



Code of Conduct & Ethics

Dear ITC Team members:

Communities trust ITC to build reliable transmission lines in their neighborhoods. Customers trust ITC to deliver unfailing electric power. Regulators trust ITC to comply with mandated standards. Their trust in us did not happen overnight or on its own.

This trust was built over time as our commitment to acting with integrity and responsibility has earned us a reputation for ‘excellence in all we do’ with our stakeholders and throughout our industry. However, their trust in us can quickly unravel by one adverse incident or the unethical actions of one employee.

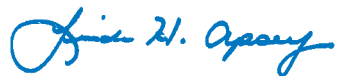
ITC’s Code of Conduct & Ethics (our “Code”) is the framework and guiding principles for the standards by which we conduct our business and drive our compliance culture. While we’ve maintained a positive reputation, I’d like to reinforce that the Code is an integral part of ITC’s business and culture, and must be upheld.

To continue building our reputation in an evolving industry, I ask each and every one of you to be accountable for bringing our Code to life in your everyday decision making. Our Code establishes the shared values and behaviors that apply to all of us. While the Code serves many purposes, it does not provide exhaustive information about every single situation you may encounter. Instead, it serves as a common reference point to help each of us understand what is expected of us along with links to related policies for additional detail.

Refer to the examples in the Code – whether you’re indecisive about accepting a vendor gift or concerned about a coworker’s questionable behavior. The Code offers guidance and direction to handle situations ethically and in compliance with laws and regulations. It provides us with ways to speak up if we have questions, and assures us that we will not experience retaliation for raising an issue or concern.

By using the Code as a guide, ITC will remain a top-tier transmission provider with a stellar reputation as we build the grid of the future. Everyone is responsible for acting with honor and character – demonstrating ITC’s values and behaving with integrity and trust. I am proud to work alongside all of you, and thank you for your continued dedication to ITC.

Best Regards,



Linda H. Apsey – President and Chief Executive Officer

Message from the President and Chief Executive Officer



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Code of Conduct & Ethics

Connecting To Ethics: An Introduction to Our Code



Understanding Our Code's Purpose

At ITC, we do what's right for our Company, our stakeholders, and each other. Our Code of Conduct & Ethics ("Code") is an integral part of our overall strategy and our Company's Ethics & Compliance Program. Our Code also serves as a guide that provides us with resources and guidance to help us act with integrity and ethics and follow the law. By doing the right thing every day, in every situation, we protect ITC's good reputation and ensure our continued success.

Our Code serves many purposes. It does not provide exhaustive information about every single ITC standard or policy. Instead, it serves as a common reference point to help each of us understand what is expected of us. In our Code, we can find information about the laws, regulations, internal policies, and behaviors that help us achieve our objectives and maintain our Company's high standards. We are each responsible for understanding and following the Code and the policies that are relevant to our role and work area.

Following Our Code

We expect everyone at ITC — employees, executives, officers, and directors — to read, understand, and uphold our high standards of integrity and honesty. These standards are not just set forth in our Code.



They are also outlined in other important documents such as our policies, the ITC Holdings Corp. Ethics & Compliance Program Manual, and the ITC Employee Connection Guide, which can be found by visiting the Station, our Company's intranet site.

We take violations of our Code very seriously. Anyone involved in a violation of our Code or the law may be subject to coaching or counseling, or disciplinary action up to and including termination of employment. We expect that all of our fellow employees, contract personnel, clients, business partners, suppliers and outside service providers will also uphold our ethical standards.

Setting the Tone: Leaders' Responsibilities

Leaders at all levels are a key factor in creating and maintaining our culture of integrity, honesty, and compliance with the law. Our Company encourages an open-door environment where we should all feel comfortable discussing our responsibilities, concerns, and contributions with each other. If you're a leader, you have a responsibility to take appropriate action when you learn of an actual or likely violation of our Code. While leaders' duties may vary, everyone who oversees employees must follow the same basic principles in their day-to-day leadership. These are:

Engage: Create a welcoming environment for concerns to be raised, make time to listen to employees and model ethical behavior.

Identify: Understand what misconduct may look like and watch out for it.

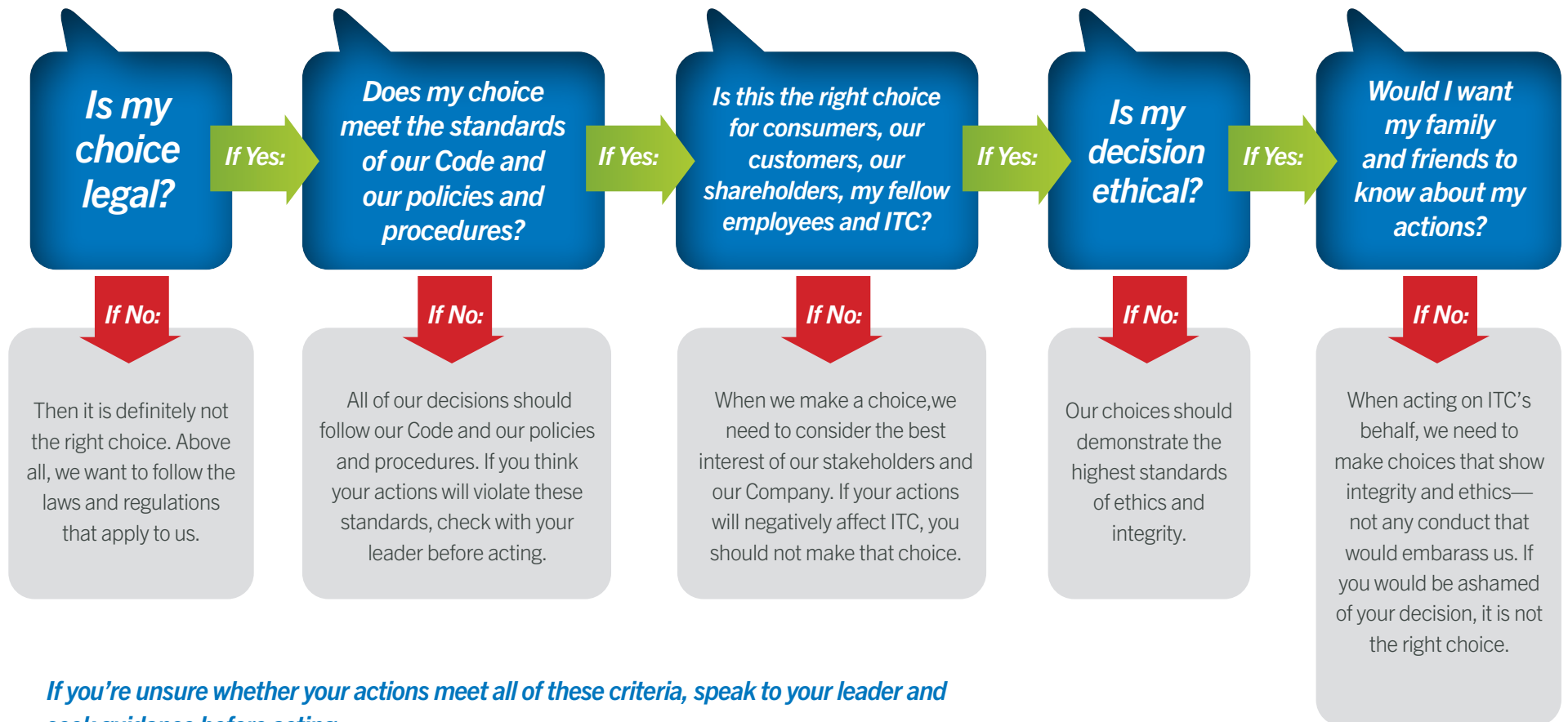
Escalate: Connect quickly with the right resource to address reports of potential misconduct.

