



UNITIL CORPORATION

CODE OF ETHICS

A Statement of Company Policy for All Employees, Officers and Directors

PURPOSE

The purpose of this Code of Ethics is to set forth Unitil Corporation's policy with respect to ethical business conduct. This document is not intended to deal with every situation an individual may encounter; rather, it is intended to provide a general guide for promoting high ethical standards of business conduct by all Company employees, officers and members of the Board of Directors, and it applies to all such persons.

POLICY

This Code of Ethics embodies the general policy of Unitil Corporation (which includes all of its subsidiary companies) that all employees, officers and directors conduct the Company's affairs in a manner that is consistent with the values contained in its mission statement, its core principles, and in a manner that conforms with all applicable laws and the best accepted commercial practices, wherever its business is carried out and in all dealings with other Company employees, the public, customers, suppliers, shareholders, and governmental authorities.

This Code of Ethics encompasses four major areas: 1) General Ethical Conduct, 2) Compliance with Laws and Regulations, 3) Financial Disclosure, and 4) Accountability for Adherence to this Code. Where there are questions concerning applicability or meaning of this Code, those concerned are expected to seek guidance from their immediate supervisor and, if necessary, from the Company's outside legal counsel. Violation of this Code by an employee, officer or director will constitute grounds for disciplinary action, up to and including termination of employment where appropriate.

The Company's Principal Financial Officers are, in addition to being expected to comply with the terms of this Code of Ethics, also subject to a separate Financial Reporting Code of Ethics which is attached hereto as Appendix A. Appendix A also identifies who is considered a Principal Financial Officer subject to the Financial Reporting Code of Ethics.

General Ethical Conduct

Employees, officers and directors are responsible for maintaining the highest standards of ethical conduct and integrity in their dealings on behalf of the Company, are required to avoid activities or relationships that conflict with the Company's interests or adversely affect its reputation, and are expected to safeguard the Company's assets and confidential information.

Conflicts of Interest:

All Company employees, officers and directors are, without exception, required to avoid engagement in activities or relationships that conflict, or would be perceived to conflict, with the Company's interests or adversely affect its reputation.

Examples of conflict of interest include, but are not limited to: accepting or soliciting a gift, money, favor or service that is intended to or appears to influence the individual's decision making or professional conduct on behalf of the Company; accepting employment or compensation or engaging in any business or professional activity that might require disclosure of proprietary information; accepting employment or compensation or entering into a business relationship that could reasonably be expected to impair or influence the individual's independent judgment in the performance of Company duties; accepting employment or compensation or conducting an independent business using Company time or resources; or, making personal investments that are contrary to the Company's interest. An employee must disclose to his or her immediate supervisor (or in the case of the Chief Executive Officer or member of the Board of Directors, to the entire Board) any actual or potential conflicts as soon as they become aware such a conflict could exist.

Safeguarding of Company Assets:

Employees, officers and directors shall also safeguard the Company's assets and confidential information at all times. No director, officer or employee of the Company entrusted with confidential or proprietary information or who otherwise possesses such knowledge shall disclose such information outside of the Company either during or after employment or service with the Company without prior written authorization. Company assets, such as information, materials, supplies, time, intellectual property, software, hardware and facilities, among other property, are valuable resources owned, licensed, or otherwise belonging to the Company. All Company assets should be used for legitimate business purposes.

Compliance with Laws and Regulations

The Company is committed to complying in all respects with the laws and regulations to which it is subject. The Company and its employees, officers and directors must comply fully with all federal, state and local laws and regulations applicable to ethical conduct and the transaction of business. These laws and regulations include labor, safety, environmental, tax, financial, utility operations, competition, anti-trust, property, copyright, and other laws governing general business dealings. This also includes Securities and Exchange Commission rules prohibiting insider trading in company securities. All questions regarding a potential purchase or sale of Company stock shall be addressed to the Chief Financial Officer, the Corporate Secretary, or the Company's external legal counsel. Directors and officers of the Company who trade in Company securities are required to report such transactions to the Securities and Exchange Commission. Officers shall further ensure full compliance with the Sarbanes-Oxley Act of 2002 and all existing and future securities legislation, as well as full compliance with corporate governance requirements of the New York Stock Exchange (NYSE) or any other exchange upon which the Company may in the future trade its stock.

Financial Disclosure

Employees having responsibility for any aspect of financial reporting shall ensure full and honest disclosure of all matters which may affect the Company's financial condition and operating results and as may be required by law, the rules and regulations of the Securities and Exchange Commission (SEC) and the NYSE, and Generally Accepted Accounting Principles (GAAP). The Company's officers having responsibility for financial reporting shall cause the Company to maintain a system of internal accounting controls that ensures reliability and adequacy of its books, financial records and proper recording of all financial transactions. These controls and systems shall also assure reasonable detail and accurately and fairly reflect the Company's financial performance and transactions. All transactions will be recorded in the Company's general ledger accounts in accordance with procedures based on GAAP, which accurately and fairly reflect the nature of the transactions. Accounting will be performed in a manner that permits accurate preparation of financial statements, reports and data for internal, regulatory and commercial purposes. In addition, the Company's senior officers shall ensure the maintenance of internal controls designed to protect Company assets and financial integrity.

