Standards of Conduct – 2017

HOW WE DO BUSINESS
The Standards lay out our shared values and expectations when conducting business. While the Standards generally explain these expectations, not every situation can be foreseen and explained here.

When facing a decision and you are unsure, ask yourself:

- What would others think of this decision?
- Am I comfortable being responsible for the decision?
- Is this decision consistent with the Standards of Conduct?

When in doubt, Speak Up! Always use good judgment and know the resources available to answer your questions or handle your concerns.

If you see an issue, Speak Up! If you aren’t sure, Speak Up!
For more than a century, our company has been guided by a common set of principles. Ethics. Values. Integrity. Compliance. These words represent the way we do business. The Standards presented in this booklet encompass these principles, as well as our commitment to each other, to our customers, our suppliers and government officials — while upholding our obligations to safety and reliability.

In order to better align these Standards with our principles and commitments, we have redesigned them and changed their name. Beginning with this revision, we will refer to the Standards as the Standards of Conduct. This change is not insignificant; it reflects our desire to make this document and the principles it describes more present in the day-to-day lives of our employees. And despite the change in title, we will in no way change our commitment to operating at all times with the highest level of integrity.

This version was created with you in mind. The Standards don’t just articulate a set of rules. Rather, they reflect our company’s longstanding commitment to compliance and more comprehensively present our values and expectations. I hope the new Standards will be the catalyst for a company-wide conversation about compliance, ethics and culture. I encourage each of you to read the Standards and refer to them often for guidance.

As always, I want to emphasize my expectation that you speak up when you have questions or believe that we have not lived up to the expectations presented in the Standards. Whether you need to ask a question, raise a concern or report unethical behavior, there are resources available to you. You will find them listed on page 5 of this booklet. In the end, you should feel that our doors are always open to you.

At PSEG, we believe that our employees aspire to act ethically and honestly, and always make an effort to do the right thing. The new Standards of Conduct are here to help you achieve these goals.

Sincerely,

Ralph Izzo
PSEG Chairman, President and Chief Executive Officer
Honesty and integrity are core to how we do business at PSEG. Every action we take is founded on a steadfast commitment to always acting with integrity. Integrity isn’t an afterthought — it is the way we do business.

The Standards establish a set of expectations we must follow to ensure that every PSEG employee, agent, supplier, vendor and contractor works with integrity. Our Standards apply wherever and whenever company business is being conducted. At times, the Standards may even apply when we are not at work, to the extent our activity impacts PSEG. To honor our commitment to always act with integrity, we must understand our duties of care, loyalty and good faith to PSEG & our customers. The Standards require that we act with integrity and follow all applicable laws, regulations and company policies.

Should uncertainty arise or any action raise concerns, we all share the obligation to Speak Up! It’s crucial we ask questions and raise concerns so that we can serve our shareholders, customers and employees with integrity.

FOR MORE INFORMATION SEE BUSINESS CONDUCT AND COMPLIANCE PROGRAM (615-3) AND CERTIFICATION OF COMPLIANCE WITH PSEG STANDARDS OF CONDUCT PRACTICE (615-4).
**STAY INFORMED**

Be aware of changes that impact your role and your organization’s way of doing business. Laws, policies or procedures may change, which might impact how you do your job and it is your responsibility to keep current on the rules governing your work.

**THINK BEFORE YOU ACT**

Before making a decision, think about the impact of your decision and the perception of your actions.

**SPEAK UP!**

Promptly ask questions or raise concerns about potential violations of law, the Standards of Conduct, or other PSEG requirements. When raising a concern or participating in an investigation, be honest and complete in your answers and participation — doing so enables us to gather the facts to help protect you, your team, and our company.

**Risks of Non-Compliance**

If you fail to fulfill your responsibility to always act with integrity or to meet the expectations laid out in the Standards of Conduct, you will face disciplinary action up to and including termination of employment.
PREVENT
Leaders are responsible for proactively creating a culture of compliance and integrity. Leaders ensure employees understand the importance of ethical conduct and create an open environment that encourages Speaking Up. Leaders are expected to be role models when it comes to acting with integrity — your behaviors set the example for others to follow.

DETECT
Leaders take actions to detect compliance concerns. Leaders conduct periodic reviews and implement controls to monitor for irregularities and identify compliance risks or potential violations.

ACT
Leaders should document and escalate employee concerns promptly to the appropriate Speak Up Resource. When compliance risks or misses are identified, take prompt action. Recognize employees' integrity contributions. Leaders behave in a manner that shows support for the Speak Up Resources.
REMEMBER: You are required to promptly raise a concern when you see a situation in which our Standards of Conduct or policies are not being followed. You are not expected to be certain that a violation has occurred before you raise a concern. If you are unsure about whether a behavior or situation is consistent with these standards, the most important thing to do is to Speak Up! If you delay or fail to report an issue, it can have major effects that could impact our jobs and our company.

