



## ETHICS AND COMPLIANCE CODE

*At ESG, our purpose is to partner with our customers and communities to create a more resilient, sustainable future for our planet. We are partners for tomorrow.*

# TABLE OF CONTENTS

<b>INTRODUCTION</b>	<b>03</b>
Employee Responsibility and Accountability	04
Manager and Supervisor Responsibility and Accountability	
Asking Questions or Reporting Concerns	05
Non-Retaliation Policy	06
<b>SAFETY</b>	<b>07</b>
Workplace Environmental, Health and Safety	
Supplier Safety	
Violence in the Workplace	
Substance Abuse	
<b>RESULTS</b>	<b>08</b>
Conflicts of Interest	
Antitrust, Competition and Fair Trade	09
Gifts and Entertainment	
Third-Party Business Relationships	10
Questionable Payments	
<b>ACCOUNTABILITY</b>	<b>11</b>
Company Property	
Technology and Cybersecurity	
Confidential Information and Intellectual Property	12
Privacy	
Business Records and Internal Controls	13
<b>OUR PARTNERSHIPS</b>	<b>14</b>
Our Communities	
Our Customers	
Our Suppliers	15
State and Federal Regulatory Authorities	
Political Activities	
<b>EQUITY</b>	<b>16</b>
Fair Treatment and Equal Opportunity	
Social Media	17
Contact with the Media	
<b>CODE SUMMARY</b>	<b>18</b>



# INTRODUCTION

*The Code applies to all of us.*

Our Ethics and Compliance Code (“Code”) is organized around our customers and values. Our Code provides an overview of the laws, regulations, and policies applicable to each of us and the work we do. The Code also honors our history and builds trust with our customers and communities. While this Code is not an employment contract, it serves as a roadmap incorporating our values into the decisions we each make every day. If you have any questions regarding the Code or our policies, contact the Legal or Human Resources department.

The Code applies to everyone at the Company and is a starting point for working by and living our values. Energy Systems Group expects every employee to act with personal and professional integrity, follow all applicable laws and regulations, and any additional policies and procedures which may apply according to an employee’s role.

If employees do not follow the Code, Company policies or procedures, or applicable laws or regulations, Energy Systems Group may take disciplinary action, up to and including termination. Because our Code is central to our mission of serving our customers, we expect our suppliers, vendors, and other third parties with whom we do business to live the same values as our employees.

This Code is not an employment contract between you and Energy Systems Group, nor does it replace our employment policies and work rules. Employment with Energy Systems Group is “at will,” which means that you or Energy Systems Group may terminate your employment, with or without cause and with or without notice. Employees who violate this Code are subject to disciplinary action, up to and including termination of employment.

### **Employee Responsibility and Accountability**

Energy Systems Group employees protect our ethical culture. It is our responsibility to live our values and model accountability by promoting a work environment where people can count on each other. We expect employees at all levels to honor their commitments.

As employees:

- We read, understand, and follow our Code and other applicable policies, procedures, and guidelines;
- We stay informed and educated through our training opportunities;
- We cooperate with investigations and respect the non-retaliation policy;
- We seek advice, ask questions, and provide feedback; and
- We protect, manage, and use resources wisely.

### **Manager and Supervisor Responsibility and Accountability**

Managers and supervisors lead by our values, this Code, and our policies, in their words and their actions. Energy Systems Group expects managers and supervisors to provide timely guidance and advice and communicate openly, honestly, and respectfully with employees.

As managers and supervisors:

- We set the right tone by acting ethically;
- We incorporate our values into communications, training, and awareness materials;
- We facilitate the reporting and investigations process and take prompt action to correct issues; and
- We encourage employees to seek advice, ask questions, and provide feedback.

Supervisors and managers have the responsibility to report any concerns about possible unethical or illegal behavior to a more senior manager or the Legal or Human Resources department.

### **Asking Questions or Reporting Concerns**

Our reputation, our relationships, and our future depend on a commitment to ethics and compliance. If you see someone violating the Code, you must say something.

Misconduct or bad choices - including failure to report concerns - can impact everyone. You may report your concern to any direct supervisor or manager, the **ESG Ethics and Compliance Concerns Line**, or any other member of management (for example, Human Resources or the Legal Department).

Sometimes you may be unsure whether something is an ethics concern. Report it anyway. We can help figure out how to best address the issue.

