

Avangrid Foundation Grant Funding Guidelines



Foundation

AVANGRID

A close-up photograph of a hand holding a woven basket made of orange sticks. The basket is filled with more orange sticks, and the background is a soft, out-of-focus green, suggesting an outdoor setting. The lighting is bright, creating a warm and natural atmosphere.

WE PUT ENERGY INTO WHAT REALLY MATTERS

AVANGRID, Inc. (NYSE: AGR) is a leading, sustainable energy company with approximately \$33 billion in assets and operations in 24 U.S. states. With headquarters in Orange, Connecticut, AVANGRID has two primary lines of business: Avangrid Networks and Avangrid Renewables. Avangrid Networks owns eight electric and natural gas utilities, serving 3.2 million customers in New York and New England. Avangrid Renewables owns and operates 7.2 gigawatts of electricity capacity, primarily through wind power, with a presence in 22 states across the United States. AVANGRID employs approximately 6,500 people. AVANGRID supports the U.N.'s Sustainable Development Goals and was named among the World's Most Ethical Companies in 2019 by the Ethisphere Institute.

Visit [avangrid.com](https://www.avangrid.com) or [avangridfoundation.org](https://www.avangridfoundation.org) for more information.



Overview

The Avangrid Foundation is an independent, mission-driven organization and the principal philanthropic arm of AVANGRID. The Foundation's work over the last 15 years is a testament to the lasting partnerships we have built with a focus on adapting, building, innovating and investing to create an equitable and sustainable future. These partnerships power our momentum to make a difference in local communities.

The Avangrid Foundation, formerly the Iberdrola USA Foundation and the Energy East Foundation, was established in 2002 and operates as a 501(c)(3) not-for-profit registered with the U.S. Internal Revenue Service (IRS), Tax Identification Number 13-4200689, and as a company limited by guarantee and incorporated in the State of Delaware. The Foundation is able to operate and provide funding to registered charities and 501(c)(3) nonprofit organizations; academic institutions; local, state and federal government entities and federally designated Native American tribes for the advancement of public good.

The Avangrid Foundation is an affiliate of the Iberdrola Foundation, based in Spain.

HOW THE AVANGRID FOUNDATION INVESTS

Since 2002, the Foundation has invested over \$21M in grants, scholarships and matching gift programs with a focus on building sustainable, vital and healthy communities, preserving cultural and artistic heritage, advancing education and improving the lives of vulnerable persons.

The Avangrid Foundation primarily invests in qualified charitable organizations, programs and philanthropic partnerships in communities where AVANGRID and its subsidiaries operate. The Foundation's investments are part of an annual coordinated planned giving process cultivated and overseen by an independent Board of Directors and the Iberdrola Foundation Committee.

The Avangrid Foundation is wholly independent of Iberdrola, the Avangrid Management Company and subsidiaries. Foundation giving is also independent of customer care programs, corporate contributions/sponsorships, scholarships and other programs administered by AVANGRID and its subsidiaries and operating companies.



Some media pre-dates the known outbreak of the novel coronavirus (COVID-19).



Priority Giving Areas

The 2030 Agenda for Sustainable Development, approved by the General Assembly of the United Nations on September 27, 2015, represents a unique opportunity for global transformation by adopting of the UN Sustainable Development Goals (SDGs), which focus on ending poverty, protecting the planet and ensuring prosperity for all.

The Avangrid Foundation, in alignment with the Iberdrola Foundation, has adopted the SDGs to guide our giving strategy.

Potential grantees may reference the *Iberdrola Foundations 2018–2021 Master Plan* which guides our global collaboration and overall mission. The reference guide can be found at iberdrola.com.

In support of the SDGs and the Master Plan, the following page outlines the Foundation's four priority areas for funding. All grants must address at least one priority area, and many of our grants touch on more than one. Inquires that show alignment to priority SDGs are further strengthened.

The work at the Foundation is driven by a commitment to the United Nations Sustainable Development Goals (SDGs), a common language and set of priorities for addressing the most critical issues of our day, like the environmental, social and economic challenges we face. They are our guides and benchmarks from the priority areas of No Poverty (1) to Partnerships for the Goals (17).





