

September 29, 2026

NYPA CAPTIVE INSURANCE COMPANY
GOVERNANCE COMMITTEE CHARTER

A. PURPOSE

The purpose of the Governance Committee (“Committee”) is to: keep the Board of Directors (“Board of Directors”) of the NYPA Captive Insurance Company (“Captive”) informed of current best governance practices; review corporate governance trends; recommend updates to the corporate governance principles; advise appointing authorities on the skills and experiences required of potential Directors; examine ethical and conflict of interest issues; perform self-evaluations; review and recommend by-laws which include rules and procedures for conduct of business; and perform such other responsibilities as the Board of Directors shall assign to it.

B. MEMBERSHIP AND ORGANIZATION

(1) Committee Composition. The Committee shall be comprised of not less than five (5) members of the Board of Directors, of which not less than (3) three shall be independent members. All members shall possess the necessary skills to understand the duties and functions of the Committee. Committee members and the Committee Chair shall be selected by a vote of the Board of Directors.

(2) Term. Committee members shall serve commensurate with their terms on the NYPA/Canals Governance Committee, subject to their term of office under Public Authorities Law § 1003. A Committee member may resign his or her position on the Committee while continuing to serve as a Director. In the event of a vacancy on the Committee due to death, resignation or otherwise, a successor will be selected to serve.

(3) Removal. A Committee member may be removed if he or she is removed as a Director for cause, subject to Public Authorities Law § 2827, or is no longer eligible to serve as a Committee member.

(4) Meetings and Quorum. The Committee shall hold a regular meeting at least once annually and may meet more often as needed to fulfill its responsibilities. A Committee member may call a special meeting of the Committee individually, or upon the request of the Chair or the CEO/POresident.

Because the Captive has been established to have officers but not its own employees, it follows the policies of the New York Power Authority (“NYPA”). Accordingly, the Committee shall join the NYPA/Canals Governance Committee, wherein the Committees will discuss the

effectiveness of the organization's overall ethics and compliance program and reported instances of Code of Conduct violations as part of a regular or special meeting at the Committee's discretion.

An agenda shall be prepared and distributed to each Committee member prior to each meeting and minutes shall be prepared in accordance with the New York Open Meetings Law. A majority of the total Committee composition established pursuant to section B(1) of this Charter shall constitute a quorum for the purposes of conducting the business of the Committee and receiving reports.

To the extent permitted by the New York Open Meetings Law, any meeting of the Committee may be conducted by video conferencing and the Committee may hold meetings or portions of meetings in executive session.

C. FUNCTIONS AND POWERS

(1) Code of Conduct, Ethics, Compliance and Governance Practices. The Committee shall seek to: (i) ensure the effectiveness of management's monitoring of the Captive's compliance with NYPA's Code of Conduct and programs and Captive policies designed to ensure compliance with legal and regulatory matters; and (ii) promote honest and ethical conduct by the Board of Directors, officers and employees to enhance public confidence in the Captive. To accomplish these objectives the Committee shall:

- a. Review at least annually the Code of Conduct and require the Secretary to coordinate revisions to the Code for consideration and approval by the Board of Directors.
- b. Provide oversight and guidance relating to the programs and policies designed to ensure compliance with applicable laws and regulations.
- c. Periodically review and as necessary recommend changes to the By-laws.
- d. Periodically review and as necessary recommend changes to the written corporate policies, including policies relating to conflicts of interest, corporate governance principles, equal opportunity employment, procurement of goods and services, acquisition and disposition of real and personal property or interests therein, record keeping and reporting of contacts by persons who attempt to influence the procurement process, regulations and rate proceedings, and the protection of whistleblowers.
- e. Report at least annually to the Board of Directors on matters relating to compliance with the Code of Conduct and applicable legal and regulatory matters and make such recommendations as the Committee deems appropriate.

(2) Director Performance. The Committee shall advise appointing authorities on the skills and experiences required of Board of Directors and perform self-evaluations.

(3) Investigations and Meetings. The Committee shall have the authority to authorize investigations into any matter within the Committee's purview. The Committee may retain independent counsel, accountants, or other professionals pursuant to the procurement and expenditure policies and procedures to assist it in the conduct of any such investigations. The Committee shall have the authority to meet with staff on compliance issues.

(4) Hiring. The Committee shall review and make recommendations to the Board of Directors concerning the election and compensation of all officers, consistent with the By-laws, the needs of the Captive, good organizational management practices and such other criteria the Committee deems appropriate.

(5) Reports. The officers or employees responsible for the Captive's compliance programs shall report to the Committee at all regularly scheduled meetings. The Committee shall have the authority to require other staff to prepare additional reports and to produce documents for Committee review.