



# CODE OF CONDUCT



## MESSAGE FROM OUR PRESIDENT

### CENTRICA'S BUSINESS PRINCIPLES

are the foundation for Direct Energy's Code of Conduct. In our individual roles, it is critical that we all are familiar with these Business Principles, our Code of Conduct, Company policies, regulations, and laws governing our activities, and abide by them at all times. This is true for employees and contractors at all levels across the Company; and across every business unit, our Corporate Center, and our Shared Services functions. Our employees, regulators, customers, business partners and other stakeholders must be able to trust that the Direct Energy family of brands represent integrity, fair treatment and quality products and services.

In the course of our work on Direct Energy's behalf, we may also encounter situations which do not fall squarely within a policy, law or regulation; but which present an issue of business ethics or principles. It is

critical that each of us hold ourselves to the highest ethical standards in these situations. In the pages that follow, you will find more specific information on some common scenarios, along with links to the relevant Company policies.

To ensure that we follow the law and approach all business dealings with the highest ethical standards, we have several resources available:

- **Foundational Documents** – The Code of Conduct, founded on Centrica's Business Principles, provides a road map for ethical decision-making, along with common ethics and compliance-related questions, and practical examples of what these principles look like in action.
- **Confidential Reporting Line** – All of us have a responsibility to raise any compliance or ethics-related issues, questions, or concerns; including if we believe a regulation, law or Company policy may have been violated. In these instances, you should contact the 'Speak Up' Helpline at **1-855-282-4792** or online at [www.directenergy.ethicspoint.com](http://www.directenergy.ethicspoint.com).

All calls originating within North America may be made anonymously. The report will be kept and investigated in as confidential a manner as possible. The Company prohibits any retaliation against the person making a 'Speak Up' report in good faith, even if the Company's conclusion is that no regulation, law or Company policy was violated.

- **Dedicated support for our teams** – We have a dedicated Compliance team and compliance program. The Compliance team supports the businesses in their activities to ensure that there are robust systems and controls in place to comply with applicable laws and regulations. You may reach out to the Compliance team at [Ethicsandcompliance@directenergy.com](mailto:Ethicsandcompliance@directenergy.com).

I thank each of you for your efforts on behalf of Direct Energy.

**John Schultz**, President, Centrica NA



# CONTENTS

## 4 Centrica's Business Principles

### 5 Introduction

- 5 Our Code
- 5 Manager's Responsibilities
- 6 Raising Concerns
- 6 Speak Up
- 6 Anti-Retaliation
- 7 Investigation
- 7 Making Ethical Decisions

### 8 We Conduct Business Ethically

- 8 We disclose and resolve all conflicts of interest
  - 8 Financial Interests
  - 8 Family Relationships
  - 9 Outside Employment and Activities
  - 9 Corporate Opportunities
  - 9 Disclosing Conflicts of Interest
- 10 We exchange gifts and hospitality only if doing so will not compromise the integrity of our business relationships
- 12 We do not use bribery as a means to conduct business
- 14 We conduct business in accordance with all laws and regulations that govern our business activities

- 14 Exports and Imports
- 14 Anti-Boycott Laws
- 14 Money Laundering

### 15 We compete fairly

- 15 Interactions with Competitors
- 15 Pricing Activities
- 16 Competitive Information

### 17 We Respect our Employees, our Community and our Environment

- 17 We treat one another with dignity and respect
  - 17 Discrimination
  - 18 Harassment
  - 18 Respecting Human Rights
- 19 We strive to act as a good corporate citizen through care for the environment and our community, and respect for the political process
  - 19 Care for the Environment
  - 19 Care for our Community
  - 19 Political Activity

### 20 We Protect the Health & Safety of our Employees

- 20 We promote a safe work environment

### 22 We Protect the Value of our Company and our Customers

- 22 We protect our corporate assets
  - 22 Computer and Internet Use
  - 23 Confidential Information
  - 23 Intellectual Property
- 24 We do not trade or help others trade on inside information.
- 25 We respect the privacy of our employees and others with whom we conduct business

### 26 We Communicate Honestly and Transparently

- 26 We speak responsibly about the Company and use social media appropriately
- 27 We are honest in compiling and sharing our financial information
  - 27 Travel and Expenses
  - 27 Fraud
  - 28 Procurement
- 29 We maintain accurate business records
- 30 Acknowledgement form
- 31 Contact Information

# THE BUSINESS PRINCIPLES

“Our priorities are safety, compliance and conduct, serving our customers competitively and with integrity.”

– IAIN CONN,  
Chief Executive, Centrica

**Centrica’s Business Principles** set out the standards that we at Direct Energy expect each employee, agent and contractor to uphold. These principles reflect our commitment as a company to operate professionally, fairly and with integrity wherever we do business in the world. Furthermore, these principles help us protect and enhance our reputation by creating clear guidelines for our behavior and decision-making.

## The 8 Business Principles:

- 1 Demonstrating Integrity in Corporate Conduct
- 2 Ensuring Openness and Transparency
- 3 Respecting Human Rights
- 4 Enhancing Customer Experiences and Business Partnerships
- 5 Valuing our People
- 6 Focusing on Health, Safety and Security
- 7 Protecting the Environment
- 8 Investing in Communities





# INTRODUCTION

“When we face legal or ethical dilemmas, the Code serves as a guide in helping us make the right choices.”

## Our Code

This Code of Conduct (“the Code”) outlines our shared values and is the foundation of our compliance and ethics program. When we face legal or ethical dilemmas in the course of our work, the Code serves as a guide in helping us make the right choices. The Code also reflects our commitment to maintaining an honest and ethical culture at Direct Energy.

