

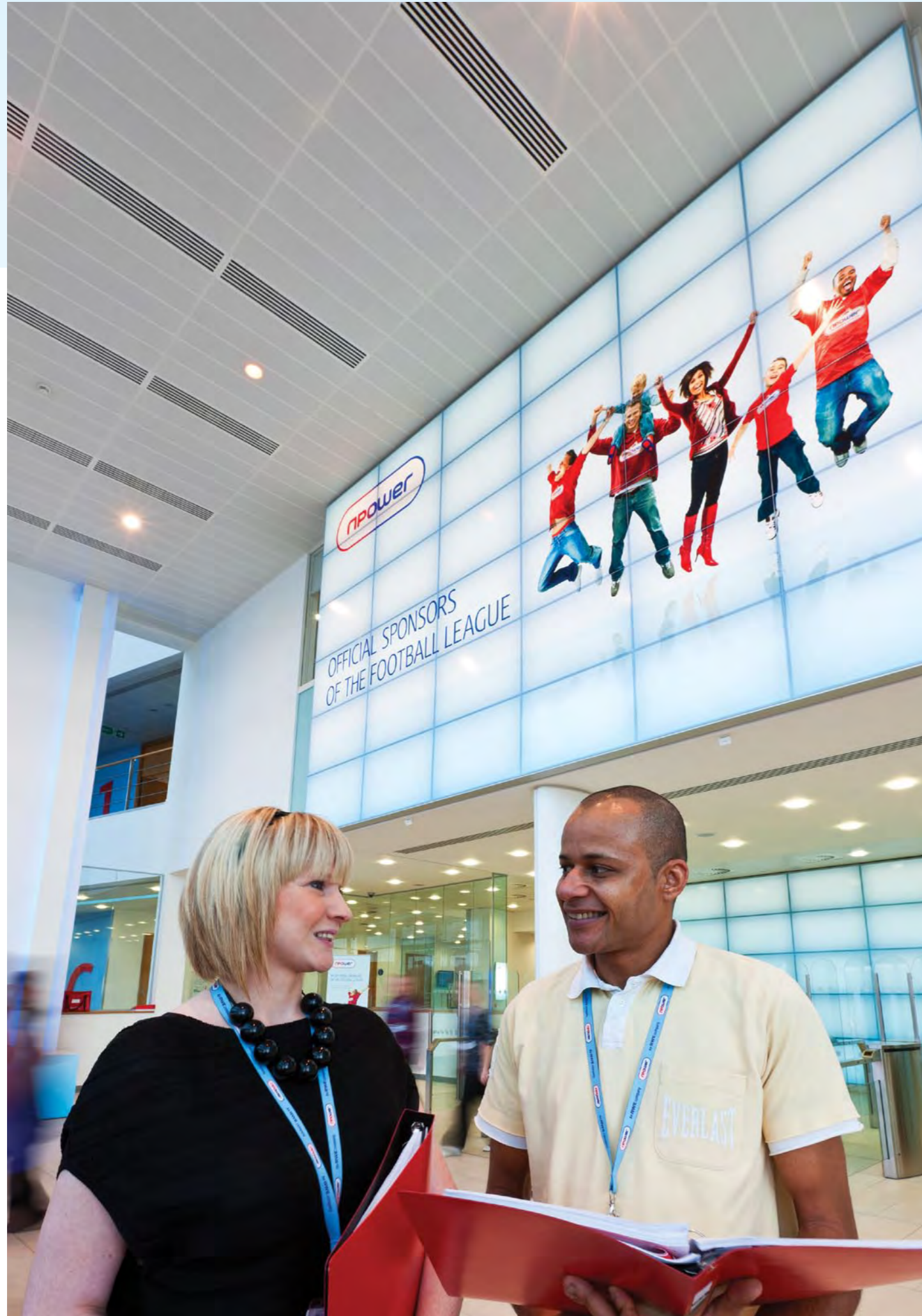


HOW WE DO BUSINESS

Statement of business principles



An **RWE** company



This statement of business principles describes the basic principles of how we do business, which should be applied by everyone who works here.

