

CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS¹

1. Introduction²

PG&E Corporation and Pacific Gas and Electric Company (each a "Company" and, together, the "Companies") are committed to maintaining the highest standards of ethical conduct. This Code of Business Conduct and Ethics for Directors (Code) reflects the business practices and principles of behavior that support this commitment. Our Boards of Directors set the standards of conduct contained in the Code and update these standards as appropriate to reflect legal and regulatory developments. We expect every director to read and understand this Code and its application to the performance of his or her responsibilities. We hold each of our directors accountable for adherence to this Code.

2. Values

The Companies have adopted the following values:

- We act with integrity and communicate honestly and openly
- We are passionate about meeting our customers' needs and delivering for our shareholders
- We are accountable for all of our own actions: these include safety, protecting the environment, and supporting our communities
- We work together as a team and are committed to excellence and innovation
- We respect each other and celebrate our diversity

3. Compliance Officer

Each Company has designated the General Counsel of PG&E Corporation as its Compliance Officer to administer this Code. Directors, at their discretion, may make any report or complaint provided for in this Code to the Chairman of the Board of the respective Company or to the Compliance Officer. The Chairman of the Board or the Compliance Officer will refer complaints submitted, as appropriate, to the Chair of the PG&E Corporation Nominating and Governance Committee or to the full Board of Directors.

4. Compliance With Applicable Laws

Directors must comply with all of the laws, rules, and regulations of the United States and other countries, as well as the states, counties, cities, and other jurisdictions, applicable to either Company or its business.

This Code does not summarize all laws, rules, and regulations applicable to either Company or its business. The Companies will on occasion provide to the directors information about specific laws, rules, and regulations, which may include antitrust laws, securities laws concerning disclosure requirements and insider trading, and Federal Energy Regulatory Commission director interlock preapproval requirements. Directors are expected to consult with the Chairman of the Board or the Compliance Officer if they have questions about laws that they think may be applicable to either Company or its business.

5. Conflicts Of Interest

A "conflict of interest" may exist whenever the interests of a director conflict in any way (or even appear to conflict) with the interests of a Company. While our directors should be free to make personal investments and enjoy social relations and normal business courtesies, they must not have any interests that adversely influence the performance of their responsibilities. A conflict of interest may arise when a director takes actions or has interests that may make it difficult to perform his or her Company responsibilities objectively. A conflict of interest also may arise when a director, or a member of his or her family, receives improper personal benefits as a result of his or her position with a Company, whether received from that Company or a third party. Gifts above a "de minimis" value to, loans to, or guarantees of obligations of, directors, or their respective family members may create conflicts of interest³. Federal law prohibits personal loans from the Company to directors and executive officers.

Although it is not always possible to avoid conflicts of interest, it is each Company's policy to prohibit such conflicts when possible. Conflicts of interest may not always be clear-cut, so if directors have a question, they are expected to consult with the Chairman of the Board or the Compliance Officer. Any director who becomes aware of a conflict or potential conflict of interest is expected to bring it to the attention of the Chairman of the Board or the Compliance Officer.

6. **Corporate Opportunity**

Except as may be approved by the Board of Directors or a committee of independent directors, directors are prohibited from (a) taking for themselves personally any opportunities that belong to either Company or are discovered through the use of corporate property, information, or position; (b) using corporate property, information, or position for personal gain; and (c) competing with either Company⁴.

7. **Confidentiality**

All directors must maintain the confidentiality of confidential information entrusted to them by either Company, except when the applicable Company authorizes disclosure or disclosure is required by laws, regulations, or legal proceedings. The term "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed. Directors are expected to consult the Chairman of the Board or the Compliance Officer if they believe they have a legal obligation to disclose confidential information.

8. **Fair Dealing**

Each director is expected to deal fairly with the respective Company's customers, suppliers, competitors, officers, and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice. Inappropriate use of proprietary information, misusing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Under the laws of California, where each Company is incorporated, a director must perform his or her duties in good faith, acting honestly, free from the intention to defraud.

9. **Protection And Proper Use Of Company Assets**

All directors are expected to exercise their business judgment in a manner that protects the Company's assets and promotes their efficient use. All Company assets are to be used for legitimate business purposes.

10. **Accounting Complaints**

The Audit Committees of the Boards of Directors are responsible for establishing procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters. Directors who have concerns or complaints regarding such matters are expected to promptly submit those concerns or complaints to the Compliance Officer or to the appropriate Audit Committee.

11. **Reporting Any Illegal Or Unethical Behavior**

Directors should promptly communicate any suspected violations of the Code, including any violation of law or government rule or regulation, to the Chairman of the Board or the Compliance Officer. Suspected violations will be investigated by the Board, the Audit Committee, or persons designated by the Board or the Audit Committee. Appropriate action will be taken in the event that a violation is confirmed.

Directors should promote ethical behavior and review the Company's steps to (a) encourage employees to talk to supervisors, managers, and other appropriate personnel when in doubt about the best course of action in a particular situation, (b) encourage employees to report violations of laws, rules, regulations, or the Company's employee code of conduct, and potential ethics violations or non-compliance to appropriate personnel through, among other things, an ethics hotline, and (c) inform employees that the Company will not allow retaliation for reports made in good faith.

12. **Public Company Reporting**

As public companies, it is of critical importance that each Company's filings with the Securities and Exchange Commission be full, fair, accurate, timely, and understandable. Directors may be asked to provide information necessary to assure that the Companies' public reports meet these requirements. Each Company expects directors to take this responsibility very seriously and to provide prompt and

accurate answers to inquiries related to the Company's public disclosure requirements.

13. Amendment, Modification And Waiver

This Code may be amended, modified, or waived by the respective Company's Board of Directors, subject to the disclosure and other provisions of the Securities Exchange Act of 1934, and the rules thereunder and the applicable rules of any stock exchanges on which either Company's securities are traded. As a general policy, the Boards of Directors will not grant waivers to the Code.

¹ As adopted by the Boards of Directors of PG&E Corporation and Pacific Gas and Electric Company on December 20, 2006, and amended by the Boards on December 16, 2009 and December 21, 2011.

² This Code sets forth key principles for guiding ethical conduct of each Company's directors. These principles also are reflected in the conduct standards set forth in the PG&E Corporation's Employee Code of Conduct and other policies, standards, and procedures adopted by the Companies and specific business or support groups.

³ Under the laws of California, where each Company is incorporated, each director must exercise his or her powers in the interests of the applicable Company and its shareholders and not in his or her own interest or in the interest of another person or organization. However, transactions involving director conflicts of interest are not inherently improper if they are disclosed to and approved by a Company's Board of Directors or shareholders, or if they are "just and reasonable" to the Company at the time authorized, approved, or ratified.

⁴ Under the laws of California, where each Company is incorporated, a director may not use his or her position to make personal profit or gain or for other personal advantage.