

# Compensation and Nominating Committee Charter

February 15, 2024

## 1. Committee Purpose and Charter

The Compensation and Nominating Committee (the “Committee”) of Avangrid, Inc. (the “Company”) is a standing committee of the board of directors (the “Board of Directors”) with powers of information, assessment and presentation of proposals to the Board of Directors within the scope of its functions described herein. The purpose of the Committee shall be to carry out the responsibilities delegated by the Board of Directors relating to executive compensation, the Company’s director nomination process, and any related matters required by federal securities laws.

This Charter sets forth the principles of action and the internal operating procedures for the Committee. Proposals to modify this Charter may be approved by the Board of Directors or will be considered by the Committee at the request of the Chairman of the Committee or a majority of the Committee members. Any such modifications approved by the Committee, and not otherwise approved by the Board of Directors, will be reviewed and approved and ratified by the Board of Directors.

## 2. Membership of the Committee

The Committee shall consist of at least three directors, all of whom are appointed by the Board of Directors. At least two of the Committee’s members shall qualify as “outside” directors within the meaning of Section 162(m) of the Internal Revenue Code, as amended (“Section 162(m)”), as “non-employee” directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (“Rule 16b-3”), and as “independent” directors within the meaning of Section 303A.05(a) of the New York Stock Exchange (“NYSE”) Listed Company Manual. The Committee will have a Chair and a Secretary, each of whom will be appointed by the Board of Directors.

In the event that it shall be necessary or appropriate for the Committee to consider compensation matters relating to or governed by Section 162(m) and/or Rule 16b-3, the Committee shall establish a subcommittee pursuant to Article 16 below that is comprised entirely of two or more directors who qualify as both “outside directors” within the meaning of Section 162(m) and “non-employee directors” within the meaning of Rule 16b-3 (the “Subcommittee”) and shall empower such subcommittee to, as applicable, (i) establish, administer, approve and certify (for Section 162(m)) purposes) performance goals for employee compensation awards, and to consider and act upon such other Section 162(m) matters as may be necessary or appropriate and (ii) review and approve (for Rule 16b-3 purposes) compensation grants and awards by the Company of its securities to an officer or director of the Company, and to consider and act upon such other Rule 16b-3 matters as may be necessary or appropriate. Prior to payment thereof, any compensation awarded by the Subcommittee shall be subject to further review and approval of, and may be adjusted by, the Board of Directors.

## 3. Authority and Responsibilities

In furtherance of its purposes, the Committee’s responsibilities shall include but not be limited to the following responsibilities in addition to any other responsibilities delegated to it by the Board of Directors or required by applicable laws, rules or regulations:

- a) To review and approve annually the corporate goals and objectives applicable to the compensation of the Company’s Chief Executive Officer (“CEO”), evaluate at least annually the CEO’s performance in light of those goals and objectives, and determine and approve the CEO’s compensation level based on this evaluation. The Committee’s decisions regarding performance goals and objectives and the compensation of the CEO are reported to the Board of Directors. In determining the long-term incentive component of CEO compensation, the Committee may consider the Company’s performance and relative shareholder return, the value of similar incentive awards given to chief executive officers at comparable companies and the awards given to the CEO in past years. In evaluating and determining CEO compensation, the Committee shall consider the results of the most recent shareholder advisory vote on executive compensation (“Say on Pay Vote”) required by Section 14A of the Exchange Act.

