



Code of Conduct of Emera Energy Regarding Commodity Transactions

Scope of Code of Conduct

This code of conduct (“Code of Conduct”) defines the conduct and certain business practices required of each employee and any other person acting on behalf of, binding or purporting to bind Emera Energy Inc. and its affiliates (collectively “Emera Energy”) in respect of Commodity Transactions (defined below) (such employees and other individuals are called “Employees” for the purposes of this Code of Conduct).

Application

This Code of Conduct serves to set out Employees’ obligations in respect of transactions involving the buying or selling of natural gas (“Natural Gas Transactions”), electricity (“Electricity Transactions”) and any other commodities (together “Commodity Transactions”) and data reporting and to assure regulators, Price Index Developers (defined below), exchanges, and other market participants that Emera Energy’s Commodity Transactions and data reporting will be conducted in compliance with applicable laws and exchange rules, and are carried out with integrity, transparency, and in good faith.

Without limiting the general obligation to comply with all applicable laws, this Code of Conduct is intended to adhere to the Federal Energy Regulatory Commission’s (“FERC”) regulations regarding prohibitions against energy market manipulation and FERC’s *Policy Statement on Natural Gas and Electric Price Indices* in respect of conducting Natural Gas Transactions and Electricity Transactions and reporting of data on behalf of Emera Energy from such transaction to any energy commodity price index developer (“Price Index Developer”).

Policy Statement

Employees shall conduct Commodity Transactions and data reporting with integrity, transparency, and in good faith in a manner consistent with all applicable laws and exchange rules. Compliance with this Code of Conduct is mandatory for all Employees and a failure to adhere to this Code of Conduct may result in disciplinary action, including termination of employment with cause.

1. **Conducting Commodity Transactions.** Employees conducting Commodity Transactions shall:
 - A. Be part of the Emera Energy front office.
 - B. Verify that all Commodity Transaction data is accurate and complete and submit it promptly to the Emera Energy trading system.
 - C. Not submit any data directly to a Price Index Developer.



- D. Engage only in Commodity Transactions with legitimate business purposes, such as making a profit, executing a lawful trading strategy, or managing business risk. In no event will any Employee engage in any Commodity Transaction that is intended to boost revenues or volumes artificially or that is intended to manipulate market prices, market conditions, or market rules.
- E. Immediately notify the Emera Energy middle office if any Commodity Transaction data is corrected or revised so that it can be re-reported to Price Index Developers as required.

2. Reporting Commodity Transactions. Employees reporting Commodity Transactions shall:

- A. Be part of the Emera Inc. middle office.
- B. Take all appropriate steps to verify Commodity Transaction data.
- C. Not conduct Commodity Transactions.
- D. Report to the relevant Price Index Developers each and every fixed price bilateral, arm's-length Natural Gas Transaction between non-affiliated companies in the physical markets at all trading locations:
 - i. in a manner consistent with the *Policy Statement on Natural Gas and Electric Price Indices*; and
 - ii. separately, providing the price, volume, buy/sell indicator, deliver/receipt location, transaction date, and term (next day or next month).

Financial hedges, financial transactions, swaps or exchanges of natural gas are not reported to Price Index Developers. Electricity Transactions are also not reported to Price Index Developers at this time.

- E. Cooperate with the error resolution process developed by each Price Index Developer in a timely manner, including adherence to the process for submitting corrections to Commodity Transaction data Emera Energy has reported and for responding to inquiries from Price Index Developers.
 - F. Confirm with the Emera Energy Compliance Officer that all necessary arrangements (including confidentiality agreements) are in place with Price Index Developers before submitting Commodity Transaction data to them.
- 3. Document Retention.** It is the responsibility of every Employee to ensure that all relevant data relating to all reported Commodity Transactions is retained for a minimum of seven years and in accordance with Emera's retention policies.
- 4. Compliance Assurance.** Each Employee shall ensure that no Commodity Transaction is concealed or misrepresented and properly document such trades in a timely fashion. In



the event an Employee becomes aware of any instance of non-compliance with this Code of Conduct, they must promptly bring that non-compliance to the attention of the Emera Energy Compliance Officer.

5. **Emera Energy's Audit Requirements.** Emera Energy shall have an independent body conduct a biennial audit of Emera Energy's adherence to its data gathering and submission process. The results of the audit shall be made available upon request to the Price Index Developers to whom Emera Energy submits Commodity Transaction data. Emera Energy shall permit the Price Index Developers to recommend changes, if any, to improve the accuracy and timeliness of data reporting.
6. **Audits.** Audits do not relieve any Employee of its obligations under this Code of Conduct. Each Employee shall cooperate with all internal and external audits and compliance programs in respect of Commodity Transactions.

Any questions regarding this Code of Conduct should be directed to Emera Energy's Compliance Officer.