

PJM Interconnection, L.L.C.

Supplier Code of Conduct

PJM Interconnection, LLC (PJM) is committed to maintaining the highest standards of business ethics in dealing with suppliers. We expect our suppliers to adhere to those same high standards.

PJM's Supplier Code of Conduct applies to all individuals and organizations that supply services or materials to PJM, including contractors, consultants, staff augmentation contractors, vendors, and their employees, agents, or subcontractors. Suppliers are expected to educate all of their employees or representatives involved in business dealings with PJM to ensure that they understand and comply with PJM's Supplier Code of Conduct.

A. Compliance with Laws and Contract Requirements

PJM suppliers shall comply with all applicable federal, state, and local laws and rules, and with all contract requirements, and shall require that their subcontractors likewise comply as applicable. Such requirements may include, but not be limited to:

1. Affirmative Action and Equal Employment Opportunity, general labor and employment, and small business opportunity requirements.
2. Environmental, health, and safety requirements. PJM seeks to make environmental quality an integral part of the way PJM and its suppliers do business.
3. Antitrust and fair competition laws forbidding collusive bidding and other concerted action, price discrimination, and unfair trade practices.

B. Business Records

PJM suppliers shall honestly and accurately report all business information and comply with all applicable laws regarding reporting requirements. PJM suppliers shall maintain financial books and records conforming to generally accepted accounting principles. PJM suppliers shall create, retain, and dispose of business records in full accordance with all applicable legal requirements.

C. Security

PJM suppliers are expected to adhere to all applicable PJM security rules and processes, as communicated by PJM, whether related to data, information, computer systems, Interactive Remote Access, personnel background investigations, drug testing, or physical locations or property.

Suppliers shall not take photographs or make any recording or depiction of PJM property or facilities, or allow access by any third party to any PJM property or facilities, without PJM's express prior written consent.

D. Use of PJM Resources

PJM suppliers shall protect and conserve any resources made available by PJM and shall utilize them only for those purposes authorized by PJM. PJM resources include tangible items, such as facilities, equipment, consumables, and computer and telecommunications systems, as well as intangible items, such as PJM's good name and reputation, employee productivity, and sensitive information.

Suppliers shall respect and not infringe upon the intellectual property ownership rights of PJM and others, including, but not limited to, proprietary information, copyrights, patents, trademarks, and trade secrets.

Suppliers shall protect PJM's confidential information and shall not divulge any PJM Information that a prudent business person would consider sensitive, or which is designated by PJM as sensitive, proprietary, or confidential. Such information includes, but is not limited to, strategic, personal, financial, or unpatented technology information. Suppliers shall not allow the use of such information for any improper business or private gain.

Suppliers shall not purport to make any announcements or release any information on behalf of PJM to any member of the public, press, official body, business entity, or other person, or claim or imply any endorsement by PJM or PJM employees, including, but not limited to, reference to PJM as a customer or client, without the express written consent of PJM.

E. Gift to PJM Employees

To avoid the appearance of impropriety, PJM suppliers shall not offer to any PJM employee any personal gifts, payments, favors, loans, meals, transportation, entertainment, or services, the value of which exceeds the limits contained in the PJM Employee Code of Conduct.

F. Conflicts of Interest

PJM suppliers shall remain alert to, and cooperate with PJM in avoiding, potential conflicts of interest on the part of PJM employees with whom the supplier deals. PJM employees generally must not participate (by advice, decision, or otherwise) in contracts, claims, audits, or other PJM matters affecting the financial interests of the employee or any entity with which the employee is linked in such ways as:

1. Ownership of securities (other than through diversified mutual funds not directed as the electric industry;
2. Service as a director, officer, general partner, trustee, or employee;
3. Negotiations or arrangements for future employment;
4. Financial interests of the employee's immediate family.

Suppliers shall disclose any potential conflicts of interest to PJM for review and resolution.

G. Supplier Contact with PJM

Current and prospective suppliers are allowed to visit PJM. Appointments are required and must be scheduled in advance through the appropriate Procurement representative. For assistance, please contact Procurement at Procurement@pjm.com. Any discussions concerning product or service pricing quotations, proposals, or contractual terms and conditions may only be conducted with an authorized Procurement representative.

H. Compliance and Reporting of Questionable Behavior or Violations

PJM suppliers shall insure that its employees, agents, subcontractors, and any other representatives understand and comply with this Supplier Code of Conduct. For further guidance on this PJM standard, you may contact PJM at Procurement@pjm.com with any questions or concerns.

Any questionable behavior and/or possible violation to this Supplier Code of Conduct should immediately be reported to PJM, either to the office of the General Counsel, or to the Executive Vice President, Finance.

It can be awkward to bring code infractions to the attention of others. PJM has established an independent third-party confidential Code of Conduct compliance telephone reporting line **(866)776-6942** and [website](#) to encourage you to report any Code of Conduct violation. Your report will be received directly by Global Compliance Services, Inc., a third party provider of confidential reporting services. *Your report will be kept both confidential and anonymous.* Should you decide to call rather than file a report through this [website](#), operators are on duty to receive calls 24 hours a day, 7 days a week, 365 days a year.