

**SpectraEnergy Code of Business Ethics**



# Table of Contents

	<b>Page</b>
A Message from Greg Ebel .....	<a href="#"><u>3</u></a>
Introduction .....	<a href="#"><u>4</u></a>
• About the Code .....	<a href="#"><u>4</u></a>
• How Our Values Relate to the Code and our Policies and Procedures .....	<a href="#"><u>5</u></a>
• Reporting Compliance Issues .....	<a href="#"><u>5</u></a>
• The EthicsLine .....	<a href="#"><u>6</u></a>
• Additional Resources .....	<a href="#"><u>6</u></a>
• Retaliation is Prohibited .....	<a href="#"><u>6</u></a>
• Our Responsibilities as Spectra Energy Employees .....	<a href="#"><u>7</u></a>
• Additional Leadership Responsibilities .....	<a href="#"><u>7</u></a>
• Consequences of Violating the Standards in the Code .....	<a href="#"><u>7</u></a>
• Waivers of the Code .....	<a href="#"><u>7</u></a>
• Ethics and Compliance Office .....	<a href="#"><u>7</u></a>
Accuracy of Books and Records and Information Reporting .....	<a href="#"><u>8</u></a>
Affiliate Rules .....	<a href="#"><u>10</u></a>
Approval of Business Transactions, Contract Authorization, Delegation Of Authority and Purchasing Control .....	<a href="#"><u>12</u></a>
Brand Management and Intellectual Property .....	<a href="#"><u>13</u></a>
Bribery, Kickbacks and Other Improper Payments .....	<a href="#"><u>15</u></a>
Business Courtesies .....	<a href="#"><u>17</u></a>
Confidential, Proprietary and Personal Information .....	<a href="#"><u>18</u></a>
Conflicts of Interest .....	<a href="#"><u>20</u></a>
Environment, Health and Safety .....	<a href="#"><u>22</u></a>
Equal Employment Opportunity .....	<a href="#"><u>24</u></a>
Fair Competition: Complying With Antitrust Laws .....	<a href="#"><u>25</u></a>
Fraud .....	<a href="#"><u>26</u></a>
Harassment in the Workplace .....	<a href="#"><u>28</u></a>
Information and Information Resources .....	<a href="#"><u>29</u></a>
Insider Trading .....	<a href="#"><u>30</u></a>
International Ethics and Compliance .....	<a href="#"><u>32</u></a>
Laws, Rules and Regulations .....	<a href="#"><u>34</u></a>
Media and Public Releases of Information .....	<a href="#"><u>35</u></a>
Political Process .....	<a href="#"><u>36</u></a>
Records Management .....	<a href="#"><u>37</u></a>
Safeguarding Company Resources .....	<a href="#"><u>38</u></a>
Ethics and Compliance Program Responsibilities .....	<a href="#"><u>39</u></a>

## A Message from Greg Ebel



To All Spectra Energy Employees:

The Spectra Energy Charter establishes our purpose, objectives, values and measures of success. One of our core values is *integrity* – ethically and honestly doing what we say we will do – both as individual employees and as a company.

Our Code of Business Ethics (CoBE) establishes standards of business conduct designed to help each of us conduct business ethically and honestly. Careful thought and consideration went into producing it, consistent with our Charter and business goals.

Some sections may be more relevant to certain business areas than others. Regardless, all employees are responsible for being familiar with our CoBE so that you understand what you need to do when faced with an ethical dilemma.

You are encouraged to bring work-related concerns, including suspected violations, first to your supervisor. If you are uncomfortable in doing so, you are free to talk to another member of management, a human resources representative or someone in the ethics and compliance office. Additionally, the EthicsLine is a third-party resource you can use, and you can do so anonymously. The important thing is that you talk to someone, and this CoBE is your guide.

Ethical behavior underpins our Charter's values and measures for success. I urge you to use this CoBE as a guide. By doing so, you will have taken an important step in helping our company achieve its business goals.

A handwritten signature in black ink that reads "Greg Ebel". The signature is written in a cursive, flowing style.

Greg Ebel  
President and Chief Executive Officer

## Introduction

### About the Code

Spectra Energy's Code of Business Ethics describes ethical risks for employees, provides guidance to help recognize and deal with ethical issues, and explains how to report unethical conduct and help foster a culture of integrity and accountability. This Code applies to Spectra Energy, its subsidiaries and its affiliates. We expect all contractors, service providers and suppliers to be familiar with and uphold the corporate values and practices we follow as employees and to support effective compliance programs within their own organizations. Some sections and topics may be more relevant to certain functions or departments than to others. However, since one instance of a person failing to act with integrity can damage the company's hard-earned reputation and compromise the public's trust, every Spectra Energy employee is responsible for being familiar with the entire Code. The Code has been adopted by the company's board of directors and represents a commitment to promote an organizational culture that encourages ethical conduct and compliance with the law. A separate Code of Business Conduct and Ethics applies to Spectra Energy's board of directors.

Spectra Energy employees should be aware that:

- This Code cannot anticipate every possible situation or cover every topic in detail. If a situation is unclear, employees should ask for guidance before taking action.
- Most of the topics covered in this Code are explained in greater detail in a company policy.
- From time to time the company may establish training programs to address specific areas of risk.
- Reading this Code is not a substitute for completing training and complying with specific policies and procedures.
- This Code does not necessarily take into account all applicable legal requirements. More restrictive laws or requirements take precedence. Where applicable legal requirements conflict with the standards in this Code, employees should ask for guidance before taking any action.
- The existence and provisions of this Code do not by themselves create any additional contractual right to continued employment. However, to the extent a contractual right to continued employment is provided by applicable law, this Code is part of and is incorporated into any existing employment contract between Spectra Energy and its employees.

Spectra Energy employees may be asked periodically to certify compliance with this Code.

**This Code, revised in February 2009, supercedes all previous versions of Spectra Energy's Code of Business Ethics.**

## **How Our Values Relate to the Code and Our Policies and Procedures**

Spectra Energy's charter sets forth the values and behaviors that apply to a wide variety of situations, while this Code focuses on what to do when specific ethical issues arise. Put another way, the charter values point us in the right direction, and the Code guides our actions in specific situations.

When a particular standard of behavior does not provide enough detail, the company's policies and procedures can provide additional information. Policies support the standards in the Code, are broad and enduring in nature and define accountabilities that may be audited.

Procedures are based on specific business unit needs, while they align with and fully support enterprise policies. Business units are expected to set, manage and control policies and procedures for tasks that do not directly relate to an enterprise risk area.

## **Reporting Compliance Issues**

Spectra Energy employees have a responsibility to report violations of this Code, applicable laws or governmental regulations while performing work for the company. Employees are also expected to report any threat to human health, safety, the environment or the company's assets.

