

NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

CONFLICT OF INTEREST POLICY FOR BOARD MEMBERS

(April 2021)

All board members shall be provided with this Conflict of Interest Policy upon their appointment to the NYSERDA Board and are required to acknowledge that they have read, understand, and are in compliance with the terms of the Policy. Board members should review, on an ongoing basis, circumstances that constitute a conflict of interest or the appearance of a conflict of interest and should abide by this policy and seek guidance when necessary and appropriate.

This policy is intended to supplement, but not replace, any applicable state and federal laws and regulations governing conflicts of interest applicable to unpaid board members of public authorities.

Conflicts of Interest: A conflict of interest is a situation in which the financial, familial, or personal interests of a board member come into actual or perceived conflict with their duties and responsibilities as a board member of the Authority. Perceived conflicts of interest are situations where there is the appearance that a board member can personally benefit from actions or decisions made in their official capacity, or where a board member may be influenced to act in a manner that does not represent the best interests of the Authority. The perception of a conflict of interest may occur if circumstances would suggest to a reasonable person that a board member may have a conflict. The appearance of a conflict and an actual conflict should be treated in the same manner for the purposes of this Policy.

Board members must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of the public trust. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a board member has or will have:

- A financial or personal interest in any person, firm, corporation or association which has or will have a transaction, agreement or any other arrangement in which the Authority participates;
- The ability to use his or her position, confidential information or the assets of the Authority, to his or her personal advantage;
- Any other circumstance that may or appear to make it difficult for the board member to exercise independent judgment and properly exercise his or her official duties.

PROCEDURES

Duty to Disclose: All material facts related to the conflict of interest (including the nature of the interest and information about the conflicting transaction) shall be disclosed in good faith to the General Counsel and/or Ethics Officer. Such disclosure shall be made part of the official record of the proceedings of the Authority.

Determining Whether a Conflict of Interest Exists: The General Counsel and/or Ethics Officer shall advise the individual who appears to have a conflict of interest how to proceed. The General Counsel and/or Ethics Officer should seek guidance from the Joint Commission on Public Ethics (JCOPE) when dealing with cases where they are unsure of what to do.

Recusal and Abstention: No board member may participate in any decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when he or she knows or has reason to know that the action could confer a direct or indirect financial or material benefit on himself or herself, a relative, or any organization in which he or she is deemed to have an interest. Board members must recuse themselves from deliberations, votes, or internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other board members in the deliberation and voting on the matter.

Records of Conflict of Interest: The minutes of the Authority's meetings during which a perceived or actual conflict of interest is disclosed or discussed shall reflect the name of the interested person, the nature of the conflict, and a description of how the conflict was resolved.

Confidential Information: Information obtained as a result of board membership, and not otherwise public, must not be disclosed, and may not be used to further your interests or the interests of a relative.

Unwarranted Privileges: Do not use or attempt to use your position on the board to obtain preferential treatment for yourself or others.

Nepotism: Do not participate in any way in a decision to hire, promote or discipline a family member paid by the Authority.

Gifts: Do not accept anything of value where (a) it could reasonably be inferred that it is a gift intended to influence you, in the performance of your board duties; or (b) was given to you as a sign of appreciation for board member action. Ask the General Counsel and/or Ethics Officer to determine the appropriate course of action in a particular circumstance.

Political Activity: Certain board members cannot do the following – please discuss with the General Counsel and/or Ethics Officer whether these prohibitions apply to you:

- a. Serve as an officer of any political party or political organization;
- b. Serve as a member of any political party committee, including serving as a political party district leader or member of the national committee of a political party; or
- c. Give or raise monetary contributions for the State of New York Governor's political campaign.

Outside Activities: You may not engage in outside activities that would impair your judgment or compromise or interfere with your ability to properly perform your duties. You may not engage in outside activities that create an actual conflict of interest or the appearance of a conflict of interest. You should consult with the General Counsel and/or Ethics Officer if you have any questions concerning your outside activities. You may not use NYSERDA time, materials, equipment or other assets in connection with outside activities.

Reverse Two Year Bar: For the first two years you serve on the NYSERDA Board, you should not participate or be involved in the decision-making process for NYSERDA in relation to any matter involving a person or business in the private sector by whom you are currently employed or by whom you were employed during the two years preceding NYSERDA service or employment.

Reporting of Violations: Board members should promptly report any violations of this Policy to Authority's General Counsel, Ethics Officer or Director of Human Resources in accordance with the Authority's Whistleblower Policy and Procedures.

Penalties: Any board member that fails to comply with this policy may be penalized in the manner provided for in law, rules or regulations.