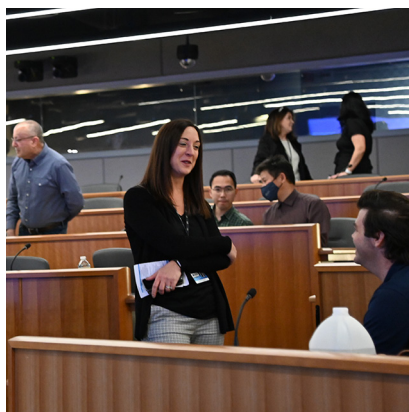
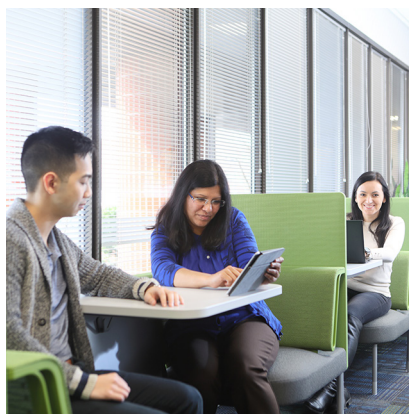




# code of conduct



Last Revised:  
July 16, 2025



**Regulatory Oversight and Compliance Committee**  
Ensuring Compliance

# A Message from the President and CEO



## A Message from the President and CEO

PJM is committed to ethical business conduct and regulatory and corporate compliance programs and I personally am dedicated to a continued focus on PJM's core values, the Code of Conduct and doing the right thing.

The Code of Conduct is a guide for how we should behave in the business environment. It applies to the work we do on PJM's campus, in our remote work environments and anywhere PJM business is conducted. Each of us is personally responsible for our conduct. Our individual responsibilities culminate in our success as a team.

PJM's dedication to our core values is a longstanding hallmark of our corporate culture. Every day, our people live these core values of integrity, communication, accountability, respect and excellence. Inclusion – making sure that every voice is heard and valued – is a natural extension of these core values.

PJM's Compliance Line is available 24 hours a day, seven days a week to accept calls from employees as well as non-employees, members and stakeholders. The Compliance Line offers the opportunity to raise concerns to an independent, third-party should anyone see a policy or regulation being potentially violated. This includes financial and credit risk questions and concerns that are not already being addressed by PJM management. If you are concerned about something, I encourage you to ask questions and/or to use the hotline.

We will continue to foster openness and honesty – not only with our members and stakeholders – but with our colleagues. It is important to continue to listen to concerns so that we can identify potential issues and develop solutions.

By following our Code of Conduct, we can work together as a team to meet goals and reinforce the value we provide to our members.

Thank you.

Manu Asthana  
President and CEO

*Respect*

*Communication*

# PJM Core Values

## *I CARE*

These core values define the culture of teamwork we strive for at PJM Interconnection. The employee-defined core values are summarized by the acronym I CARE. The acronym begins with an “I” but is completed by a group of letters that each add value, like a successful team. PJM’s success depends on our individual commitment to these core values, to our fellow employees and to our member companies.

## *Integrity*

Behaving in an open, honest, trustful manner both professionally and personally.

### **I act with integrity when I:**

- Maintain confidentiality and am worthy of trust.
- Follow through on what I have committed to do.
- Stand up for what I believe is right for PJM, as opposed to furthering a personal agenda.
- Behave professionally, displaying good character and high ethical principles.

## *Communication*

Freely exchanging information, thoughts and concerns in an open, timely manner.

### **I communicate effectively when I:**

- Listen to others with an open mind and a caring attitude.
- Solicit input and perspectives of those with different areas of expertise before making decisions.
- Distribute information promptly to all who are affected.
- Proactively share information, expertise, processes and ideas openly and accurately.
- Acknowledge limitations and request assistance when necessary.

## *Accountability*

Being responsible for our actions and our outcomes.

### **I am accountable when I:**

- Perform and complete tasks accurately and on time.
- Effectively manage resources provided.
- Meet agreed-upon standards and obligations.
- Admit mistakes and share lessons learned.
- Take responsibility for actions as an individual and as a member of a team.
- Behave in an open, honest, trustful manner both professionally and personally.

## *Respect*

Treating others fairly and with courtesy, emphasizing teamwork and valuing what each individual has to contribute.

### **I show respect when I:**

- Show politeness and consideration for others.
- Recognize and appreciate the different abilities, backgrounds, perspectives, experiences, cultures and needs of each individual.
- Openly acknowledge the contributions of others.
- Actively include others and work to provide opportunities for participation and growth for everyone.
- Treat everyone fairly.

## *Excellence*

Striving to achieve exceptional performance through teamwork and providing outstanding service.

### **I exhibit excellence when I:**

- Consistently deliver quality in a timely manner.
- Adapt to evolving circumstances, while welcoming changes and new ideas to support innovation and operational excellence.
- Help others to maximize their abilities.
- Take pride in my work and continually seek to improve.
- Work effectively with others for the good of all.

# Table of Contents

<b>A Message from the President and CEO .....</b>	<b>2</b>
■ A Message from the President and CEO	2
<b>Our Code and Your Responsibilities .....</b>	<b>5</b>
■ To Whom the Code Applies and Using This Code	5
■ Living Our Core Values in a Competitive Environment	6
■ Compliance with the Law and Regulations	6
■ Personnel Responsibilities	6
■ Ethical Leadership	7
■ Protection from Retaliation	9
■ Accountability and Discipline	9
■ Amendments, Waivers and Enforcement	10
<b>Acting with Independence and In Furtherance of PJM's Responsibilities as a Regional Transmission Organization .....</b>	<b>11</b>
■ Conflicts of Interest	11
■ Appropriate Use of Funds and Resources	12
■ Outside Engagements	13
■ Entertainment, Gifts and Favors	13
■ Supplier Relations	15
■ Communicating with the Public	16
<b>Protecting Confidentiality, Sensitive Information and Our Assets .....</b>	<b>17</b>
■ Protection of Company Assets	17
■ Proper Use of Information Systems	18
■ Confidential Information	19
■ Integrity of Records and Accounting Procedures	20
■ Ongoing Obligations of Departing Personnel	21
<b>Following the Letter and the Spirit of Laws and Regulations .....</b>	<b>23</b>
■ Communicating and Cooperating with Regulators	23
■ Antitrust and Independence	24
■ Political and Charitable Activities	25
<b>Living Our Values in the Workplace .....</b>	<b>26</b>
■ Fair Employment Practices	26
■ Respect for Culture & Community	27
■ Harassment	27
■ Harassment and Discrimination	28
■ Health, Safety and Security	28
■ Abuse of Drugs and Alcohol – Fitness for Duty	30
■ Supporting the Community	30
■ Code of Conduct Certification	31
■ PJM Compliance Hotline	32
<b>Expectations for Participating in PJM Activities .....</b>	<b>32</b>
■ Compliance Team Contact Information	34





# Our Code and Your Responsibilities



## To Whom the Code Applies and Using This Code

The PJM Code of Conduct (“Code of Conduct” or “Code”) provides the ethical guidelines and expectations for conducting business on behalf of PJM. The Code applies to all personnel including: board members; officers; regular, part-time and specially assigned employees; and co-op and summer students. The Code also governs how the PJM community, including PJM stakeholders and PJM members, are expected to interact while attending PJM meetings, functions, and events, among others.

The Code provides a summary of certain key company policies as well as laws applicable to the company. While the Code cannot address every issue that we may encounter, it does provide guidance and resources for those times when the right choice may not be clear.

In addition to serving as a policy summary, there are several elements of the Code that describe our standard of higher ethical conduct. The Code, supported by our underlying policies and core values, reinforces the company’s commitment to integrity and sets expectations of behavior for all personnel.

In today’s competitive environment it is vital to have a clear vision and strong principles to guide our actions. Our core values convey our strengths and create a solid foundation for ethical business behavior. Throughout the code you will find references to the core values, as well as questions and answers that are designed to help you apply our policies and our values to concerns that commonly arise.

PJM business partners, such as vendors, are expected to adhere to the principles of the Code when working at or on behalf of PJM. PJM suppliers and vendors must also act in accordance with the PJM Interconnection, L.L.C. [Supplier Code of Conduct](#).

## Living Our Core Values in a Competitive Environment

The strength of PJM is measured by more than financial or operational success. It is also measured by our core values, which represent the commitments and principles we share.