To report a violation:

- Talk to your supervisor or their manager, your human resources representative, or the ethics and compliance office.
- If you aren't comfortable with any of the reporting options above or if you feel more comfortable reporting anonymously, use the EthicsLine.

The Audit Committee of the board of directors reviews concerns regarding questionable accounting, internal financial controls (including internal accounting controls) and auditing matters reported to the ethics and compliance office, or the EthicsLine, which allows anonymous reporting.

## **The EthicsLine**

The EthicsLine is a worldwide reporting system through which employees can:

- Anonymously report suspected unethical and criminal conduct, or environmental, health and safety concerns.
- Ask questions to resolve ethical dilemmas within the organization without fear of retribution.

You may discuss issues such as:

- Employee misconduct
- Harassment in the workplace
- Environmental, health or safety concerns
- Fraud
- Questionable accounting, internal controls or auditing matters
- Conflicts of interest
- Misuse of company assets
- Regulatory violations
- Any behavior you believe damages Spectra Energy's reputation.

Should you choose to identify yourself, your identity will be kept confidential to the extent permissible by law and feasible to permit an investigation.

The service is available to you 24 hours a day, 7 days a week. You may make a toll-free call to the following numbers anytime, day or night:

United States/Canada 877-SE ETHIC  
(877-733-8442)

You may also use [www.spectraenergy-ethicsline.com](http://www.spectraenergy-ethicsline.com) to submit a report or inquiry via the web.

The EthicsLine is staffed by an independent third party that Spectra Energy has retained. When you contact the EthicsLine, you can provide your name or choose to remain anonymous.

You can expect to:

- Be asked to provide information regarding your questions or concerns.
- Be assigned a unique report number.
- Have Spectra Energy initiate an investigation into the suspected violation
- Have the opportunity to follow up with EthicsLine to find out the status or outcome of your report.

## **Additional Resources**

For more information or to report a violation of the Code, you may e-mail Spectra Energy's ethics and compliance office at [ethicsoffice@spectraenergy.com](mailto:ethicsoffice@spectraenergy.com) or contact the ethics and compliance office directly.

## **Retaliation is Prohibited**

Spectra Energy values clear and open communications, and respects the contributions of all employees. Spectra Energy will not retaliate against any employee who in good faith reports suspected unethical conduct, violations of laws, regulations, or company policies. Spectra Energy will not terminate employment, demote, transfer to an undesirable assignment or otherwise discriminate against an employee for calling attention to suspected illegal or unethical acts, including providing information related to an investigation. However, Spectra Energy reserves



## **Accuracy of Books and Records and Information Reporting**

*Spectra Energy demonstrates accountability in all accounting (including time reporting) and financial reporting practices. All employees must accept responsibility for the accuracy of written records and public statements so that we can maintain the trust of our stakeholders.*

Spectra Energy's internal controls over financial reporting are consistent with the application of generally accepted accounting principles (GAAP). They help protect our financial accountability by:

- Assuring management's authorization of financial transactions
- Ensuring that financial transactions are properly recorded and posted
- Satisfying regulatory requirements
- Providing reasonable assurance that we are in compliance with GAAP and applicable tax laws.

## **Responsibility in Reporting**

Spectra Energy's results of operations and financial condition are reported using GAAP and in compliance with applicable laws and regulations. Spectra Energy prides itself on the transparency of its financial and non-financial reporting. To this end, we provide reporting of, among other things:

- Earnings for common stock shareholders
- Non-financial data (examples include data related to environmental responsibility, key strategic initiatives and community involvement)
- Current and future opportunities, threats, strategic plans and critical success factors
- Revenue recognition
- Market risks associated with commodity prices, credit exposure and interest rates
- Commitment to our company's values.

It is critical to Spectra Energy's reputation that information provided to management and the public is accurate, fair, complete, objective, understandable, timely and relevant. This applies to both financial and non-financial data, and includes information in public communications as well as in documents filed with regulators. Misstating information can carry serious criminal and civil fines and penalties for Spectra Energy and personal criminal liability for employees.

Spectra Energy applies the highest ethical standards in its financial and non-financial reporting and follows all applicable Securities and Exchange Commission (SEC), New York Stock Exchange, Toronto Stock Exchange, Sarbanes-Oxley, Federal Energy Regulatory Commission (FERC), various other regulatory commissions and other standards and rules regarding financial and non-financial reporting.

Employees should report immediately if they are pressured, threatened or aware of instances such as:

- Use of questionable accounting techniques
- Management of earnings
- Manipulation of results to meet targets for incentive plans.

## **Our Responsibilities**

Spectra Energy employees are expected to be truthful and accurate in their accounting and time reporting practices. Financial professionals are expected to stay up-to-date with all financial reporting regulations related to their job functions, and to report financial statement items in a

manner consistent with applicable laws and GAAP. All Spectra Energy employees involved in public reporting or communications are expected to produce disclosures that are full, fair, accurate, timely and understandable.

Spectra Energy employees must:

- Maintain books, accounts and records according to GAAP, using sufficient detail to reflect Spectra Energy transactions accurately and fairly
- Record transactions in a timely manner
- Report if financial statements are believed to be misstated or manipulated.

Employees must not:

- Manipulate financial accounts, records or reports
- Maintain off-the-book accounts to facilitate questionable or illegal payments
- Take any action, or cause anyone else to take any action, to influence, coerce, manipulate or mislead auditors for the purpose of making financial statements misleading.

## **Affiliate Rules**

*Spectra Energy's value is maximized by the complementary capabilities of its affiliates.*

Spectra Energy is subject to regulation by various energy regulatory commissions, including federal, certain state and provincial commissions. These commissions have specific codes and standards of conduct (Affiliate Rules) that address matters such as undue discrimination and preferential treatment between regulated companies and their affiliates.

The purpose of these Affiliate Rules is to prevent the regulated businesses from subsidizing the activities of their affiliates, and to prevent the affiliates from gaining an unfair advantage because of their relationship with the regulated businesses.

Generally the Affiliate Rules include:

- Physical separation requirements between Transmission Function Employees of the regulated business units and Marketing Function Employees of certain affiliates engaged in Marketing Functions
- 
- Prohibitions on the sharing of transportation or market information
- Restrictions on the disclosure of customer information
- Requirements for equal access to regulated service and prohibition against undue discrimination in providing regulated service
- Restrictions on transactions between regulated business units and affiliates, such as transfer pricing provisions, prohibitions on certain financial transactions, and regulatory approval and reporting requirements
- Terms for sharing certain services and resources
- Restrictions on certain financial transactions between regulated business units and affiliates
- Restrictions on making referrals to or endorsements of affiliates.

Compliance with both the letter and spirit of the Affiliate Rules demonstrates integrity.