#### Examples of ethics concerns:

- Conflicts of interest;
- Insider trading;
- Harassment;
- Discrimination;
- Theft; and
- Other behavior or business practices inconsistent with our Code.

#### Examples of issues typically for HR:

- Concerns about work schedule;
- Concerns involving profanity or general rudeness;
- Questions about benefits; or
- Questions about rehire eligibility.

Your manager or supervisor may be able to help you. You also may want to contact the **ESG Ethics and Compliance Concerns Line**. The more detail you provide, the more effectively Energy Systems Group can review and investigate the issue.

Sometimes, it's not easy to figure out the right thing to do, but the important thing is to get help. Never hesitate to speak up when something does not look or feel right, even if it is just to ask a question. Make sure what you report is in good faith and accurate to the best of your knowledge. Our reporting process does not work when someone reports false or misleading information. Misreporting violates our Code and threatens our culture. Energy Systems Group requires employees to cooperate fully with the reporting and investigations process.



#### Call

833.985.0205 English  
800.216.1288 Spanish

#### Visit

<https://www.lighthouse-services.com/energysystemsgroup>

#### Email

[reports@lighthouse-services.com](mailto:reports@lighthouse-services.com)  
Must include company name in email.

#### Fax

215.689.3885  
Must include company name in fax.

**Anonymous Reporting App**  
Search for "Anonymous Reporting"  
in your phone's app store.



iPhone



Android

We take your concerns seriously. Once you make a report, we will review it and determine how to best address your concern including, where appropriate, starting an impartial, fair, and thorough investigation. If an investigation reveals a violation of our standards, we will address it accordingly.

#### **Non-Retaliation Policy**

Energy Systems Group takes all issues raised by employees seriously and addresses each issue in a fair and prompt way. Energy Systems Group does not tolerate any form of retaliation or negative reaction for raising good faith concerns about violations of our Code or any applicable laws or regulations.



# SAFETY

*We are responsible for the safety and health of all ESG employees, our communities, our customers, and our business partners, and to ensure everyone returns home safely at the end of each day.*

## **Workplace Environmental, Health and Safety**

Energy Systems Group is committed to protecting the safety and health of employees by providing a safe and secure workplace where no person is subject to an unnecessary risk. As employees, we must stay aware of the possible safety risks we may encounter while doing our jobs. We protect ourselves and others from possible health and safety risks by promptly reporting environmental and safety hazards, near misses, accidents, and incidents - no matter how small - and engaging in activities to mitigate the risks. These reports help Energy Systems Group investigate potentially unsafe practices and situations and make changes to protect our employees and community.

## **Supplier Safety**

We expect our suppliers to embody Energy Systems Group's values by promoting and maintaining a safe environment free from discrimination, complying with all applicable labor, employment, and human rights laws, and upholding a zero-tolerance policy for workplace violence.

## **Violence in the Workplace**

Energy Systems Group will not tolerate any acts or threats of violence, intimidation, bullying, assault, or aggressive behavior in the workplace committed by or against our employees. If you witness or experience any threatening behavior, including written words, report it.

We do not allow employees to keep weapons on Company property, including personal vehicles parked on the property, unless state laws allow otherwise.

## **Substance Abuse**

Performing our jobs safely and productively requires clear thinking and unclouded judgment. Drugs, alcohol, and/or other substances can prevent us from doing our best work and threaten our goal of a safe and healthy work environment. Energy Systems Group expects everyone to report to work free from the possession of illegal drugs and the effects of drugs, alcohol, or other substances with the potential to affect job performance. We reserve the right to search personal and Company property, enforce our rules, and test employees for substance abuse.



## RESULTS

*We strive to exceed expectations at every turn; for our teams, our customers, and our communities, and to do so with the utmost integrity.*

### **Conflicts of Interest**

Energy Systems Group wants every employee to succeed both inside and outside of the Company. The Company respects the rights of our employees to pursue opportunities outside of Energy Systems Group, provided those opportunities do not harm Energy Systems Group's business, our customers, or otherwise interfere with your job.

Employees must avoid even the appearance of a conflict of interest. A conflict of interest may exist when there is a conflict between a personal interest and the interest of Energy Systems Group or a customer. If you use your position at Energy Systems Group for personal gain, you may have a conflict. If you conduct an activity outside Energy Systems Group that may even appear to conflict with Energy Systems Group or our customers, talk it through with your manager or the Legal Department.