All of us at Direct Energy are expected to apply the Code in our day to day work. Our Code applies to all of Direct Energy’s employees, agents and contractors. Our suppliers, vendors and other business partners should act in an ethical manner consistent with the values expressed within our Code. From time to time, you will be asked to certify that you have read, understood and will comply with the Code.

The Company also has specific policies which provide more detailed rules for different areas of our business. Throughout the Code, you will find references and links to many of the supporting policies. If you have questions about a particular subject, you should consult these policies. In addition to these policies and the Code, we are also responsible for following all local laws and regulations that apply to our business.

All references to “Company” or “Direct Energy” in our Code also refer to Direct Energy’s subsidiaries and affiliates.

## Managers’ Responsibilities

All of our people managers have additional responsibilities to our Company under the Code. Managers are our leaders and must act as role models for all of our employees. They are responsible for reinforcing the principles of our Code and our values. If an employee raises a concern

## QUESTION & ANSWER



**Q:** What happens if I make a 'Speak Up' report but, after investigation, the Company determines that there has been no breach of company policy or law?

**A:** You will not be disciplined, mistreated or treated differently if you make the report in good faith.

or a possible violation of the Code, it is a manager's responsibility to ensure the matter is escalated using the 'Speak Up' Helpline (see below). There are resources available to you as a manager to help you ensure your team acts ethically in all cases. If you have any ethics or compliance related questions, please contact the Compliance Department at [Ethicsandcompliance@directenergy.com](mailto:Ethicsandcompliance@directenergy.com).

### Raising Concerns

Each of us should report possible violations of the Code. We should also speak up if we are unsure about a certain situation or behavior, or have an ethics-related question. We can speak up in any of several ways:

- Contact the 'Speak Up' Helpline (this line is managed by EthicsPoint, an independent third party provider)
  - 1-855-282-4792 (North America)
  - [www.directenergy.ethicspoint.com](http://www.directenergy.ethicspoint.com)
- Contact the [Ethics Committee](#) (EVP, Human Resources and EVP/General Counsel)
- Contact your Human Resources representative
- Contact the Compliance team at [Ethicsandcompliance@directenergy.com](mailto:Ethicsandcompliance@directenergy.com)

### Speak Up

A report can be made via the telephone directly to an EthicsPoint representative or via the Internet. The 'Speak Up' Helpline is available 24 hours per day, seven days per week, with translators. If you are calling from North America, you may choose to make an anonymous report. Direct Energy will not attempt to identify you if you choose to remain anonymous.

If you choose to make an anonymous report through EthicsPoint, the EthicsPoint system allows you and the investigator to have a confidential anonymous dialogue. When you make a report to the 'Speak Up' Helpline, EthicsPoint will send your report to the Ethics Committee for review and follow-up.

### Anti-Retaliation

Direct Energy strictly prohibits retaliation against an employee who raises a concern. We will not allow anyone to discipline, mistreat or treat an individual differently for making a 'Speak Up' report in good faith. "Good faith" means the report is not being made maliciously, falsely, for purposes of harassment, as a joke, or for any other inappropriate reason. Retaliation against a person who raises a concern or who is involved in the investigation of a 'Speak Up' report is a violation of our Code and is cause for disciplinary action, up to and including termination.

Remember, the Company will make every attempt to keep information shared through the 'Speak Up' Helpline or any other reporting mechanism confidential.

## Investigation

The Company will fully investigate all alleged violations of the Code, Company policy, or law. You are expected to cooperate fully with investigations. Direct Energy will treat the contents of our investigations confidentially to the extent possible. If an investigation reveals that a violation has taken place, the Company will determine what, if any, follow up action is required. Employees who violate the Code, Company policy or applicable law will be disciplined appropriately, up to and including termination of employment. If an employee is found to have violated the law, Direct Energy will cooperate fully with the appropriate authorities.

## Making Ethical Decisions

While the Code provides us with guidance for many of the situations we will face at work, no single document can anticipate every scenario or situation. As a starting point, we should use our good judgment and common sense when faced with a potential ethical dilemma. Here are some questions you can ask yourself if you are struggling with an ethical dilemma which is not addressed in the Code or Company policy:

- Is it legal?
- Is it ethical?

- Is it consistent with the Company's values and principles?
- Does the action "feel" right to me?
- Would I want other people to know what I'm doing?
- Is there a threat to someone's health or safety?
- Could the Company's business or reputation be compromised by my actions?
- Does the action show respect for our employees, customers and community?
- How would my actions be portrayed in the media?
- Will I need to cover up my actions?

Remember you have resources available to help you make ethical decisions. In addition to asking yourself these important questions, you can also speak to your manager or contact the Compliance Department at [Ethicsandcompliance@directenergy.com](mailto:Ethicsandcompliance@directenergy.com). You should also consult the '**Speak Up**' policy for additional information.





## WE CONDUCT BUSINESS ETHICALLY

### It's SIMPLE:

We disclose and resolve all conflicts of interest.

Conflicts of interest can occur when your personal interests conflict with, or appear to conflict with, the interests of the Company. Openly discussing conflicts or potential conflicts of interest with your manager will enable the Company to help resolve any potential issues and make appropriate disclosures. Although this Code cannot list all types of potential conflicts of interest, here are some examples of areas which require close attention.

### Financial Interests

A conflict of interest, or the appearance of a conflict of interest, can occur if you have a direct or indirect financial investment in a company that does business with our Company or a company that competes with us. Although smaller investments might not create a conflict, you must disclose all investment interests to your manager, no matter the size. This remains true even if this investment was in place before you began working at Direct Energy.