## **Our Responsibilities**

Spectra Energy employees involved in the following activities for or with a regulated business unit are expected to understand and comply with the Affiliate Rules. Additional training may be required for all employees

- Transferring goods or services
- Sharing customer, market or transportation information
- Providing regulated/tariffed services to an affiliate
- Marketing activities, including referrals or endorsements
- Sharing employees, services, or resources.

## **Affiliate Rules Currently in Effect**

- **FERC Standards of Conduct – Marketing Affiliate Rules** governing the relationship between Spectra's U.S. pipelines and their affiliates engaged in Marketing Functions
- **NEB Codes of Conduct** governing the relationship between Spectra's pipeline companies in Western Canada and the Maritimes pipelines with their marketing affiliates
- **NEB Framework for Light Handed Regulation** governing the relationship between Spectra's Canadian Field Services division and its affiliates

- **Ontario Energy Board Affiliate Relationships Code for Gas Utilities** governing the relationship between Union Gas and its affiliates
- **Texas Gas Gathering & Transportation Code of Conduct** governing the relationship between DCP Midstream' intrastate pipelines and their marketing affiliates

## **Approval of Business Transactions, Contract Authorization, Delegation of Authority and Purchasing Control**

*Spectra Energy's contractual agreements govern our business relationships and ensure that Spectra Energy's intellectual property, business agreements and confidential information are protected.*

Because the laws governing contracts are numerous and complicated, policies and procedures are in place to ensure that any contract entered into on behalf of Spectra Energy has the appropriate level of review and approval.

### **Our Responsibilities**

Spectra Energy employees who enter into contracts on Spectra Energy's behalf must have proper authorization, including legal review where applicable, prior to the execution of any such contract.

Spectra Energy employees must:

- Know what types of contracts we are authorized to execute on behalf of the company, if any.
- Comply with Spectra Energy policies and procedures for entering into contracts.
- Where required by policy, make sure that a contract agent reviews and approves any contract.
- For commodity contracts: Only execute transactions in authorized commodities, using approved instruments, and following the applicable procedures for maintaining compliance with any specific risk limits and hedge guidelines.

Employees must not:

- Enter into any contract on behalf of Spectra Energy without proper review and authorization.
- Cause Spectra Energy (or its affiliates) to enter into, or direct others to cause Spectra Energy (or its affiliates) to enter into, energy commodity contracts for account of themselves, members of their families, friends, or persons or entities with whom they have a personal business interest.

## **Brand Management and Intellectual Property**

*Spectra Energy's brand identity and intellectual property are among its most valuable assets. The loss of or injury to such assets could have a serious financial impact on the company. Violation of the intellectual property rights of others breaches our value of integrity, and may subject both the employee and Spectra Energy to substantial liability, including criminal penalties.*

Employees demonstrate accountability by consistently and appropriately protecting the intellectual property rights of Spectra Energy and honoring the intellectual property rights of third parties (e.g., copyrights, trademarks, service marks and patents). Employees must also be accurate and truthful in communicating information about Spectra Energy products and services. This practice protects the Spectra Energy brand and shows respect for our customers and shareholders.

### **Our Responsibilities**

Spectra Energy employees are expected to protect the intellectual property rights of Spectra Energy, including the Spectra Energy name and logo, taglines, inventions, processes and innovations and to respect those of all third parties.

Spectra Energy employees must:

- Follow the Brand Guidelines when creating materials using the Spectra Energy name, mark or logo.
- Understand that any intellectual property created by a Spectra Energy employee in the performance of his or her job responsibilities belongs to Spectra Energy and that innovations must be shared with the company to ensure adequate protection.
- Report any unauthorized use of Spectra Energy's copyrights, patents, service marks or trademarks.
- Respect all intellectual property that Spectra Energy has received from third parties under confidentiality or license agreements.
- Obtain permission to use a third party's trademark, service mark or other intellectual property.
- Use inventions patented by third parties only within the terms of a license agreement.
- Be accurate and truthful in communication of information about Spectra Energy products and services.
- Adhere to established brand standards when producing any materials, including advertising, publications, on-line materials and other items using the Spectra Energy or subsidiary companies' names or logos.

Employees must not:

- Make copies of copyright-protected materials until Spectra Energy has obtained permission from the copyright holder or determined that limited copying is legally permitted.
- Copy or distribute software or related documentation without first ensuring that it is permitted by the licensing agreement.
- Use company letterhead, company e-mail or reference to our business address or title when expressing a personal view in a public forum.

### **Q & A**

#### **Q: What is intellectual property?**

A: "Intellectual property" denotes the legal rights that may be secured in virtually any creation of the human mind or intellect (for example, an idea, invention, machine, device, process, program,

software, drawings, blueprints, name, logo or slogan) or that may be legally protectible (such as a patent, copyright, trademark, service mark, and/or trade secret).

**Q: What types of protections are available for intellectual property?**

A: The type of protection available depends on the type of intellectual property involved.

- *Copyrights* protect original and tangible works of authorship such as books, brochures, reports, proposals, advertisements and other literary works, as well as works of art, drawings, photographs, videos, maps, charts, musical works, audiotapes and software. A copyright prohibits unauthorized copying or downloading of these works.
- *Patents* protect new and non-obvious inventions, such as machines, apparatus, devices, manufacturing components, chemical compositions, processes, methods and ornamental designs. A patent permits inventors and patent holders to exclude others from making, using or selling the same invention.
- *Trademarks and service marks* are words, phrases, symbols and designs which identify and distinguish the source of goods or services from those of others. Registration of a trademark or service mark restricts its use by others. In some circumstances, a trademark or service mark may be protected from such use without registration.
- *Trade secrets* are any information used by a business such as formulas, processes, devices and customer lists that have economic value because they are not generally known or easily discovered by observation or examination, and for which reasonable efforts have been made to maintain secrecy.

## **Bribery, Kickbacks and Other Improper Payments**

*Spectra Energy maintains the highest level of integrity when dealing with government officials and members of the private sector. Giving anything of value to such individuals may raise questions about Spectra Energy's integrity. We demonstrate accountability by refusing to give gifts or make payments that are intended to influence, or could appear to influence, business decisions.*

Bribery laws prohibit companies from directly or indirectly promising, offering or making payment of money or anything of value to anyone (including a government official, an agent or employee of a political party, labor organization or business entity, or a political candidate) with the intent to induce favorable business treatment or to improperly affect business or government decisions.

Decisions about gift giving must be carefully evaluated. In general, Spectra Energy does not consider ordinary and reasonable business entertainment, or gifts of nominal value that are customary and legal in the local market, to be improper. We recognize that in certain cultures, gifts of a more substantial nature may be customary and expected.

However, we also recognize that the giving of improper gifts or payments can undermine customer relationships, damage our reputation and result in legal penalties. Employees should not give gifts or make payments that are intended to influence, or could appear to influence, business decisions.

