

# Anti-Corruption Policy

September 26, 2024

The Board of Directors of Avangrid, Inc. (“Avangrid”) oversees the management of Avangrid and its business with a view to enhance the long-term value of Avangrid. Avangrid is a member of the group of companies controlled by Iberdrola, S.A. The Board of Directors of Avangrid (the “Board of Directors”) has adopted this Anti-Corruption Policy (this “Policy”) to assist in exercising its responsibilities to Avangrid and its shareholders. This Policy is subject to periodic review and modification by the Board of Directors from time to time. This Policy and Avangrid’s certificate of incorporation, by-laws, corporate governance guidelines and other policies pertaining to corporate governance and regulatory compliance, risk, sustainable development, and social responsibility (collectively, the “Governance and Sustainability System”) form the framework of governance of Avangrid and its subsidiaries (collectively, the “Avangrid Group”). Avangrid’s Governance and Sustainability System is inspired by and based on a commitment to ethical principles, transparency and leadership in the application of best practices in good governance and is designed to be a working structure for principled actions, effective decision-making and appropriate monitoring of both compliance and performance.

## 1. Purpose

Avangrid is committed to conducting its business with honesty, integrity, and in accordance with all applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act of 1977 (the “FCPA”) and the U.S. Foreign Extortion Prevention Act of 2023 (the “FEPA”). The purpose of this Policy is to demonstrate and support Avangrid’s stance against illegal corruption. Thus, this Policy sets forth principles, standards and rules intended to ensure that the Avangrid Group, their respective officers, directors, employees, agents, and third parties doing business with the Avangrid Group or acting on its behalf, understand and comply with the FCPA, the FEPA, and other applicable anti-corruption laws and contributes to the achievement of goal sixteen (Peace, Justice and Strong Institutions) of the Sustainable Development Goals (SDGs) approved by the member states of the United Nations. This Policy should be read together with Avangrid’s Code of Business Conduct and Ethics, Corporate Governance Guidelines, Internal Reporting and Whistleblower Protection Policy, and Regulations of the Compliance Unit.

## 2. Scope

This Policy applies to all members of the Avangrid Group and their respective officers, directors, and employees, and all agents and third parties doing business with Avangrid Group or acting on its behalf (collectively, “Avangrid Representatives”).

## 3. Anti-corruption Principles

- a) Avangrid will not tolerate, permit or engage in corrupt practices, extortion or bribery in connection with its business or professional activities, either in the public or in the private sector.
- b) Avangrid promotes a preventive culture committed to zero tolerance for corruption, bribery or any form of fraud in connection with its business activities. This commitment is absolute and takes precedence over potential financial benefits for the Avangrid Group or Avangrid Representatives.
- c) All Avangrid Representatives are expected to conduct Avangrid Group business legally and ethically and in compliance with this Policy, the FCPA, and all other applicable U.S. and foreign anti-corruption laws. Funds or assets of the Avangrid Group may not be used for any unlawful, improper or unethical purpose.
- d) The Avangrid Group shall keep books, records, and accounts that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of its assets. The Avangrid Group shall maintain an adequate internal control system of accounting, in accordance with applicable anti-corruption laws and best practices.

## 4. Prohibited Conduct

Acts of corruption and bribery of domestic or foreign Government Officials (defined below) are unlawful and may be punishable by imprisonment and/or fines. Among other applicable laws, the FCPA makes it illegal for U.S. persons and companies, their directors, officers, employees, shareholders, agents, and any persons or entities acting on their behalf, as well as any persons or entities acting from within the United States, to bribe or attempt to bribe a foreign Government Official.

Corruption and bribery can also occur in certain commercial business-to-business relationships. Certain laws and regulations in the United States and other countries prohibit offering, promising, giving, requesting, receiving, accepting, or agreeing to accept money or anything of value, in exchange for an improper business advantage. Examples of prohibited conduct may include, without limitation, providing expensive gifts, lavish hospitality, kickbacks, or investment opportunities to improperly induce the purchase of goods or services.

### Prohibited conduct when interacting with Government Officials

Avangrid Representatives may not directly or indirectly attempt to or pay, offer, promise to pay, or authorize payment of Anything of Value to any Government Official (both terms defined below), or any other person, with the knowledge that the payment, offer, or promise will be passed on to any Government Official, in order to influence an official act or decision that will assist in securing an improper advantage, in obtaining or retaining business, or in directing business to any person or entity.