Some examples of potential conflicts include:

- Supervising a close family member;
- Owning or investing in a company that may work or compete with Energy Systems Group;
- Receiving personal compensation from a supplier;
- Using confidential information for personal gain; or
- Accepting or offering gifts, hospitality, or favors to or from a third party who does business (or wishes to do business) with Energy Systems Group.

Employees may obtain prior written approval from the Company to avoid certain conflicts of interest. Additionally, you should not make employment decisions of any kind about your family members.

If you think you have a conflict of interest, talk to your manager, the Legal Department, or Human Resources, and we will solve the problem together. If we do not address actual or potential conflicts, not only does it violate our Code, but it also threatens Energy Systems Group's commitment to integrity.

#### Key Questions to Identify Conflicts of Interest

- Am I using a Company resource for my own benefit?
- Do I have a relationship that may appear to impact decisions I make for Energy Systems Group?
- Do I have an ownership stake in a business working with or competing with the Company?
- Would someone question my judgment based on something I'm doing outside of work or a relationship I have?

#### **Antitrust, Competition and Fair Trade**

We deal fairly with our customers, suppliers, competitors, and employees. They trust us because we keep our word and follow through with our promises. We do not engage in practices to unfairly limit trade or leave out competitors or agree with other competitors on prices or markets. We follow all applicable antitrust and competition laws and do not enter into agreements that would prevent or discourage competition.

Each of us should avoid discussing our business plans outside of Energy Systems Group, even informally. We must protect proprietary, private, and market sensitive information, or any information that could give someone an unfair competitive advantage. We may not show a preference for any competitive market entity, such as recommending a specific provider to an end-use customer.

#### **Gifts and Entertainment**

At Energy Systems Group, we compete fairly based on the quality of our products and services. Energy Systems Group must avoid even the appearance that its business relationships might be based upon, or in case of business with the U.S. Government, involve giving, seeking, or receiving gifts or gratuities. From time to time, we may give or accept gifts or entertainment as a regular part of business where it is of reasonable value for a legitimate business purpose. Employees should see the Government Contracting Policy Compliance Manual CM01-CM12 for full guidance and details.

Before offering, promising, giving, or accepting a gift or entertainment, you should obtain approval from your supervisor. Travel or entertainment with a vendor requires the approval of the employee's Vice President and the Legal department. As a general rule, employees should not offer a gift, entertainment, meal, travel, or anything of value to a government official. An employee should never accept cash, gift cards, other cash equivalents, or any gift appearing to be an attempt to sway your judgment.

For general guidance regarding applicable law see the Pay-to-Play or P2P/ Gifts/Lobby Compliance Tool on ESG's SharePoint intranet website. For specific guidance contact the ESG General Counsel.

### **Third-Party Business Relationships**

We expect our suppliers, vendors, subcontractors, and business partners to follow ethical business practices and maintain the standards set forth in the Ethics and Compliance Code. We choose our vendors carefully based on objective criteria such as price, past performance, safety record, business reputation, technical expertise, production capacity, and financial stability. If you think you have encountered a conflict of interest with a third party, please report it to the [\*\*ESG Ethics and Compliance Concerns Line\*\*](#).

### **Questionable Payments**

Energy Systems Group never offers, promises, gives, or accepts money or anything of value to or from third parties to get an improper business advantage. As employees, we do not offer any payments or concessions during a commercial transaction without proper authorization, even through a third party. Energy Systems Group prohibits all kickbacks, bribes, and payoffs. It is just as wrong to offer a kickback as it is to accept a bribe.

### **Fraud/Anti-Money Laundering**

Fraud compromises the accuracy of our financial records and threatens our reputation. Fraud involves intentionally misrepresenting or concealing facts in a way that could lead someone to rely upon false information and can range from minor employee theft to significant misstatements of the Company's books. Energy Systems Group remains alert to suspicious transactions that could represent money laundering. We must understand what qualifies as fraud and report all suspicious financial activities.

Some common types of fraud include:

- Inaccurately reporting time, sales, or expenses;
- Falsifying any business report;
- Understating/overstating liabilities and assets; and
- Intentionally misleading customers about contract terms and conditions.



# ACCOUNTABILITY

*We have a responsibility to leave things better than we found them, always and under every circumstance.*

## **Company Property**

The proper management of Company property and assets allows us to effectively serve our customers. Employees are responsible for respecting and protecting the Company assets used to do their jobs. Employees may only use Company property with authorization and should take steps to secure and protect it from damage, misuse, and/or theft. Under limited circumstances, employees may use Company property for personal purposes with management approval, as long as such use does not reduce property value, interfere with an employee's work, or result in personal profit. Employees have no expectation of privacy and the Company may monitor all information contained on our property or in our systems, regardless of location.