There are several channels for raising concerns. Generally, your immediate manager or supervisor will be in the best position to solve a concern, but other Speak Up Resources include:

- Skip-level manager (one or two levels above your immediate manager or supervisor)
- Senior Leadership Team
- Human Resources
- Legal
- Internal Audit
- PSEG Office of Ethics & Compliance directly at 973-430-6405 or ethics.compliance@pseg.com
- For concerns about harassment or discrimination – Employee Relations directly at 973-430-5545 or employeerelations@pseg.com
- William Stohner, Senior Counsel – Ethics & Investigations, GO – mail code P3, 973-430-3648, William.Stohner@pseg.com
- Antonio Fernandez, Chief Compliance Officer, GO – mail code P3, 973-430-6016, Antonio.Fernandez@pseg.com
- Tamara Linde, Executive Vice President and General Counsel, GO – mail code T4, 973-430-8058, Tamara.Linde@pseg.com
- If you would like to report anonymously, you may contact the PSEG Helpline either by telephone, toll free, at 1-800-655-7269 or through the Helpline website at https://pseg.alertline.com. The Helpline service is available 24 hours a day, seven days a week.
- Concerns about nuclear safety or quality should be raised to your supervisor or the Employee Concerns Program – 856-339-1402 for anonymous calls 24/7, or directly by email at ECP@pseg.com.

Speak Up! Make Your Voice Heard
PSEG takes steps to ensure every question or concern is appropriately reviewed. If an investigation is conducted, it is timely, fair, thorough, and feedback is provided, as appropriate. If a violation of the Standards or other applicable requirement is identified, action is taken to correct the situation and prevent recurrence. The company is committed to ensuring confidentiality of the investigative process and limits information about concerns to those that have a need to know. Violations of the Standards of Conduct or law can be serious, and abusing the concern reporting process by deliberately raising false concerns or failing to cooperate in an investigation may result in adverse employment action up to and including termination of employment.

FOR MORE INFORMATION: SEE COMPLIANCE REPORTING AND INVESTIGATION PRACTICE (615-2).

NON-RETALIATION

PSEG is committed to creating an environment where employees feel empowered to question or raise concerns without fear of retaliation. As a result, retaliation is not tolerated. Retaliation is defined as any adverse action taken against an employee, including adverse employment action, for reporting a concern, including reporting a suspected violation of the law, PSEG’s Standards of Conduct, or for participating in an investigation. Anyone engaging in retaliation against an employee for raising a concern will face disciplinary action up to and including termination of employment.
OUR STANDARD

We strictly comply with health and safety laws, rules, procedures, and company standards. We are all expected to question, stop and correct any unsafe actions or conditions in the workplace. If you’re concerned about safety or the company’s response to safety concerns, Speak Up! Safety can be accomplished through simple actions like wearing required protective clothing or through more detailed steps like the ones followed for ensuring that equipment is 100% secure. Therefore, always remember to wear protective clothing and take all safety steps to ensure safe operating conditions. Safety also includes staying cyber safe. Always exercise caution when interacting with emails from entities outside of the company and when surfing the internet. What’s most important is that we keep each other safe. Calling out unsafe conditions may be a life or death situation for you or others – it’s your job!

PSEG is committed to maintaining a violence-free workplace. Physical assaults, fighting, intimidation, bullying, threats, and the intentional destruction of property are prohibited. This also includes the prohibition of weapons in the workplace, including firearms even if licensed or otherwise permitted by law, unless your job description specifically requires it.

OUR RESPONSIBILITY

Always put safety first – for you and your co-workers. Do not hesitate to speak up immediately if you see an unsafe situation.

If you see a potentially unsafe situation, immediately stop the situation. Exercise common sense and caution to prevent accidents involving yourself and others, including co-workers, other employees, contractors, customers and the general public. If there is a safety incident, make sure to report it immediately to a manager or supervisor accurately and completely. Any attempt to either avoid or inaccurately record a safety incident violates the Standards, and precludes our teams from having the opportunity to prevent such incidents in the future.

Remember to stay informed and follow safety training and practices that impact your role and department and obey all laws, regulations, and company policies around safety to keep each other safe.
Use of Drugs and Alcohol

OUR STANDARD

PSEG is committed to maintaining a drug and alcohol-free working environment. This applies when we are on company property or when we are expected to return to work after off-site meals and events. If you are on-call or standby duty, you must not consume alcohol during the period of time that you are on-call or standby regardless of whether or not you are called into work.

Alcohol may be permitted for consumption under limited circumstances – for example during off-site events if authorized by an employee at the vice president level. Consumption must be moderate and reasonable, supervised by the employee sponsoring the event, and in compliance with laws, including the rules established by the United States Nuclear Regulatory Commission and the United States Department of Transportation. Company-assigned vehicles may never be used after consuming alcohol, nor may personal vehicles be used for company business after consuming alcohol. You may not consume alcohol if you are likely to return to work from an authorized off-site event.

OUR RESPONSIBILITY

Bringing, possessing, or using illegal drugs or medicinal marijuana violates the Standards, as does reporting to work unfit for duty as a result of alcohol or drug use. If you are taking a prescription drug that has the potential to affect your ability to perform your job or compromise safety in the workplace, you must inform the company's medical department by calling 973-430-5942 or for PSEG Long Island employees 973-430-5176.