- a) “Anything of Value” means any item of value, including for example, without limitation: (i) money; (ii) gifts; (iii) sales of stock or other investment opportunities in other than an arm's length transaction for demonstrated fair market value; (iv) contracts or other business opportunities awarded to a company in which a Government Official holds a beneficial interest; (v) medical, educational, or living expenses, including internships; and (vi) travel, meals, lodging, donations, shopping, or entertainment expenses.
- b) “Government Official” means any officer or employee at any level of a government (U.S. or foreign) or any department, agency, or instrumentality thereof (including state-owned or -controlled companies), or any public international organization, any person acting in an official or unofficial capacity for or on behalf of a government department, agency or instrumentality, or of a public international organization, any political party or party official, or any candidate for political office.

For purposes of this Policy, the term Government Official shall also include spouses and other immediate family members of any person that qualifies as a Government Official in accordance with the above definition. Evaluating whether a person or entity is considered a Government Official can require complex analysis, and Avangrid Representatives shall consult Avangrid's Legal Services Division to resolve any questions or ambiguities prior to engaging in the contemplated conduct.

### Commercial bribery

The Avangrid Group and Avangrid Representatives may not:

- a) make, promise, or authorize a corrupt payment or provide anything of value to any private person to influence that person to provide an unlawful business advantage to the Avangrid Group; or
- b) solicit, agree to accept, or receive payment or anything of value as an improper incentive in connection with the Avangrid Group's business.

### Health and safety

The prohibitions under this Section 4 do not apply to a situation in which Avangrid Representatives are required to provide Anything of Value to avoid a credible risk to personal health or safety. Although any such situation should be avoided to the maximum extent possible, neither the FCPA nor Avangrid prohibits forced or extorted payments in such circumstances. If it

is not possible to obtain prior approval under such circumstances, Avangrid's Compliance Unit shall be informed as soon as the circumstances allow it.

#### Guidelines

In support of this Policy, Avangrid's Compliance Unit is authorized to develop guidelines, protocols, procedures other internal rules to help Avangrid Representatives identify and prevent situations that could violate this Policy.

## **5. Rules for Known Risk Areas**

### Promotion or demonstration of products or services

Under certain circumstances, providing Anything of Value to Government Officials directly related to: (i) the promotion or demonstration of the Avangrid Group's products or services; or (ii) the performance of a particular Avangrid Group contract with a government, public international organization, or instrumentality, may be permissible. Such payments must be bona fide, reasonable, fully documented, supported by original receipts, and accurately recorded in the Avangrid Group's books and records.

To ensure compliance with all applicable requirements, the written authorization of Avangrid's Compliance Unit is required before providing Anything of Value to a Government Official for such purposes.

### Gifts, meals, entertainment and travel

Gifts, meals, entertainment and travel may only be provided to Government Officials to the extent (i) permitted under applicable laws and regulations, and (ii) in compliance with the criteria and approval requirements set forth in the Code of Business Conduct and Ethics and Avangrid's rules on gifts and hospitality. Avangrid's Compliance Unit is entrusted with the duty of developing and maintaining such rules and ensuring that they are consistent with the FCPA and other applicable anti-corruption laws. Gifts, meals, entertainment and travel may never be provided to a Government Official to induce or influence that Government Official to use his or her official position to obtain or retain business or to secure any other improper advantage.

Gifts, meals, entertainment or travel provided to any person other than a Government Official shall also comply with applicable laws and regulations, and the criteria and approval requirements set forth in the Code of Business Conduct and Ethics and Avangrid's rules on gifts and hospitality. The acceptance of gifts, meals, entertainment or travel by Company Representatives shall also be in compliance with the foregoing criteria and approval requirements. Gifts and hospitality that could be viewed as improperly influencing, or appearing to improperly influence, the recipient's decision-making shall be avoided.

### Facilitation payments

The conduct prohibited under Section 4 of this Policy shall include facilitation or expediting payments (i.e., payments made for the purpose of expediting or securing routine, non-discretionary governmental action by a Government Official).

Exceptions to the foregoing restriction for foreign Government Officials may be authorized by Avangrid's Compliance Unit on a case-by-case basis. Prior written approval by Avangrid's Compliance Unit is required for such payments, and Avangrid's Compliance Unit may approve a payment only if such payments would not violate the anti-corruption provisions of the FCPA, the FEPA, or any other applicable anti-corruption law. The expense for a facilitation payment must be properly and accurately recorded in the Avangrid Group's books and records.

In no case may facilitation payments be made within the United States or to any U.S. Government Official.

### Charitable Donations

Avangrid believes in contributing to the communities in which it does business and permits reasonable donations to domestic or foreign charities and to other recipients either *ad hoc* or under a social investment program. However,

charitable donations may not be used to disguise illegal payments to Government Officials. Accordingly, any request by a Government Official that the Avangrid Group donate to a particular charity is generally disfavored.

