduction

The Tennessee Valley Authority (“TVA”) Board of Directors (the “Board”) has adopted the following Code of Conduct (the “Code”) for members of the Board (“Director” or “Directors”).

TVA is committed to governance and business practices in accordance with the highest standards of integrity, honesty, and ethical conduct. The Board is accountable for establishing the framework that creates TVA’s culture of integrity. Directors are responsible for complying with all laws, regulations, and policies that govern their business and personal conduct, including, but not limited to, the TVA Act (16 U.S.C. § 831, et seq.), the Bylaws of TVA, the TVA Code of Conduct, the general Federal conflict of interest statute (18 U.S.C. § 208), and the Standards of Ethical Conduct for Employees of the Executive Branch (5 C.F.R. Part 2635).

No code or policy can anticipate every situation that may arise. Accordingly, this Code serves as a supplement to the TVA Code of Conduct and is intended to serve as a source of guiding principles for Directors.

Director Responsibilities

All Directors have a responsibility to understand and comply with the letter and spirit of this Code.

Directors must:

- Follow the law and this Code. The responsibility cannot be delegated.
- Bring questions about particular circumstances that may implicate one or more of the provisions of this Code to the attention of TVA’s Designated Agency Ethics Official (the “DAEO”), who may consult with inside or outside legal counsel as appropriate.
- Promptly respond to employee reports of unethical conduct or violations of laws, regulations, or TVA policies by reviewing the matter with the DAEO or legal counsel and directing them to communicate with the employee. TVA will not retaliate against any employee who reports suspected unethical conduct or violations.
- Proactively promote ethical behavior and foster an environment of respect, honesty, and accountability.



Conflicts of Interest

Directors are accountable for acting in TVA's best interests, avoiding all conflicts of interest and avoiding even the appearance of a loss of integrity. Directors whose objectivity may be questioned because of an actual or perceived conflict of interest must notify the DAEO. If a Director has an actual or perceived conflict of interest, information regarding the conflict needs to be disclosed to the Board Chair and DAEO. If necessary, the Director must recuse himself or herself from any decision-making process regarding the matter.

A conflict of interest may arise when a Director faces a choice between personal interests, activities, investments, or relationships (financial or otherwise) and TVA's interests. A Director's personal or business interests include, but are not limited to, the following:

- the Director's own interests;
- interests of a spouse and/or minor child;
- an entity (including a not-for-profit organization) with which a Director serves as a director, officer, employee, lobbyist, trustee, or general partner; or
- an entity with which a Director is negotiating or has an arrangement for employment.

It is difficult to describe all possible conflicts of interest, but several of the more common conflicts are listed below.

- **Business and Personal Relationships.** Directors should always act in TVA's best interests and in a manner that contributes to positive relationships with customers, suppliers, business partners, and others with whom TVA does or proposes to do business.
- **Not-For-Profit Organizations.** Directors may serve and support not-for-profit organizations, but Directors should always act in TVA's best interests and avoid actions or affiliations with not-for-profit organizations that do not align with TVA's unique mission of service.
- **Compensation from Non-Company Sources.** Directors may not accept compensation (in any form) from any source other than TVA for services performed for TVA.
- **Gifts.** Directors may accept gifts of nominal value if the gifts are not being made to influence the Directors' actions and do not create the appearance of a conflict of interest.



Corporate Opportunities

Directors may not compete for, or pursue either personally or on behalf of another entity, TVA business opportunities, including opportunities that are discovered through the use of TVA's property, information or their position as a Director. A Director may, however, pursue an opportunity that relates to TVA's business if TVA's disinterested Directors determine that TVA will not pursue it.



Public Statements

Section 3.3 of the TVA Bylaws provides that "[t]he Chief Executive Officer shall be the Corporation's primary spokesperson in communications with external individuals and entities." Accordingly, Directors should not speak publicly on behalf of TVA unless pre-cleared by the Chair of the Board and the Chief Executive Officer. Directors are encouraged to avoid public comments that could be attributed to or conflict with TVA's business or policy positions.

Directors will take precautionary measures to avoid making public statements in a personal capacity regarding enacted or pending legislation, regulations, policies, or other topics involving the Federal Government that have the potential to impact TVA and its operations. Prior to the distribution of such statements, Directors will consult with the DAEO on the potential impacts to TVA of such statements.

Confidentiality

It is essential to handle all non-public TVA information carefully and appropriately. Directors must maintain the confidentiality of TVA's information entrusted to them, regardless of the source. Directors may disclose certain non-public information if it is legally mandated, or the Director has received authorization to do so, with concurrence from the Office of the General Counsel or the Board's independent legal counsel. Additionally, Directors must not disclose sensitive information to others (including TVA employees) who do not have a TVA business need to know the information.

Political Activity

Directors may engage in any political activity or serve in any public office where such activity or service will not

- violate any applicable laws,
- interfere with their statutory duty to support the objectives and missions of TVA as outlined in the TVA Act,
- raise any question as to the independence of the Director's judgment or ability to perform his or her duties with TVA, or
- be interpreted as associating TVA with any political party or partisan political activity.

Fair Dealing

Directors must observe the highest ethical standards and act with integrity and honesty to promote an environment that encourages TVA's officers and employees to sustain and enhance TVA's reputation and treat each other, as well as customers, business partners, suppliers, and competitors, with fairness and respect. Directors shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Reporting Illegal or Unethical Behavior

Directors should promote ethical behavior and take steps to see that TVA

- encourages employees to talk to supervisors, managers, and other appropriate personnel when in doubt about the best course of action in a particular situation.
- encourages employees to report violations of laws, rules, regulations, or TVA's Code of Conduct to appropriate personnel.
- encourages employees to report fraud, waste, abuse, or wrongdoing to the TVA Office of the Inspector General, and
- informs employees that retaliation for reporting alleged violations is not tolerated.



Enforcement of Standards in This Code

Directors should communicate any suspected violations of this Code promptly to the Chair of the Board. Alleged violations will be investigated by the Chair of the Board or by a person designated by the Chair of the Board. Any suspected violation of this Code involving the Chair of the Board should be communicated to the Chair of the Audit, Finance, Risk and Cybersecurity (“AFRC”) Committee (or any successor committee with responsibility for audit functions). Alleged violations involving the Chair of the Board will be investigated by the Chair of the AFRC Committee or by a person designated by the Chair of that Committee.

Waivers of This Code

All Directors are expected to follow the standards and principles outlined in this Code. Any waiver from any part of this Code requires the express written approval of the Board or the AFRC Committee, following the disclosure of all relevant information, and will be promptly disclosed as required by law.

Annual Certification

Each Director shall be asked to certify compliance with this Code as part of the Board’s annual ethics training.

Review of this Code

The People and Governance Committee will review and reassess the adequacy of this Code annually, and make recommendations, if any, for proposed amendments. The Board may approve amendments to this Code that it deems necessary and appropriate.