HIGHER EDUCATION, TRAINING & RESEARCH

- Support equitable education access and attainment, talent development, training and the advancement of scientific research and innovation that will drive the energy industry and sustainable communities of the future, focusing on undergraduate, graduate, post-graduate and workforce development.



ART & CULTURE

- Preserve and protect diversity, uniqueness, and cultural and artistic wealth by promoting conservation and restoration.
- Advance arts, heritage and culture in support of vibrant and sustainable communities.



ENVIRONMENT, BIODIVERSITY & CLIMATE ACTION

- Promote environmental sustainability and protection in the active prevention of climate change through investments in areas including green infrastructure and affordable clean energy; environmental conservation, protection and access; biodiversity; and terrestrial, marine and coastal habitat restoration.



COMMUNITY PARTNERSHIPS & SOCIAL ACTION

- Contribute to sustainable human development and human rights through investments that reduce poverty and improve quality of life for the most disadvantaged, underserved or at-risk people in our communities, including but not limited to access to basic services, youth education, economic inclusion and gender equality.
 - Special focus on children, youth, women, critically ill and other-abled.
- Ensure health and safety of individuals and communities, including disaster preparedness and prevention.

Qualifications

The Avangrid Foundation funds impactful and mission-driven philanthropic giving at-scale locally and nationally with a special focus on communities where AVANGRID and its companies have an operational presence.

The Foundation provides mostly one-year conditional grants to organizations, and does not typically provide multi-year sustaining contributions or membership dollars year-on-year to events, programs or organizations.

Organizations interested in funding must, at a minimum, demonstrate that they:

- Are exempt under Section 501(c)(3) of the IRS code or are a qualified program of a municipality, state or federal government, or a federally registered Native American tribe and also have a significant presence in communities where AVANGRID operates.
- Do not discriminate on the basis of, but not limited to: age, race, color, disability, sexual orientation, gender, gender identity, creed, national origin or religion.
- Have a philosophy and mission that do not conflict broadly with the mission, vision or values of AVANGRID, Inc., Iberdrola, S.A. or any related companies.
- Comply with U.S. law, including but not limited to Patriot Act, OFAC and anti-terrorism financing laws.
- Are based in and operate in the United States and its territories and/or will designate funding solely to programs in the United States and its territories.





Types of Giving

The Avangrid Foundation currently supports the following types of giving through grants, contributions and partnerships:

Program Support

- Program or project support is funding that is 100% designated to a specific program or project of an organization (may include reasonable and justified project-designated overhead/staffing costs). The program or project must match a specific Foundation Priority Funding Area.
- The Avangrid Foundation dedicates the majority of annual funding to programs/projects over other types of giving. The Foundation is especially interested in supporting programs that are innovative, results-driven, proven and in a replication/scale-up phase.

Operating Support

- Operating support is not designated to a specific program or project. The mission of the grantee organization must match Foundation Priority Funding Area(s). This type of funding is not a priority.

Capital Campaigns

- In special cases, the Avangrid Foundation may support capital campaigns. Typically, the campaign may include material improvements directed to energy efficiency, alternative energy, lighting, etc.

Sponsorship *(limited)*

The Foundation is able to support sponsorships under very limited circumstances, and may consider a “qualified” charitable sponsorship only under the following conditions, in accordance with IRS guidelines:

- Intent must:
 - Be directly related to an organization's mission.
 - Support efforts that are free and open to the public.
 - If a fundraiser, raise the profile of the organization and raise money for an organization or program directly. Working with fiduciaries or organizations that are largely fundraising arms or pass-through organizations is generally restricted.
- The mission of the organization must be 100% aligned with Priority Areas, and in particular provide a direct benefit to the general public/community-at-large.
- Any benefits to AVANGRID or representatives of AVANGRID or the Avangrid Foundation must be subject to additional scrutiny by the Board of Directors.



Restrictions & Limitations

The Avangrid Foundation is fully committed to mission-driven giving.