### Family Relationships

Conflicts of interest can potentially occur when certain relationships exist between employees. These relationships, such as family relationships or close personal friendships, can interfere or can appear to others to interfere with your ability to make decisions objectively. Typically these relationships involve a member of your household, a relative by birth or by marriage, or a close friend. You must disclose these types of relationships to the Company if you will be in a decision making or supervisory role with this person. If you are unsure of whether someone falls into this category, you should always ask (please see the "Raising Concerns" section



of the Code). You should never participate in personnel decisions involving family members or someone with whom you have a close relationship; nor should you report, either directly or indirectly, to a family member or someone with whom you have a close relationship. You should also never participate in the selection of vendors or business partners if that process involves either a member of your family or someone with whom you have a close relationship.

## Outside Employment and Activities

At Direct Energy, we understand that some employees may participate in additional activities outside of their responsibilities at the Company. However, you cannot engage in any activity which prevents you from devoting your full and best efforts to the Company or which uses Company resources for non-Company endeavors. Additionally, it is not appropriate to participate in work with any company that does business with Direct Energy or a company that competes with our Company. This includes suppliers or contractors that work with the Company, and can also encompass activities such as serving on the board of directors of a business or non-profit, and consulting engagements. Always check with your manager before accepting any position outside of your employment at Direct Energy.

## Corporate Opportunities

A conflict of interest can also occur when an individual uses his or her position with the Company for personal gain. Opportunities which are known or available to you because of your role with Direct Energy rightfully belong to Direct Energy.

## Disclosing Conflicts of Interest

If you are aware of situations that might create a conflict, or the appearance of a conflict, you should complete the online **Conflicts of Interest Disclosure Form**. In addition, we should request that our suppliers, business partners, vendors and anyone doing business on behalf of Direct Energy identify and address conflicts of interest. For more information or guidance, please see the **Conflict of Interest policy** and **Disclosure Form**.



### A FRIENDLY REMINDER:

It's important to remember that recognizing a conflict of interest does not always prohibit you from maintaining an interest or participating in a proposed activity. When employees bring forward a potential conflict of interest, often the Company can help resolve the issue in a way that works both for the individual and the Company. The key is to bring the issue to the attention of the Company so it can be addressed.



### DIRECT ALL QUESTIONS TO...

If you have questions related to Conflicts of Interest or need guidance with respect to a potential conflict, please refer to the "[Raising Concerns](#)" section. You should also consult the **Conflicts of Interest policy** for additional information.

## QUESTION & ANSWER



**Q:** I am considering a part-time retail position during the holidays. I do not believe this will interfere with my work at Direct Energy and I could really use the extra money. What steps do I need to take before moving forward with this initiative?

**A:** Even though you do not believe this additional work will interfere with your work at Direct Energy, you should discuss the opportunity with your manager to ensure that's the case. Your manager will also want to ask additional questions to ensure the part-time position will not impact your responsibilities to Direct Energy.

## It's SIMPLE:

We exchange gifts and hospitality only if doing so will not compromise the integrity of our business relationships.

Determining whether or not it is appropriate to give, receive or exchange gifts or participate in business-related hospitality is not always simple. When exchanged appropriately, gifts and hospitality can foster relationships, celebrate business successes and help solidify business partnerships. However, because the exchange of gifts can also influence decision making or give the appearance of impropriety, it is important to follow the Company's policy in this regard.

Generally, gifts and hospitality of a low or nominal value are acceptable when they are permitted by the Company's policy, are exchanged infrequently and are considered typical in the course of everyday business. However, if you receive, give or plan to give a gift that exceeds \$75.00, or if you receive, give or plan to offer an invitation of hospitality with a value higher than \$150.00, you must review the gift with your manager. For employees authorized to transact on the New York Mercantile Exchange and/or Intercontinental Exchange the rules for gifts and hospitality are stricter. Please consult the Gifts and Hospitality policy for guidance. There are also certain gifts that are never acceptable in the business setting. For example, you may never give or accept any gift or hospitality if it has the potential to influence, or could appear to influence, Direct Energy's business decisions. You may not ask current or potential vendors, business partners or other Direct Energy-related connections for gifts or hospitality.

You must record the exchange of all gifts and invitations of hospitality – whether you accept them or not – if they are higher than the approved dollar amounts by completing the online **Gifts and Hospitality Register**.



In addition, you may not offer or accept improper gifts and hospitality directly or indirectly through third parties, or allow your family members to do so on your behalf. You also may not offer or accept gifts and hospitality that would or could improperly influence our business partners. When interacting with government officials and employees, you must follow even stricter rules. Refer to the section of our Code on bribery and applicable Company policy for additional information.

### A FRIENDLY REMINDER:

If you are unsure whether or not it is appropriate to give or receive a certain gift or invitation for hospitality, consult the Company policy and discuss the issue with your manager. You may also contact the Compliance Department at [Ethicsandcompliance@directenergy.com](mailto:Ethicsandcompliance@directenergy.com). You should also remember that the person on the other side of the gift or invitation likely also has a Gifts and Hospitality policy at his or her company.

#### You Can Usually Exchange...

- Small promotional gifts such as coffee mugs, t-shirts, or pens
- An occasional business lunch or dinner within policy limits
- One-time tickets to a regular season sporting event

#### You Can Never Exchange...

- Cash or cash equivalents
- Gifts or hospitality that are excessive in value (i.e. tickets to the Super Bowl)
- Any gifts or hospitality that you know or believe may violate the recipient's gifts and hospitality policy
- Any gifts or hospitality that could create embarrassment for the Company
- Gifts that are solicited

### DIRECT ALL QUESTIONS TO ...

If you have questions related to gifts and hospitality, please refer to the "[Raising Concerns](#)" section. You should also consult the **Gifts and Hospitality policy** for additional information.