Ensure: Be on the lookout for retaliation against employees who have voiced concerns.

Ask Yourself: Am I Making the Right Decision?

We all strive to make the right decision in every situation. However, it's not always easy to know what the right choice is.

If you are facing a difficult ethical decision, ask yourself a few simple questions:



Q: *John leads a team of accountants. One of his direct reports, Allison, tells him that she's noticed irregularities in billing rates for a particular vendor across a series of invoices, and she's worried that the vendor may be providing kickbacks to an ITC team member. John isn't sure how to handle this situation, since he doesn't supervise that team. What should he do?*

A: As a leader, John has a responsibility to bring this situation to someone else's attention if he doesn't know the right way to handle it. He should begin by speaking to his leader for guidance about how to proceed. We all have a responsibility to report potential misconduct to a leader – and leaders have a responsibility to escalate issues and be certain they are addressed. If speaking to his leader is not a viable option, John has multiple other avenues for guidance or to report his concerns including Human Resources, Ethics & Compliance, Internal Audit, the General Counsel, or the ITC Ethics Helpline. The most important thing is for John to speak up about the potential issue.

Sharing Concerns and Getting Help

Each of us has a responsibility to maintain our ethical culture by asking questions and reporting potential misconduct. If you think you've seen misconduct, or if you know of something not quite right, speak up. By reporting issues and sharing concerns, we help the Company uphold its commitment to integrity. You can use any of the following resources to make a report:

- Your leader, other departmental leadership or any executive
- The Ethics & Compliance Department
- Human Resources
- Internal Audit
- ITC's Chief Compliance Officer
- The Chair of the Audit Committee
- ITC's General Counsel
- ITC's Ethics Helpline (**888.475.8376** or <https://itc.ethicspoint.com>), where you may report anonymously at any time



How our Company investigates a compliance incident or concern – whether suspected or actual – may affect our reputation as much as the violation itself. We investigate all potential incidents that are reported. You may report suspected violations anonymously, in accordance with ITC policies and local law. Keep in mind that, in some circumstances, it may be difficult to thoroughly investigate anonymous reports. To allow a faster and more thorough investigation, you are encouraged to provide contact information.

We are each expected to cooperate fully in any internal or external investigation. We will take all reports seriously and address them promptly and professionally. This commitment applies to every part of our organization.



You can find more information about reporting concerns of potential misconduct and ITC's investigation process by reviewing the ITC Holdings Corp. Ethics & Compliance Program Manual available on the Station.

Upholding Our Commitment to Non-Retaliation

ITC understands the value of fostering an open door environment where leaders listen to every employee and all of us are comfortable speaking up. However, in some situations we may feel more comfortable talking to a particular person, like our direct leader or another leader, the important thing is that we share our concerns when we have them. Our Company will not tolerate retaliation against anyone who speaks up or participates in an investigation of potential misconduct or any other concern in good faith. Acting in good faith means that you provide all of the information you have, and you believe you are giving a sincere and complete report. As long as you make your report honestly, it does not matter whether it turns out to be true.

Reporting an issue or concern in good faith will not affect conditions of employment. When someone makes a report, ITC will protect them from retaliation. For instance, refusing to promote an employee because he or she reported a concern in good faith is an example of retaliation – and we won't tolerate it. In turn, we expect fellow employees to report any retaliation that they know of or even suspect. As an organization, ITC strives to do all that is possible to ensure our employees feel comfortable speaking up.

Anyone who makes a report in bad faith, or who retaliates against someone for making a report or participating in an investigation in good faith, may be subject to coaching or counseling or disciplinary action, up to and including termination.



For more information about how our Company handles reports, please refer to the Speak Up policy

If Our Code is Violated

Violating our Code, policies, procedures, or the law may carry serious consequences for the individuals involved and our Company. Anyone who engages in unethical or illegal behavior – or directs, condones, approves, or facilitates it – may be subject to coaching or counseling, or disciplinary action up to and including termination, or prosecution, in the case of illegal behavior. Remember, such behavior places all of us at risk. It could damage our Company's reputation, negatively impact our stakeholders, and even lead to fines and civil or criminal liability for the Company and for individual employees.