All charitable donations on behalf of the Avangrid Group shall comply with the internal rules for donations, including appropriate due diligence, as required by Avangrid's Compliance Unit. Prior written approval by Avangrid's Compliance Unit must be obtained before making charitable donations on behalf of the Avangrid Group in accordance with the requirements of the Sponsorships, Donations, and Other Social Contribution Rules.

### Political Contributions

Under no circumstances shall Avangrid Group funds be used to make political contributions to political parties or candidates in countries other than the U.S., even if such contributions are permitted by the laws of the respective country. Contributions made within the U.S. are covered by the Political Education and Contributions Protocol.

In compliance with U.S. Law, Foreign Nationals (foreign governments, foreign political parties, foreign corporations, foreign associations, foreign partnerships, individuals with foreign citizenship and immigrants not lawfully admitted for permanent residence) are expressly forbidden from participating in decision making related to political contributions.

This Policy is not intended to discourage or prohibit employees from voluntarily making personal political contributions, from participating in the political process on their own time and at their own expense, from expressing their personal views on legislative or political matters, or from otherwise personally engaging in political activities.

### Mergers and acquisitions

Whenever the Avangrid Group pursues a merger or the acquisition of any business entity or business asset, the due diligence process associated with the proposed business combination shall include a review of the risks of the other entity in relation to corruption, including history of compliance with the FCPA, the FEPA, and other applicable anti-corruption laws, and a review of the entity's compliance systems.

The resulting business combination should be promptly integrated into the Governance and Sustainability System and Compliance Program.

The foregoing due diligence and post-acquisition integration shall be conducted in accordance with Avangrid's protocols on corporate transactions.

### Joint ventures

Whenever the Avangrid Group elects to pursue work through a joint venture, partnership, or teaming arrangement, due diligence shall be conducted on the prospective partner to determine its reputation, beneficial ownership, professional capability and experience, financial standing, credibility, and history of compliance with the FCPA, the FEPA, and other applicable anti-corruption laws.

Adequate safeguards for compliance with the anti-corruption principles set forth in this Policy shall be implemented in accordance with Avangrid's protocols on corporate transactions.

### Consultants, agents, sponsors, and other representatives

Whenever the Avangrid Group seeks to engage or retain a consultant, agent, sponsor, or other third-party representative in connection with any business being sought or transacted, or service being rendered, outside the United States, due diligence shall be conducted to assess potential anti-corruption risks. The due diligence shall examine, among other things, the third party's business reputation, beneficial ownership and potential relationships with foreign Government Officials, professional capability and experience, financial standing, credibility, clientele, and history of compliance with the FCPA, the FEPA, and other applicable anti-corruption laws. Avangrid's Compliance Unit shall maintain a list of "red flags" which may signal potential corruption risks when engaging third parties for consideration when conducting anti-corruption due diligence on the third parties. Consultants, agents, sponsors and other representatives shall expressly accept and abide by the anti-corruption principles set forth in Avangrid's Supplier Code of Ethics.

## Contracts

Unless otherwise approved in writing by Avangrid's Legal Services Division, (a) all contracts with consultants, agents, sponsors, and other third party representatives, (b) all joint venture, partnership or teaming arrangements, and related shareholder agreements, and (c) all agreements for the acquisition of entities or business assets, shall include provisions approved by Avangrid's Legal Services Division concerning compliance with the FCPA, the FEPA, and other applicable anti-corruption laws, and mitigation of corruption risk.

## **6. Due Diligence, Training, Reporting and Enforcement**

- a) Avangrid's Compliance Unit will monitor legal developments concerning anti-corruption laws, and related changes in Avangrid Group's activities and industry, for the purposes of reviewing and amending this Policy.
- b) Avangrid's Compliance Unit shall conduct periodic risk assessments that consider the FCPA, the FEPA, and other applicable anti-corruption laws.
- c) Appropriate anti-corruption training shall be provided to all Avangrid Group officers, directors, employees and third parties, as needed.
- d) Avangrid Representatives shall report any known or suspected violation of this Policy immediately to Avangrid's Compliance Division or Legal Services Division. Known or suspected violations may also be reported anonymously through the Helpline. Such reports shall be investigated pursuant to Avangrid's Code of Business Conduct and Ethics and its strict prohibition against retaliation.
- e) The Avangrid Group has a "zero tolerance" policy for retaliation against Avangrid Representatives who report known or suspected violation of this Policy in good faith and punishment, penalties and all other forms of retaliatory action are strictly prohibited.
- f) Violation of this Policy by Avangrid Group officers, directors or employees will result in appropriate disciplinary action, up to and including termination. Appropriate actions shall also be taken in the event of violation of this Policy by any agent or third party acting on behalf of the Avangrid Group.