The Company's filings with, and submissions to, the SEC must be complete, fair, accurate, timely and understandable. Employees who provide information for such filings and reports must take this responsibility seriously and provide prompt and truthful answers to inquiries for such information. If an employee suspects that any actual or proposed filings or reports with the SEC may not be complete, fair or accurate, it is important that such suspicion be reported promptly by such employee in accordance with the procedures outlined in this Code.

Accountability for Adherence to this Code

It is the responsibility of all Company employees, officers and directors to understand and conduct themselves in accordance with this Code of Ethics. The Company's senior management group will periodically review the Code, make recommendations where necessary to ensure that the Code meets or exceeds industry standards, take steps to communicate the Code to all employees and develop specific controls and procedures with respect to each of the elements included in the Code. Any changes to the Code are subject to approval by the the Board of Directors.

Violations:

Any suspected violations of this Code Of Ethics should be reported in accordance with the Company's Open Door Policy (HR 1.11) or in accordance with the whistleblower provisions of applicable laws and regulations. For suspected violations of the Financial Disclosure portion of this Code, employees may use the Company's Reporting Procedures for Accounting and Auditing Matters (HR 1.43).

Disclosure of Violations of the Code:

Every director, officer and employee has a duty to report to the Company any suspected violations of this Code and/or other Company policies in accordance with applicable procedures. Suspected violations of this Code or any Company policy should be reported to Human Resources. The Company will investigate any matter so reported and may take appropriate disciplinary and corrective action against the offending party or parties, up to and including termination. Under no circumstances will the Company tolerate any retaliation against any

employee who in good faith reports an actual or suspected violation of this Code or other Company policy. If an employee, officer or director engages in such retaliation, he or she will be subject to discipline, up to and including termination.

Employees may raise concerns orally or in writing. Any questions and reports of known or suspected violations of this Code or other Company policy will be treated with discretion.

Waivers of the Code:

Any waivers of the Code may be made only on a case-by-case basis and only in extraordinary circumstances. Waivers for employees may be made only by the Chief Executive Officer of the Company. Any waiver for members of the Company's Board of Directors or executive officers may be made only by the Company's entire Board and will be promptly disclosed to the public.

APPENDIX A TO CODE OF ETHICS

FINANCIAL REPORTING CODE OF ETHICS FOR PRINCIPAL FINANCIAL OFFICERS

The Company has adopted this Financial Reporting Code of Ethics for Principal Financial Officers, specifically for its Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), controller, and other persons performing similar functions for the Company. This Financial Reporting Code of Ethics for Principal Financial Officers supplements the Code of Ethics and is intended to promote ethical conduct and compliance with the law and to deter wrongdoing. Therefore, as a financial officer covered by this separate Financial Reporting Code, in addition to the Code of Ethics you agree to be bound by and adhere to the following obligations:

- act ethically, honestly and with integrity in all matters;
- promote and ensure full, fair, accurate, timely and understandable disclosure in the Company’s filings with, and submissions to, the SEC,
- promptly report any material information of which you may be aware that affects the disclosures made by the Company in its public filings;
- promptly report any information you may have concerning (a) deficiencies in the design or operation of internal controls that could adversely and materially affect the Company’s ability to record, process, summarize and report financial data; or (b) any fraud, whether or not material, that involves management or other employees who have a role in the Company’s financial reporting, disclosures or internal controls;
- exercise leadership to ensure that employees understand their obligations to the public and under the law with respect to Company disclosures, and that results are never more important than compliance with law;
- encourage employees to raise questions or concerns regarding the Company’s public disclosures and communications and ensure that such questions or concerns are appropriately addressed in a timely manner;
- provide the Company’s employees, consultants, advisors and members of its Board of Directors that are involved in the preparation of the Company’s public disclosures with information that is accurate, complete, objective, relevant, timely and understandable:
- act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts (or failing to disclose material facts) or allowing your judgment to be subordinated by others;
- actively promote, and exemplify, ethical and honest behavior among your peers;
- comply with all applicable laws, rules and regulations of federal, state and local governmental authorities, and other appropriate private and public regulatory agencies;

- comply with the Company's disclosure controls and procedures and internal controls and procedures for financial reporting;
- record or participate in recording entries in the Company's books and records that are accurate to the best of your knowledge; and
- promptly report any information you may have concerning a violation or suspected violation of the securities laws or other laws, rules or regulations applicable to the Company, or any violation of this Code.

A violation of these obligations, including a failure to report potential violations by others, is a serious matter that may result in disciplinary action. The Board of Directors shall determine, or designate appropriate persons to determine, suitable actions to be taken in the event of violations of this Financial Reporting Code by the Company's Principal Financial Officers. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to this Financial Reporting Code. The actions may include written notices to the individual involved that the Board has determined that there has been a violation, censure by the Board, demotion or re-assignment of the individual involved, suspension with or without pay or benefits, and termination of the individual's employment.

It is against Company policy to retaliate against you or any employee for good faith reporting of violations, or suspected violations, of this Financial Reporting Code. You have an obligation to immediately report any violations or suspected violations of this Financial Reporting Code to the CEO, outside legal counsel and/or the Board of Directors. You may also use the Complaint Procedures established by the Audit Committee of the Board of Directors.

The Board of Directors shall have the sole and absolute discretionary authority to approve any deviation or waiver from this Financial Reporting Code of Ethics for Principal Financial Officers. Any change in or waiver from and the nature of such change or waiver of this Financial Reporting Code of Ethics for Principal Financial Officers shall be promptly disclosed to the Securities and Exchange Commission and the public by the filing of a Current Report on Form 8-K.