Note: These laws and regulations are complex and can vary from country to country, and even within a country (e.g., local versus national officials) and from state to state. This Code does not necessarily take into account all local legal requirements and you should be aware that more restrictive local and federal laws take precedence over this Code.

### **Our Responsibilities**

Spectra Energy employees are expected to be extremely careful when giving anything of value to third parties to avoid giving the impression that we are trying to influence another person's business decision.

Spectra Energy employees must:

- Ensure that business entertainment provided to third parties is reasonable and customary.
- Offer only gifts that are considered customary, reasonable, legal and of nominal value in the local market.
- Obtain prior approval from management before making a decision about whether or not to offer a gift that is of more than nominal value in the local market.
- Comply with federal, and local laws and regulations governing gifts and meals given to public officials and employees of governmental agencies.
- Understand that it is generally not acceptable to give gifts or gratuities to any federal, state or local government employees.

Employees must not:

- Give gifts that are intended to influence, or appear to influence, business decisions.
- Agree to provide any payment or other kickback in return for favorable treatment for either the employee or Spectra Energy.

**Q & A**

**Q: How do I know whether a gift or payment is improper or not?** A: A gift or payment is improper if it is used to influence, or appears to influence, a business decision. If you have questions as to whether a gift or payment could be considered improper, seek guidance before taking any action.

## **Business Courtesies**

*The giving and receiving of gifts or entertainment can be important and appropriate ways of building and maintaining proper business relationships. However, in order to maintain trust and integrity with our business partners, it is important to be prudent when accepting business courtesies.*

## **Our Responsibilities**

Spectra Energy employees are expected to act with integrity when deciding whether to accept a business courtesy (i.e., anything of value for which the recipient does not pay fair market value, including gifts, services and entertainment).

Employees who are buyers, who influence buying, or who are involved in procurement transactions in any way (e.g., determining specifications, evaluating bids, choosing vendors or suppliers) must be especially careful when deciding whether to accept a business courtesy.

Spectra Energy employees must:

- Accept only personal gifts that would be considered common business courtesies and for which we would reasonably expect to give something similar in return in the normal course of business.
- Maintain a written list of business courtesies received.
- Obtain written supervisory approval prior to accepting a business courtesy of significant or unique value, in accordance with the Business Courtesies Policy.
- Report gifts received from representatives of foreign countries.

Employees must not:

- Accept or request any business courtesy that might be intended to influence, or appears to influence, a business decision.

## **Confidential, Proprietary and Personal Information**

*Spectra Energy uses confidential, proprietary and personal information ("sensitive information") in the course of doing business. This includes the company's sensitive information, as well as that of third parties.*

Spectra Energy complies with laws protecting sensitive information from unlawful disclosure. Failure to comply with these laws and standards can cause irreparable damage to the Spectra Energy brand and can result in legal penalties, adverse regulatory actions and restrictions. It can also prohibit Spectra Energy from conducting business within certain countries.

### **Our Responsibilities**

Spectra Energy employees are expected to protect Spectra Energy and third-party sensitive information from unlawful disclosure, and to ensure that such information is handled properly throughout the organization.

Spectra Energy employees must:

- Use sensitive information for business purposes only.
- Use business unit procedures for labeling and handling sensitive information.
- Share sensitive information only with appropriate parties both within and outside of Spectra Energy.
- Use health information solely for the administration of health plans.
- Make sure that use of sensitive information is consistent with our policies, affiliate rules, contractual obligations and applicable laws.

Employees must not:

- Disclose sensitive information to any entity or person (including other employees) unless there is a legitimate business need and contractual or other provisions are in place to safeguard against unauthorized disclosure.
- Help a third party gain access to sensitive information without authorization.

## **Q & A**

### **Q: What is confidential or proprietary information?**

A: Confidential or proprietary information is any information that provides a third party with some kind of business advantage and is not generally known to the public. This includes, but is not limited to:

- Inventions
- Operational information
- Strategic information about current and/or future business plans
- Supplier's pricing and specifications
- Research
- Records, such as financial, customer or personnel records
- Information designated as confidential or proprietary.

### **Q: What type of information would be considered personal information?**

A: Personal information includes, but is not limited to:

- a. health information,
- b. social security number or national ID (or equivalent),
- c. consumer report information,
- d. a natural person's first name or first initial and last name in combination with

- social security or employer taxpayer ID numbers
  - drivers license, state identification card, or passport numbers
  - banking information
  - credit card numbers
  - PIN codes
  - electronic ID numbers
  - private electronic mail names or addresses
  - private phone number
  - internet account numbers
  - identification names
  - digital signatures
  - any information that can be used to access a person's financial resources
  - biometric data
  - fingerprints
  - passwords
  - parent's legal surname prior to marriage, or
- any other information protected by Spectra Energy's Policies, Standards, Procedures or applicable laws.

## **Conflicts of Interest**

*Spectra Energy depends on its employees to act in Spectra Energy's best interests. Sometimes, however, there are situations where an employee might be tempted to act otherwise or find oneself in a situation where a conflict of interest may arise.*

A conflict of interest exists any time an employee faces a choice between what is in his or her personal interest (financial or otherwise) and the interests of Spectra Energy. When a conflict of interest arises, others may question our integrity. Therefore, employees are accountable for acting in Spectra Energy's best interests and carefully avoiding even the appearance of impropriety. If you find yourself in a position where your objectivity may be questioned because of individual interests or family or personal relationships, notify your supervisor immediately.

Conflicts of interest may arise when:

- You or someone with a close relationship to you has an interest in an entity with which Spectra Energy does business.
- You or someone with a close relationship to you receives improper personal benefits as a result of your position at Spectra Energy.
- Other employment (including self-employment) or serving as an officer, director, partner or consultant of another organization interferes with your ability to act in the best interests of Spectra Energy, requires you to use or disclose sensitive information about Spectra Energy, is conducted during or conflicts with an employee's normal work times, or creates the appearance of impropriety.
- You or someone with a close relationship to you receives a loan or other extension of credit or credit support (such as a guaranty) from Spectra Energy. Spectra Energy is prohibited by law from extending or arranging for the extension of personal loans to executive officers.

## **Our Responsibilities**

Spectra Energy employees owe a duty of loyalty to the company and are expected to act in Spectra Energy's best interests and avoid conflicts of interest and/or the appearance of a conflict of interest.