## QUESTION & ANSWER



**Q:** Last week I was at a business meeting with one of our suppliers. At the end of the meeting, one of their representatives offered me a pair of Super Bowl tickets as a thank you for attending the meeting. Is this an appropriate gift?

**A:** No, this type of gift would exceed the acceptable gift limit of \$75.00 and would not be acceptable. You need to politely decline their offer. When you are unsure of whether or not to accept a gift, it is a good idea to consult your manager. Also, remember to complete the Gifts and Hospitality Register, even when you decide that you must decline the invitation.

## It's SIMPLE:

We do not use bribery as a means to conduct business.

At Direct Energy, we conduct business with honesty and integrity, and bribery has no place in our business. We must never offer or accept any type of personal benefit which could reasonably be considered to influence our business decisions or the decisions of the people and companies with whom we do business.

The Company prohibits bribery in all aspects of our business, whether working with public or government officials, or with commercial and individual business partners. Everyone working for or on behalf of Direct Energy must uphold and comply with these principles.



We comply with all applicable local and global anti-bribery legislation, including the U.S. Foreign Corrupt Practices Act (FCPA), the Bribery Act 2010 (UK Bribery Act), and the Canadian Corruption of Foreign Public Officials Act (CFPOA). These laws make it a crime to offer anything of value, either directly or indirectly, to government officials in order to improperly influence the official.

Some of these laws also prohibit facilitation payments and consider them to be bribes. A “facilitation payment” is traditionally regarded as a small payment to a government official given to expedite the performance of a routine, non-discretionary government action. These payments are also known as “grease payments” and are often given to “help get things done” in certain parts of the world. Accordingly, Direct Energy strictly prohibits facilitation payments, regardless of local custom, local laws, or historical practices. Making facilitation payments now carries the same potential harsh penalties as other bribes.

Local laws governing bribery and corruption may differ in the locations in which we do business. Therefore, we apply the strictest, or most restrictive applicable law. Your business' Legal Department can assist you in determining the applicable laws. Failure to comply with anti-bribery laws may result in criminal and civil penalties for both the Company and individual employees.

### A FRIENDLY REMINDER:

We must exercise thorough due diligence when selecting third parties (e.g., sales agents, representatives, consultants, and distributors) who conduct business with or on behalf of Direct Energy. This due diligence should be conducted with Legal support prior to entering any contracts and on an ongoing basis thereafter. You must also ensure that you do not allow third parties to make or receive any improper payment on our behalf. Direct Energy can be held accountable for the actions of our employees, agents and third parties.

There are some red flags to look for when you are hiring third parties. Always consider:

- Whether the third party is a government employee, a relative, or friend of a government employee or a candidate for public office
- Whether the agent or intermediary wants payment “up front,” in cash, to a third party or to another country
- Whether the activities are not part of the agent or intermediary's core business

### DIRECT ALL QUESTIONS TO ...

If you have questions related to bribery and corruption, please refer to the [“Raising Concerns”](#) section. You should also consult the **Anti-Bribery and Anti-Corruption policy** for additional information.

## QUESTION & ANSWER



**Q:** Who is considered a “government official?”

**A:** The terms “government official” or “public official” can include anyone who works for the government or for a government-owned business, as well as candidates for public office. Employees of government agencies, such as customs inspectors or police officers, can also be considered government officials.



## It's SIMPLE:

We conduct business in accordance with all laws and regulations that govern our business activities.

### Exports and Imports

While we conduct our business within the United States and Canada, it is important that we remember to ask questions and seek guidance whenever we discuss exporting our products beyond North America. The same applies if we import goods purchased from other countries. Both of these activities are subject to various laws and regulations, which we must always follow.

### Anti-Boycott Laws

We are also all required to comply with U.S. Anti-boycott laws and other regulations that prohibit Direct Energy from participating in boycotts of certain countries. Any requests to participate in a boycott should be reported to the Compliance Department immediately.



## A FRIENDLY REMINDER:

We should always conduct business in accordance with laws governing U.S. Trade Embargos and Sanctioned Countries. If you are concerned we could be conducting business in a way that contradicts either of these you should 'Speak Up' immediately.

### Money Laundering

"Money Laundering" is knowingly conducting a financial transaction with proceeds from an unlawful activity. We must always protect Direct Energy products and services from being used for the purposes of money laundering or illicit financial activity. We will always fully cooperate with law enforcement and regulatory investigations concerning possible money laundering or illicit financial activity. We also do not conduct business with individuals or entities subject to government-imposed sanctions related to money laundering.

## DIRECT ALL QUESTIONS TO...

If you have questions related to these topics, please refer to the "[Raising Concerns](#)" section.

## It's SIMPLE:

We compete fairly.

Open markets which allow competition are the lifeblood of Direct Energy's business. Competition and antitrust laws help promote and preserve free and fair competition. These laws prohibit certain activities and practices in our business dealings with competitors and suppliers. We are committed to competing within our marketplace, but we must always do so fairly and in compliance with the law. Competition and antitrust laws can often be complex, but we must all have basic knowledge of the types of behaviors that can violate these laws.