## **Technology and Cybersecurity**

Just like we must care for Energy Systems Group's physical property, each of us should protect the technology we use to do our job. We should use these resources responsibly. Each of us has a responsibility to follow applicable information security policies (such as password requirements and "phishing" precautions), software licensing agreements, and document retention policies. If you see theft, misappropriation, and/or other waste of Company resources or property, speak up.

### Tips from Energy Systems Group Technology

- Only use Company-approved applications to send confidential information outside the Company.
- Save confidential information using Company-approved tools.
- Never share non-public information on the internet or social media.
- Lock up unattended devices. Lock your computer screen when you leave your desk.
- Don't leave confidential information on printers or whiteboards.
- Avoid leaving work devices in vehicles.
- Avoid viruses and malware; don't click on suspicious attachments or links.
- Never share your Company password with anyone.
- Don't use your Company password for external accounts.
- Always be aware of what's on your screen while on airplanes, trains, or in other public locations where someone might be able to see your screen.

### **Confidential Information and Intellectual Property**

Energy Systems Group's sensitive and confidential information are important company assets. Our intellectual property, including trademarks, trade secrets, and technical business knowledge and expertise represents hard work by our employees, and in some cases, our competitive advantage. You should assume this type of information is confidential, unless Energy Systems Group publicly discloses it. Some information may require more protection than others. If you have a question about whether you can disclose certain information, contact the Legal Department. Your duty to protect the Company's sensitive and confidential information continues even after you no longer work for Energy Systems Group.

If you need to share sensitive or confidential information with a third party as part of your job, make sure the person receiving the information has signed a non-disclosure agreement or is otherwise required to keep the information confidential consistent with our policies and legal requirements. Don't talk about sensitive or confidential material, non-public information in public places where somebody may overhear your conversation.

Examples of sensitive or confidential information include:

- Customer information;
- Financial information;
- Business strategies and plans;
- Organizational charts; and
- Intellectual property (for example, market research data, technical drawings/plans, software development processes); and
- Material non-public information.

### **Privacy**

We respect the privacy of our customers, business partners, and suppliers and protect their personal information. We also protect our employee's personal information. We expect all employees to keep all personal, proprietary, and private information in confidence. Personal information includes customer information, an employee's personnel file, medical information, social security number, home address, and telephone number. Employees may only access personal information when they need to know such information to do their job and have obtained proper authorization.

### **Business Records and Internal Controls**

Accountability also means we are straightforward and truthful in conducting our business. Energy Systems Group must maintain transparent financial records and report accurate information to our stakeholders. Accurate record keeping is important in every transaction. We all have a responsibility to be thoughtful in our company expenses and to keep our records clear, accurate, and complete. No one should ever falsify any record or account.

We should be candid and transparent in conducting Company business.

We are also committed to identifying and preserving records of vital historical, fiscal, and legal value - and to disposing of non-essential records in a timely manner.

#### Tips for Internal and External Audits

- Cooperate fully.
- Provide complete, accurate, and timely responses to questions and document requests.
- If asked to retain records by Legal do so until you are told retention is no longer necessary.
- If someone outside Energy Systems Group asks for records, contact Legal about how to respond.



## OUR PARTNERSHIPS

*We are a community, and our communities are our home. Our people work as one team to bring sustainable solutions to our customers and the world we live in.*

### **Our Communities**

We recognize the role we play in the communities where we live and work, and we take our corporate responsibilities seriously. Our goal is to be a catalyst in our communities by leveraging everyday opportunities and resources to achieve extraordinary outcomes that improve our stakeholders' lives today, and also build a strong foundation for tomorrow.

We encourage our employees to make a positive difference in their communities through both giving and volunteerism.

Our **corporate giving** focuses on fostering a high quality of life in the communities we serve and make the lives of the people in our communities better, safer, and more successful and resilient. We are committed to supporting state and government accredited associations and 501(c)(3) nonprofit organizations and programs that encourage community connections and promote inclusion.

Our **volunteer program** encourages employees to give of their time to qualified state and government accredited associations and 501(c)(3) nonprofit organizations. We grant each employee 8 hours of paid leave to support organizations important to them and their community. We understand that, together, we can help our communities grow and prosper now and into the future.