Our core values: **Integrity, Communication, Accountability, Respect & Excellence – I CARE** – begin with integrity. Integrity is the foundation of our success. As individuals, our personal integrity means that others can trust and respect us, and know that we will be honest, fair and forthright. As a company, integrity means that we will always honor our commitments and be a reliable business partner. Integrity protects our reputation and enables us to thrive, even in today's complex and competitive business environment.

This Code is designed to help when we have questions about what to do in specific situations. It is a summary of how we will do business in accordance with our core values. By following this Code, our business activities and decisions align not only with laws and regulations, but also with the highest ethical business standards.

As you use this Code, remember that, on its own, it is only words. Giving life and meaning to these words depends on each of us using our best judgment and asking for help when we need it. As always, our goal remains to protect and preserve PJM's independence and integrity.

## Compliance with the Law and Regulations

It is important that each of us is aware of relevant laws and regulations that apply to our work and that we never intentionally engage in violative conduct. Not only should we be vigilant in our compliance with all applicable laws and regulations, we should also be alert to changes in the law or new requirements that may affect our business.

PJM is subject to the jurisdiction of the Federal Energy Regulatory Commission under the Federal Power Act and other federal laws. The company has adopted this Code and additional policies, including those relating to non-discrimination in the operation of transmission facilities and a power market, in compliance with FERC Order 889 and subsequent orders.

## Personnel Responsibilities

All personnel have a responsibility to do their part to act in accordance with our core values and maintain the highest ethical standards. In particular, all personnel must:

- Be familiar with the information contained in this Code and PJM policies, paying particular attention to the policies that pertain to your job responsibilities;
- Promptly report concerns about possible and/or potential violations of this Code, including fraud, violations of applicable laws, regulations, or other policies, in accordance with the section of this Code titled Reporting Options for Potential Violations;
- Complete all required training in a timely manner and keep up-to-date on current standards and expectations;
- Cooperate in investigations, auditing and monitoring procedures and, if required, provide all requested documentation; and
- Complete an annual Code of Conduct certification or electronic equivalent confirming your knowledge of, and adherence to, the principles set out in this Code.

No reason, including the desire to meet business or personal goals, should ever be an excuse for violating laws, regulations or policies.

**Q** My business unit sets various goals that we are asked to achieve. Sometimes I feel pressured to violate the code to achieve these goals. Is this acceptable?

**A** No. While successful businesses set high goals and personnel strive to achieve them, you should never violate the code or PJM's policies to achieve your goals.

## Ethical Leadership

Management has the added responsibility for demonstrating, through its actions, the importance of our core values and high ethical standards. If you are in a leadership position at PJM, you also are expected to meet the following additional responsibilities:

- Help create a work environment that recognizes effort, encourages responsibility, appreciates teamwork and values the free and honest exchange of ideas and concerns;
- Never ask any personnel to do what you would be prohibited from doing yourself;
- Be a resource for others; communicate to personnel about how the Code and policies apply to their daily work;
- Serve as a role model for the highest ethical standards and work to create and sustain a culture that demonstrates compliance and concern for your colleagues;
- Be proactive; take reasonable actions to prevent and identify misconduct and report possible and/or potential situations that might impact the ability of personnel to act ethically on behalf of the company;

- Take prompt action to correct business conduct that is inconsistent with the Code or policies;
- Seek assistance from other managers whenever you are unsure of the best response to any given situation; and
- If you manage external business partners, including suppliers, vendors, contractors, and consultants, they must understand and meet their compliance obligations to PJM.

Managers should not consider ethics concerns as threats or challenges to their authority – at PJM, open, honest and trustful dialogue is a natural and necessary part of our business.

**Q** I'm a manager, and I'm not clear what my obligations are if someone comes to me with an accusation – and what if it involves a senior leader?

**A** No matter who the allegation involves, you must report it without exception. PJM provides several avenues for reporting concerns. If for any reason you are uncomfortable making a report to a particular person, you may talk to any of the other resources listed in this Code or another member of management.

**Q** I'm a manager. If I observe or otherwise become aware of possible and/or potential misconduct in an area not under my jurisdiction, am I still required to report the issue?

**A** You are chiefly responsible for individuals under your supervision, but all PJM personnel are required to report any misconduct they become aware of, and you as a leader are especially obliged to act as a steward of PJM's core values. The best approach is to talk first with the manager who oversees the area where the problem is occurring, but if this doesn't work, or isn't feasible, you should use other resources listed in the Code.

# Taking Action

## Reporting Options for Possible Violations

You have the obligation to promptly report possible ethical or legal violations in accordance with this section of the Code. You may report possible or potential ethical or legal violations by using any of the following methods – but most importantly, you are encouraged to speak with the person with whom you feel most comfortable:

- You may report possible ethical or legal violations to your manager, an attorney in PJM's Law Department, any member of the PJM Compliance Team listed in the Contact Information section at the end of this Code, the PJM Compliance Line at (866) 776-6942, or [online](#). If a possible and/or potential violation involves a subject matter which may impact the ability of individuals who should otherwise receive a report to be impartial, report the matter to one of the other contacts listed in the Contact Information section at the end of this Code.
- You also can ask questions or report illegal or unethical conduct anonymously by calling the PJM Compliance Line at (866) 776-6942 or [online](#).

PJM has an opportunity to improve every time you ask a question or raise a concern. When you speak up to clarify a policy or report questionable conduct, you are protecting your colleagues and PJM. Remember, an issue cannot be addressed unless it is brought to someone's attention.

## What to Expect When You Call the PJM Compliance Line

As referenced above, if you have a concern or see a possible violation of this Code or any other PJM policy, contact your manager first. If you are uncomfortable reporting your concern to your manager, if your concern involves your manager, or if you are unsatisfied with your manager's response, use any of the resources listed in this Code or call the PJM Compliance Line at (866) 776-6942.

The PJM Compliance Line is available 24 hours a day, seven days a week. Although calls to the PJM Compliance Line may be made anonymously – it is possible that your anonymity may make it more difficult to investigate and resolve your concern. If you call anonymously, a reference code will be provided for future call back to the Compliance Line. This will allow you to conduct two-way communication without compromising your anonymity.

Calls to the Compliance Line will be answered by a third party professional that PJM has contracted for this purpose. The interviewer will work with you to document the situation in detail. You do not have to give your name, your call will not be recorded, nor will your telephone number be displayed to the interviewer. The information will then be relayed to appropriate members of the Compliance Team. A member of the Compliance Team will coordinate as necessary with the leadership of impacted business units and will conduct a prompt, impartial and thorough investigation into your concern. If the violation involves a subject matter which may impact the ability of individuals who should otherwise receive a report to be impartial, the situation will be investigated accordingly.

Confidentiality for those who report concerns will be maintained. Rest assured, PJM does not tolerate retaliatory action of any kind towards those who report their concerns in good faith.

Seek guidance if you are still unsure what to do. Don't hesitate to ask questions and get the advice you need.



## Protection from Retaliation

Regardless of the type of misconduct reported, or the method of reporting, PJM will not tolerate any retaliation or retribution of any kind by anyone against anyone who makes a good faith report of a potential compliance concern.

We take claims of retaliation seriously. All such claims will be thoroughly investigated, and, if substantiated, individuals who engage in retaliatory conduct will be disciplined up to and including termination. If you believe you or anyone else may have been retaliated against by anyone in any way for raising or supporting a concern, you should report such action using any of the methods described in this Code.

## Accountability and Discipline

Violating this Code, relevant laws / regulations, or encouraging others to do so, violates our core values, exposes the company to liability and puts PJM at risk and, therefore, may result in disciplinary sanctions. Whenever a potential situation regarding questionable business conduct or ethics is raised, PJM will thoroughly investigate, intervene and take corrective action if necessary.

When PJM conducts an investigation, it is because there is the possibility of a violation of this Code, our policies or legal requirements. The investigation is necessary to protect individuals, PJM, and in some cases, the public. If personnel do not cooperate it may be impossible to get all the facts and take the right actions. Withholding information or knowingly giving false or misleading information is a serious violation of our duties as PJM personnel and could result in disciplinary action, up through and including termination.

If an ethics or compliance problem does occur, appropriate corrective action will be taken, up to, and including termination, to remedy the wrong and prevent future harm and/or violations.

## Accountability

Being responsible for my actions and their outcomes

Being accountable means:

- Meeting agreed-upon standards and obligations;
- Admitting mistakes and sharing lessons learned;
- Taking responsibility for my actions as an individual and as a member of a team.



Our manager typically does nothing when concerns about potential misconduct are brought to her attention, and I believe she has made things difficult for co-workers who have raised issues. Now I have a problem. A co-worker is doing something that I believe to be ethically wrong. What should I do?