### Interactions with Competitors

We must be careful when we interact with competitors. We should always avoid practices that involve, or might appear to involve, unfairly restricting trade or competition in the marketplace. Some examples of behavior to avoid include:

- Discussing pricing or sales plans with competitors
- Dividing customers, markets, or territories with competitors
- Agreeing with competitors not to do business with certain customers or suppliers
- Agreeing with competitors to limit the sale or production of products



### Pricing Activities

Competition laws also govern our relationships with business partners and suppliers. We should never attempt to monopolize a market or control market prices. Some examples of behavior to avoid with our business partners and suppliers include:

- Refusing to do business or doing business only on unilaterally specified terms with a potential customer
- Boycotting certain suppliers
- Pricing products or services unfairly

## QUESTION & ANSWER



**Q:** I used to work for one of our competitors. I still have my former employer's confidential pricing information. Can I use this information in formulating the Company's pricing strategy?

**A:** No. First, you likely signed a confidentiality agreement while working for your previous company; and Direct Energy respects any non-disclosure obligations you have with your former employer. In addition, it would be a violation of Company policy and possibly antitrust laws for you to use a competitor's information regarding pricing. Likewise, if you ever leave Direct Energy we expect you to keep our proprietary information confidential as well.

## Competitive Information

Gathering competitive information about our competitors is part of doing business, but we must always conduct these activities legally and ethically. We must never obtain confidential information about a competitor through improper behaviors, such as fraud or misrepresentation. If we become aware of competitive information obtained through improper means, or any efforts to obtain such information, we should always escalate the matter in accordance with the 'Speak Up' procedure in this Code.



### A FRIENDLY REMINDER:

A number of us are members of industry and trade associations. Our competition principles are particularly important to remember when joining trade associations or when attending any meetings where representatives from our competition are or

might be present. Remember that if you are in the company of competitors, you must never discuss business that relates specifically to the Company's strategy, pricing, or new business engagements. If you encounter behavior which you believe is inappropriate under these rules, you should escalate the matter in accordance with the 'Speak Up' procedure in this Code.



### DIRECT ALL QUESTIONS TO...

Please refer to the "[Raising Concerns](#)" section of the Code if you have any questions related to antitrust and fair competition. You should also review the **Antitrust and Competition policy** for additional information.



# WE RESPECT OUR EMPLOYEES, OUR COMMUNITY AND OUR ENVIRONMENT

## It's SIMPLE:

We treat one  
another with  
dignity and respect.

We are committed to fostering a diverse work environment where each employee is able to maximize his or her individual contributions to the business. We recognize and value the creative potential that individuals from different backgrounds and abilities bring to their work. Direct Energy complies with all applicable employment laws and provides equal opportunities to all employees.

### Discrimination

We do not tolerate discrimination of any kind. We make decisions regarding hiring, recruitment, development, and promotion on the basis of individual capabilities in relation to the needs of our business. We provide equal opportunities to all employees and applicants and never discriminate on the basis of characteristics protected by law, including:

- Race
- Color
- Religion
- Gender
- Age
- National Origin
- Disability
- Citizenship
- Veteran Status
- Sexual Orientation
- Marital Status

## QUESTION & ANSWER



**Q:** One of our vendor representatives has made inappropriate remarks to me and it is making me feel uncomfortable at work. What can I do to stop this behavior?

**A:** Inappropriate remarks are not tolerated. You should report your concerns to your manager, the Company's vendor manager, or in accordance with the 'Speak Up' procedure in this Code.

## Harassment

We all have the right to a workplace that is free from harassment and where we feel comfortable coming to work. We prohibit harassment and expect everyone with whom we work, including vendors, suppliers and other business partners, to uphold this commitment. No individual should feel that he or she has been subject to a hostile or offensive work environment. If you experience or have concerns about harassment or discrimination in your work environment, you should escalate the matter in accordance with the 'Speak Up' procedure in this Code.

Please remember that we strictly prohibit retaliatory behavior, in any form, against anyone making a good-faith report of harassment or discrimination.

## Respecting Human Rights

We support all aspects of human rights set out in the Universal Declaration of Human Rights (UDHR). Human rights considerations affect many aspects of our business activities, including our employment processes and investment strategies, the health, safety and security of our employees and assets and our goal to contribute positively to communities in which we operate. For more information, please see the **Centrica Business Principles**.

## A FRIENDLY REMINDER:

Harassment does not have to involve spoken words. It can happen over email or through the display of inappropriate pictures, or through unwanted physical contact. It also does not have to be sexual in nature. Behaviors that involve bullying and intimidation are also examples of harassment that will not be tolerated.

## DIRECT ALL QUESTIONS TO ...

If you have questions or concerns about discrimination, harassment or human rights, please refer to the "Raising Concerns" section of the Code. You should also consult the **Harassment and Discrimination**, and the **Diversity and Inclusion** policies for additional information.



## It's SIMPLE:

We strive to act as a good corporate citizen through care for the environment and our community, and respect for the political process.

### Care for the Environment

We recognize that our business has an impact on our environment and the communities in which we do business. We endeavor to conduct our business in environmentally responsible and sustainable ways. We strive to reduce our environmental impact and help conserve natural resources. We follow environmental laws and Company policies. Please see our “Reduce Your Use for Good” program for more information on one way in which we strive to conduct our business in environmentally responsible and sustainable ways.

### Care for our Community

Direct Energy is proud to devote our time and our expertise to help meet community economic, environmental, and social needs. We are committed to being a good corporate citizen in the areas in which we live, work and serve customers. We give back to our community by making charitable contributions to a variety of worthy causes and we always do so in a manner that is consistent with our policies.