You are expected to cooperate honestly in connection with the company drug and alcohol testing program.

FOR MORE INFORMATION SEE DRUG AND ALCOHOL PRACTICE (750-1); UNFIT FOR DUTY/POSSESSION OR CONSUMPTION OF ALCOHOLIC BEVERAGES ON COMPANY TIME AND/OR PROPERTY PRACTICE (750-1-2); AND MAINTENANCE OF DRUG AND ALCOHOL TESTING POOL PRACTICE (750-1-1).
**OUR STANDARD**

PSEG is committed to treating all employees fairly and respectfully. Employment decisions are based on merit and qualifications. In making decisions we do not consider a person’s age, race, disability, ethnicity, sex, marital or family status, national origin, religion, gender, sexual orientation, veteran status, genetic information, or other characteristics protected by law.

**OUR RESPONSIBILITY**

Create a workplace that is cooperative, open-minded, and respectful.

Do not engage in behavior that is demeaning, intimidating, or offensive, including but not limited to, inappropriate jokes, ridicule, or initiating unwelcome conduct in person or electronically. Harassment grounded on a protected characteristic as defined in Enterprise Practice 710-11 (e.g., race, gender, disability, sexual orientation, etc.) is absolutely prohibited.

Never make unwelcome sexual advances towards other employees, customers or persons you work with.

For more information see Equal Employment Opportunity and Affirmative Action Practice (710-11) and Sexual Harassment and Other Discriminatory Harassment Practice (750-19).
Diversity & Inclusion

OUR STANDARD

At PSEG we aim to create an inclusive environment where diversity is valued and employees of diverse backgrounds, experiences and viewpoints have the opportunity to succeed and reach their full career potential. PSEG needs everyone to be able to perform at their highest capability, feel trusted, and have the opportunity to be heard in the workplace. In order to maintain operational excellence, reliability, profitability, and customer service objectives, our workforce should reflect and respect our marketplace and the communities we serve. We strive to develop an inclusive culture that empowers all of our people to contribute to our successes. This is how we maintain our solid reputation.

Reminder

PSEG does not tolerate retaliation in any form against any person for raising a valid concern about a violation of policy or law.
OUR STANDARD

We are committed to maintaining honest, complete and accurate records. We create clear and transparent communications based on adequate documentation. We make decisions based on sound analysis while balancing all appropriate factors. Our accounting and reporting accurately reflects PSEG’s activities and is consistent with relevant accounting and reporting standards. We comply with all applicable requirements governing the preservation of business records.

OUR RESPONSIBILITY

- Maintain controls that ensure transactions or events are reported fairly and detect or prevent inappropriate transactions.
- Maintain complete and accurate records or accounts that reflect business transactions.
- Create documents that are timely, complete and accurate. Follow company policies in deciding when to retain or dispose of documents.
- Never engage in inappropriate transactions, or manipulate data to reflect inaccurate information.
- Consult with your supervisor/manager or other Speak Up Resource if you become aware of a questionable transaction.

What to watch out for

- Submitting expense reports that are inflated or don’t state the true purpose of the expense.
- Submitting false time records.
- Submitting a false benefit claim, including a claim for disability, workers’ compensation or FMLA leave benefits.
- Inappropriately crediting a customer or third party account.
- Making false or misleading entries in any business record or filing.
- Circumventing any of PSEG’s accounting procedures or controls.

FOR MORE INFORMATION, SEE FRAUD PREVENTION AND DETECTION PROGRAM PRACTICE (615-5), INTERNAL CONTROL – FINANCIAL SYSTEM UPGRADES/IMPLEMENTATION AND MAJOR PROCESS CHANGES PRACTICE (160-2), REGULATION FAIR DISCLOSURE PRACTICE (615-7), AND RECORDS MANAGEMENT PRACTICE (105-1).
Insider Trading

OUR STANDARD

We do not use or disclose material, non-public information about PSEG or other companies for personal benefit. Sharing of confidential or any nonpublic information that affects the trading of stock or securities is not permitted, even if the trading is not done or authorized by you. You do not have to be the one who gains from insider trading. You should not tip others to non-public information.

OUR RESPONSIBILITY

- Never buy or sell the securities (stocks, bonds, or derivatives) of PSEG or any other company directly, through family members, or other persons or entities while you are aware of material insider information.
- Do not recommend or suggest that anyone buy or sell the securities of any company while you have material insider information about that company.
- Don’t share material insider information.
- Refrain from discussing confidential PSEG business with family and friends.

Need to Know

- Insider information is information you learn in your job about PSEG or other companies that has not been made public.
- Using material insider information for your financial or personal benefit, or sharing it with others, violates PSEG’s insider trading policy and may violate the law.
- Insider information is material if a reasonable investor would consider it important in deciding to buy, hold or sell securities or if publication would likely affect a company's stock price. Examples include:
  - Financial forecasts
  - Earnings/dividend announcements
  - Proposed acquisition or divestitures
  - Strategic plans
  - Regulatory actions
  - Changes in top management
- Stock tipping means sharing insider information about PSEG or another company with anyone – a friend, relative, or colleague – that enables the person to buy or sell stock or other securities of the company on the basis of such information.

