

PJM Interconnection, L.L.C.

Board of Managers Code of Conduct

Under PJM's organic documents, general principles of corporate law, and FERC's regulations, those serving on the Board of Managers ("Board") of PJM Interconnection are accountable for maintaining PJM's independence, its fulfillment of its contractual obligations, and its compliance with applicable legal and regulatory requirements. The Board must exercise reasonable due diligence, good faith, and care in the management of PJM's affairs while bringing to bear independent, honest, and unbiased business judgment. Accordingly, the Board will avoid self-dealing and conflicts of interest and according to PJM's interests' priority over other interests, connections, and affiliations. In addition, the Board shall ensure that PJM performs its duties and responsibilities in a manner consistent with: (1) the safe and reliable operation of the PJM Region; (2) the creation and operation of a robust, competitive, and non-discriminatory electric power market in the PJM Region; and (3) that no PJM regional participants (as described below) will have undue influence over the operation of PJM. In furtherance of these objectives, the PJM Board has adopted certain standards of conduct, which are included in the PJM Code of Conduct posted on PJM Wired and the PJM website. In addition, the PJM Board has adopted supplemental provisions in this PJM Board Code of Conduct. Each Board Member shall comply with the PJM Code of Conduct and this Board Code of Conduct. To ensure the PJM Board's independence, the Board Governance Committee may impose reasonable conditions on a Board Member's participation in PJM Board activities or non-PJM activities, as may be necessary or appropriate.

I. Measures to Safeguard PJM Board Independence

The independence of PJM Board Members is an essential governing principle. Sections 7.2 and 10.2.1 of the Operating Agreement and this Code of Conduct inform this principle. This authority provides that a PJM Board Member shall not be and shall not have been at any time within two years of election to the PJM Board, a director, officer, or employee of a PJM regional participant. In addition, subject to certain limited exceptions, the Operating Agreement and this Code of Conduct prohibit a PJM Board Member from having a direct business relationship or other affiliation with a PJM regional participant (including, for example, having a financial interest in or financially benefiting from a transaction with a PJM regional participant). PJM regional participants include PJM Members and their affiliates or related parties (which include public power entities that are part of larger entities that are PJM Members), any customer taking service from PJM, market participants, generators, other supply resources, curtailment service providers, new entrants, and non-incumbent developers. Similar prohibitions exist in regard to financial interests in and business relationships with PJM vendors and suppliers. To assist in compliance with this requirement, PJM Board Members should consult the list of PJM Members and Prohibited Securities list routinely prepared by PJM and related guidance (particularly regarding the holdings of spouses or dependent children). PJM Board members are also encouraged to seek guidance from the PJM General Counsel and PJM Ombudsman.

A. Conditions for Non-PJM Activities

PJM Board Members may, from time to time, engage in non-PJM activities. Such activities may include, but are not limited to, a potential seat on another board of managers or directors (regardless of industry or entity type), full-time or part-time employment at other companies, or contractual/consulting engagements.

Where a PJM Board Member desires to engage in such non-PJM activities, the Board Member must provide advanced notice of the circumstances to the Chair of the PJM Board, Chair of the Board Governance Committee, President & CEO, the General Counsel, and the PJM Ombudsman. This will afford the PJM Ombudsman the opportunity to gather information, perform due diligence and offer a recommendation regarding whether this new opportunity gives rise to interlocking directorate concerns; indirect or direct transactions with PJM regional participants or vendors; or the potential for other conflicts of interest or regulatory concerns. The PJM Ombudsman's recommendation may include conditions as appropriate, such as continued oversight of the relationship, reporting obligations, or recusal from voting or deliberating on any matter or decision affecting any entity with which the Board Member may be engaged in non-PJM activities.

With this information and recommendation, the Board Governance Committee will assess the risks and propriety of further pursuit of this potential opportunity in light of the PJM Board Member's obligations and make a determination on the matter.

B. Conditions for Financial Interests and Transactions

Pursuant to Operating Agreement, section 10.2.1.5, PJM Board Members shall disclose to the PJM Board if the Board Member is aware that they or an immediate family member has a financial interest in a PJM regional participant that is subject to a matter before the PJM Board. The Chair of the Board Governance Committee and the General Counsel and Ombudsman shall consult with the PJM Board Member to determine whether any conditions are appropriate, including whether the Board Member should be recused from PJM Board deliberations and decision-making regarding the matter before the PJM Board.

Notwithstanding this requirement, by living or operating in the PJM Region, it is expected that a person or entity will take retail electric service. Such foreseeable and necessary transactions will not undermine a PJM Board Member's independence if such Board Member takes such retail service on terms and conditions applicable to others in the market, or if such Board Member is associated with an entity that does. If a PJM Board Member is considering a relationship with another entity that is taking retail electric service in the PJM region, consistent with the guidance above, that must be disclosed and it will be reviewed consistent with this Board Code of Conduct.