Connecting With Our Fellow Employees



Upholding and Strengthening Our Culture of Safety

At ITC, we take safety very seriously and ensure that it is an integral part of our culture every day. We should make our work spaces as safe as possible for ourselves, fellow employees, the communities we serve, and our Company. Because of this focus, ITC strives to have an industry-leading safety record

Working accident-free is one of our most important goals. To achieve that goal, we must each learn and apply the safety rules and concepts that apply to our work each day. This includes maintaining and using our equipment properly, wearing the proper protective gear (such as hardhats, safety glasses, and fire retardant clothing), always following proper procedures and never taking shortcuts. This is true whether we work in an office, or at a facility, substation, or transmission corridor, and while we are traveling between ITC facilities.

Further, each of us should use Company vehicles responsibly and only for business purposes. If you use a Company vehicle, you must operate it only to accomplish company approved activities. You should follow all applicable laws when using Company vehicles or when driving a personal vehicle for business. Never text and drive nor engage in other distracting activities and always use “hands free” capabilities with cell phones.

Our commitment to safety extends to our employees and communities. ITC engages with community members and local law enforcement agencies to keep our facilities and property safe and secure. Our goal is to keep our employees, communities, and assets safe by educating law enforcement personnel and others who support our commitment to providing safe, reliable service.



You can find more information about our commitment to safety on the Safety Culture page of our intranet. Be sure to know and understand all safety requirements and when you are not sure, contact an ITC Safety representative identified on the Station.



Q: *Sam is working on a project at a transmission facility. He feels he does a good job leading by example by always wearing his personal protective equipment. However, as a relatively new member of the team, he does not feel comfortable confronting his peers when they forget to wear their protective gear, especially since it might slow down the work on an already tight timeline. After all, the field supervisor has not said anything. Is this ok?*

A: No. Safety is everyone’s responsibility. If you are assigned protective gear, you must wear it as directed. It is not enough for Sam to set a good example by wearing his personal protective equipment. He should also speak to his peer or leader about the need to always wear protective gear. No work is ever so important that we should sacrifice our safety or the safety of those around us. Remember, “If you see it, you own it. If you walk away, you condone it.”SM



Upholding and Strengthening Our Culture of Safety [CONT.]

Workplace violence

Upholding our commitment to safety is about more than following the rules and regulations that apply to us. It also means keeping our workplace free from all forms of violence. An act of violence can be a verbal or physical threat, an act of intimidation or abuse, or a blatant physical assault. Whatever form it takes, violence has no place at ITC. More importantly, weapons of any kind are not allowed inside the workplace and surrounding corporate property.

If you know of or suspect incidents or threats of workplace violence, report your concerns immediately. You also have a responsibility to report any act of violence between any contractors or other parties working on our behalf. Report your concerns to your leader, ITC Security, or Human Resources right away. **If the threat is imminent or involves a weapon, immediately call 911, then contact ITC Security.**



For more information refer to the Workplace Violence policy.

Drugs and alcohol in the workplace

Substance abuse limits our ability to do our work safely and with the quality we expect. To make sure that we do our jobs right and treat each other with respect, we must never work while impaired by alcohol, illegal drugs, or misused prescription and over-the-counter medications. We must never use, possess, transfer, or sell such substances during working hours or while on ITC property.



For more information about drugs and alcohol in the workplace, please refer to the Drug & Alcohol Policy.

Treating Each Other Fairly

Our employees are our most valuable asset. We make employment-related decisions based on merit and qualifications and the all-around best fit for the job. **Employment-related decisions** include things such as (but not limited to) hiring, promotions, termination, transfers, recruitment, discipline, compensation, or selection for training programs. When making these decisions, we are committed to a policy of equal treatment and opportunity without regard to race, color, religion, creed, gender, gender identity, sexual orientation, marital or parental status, height, weight, national origin, citizenship status, age, arrest record, genetic information, military or veteran status, or disability that can be reasonably accommodated, or any other classification protected by applicable federal, state or municipal law.

Q: *Julie is being considered for a supervisory promotion. Julie was the front runner for the position until Ted, the hiring manager, learned that Julie's religious beliefs were different than his. As a result of this information, Ted decided to hire someone else. Are Ted's actions in accordance with the Code?*

A: Absolutely not, because Ted treated Julie differently because of her religion. Such actions are against the law. At ITC, we do not make employment-related decisions based on protected characteristics such as religion. Julie should speak to Human Resources and report her concerns. If you think you're experiencing workplace discrimination, report it.



Preventing Harassment

At ITC, mutual respect is expected from everyone, everyday, without exception. We demonstrate this commitment in many ways. To do so we include teamwork and communication as key competencies in our annual performance review process. This is why ITC does not tolerate or ignore acts of harassment or discrimination from anyone – fellow employees, leaders, business partners, and stakeholders alike. **Harassment** is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual based on a protected characteristic, category or classification.

If you have experienced or observed discrimination or harassment, please discuss the situation with your leader or Human Resources. ITC does not tolerate retaliation against anyone who makes a good faith report of possible harassment or discrimination, or against anyone who participates in an investigation.



For more information and a more detailed definition of harassment, refer to the Anti-Harassment & Anti-Discrimination Policy.



Protecting Each Other's Personal Information

As ITC employees, we may provide sensitive personal, medical, and financial information about ourselves to our Company. ITC is committed to protecting this information, whether on paper or in electronic form. If you have access to others' personal information because of the nature of your job, you must take special care to safeguard it and use it only as required to do your work. Some common examples of private personal information include:

- Benefits information
- Social Security numbers
- Compensation information
- Medical records
- Employment history
- Contact information, such as home addresses and telephone numbers

We take care to meet the standards of privacy laws and policies that apply to personal information. We do not give anyone access to this type of information without specific authorization and a business-related need.



For more information about the protection and handling of sensitive, confidential and personal information, please refer to the HIPAA Privacy Policies and Procedures, the Cyber Security policy and the Information Protection Program.

Helping Our Company Be the Best



Acting in Our Company's Best Interest

As a part of the ITC team, we are all committed to acting in our Company's best interests. We must be alert to any situations that may create — or even appear to create — a conflict of interest. **A conflict of interest** exists when our personal interests or outside activities interfere — or seem to interfere — with our duty to ITC and our **personal integrity**. These conflicts of interest can make it difficult for us to make objective decisions, and some may rise to the level of compromising the success of our Company as a whole. We should all be aware of any potential influences that impact or appear to impact our ability to make the best choice for our Company.