FOR MORE INFORMATION SEE INSIDER TRADING PRACTICE (615-6).
### Antitrust & Fair Competition

**OUR STANDARD**

We are committed to competing fairly in the marketplace and complying with all applicable rules encouraging fair competition. We do not engage in behaviors that illegally manipulate the market, or impermissibly impact our competitors or customers.

**OUR RESPONSIBILITY**

- Do not propose or enter into an agreement or understanding with a competitor that impacts competition between PSEG and the competitor – including agreements on pricing, bidding, deal terms, wages, or the allocation of market customers.
- Avoid contacts of any kind with competitors that could create the appearance of improper agreements or understandings.
- Avoid agreements or understandings that restrict the price at which a party may resell a product or service.

If you have a question or concern about compliance with antitrust or fair competition laws, or want to gain more understanding of what actions may raise antitrust concerns – contact the PSEG Office of Ethics & Compliance.

**Areas to watch out for in antitrust and competition:**

- Price fixing
- Dividing territories
- Bid rigging
- Abuse of dominant market position
- Business disparagement
- Unlawful collection of business intelligence.

**HYPOTHETICAL:** If a competitor pulls you aside at a conference and wants to discuss working together to “squeeze out” other competitors, do not engage in the conversation. Promptly contact your Speak Up Resources about the incident.

For more information see Antitrust & Fair Competition Practice (130-1).
Using & Safeguarding Company Assets

OUR STANDARD

We are good stewards of PSEG’s assets. We use these assets in the best interest of PSEG and do not abuse our privilege to use these assets. Company assets include everything the company owns or uses to conduct business. This means tangible assets such as machines, equipment, and obsolete or scrap materials. It also means intangible assets such as company time, business information, or intellectual property.

OUR RESPONSIBILITY

Company assets must be used for legitimate business purposes. Any unauthorized use, including unauthorized restoration of gas or electric services, is a violation of the Standards. All work performed using company assets must be authorized and within the scope of your role.

Remember that PSEG may be required to access data you have shared or transmitted on or through PSEG devices or on personal devices through PSEG networks. Act with integrity when using these devices or systems. There is no expectation of privacy when using PSEG devices or systems.

Protection of PSEG’s computer and information resources is critical. If you are a user of an information system that captures, creates, stores, processes, or distributes company information – including third party hosted systems – you are responsible for ensuring that information is secure from loss or unauthorized access.

While incidental use of company information resources is permitted, you may not use PSEG computers, networks, and information resources for purposes that are inappropriate or otherwise prohibited (e.g. viewing pornography, engaging in hate speech, discriminating, etc.).

FOR MORE INFORMATION SEE MANAGEMENT AND PROTECTION INFORMATION ASSETS (160-3) AND ACCEPTABLE USE OF COMPUTER NETWORKS AND INFORMATION RESOURCES PRACTICE (282-1).
Confidential Information

OUR STANDARD

Confidential information includes knowledge about operations, transactions, strategies, plans, finances, facilities, our customers, employees (e.g. social security number, date of birth and medical information), suppliers, and other business partners. We protect PSEG’s intellectual property. PSEG’s intellectual property includes assets such as patents, copyrights, trademarks, service marks, logos, and trade secrets. Likewise, we safeguard intellectual property we receive from third parties.

There are many categories of confidential information, but generally the categories include information that:

- is considered by PSEG to be private and/or proprietary,
- is not common knowledge outside of the business,
- or is required by law or contract to be maintained as confidential.

OUR RESPONSIBILITY

Confidential information should never be disclosed, either intentionally or inadvertently, without proper authorization. If you have any doubt about whether any particular information or knowledge is confidential or confidential information has been mismanaged, whether the information relates to your role or another area of the company, contact the PSEG Office of Ethics & Compliance (ethics.compliance@pseg.com). If you are working on something confidential, digitally and physically secure the information, as mismanaged information can lead to potential leaks.

Classify, label, store and share all PSEG data information and documents in accordance with PSEG’s Information Classification, Labeling, and Handling Practice 282-5. Unless specifically approved, do not bring, access, keep, share or use a third party’s proprietary information, especially proprietary information from a previous employer. Do not provide PSEG’s proprietary information to a third party without proper internal approval.

FOR MORE INFORMATION SEE PRIVACY OF HUMAN RESOURCES’ PERSONAL IDENTIFIABLE AND CONFIDENTIAL INFORMATION PRACTICE (282-13) AND INFORMATION SECURITY CLASSIFICATION, LABELING AND HANDLING PRACTICE (282-5), MANAGEMENT AND PROTECTION INFORMATION ASSETS (160-3) AND ACCEPTABLE USE OF COMPUTER NETWORKS AND INFORMATION RESOURCES PRACTICE (282-1).