Spectra Energy employees must:

- Be able to identify potential conflicts of interest when they arise.
- Notify supervision immediately when we are in a position where our objectivity may be questioned.
- Make certain that any second jobs, financial interests, or management interests in another entity do not cause a conflict of interest or have a negative impact on the confidence the public has in Spectra Energy.
- Get approval from the CEO or one of his direct reports when an entity in which you or a family member owns or acquires an interest that is greater than 5 percent seeks to do business with Spectra Energy, and:
  - The entity makes sales of goods or services to Spectra Energy exceeding \$1,000 annually, or
  - You help make Spectra Energy purchasing decisions for those goods or services, or
  - You have a role in making sure the entity gets paid for the goods and services it provides.
- Get approval from the CEO or one of his direct reports to:

- Perform work or services for any person or organization that competes with or seeks to do business with Spectra Energy
- Take a position on the board of directors of a for-profit entity that has regular business dealings with Spectra Energy. Prior to taking any such board position, employees are required to consult with their supervisor before seeking approval from the CEO or one of his direct reports who shall notify the General Counsel.
- Always keep Spectra Energy's interests uppermost even if the above criteria do not apply to a situation.

Employees must not:

- Take for personal gain an opportunity available to Spectra Energy that is discovered through the use of company assets, information or position.
- Interface with Spectra Energy's contractors, vendors, suppliers, customers or others in a manner which creates even the appearance of a conflict of interest. When in doubt, check with your supervisor.

### **Q & A**

**Q: I've been asked to sit on the board of directors of a non-profit organization. Do I need my supervisor's approval to do this?**

A: No, but you should still make your supervisor aware of the situation. Also, you should excuse yourself from any discussions or votes on any matter involving Spectra Energy, to avoid the appearance of improper behavior or a conflict of interest.

**Q: I am considering a temporary second job for extra money during the holiday season. Is this okay?**

A: Yes, but remember your first responsibility is to our company. You must be able to fulfill all your responsibilities including overtime if that is a requirement. The job must not be with a competitor or vendor/supplier.

**Q: An employee's spouse owns a company which would like to bid on a contract exceeding \$1,000 annually. The employee discloses the ownership to their supervisor. Is this a conflict of interest?**

A: No. The employee was honest about their relationship and removed themselves from the purchasing process. If the company owned by the employee's spouse is chosen as a vendor, the employee cannot be involved in supervising the work or processing payments for the work.

## **Environment, Health and Safety**

*Protecting and responsibly managing natural resources demonstrates stewardship and is critical to the quality of life in the communities we serve, the environment and Spectra Energy's long-term business success. The health and safety of co-workers, contractors, customers and communities is the responsibility of all Spectra Energy employees.*

Spectra Energy accepts responsibility in these areas by systematically managing risks, setting goals, measuring and reporting performance, and conducting assessments to evaluate and improve:

- Compliance with environmental, health and safety laws, regulations and other requirements such as permits.
- Systematic implementation of Spectra Energy environmental, health and safety (EHS) policies and standards.

### **Our Responsibilities**

Spectra Energy employees are expected to abide by all company policies and procedures in the areas of environment, health and safety.

Spectra Energy employees must:

- Comply with all applicable environmental, health and safety laws, regulations and other requirements, such as those dealing with:
  - Employee and public safety and health
  - Contractor EHS management
  - Work conditions
  - Pollution control and management
  - Waste management
  - Infrastructure safety
- Follow work instructions and procedures on environmental, health and safety laws, regulations and risk management, and apply training to protect others, the environment and yourself.
- Promptly report all environmental, health and safety incidents, including significant near misses.
- Report to work fit to perform our duties and be free of the effects of alcohol or drugs at work.
- Demonstrate a personal commitment to continuous safety improvement and look out for the safety of others.
- Understand and incorporate our EHS responsibilities into daily work activities.

Employees must not:

- Threaten or injure other people.
- Handle a weapon in any manner while on Spectra Energy premises or while engaged in Spectra Energy business, unless authorized to do so.
- Use, possess, sell or transfer illegal drugs, illegal narcotics or alcohol on the job.
- Discharge or dispose of waste or unused products in violation of defined company operating procedures.

### **Q & A**

**Q: How do I prepare for a workplace emergency?**

A: A workplace emergency may be an injury accident, a severe illness, a chemical spill, a fire, flood or storm, an assault or other incident.

- Find out who to contact to get help in the event of an emergency. Emergency numbers should be posted at each telephone. Local personnel may be appointed and trained to respond to emergencies.
- Know the address of your work location in case you have to call for emergency help.
- Know the location of emergency equipment including fire extinguishers, break-glass alarms, first aid kits, safety showers, eye wash stations, chemical spill control materials and other equipment.
- Know the evacuation route from your work area. Be aware of at least two exits and know where you are supposed to assemble with co-workers outside the building.

## **Equal Employment Opportunity**

*Spectra Energy seeks and values diversity. The dignity of each person is respected, and everyone's contributions are recognized. We expect Spectra Energy employees to act with mutual respect and cooperation toward one another. We do not tolerate discrimination in the workplace.*

We comply with laws concerning discrimination and equal opportunity that specifically prohibit discrimination on the basis of certain differences. We will recruit, select, train and compensate based on merit, experience and other work-related criteria.

### **Our Responsibilities**

Spectra Energy employees are expected to treat others with respect on the job and comply with equal employment opportunity laws, including those related to discrimination and harassment.

Spectra Energy employees must not:

- Use any differences protected by law as a factor in hiring, firing or promotion decisions.
- Use any differences protected by law when determining terms or conditions of employment, such as work assignments, employee development opportunities, vacation or overtime.
- Retaliate against a person who makes a complaint of discrimination in good faith; reports suspected unethical conduct, violations of laws, regulations, or company policies; or participates in an investigation.

### **Q & A Q: What are the differences that are protected by law or Spectra Energy policy?**

A: Differences protected by law or Spectra Energy policy include:

- Race
- Gender
- Religion
- Color
- National origin
- Ethnicity
- Citizenship
- Age
- Disability
- Sexual orientation
- Veteran status
- Marital status

**Q: We posted a job for an entry level position expecting to hire a recent graduate and were surprised when several older workers applied. Is it okay to hire a younger person, the way we planned?**

A: It is against the law to discriminate on the basis of an individual's age. Interview all the qualified candidates, and hire the best person for the job, regardless of their age. There must be a valid reason, unrelated to age, for all employment decisions.

## **Fair Competition: Complying With Antitrust Laws**

*Spectra Energy succeeds in the marketplace by offering competitively priced, quality products and services. As a company, we support full and fair competition by complying with antitrust laws prohibiting activities that reduce competition and restrict trade.*

### **Our Responsibilities**

All Spectra Energy employees must deal fairly with the company's customers, suppliers and competitors. Employees are expected to act with integrity by maintaining Spectra Energy's independent judgment in the pricing, marketing, purchasing and selling of all products and services.

Spectra Energy employees must:

- Understand how fair competition laws apply to us and our business, and learn how to avoid engaging in potentially unlawful behavior.
- Immediately leave any meeting or informal gathering at which competitors are present and anti-competitive behavior is exhibited and report any discussions or behavior that could be considered anti-competitive.