Remember, a conflict can exist even if it does not lead to an unethical or improper act — even a perceived conflict could be problematic.

It isn't possible to describe every potential conflict of interest that may arise, so our Company relies on each of us to exercise sound judgment and act ethically. To help us make the right choice, a few common conflict of interest situations are described below.

Working with relatives

A conflict of interest can arise if you or a related person have a personal stake in a company that does business with ITC, including customers, business partners, or competitors. If we find ourselves in this type of situation, we must disclose this information to our leaders and not use our position to influence the bidding process, negotiation, or ongoing business relationship in any way. For example, if you are directly involved in vendor selection and a family member is a sales representative for that vendor, notify the Director of Supply Chain immediately and remove yourself from the decision-making process.

Relatives include those related by blood, marriage, or adoption such as spouses, children, parents, in-laws, grandparents, aunts, uncles, first cousins, siblings, nieces, nephews and step-relatives; also domestic partners, and any person involved in a legally binding guardianship.

Q: *Brad's wife Sheila is looking for a new job, and he knows there is an engineer position open that would be a great fit for her. If she got the job, she and Brad might work together occasionally, but not very often. He tells her not to tell anyone that they are married, since they won't really be working together that much anyway. Is he doing the right thing?*

A: No, he isn't. If you think a conflict of interest may exist, it's never ok to hide it or lie about it. Even though Sheila is not yet an employee and thus the *Employment of Relatives* policy does not apply, Brad should disclose his relationship with Sheila to Human Resources. While it is perfectly fine for Sheila to apply for the position at ITC, she must also disclose this relationship on her employment application. Failing to disclose a potential conflict of interest is always a violation of our Code.



If you have questions about a situation that might create a conflict of interest, speak to Ethics & Compliance or Human Resources.

When a personal or family relationship exists between employees, particularly if it is also a reporting relationship, it may seem that one employee is receiving preferential treatment. To avoid this, no one should be placed in a position where he or she has direct reporting over a relative. Remember, we must avoid even the appearance of bias. If such a situation arises, disclose the facts to your leader promptly.



For more information in this area, refer to the [Employment of Relatives](#) policy.

Acting in ITC's Best Interest [CONT.]

Outside employment

In some cases, employees may be involved in outside employment or activities that are not related to their role at ITC. Certain activities are allowed, where they would not impact our ability to complete our work for ITC. However, we generally do not allow employees to pursue outside activities that compromise ITC's business goals or our ability to perform our jobs. For instance, working for another electric utility or for one of our vendors may make it difficult to make impartial decisions for our Company.



If you have any questions, talk to your leader or Human Resources before accepting any outside position to ensure that it does not create a conflict.

Investments in other companies

ITC respects your right to manage personal finances. However, some outside financial interests may improperly influence – or seem to influence – your ability to do your job at ITC. This may be the case, for example, if you invest in an ITC competitor, customer, supplier, or other business partner.

If an employee has an investment in an organization we are recommending for a business relationship with ITC, it must be disclosed to the General Counsel immediately. Additionally, employees should be familiar with our *Policy on Independence* that prohibits employees, management, and directors from owning securities in Market Participants. A Market Participant refers to any entity that, either directly or through an affiliate, sells or brokers electric energy, or provides ancillary services to the Regional Transmission Organization.



For more information please consult the Policy on Independence.

Serving on a board of directors

As with outside employment, we may serve on a board of directors if it does not interfere with our ability to do our job for ITC. In fact, we are encouraged to serve on non-profit or other boards that contribute to our communities' well-being and strengthen us individually as leaders, as long as it does not interfere with our work.



Talk to your leader and to ITC's Manager of Marketing and Corporate Affairs before accepting a board position to ensure that it is not a conflict.

**Endorsements and speaking engagements**

We encourage our people to engage with stakeholders and share knowledge gained through their experiences in our industry. However, we must be sure to get pre-approval from our Public Relations Manager before making any public appearances or endorsements on behalf of our Company.

Exchanging Appropriate Gifts and Entertainment

In all business dealings, ITC employees must act with integrity to avoid any real or perceived impropriety. This includes accepting gifts, meals, and entertainment while conducting business. Inappropriate business courtesies can even lead to allegations of bribery or corruption if they suggest that favorable treatment was given or received to influence a business decision. Therefore, we should not accept gifts or entertainment from business partners, especially prospective or existing suppliers. However, in rare instances we may provide or accept courtesies such as gifts, meals, or entertainment, as long as they are:

- Reasonable (that is, not expensive)
- Infrequent
- Unsolicited
- Not cash or cash equivalents
- Based on a legitimate need to discuss business, in the case of entertainment
- Given or received during long business meetings or due to time constraints, in the case of meals
- In accordance with local laws, regulations, and Company policy



We may exchange gifts of “nominal” value, like logo pens, cups, or caps. If we are not certain whether a gift, meal or entertainment is appropriate, we should discuss it with our leader. Any exceptions to our policy must be made by the Vice President and respective Senior Executive.

Because the rules that apply are much stricter, we must be particularly cautious when interacting with government officials. If you would like to give anything of value to a government official, you must obtain pre-approval from our General Counsel.



For more information, please review our Gifts and Entertainment policy.

Q: *Veronica is a leader at an ITC warehouse facility, and she’s trying to hire a new maintenance company for the facility. Her husband Arthur works for one of the companies she’s considering. Arthur’s company usually gives large gift baskets to each employee and their family during the holiday season. Can Veronica accept the gift basket this year?*

A: Probably not. Because she is considering her husband’s company for a contract, accepting the gift basket could make it look like Veronica’s judgment is being inappropriately influenced. In this situation, it’s better to be safe and simply decline the gift basket. If you have questions about appropriate gifts and entertainment, speak to your leader. Additionally, Veronica should disclose the potential conflict of interest to the Supply Chain representative and remove herself from the committee responsible for selecting the maintenance company.