Speak up. You are required to report possible and/or potential or actual misconduct. While starting with your manager is often the best way to efficiently address concerns, if you do not believe that it is appropriate or do not feel comfortable doing so, you should talk to another member of management or another resource listed in the Code. Also, if you wish to remain anonymous, you may call the PJM Compliance Line at (866) 776-6942.

You should also understand that violations of laws or regulations may result in legal proceedings and penalties including, in some circumstances, criminal prosecution.



## Amendments, Waivers and Enforcement

The PJM Ombudsman and other members of the Compliance Team will assist personnel in understanding the Code of Conduct and will provide guidance concerning application of its requirements to specific situations. At least annually, members of PJM's Compliance Team shall provide the results of such review to the president and the Governance Committee of the Board of Managers. Any procedural revisions to the Code of Conduct shall be presented to, and approved by, the president; provided, however, any proposed substantive revisions to the Code of Conduct shall be presented to, and approved by, the Governance Committee of the Board of Managers.

In extremely limited circumstances, PJM may find it appropriate to waive a provision of the Code. However, all such waivers will require the written pre-approval of the PJM Ombudsman and will be issued only on rare occasions. If such a waiver is given, all required disclosures will be made.

The PJM Ombudsman shall:

1. maintain a copy of this Code of Conduct and keep it available for public inspection;
2. annually inform and train board members, officers and employees with regard to the Code of Conduct;
3. distribute electronic or paper copies of this Code of Conduct to each board member, officer, employee and all other PJM personnel;
4. and require that each such board member, officer and employee execute the attached compliance statement or certify their receipt, review and agreement with the Code of Conduct (unless the electronic certification is used through the annual training).

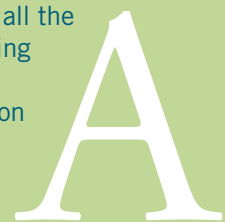
Members of the Compliance Team shall monitor compliance with this Code of Conduct. Any board member, officer or employee of PJM failing to comply with this Code of Conduct may be subject to disciplinary action. Discipline may take the form of reprimand, suspension without pay, limitation in the scope of responsibilities, monetary fines, or termination, at PJM's discretion. The Compliance Team shall coordinate as necessary with the leadership of impacted business units. Additionally, the Compliance Team shall report any and all complaints received, and/or violations of this Code of Conduct, to the president as soon as reasonably possible after they occur or are received, and to the Governance Committee of the Board of Managers on at least a quarterly basis.

This Code is not a contract. Moreover, PJM may unilaterally interpret this Code and revise this Code without providing notice to employees or any other party to whom this code applies.



Why are we expected to cooperate with ethics and compliance investigations?

When the company conducts an investigation, it is because there is the possibility of a violation of this Code, our policies or legal requirements. The investigation is necessary to protect individuals, PJM, and, in some cases, the public. If personnel do not cooperate it may be impossible to get all the facts and take the right actions. Withholding information or knowingly giving false or misleading information is a serious violation of our duties as PJM personnel and could result in disciplinary action, including termination.



# Acting with Independence and In Furtherance of PJM's Responsibilities as a Regional Transmission Organization



## Conflicts of Interest

### OUR STANDARD

A conflict of interest occurs when your actions or private interests interfere in any way – or even appear to interfere – with the interests of PJM. Conflicts of interest expose our personal judgment and that of PJM to increased scrutiny and criticism and can undermine our credibility and the trust that others place in us.

By its very nature, a conflict of interest casts doubt on one's ability to act in an objective, independent and impartial manner. When in doubt as to the propriety of any course of action, personnel should promptly discuss the matter with their manager or the PJM Ombudsman.

We have a fundamental obligation to make sound business decisions in the best interests of the company, independent of our personal interests. We must not use our position at PJM for inappropriate personal gain or to advantage any PJM member, ourselves, our friends, or members of our families. Subject to very limited exceptions, you, your spouse and any dependent children may not have an ownership or other financial interest in, or stand to be financially benefited by, any transaction with any PJM member, market participant, stakeholder or other person or entity having dealings with PJM.

Conflicts of interest can also arise through outside employment/engagement interests, financial participation in an outside business, customer and supplier relations, and through excessive or inappropriate entertainment, gifts or favors. Additionally, conflicts of interest may arise in situations involving entities that generate, transmit, distribute, purchase, or sell electricity (or contract to perform those activities) in, to, or through the PJM region. Because it is impossible to describe every potential conflict, each of us must exercise sound judgment, seek advice when needed, and adhere to our core values and the highest standards of ethics and integrity.

For purposes of this Code, no improper financial benefit is derived from a transaction that occurs at fair value. Although these types of transactions do not violate this Code, they must still be reported to the PJM Ombudsman prior to receipt if possible, or as soon as possible thereafter.

## PERSONNEL RESPONSIBILITIES

If you become aware of an actual or potential conflict of interest, immediately disclose the situation to your manager or the PJM Ombudsman. In addition, keep in mind the following:

- Do not offer or receive money, gifts, benefits, discounts, employment opportunities or any consideration that may be interpreted as a bribe or as a means of obtaining an advantage or influence.
- Before anything of value is given to or received from a public official (not including stakeholder meeting meals or other similarly open and transparent offerings at stakeholder events), please contact the PJM Ombudsman.
- Avoid being compromised and avoid even the appearance of a conflict of interest.
- If you believe someone is trying to exploit you or your affiliation with PJM in any way, contact a member of the Compliance Team immediately.
- Never give preference – or appear to give preference – to any member or market participant.
- Never give preferential access to transmission system information to any third party.
- Notify your manager if you are actively seeking employment with a PJM member.
- Notify a member of the HR Team and the PJM Ombudsman if you accept employment with a PJM member.
- Never use your position at PJM or any confidential information you have gained through your work for personal gain.

You must divest of any [Prohibited Securities](#) (as defined in the PJM Operating Agreement, and set forth in the list posted on [PJM Wired](#)) and any fund or arrangement specifically targeted towards, or principally comprised of, entities in the electric industry or the electric utility industry, or any segments thereof within six months of employment with PJM, the addition of the member to PJM, or any other receipt of such interest (marriage, bequest, etc.). Exceptions to this rule exist in limited circumstances, for example: if an interest in a PJM

member is included in any mutual fund or similar arrangement (other than a fund or arrangement specifically targeted towards, or principally comprised of, entities in the electric industry or the electric utility industry, or segments thereof) you may hold, but do not control; you own the interest as a part of participation in a PJM member's pension plan or fund; or if your spouse is required to maintain ownership of such interest as a condition of continued employment. In such instances, the nature and conditions of your interest must be disclosed to the PJM Ombudsman and the Chair, PJM Regulatory Oversight & Compliance Committee (ROCC), who will report it to the PJM Board of Managers. No affirmative disclosure is required for publicly available mutual funds so long as the fund is not specifically targeted towards, or principally comprised of, entities in the electric industry or electric utility industry, because such holdings by PJM personnel are generally recognized. You are encouraged to discuss any questions regarding these restrictions with the PJM Ombudsman.

PJM's Financial Interests rules are found in Section 10.2.1 of the [PJM Operating Agreement](#).

**Remember – all personnel, as well as anyone acting on behalf of the company, must make business decisions based only on the best interest of PJM.**

## Appropriate Use of Funds and Resources

### OUR STANDARD

PJM is a public utility and collects all of its costs from its members. Therefore, PJM must prudently incur costs, expenses, and obligations. The misuse of funds and resources harms our members and could amount to fraud against PJM, its members, and ratepayers. Fraud can take various forms, including:

- Embezzlement
- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Fraudulent financial reporting of any kind (even if it does not result in a material misstatement on PJM's financial statements)



- Misappropriation or misuse of PJM resources (e.g., funds, supplies, equipment, facilities, services, inventory, or other assets)
- Authorization or receipt of payment for goods not received or services not performed
- Authorization or receipt of unearned wages or benefits

Regardless of the form, fraud or any other misuse of funds or resources is unacceptable. Such conduct may be subject to discipline.

#### PERSONNEL RESPONSIBILITIES

PJM personnel must be diligent regarding expenditures. If personnel observe conduct or activity that is or could be perceived to be a misuse of funds or resources, personnel must report those observations by sharing them with a member of the Compliance Team or by using the Compliance Hotline.