Our business principles are underpinned by a range of policies to support our people, which include Equal Opportunities, Diversity and Inclusion, Code of Conduct, Human Rights, Health and Safety and Corporate Responsibility.

Our reputation for conducting business with integrity and respect for those who are impacted by our activities is critical to our success. We know our success as a company cannot be measured solely by our financial performance.

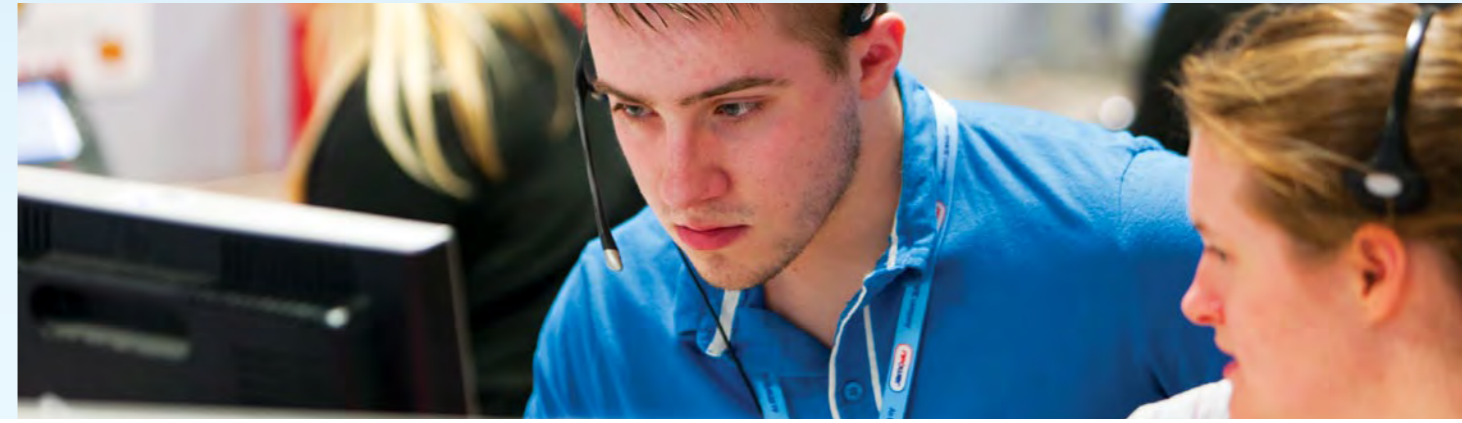
We believe our business performance will improve if we all demonstrate a common set of behaviours that will help us achieve our performance goals, as well as ensure that we go about achieving these goals in the right way. These are referred to as our Critical Behaviours.

We are committed to carrying out our business with a sense of responsibility for the environment, our customers and most importantly for you our people.

Each and every one of us has a part to play, we want to be a winning team.

Volker Beckers
CEO, RWE npower





Critical Behaviours

Our Critical Behaviours are the behaviours we exhibit when we are working at our best:

- **accountability** - giving and taking responsibility for our actions
- **focus** - prioritising where time and resources are spent
- **challenge** - improving the outcome by giving and receiving ideas
- **external perspective** - acting with our customers, shareholders and regulators in mind
- **respect** - treating colleagues with integrity and dignity
- **driving performance** - delivering on our promises
- **collaboration** - working together to achieve better results quicker.

These are the behaviours we need to focus on to help drive performance, improve management alignment and effectiveness and support our operating model.

Personal Conduct

Our Code of Conduct sets out the minimum standards expected of all our people. The conduct of our business should, above all, be characterised by honesty and integrity. Fraudulent, corrupt or improper practices of any sort will not be tolerated. We are all expected to be law abiding both inside and outside working hours and to conduct our affairs as good and responsible citizens. This includes observance of laws and respect for traditions and cultures both at home and overseas.

Health, Safety and Security

We recognise that, to truly succeed, we must rise to the challenge of providing a safe and healthy work environment to protect our people, business partners, customers and the public from ill-health or injury, as well as promoting employee wellbeing and safeguarding our assets from loss, damage and business disruption. This is fundamental to our business philosophy.