### Political Activity

At Direct Energy we support our employees' rights to participate in the political process; however, we understand that we must separate our personal political activities from our work activities at all times. You should never use Company resources in your political activities or give the impression that your personal position is one

supported by Direct Energy. As a Company, we may also participate in the political process through registered lobbyists or Political Action Committees (PACs) who act on the behalf of Direct Energy. All lobbyists' and PAC activity is strictly regulated by the government.

---

### A FRIENDLY REMINDER:

We should never feel that our professional success is dependent on our personal support of a particular political position or candidate. It is never appropriate for a manager to solicit donations, political or otherwise, from someone in a subordinate role.

---

### DIRECT ALL QUESTIONS TO...

If you have questions related to corporate citizenship, contact the Head of External Affairs.

## QUESTION & ANSWER

**Q:** Can I make a political or charitable contribution on behalf of Direct Energy?

**A:** Yes, you can make a political contribution on behalf of the Company, but only through the Direct Energy Employee Political Action Committee (DEEPAC). DEEPAC is a voluntary political action committee (PAC) that allows Direct Energy employees to pool financial resources for supporting federal and state candidates who are supportive of the industries in which we operate. You may not make direct corporate contributions on behalf of the company to any candidate.



## WE PROTECT THE HEALTH & SAFETY OF OUR EMPLOYEES

### It's SIMPLE:

We promote a safe work environment.

We are committed to providing all employees with a safe and healthy work environment. It is our goal to maintain a professional workplace that is free from threats and acts of violence, bullying, abusive, or intimidating conduct, or any other similar behavior. Direct Energy has policies and procedures in place to keep us safe from harm. Following these policies is critical to our daily operations. We are all responsible for protecting ourselves and other employees by reporting any incidents or unsafe practices. If you have a safety concern, you must report it to the Head of Health, Safety & Environment (HS&E), immediately.

Part of creating a safe and healthy environment includes maintaining a drug and alcohol-free workplace. Direct Energy strictly prohibits employees from being under the influence of drugs or alcohol during working hours, while on Company premises, or while performing services for the Company. If you are taking prescription medication, you must have obtained it legally and ensure that it is used for the purpose for which it was prescribed.

The Company may occasionally authorize the consumption of alcoholic beverages at company sanctioned events at designated sites. Similarly, we may attend business or social meetings, conferences, or receptions on behalf of Direct Energy at which alcohol is available. You are never required to drink alcohol. If you choose to consume alcohol at such events, you must use good judgment, be responsible and avoid excessive alcohol consumption.

## A FRIENDLY REMINDER:

There are several ways employees can help establish a safe and healthy work place, including:

- Familiarize yourself with and follow all policies
- Participate in Company-provided training on health and safety related matters
- Take reasonable care of your own health and safety
- Know the location of and how to operate first-aid equipment in the office
- Report any unsafe conditions, violent acts, or threats
- Raise any concern related to health and safety to your manager or the Head of HS&E

## DIRECT ALL QUESTIONS TO ...

You should direct all questions related to Health & Safety to the Head of HS&E. You should also consult the **Health, Safety, & Wellbeing, Workplace Violence Prevention** and/or **Alcohol & Substance Abuse** policies for additional information.

## QUESTION & ANSWER

**Q:** I was walking down the hallway yesterday when I noticed boxes from a recent delivery were blocking the emergency exit. Isn't this unsafe? What can I do about this?

**A:** Yes, the blocking of an emergency exit is a safety hazard and you need to report this immediately. We can never compromise the health or safety of our

people. If you are uncomfortable talking to your manager about safety issues, you can talk to your Human Resources representative or the Head of HS&E. In emergency situations, preparation will make a difference. In many cases, well-managed emergency preparedness and response can mean the difference between life and death.





## WE PROTECT THE VALUE OF OUR COMPANY AND OUR CUSTOMERS

### It's SIMPLE:

We protect our corporate assets.

We are all responsible for safeguarding Direct Energy's assets, ensuring that we protect them from misuse, theft, damage or waste. This includes our physical assets, our financial assets and our intellectual and informational assets. Generally, Company assets should be used for business purposes only.

### Computer and Internet Use

Protecting our informational assets depends in part on our commitment to using the Company's electronic equipment, including computers and communication systems, carefully. It is important we abide by all Direct Energy Information Security policies.

Using our systems inappropriately can be harmful to our Company's assets, productivity and reputation. Make sure that you avoid using Company systems:

- for activities that are illegal, inappropriate, or do not comply with Direct Energy policies
- to distribute emails and attachments that contain inappropriate content or from unknown sources

- to download and/or upload Company information to unauthorized devices and websites
- to publicly comment or speculate on Company performance, policies, or actions
- to post or otherwise disclose confidential information in any public forum

## Confidential Information

Our confidential information is extremely valuable to the Company. We must always protect the Company's confidential information, which includes all information that has not been disclosed to the public. We must use care whenever working with or discussing confidential information; and we must not disclose confidential information to someone outside the Company without specific Company approval to do so. When we come into possession of sensitive, proprietary or confidential information in the course of our employment, we must also respect the confidential information of our employees, customers and business partners. We must at all times take steps to protect their information in the same ways that we protect our own information.

## Intellectual Property

Part of our obligation to safeguard the Company's confidential information includes a responsibility to understand and protect our intellectual property. This includes our patents, trade secrets, trademarks, and copyrights.



### A FRIENDLY REMINDER:

Remember that your emails, instant messages, texts, and electronic files are not private. Subject to applicable law, the Company may monitor systems and the use of those systems, including information communicated by such systems.