## Outside Engagements

#### OUR STANDARD

PJM recognizes that some personnel may want to engage in outside employment and other forms of engagement or contracting, including service as a board member, consulting engagements, contractor engagements, or other forms of providing services or information to third parties for monetary compensation, in exchange for any product or service of monetary value, or for any other consideration (“outside engagement”). Outside engagement also explicitly includes providing information related to the energy industry or PJM through social media forums or advisory arrangements. To avoid conflicts of interest and protect PJM’s confidential information, security and independence, PJM has adopted the following rules regarding outside engagements by personnel. PJM Board Members should consult the Board Code of Conduct for parallel provisions related to outside engagements.

#### PERSONNEL RESPONSIBILITIES

Before beginning any outside engagement, personnel must obtain advance written approval for the outside engagement from the appropriate manager and Ombudsman.

Any outside engagement generally cannot pertain to or relate in any way to PJM, the electricity industry or the energy industry, unless otherwise approved by PJM in writing.

Any outside engagement must not interfere with the work performance or work schedule of personnel.

Personnel may not use PJM’s property, facilities, equipment, supplies, IT systems (such as computers, networks, email, telephones or voicemail), time, trademarks, brand or reputation in connection with any outside engagement.

Personnel engaging in any outside engagement must protect PJM’s confidential, proprietary, and trade secret information and comply with PJM’s policies, including policies on conflicts of interest, confidentiality, and protection of confidential, proprietary, and trade secret information. Any information that is not in the public domain related to PJM or how PJM conducts business must not be disclosed.

Volunteer work with homeowners’ associations, charitable organizations, religious organizations, U.S.-based educational institutions and other similar public interest activities are not captured by this section on outside engagements.

## Entertainment, Gifts and Favors

#### OUR STANDARD

Strong relationships with our business partners are vital to our success, but giving and receiving gifts to or from any public official, market participant, contractor, supplier or vendor can potentially affect the independence of our judgment and may create the appearance of favoritism.

For the purposes of our Code and policies, the term “Entertainment, Gifts and Favors” includes gifts and favors of all kinds including: trips, services, meals, tickets to events and any other gratuitous item, benefit or thing of value.

You must avoid even the perception that giving or receiving entertainment, gifts or favors is connected in any way with access or favorable treatment or attempting to improperly influence a governmental decision. Even if there is no intent to gain inappropriate influence or advantage, inappropriate entertainment, gifts or favors may cause embarrassment to the company and damage our reputation.

## PERSONNEL RESPONSIBILITIES

We recognize there will be times when a current or potential business associate may extend an invitation to attend a social event or provide a modest gift of nominal value in order to further develop the business relationship.

Entertainment, gifts and favors must never be given or accepted for the purpose of influencing any decision. As a general rule, PJM has adopted the “\$20/\$50 Rule.” PJM personnel may not accept entertainment and gifts with a fair value greater than \$20. Individual gifts with a fair value of \$20 or less per source (e.g., an entity and its personnel) per occasion may be accepted, if the aggregate fair value of the individual gifts received (from any one source) does not exceed \$50 per year.

Certain exceptions to this rule apply. For example, the following gifts with a fair value that exceeds this \$20 per occurrence and \$50 per year limits may be accepted and will not count toward the aggregate limit:

1. Food baskets where the food basket is shared with the department or division of the employee or personnel that received the gift;
2. Ceremonial gifts presented in an open and transparent manner where prior written approval is obtained from the applicable PJM manager and either: (i) the PJM Ombudsman or (ii) PJM’s Chief Compliance Officer; and
3. Personal gifts where there is a demonstrated historical, personal relationship between the PJM personnel receiving the gift and the person paying for the gift and where prior written approval is obtained from the applicable PJM manager and either: (i) the PJM Ombudsman or (ii) PJM’s Chief Compliance Officer (for example, weddings).

Exceptions for business entertainment may be granted if the following conditions are met:

1. The entertainment advances PJM’s business purposes, which shall include, but not be limited to, establishing strong working relationships, keeping abreast of industry and technology developments, or familiarizing new vendors with PJM’s mission and objectives

2. Prior to receipt if possible, or as soon as possible thereafter, notice and written approval is received from the individual’s Executive Team member specifically setting forth the business purpose furthered
3. Prior to receipt if possible, or promptly after receipt, written approval is received from the applicable PJM manager and either: (i) the PJM Ombudsman or (ii) PJM’s Chief Compliance Office

In these limited circumstances, when the above conditions are met, such offers may be accepted, but, in these cases, they must never be intended to inappropriately influence a decision, and they must also meet the following criteria:

- Be in accordance with applicable law and acceptable good business practices
- Be modest and infrequent
- Be acceptable under the policies of the company employing the other party

Entertainment, including meals, ticketed events or other services, the cost of which is included in the registration fee or speaker compensation by way of registration fee waiver of any program, seminar, conference or the like, shall not be included in the value of such entertainment for the purpose of complying with this Code of Conduct, provided the entertainment is open to all registrants and not limited to PJM employees only. Moreover, certain business entertainment with a fair value that exceeds the \$20 per occurrence and \$50 per year limits may be accepted and will not count toward the aggregate limit, provided that written approval is obtained in advance, if possible, or as soon as possible after receipt, from the manager of the applicable PJM personnel attending the event and either: (i) the PJM Ombudsman or (ii) PJM’s Chief Compliance Officer.

1. Receptions and training events (e.g., training for continuing legal education credits) open to a large number of persons and companies – not just PJM – such that they are open and transparent
2. Other PJM business-related events where reimbursement by PJM is not practical (for example, attendance at a conference where PJM personnel is speaking and the associated meals provided at the event itself; however, PJM should pay for the travel and hotel where applicable)
3. Personal events where there is a demonstrated historical, personal relationship between the PJM personnel receiving the gift and the person paying for the events

**Q** I am a manager who oversees contractors working for PJM. Are there ethics and compliance requirements that I need to be aware of?

**A** Yes. All consultants, contractors and subcontractors are required to disclose to PJM any financial affiliations and possible and/or potential conflict of interests with members, market participants or PJM personnel. The PJM Ombudsman will then determine if the disclosures raise any conflicts or other issues. You need to ensure that any consultants, contractors and subcontractors are aware of PJM's confidentiality policies and that they do not cause any inappropriate disclosure of information. Compliance with these policies may require that they enter into a confidentiality agreement.

If you receive an unsolicited gift of more than \$20, you should return it with a note explaining the company policy unless it satisfies the requirements for exceptions listed in this Code of Conduct or an alternative exception has been granted by the Ombudsman. If the fair value of the gift or entertainment is unstated or not readily apparent, you must request an estimate of the value from the giver and include that information when reporting the gift. The total value of the gift or entertainment must include your guests. If you are in doubt as to whether the gift or entertainment is acceptable, seek guidance and approval from the PJM Ombudsman.

Some examples of gifts and entertainment that are generally prohibited are:

- Loans or payments of cash or cash equivalent (gift cards) of any amount
- Invitations to lavish dinners or other forms of entertainment
- Extravagant forms of hospitality, for example, luxury resorts or expensive trips
- Paying travel expenses or lodging if the trips have no direct connection to a business purpose
- Gifts or entertainment to spouses or family members
- Anything which would, if publicly disclosed, embarrass the company.

## Supplier Relations

### OUR STANDARD

We will only do business with third parties that conduct business ethically and do not subject the company to criminal or other liability, or cause PJM reputational harm. Conducting due diligence on third parties will minimize risk to PJM and its reputation by helping to avoid relationships which may implicate PJM through the misconduct of its business partners.

### PERSONNEL RESPONSIBILITIES

- No board member, officer, employee or other PJM personnel may direct or conduct the procurement of goods or services from any member after open and competitive bidding, except as allowed in Section 3.1 (b) of the PJM Operating Agreement.
- Never contractually bind PJM to another party until such party has been through the appropriate due diligence and approval procedures.
- If you are a manager, the other party must understand PJM's standards and expectations prior to entering into any contractual relationship.
- Managers who supervise our external business partners are responsible for ensuring that they understand their compliance expectations. An external business partner's failure to comply with our ethics and compliance expectations should be reported to PJM's Compliance Team in accordance with the section of this Code titled Reporting Options for Possible Violations.
- Never do anything through another party acting on our behalf that we are not allowed to do ourselves.

When engaging in procurement activities:

- Involve and include the PJM Procurement Department early in the procurement process.
- Create and maintain all records accurately to document the procurement process and to substantiate procurement decisions.
- Comply with all PJM policies and procedures in making procurement decisions. Be careful to avoid conflicts of interest between the company and any third parties.

