

Spectra Energy Code of Business Conduct & Ethics For Members of the Board of Directors of Spectra Energy Corp

October 2009

Introduction

Spectra Energy Corp's Board of Directors (the "Board") has adopted the following Code of Business Conduct and Ethics for members of the Board (the "Code").

The Code contains the standards and principles that enable directors to make good decisions that fulfill the letter and spirit of the law, and support the Spectra Energy Charter (the "[Charter](#)").

The values in the Charter provide a strong and enduring framework for dealing with the ethical dilemmas that may arise in the course of doing business.

Responsibilities of Spectra Energy Directors

All Spectra Energy directors have a responsibility to understand and follow this Code. Directors who are employees of Spectra Energy must also comply with the Spectra Energy Code of Business Ethics.

Spectra Energy directors must:

- Follow the law and this Code. This responsibility cannot be delegated or assumed.
- Seek guidance before taking action when unclear about a situation. Directors are encouraged to bring questions about particular circumstances that may involve one or more of the provisions of the Code to the General Counsel of Spectra Energy (the "General Counsel"), who may consult with inside or outside legal counsel as appropriate.
- Promptly respond to employee reports of unethical conduct or violations of laws, regulations or Spectra Energy policies by reviewing the matter with the General Counsel, who also serves as the Chief Ethics and Compliance Officer and directing him to communicate with the employee. Spectra Energy will not retaliate against any employee who reports suspected violations.
- Proactively promote ethical behavior and foster an environment of honesty and accountability.

Enforcement of the Standards in This Code

The Board will determine appropriate actions up to and including removal from the Board in the event of violations of this Code. Such actions will be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code.

Waivers of This Code

All directors are expected to follow the standards set forth in this Code. A waiver of any provision contained in this Code requires the express approval of the Board following disclosure of all relevant information and will be promptly disclosed to shareholders as required by applicable law and regulations.

Annual Review

The Board or a committee of the Board will review and reassess the adequacy of the Code annually and the Board may make any amendments to the Code that it deems appropriate.

Standards of Conduct Conflicts of Interest

A conflict of interest exists any time a director faces a choice between what is in his or her personal or professional interest (financial or otherwise) and the interests of Spectra Energy. Directors are accountable for acting in Spectra Energy's best interests, must avoid any conflict of interest, and should carefully avoid even the appearance of acting inappropriately. Directors whose objectivity may be questioned because of individual interests or family or personal relationships, that create an actual or perceived conflict of interest, should notify the General Counsel. If a director has an actual or perceived conflict of interest, information regarding the conflict should be disclosed to the Board and the director should recuse himself or herself from any decision-making process regarding that matter.

Conflicts of interest may arise when:

- A director or a member of his or her immediate family has an interest in an organization with which Spectra Energy does business.
- A director, someone with a close relationship to a director, or an organization with which the director is affiliated receives improper personal benefits as a result of the director's position on the Board.
- Other employment or service interferes with a director's ability to act in the best interests of Spectra Energy, requires the use or disclosure of sensitive information about Spectra Energy, or creates the appearance of impropriety.
- A director or a member of his or her immediate family 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 directors.

Corporate Opportunities

Directors are prohibited from taking for themselves personally, or for another organization with which they are affiliated, opportunities that are available to Spectra Energy without the prior consent of the Board. Moreover, directors must not use Spectra Energy property, information or position for personal gain and must not compete with Spectra Energy. Directors owe a duty to Spectra Energy to advance its legitimate interests when the opportunity to do so arises.

Confidential or Proprietary Information

Directors are entrusted with confidential and proprietary information that is not generally known to the public and that can provide a business advantage to others.

- Directors must comply with laws protecting sensitive information from unlawful disclosure. Failure to comply can cause irreparable damage to the Spectra Energy brand and result in legal penalties, adverse regulatory actions and restrictions.
- Directors should maintain the confidentiality of information given to them as directors except when disclosure is authorized or legally mandated.
- Directors must not disclose sensitive information to others (including employees of Spectra Energy) who do not have a business need to know the information.

Fair Dealing

Directors should deal fairly with Spectra Energy's customers, suppliers, competitors and employees.

- No director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair dealing practice.
- Business courtesies are designed to build goodwill and sound working relationships among business partners, not to gain any special advantage in the relationship. No director should ever give or accept a business courtesy that might be intended to influence, or appear to influence, the director's actions as a member of the Board.

Protection and Proper Use of Spectra Energy Assets

Spectra Energy invests in and uses certain assets to advance its business strategy and objectives. Directors are expected to protect Spectra Energy assets and resources and ensure their proper use.

Compliance with Laws, Rules and Regulations

Spectra Energy is subject to numerous local, state, federal and provincial laws, rules and regulations. Our success depends on complying with both the spirit and the letter of the law. Directors are expected to comply with all applicable laws, rules and regulations. When there are questions about the existence, applicability or interpretation of any law, rule or regulation, directors should consult with the General Counsel or other legal counsel as appropriate.

Insider Trading

Spectra Energy's success in the marketplace requires that we maintain the trust and confidence of the investment community.

Spectra Energy directors are expected to be very careful when trading securities.

- Directors must not 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 non-public information about either Spectra Energy or such other company.
- Directors may not give material non-public information to anyone not authorized to have that information.
- Directors must abide by the terms of the Spectra Energy Stock Trading Policy.