Employees must not:

- Improperly attempt to prevent an entity from competing with Spectra Energy or from entering the markets in which Spectra Energy participates.
- Suggest to suppliers that our purchasing decisions depend on their use of Spectra Energy's goods or services, or that failing to do business with a Spectra Energy subsidiary or affiliate could jeopardize business with another Spectra Energy entity.
- Make inaccurate or misleading statements about competitors, suppliers, customers or their offerings.

### **Q & A**

**Q: What types of behavior could be considered anti-competitive and a violation of antitrust laws?**

**A:** The following behavior could be considered anti-competitive and a violation of antitrust laws:

- Discussions or agreements with a competitor regarding pricing, territories, market share or intent to bid (or not bid) for particular business.
- Providing inconsistent information about a request for quotation/proposal to competing bidders.
- Entering into an exclusive dealing arrangement or understanding in which you agree to work only with certain suppliers or distributors in a particular market where Spectra Energy has market power.
- Taking advantage of market power to eliminate or threaten a competitor or potential competitor in that or another market.
- Suggesting that a product or commodity must be resold at or within a particular price or range of prices.
- Participating in actions by any trade association or other industry group regarding membership restrictions, sharing price information (including benchmarking), commercial information or strategies. Certain government advocacy positions may be taken as a trade association but should be discussed with the legal department.

## **Fraud**

*Fraud, or the potential of fraud, compromises the integrity of our financial reporting system and the safety of our assets, both physical and intellectual.*

Fraud is the act of intentionally misrepresenting or concealing facts that cause another party to act or not act in reliance on the misrepresentation or concealment. Fraud may be committed by one person or by two or more (collusion) and may be committed by internal and/or external parties (vendors, customers, etc.).

### **Our Responsibilities**

All employees must understand what constitutes fraud and refrain from engaging in fraudulent activity including collusive fraud which bypasses existing controls. Moreover, employees are responsible for reporting all instances of potential fraud.

Spectra Energy employees must:

- Understand what constitutes fraud and refrain from engaging in fraudulent activity.
- Report all instances of potential fraud.

Employees must not:

- Engage in fraudulent activity including collusive fraud which bypasses existing controls.

## **Q & A**

### **Q: What are some examples of fraud?**

A: Some examples of fraud may include:

- Fraudulent financial reporting
  - Intentional reporting of false expense or revenue data which improperly states amounts reported on publicly filed financial statements.
  - Intentional misstatement of price data reported for price index purposes.
  - Intentional misapplication of accounting principles relating to amounts, classification, manner of presentation, or disclosure.
  - Intentional misstatement of accounting estimates and judgments.
- Misappropriation of assets
  - Submitting an inaccurate expense report for personal expenses.
  - Excessive personal use of company supplies or assets.
  - Fraudulent financial reporting (see above) for purposes of increasing personal gain through incentive measure calculations.
  - Improper time reporting with intent to defraud.
- Corruption and other fraud related malfeasance
  - Overriding existing controls, rendering the controls ineffective.
  - Falsifying personal credentials.
  - Tampering with documents.

### **Q: What are certain examples of fraud in the energy market?**

A: Market Manipulation: Any action, transaction, or conspiracy for the purpose of impairing, obstructing or defeating a well-functioning market, including such actions as:

- Wash trades: Any pair of offsetting trades entered into simultaneously or by pre-arrangement with the same counterparty, for the same product, involving no economic risk and no net change in beneficial ownership.

- Collusion with another party to manipulate market prices, market conditions or market rules.
- Earnings Manipulation: Transactions made in violation of accounting rules (GAAP in U.S.) in order to beneficially represent the firm's financial performance, usually through the artificial inflation of revenues or deflation of expenses.
- False Reporting: Knowingly submitting false or misleading information, or omitting material information, to Index Price Publishers or governing regulators.

## **Harassment in the Workplace**

*Spectra Energy is committed to maintaining a positive work environment where all employees are treated with dignity and respect. Harassment of any kind in the workplace is not tolerated.*

We respect the dignity of every person and honor our differences. It is important that employees speak up if they witness harassment. Harassment generally means offensive conduct that is severe and pervasive and singles out an employee to the detriment or objection of that employee because of a difference protected by law or by Spectra Energy policy such as race, gender, sexual orientation, religion, national origin, ethnicity, citizenship, age, marital status, disability or veteran status. Harassment covers a wide range of conduct, from direct requests of a sexual nature to situations where offensive behavior (e.g., insults, offensive jokes or slurs, offensive material in the workplace) results in a hostile work environment.

### **Our Responsibilities**

Spectra Energy employees are expected to do their part to ensure a safe and secure workplace in which employees can perform their duties without fear of harassment.

Spectra Energy employees must:

- Treat all people with respect.
- Report all incidents of harassment.

Employees must not:

- Harass anyone.

Reports of harassment will be promptly and thoroughly investigated in a confidential manner. Spectra Energy will take immediate and appropriate action if harassment is determined to have occurred.

### **Q & A**

#### **Q: What is considered offensive material in the workplace?**

A: Possession of any text, communications, software, images, sounds, data or other information that facilitates improper conduct (such as involvement with illegal drugs, illegal materials or illegal weapons) or that is threatening, unlawful, abusive, harassing, defamatory, libelous, deceptive, fraudulent or invasive of another's privacy, or that contains explicit or graphic descriptions or accounts of sexual acts.

## **Information and Information Resources**

*Spectra Energy's information and information systems support its business pursuits and are some of its most valuable assets Spectra Energy is committed to protecting all of its assets from abuse, misuse or loss.*

Information Security, like safety, is the responsibility of every Spectra Energy employee and contractor. Adhering to Spectra Energy's Information Security Policies is required of everyone with access to Spectra Energy's information.

### **Our Responsibilities**

Spectra Energy expects everyone to manage and use information and information systems properly.

All persons with access to Spectra Energy information must:

- Follow the Information Security and Records Management policies and procedures to properly maintain information integrity, privacy, confidentiality, availability, and retention.
- Protect and control access to all Spectra Energy information and information resources.
- Access and use only the information or resources to which you are authorized and need to perform your job duties.
- Follow the acceptable use requirements for all information assets, email, phone, fax and the Internet.
- Report any unusual activities to your manager or IT as quickly as possible.

All persons, with access to Spectra Energy information must not:

- Inappropriately access, share or disclose information.
- Allow personal use of information system technologies to interfere with Spectra Energy business use or incur unnecessary cost.
- Use information or information resources illegally or violate Spectra Energy policies.

Spectra Energy reserves the right to monitor the resources it provides its employees and contractors. This includes the personal and business use of internal resources, the Internet and e-mail.