**Q** If a PJM employee or Board member attends a conference, tradeshow, seminar or other event and wins a raffle prize donated by a PJM member or vendor, does the Code of Conduct gift and entertainment rules apply?

The Code of Conduct gift and entertainment rules do not apply if the raffle is conducted as a random drawing and is open to participants other than PJM employees or Board members.

**Q** A vendor has offered me hard-to-get tickets to a sporting event or some other form of entertainment, but the value of the tickets exceeds the Code of Conduct limit. If I reimburse the vendor for all or part of the cost of the tickets, may I still accept them?

**A** Yes. You may accept the tickets and reimburse the vendor for the cost of the tickets or the portion of the tickets that exceeds the Code of Conduct gifting limit (a fair value less than \$20 per source per occasion not to exceed \$50 per source per year in the aggregate).

## Communicating with the Public

### OUR STANDARD

In PJM's business environment, it is important that only authorized persons speak on behalf of PJM. PJM needs a clear, consistent voice when providing information to the public and the media.

Unless you are authorized by the president or the Corporate Communications Department, never give the impression that you are speaking on behalf of the company in any communication that may become public.

You should be especially careful when talking with journalists or when writing communications that might be published. If you participate in online forums, blogs, news groups, chat rooms, bulletin boards, or other modes of social media/networks, never give the

impression that you are speaking on behalf of PJM and, before you hit the "send" button, think carefully. Never send emails or post confidential information or material that could be perceived as damaging to the company's or members' reputations.

### PERSONNEL RESPONSIBILITIES

- Never respond to media inquiries or initiate contact with the media on behalf of PJM, unless specifically authorized to do so by the PJM Corporate Communications Department.
- No messages may be sent where the sender may be perceived as a company spokesperson without proper authorization.
- Be alert to situations in which you may be perceived to be representing or speaking on behalf of the company. You should make it clear in presentations and speeches that you are not representing PJM, unless you are specifically authorized to do so.
- When writing communications or sending emails, be careful not to use your work title or work address unless you are conducting PJM business.
- Refer all regulatory or governmental inquiries to the office of the PJM General Counsel.



# Protecting Confidentiality, Sensitive Information and Our Assets



## Protection of Company Assets

### OUR STANDARD

PJM's assets – both physical and intellectual – are highly valuable and are intended for use only to advance PJM's business purposes and goals.

All physical property including facilities, equipment and supplies must be protected from misuse, damage, theft or other improper handling, and only used for their intended purpose. Equipment security and protection is the responsibility of the individual to which it has been assigned. We are personally responsible for safeguarding company assets, the assets of others and for using all assets and resources appropriately (on campus and in remote work environments).

PJM rights, property and facilities must be used only for the company's benefit and purposes, never for the benefit of individuals. For example, PJM telephone numbers, job titles, addresses and business cards must be used only to promote PJM's objectives and must not be appropriated for personal use. Likewise, the PJM name and logo should only be used in connection with PJM's business and with the prior authorization of the chief communications officer.

These requirements apply to confidential information of PJM and its members, market sensitive information, proprietary information – including trade secrets. These confidentiality requirements apply, not only during your employment or board service with PJM, but for a reasonable period thereafter, which is at least a year, or longer depending on the nature of the information or your position with PJM.

## *Accountability*

Being responsible for my actions and their outcomes

Being accountable means:

- Performing and completing tasks accurately and on time; and
- Effectively managing resources provided.

**I just received an email that was sent company-wide. One of the attachments contains what I think is market sensitive information. Is this appropriate?**

No, it is not. Only approved communication vehicles, such as PJM Post, or if urgent, Send Word Now, are to be used to distribute company-wide email communications. And further, information that is considered confidential or restricted may not be sent as email without the use of appropriate and approved information security measures. Internal email containing sensitive or confidential information should be labeled as confidential in accordance with PJM's records classifications guides and policies.



## PERSONNEL RESPONSIBILITIES

- All personnel should protect the company's assets and efficiently use them for legitimate company business purposes.
- All personnel should promptly report any suspected incident of fraud or theft to a member of the Compliance Team for investigation.
- Personnel and those who represent PJM are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.
- Be vigilant regarding access to PJM's assets by others. Access to company intellectual or physical assets (including offices, plants and equipment) by any third party must be limited to and directly associated with services provided by the third party to the company.
- Notify the General Counsel (or any other attorney in the PJM Law Department) of any inventions made during or as a result of your employment at PJM.
- Avoid the unauthorized receipt of confidential or proprietary information from others. Do not disclose to PJM or use for PJM's business any confidential or proprietary information in your possession as a result of prior employment with another company.

- Under no circumstances should a person risk his or her personal safety to protect company assets. You should surrender your equipment if you are threatened and report the loss immediately to the appropriate authority (law enforcement, PJM Security, etc.).

## Proper Use of Information Systems

### OUR STANDARD

Our computers, email, networks and personal messaging systems are company property and are intended to enhance the efficiency and effectiveness of company work production.

Occasional, incidental, appropriate personal use of our systems, email and phones is permitted if it does not interfere with work performance or conflict with company policies and procedures.

### PERSONNEL RESPONSIBILITIES

- Generally, you should not use company equipment to conduct outside or personal business or in support of any religious, political or other outside activity, except for company-requested support of nonprofit organizations.
- Don't send unsolicited bulk email, chain letters or joke emails to or from company email accounts.
- Never send emails that include statements or attachments that contain material that could be considered offensive to others or could be discriminatory.
- When receiving or using any protected file or content, or downloading software from the internet (with prior approval), always be aware of and never violate copyright laws.
- All business, educational or personal software must be distributed or previously approved by PJM prior to downloading.
- No email or other electronic communication may be sent which hides the identity of the sender or represents the sender as someone else.

**Q** I sometimes use my email account for personal correspondence. Is this OK, and are my emails private?

**A** While incidental use of PJM's information systems is acceptable – as long as the content or attachments don't violate any of our other policies – there should be no expectation of personal privacy when using your company-issued computer or electronic device. In order to protect the interests of the PJM network and your colleagues, we reserve the right to monitor, access, search, block, copy, disclose and review emails sent, received or stored on the company email systems.

**Q** Can I check CNN on my work computer at lunch?

**A** Yes. That would be an acceptable use of your PJM computer. Incidental use is allowed as long as the sites you visit are appropriate, and it does not interfere with your work or the work of others.

## Confidential Information

### OUR STANDARD

Disclosure of confidential or proprietary information is a violation of PJM's Operating Agreement and/or Open Access Transmission Tariff and undermines PJM's independence and existence.

Not only must you avoid disclosure, but you must also take all necessary steps to prevent others from illegally obtaining company information that is confidential or proprietary.

Market sensitive information is information that is not publicly available, and is: (i) developed by PJM; (ii) provided to PJM on a confidential basis by a market participant; or (iii) is otherwise required by agreements to which PJM is a party, to be held confidential. Examples include: information with respect to prices and other terms and conditions upon which electric power is purchased, sold, dispatched, traded and/or transmitted.

Proprietary information is information that is privileged or of value to PJM. Examples include: the materials, products, designs, plans, ideas, concepts, technology, know-how, and data developed and maintained by PJM. Other examples are: private or sensitive data pertaining to personnel, such as evaluation, budgetary, or planning information and individual health information. Proprietary information also includes trade secrets, which is any information or data that derives independent economic value, actual or potential, whether or not protected by patents or trademarks.

Board members, officers, employees and all other PJM personnel must treat as confidential all information supplied by an entity seeking transmission service under the Tariff, or supplied in connection with PJM coordination center operations, or in connection with transactions.

The protection of the personally identifiable information of our co-workers is also vital to our continued success and the maintenance of our reputation. Information such as addresses, home phone numbers, salary, and medical information and performance appraisals is private.

We also respect the confidential and proprietary information of third parties, and we do not engage in unethical or illegal means to obtain confidential information or proprietary data belonging to others.

## PERSONNEL RESPONSIBILITIES

- Know what constitutes confidential information, market sensitive information, proprietary information and trade secrets, especially as such information relates to your job responsibilities.
- Never use confidential information for personal gain.
- Do not post confidential information on internet message boards or social networking sites.
- Private information about our co-workers should not be shared with anyone inside or outside the company who does not have an appropriate business reason for receiving the information.
- Do not disclose to company personnel or use for the company's business, any confidential information in your possession as a result of prior employment with another company.
- Avoid the unauthorized receipt of proprietary information from others. Should you receive unauthorized proprietary information, notify the General Counsel (or any other attorney in the PJM Law Department).