Q: *Jorge has arranged for a government inspector to inspect an ITC transmission facility located 100 miles away from the nearest city. Jorge would like to treat the inspector to a nice lunch afterwards, to thank him for driving all the way to the facility. Can he do that?*

A: No, Jorge cannot offer anything of value to a government official – even a nice meal. We need to be very careful when we deal with government officials. Even normal gifts and entertainment can start to look like bribes, which can damage our reputation as an ethical company. If you’re considering offering anything of value to a government official, speak to the General Counsel before doing so.

Using Company Property Responsibly

To do our jobs, we use various assets — assets that ITC places in our care. We are responsible for protecting all property and resources entrusted to us. This includes any facilities, equipment, vehicles, supplies, funds, and documents to which we have access or for which we are responsible. In addition, we should understand and uphold our obligations for safeguarding resources like ITC facilities.

Further, we must take reasonable precautions to protect ITC's assets against theft, waste, damage, or misuse. Consistent with our commitment to our customers, stakeholders, and shareholders, Company assets should be used only for business purposes.

Q: *Amy is a member of the Parent Teacher Association at her son's school, and they are organizing their big annual fundraiser. Amy has offered to design the event flyer and make several hundred copies to post around the school and throughout the town. Amy would like to use her work computer to design the flyer and then make copies using the office printer. Is that ok? After all, it would only be a couple of hours, and a ream of paper is very inexpensive.*

A: No, Amy should not use Company time or resources for her son's school fundraiser. We have a responsibility to use Company property only to accomplish ITC's business objectives — not for our own personal use.



If you have questions about the right way to use ITC's assets, speak with your leader.



Protecting Our Information and Technology

We must protect ITC's confidential and proprietary information, which includes information not generally available to the public. We may share confidential information only with people who are authorized to have it either for legitimate business purposes or by law.

Confidential information can include:

- Information about our customers and employees, contact information, current business relationships, and other information not available through public sources
- Business plans, including servicing programs, procedures and techniques
- Budgets and forecasts
- Regulatory compliance information
- Company security plans
- Intellectual property (IP)
- Critical infrastructure, assets and systems
- Information related to litigation or subject to the attorney-client privilege

Protecting Our Information and Technology [CONT.]

Be mindful that confidential information may be kept in places including files, documents, reports, customer lists, accounting records, computer programs and software, Company manuals, financial plans, and research. In order to protect our Company's confidential information, we follow these guidelines:

- Safeguard passwords and other access codes. Never share your passwords with anyone else or let another person use your account – even a fellow employee.
- Properly store, secure, transfer, share, print, and label all data – paper or electronic – in accordance with Company policies.
- While traveling, keep your laptop, briefcase, and all other Company property secured or with you at all times.
- Be careful when discussing Company-related information in public settings such as airports, trains, or restaurants. Always assume an unauthorized third party is listening. Never discuss Company information with anyone who does not have a business need to know.
- Take extreme care when copying, faxing, or discarding sensitive papers, disks, audiotapes, or other Company property, and do not discard them in any place or format where the information could be intercepted. Any loss or theft should be reported to ITC's Cyber Security Manager or Security Manager immediately.
- Ensure computer screens are locked when leaving desk areas so that only the individual who is signed onto the computer has the ability to use that computer.
- Properly place computers in offices and desk areas so that computer screens cannot be easily seen by passersby.

Remember, our obligation to protect confidential information does not end if we leave the Company.



For more information about safeguarding Company information, please refer to the Cyber Security policy and Information Protection Program. If you have any questions about confidential information, speak to the General Counsel.



Q: *Susan is a technical writer and often works on documentation for new ITC facilities. She leaves facility plans and maps on her computer screen while she is away from her desk, and she never locks her computer. She figures that no one from outside the Company will walk by, and it's fine for other employees to know about ITC's business plans. Is she right?*

A: No, Susan is not right. She should protect the confidential information she has access to – including information about planned sites. Even within ITC, we should not share confidential information with anyone who does not have a business need to know. This helps us protect it from unintentional disclosure.

Protecting Our Information and Technology [CONT.]

Intellectual property

Some of us may also have access to ITC's **intellectual property** (IP).

Intellectual property includes copyrights, trademarks, designs, logos, and brands, as well as information communicated verbally or through written and electronic documents. Like other types of information, releasing or using our IP without proper authorization could damage our Company. ITC retains all rights to IP created with Company materials, on Company time, at our Company's expense, or within the scope of our duties.

To help protect our reputation for integrity in the marketplace, we make sure to safeguard any confidential and proprietary information that our suppliers, customers, and other business partners entrust to us. As a rule, we should handle others' confidential and proprietary information just as carefully as our own and take care that this information is not disclosed to anyone who isn't authorized to have it. In addition, we must comply with all software licenses, copyrights, and other laws governing intellectual property belonging to others.

ITC's technology resources

We are responsible for using ITC's network and computer systems and wireless devices ethically and legally. Appropriate and careful use of these technologies is our best defense in keeping our information safe. While we may make occasional personal use of these systems, we should remember that our Company reserves the right to monitor our use, except when prohibited by law. This means that when we use Company technology to draft and send emails, instant messages, and text messages, we must compose these messages as carefully as any other Company document.



For more information refer to the USB and Removable Media Procedure, the Cyber Security policy and the Social Media policy.



Speaking on Our Company's Behalf

In order to preserve our reputation for integrity and consistent with the SEC's Regulation Fair Disclosure, we need to ensure that our external communications provide an accurate picture of our business plans and activities. We protect the Company by never making public statements on ITC's behalf (unless ITC expressly authorizes us to do so). If a financial analyst, member of the press, or other member of the financial or public community requests information from you, even informally, please refer them to the Investor Relations Director or Public Relations Manager, as appropriate.

Social media

Social media provides us with many ways to communicate with our customers and each other. While this allows us to quickly and easily reach the communities we serve, we must be ever-committed to acting responsibly. Common sense and good judgment should guide our use of social media, both in its current forms and in whatever shape it takes in the future. We should not represent ITC in social media unless we are given prior approval by the Company. Additionally, we must take care to never post anything that is unethical or illegal under local, state, federal or international law.