### DIRECT ALL QUESTIONS TO ...

If you have questions about the use of assets, including confidential information and intellectual property, please refer to the ["Raising Concerns"](#) section of the Code. If you have questions specific to information security, contact the IT Governance Department. You should also consult the **Group Information Security, Group Acceptable Use** and **Social Media** policies for additional information.

## QUESTION & ANSWER



**Q:** What are some examples of confidential information?

**A:** Some examples include:

- Pricing and Strategies
- Wages and Salaries
- Supplier Lists
- Financial Data
- Customer Lists
- Personal Information of customers and employees.



## It's SIMPLE:

We do not trade or help others trade on inside information.

Insider trading is illegal and strictly prohibited at Direct Energy. Material or 'inside' information is any information that could affect the market price of our parent company if made public. We cannot trade on inside information ourselves or pass along or "tip" information to others. There are large fines and imprisonment associated with Insider Trading both for individuals and for the Company.

## QUESTION & ANSWER



**Q:** My brother is an active investor in the stock market. I know that Centrica is about to announce a significant joint venture. May I tell him?

**A:** No. Not only must we protect our own confidential inside information but we must also always protect the confidential information of our parent company's shares. It is never appropriate to attempt to profit off of inside information or help others do so.

## A FRIENDLY REMINDER:

Some examples of inside information are:

- Merger or acquisition agreements which are not on file publicly
- Major litigation
- New product developments
- Changes in Management which are not yet public

## DIRECT ALL QUESTIONS TO...

If you have questions or concerns about insider trading, please refer to the "[Raising Concerns](#)" section of the Code. You should also consult the **Group Share Dealing Code** for additional information.

## ▣ It's SIMPLE:

We respect the privacy of our employees and others with whom we conduct business.

## QUESTION & ANSWER



**Q:** What types of personal information could I encounter at work?

**A:** Personal information is any information that could be used to identify an individual. For example, names, addresses, and social security numbers are all types of confidential and/or personally identifiable information.

Protecting the personal information of our employees and those with whom we do business is an important priority for all of us. Direct Energy complies with privacy and data protection laws that apply to the information we collect. We must be sure to treat all personal information carefully, and only access it for appropriate business purposes.

### 😊 A FRIENDLY REMINDER:

There are times when the Company may need to access and review electronic systems that you use during your work at Direct Energy, including email and texts. Remember that the Company has this right, to the full extent permitted by law, and individuals should not have an expectation of privacy when using the Company's equipment or communication systems.

### ➔ DIRECT ALL QUESTIONS TO ...

Please refer to the "[Raising Concerns](#)" section of the Code if you have questions related to privacy.



## WE COMMUNICATE HONESTLY AND TRANSPARENTLY

### It's SIMPLE:

We speak responsibly about the Company and use social media appropriately.

We are committed to providing accurate information about Direct Energy to the public, the media, and our stakeholders, as well as to government officials and agencies. To ensure that our communication strategy is always consistent, we have authorized only certain personnel to speak on the Company's behalf. If you have questions, please contact the Head of External Affairs.

## QUESTION & ANSWER

**Q:** I was checking Facebook over the weekend and noticed that a colleague had been posting about Direct Energy on his page. Is this OK? I did not think we were supposed to discuss company matters using social media.

**A:** It depends on what your colleague is posting about. Employees generally can discuss their jobs and working conditions among one another, including on social networks. However, only authorized personnel have the right to speak on behalf of Direct Energy. Even if your colleague has the best intentions, this type of communication may be prohibited if it could appear your colleague is posting on Direct Energy's behalf. Also, keep in mind that comments that could be considered offensive, a form of harassment, that disclose confidential Company information, or are otherwise inappropriate are also prohibited.

### A FRIENDLY REMINDER:

We must understand that there are implications associated with what we say online and that our communications can affect our business, our reputation and even our obligations under the law. Please remember to use social media responsibly. You should never post Direct Energy's confidential information on social media networks or in any other public forum. As with other forms of communication, only authorized personnel can use social media to speak on behalf of Direct Energy.

### DIRECT ALL QUESTIONS TO ...

If you have questions about using Social Media or speaking on behalf of the Company, please refer to the "[Raising Concerns](#)" section of the Code. You should also consult the **Social Media policy** for additional information.

## It's SIMPLE:

We are honest  
in compiling and  
sharing our financial  
information.

We maintain accurate and complete financial books and records. Our responsibilities are based on legal and regulatory requirements that our Company must follow, as well as our own policies for doing business honestly and transparently. This means recording all transactions, receipts, and disbursements in a timely and accurate manner. This includes expense reports, time cards and other Company records. Members of our Finance Department have specific responsibilities when it comes to financial integrity, as they are responsible for attesting to the validity of many documents. It also means never intentionally concealing or misstating something if you know it is not the full truth, and realizing that complying with our financial controls is essential to avoiding fines, civil litigation and criminal charges.

### Travel and Expenses

When filing an expense report, you must be sure that your expenses are business-related, reasonable and appropriate. You should also be familiar with the procedures for filing an expense report, including necessary documentation and approvals. If you have any questions regarding this topic, please review the **Travel and Expense policy**.

### Fraud

We are committed to the prevention, detection and investigation of fraud. Fraud includes any intentional deception, misrepresentation, suppression or falsification of information or abuse of a position of trust that results,

or could result, in Direct Energy or an individual suffering some unauthorized benefit or loss. Fraud or corruption can occur internally or externally and may be carried out by employees, consultants, suppliers, contractors, customers or development partners, individually or in collusion with others. We will handle all allegations of fraud fairly and consistently. After an investigation, we will take appropriate action concerning any substantiated instances of fraud. Appropriate action could involve disciplinary action, termination and/or criminal prosecution. We are also committed to doing everything possible to recover any proceeds of fraud from those who have committed fraud within, or against, Direct Energy.