To help protect our sensitive and confidential information:

- Never send confidential information to unattended fax machines or printers.
- Never discuss confidential information loudly or openly or in public places where others might be able to overhear.
- Never share confidential information with third parties without proper prior approval.



During the course of my work, I sometimes learn about confidential information concerning member companies. I know that I can't trade their stocks, but am I allowed to pass the information on to others so that they can trade?

No. You may not. What you are describing is called "Tipping" and may be a violation of laws against insider trading. All personnel have a strict duty to protect confidential, non-public information that is learned in the course of their employment. Insider trading laws prohibit the buying or selling of securities while in possession of material non-public information. You must never share material non-public information with any third parties who don't have a business related need for such information, including your spouse, family and friends. Information is considered to be public only when it has been released through appropriate channels, such as press releases, and enough time has elapsed to permit the investment market to absorb and evaluate the information.



## Integrity of Records and Accounting Procedures

### OUR STANDARD

We create documents and records in the normal course of business and to document our compliance with laws, regulations and company policies and procedures. All entries in the company's books, records and accounts must be complete, accurate and fairly reflect our business transactions conforming to applicable accounting standards and legal requirements.

Whatever your part in this process, you are required to meet our core values and the letter and spirit of the law. This policy pertains to all books, records and information in any medium, including hard copies, electronic records, emails, video, backup tapes and other media. Essential information used for reporting, auditing and other critical purposes must be retained in a recoverable format, and it must be managed securely throughout the information's life cycle.

PJM maintains its books and records separately from those of any member.



No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records. It is never acceptable to create false or misleading records or otherwise conceal the truth from PJM's management, auditors or regulators.

## PERSONNEL RESPONSIBILITIES

- Disclose and record all PJM-related business transactions in a timely manner whether the transaction is small (e.g., a time sheet or an expense report) or large (e.g., posting a market transaction or documenting capital expenditures).
- Secret or unrecorded funds or records are never permitted.
- Always properly label sensitive records.
- Classify, store and preserve records so that they are safe and protected.
- If you change jobs or leave PJM, be sure to transfer custody of all relevant books and records prior to your departure.
- If you approve reports or accounting documents created by others, read them carefully and satisfy yourself that they are complete and accurate before approving them.
- If you become aware of litigation, investigations or audits, immediately suspend all record destruction and promptly notify an attorney in the PJM Law Department.
- If you are asked by any outside person, group or agency to provide access to records or documents maintained by the company, you must first discuss the request with the General Counsel (or any other attorney in the PJM Law Department).

We must not improperly influence, manipulate or mislead any audit, nor interfere with any auditor engaged to perform an internal or independent audit of PJM books, records, processes or internal controls.

## Ongoing Obligations of Departing Personnel

### OUR STANDARD

PJM personnel's access to and knowledge of PJM's confidential and proprietary information places personnel in a position of trust and confidence with PJM both during and after their term of employment.

All personnel have continuing obligations with respect to any confidential and proprietary information that personnel obtained while working at PJM after the relationship between PJM and any personnel is concluded. Specifically, departing personnel of PJM shall not disclose PJM's or a PJM member's confidential or proprietary information to any client, person, entity, party, or employer after their relationship with PJM



While visiting another PJM office, I noticed documents laying around in plain view on desks and filing cabinets. Some of the documents were labeled "confidential," others weren't labeled but appeared to contain individual health information. Is that appropriate?

No, it is not. All documents containing confidential information should be properly labeled and kept secure. Confidential documents should not be left out where others may see them. The company has specific policies on information management we all should know and follow.

**Q I just heard that there might be a lawsuit over a matter I worked on. My files contain drafts, personal notes and other information about the matter. What should I do?**

**A** First, you should not destroy any of the files, including your personal notes. Even though you created the notes and other documents yourself, they now are business records that could be relevant to the claim or lawsuit. Second, you should immediately contact the Law Department or the General Counsel for advice about the handling of your files. Destroying or hiding documents relevant to pending or threatened litigation is a serious offense.

terminates unless such personnel obtain prior written consent to do so from PJM's General Counsel or another attorney in the Law Department. Moreover, after their relationship with PJM terminates, departing personnel shall not work on or provide services related to any matter (i.e., administrative/legal proceeding, dispute, problem statement/issue charge subject, or specific topic) that is the same as or substantially related to matters worked on during their employment with PJM, for a period of one year, unless PJM provides such personnel with prior written consent to do so.

## PERSONNEL RESPONSIBILITIES

Departing personnel of PJM must not disclose any confidential and proprietary information that personnel obtained while working at PJM to any prospective or actual client, person, entity, party, or prospective or actual employer other than PJM after their relationship with PJM concludes.

Moreover, after their relationship with PJM terminates, separated personnel must: (1) refrain from working on or provide services related to any matter that is the same as or substantially related to matters they worked on while working for or providing services to PJM for a period of one year; or (2) obtain written consent from PJM's General Counsel or another attorney in the PJM Law Department to do so prior to working on such matters.

# Following the Letter and the Spirit of Laws and Regulations



## Communicating and Cooperating with Regulators

### OUR STANDARD

Given the highly regulated environment in which PJM operates, we must be vigilant in meeting our responsibilities to comply with relevant laws and regulations. We must always cooperate with regulators and government officials as appropriate.

In the course of business, you may receive inquiries from regulators or government officials. In all cases, you are expected to respond to requests for information in an honest and timely manner. If you become aware of any significant regulatory concerns, always report it in accordance with the section of this Code titled Reporting Options for Potential Violations.

We expect all personnel to cooperate with lawful investigations into allegations that our Code, policies or laws have not been followed. The company will fully cooperate with all lawful government investigations. When we are notified of an external investigation, we will take prompt action to preserve documents that may be relevant.

### PERSONNEL RESPONSIBILITIES

- During an inspection or examination, never conceal, destroy or alter documents, or mislead regulators. Your reply to regulators must be responsive, factual and accurate.
- Notify your manager, the General Counsel (or any other attorney in the PJM Law Department), and any other applicable member of the Compliance Team if regulators express concern about a transaction or product.
- Keep informed about changes in the law or new requirements that may affect your business unit.
- Always be aware that PJM may be subject to special legal and/or regulatory requirements.

- Always report inquiries from regulators to your manager and the General Counsel (or any other attorney in the PJM Law Department), whether the inquiry is made by telephone, mail or a personal visit. Moreover, never disclose attorney-client privileged information without permission from PJM counsel.

I was at a PJM members' meeting talking to a few of our members, and they began to discuss their pricing. I didn't identify myself or say anything about PJM, but shouldn't I listen in?

No. In such a situation you should identify yourself, make it clear that you don't participate in discussions of that sort of information with competitors, and, if they decide to continue the conversation, you should leave the room.

## Antitrust and Independence

### OUR STANDARD

PJM can only exist by being independent of all of its members and treating all members equally. PJM's members compete with each other, and, therefore, PJM member meetings are, by definition, meetings of competitors. PJM must be vigilant that any discussion or conversation at any meetings facilitated by PJM does not involve sensitive subjects or areas, such as:

- Joint marketing,
- Pricing or sales discussions,
- Horizontal market allocations,
- Boycotts or refusals to deal, and
- Any other agreements in restraint of trade.

Remember: Fair competition and anti-trust laws are complex and can have an impact on our business in many ways. Violation of the rules can have serious consequences for the company as well as for anyone acting on our behalf.

### PERSONNEL RESPONSIBILITIES

- Prepare and distribute agendas for all meetings to be attended by PJM members.

- Restrict conversation or discussion at such meetings to agenda topics.
- If conversation continues into problematic areas, dismiss the meeting and advise the PJM Ombudsman and the General Counsel (or any other attorney in the PJM Law Department) of the situation.

Do not provide to any third party engaged in wholesale or retail sales of electric energy or to any employee, representative or agent of any such party information regarding the PJM transmission system unless such information is: (i) posted on the PJM Open Access Same-Time Information System (OASIS); (ii) otherwise available to the general public without restriction; or (iii) is the type of information disclosed to any third party on a non-preferential basis. Any disclosures of transmission system information not in compliance with this paragraph shall be posted immediately on PJM's OASIS with simultaneous notice to the PJM Ombudsman.

Do not permit any employee, agent or contractor of any entity engaged in wholesale or retail sales of electric energy access to any PJM control room, except for educational tours approved by the PJM president or vice president – Operations where notification of such tours is posted on the PJM OASIS.

