

# **KeySpan Corporation**

## **Board of Directors**

### **Code of Ethics Policy**

The Board of Directors of KeySpan Corporation (“KeySpan” or the “Corporation”) adopts this KeySpan Corporation Board of Directors Code of Ethics (the “Code of Ethics”) which supplements the Corporate Policy Statement Concerning Ethical Business Conduct and the Corporate Policy Statement Concerning Affiliate Transactions and applies to all Directors, officers and employees of KeySpan and its subsidiaries. This Code of Ethics provides that each Director is expected to adhere to standards of diligence, loyalty and good faith, and to avoid conflicts of interests.

Pursuant to this Code of Ethics each Director shall acknowledge and accept the scope and extent of his/her duties as a Director. Each Director has the responsibility to carry out his/her duties with integrity and in a businesslike manner and within the scope of their authority, as set forth in the General Corporation Laws of the State of New York, the Corporation’s Certificate of Incorporation, the By-Laws of the Corporation, the KeySpan Corporate Governance Guidelines and Charters of the Committees of the Board. Each Director is entrusted with and responsible for the oversight of the assets and business affairs of KeySpan, and therefore acknowledges that he/she will devote sufficient time and attention to the affairs of KeySpan and will act in the best interests of KeySpan and its shareholders.

Each member of the Board of Directors agrees that he/she will:

- Act in the best interests of and fulfill his/her fiduciary obligations to KeySpan shareholders;
- Act honestly, fairly, ethically and with integrity;
- Conduct himself/herself in a professional, courteous and respectful manner;
- Comply with all applicable laws, rules and regulations;
- Act in good faith, responsibly, with due care, competence and diligence, and exercise his/her judgment independently;
- Act in a manner that maintains and enhances the reputation of KeySpan;
- Disclose potential conflicts of interest regarding any matters that may come before the Board, and abstain from discussion and voting on any such matter;
- Make available to and share with fellow Directors information as may be necessary or appropriate to ensure the sound operation of KeySpan and its Board of Directors;

- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors, except when authorized or legally required to disclose such information; and
- Not use confidential information acquired in the course of his/her service as a Director for personal advantage.

A Director who has concerns regarding compliance with this Code of Ethics may raise those concerns with the Chair of the Corporate Governance and Nominating Committee. In the event that a waiver of this Code of Ethics is found in the best interests of the Corporation, it must be approved by the full Board of Directors, upon the recommendation of the Corporate Governance and Nominating Committee.

Directors will annually sign a confirmation that they have read and will comply with this Code of Ethics.

Adopted by the Board of Directors as of this 26<sup>th</sup> day of January, 2006.