## **Insider Trading**

*Spectra Energy's success in the marketplace requires that we maintain the trust and confidence of the investment community. Spectra Energy employees must act with integrity when trading public securities, adhering to all applicable laws.*

Insider trading may occur when you:

- Know material non-public information about Spectra Energy or any company with whom Spectra Energy has a business relationship, and
- Buy, sell, short-sell or otherwise trade a company's securities, such as stocks, bonds or options while in possession of that information or tell others about it before it is made public.

"Material non-public information" is information that would affect a reasonable investor's decision on whether or not to invest in a company's securities. Examples include, but are not limited to:

- Plans to issue securities
- Sharp changes in earnings patterns
- Changes in dividend rates
- Changes in key management personnel
- Mergers and acquisitions
- Important regulatory actions affecting the company.

Circumstances suggesting the possibility of insider trading may result in an investigation by a stock exchange or by governmental authorities. Such an investigation could damage Spectra Energy's brand and reputation and result in liabilities or penalties, including criminal charges and/or fines against the employee.

## **Our Responsibilities**

Spectra Energy employees are expected to be very careful when trading securities, even the Spectra Energy securities in our retirement accounts, to make sure that trades are not made while in possession of material non-public information.

Spectra Energy employees must not:

- Trade the securities of Spectra Energy while in possession of material non-public information about Spectra Energy or any affiliate or subsidiary.
- Trade the securities of Spectra Energy or those of its suppliers, customers or other companies with whom Spectra Energy has a business relationship while in possession of material nonpublic information relating to them.
- Trade the securities of Spectra Energy (or of an applicable outside company) until the third business day after any material non-public information of which we are aware has been made available to the public. This includes transfers into and out of the Spectra Energy stock fund in our savings plans, and changes in patterns involving purchases of Spectra Energy securities within the plans. (Regularly scheduled monthly purchases of Spectra Energy securities within plans are not prohibited.)
- Give material non-public information to anyone not authorized to have that information, including other Spectra Energy employees. If that information is subsequently used by the person to trade on securities, it is considered illegal "tipping" and is a violation of insider trading laws. Even a casual remark to a friend or family member may find its way

to a broker and eventually to the entire financial community, thereby requiring the company to make a premature or unplanned public announcement.

**Q & A**

**Q: I am a financial professional and often talk about business with my spouse. That's not a problem, is it? I only occasionally reveal non-public information and my spouse knows not to tell anyone else.**

A: This is a problem that could be costly for both you and the company. If your spouse were ever to use material non-public information given by you to buy or sell securities, both of you could be prosecuted for illegal insider trading. You should not give any non-public information to your spouse or to others.

## **International Ethics and Compliance**

*Spectra Energy maintains the highest standards of integrity when conducting business in the United States and abroad. We build relationships based on trust and respect with our customers, suppliers and community stakeholders.*

Spectra Energy's success in global business transactions depends on our compliance with country-specific constraints and conditions, and sensitivity to local customs. The laws, regulations and conventions governing our international business relationships vary from country to country. It is Spectra Energy's policy to comply not only with the letter of these laws but also with their spirit. Spectra Energy is also responsible for following certain U.S. laws when doing business outside of the United States. Since violations can result in substantial fines, imprisonment and severe restrictions on the company's ability to do business, it is essential that Spectra Energy employees follow them. If local law conflicts with applicable U.S. law, or if in doubt for any reason, ask for guidance before taking any action.

### **Our Responsibilities**

Spectra Energy employees who conduct business outside of the United States are expected to be familiar with the laws and regulations of each country in which they conduct business, as well as the following laws and regulations:

- The anti-bribery provisions of the Foreign Corrupt Practices Act (FCPA) and the anti-bribery legislation of the Organization for Economic Cooperation and Development (OECD) Convention
- U.S. anti-boycott laws
- U.S. Treasury embargo sanctions
- U.S. export control restrictions.

Spectra Energy employees must:

- Report any FCPA and OECD Convention concerns.
- Seek advice in advance from legal counsel regarding whether a payment is legal and legitimate.
- Record all payments and transactions accurately and fairly.
- Report all requests for boycott support or boycott-related information.
- Obtain technical and legal guidance about export control restrictions when exporting sensitive goods or technology.
- Seek advice regarding any sensitive political issues in countries where Spectra Energy is doing or considering doing business.
- Get the training needed to understand laws and regulations governing international transactions.

Employees must not:

- Make payments or give business courtesies directly or indirectly (such as payments to agents, sales representatives or other third parties) if there is reason to believe they will be used illegally. This includes corporate and personal funds.
- Violate anti-boycott laws, governmental embargoes or export control restrictions or prohibitions.

**Related Information**

The following are summaries of the key U.S. laws and regulations governing international business. Because most are based on U.S. foreign policy and national security goals, they are subject to change. It is your responsibility to stay updated on changes in these laws.

**FCPA and the OECD Convention Legislation** The FCPA and OECD Convention legislation make it a crime to promise, offer or give anything of value to a government official or a political party or candidate in order to obtain or retain business or gain any improper advantage. The FCPA covers all countries in which Spectra Energy currently has operations, and the laws implementing the OECD Convention have been ratified by many of those countries.

**Anti-boycott Laws** Anti-boycott laws make it illegal to cooperate in any boycotts between foreign countries if the boycotts are not sanctioned by U.S. law.

**Treasury Embargo Sanctions** The Treasury Department's Office of Foreign Assets Control prohibits U.S. companies and their foreign subsidiaries from doing business with certain countries, agencies and individuals. Regulations vary depending on the country and the type of transaction.

**Export Control Restrictions** To prevent sensitive goods, technology and software from falling into the wrong hands, exports of items sensitive to certain countries and individuals may be restricted or prohibited. These restrictions and prohibitions may also apply to transfers between Spectra Energy and its foreign subsidiaries.

## **Laws, Rules and Regulations**

*Spectra Energy and its business units are subject to various external laws, rules and regulations. Violations of these rules expose Spectra Energy and its employees to potential monetary penalties, loss of the ability to execute in the marketplace, reputational damage, loss of shareholder value, and civil and criminal charges.*

## **Our Responsibilities**

Spectra Energy employees are required to comply with the letter and intent of all applicable laws, rules and regulations, and to act with integrity and in a principled and ethical manner.

Spectra Energy employees must:

- Be aware of the laws, rules and regulations that affect your daily job responsibilities and understand how they apply to your work.
- Receive training on applicable laws, rules and regulations.
- Ask questions and gain clarification on the impact of applicable rules prior to acting.
- Communicate any ethics and compliance concerns to your supervisor, or their manager, your human resources representative, or the ethics and compliance office. If you desire anonymity, contact the EthicsLine at 1-877-SE ETHIC (1-877-733-8442) or [www.spectraenergy-ethicsline.com](http://www.spectraenergy-ethicsline.com).