## QUESTION & ANSWER



**Q:** One of our customers asked me to change the date on an invoice to next quarter. He said it would really help him out with his budget. Is this ok to do?

**A:** No. Even if it helps one of our customers, sales invoices must always accurately reflect the date the sale took place. Changing the record would violate our obligation to maintain accurate and honest financial records.

## Procurement

Direct Energy spends nearly \$1 billion per year acquiring goods and services to ensure that the Company delivers high-quality products and services to our customers. Direct Energy's Procurement team works with internal clients across the organization to maximize the benefit of purchased expenses; while minimizing commercial and contractual risk. Procurement achieves this through the use of best practice purchasing principles, competitive supplier sourcing processes, negotiation, and supplier management expertise. The Procurement team ensures that the company's interactions with the supplier community are conducted in a fair, equitable, and auditable manner to reduce risk to Direct Energy's ability to conduct its business. As a company, and as employees, it is our responsibility to follow the guidelines identified in the Company's Procurement Policy.

The Procurement Policy applies to all Direct Energy employees, agents, and contractors who engage in procurement activities on behalf of Direct Energy. **As a company, and as employees, it is our responsibility to ensure that we adhere to the DLA prior to committing to a purchase. For more information, please refer to the Corporate Procurement Policy.**

## A FRIENDLY REMINDER:

Unfortunately, despite doing what we can to follow policies and conduct business ethically, fraudulent conduct can still happen and it can have a significant impact on our Company's success and reputation. We rely on everyone within our organization to report any fraudulent activity so that we can address it immediately.

If you ever suspect that someone at the Company is engaging in fraudulent activity, you should speak to your manager or the Compliance Department. You must not wait until you are certain fraud has in fact occurred; it is better to raise your concern with one of these Company resources. Remember you can always use the 'Speak Up' Helpline if you have questions about a certain situation or behavior.

## DIRECT ALL QUESTIONS TO ...

Please refer to the "[Raising Concerns](#)" section of the Code if you have any questions about financial or fraud related issues. You should also consult the **Travel and Expense, Procurement, Delegation of Authority** and the **Anti-Fraud** policies for additional information.



## It's SIMPLE:

We maintain accurate business records.

We create business records every day. Even some emails and telephone communications are considered business records. Because of this, we must always create accurate records that reflect the true nature of whatever event we are recording. It is also important we hold, maintain and dispose of our business records in accordance with our Records Management Policy and Retention Schedule. It is never permissible to alter, falsify, conceal or misrepresent Company records. If you notice a mistake or an error in a record, you should report the error to your manager as soon as possible.

## QUESTION & ANSWER



**Q:** I accidentally discarded some documents that should have been retained in accordance with our Records Retention schedule. What should I do?

**A:** The best thing to do would be to contact the DE Records Manager immediately and explain the situation so you can both figure out if something can be done to retrieve a back-up copy of the information.

A Business Record is any physical or electronic information or media that Direct Energy retains as evidence of business processes, decisions, or activities for a specific period of time pursuant to either a business need or an applicable legal requirement. Business Records are always in their final state and no longer being edited or reviewed. In order to comply with Local, State and Federal laws and regulations we must retain and/or dispose of all records according to our Records Retention Schedule.

Occasionally the Legal Department may put a Legal Hold on a particular record or set of records. A Legal Hold is a mechanism for suspending the disposition of certain relevant documents when litigation is filed or anticipated. If you knowingly, negligently, or even innocently destroy or modify a physical or electronic document placed on a Legal Hold status, the consequences for the Company and the employee can be severe.

## A FRIENDLY REMINDER:

Every employee should become familiar with Company records management policies, guidelines, and retention periods for your records. Specifically, you should understand:

- the types of records you must retain
- the length of time you need to retain records
- when and how you should dispose of records

## DIRECT ALL QUESTIONS TO ...

If you have questions or concerns related to Records Management please refer to the "[Raising Concerns](#)" section of the Code. You should also consult the **Records Management policy** for additional information.

# ACKNOWLEDGEMENT FORM

By signing below, I acknowledge that I have reviewed and understand Direct Energy's Code of Conduct (the "Code"). I further acknowledge and agree that:

The Code provides a general overview of a number of our Company's Policies; but I am aware that additional Company policies exist which are not represented in this Code.

I will comply with the Code, written policies, practices, rules, regulations, applicable law, or directives issued by Direct Energy.

I will contact my manager, Human Resources representative, Legal Department, Compliance Department, Ethics Committee or 'Speak Up' Helpline, as appropriate, if I have any questions concerning our Code, or any ethics-related behavior or situation, or am aware of any potential violations of the Code.

Failure to follow the Code may result in disciplinary action, up to and including termination of my employment.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Employee Name (please print)

\_\_\_\_\_  
Date





## CONTACT INFORMATION AND RESOURCES

### Company Contacts

- [Ethics Committee](#) (EVP Human Resources and EVP/General Counsel)
- Human Resources representative
- Compliance Department at [Ethicsandcompliance@directenergy.com](mailto:Ethicsandcompliance@directenergy.com)

### 'Speak Up' Helpline

- 1-855-282-4792 (North America)
- [www.directenergy.ethicspoint.com](http://www.directenergy.ethicspoint.com)



[directenergy.com](http://directenergy.com)

Last updated April 25, 2017