For more guidance on social media in our workplace, refer to the Social Media policy and the Cyber Security policy.

Connecting Consumers to Energy – With Integrity



Competing Fairly

Fair competition in the marketplace ensures that our customers get reliable electric service at unbiased prices. We strictly comply with all applicable antitrust and competition laws wherever we do business, and we deal fairly with business partners and competitors alike. While these laws can be complex, they are meant to ensure a level playing field and fair competition in the marketplace.

Competition laws require that we make independent business decisions. We must never engage in unfair business practices, scheme with our competitors, or make other dishonest business arrangements. ITC is totally independent of energy buyers and sellers. We take seriously our role in providing non-discriminatory access to the transmission grid to facilitate broad regional wholesale energy markets. We uphold the standards outlined by FERC by never providing non-public transmission information to other participants in the market.



For more information on these topics, please refer to the Policy on Independence and the ITC Operating Companies Written Procedures for FERC's Standards of Conduct.

Remember, too, that illegal agreements can be inferred from our conduct even if there is no written or verbal agreement. If any of these topics come up when talking with a competitor – for example, at an industry association meeting – do not engage in the conversation. Instead, walk away immediately and report the incident to the General Counsel. Industry associations provide excellent opportunities for networking and business development, but be careful to avoid the appearance of unfair business practices when attending these events.

If your job puts you in contact with our competitors, you must educate yourself about the fair competition laws that apply, and avoid even the appearance of violating such laws directly or in spirit. If you are ever unsure whether competition laws are relevant to your work, seek guidance from the General Counsel before taking further action. Violations of these laws can lead to harsh penalties for both the individuals involved and our Company.

Q: *Tanya, an ITC employee in the development group, is attending an industry conference. One evening, she goes out for dinner with representatives from a few other utilities that bid on the same transmission projects ITC does. While they are chatting, someone else mentions that business has been a little slow, and it can be difficult to win competitive bids. Another representative suggests that they should find a way to decide who will win each project, so everyone wins something. Everyone agrees – except Tanya, who doesn't say anything. What should she do in this situation?*

.....

A: When faced with this type of anti-competitive behavior, Tanya should state that she does not agree with what is being discussed and immediately leave the conversation. Additionally, she should speak to the General Counsel for guidance as soon as possible. When we're in a discussion of anticompetitive topics, it's not enough that we simply don't participate. Instead, we need to state our objections so everyone knows we do not approve of the conversation and leave it immediately.

Dealing Fairly With Our Stakeholders

As an electricity transmission company, ITC follows the FERC Standards of Conduct. FERC regulates the transmission and wholesale sales of electric energy and gas in state-to-state commerce – but it also imposes a higher standard of independence on companies like ours.



For more information consult the *Policy on Independence and the ITC Operating Companies Written Procedures for FERC's Standards of Conduct*.



Keeping Our Marketing Materials Honest

At ITC, we are expected to compete vigorously, but never unlawfully. We take pride in the quality and value of the service and dependable operations we provide customers. Integrity and honesty guide our agreements, and the materials we share with our customers, suppliers, and the public at large. We should not make false or misleading claims about our Company or the services we offer.

Those of us involved in selling, advertising, promoting, and marketing our Company, capabilities and services must ensure that we are accurate and truthful. We should never make unfair or inaccurate comparisons between our competitors and us.

Meeting All Contractual Obligations

One of our most important responsibilities is to ensure we meet all of our contractual obligations. When we are working for our customers – including our fellow employees and government officials or agencies – certain rules and regulations apply to us. Therefore, we must be sure to always:

- Know and comply with all contract requirements
- Monitor high risk contracts
- Ensure all reports, certifications, and statements to the government are accurate and complete
- Record time allocations and costs accurately and truthfully
- Use government property for specified purposes only, not for personal or non-contractual use
- Follow our internal *Contract Review, Approval, Execution, and Administration* policy and other contract processes
- Meet our obligations under FERC and other rules that ensure no preferential treatment or unfair advantage is given and market information is shared correctly

For more information about the rules that apply to fulfilling our contracts, please consult with your leader or the General Counsel.

Holding Our Suppliers and Outside Service Providers to Our Standards

Our suppliers are key to managing and executing our business goals. We hold our suppliers to our high standards of ethics, integrity, and service quality. We regularly review our suppliers to ensure that they comply with the ethical standards we expect as well as all laws and regulations that apply to our business.



If you suspect that a supplier is not meeting these principles or is violating the law, report your concerns to the Director of Supply Chain.

Acting with Honesty for Our Investors

Respecting ITC's Corporate Opportunities

We each have a responsibility to make objective business decisions that promote ITC's well-being and maximize its business success. Therefore, our interests should not compete with ITC's interests. This means we may not take for ourselves any business or investment opportunities that we discover through our position or through Company relationships or information. This duty, and other potential conflicts of interest, are further outlined in the **"Acting in Our Company's Best Interest"** section.

Furthermore, we all have an obligation to advance our Company's interests when the opportunity arises. By doing so, we will further our goals and, in turn, achieve the best results for our investors, customers and the communities we serve.

Handling Inside Information Correctly

During the course of our work for ITC, we may learn material non-public information about our Company or other companies. Material non-public information (also known as **inside information**) is information about a company that is not known to the general public and that could influence a typical investor's decision to buy, sell, or hold that company's securities. It is illegal to buy or sell stock — or make any other investment decision — based on material non-public information about our Company or any other organization. Even if you trade for reasons unrelated to inside information you possess, you may be liable for insider trading. Information is no longer considered non-public when it has been effectively disclosed to the public and a reasonable waiting period has passed. This allows the marketplace time to fully absorb the information.

Further, we must also take care to never reveal inside information to anyone, including suppliers, customers, family or household members — a practice known as **tipping**. If you pass inside information to another person who buys or sells securities (or passes the information on to someone else who buys or sells securities), you may be liable for tipping. This is true even if you do not personally trade on the information. Tipping is a violation of our Code and insider trading laws. It carries steep penalties, including potential criminal liability for individuals.