Need to Know

Sometimes, people think of confidential information as top secret business plans – but it’s important to remember confidential information is much more than that. Day-to-day business information can be confidential. For example, be mindful of where you take business phone calls or who you discuss work activities with. This includes coworkers! Coworkers should be provided information on a need to know basis only. Be mindful before you share information even in the workplace.
OUR STANDARD

It is important that we feel free to engage in honest and open discussion and uninhibited expression in the workplace, including when sensitive or confidential matters are being discussed or expression is being made in sensitive or discreet circumstances. If we are concerned that our conversations or actions are being secretly recorded (whether audio or video) or photographed we may be less likely to engage in honest and open discussion or uninhibited expression.

The company has developed reasonable rules which restrict (but do not prohibit) recordings and photographs in the workplace in order to encourage such dialogue and expression and to further other company interests, including the prevention of unlawful harassment and protection of confidential information, as defined by company policies.

OUR RESPONSIBILITY

You may not record or photograph in the workplace during worktime using any recording device unless any of the following criteria are met:

• You receive prior approval from your immediate supervisor or manager.
• You ensure that all parties involved in the recording and photograph are aware, and you have their consent.
• The recording and photograph are made or taken in the normal course of business in the company’s operations for a work-related purpose.

Notwithstanding the foregoing, prior approval and consent to use a recording device is not required if the use is for the purpose of exercising rights protected under law, including engaging in a protected concerted activity (for example, documenting a hazardous working condition). We must also comply with any applicable state rules that may prohibit nonconsensual recording under certain circumstances.
Social Media & Public Speaking

OUR STANDARD
We are committed to communicating with the public clearly and with one voice. To help maintain consistency and the accuracy of information, all communications with news media on behalf of PSEG must be authorized by PSEG’s Vice President of Corporate Communications. We are mindful to adhere to all Standards of Conduct when communicating through social media – whether on behalf of the company or personally when linked to the company.

OUR RESPONSIBILITY
Be thoughtful when sharing content and associating with the company online. If you share your job information on social media – your posts may become affiliated with PSEG or be seen as expressing a view on behalf of PSEG. As such, be mindful of your social media presence and ensure your social media activity does not misrepresent the company, your colleagues, or appear to express a view on behalf of the company.

Direct all requests for comment to Corporate Communications or the communications manager or supervisor for your line of business.

Remember that PSEG does not tolerate harassment, discrimination, bullying, or retaliation – this extends to online activities directed at or by those who must adhere to the Standards of Conduct.

FOR MORE INFORMATION SEE SOCIAL MEDIA PRACTICE (500-2).
Gambling

OUR STANDARD

We do not engage in activities that can create conflict or be exclusionary. To help maintain an inclusive environment and comply with state regulations, contests of chance (sports pools, lotteries, etc.) may not be conducted on company time or in the workplace. Raffles may be conducted on company time if they are sponsored by an organization qualified by law, licensed by the state to conduct raffles, and approved by a vice president.

OUR RESPONSIBILITY

Do not organize pools or other gambling activities on company time, and remind your co-workers that gambling violates the Standards of Conduct.

Seek approval from a vice president if you wish to participate in a raffle or promote a raffle on company time for an organization that is licensed and sponsoring the raffle. Without vice president approval, do not take action while at work.

FAQ

Fantasy sports are also considered a form of gambling! The internet creates new ways for gambling to occur. If an opportunity is presented in the form of a game of luck – reach out to the PSEG Office of Ethics & Compliance to ensure the gaming is permissible.
Conflicts of Interest

OUR STANDARD

We do not allow our personal interests to influence our business decisions. We always act with PSEG’s best interest as our primary goal. We avoid real or perceived conflicts of interest. We do not engage in any activities at work or at home that could harm PSEG or its reputation. We promptly disclose any potential conflicts of interest to management and the PSEG Office of Ethics and Compliance.

OUR RESPONSIBILITY

Report any real or perceived conflicts of interest situations to your management and the PSEG Office of Ethics and Compliance.

Prior to accepting officer or director positions with another business or non-profit organization obtain approval from your manager and the PSEG Office of Ethics & Compliance.

Prior to running for political office at any level, or accepting an appointment to a government position, you must notify your manager and the PSEG Office of Ethics & Compliance.

If you hold political office, you should not act on matters affecting PSEG’s interests, even if those matters do not relate to your specific role in the company.

When a situation changes, a conflict may be created (e.g., a new relationship, a transfer of roles or responsibilities) … Speak Up!

You should not improperly influence the employment of a close relative or friend.

Outside employment is permitted as long as it does not conflict, or appear to conflict with your duty to the company. If you are unsure whether or not an outside position is a conflict, talk to your manager or contact the Office of Ethics & Compliance.

Need to Know

Loss or harm to the company or others is not necessary for a conflict to exist. Conflicts could include many situations including hiring decisions based on personal relationships (e.g., family, friends, etc.), directing work to certain vendors, or rewarding employees based on factors other than merit. While a conflict of interest may not ultimately violate the Standards of Conduct, the failure to disclose a real or perceived conflict is a violation of our Standards.

FOR MORE INFORMATION SEE CONFLICT OF INTEREST PRACTICE (615-9), CORPORATE POLITICAL PARTICIPATION PRACTICE (530-3) AND CORPORATE POLITICAL PARTICIPATION INSTRUCTION (530-3-1).
Gifts, Meals, & Entertainment

OUR STANDARD

We never solicit gifts, meals, or entertainment for our personal benefit. If we receive or provide business gifts, meals, or entertainment, we ensure that they are reasonable, appropriate and consistent with the law, our Standards, and our Gifts, Meals, and Entertainment Practice.

