

## Employee and Vendor Complaint Procedures PowerSecure International, Inc.

Any employee or vendor of PowerSecure International or its subsidiaries (the "Company") may submit a good faith complaint regarding accounting, internal accounting controls or auditing matters, allegations of sexual harassment, or health and safety matters to the management of the Company without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. The Company is also committed to a healthy and safe work environment. The Company has engaged Fulcrum Financial Inquiry LLP to receive, report, and (if possible) resolve complaints received from Company employees and others regarding these matters. The Company's Audit Committee will oversee treatment of employee concerns in this area through Fulcrum.

In order to facilitate the reporting of employee or vendor complaints, the Company's Audit Committee has established the following procedures for (1) the receipt, retention and treatment of employee or vendor complaints regarding these matters; and (2) the confidential, anonymous submission by employees or vendors of concerns regarding these matters.

### Receipt of Employee or Vendor Complaints

Employees or vendors with concerns regarding accounting or auditing matters, sexual harassment allegations, and health and safety matters may forward their concerns or complaints on a confidential or anonymous basis through any of the following methods:

Phone hotline at (213) 270-9990 answered by professional personnel of Fulcrum Financial from 8 a.m. to 6 p.m. Pacific time. Outside these hours, the phone will be answered by an automated voice mail system.

A web-based form located at (<http://www.fulcrumfinancial.com/PowerSecure>).

E-mail sent to [whistle@fulcruminquiry.com](mailto:whistle@fulcruminquiry.com).

U.S. mail addressed to Fulcrum Financial Inquiry LLP, Whistleblower Department, 888 S. Figueroa Street, Suite 2000, Los Angeles, CA 90017.

Fax sent to Fulcrum Financial Inquiry LLP, Whistleblower Department, at (213) 891-1300.  
Description of the Process.

Fulcrum will receive, report, and (if possible) resolve complaints received from Company employees and others regarding accounting, internal accounting controls, and auditing matters, as required by Section 301 (4) of the Sarbanes-Oxley Act.

Fulcrum will record all contacts that Fulcrum reasonably believes are intended to be a bona fide complaint (for example, wrong number phone calls and prank complaints will not be recorded). Once each quarter, Fulcrum will prepare a report that lists the (i) date received, (ii) communication means used to collect the complaint, (iii) whether the complaint was anonymous,

(iv) nature/details of the complaint, (v) Fulcrum's efforts, if any, that have been authorized, and (vi) any complaint resolution. Fulcrum will send this report to the Audit Committee Chairperson and the Company's Chief Financial Officer.

Fulcrum will handle complaints in the following fashion:

If the complaint alleges (i) a likely material misstatement of the Company's publicly available financial statements, or (ii) malfeasance by a senior Company officer, then Fulcrum will discuss the matter with the Audit Committee's Chairperson and a member of the Company's senior management that has not been implicated by the complaint. Fulcrum is available to assist with any resulting investigation and resolution, but will await Audit Committee instruction before doing anything further.

If the complaint alleges a serious matter that does not implicate a senior Company officer, then Fulcrum will discuss the matter with the Company's Chief Financial Officer. Fulcrum will notify the Audit Committee's Chairperson of the complaint and the proposed investigation or other efforts that the Chief Financial Officer directs. In the event that the Audit Committee would like additional information or has input into the proposed course of conduct, the Company and/or Fulcrum will modify the proposed effort. However, neither the Company nor Fulcrum is required to wait before proceeding with work that the Chief Financial Officer directs.

If the complaint alleges a matter that can be routinely handled by the Company's existing processes and internal controls, then Fulcrum will turn such matter over to the Company representative who is responsible for such area. The following examples are illustrative: Allegations involving routine employee expense reimbursements, small employee thefts, and relatively minor miscalculations in the accounting records will be turned over to the Company's Controller for his investigation.

Allegations involving sexual harassment or other violations of the Company's personnel policies will be directed to the Company's Chief Financial Officer.

Allegations involving health and safety matters will be reported to the Company's Chief Financial Officer.

If a complaint involves (i) misunderstandings of accounting principles, or (ii) contacts that Fulcrum believes are pranks or otherwise are not serious matters, then Fulcrum will not perform any further follow-up, other than reporting the existence of the contact.

Fulcrum will retain a record of all complaints from employees or others including the nature and resolution of the complaint.

The Audit Committee will have the ultimate authority to oversee, investigate and handle all complaints made hereunder (unless the complaint relates to the Audit Committee or a member thereof), and is authorized to retain the services of officers or employees of the Company or other outside legal counsel, accountants or other advisors, as it deems appropriate, to conduct an investigation of complaints made under the is Policy.

The Company will maintain the confidentiality of all complaints, reports and investigations made hereunder, to the fullest extent possible, consistent with the need to conduct an appropriate review and investigation of complaints and reports made hereunder.

#### Prohibition of Retaliation

Retaliation against any person who in good faith reports a complaint or concern hereunder, or who participates in or otherwise assists in an investigation related thereto, is strictly prohibited and will not be tolerated. Any act of retaliation should be reported immediately and will be disciplined appropriately.

Specifically, the Company will not discharge, demote, suspend, threaten, harass or in any other manner discriminate or retaliate against any employee in the terms and conditions of the employee's employment based upon any lawful actions of such employee with respect to good faith reporting of complaints hereunder or good faith cooperation with any investigations made hereunder, or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.