Speak Up Policy

We have established a 'Speak Up Policy' which enables our people to report matters of concern which have not been addressed through other internal procedures and which meets the requirements of the Public Interest and Disclosure Act. A confidential helpline is in place to give employees an alternative route for raising matters covered by this policy.

International Operations

We conduct our business in a professional and ethical way, upholding our Critical Behaviours, maintaining our reputation as a good corporate citizen. We obey the laws of each country and respect the local cultures and conventions, regulations and laws governing business practice.

Human Rights

We conduct our business in a professional and ethical way, upholding our Critical Behaviours, maintaining our reputation as a good corporate citizen. We obey the laws of each country and respect the local cultures and conventions, regulations and laws governing business practice.

Corporate Responsibility

We recognise, as a business, our activities have both environmental and social impacts. As a responsible company we are committed to carrying out our business with a sense of responsibility.

Environment

We recognise our responsibility towards the environment and we are committed to continuously improving our environmental performance. Together with our parent company, RWE, we are committed to meeting the requirements of the UN global compact, including its environmental principles.

Diversity and Inclusion

We are committed to Equal Opportunities and Diversity and Inclusion. This commitment means that all our people and job applicants will be treated equally and fairly without regard to sex, marital status, race, colour, nationality, ethnic or national origins, age, religion or belief, sexual orientation, trade union or, where not relevant to the job status, ex-offenders.

Communication

We recognise that open and transparent communication is critical to maintaining effective relationships. We aim to ensure that our communication is clear and that the information we provide is true and accurate. We also respect the confidentiality of information that we receive.

Third Parties

We will not take part in unlawful cartels or any form of restrictive trade practice. We recognise that integrity in our dealings is a prerequisite for successful and sustained business relationships. Our people are expected to conduct relations with officials and prospective business partners ethically and comply with competition laws throughout the world.



Political Donations

It is company policy not to make political donations, although the Political Parties, Elections and Referendums Act 2000 covers some of the company's activities.

Customers

We have a strong commitment to putting the customer first, by focusing on what is important to them – service, value and safety. We aim to be open and honest in all our communications, delivering consistent customer satisfaction beyond what is expected and, in the process, building lasting and beneficial relationships.

We want to ensure that all our customers are treated fairly and receive a service that meets their needs. We have produced six codes of practice, known as our Customer Charter, approved by OFGEM, the industry regulatory body, and regularly monitor our performance against the objectives set out in the code.

We continually invest in our people, systems and procedures to improve the quality of our customer service and the way we sell our products. We also understand the effect that changing energy prices has on our customers' daily lives. So we continue to develop products and services designed to help them use less energy and to budget more.

We want to understand what is important to our customers so we can deliver a high quality service. That is why we ask our customers what is most important to them.

- 1 We listen to our customers and act on the feedback we receive.
- 2 We aim to provide a high quality service to all our customers.
- 3 We ensure fair pricing, provide easy to understand bills and offer discounts.
- 4 We work with our customers to help them reduce their carbon footprint.
- 5 We invest in new technology to improve our service to our customers.
- 6 We invest in the community.

Community Activities

We seek to be a good corporate citizen and to develop partnerships which engender trust in the company on the part of the local community. Throughout the company we are committed to supporting local initiatives, as well as national programmes, whether through sponsorship, education resources, volunteer schemes or charitable giving.

Charitable Donations

We have an agreed policy for charitable donations and allocate a budget on an annual basis, which is controlled by the Charities Management Committee. The Committee reviews requests for charitable donations on an individual basis according to guidelines set down by the business.

Economic Drivers

Many of our activities will be subject to regulation and influence from government, regulatory authorities and industry bodies. We will work pro-actively with those groups to ensure that such regulation takes into account the interests of stakeholders while working for economic success.

Implementation and Assurance

This sets out the minimum standards expected of all our people. The requirements must be met at all times. This will help to ensure that we maintain our reputation by dealing and being seen to deal with all our business contacts in a professional and ethical way, and maintain our reputation.

Helpline number 0800 915 1571.

For more information about our approach to responsible business practice and policy information visit the intranet.





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