The PJM Ombudsman shall direct that notices shall be posted on PJM's OASIS of any PJM employee engaged in transmission and/or reliability functions who terminates employment with PJM and commences employment with the wholesale merchant function of any member or market participant to the extent PJM knows of such subsequent employment. The posted information shall include the name of the employee, the title of the employee while performing service for PJM, the effective date of termination of employment, and the entity for which the employee assumes wholesale merchant function responsibilities to the extent PJM has such information.

## Integrity

Behaving in an open, honest, trustful manner both professionally and personally.

We act with integrity when we:

- Behave professionally, displaying good character and high ethical principles.



## Political and Charitable Activities

### OUR STANDARD

We encourage personnel to participate in the political process and to support charitable causes, always keeping in mind that your political and charitable activities are a personal matter. Employees, officers and other PJM personnel must not engage in political activities during working hours, use PJM facilities for such purposes without specific prior authorization of the General Counsel, nor should they participate in political activities while wearing the PJM logo on their clothing.

If you wish to make contributions to political parties, candidates or campaigns for public office or make donations to charities, you must do so in your own name and not as a representative of the company.

We are opposed to any political donation or charitable contribution made with the intent to exert improper influence.

### PERSONNEL RESPONSIBILITIES

- Never pressure a colleague to participate in a political cause or to make a charitable contribution. If you experience such pressure, especially from a manager, report it to a member of the HR Team, or any of the resources listed in this Code.
- Do not solicit contributions or distribute non-work related materials during work hours.
- You must never make a political or charitable contribution for the benefit of PJM with the intent to improperly influence someone.



I will be attending a fundraiser for a candidate for local office. Is it OK to list my position at PJM as long as I don't use any company funds or resources?

No. You may not associate the company in any way with your personal political activities.



**Q Is it OK to invite an elected official, such as a congresswoman or a state legislator, to speak at a company event?**

**A** You must get approval from the president before inviting an elected official or other governmental officer to attend a company event. If the invitee is in the midst of a reelection campaign, the company event could be viewed as support for the campaign. Any food, drink or transportation provided to the invitee could be considered a gift. In either case, there would be limits and reporting obligations.

## Communication

Freely exchanging information, thoughts and concerns in a sincere, timely manner.

We communicate effectively when we:

- Distribute information promptly to all who are affected.
- Proactively share information, expertise, processes and ideas openly and accurately.

# Living Our Values in the Workplace



## Fair Employment Practices

### OUR STANDARDS

PJM offers equal employment opportunities to qualified individuals, regardless of sex, pregnancy, age, race, color, creed, religion, sexual orientation, genetic information, marital status, national origin, ancestry, citizenship, military status, veteran status, handicap or disability – or any other factor protected by law or company policy.

This policy applies not only to hiring decisions but to all employment decisions. If you are a manager, every employment decision you make, from compensation and benefits to transfers and training, must conform to applicable federal, state or local laws, and company policy.

### *Respect*

Treating others fairly and with courtesy, valuing what each has to contribute.

We show respect when we:

- Show politeness and consideration for others.

If you have fair employment practices questions, consult with a member of the HR Team.

### PERSONNEL RESPONSIBILITIES

- If you are hiring an employee or other non-employee personnel, choose from individuals based only on their qualifications to perform the job.
- Managers and members of management have a special responsibility to consistently meet PJM's core values and policies regarding equal employment and must be able to show non-discriminatory reasons for taking personnel actions.
- Objective merit and business considerations should drive your actions.

Discrimination questions or concerns should be reported to the employee's manager or a member of the HR Team. Non-employee personnel should report such concerns to their employers and primary PJM point of contact.

## Respect for Culture & Community

### OUR STANDARDS

**Listen to hear every voice!** A culture and community of respect is a key asset, and we are committed to providing a professional atmosphere for all that promotes productivity and encourages creativity and innovation.

Our core values require us to treat others fairly and with courtesy, value what each has to contribute, actively include others and work to provide opportunities for participation and growth for everyone. We will work to maintain a workforce where personnel are hired, retained, compensated, disciplined and promoted based on their contribution to the company and their performance.

### PERSONNEL RESPONSIBILITIES

- Treat all colleagues, business partners, customers and visitors with respect.
- Don't distribute or display offensive material.
- If you supervise others, judge them on performance; avoid introducing unrelated considerations into your decisions. Use objective, quantifiable standards.



One of my co-workers sends emails containing jokes and comments that make fun of certain nationalities. They make me uncomfortable, but no one else has spoken up about them. What should I do?

You should notify a member of the HR Team immediately. Sending such jokes violates company policies about the use of email and our standards on, harassment, discrimination and acceptable conduct. By doing nothing you may be seen as condoning or at least tolerating unacceptable conduct that can seriously erode the team environment that we have all worked to create and may be in violation of this Code of Conduct.



## Harassment

### OUR STANDARDS

Harassment in the workplace, whether by a man or a woman, is behavior that is unwelcome and offensive to specific individuals or groups, or that unreasonably disrupts their work. PJM will not tolerate actions, comments, inappropriate physical contact, sexual advances or any other conduct that is intimidating or otherwise offensive or hostile.

The most common form of harassment is sexual harassment, which in general occurs when:

- A request for a date, a sexual favor or other verbal or physical conduct of a sexual nature that is unwelcome is made a condition of employment or used as the basis for employment decisions; or
- An intimidating, offensive or hostile work environment is created by unwelcome sexual advances, insulting jokes, or other offensive verbal or physical behavior of a sexual nature.

Harassment can take other forms as well. Examples include calling individuals derogatory, crude or insulting names; performing threatening, intimidating or hostile acts; and placing written or graphic material in the work place that denigrates or shows hostility or aversion toward an individual or group.

## PERSONNEL RESPONSIBILITIES

- Maintain a work environment that is professional and free from harassment.
- Report the matter to your manager or a member of the HR Team, or if the matter involves HR personnel, to another member of the Compliance Team.
- Even if you believe your acts or words are innocent, if someone says you are offending them and asks you to stop, do so at once.
- Don't distribute or display offensive material.

## Harassment and Discrimination

These behaviors may be harassment or discrimination:

- Depiction of harassers as victims or of victims as complainers;
- Unwelcome remarks, gestures or physical contact;
- The display of sexually explicit or offensive pictures or other materials;
- Sexual or offensive jokes or comments (explicit or by innuendo);
- Verbal abuse, threats or taunting; and
- Loss of promotion or development opportunities based on protected characteristics.

Please consult PJM's Equal Employment Opportunity, Non-Discrimination, Non-Harassment and Non-Retaliation Policy and Procedure for additional information.

## Excellence

Striving to achieve exceptional performance and provide outstanding service.

We exhibit excellence when we:

- Consistently deliver quality in a timely manner;
- Adapt to evolving circumstances; welcoming changes and new ideas
- Take pride in our work and continually seek to improve.

## Health, Safety and Security

### OUR STANDARD

We aim to provide a safe, secure and healthy work environment where zero injuries, no lost time incidents, protection of assets, and safe and efficient business practices are the norm.

It is important for each of us to help maintain safe working conditions for ourselves, our co-workers and visitors to our facilities. Situations that may pose a health, safety or environmental hazard must be reported immediately.

We strive to continuously improve our environmental performance through resource conservation and efficient practices.

All personnel must work together to be alert, promote proper work habits, use good judgment, maintain a safety-first culture and comply with all applicable health, safety and security rules and regulations.



While on a business trip, a colleague repeatedly asked me out for drinks and commented several times on my appearance in a way that made me uncomfortable. Is it harassment, since we weren't in the office when it happened?

This type of conduct is not tolerated in any work-related settings, off-site meetings, business trips and business-related social functions. Report the problem to your managers or a member of the HR Team, or if the matter involves HR personnel, to another member of the Compliance Team.



## PERSONNEL RESPONSIBILITIES

We can only achieve our goal of a safe and secure workplace through the active participation and support of everyone. PJM expects all personnel, contractors and vendors to follow all company health, safety and security policies and procedures. It is your responsibility to:

- Always wear required safety equipment;
- Never tamper with safety equipment or systems;
- Maintain a neat, safe working environment by keeping work stations, aisles and other work spaces free from obstacles, wires and other potential hazards;
- Safely handle, transport and arrange for the disposal of raw materials, products and wastes in an environmentally responsible manner;
- Take personal responsibility to help our office practices meet applicable environmental standards and make every effort to recycle whenever feasible;
- Notify your manager, a member of the HR Team, Facilities or the Support Center (ext. 4500) immediately about any unsafe equipment or any situation that could pose a threat to health or safety or damage the environment. All personnel have the right and responsibility to stop any work they feel may be unsafe;
- Participate in company-provided health, safety and security training or other safety meetings; and
- Always display and swipe your personal identification badge when entering and exiting all secure areas and do not allow others to enter without properly swiping their personal identification badges.