Additional leadership responsibilities:

- Research questions and issues on applicable laws and regulations and provide guidance to employees.
- Educate employees on the meaning of the applicable laws and regulations and their effect on work activities.
- Monitor work activities for on-going compliance.
- Report any potential acts of non-compliance.
- Review the organization's compliance risk and the effectiveness of procedures in place to mitigate that risk.
- Provide the proper incentives to ensure on-going compliance.

## **Media and Public Releases of Information**

*Spectra Energy employs professionals who are trained and qualified to release information to the public.*

Unauthorized and inappropriate releases of information to the public can result in violation of SEC full disclosure laws, stakeholder confusion, and damage to Spectra Energy's competitive position, brand, and reputation. Only trained and authorized corporate or business unit spokespersons should provide information to the media about Spectra Energy.

There are also very specific rules regarding the reporting of information to government agencies or elected officials. Only trained and qualified professionals should handle requests for information from public agencies or individuals. However, all employees are expected to cooperate fully and truthfully with regulatory and governmental investigations and proceedings, and not obstruct other employees from doing so.

Additionally, employees planning to provide information about Spectra Energy to public audiences through speeches, presentations, interviews, panel discussions, articles, papers, surveys and the like should obtain prior management approval and notify communications staff.

### **Our Responsibilities**

Spectra Energy employees must:

- Forward requests for information to the appropriate department below, if communicating outside of Spectra Energy is not part of your assigned responsibilities:
- Inform your supervisor immediately about any request from a government agency or individual that is outside the scope of your routine job responsibilities.
- Report any violations of law or this Code that may warrant disclosure to appropriate government authorities.
- If your personal cooperation has been requested (such as by subpoena), cooperate fully and truthfully with regulatory and governmental investigations. Failure to cooperate will result in corrective action up to and including employment termination.

Spectra Energy employees planning to provide information about Spectra Energy to public audiences through speeches, presentations, interviews, panel discussions, articles, papers, surveys and the like must:

- Get management approval before proceeding with public communications.
- Provide adequate advance notice to the appropriate communications staff, who will advise on the opportunity. Included are situations where employees are speaking on behalf of an industry taskforce or committee.
- Refrain from offering opinions or answering questions beyond your area of expertise.

#### **Source**

Financial community  
News or trade media  
Regulatory agencies  
Elected officials  
Person seeking information  
about a current or former  
Spectra Energy employee

#### **Refer to**

Investor Relations  
External Affairs  
Legal Department  
Governmental Affairs  
Human Resources

## **Political Process**

*Spectra Energy strongly supports individual participation in the political process in our communities, including involvement with political parties, candidates or issues, and participation by eligible employees in Spectra Energy's political action committee, Spectra-DCP PAC. Such activities demonstrate stewardship, by showing that we care about the communities in which we live and work.*

However, because laws and regulations governing political activities and contributions are complex and diverse, employees must not undertake such activities on behalf of Spectra Energy or on company time without the prior approval of Spectra Energy's governmental affairs department.

Spectra Energy provides information on its political activities and shares its viewpoint with employees, customers and the general public. We respect anyone's right to disagree with the official company positions regarding political preferences. We encourage our employees to exercise their right to vote in local and federal elections.

## **Our Responsibilities**

Spectra Energy employees are expected to follow these guidelines to avoid violating laws and regulations concerning political activities and contributions.

Spectra Energy employees must:

- Make clear that political statements you make are your individual, personal views and not those of Spectra Energy.
- Get approval from governmental affairs before performing political activities on company time or using company resources, including photocopy machines, computers, telephones and other forms of company property.
- Notify your supervisor when making plans to campaign for or serve in public office.
- Avoid conflicts of interest when serving in public office by excusing yourself from any political matters involving Spectra Energy.

## **Records Management**

*Spectra Energy creates, delivers and exchanges information in many ways. We must demonstrate accountability by handling records properly.* Employees manage a variety of business records in many forms, including but not limited to:

- Recorded conversations
- Presentations
- Audio conferences
- E-mails
- Paper documents
- Engineering drawings
- Videos
- Databases
- Instant Messaging

Information integrity, information privacy, information standard setting and information security issues require on-going attention.

Spectra Energy's records must be retained and disposed of in accordance with Spectra Energy Records Retention Rules, which incorporate applicable laws and regulations.

Utilizing effective records management process is important to manage our regulatory and legal costs. Spectra Energy's integrity can be seriously questioned if records are not managed appropriately, retained for the appropriate length of time or are not disposed of properly. Failure to appropriately manage records places us at risk for possible penalties, fines and other sanctions.

### **Our Responsibilities**

Spectra Energy employees must:

- Manage our business records in accordance with the Records Management Policy and its associated Records Retention Schedule.

Employees must not:

- Knowingly destroy, alter or falsify records in order to impede any pending or potential internal, civil, or governmental investigation or proceeding.

### **Q & A**

**Q: What is the definition of a "record"?**

A: Company Records include all documentary materials, regardless of media type, physical form or characteristics, made or received in connection with the transaction of business and preserved, or appropriate for preservation, as evidence or the organization, functions, policies, decisions, procedures, operations or other activities of the Company or because of the informational value of the data held within them.

## **Safeguarding Company Resources**

*Spectra Energy invests in and uses certain assets to advance its business strategy and objectives. These assets include, but are not limited to books, office supplies, fax machines, computers, phones and work time.*

Limited personal use of these assets on company time is allowed. However, because excessive personal use can be costly and impact profitability, employees are expected to use good judgment.

The personal use of equipment, tools and machinery is not allowed, except where specific business unit procedures allows for such use.

## **Our Responsibilities**

Spectra Energy employees are expected to use Spectra Energy assets and resources responsibly and for legitimate business purposes.

Spectra Energy employees must:

- Talk to a supervisor when it is unclear if the use of a company asset in a given situation is appropriate.

Employees must not:

- Reproduce protected materials for personal use.
- Make personal use of any Spectra Energy asset (including computers and other office resources, equipment, tools and machinery) that creates any additional costs for Spectra Energy, interferes with work duties or violates any company policies.
- Allow company property to be used for illegal activities.
- Use company property or information for personal gain.

## **Ethics and Compliance Program Responsibilities**

As part of Spectra Energy's commitment to conducting its business ethically, we have created the Ethics and Compliance Program to help employees follow this Code of Business Ethics and to meet legal or regulatory requirements related to company business.

- The Audit Committee of the board of directors exercises reasonable oversight with respect to the implementation and effectiveness of the program.
- The management of the company promotes an organizational culture that encourages ethical conduct and a commitment to compliance with all applicable laws, rules and regulations.
- The Chief Ethics and Compliance Officer has overall responsibility for the program's effectiveness.

**Code of Business Ethics**  
**EthicsLine: 1-877-SE-ETHIC**  
**877-733-8442**

**<http://www.spectraenergy-ethicsline.com>**

*Printed copies may not include the most current information.*