Gifting is particularly critical when it comes to government interactions. See the Government Officials section of the Standards of Conduct for more information on the requirements around any exchanges with government officials or employees. The restrictions on providing gifts and gratuities to government officials are not limited solely to elected officials. Employees of state agencies (e.g., LIPA), police chiefs, or Department of Public Works employees are included in these restrictions. If you are unsure about whether a person is a government official, reach out to your Speak Up Resources.

OUR RESPONSIBILITY

You may provide individuals outside the company with meals, entertainment, attendance at business events, refreshments, transportation, and lodging or incidental hospitality. The expense must have a valid business purpose, be modest, reflect good business judgment, and be consistent with the law.

If you receive a gift that does not conform to our Gifts, Meals, and Entertainment Practice, you should make all reasonable efforts to return the gift and you must notify the PSEG Office of Ethics & Compliance. Any exceptions to giving or receiving gifts, meals or entertainment must be requested in writing and approved in advance by your EOG member in consultation with the PSEG Office of Ethics & Compliance.

FOR MORE INFORMATION SEE GIFTS, MEALS AND ENTERTAINMENT PRACTICE (615-10).
Commitment to Customers

OUR STANDARD

Our customers expect us to act with integrity every day and provide them with reliable and safe services. Delivering on this expectation is paramount to our company. Always act honestly and courteously with our customers, be truthful in representing our services and setting customer expectations.

OUR RESPONSIBILITY

Treat customers with respect and do not engage in any inappropriate or unprofessional behavior. Respond promptly and courteously to all customer requests.

Respect customer property, as well as the property of others impacted by our work.

Honor our customer’s right to choose among competitive services.
Dealing with Suppliers

OUR STANDARD

We act fairly and impartially, using objective criteria that will deliver the best total value for PSEG, our employees, and our customers in selecting goods and services to be purchased for the company. This applies to all aspects of the procurement process, from identifying potential suppliers to processing invoices for payment.

FOR MORE INFORMATION SEE PROCUREMENT PRACTICE (242-1) AND PROCUREMENT PRACTICE FOR LONG ISLAND (242-1-LI).
Bribery

OUR STANDARD

We do not tolerate bribery, kickbacks, or improper payments to anyone in the public or private sector under any circumstances.

OUR RESPONSIBILITY

If you are offered a bribe or kickback from a third party – contact your manager or supervisor and the PSEG Office of Ethics & Compliance immediately. Never accept or give anything of value (tangible or intangible) to a third party if it is intended as a bribe, kickback or improper payment to further your own interests or those of PSEG’s.

Comply with all laws and regulations concerning interactions with government officials, including the Foreign Corrupt Practices Act.

Need to Know

Bribes don’t always come in a burlap sack with a dollar sign on the side, in fact – most bribes aren’t even money! Bribes can be anything of value (discounts, products, connections, or more) in exchange for an advantage that would not otherwise be received. Don’t get tripped up by false generosity – ask questions and raise concerns about others’ actions.
Government Officials

OUR STANDARD

We value our relationships with government officials. We strictly comply with all applicable federal, state and local laws, regulations, and rules governing interactions with government officials.

OUR RESPONSIBILITY

You must not provide any gift, benefit or other thing of value (even nominal value) to any government official without obtaining prior approval from the Vice President – Federal Affairs or the Vice President – State Governmental Affairs.

Moreover, you must not give a gift, benefit or other thing of value to any government official to influence any official judgment or action, or in return for any official act.

Need to Know

There are many rules governing interactions with government officials. These rules are often complex and cover areas such as gifts, benefits, entertainment, food and beverage, travel and lodging, honoraria, and loans. They also include performing services for individual government officials (e.g. restoring gas or electric service or removing a balance on an account). Violations of these laws can have serious consequences, including criminal penalties for PSEG and the individuals involved. We are committed to complying fully with all of these laws, regulations and rules – and we must keep them in mind when interfacing with government officials.

Be sure to keep the state government affairs and federal government affairs groups aware of any interactions with government officials so they can help you best prepare and handle any situations.
Political Activities

OUR STANDARD
We are committed to acting with integrity when interacting with government agencies. We are truthful and honest. We comply with all regulatory reporting requirements and the laws, regulations, rules, and codes of conduct that apply to our interactions with government agencies and officials.

We only make political contributions in compliance with applicable law and we do not solicit contributions in the workplace for personal purposes.

We coordinate all political activities on PSEG’s behalf as well as any solicitation on behalf of PSEG PAC, PSEexecPAC or any other federal or state PAC affiliate with the company, in advance coordination with PSEG’s Vice President – Federal Affairs or PSEG’s Vice President – State Government Affairs.

OUR RESPONSIBILITY
Stay up-to-date and be mindful of political contribution limits and other laws, regulations, and rules related to political activities.