Keep in mind that unauthorized disclosure of information could harm our Company, even if was not intended to facilitate an improper trade.



If you have any questions about the right way to handle inside information or if you inadvertently disclose inside information, consult with the General Counsel and the Fortis Insider Trading policy.



Q: *Kurt learns that ITC has been awarded a large transmission project, as a part of a broader regional transmission plan. He also learns that a few other companies have been awarded similar projects — but none of the companies have publicly announced the projects yet. Kurt figures that this development will probably increase the other utilities' share prices, and it might be a good idea to invest in these companies. Should he make this investment?*

A: No, Kurt should not make this investment. First, investing in a competitor could create a conflict of interest because they may be a Market Participant. Under ITC's *Policy on Independence*, employees, management and directors cannot own securities in Market Participants. Second, Kurt cannot buy or sell stock in any company based on inside information. Because this information is not available to the public, Kurt cannot use it to make any investment decision.

Keeping Our Books and Records Accurate

When it comes to creating and maintaining accurate financial records, we each have a role to play. At ITC, our records may include email, imaged, or paper documents – like contracts, notes, reports, time entries, and invoices – that are created, received, or maintained by our Company for legal, regulatory, accounting, or other business purposes. Our duties include following the *Employee Expense Reimbursement* policy, the *Direct Assignment* policy, and other policies that specify how we record financial information.

We should ensure the information we share with the public is entirely truthful, timely, and includes reasonable detail. As a publicly traded company and as a company regulated by FERC, it is vital that we prepare all of our financial statements in accordance with the relevant accounting principles and properly represent the financial condition and results of our Company. For instance, reports we file with the Securities Exchange Commission, the Federal Energy Regulatory Commission (FERC) or that we provide to other external parties must be complete and accurate. They must not mislead, misrepresent, or omit information, even for a business reason.



For more information about this section, refer to the *Direct Assignment* policy or the *Employee Expense Reimbursement* policy.

Records retention

Managing our records is a critical component to building trust with each other, our customers, regulators, and shareholders. Through effective records management, we can meet our business needs and ensure our records are readily available when needed. Managing our records also helps us comply with all applicable laws and regulations and preserve any relevant records in case we need them for litigation, audits, or investigations.

We must not destroy, conceal, or falsify any document for purposes of obstructing any governmental or legal proceeding, investigation, or lawsuit. We each have a responsibility to protect the integrity of our books and records. To accomplish this, we must report any instances of incorrect or fraudulent record-keeping, false representations (verbal or written), or hidden or mischaracterized Company funds or assets – whether by another ITC employee or a third party. If you have questions about records management, speak to the General Counsel or the Manager of Records and Information Management.



For more information about this section, refer to the *Records and Information Management* policy, the *Record Disposition and Suspension Procedure* and the *Hardcopy Record Archival and Retrieval Procedure*.



Q: *Miles prints out every email he receives and files it in his office. He figures that this is a good idea because it gives him a back-up in case his laptop ever breaks down. Is he right?*

A: No. It's true that we want to keep all important business records – but we don't need to keep paper copies of every single email. Having such extensive files could make it hard for Miles to find information when he really needs it. We should all follow the guidelines in our *Records and Information Management* policy and *Records Retention Schedule* and keep information as long as we need it, but not longer. For help maintaining records appropriately, speak to your department Record Coordinator or the Manager of Records and Information Management.

External and internal audits

When internal and external auditors request information from ITC, we should cooperate in a timely manner. It is our responsibility to provide this information. We should never impede or delay any audit or similar appropriate requests. If you have questions about a request or audit, consult with the General Counsel.

Government investigations and inquiries

We also have a duty to cooperate fully with legitimate government and agency investigations. This means we will provide the appropriate information, as requested, in a timely manner. However, at times we may not have all the information necessary to respond appropriately. To ensure that we provide all necessary and relevant information, we should immediately consult with the General Counsel if we receive requests for information related to any Government investigations and inquiries.

Connecting With Our Communities and Following the Law



Complying With The Laws That Apply To Us

ITC is governed by various local, state, and regional laws and regulations – and it is crucial that we know and follow these laws as they apply to us. For instance, we must comply with regulations implemented by the FERC and the North American Electric Reliability Corporation (“NERC”). Depending on where we work, these regulations could apply to our work in different ways. In general, FERC regulates the transmission and wholesale sales of electricity and gas across state lines. It is ultimately responsible for ensuring that the bulk power system in the U.S. and North America remains reliable. NERC develops, monitors, and enforces these reliability standards.

Our Company has training and monitoring procedures and processes in place to ensure that we all understand our duties. By adhering to these processes and procedures, we can continue to be a leader in our industry and fulfill our obligations to communities and regulators alike. If you have any questions about the laws and regulations that may apply to your work, talk to your leader.

Preventing Bribery and Corruption

To be a responsible member of our business community, we must follow anti-corruption laws wherever we do business. This means we may not offer, attempt to offer, authorize, or promise any sort of bribe or kickback for the purpose of obtaining or retaining business or an unfair advantage. Moreover, we may not solicit or accept a bribe or kickback.

A **bribe** is an offer or gift of anything of value or to gain an advantage that is intended to improperly influence the recipient’s actions. This may include any of the following:

- Money
- Gifts
- Travel expenses
- Hospitality
- Below-market loans
- Discounts
- Business opportunities
- Favors
- Political or charitable contributions
- Any other benefit, direct or indirect

We must also be careful never to offer or accept a kickback. **A kickback is the return of a sum already paid or due to be paid as a reward for awarding or fostering business.**

If you are working with a government official, be especially cautious. **Government officials can be national or local government officials or employees, political candidates, or officials or employees of government-owned or -controlled entities (such as state-owned oil companies).** If you are unsure whether the person with whom you are interacting could be considered a government official, contact the General Counsel right away.

In addition, we may not hire a third party to do something that we cannot ethically or legally do ourselves. Engaging a third party to indirectly make an improper payment violates not only this Code, but also anti-corruption laws.