The provisions of this part are intended to inform, but not constrain, any decision or recommendation of the PJM Ombudsman or Board Governance Committee, or PJM Board

II. Conditions for *Ex Parte* Communications

Communications with the Board or any Board Member (except with the President in the normal course of business) by any employee, officer, agent or representative of a PJM regional participant with respect to any matter that is before the Board or is reasonably likely to come before the Board, shall only be conducted through the procedures set forth below:

1. Any written “ex parte” communication shall promptly be disclosed in writing to the full Board and to all Members;
2. Verbal communication that takes place during and around the course of a public meeting, open to all Members, on topics reflected in the agenda of such meeting, or raised during discussion sessions with the Board, shall not be considered “ex parte” communication. Verbal communication of potentially “ex parte” matters in a nonpublic setting initiated by an individual Member or subset of Members shall be avoided. Should such communication occur, the Board Member(s) involved shall disclose the circumstances to PJM’s General Counsel who will determine, in consultation with such Board Member(s) and the Chair of the Board Governance Committee, if a description of such nonpublic, verbal discussions require disclosure to the full Board and to all Members as “ex parte” communication. Nothing herein shall prohibit outreach from the PJM Board, acting collectively or individually at the direction of the Board, to any PJM regional participant and engaging in a conversation on any topic of the Board’s selection with disclosure to and participation by PJM’s General Counsel or designee. Following the meeting, the agenda and a summary of the topics discussed will be documented by PJM’s General Counsel or designee, and shared with all PJM Members in adherence to the Board Communication rules in Manual 34: PJM Stakeholder Process, section 15.4;
3. Any “ex parte” communication to the Board raising issues that require referral, or have already been referred, to a governmental investigation or enforcement agency, including the FERC Office of Enforcement or PJM’s Market Monitoring Unit (MMU), will not be disclosed publicly. Such determinations will be made by PJM’s General Counsel, in consultation with the Chair of the Board Governance Committee; and
4. The Board will not accept or post anonymous “ex parte” communications to the Board due to general concerns regarding publishing unattributed allegations. The Board has provided two paths to receive anonymous communications: (a) PJM’s Compliance Hotline; and (b) a liaison to receive comments regarding PJM’s MMU, Monitoring Analytics, LLC. Any Board Member receiving anonymous communication relating to PJM shall promptly inform the Chair of the Board Governance Committee.

Updated: November 2025

ADDENDUM TO THE BOARD CODE OF CONDUCT

Providing for “Ex Parte” Sector Meetings with the PJM Board

Establishment

Notwithstanding the foregoing restrictions on “ex parte” communications, in addition to standard Liaison Committee meetings with the PJM Board of Managers, each sector may elect to hold individual sector meetings with members of the PJM Board on an annual basis (based upon the PJM annual cycle commencing with the Annual Meeting). Nothing herein shall prohibit the Board from calling ad hoc sector meetings with the Board. The agendas for such ad hoc meetings will be determined by the Board.

Purpose

The purpose of the sector meetings with the Board is for the leadership of Member entities of each sector to engage with the Board on elevated and strategic perspectives. Meetings will proceed according to an agenda, and a disclosure of the topics discussed will be publicly posted on the PJM website promptly following the meeting. Neither the agenda nor discussion at the meeting shall delve into the details of actual matters pending action before the Board.

Participation

PJM participation will be comprised of at least three independent PJM Board members and its President & CEO and may include other PJM executives and staff. Due to the “ex parte” nature of the meetings, PJM’s General Counsel or designee will attend to ensure discussion is confined to the topics agreed to on the agenda and to prepare a record of the meeting. Each sector’s attendance shall include at least five representatives of the sector, with such attendees being capable of articulating their Member company’s interests and positions on issues germane to PJM matters. In-person attendance is required for sector Member representatives intending to participate and speak in the meetings (if the meeting is being held in person); in special circumstances, exceptions to in-person attendance may be granted by PJM’s General Counsel or the Members Committee (MC) Secretary.

Sector Whip Responsibilities

Sector Whips will establish a process for organizing its sector’s annual meeting with the Board of Managers and gather sector input related to items on the agenda. Each Sector Whip will work with its sector to select its own methodology for determining meeting participants and speakers. Sector Whips will work with PJM to establish the final agenda for each meeting. The final agenda and list of sector representatives shall be provided by the Sector Whip to the MC Secretary no later than 14 days before the scheduled meeting with the Board.

Dates/Times for Meetings

In consultation with the Sector Whips, PJM will set the dates and times for the meetings coincident with regular Board meetings. Prior notification of the date and time for each meeting shall be made to all Members.

Meeting Follow-Up

Following the meeting, the agenda and a summary of the topics discussed will be documented by PJM’s General Counsel or designee and shared with all PJM Members in adherence to the Board Communication rules in Manual 34: PJM Stakeholder Process, section 15.4.

Board Review of the Process

The Board Governance Committee will periodically conduct a review regarding the efficacy and value of the process for “ex parte” sector meetings.