Satisfy all obligations and requirements around reporting, expense documentation, and contacts when conducting lobbying activities.

If you solicit other employees on behalf of any PAC, you must comply with all applicable laws in making such solicitations. Federal and state laws also require that an employee’s decision to participate in a PAC be voluntary, and refusal to participate may not be the basis for reprisal.

FOR MORE INFORMATION SEE GIFTS, MEALS AND ENTERTAINMENT PRACTICE (615-10), CORPORATE POLITICAL PARTICIPATION PRACTICE (530-3) AND CORPORATE POLITICAL PARTICIPATION INSTRUCTION (530-3-1).

Need to Know

When retaining a prominent political figure or a firm employing such an individual to perform for PSEG lobbying activities or provide professional services, approval must be received prior to the engagement. Consult the Corporate Political Participation Instruction 530-3-1 for approval guidelines.
Affiliate Standards

OUR STANDARD

We comply with all requirements governing our affiliate relationships, participation in wholesale power markets and reliable operation of our facilities. We understand and carefully apply those rules that relate to our work assignment. When any questions or concerns arise, contact your Speak Up Resources.

OUR RESPONSIBILITY

If you are engaged in day-to-day transmission operations and planning activities, you must conduct business activities in a physically and functionally separate way from employees engaged in marketing function activities and may not provide preferential treatment to any transmission customer.

We must charge appropriate costs for all sales of non-power goods and services between PSE&G and PSE&G affiliates including Long Island.

If you provide utility services, you must not provide leads, engage in tying arrangements or similar activities to provide a competitive advantage to any group offering retail competitive services. You also must not disclose customer information to employees providing competitive retail services without customer consent.

FOR MORE INFORMATION SEE PSE&G STANDARDS OF CONDUCT COMPLIANCE PROCEDURES (UNDER FERC ON THE COMPLIANCE & ETHICS SHAREPOINT SITE), THE PSEG PRACTICE FOR AFFILIATE TRANSACTIONS (520-3) AND THE PSE&G PRACTICE FOR AFFILIATE TRANSACTIONS WITH LONG ISLAND (520-4).
Additional Standards

Energy Market Behaviors

We are committed to lawful and ethical practices in connection with PSEG’s energy trading and marketing activities. We adhere to this commitment in a number of ways including, but not limited to:

- Refrain from any act, practice or course of business conduct that is fraudulent or deceitful, or constitutes a violation of applicable market rules.

- Engage only in transactions with legitimate business purpose or that otherwise have economic substance, and refrain from transactions intended to artificially boost revenues or volumes, manipulate market prices or artificially affect market conditions.

- Refrain from trading in physical markets that benefit offsetting financial positions that lack a legitimate business purpose.

- Refrain from transactions designed solely to influence prices or cause artificial conditions relating to one instrument or position (especially when the transactions are themselves unprofitable) when the direction of the resulting price change would benefit the company in a different but related instrument or position.

- Refrain from simultaneous offsetting buy and sell trades of the same product among the same parties that have no economic substance.

- Operate and schedule, bid or offer, and maintain and commit generating facilities in good faith and in compliance with the rules of applicable power markets.

- Refrain from scheduling resources to create artificial supply, shortages or congestion, or in a way that misrepresents operational capabilities or unit availability.

- Disclose accurate, complete and updated information as required to outside entities such as regulators, RTOs (Regional Transmission Organizations)/ISOs (Independent System Operators), market monitors, publishers of survey and price indices, and counterparties that is timely, accurate and factual, and not false or misleading, and refrain from omitting material information in any such communications.

- Understand when information needs to be updated and if there is a need to communicate changes in information.

- Comply with internal procedures regarding the bidding of generation units as well as those procedures requiring that trades be properly and accurately reported and recorded in a timely
manner and that the documentation be retained for appropriate periods – in most cases, at least five years.

• Prepare and file with various regulatory agencies, including the FERC and the NJBPU required and requested reports on a timely and accurate basis.

• Otherwise comply with applicable laws, regulations, rules, contracts and tariffs when conducting energy trading and marketing activities.

For the full breadth of our Energy Trading practices, review the Compliance Manual from ER&T (accessible via ER&T SharePoint). If you are unable to locate the Manual and it is required for your role, speak with your manager immediately or contact the PSEG Office of Ethics & Compliance.

Electric Reliability Standards

All users, owners and operators of the bulk electric system, including PSE&G, PSEG Long Island, and PSEG Power’s subsidiaries, are required to conduct operations in compliance with reliability standards intended to maintain the reliability of the bulk electric system as promulgated by NERC. Employees must understand and comply with all reliability standards and related requirements applicable to their respective businesses. We must understand and comply with the documentation, recordkeeping, and reporting requirements in the reliability standards relating to vegetation management, battery and relay testing and recordkeeping, rating of transmission and generation facilities, cybersecurity and reporting of sabotage events, and related topics.

FOR MORE INFORMATION SEE PSEG SABOTAGE EVENT RECOGNITION, RESPONSE AND REPORTING PRACTICE (281-1).