At PJM we do not tolerate:

- Threatening remarks, obscene phone calls, stalking or any other form of harassment;
- Causing physical injury to another;
- Intentionally damaging someone else's property or acting aggressively in a manner that causes someone else to fear injury;
- Threatening, intimidating or coercing fellow personnel on or off the premises – at any time, for any purpose; and

- Weapons in the workplace (unless an exception applies per the Violence and Weapons in the Workplace Procedure). This prohibition includes not only our facilities but also parking lots and alternate work locations maintained by PJM.

All injuries, accidents or workplace illnesses incurred by personnel, contractors or visitors or witnessed by an individual must be immediately reported to the individual's manager and a member of the HR Team.



I've noticed some practices that we do in my area that don't seem safe. Who can I speak to? I'm new here and don't want to be considered a "troublemaker," even though I know I am doing the right thing.

Discuss your concerns with your manager or report your concerns in accordance with the section of this Code titled Reporting Options for Potential Violations. There may be very good reasons for the practices. On the other hand, sometimes new eyes see things that more experienced eyes have missed. Raising a concern about safety is not making trouble; it is being responsible. PJM maintains and enforces a strict non-retaliation policy for raising or supporting issues like this.

**Q Are subcontractors expected to follow the same health, safety and security policies and procedures as employees and other PJM personnel?**

**A** Absolutely. Managers are responsible for ensuring that subcontractors and vendors at work on company premises understand and comply with all applicable laws, statutes and regulations governing the particular worksite as well as with additional requirements the company may impose.

## Integrity

Behaving in an open, honest, trustful manner both professionally and personally.

We act with integrity when we:

- Stand up for what we believe is right;
- Follow through on what we have committed to do.



## Abuse of Drugs and Alcohol – Fitness for Duty

### OUR STANDARDS

PJM is committed to providing a safe and productive work environment and dependable and economic services to its members and customers. PJM personnel must be fit for duty and our workplace must be free from the use of illegal drugs, the misuse of legal drugs and the abuse of alcohol.

The use, possession, manufacture, sale, dispensation or distribution of illegal drugs or drug paraphernalia in the workplace will not be tolerated and will result in immediate discharge. Anyone who is under the influence of illegal drugs or alcohol must not conduct business for PJM as they could create an unsafe work environment. Such conduct may be subject to discipline.

The only exception to these prohibitions is the consumption of alcoholic beverages at company – sponsored events. In these cases, personnel are required to conduct themselves in such a manner that they do not violate any laws or pose a danger to themselves, others or to the company's reputation.

### PERSONNEL RESPONSIBILITIES

- While at work or on company business, you should be alert, never impaired and always ready to carry out your work duties.
- Possession and use of legally prescribed drugs is allowed, but while in the workplace, their use must not affect your ability to safely perform your job function. If you have any questions or would like to request a reasonable accommodation, contact a member of the HR Team.
- If you have a problem with substance abuse, know that assistance is available. Seek professional help before it adversely affects you personally or professionally.



A colleague who works near me seems to be under the influence of alcohol, but I am not sure. What should I do?

This can be a safety issue. The best thing that you can do for everyone, including your co-worker, is to report your concern to your manager or the executive director, Human Resources.



## Supporting the Community

### OUR STANDARDS

It is important to our success and to our future that we all help to build positive relations with the communities in which we operate by engaging openly and honestly with people who are affected by our activities and those who have a genuine interest in what we do. Working this way dramatically reduces the potential for conflict.

For PJM, community involvement means hands-on participation, volunteer efforts and follow-through on the commitments we make.

When challenging situations arise, we are expected to act in a way that is consistent with our core values and demonstrates individually and as a company that:

### I CARE.

### PERSONNEL RESPONSIBILITIES

- Help identify specific needs in the communities where we live and operate that we, as a company, may be able to address or support.
- Support organizations which provide important local, national or international services and are compatible with our business objectives.
- Communicate our commitment to environmental stewardship and social responsibility through candid public discussions of our performance.

# PJM Interconnection

## Code of Conduct Certification

I have received the Code of Conduct, including the following information:

- I have a responsibility to be familiar with the information contained in this Code and policies, paying particular attention to the policies that pertain to my job responsibilities.
- All personnel are required to promptly report concerns about possible violations of applicable laws, regulations, policies, or this Code as provided in this Code.
- No reason, including the desire to meet business or personal goals, should ever be an excuse for violating laws, regulations or policies.
- Regardless of the type of misconduct that may be reported or the method of reporting used, PJM will not tolerate any retaliation or retribution against anyone who makes a good faith report of an alleged violation of the PJM Code or policies.

By my signature I certify that:

- I have received a copy of the PJM Code of Conduct and the above information.
- I have carefully read the PJM Code of Conduct and agree to comply with the responsibilities and standards it describes and with all company policies.
- I have reported all violations of the provisions of the PJM Code of Conduct of which I am aware and will continue to report any violation of the PJM Code of Conduct or policies that become known to me.
- I have no financial interests in any PJM market participant, except as allowed by the PJM Code of Conduct and the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C.
- I understand that I am subject to discipline, up to and including termination, if I violate the PJM Code of Conduct or PJM policies.
- I will attend all required or mandatory PJM training.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_



## Expectations for Participating in PJM Activities

PJM strives to be an intentional community that fosters allyship, including among stakeholders that participate in PJM activities. In their dealings at PJM, stakeholders and stakeholder representatives are expected to act consistently with PJM's Code of Conduct and PJM's core values. As the host and moderator of stakeholder meetings, PJM will not tolerate discrimination, harassment, or retaliation. PJM will conduct stakeholder meetings in accordance with these principles.

A PJM stakeholder with a good faith concern, including those that arise because of interactions among stakeholders, should promptly contact a member of the PJM Stakeholder Affairs or Compliance Teams. A PJM stakeholder also has the option of anonymous reporting through the PJM Compliance Hotline (866-776-6942) or through the online portal.

PJM's Compliance Team will conduct an appropriate review of any concerns received. Following the review, based on the specific facts and circumstances of the situation, examples of actions that may be taken in response include: taking no action, issuing warnings, expelling offending participants from an event, and barring or limiting attendance at future events. In appropriate circumstances, conduct may also be reported to a stakeholder's employer, Member company, and/or supervisors.

Approved on July 11, 2023 by the Governance Committee of the Board of Managers.

### PJM Compliance Hotline

866-776-6942

Online reporting tool: <https://pjm.ethicspoint.com/>



# Compliance Team Contact Information

Title	Name	Phone	Email
Senior Vice President - General Counsel, Secretary & Chief Compliance Officer	Christopher O'Hara	(610) 635-3433	<a href="mailto:chris.ohara@pjm.com">chris.ohara@pjm.com</a>
Senior Vice President - Corporate Client Services	Nora Swimm	(610) 666-4475	<a href="mailto:nora.swimm@pjm.com">nora.swimm@pjm.com</a>
Ombudsman	Colleen Hicks	(267) 935-2570	<a href="mailto:colleen.hicksz@pjm.com">colleen.hicksz@pjm.com</a>
Assistant Ombudsman	Erin Lai	(610) 666-4345	<a href="mailto:erin.lai@pjm.com">erin.lai@pjm.com</a>
Corporate Compliance Counsel	Mark Stanisz	(610) 666-4707	<a href="mailto:mark.stanisz@pjm.com">mark.stanisz@pjm.com</a>
Chair, PJM ROCC	Mike Del Viscio	(610) 666-8990	<a href="mailto:michael.delviscio@pjm.com">michael.delviscio@pjm.com</a>
Executive Director – Security Operations	Scott Heffentrager	(610) 666-2222	<a href="mailto:scott.heffentrager@pjm.com">scott.heffentrager@pjm.com</a>
Executive Director – Human Resources	Maureen McCormick	(610) 666-8985	<a href="mailto:maureen.mccormick@pjm.com">maureen.mccormick@pjm.com</a>
Executive Director – Internal Audit	Ricardo Rodriguez	(610) 666-2367	<a href="mailto:ricardo.rodriguez@pjm.com">ricardo.rodriguez@pjm.com</a>



**PJM COMPLIANCE LINE**  
**(866) 776-6942**

<https://www.compliance-helpline.com/welcomePagePJM.jsp>