PROGRAMS NOT FUNDED BY THE AVANGRID FOUNDATION

- Corporate contributions (AVANGRID or subsidiary companies)
- Corporate sponsorships (AVANGRID or subsidiary companies)
- Political contributions
- Marketing
- Volunteerism or employee engagement
- Employee benefit programs
- Customer support programs or fuel subsidy programs
- Economic development
- Iberdrola/AVANGRID scholarships

PROGRAMS GENERALLY NOT FUNDED BY THE AVANGRID FOUNDATION

- Individuals – including conferences, travel, professional development or training
- For-profit organizations or entities
- Non-qualified sponsorships and fundraisers
- Private foundations, pass-through organizations or fiduciaries
- Membership-based organizations
- Organizations with only a limited charitable mission
- Medical research including participation in “thons” and “cause walks” such as walkathons and marathons, except under certain and limited conditions
- Organizations or programs that promote religious doctrine (independent social missions qualify)

- Organizations whose mission is primarily lobbying or political campaigning
- Chambers of commerce, trade associations and industry-specific groups
- Athletic or sporting events, teams or any charitable sporting events, including those designated 501(c)(3)
- Labor or fraternal groups
- Private clubs
- Alumni associations
- Individual schools – this does not apply to colleges, universities and university systems
- Parent, teacher or student associations and organizations
- Pet and domesticated animal support organizations
- In-kind gifts
- Endowments
- Natural gas or electric service or related construction or infrastructure
- Advertising campaigns
- Programs/organizations for which the Foundation is asked to serve as the sole funder or where funds requested are an outsized percentage of the overall operational budget (e.g., over 5%)

The Avangrid Foundation reserves the right to restrict funding from an organization for any reason. The aforementioned criteria may be subject to change.

Please note that organizations that meet the minimum requirements should not inquire about funding more than once per calendar year.

Connecting to the Avangrid Foundation

The Avangrid Foundation cultivates partnerships through invitation; there is no open or regular funding cycle or application process at this time.

Organizations that have read the Funding Guidelines and find that their mission or specific effort is highly aligned with the Avangrid Foundation are welcome to submit a specific expression of interest to the Foundation via email or mail per the guidance below.

The Foundation may then contact inquiring grantees with an invitation to formally inquire for funding. While the Foundation tries to respond to all inquiries we receive far more requests annually than can be considered.

Those requests that most successfully demonstrate impact at-scale and are mutually aligned with the needs of one or more of our communities and funding priorities are typically given primary consideration.

When funding is available, preliminary decisions are generally made annually during the early fourth quarter of the prior fiscal year (fiscal year is January to December), with ongoing diligence and partnership efforts. The Board of Directors is the sole decision-maker in grant-making. This process is subject to change without notice.

LOCAL AND COMMUNITY-BASED ORGANIZATIONS (CBOs)*

As part of overall giving, the Foundation supports a limited number of qualified programs with community-based

organizations (CBOs) in collaboration with our leadership and local subsidiaries, including: the Avangrid Management Company, NYSEG, RG&E, UIL Holdings (United Illuminating, Southern Connecticut Gas, Connecticut Natural Gas), Central Maine Power, Maine Natural Gas, Berkshire Gas and Avangrid Renewables.

We suggest that CBOs seeking to enter into the Foundation process confer with our locally based colleagues first.

Due to the number of inquiries and the scope of the Foundation footprint, our community-based colleagues at AVANGRID's operating companies are important partners and may help qualified community-based organizations enter the Foundation process when appropriate. In particular, they work to evaluate potential partnerships that may serve a single community and identify a pipeline of qualified partners for the Foundation's philanthropic giving.

The contacts in Public/Community Affairs are available on individual company websites or via avangrid.com.

NATIONAL AND GLOBAL PARTNERS

For national partners or questions related to this document, inquiries may be submitted to:

- avangridfoundation@avangrid.com
- **The Avangrid Foundation, 180 Marsh Hill Road, Orange, CT 06477**

*CBOs for the purposes of the Avangrid Foundation are not-for-profit entities with activities at a single community level aimed at bringing about improvement in the social well-being of individuals, small groups and neighborhoods.





avangridfoundation.org



The Avangrid Foundation is an independent, nonprofit organization that funds philanthropic investments that primarily impact communities where AVANGRID, Inc. and its subsidiaries operate. Since 2002, the Avangrid Foundation and its predecessors have invested more than \$21 million in partnerships that focus on building sustainable, vital and healthy communities; preserving cultural and artistic heritage; advancing education; and improving people's lives. The Avangrid Foundation is committed to advancing the United Nations Sustainable Development Goals in the United States. For more information, please visit avangridfoundation.org.