International Trade Compliance

PSEG is committed to complying with all export control, economic sanctions and customs laws that regulate cross-border transfers of goods and services. We confirm all necessary licenses or authorizations are in place before any export transaction and adhere to all export license or license exception requirements.

Commitment to the Environment

PSEG is committed to protecting the environment. Together, we strive to have a positive impact on our environment and comply with federal and state environmental laws. You must demonstrate integrity toward the environment by understanding and complying with all legal and company environmental requirements that pertain to your job.
PSEG Enterprise Policies, Practices, and Instructions are stored in Guidance Link. This is not an all-inclusive list of every PSEG Policy, Practice, or Instruction. Guidance Link can be found on the PSEG intranet. If you have any trouble accessing Practices, immediately speak with your manager or contact the PSEG Office of Ethics & Compliance at ethics.compliance@pseg.com. It is important to make use of your resources, and understand fully how the Standards govern conduct. If you ever have any questions – Speak Up!

- Records Management Practice (105-1)
- Antitrust & Fair Competition Practice (130-1)
- Internal Control – Financial System Upgrades/Implementation and Major Process Changes Practice (160-2)
- Management and Protection of Information Assets Practice (160-3)
- Procurement Practice (242-1)
- Procurement Practice LI (242-1-LI)
- Sabotage Event Recognition, Response and Reporting Practice (281-1)
- Acceptable Use of Computer Networks and Information Resources Practice (282-1)
- Information Classification, Labeling, and Handling Practice (282-5)
- Human Resources' Personal Identifiable and Confidential Information Practice (282-13)
- Social Media Practice (500-2)
- PSEG Practice for Affiliate Standards (520-3)
- PSE&G Practice for Affiliate Transactions with Long Island (520-4)
- Corporate Political Participation (530-3)
- Corporate Political Participation Instruction (530-3-1)
- Compliance Reporting and Investigation Practice (615-2)
- Business Conduct & Compliance Program (615-3)
- Certification of Compliance with PSEG Standards of Conduct Practice (615-4)
- Fraud Prevention and Detection Program Practice (615-5)
- Insider Trading Practice (615-6)
- Regulation Fair Disclosure Practice (615-7)
- Conflict of Interest Practice (615-9)
- Gifts, Meals and Entertainment Practice (615-10)
- Equal Opportunity and Affirmative Action Practice (710-11)
- Drug and Alcohol Practice (750-1)
- Maintenance of Drug and Alcohol Testing Pool (750-1-1)
- Unfit for Duty/Possession or Consumption of Alcohol Beverages on Company Time and/or Property Practice (750-1-2)
- Sexual Harassment and Other Discriminatory Harassment Practice (750-19)
IMPORTANT NOTE

The Standards of Conduct are not a contract of employment and are not intended to create any contractual obligation on the part of the company. They do not alter the existing at-will nature of the employment relationship between the company and its MAST employees, meaning that either the company or its MAST employees may terminate the employment relationship at any time, with or without notice or cause. Labor organizations that represent employees have been advised that the Standards of Conduct are among the work rules applicable to their members.

PSEG regularly provides training to all employees on our Standards. Annual Standards of Conduct training is required of all employees. The completion of the annual certification of compliance with the Standards is required of MAST employees and the Board of Directors.

WAIVERS

A waiver of any provision of the Standards may be granted in exceptional circumstances, but only for substantial cause. Waivers for any director or executive officer may be granted only by the PSEG Board of Directors and must promptly be disclosed to stockholders. Waivers of any provision of the Standards for all other employees may be granted by PSEG’s Executive Vice President & General Counsel or PSEG’s Chief Compliance Officer. All waivers will be disclosed to the PSEG Compliance Committee.

FOR MORE INFORMATION SEE CERTIFICATION OF COMPLIANCE WITH PSEG STANDARDS OF CONDUCT PRACTICE (615-4).

FOR MORE INFORMATION SEE BUSINESS CONDUCT & COMPLIANCE PROGRAM (615-3).
We put safety first.
... never sacrifice to achieve results.
... stop the job and report unsafe conditions.
... protect each other, our communities and our environment.
... respect our training, equipment, procedures and tools.

We do what’s right.
... hold ourselves to the highest ethical standards, even in the most difficult situations.
... speak up and encourage clear and honest communication.
... accept our individual and team responsibilities and are accountable for our actions.
... respect and adhere to all laws and company policies.
... lead by example.

We aspire to achieve excellence.
... responsibly question the status quo and each other.
... benchmark processes to streamline workflows and increase efficiency.
... leverage teamwork to face complex issues and decisions.
... take action to improve personal performance.
... are accountable for our accomplishments and setbacks, and learn from them to influence future decisions.

We treat all individuals with dignity and respect.
... assume positive intent.
... create an environment and inclusive culture that respects unique perspectives, experiences and ways of thinking.
... engage one another and encourage teamwork.
... are accountable for making PSEG a great place to work for everyone.

We keep customers at the heart of everything we do.
... actively listen to and respect our internal and external customers.
... are accountable for our customers’ needs.
... engage and collaborate as a team with our communities and stakeholders.
... solicit and use feedback to improve our business.
... always ask, “What else can we do?”
This is how we do business.