Anti-corruption laws are complex, and the consequences for violating these laws are severe. For this reason, you should avoid any activity that could be construed as bribery or be considered corrupt. For more information, consult with the General Counsel.



Conducting International Business

As part of our work for ITC, we may deal with organizations located in other countries. We must understand and follow the laws, such as the Foreign Corrupt Practices Act, relating to exports, re-exports, or imports from the U.S. and, in certain circumstances, overseas.

An export is a product, service, technology, or piece of information that is shipped to a person in another country. An export can also be technology, technical information, or software that is provided in any way (including verbally, in the case of information) to a non-U.S. company – no matter where that person is located. If you handle exports as part of your job responsibilities, you must verify that both the location of delivery and the recipient are eligible to receive the materials.

We must also follow applicable laws and regulations when we **import** items (including equipment like transformers), or bring them from a foreign or external source into another country. Import and export activity may require us to pay duties and taxes, acquire a license, or submit certain filings.

Boycotts

Under U.S. law, we must not cooperate with any request concerning unsanctioned foreign boycotts or related restrictive trade practices. We cannot take any action, furnish any information, or make any declaration that could be viewed as participation in an illegal foreign boycott. There are severe penalties for violation of these laws, making them all the more important to follow.

Q: *Mona is in charge of purchasing a new transformer from a manufacturer in Germany. She hasn't worked with an import this large in a few years, but she figures the laws probably haven't changed, so she just fills out the same paperwork she did before and pays the same fees. Is she handling the import correctly?*

A: No. Import and export laws change frequently, and we have a responsibility to know and follow the most up-to-date regulations. In this case, Mona should have confirmed what our responsibilities are under the law instead of just assuming she was right. For help understanding export requirements, please see the General Counsel.

Our Commitment to the Environment

We demonstrate our dedication to the communities where we work by considering the environment in all of our business activities. We are committed to act as environmental stewards when conducting business on our Company's behalf. This means that we must comply with all applicable environmental laws and regulations, as well as implement, operate, and maintain an Environmental Management System that addresses the potential impacts of our activities.

We show our respect for the environment by working to minimize any environmental hazards, conserve and protect natural resources, and manage our energy usage. We continuously strive to implement "green" initiatives such as reducing paper usage, recycling, and using biodegradable materials where possible. We also demonstrate our commitment to our environment through our planning and decision-making processes. This includes our ongoing investments in relocating wildlife without causing harm to the animals or outages for our customers.

We communicate environmental principles that guide ITC, what we expect from our workforce, and how to use energy responsibly. In addition, we recognize the importance of educating our stakeholders. We inform our employees, suppliers, contractors, and customers of our policies and offer educational and training opportunities where appropriate. We welcome new ideas to improve our efforts to reduce our environmental impact, and we encourage new volunteers to join our ITC Green Team.



For more information refer to the ITC Environmental policy.

Upholding Human Rights

As part of our commitment to our global community, we comply with employment laws, including those addressing individual human rights. We are committed to meeting the standards set by these laws. Accordingly, we provide reasonable working hours and fair wages for those who work on our behalf. ITC also has a zero-tolerance policy for forced labor or human trafficking – we only do business with subcontractors, business partners, or suppliers who meet this same standard. ITC may be held responsible for the conduct of third parties with whom we work. If you have reason to believe the third party is engaging in forced labor or human trafficking practices, report the misconduct immediately to the General Counsel.



Participating In Politics

ITC fully supports our personal involvement in the political process. We are all free to have our own beliefs about the political system and candidates and to make personal political contributions within legal limits. However, we may not participate in personal political activities during work hours, with Company equipment or resources, or on ITC premises. **Further, we must not represent our personal political beliefs as those of the Company. Political contributions must never be made with the expectation of favorable treatment in return.**

Only designated individuals are authorized to lobby on behalf of the Company. It is important to note that lobbying activities may require disclosure and may be subject to specific rules. You must discuss any such activities with the General Counsel to determine whether disclosure and other rules apply.

Volunteering And Making Charitable Donations

As a company, we strive to have a positive influence on everyone with whom we come into contact. Through ITC's Charitable Giving Program, our Company continues to support many non-profit organizations with a focus on education, environmental stewardship, social services, and health and well being. We encourage ITC employees to get involved in the Charitable Giving Program on a voluntary basis.

We are each encouraged to participate in organizations or causes about which we feel personally passionate, as long as it is on our own time and with our personal resources. However, we may not send emails or otherwise solicit in any way attempting to raise money for a charity, club or any other fundraiser without prior approval from the Director of Local Government, Community Affairs and Philanthropy. In addition, you may not use Company assets (including time) for personal charitable pursuits without prior approval.

Q: *Andre is part of a local animal rescue group, and he'd like to use a Company conference room to host a meeting for the group. Can he do that?*

A: The conference room is an ITC facility, and we should not use Company facilities – or other resources – for personal volunteer activities without permission. Andre should speak to his leader about obtaining approval to use the conference room.

Waivers

Any waiver of this Code for executive officers or directors of the Company may be made only by the Board of Directors. All waivers will be promptly disclosed as required by law, regulation or listing requirement.



ITC Policies and Procedures Referenced

Please refer to the Compass for available training on these topics.

Anti-Harassment & Anti-Discrimination Policy
Contract Review, Approval, Execution, and Administration Policy
Cyber Security Policy
Direct Assignment Policy
Drug and Alcohol Policy
Employee Expense Reimbursement Policy
Employment of Relatives Policy
Environmental Policy
Fortis Insider Trading Policy
Gifts and Entertainment Policy
Hardcopy Record Archival and Retrieval Procedure
HIPAA Privacy Policies and Procedures
Information Protection Program
ITC Employee Connection Guide
ITC Holdings Corp. Ethics & Compliance Program Manual
ITC Operating Companies Written Procedures for FERC's Standards of Conduct
Policy on Independence
Record Disposition and Suspension Procedure
Records Retention Schedule
Records and Information Management Policy
Social Media Policy
Speak Up Policy
USB and Removable Media Procedure
Workplace Violence Policy