### **Our Customers**

We must work every day to earn and keep the trust of our customers by dealing fairly, protecting customer information, and consistently providing safe and reliable customer services.

### **Our Suppliers**

At Energy Systems Group, we are committed to developing strong working relationships with suppliers by actively seeking qualified diverse suppliers, encouraging suppliers of Energy Systems Group to support supplier diversity, and seeking opportunities to develop diversity.

### **State and Federal Regulatory Authorities**

Energy Systems Group supplies energy services to Commercial, Federal and Public Sector customers. We take care to ensure the safety and reliability of our customer's energy supply. Our operations are influenced by both state and federal legislative requirements. Failure to comply can result in substantial penalties.

### **Political Activities**

Only authorized persons may communicate with government officials on Energy Systems Group's behalf. Employees should direct any questions or inquiries from a government official to our Marketing or Legal departments.

We encourage employees to participate actively in politics in their personal capacity. If you choose to participate, your contributions must be on a personal basis, using your own funds. Company resources may not be used to express personal political views. While expressing a personal political view, you may not reference your title or job with Energy Systems Group.



## EQUITY

*We have deep appreciation for our team members, our communities, our customers; and we strive to empower our people and our customers equally; setting the stage for their success.*

### **Fair Treatment and Equal Opportunity**

Each of us plays a critical role in creating a workplace where we can all participate and contribute. We promote diversity and inclusion and strive to maintain a culture where all employees are free from discrimination. Energy Systems Group prohibits discrimination based on race, color, ancestry, age, gender, sexual orientation, religion, disability, ethnicity, national origin, veteran status, marital status, pregnancy, or any other status protected by law or local policy. This type of conduct hurts our fellow employees, our customers, and impacts the success of our business. Our Company does not tolerate bullying or conduct which diminishes anyone in any way. If you see this type of conduct, speak up and report it.

### **Workplace Respect**

We have zero tolerance for harassment, discrimination, or other abusive behavior. We are each responsible for building and maintaining a safe, respectful, and professional work environment. Our customers and fellow employees expect nothing less. We treat all employees, customers, vendors, and suppliers with respect, courtesy, and dignity. We respect our employees by following all labor, employment, and human rights laws applicable to our business. If you witness a situation that feels unsafe or may violate one of these laws, report it.

We all play a role in preventing workplace bullying and harassment through awareness of what is going on around us. Harassment is unwelcome, disturbing or offensive conduct that creates an intimidating, hostile, or offensive work environment which may result in physical or psychological harm. Sometimes harassment or unwelcome behavior may not be obvious, so it is important to recognize the key signs of this behavior. If you witness or experience harassment, speak up and report it.

#### Key Concepts to Identify Harassment

- The victim may be a man or a woman and may be of the same gender as the harasser;
- The harasser may be the victim's manager or supervisor, a co-worker, or a non-employee such as a vendor;
- It may be a physical act or in written, electronic or verbal form; and
- Anyone may be impacted by offensive conduct (not just the person harassed).

#### **Social Media**

Employees may occasionally access social media on work devices for personal use, but make smart decisions. Do not post anything on social media that may be offensive to our customers, employees, business partners, or other stakeholders. You are responsible for all content you publish on social media, whether personal or for your job. Do not discuss any non-public or sensitive information on social media or anything that could reflect negatively on our Company, our suppliers, or customers. If you share your views about our business, make sure to mention you work for Energy Systems Group, your views are your own, and to not share anything false or misleading. If you see something false or negative about Energy Systems Group online, don't respond. Instead, let Marketing know.

#### **Contact with the Media**

Energy Systems Group's goal is to communicate accurately, consistently, and according to our values to protect our business. Each of us has a responsibility to stay customer focused and responsive to inquiries. Marketing handles all questions or requests related to the Company at [marketing@esg.email](mailto:marketing@esg.email).

## CODE SUMMARY

Energy Systems Group (ESG) is a partner that you can rely on.

We create holistic, future-focused solutions to help your organization increase energy efficiency, improve resiliency and become more sustainable.

As an invested advocate for your organization, we seek to understand your unique challenges, stand beside you, and navigate the complexities of this industry - together.

## CODE APPLICATION

This Code applies to ESG and its affiliated entities. This includes PacificWest Energy Solutions, Inc. as well as Yearout Energy Services Company, LLC.