- b) To review and approve the compensation of all other executive officers. In evaluating and approving such executive compensation, the Committee shall consider the most recent Say on Pay Vote.
- c) To review and approve (and when appropriate, recommend to the Board for approval) executive incentive compensation plans and equity-based plans, and where appropriate or required, recommend for approval by the shareholders of the Company, which includes the ability to adopt, amend and terminate such plans. The Committee shall also have the authority to administer the Company's executive incentive compensation plans and equity-based plans, including designation of the participants to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan. For the avoidance of doubt, the Committee may delegate authority with respect to the grant of incentive or equity awards to non-executive officers to the CEO and/or the Company's Chief Human Resources Officer, subject to the provisions of the applicable incentive or equity-based plan. In reviewing and approving executive incentive compensation plans and equity-based plans, including whether to adopt, amend or terminate any such plans, the Committee shall consider the results of the most recent Say on Pay Vote.
- d) To review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") and the related executive compensation information, recommend that the CD&A and related executive compensation information to be included in the Company's annual report on Form 10-K and proxy statement, and produce the compensation committee report on executive officer compensation required to be included in the Company's proxy statement or annual report on Form 10-K.
- e) To review, and make recommendations to the Board of Directors for approval, any employment agreement and any severance arrangement or plan, including any benefits to be provided in connection with a change in control, for the CEO and other executive officers, which includes the ability to adopt, amend and terminate such agreements, arrangements or plans.
- f) To review, and make recommendations to the Board of Directors for approval, share ownership guidelines for the CEO and other executive officers and monitor compliance with such guidelines.
- g) To review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.
- h) To review and recommend to the Board of Directors for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.
- i) To review all compensation and benefits for service on the Board of Directors and the committees thereof and share ownership requirements for members of the Board of Directors, if any, at least once a year and to recommend any changes to the Board of Directors as necessary.
- j) To review the CEO succession plan (the "Succession Plan") periodically with the Chairman of the Board of Directors, develop and evaluate potential candidates for CEO and recommend to the Chairman of the Board any changes to, and any candidates for succession under, the Succession Plan.
- k) To determine the qualifications, qualities, skills and other expertise required to be a director and to develop, and recommend to the Board of Directors for its approval, criteria to be considered in selecting nominees for director.
- l) To identify and screen individuals qualified to become members of the Board of Directors, consistent with criteria approved by the Board of Directors. Evaluate and regularly review the independence of the proposed director candidates. The Committee shall consider any nominations of director candidates validly made by shareholders in accordance with applicable laws, rules and regulations and the provisions of the Company's charter documents.
- m) To review and make recommendations to the Board of Directors regarding the selection and approval of the nominees for director to be submitted to a shareholder vote at the annual meeting of shareholders.

- n) If a vacancy on the Board of Directors and/or any committee thereof occurs, to identify and make recommendations to the Board of Directors regarding the selection and approval of candidates to fill such vacancy either by election by shareholders or appointment by the Board of Directors, as applicable.
- o) To review any director resignation letter tendered to the Board of Directors, and evaluate and recommend to the Board of Directors whether such resignation should be accepted.
- p) To receive from the Governance and Sustainability Committee a report on the annual evaluation of the Board of Directors and its Committees to identify and make recommendations to the Board of Directors regarding the election and approval of nominees for director to be submitted to a shareholder vote at the annual meeting of shareholders and the composition of the Committees of the Board of Directors.
- q) To review this Charter at least annually and recommend any proposed changes to the Board of Directors for approval.

#### **4. Information to the Board of Directors**

The Chair of the Committee will inform the Board of Directors of the activities of the Committee and any action taken during any meeting of the Committee at the first meeting of the Board of Directors after the applicable meeting of the Committee. The Committee will inform the Board of Directors regularly of its decisions, recommendations and significant developments in the course of performing the above functions. In furtherance of the foregoing, the Committee shall submit any recommendation or resolution that is subject to approval of the Board of Directors within a reasonable time prior to the contemplated meeting of the Board of Directors.

#### **5. Performance Evaluation**

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter.

#### **6. Outside Advisors**

The Committee may access such information, documents, compensation records, contracts, etc. of any nature as it may deem necessary to perform its duties. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of compensation consultants, outside legal counsel, search firms and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its compensation consultants, outside legal counsel, search firms and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel, search firms and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, search firm, legal counsel or other advisor to the Committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter. Such advisors shall submit their reports, if any, directly to the Chair of the Committee.

In retaining or seeking advice from compensation consultants, outside counsel and other advisors (other than the Company's in-house counsel), the Committee shall take into consideration the factors specified in Section 303A.05(c) of the New York Stock Exchange Listed Company Manual. The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors. The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

#### **7. Term and Removal**

The directors appointed to the Committee will continue to serve on the Committee for as long as their appointment as directors of the Company continues in force, unless the Board of Directors determines otherwise. The directors which comprise the Committee and that are re-elected as directors of the Company by decision of the shareholders, will continue to carry out their positions on this Committee, without the need for re-election, unless the Board of Directors determines otherwise. The members of the Committee will cease in their positions when they cease serving or are removed as directors of the Company or by resolution of the Board of Directors.

## **8. Committee Meetings**

The Committee will meet as many times as necessary, in the sole discretion of the Chair of the Committee, to comply with their undertakings, which shall be at a minimum at least four (4) times per year. In addition, the Committee shall meet at the request of two (2) of its members or the Chairman of the Board of Directors. The Chair of the Committee, or the Secretary of the Committee at the request of the former, will provide notice to the Committee's members of the meetings by means of email or any other reasonable means, addressed to each of its members, indicating the place, date and time of the meeting, as well as the agenda. The notice must be provided at least 48 hours in advance, unless there is a need for an urgent meeting. The notice requirement for the meetings of the Committee will be deemed waived when, all the members of the Committee being present, the Committee unanimously accepts holding the meeting and the points on the agenda. The Committee may meet in executive session, from time to time, without management present.

## **9. Quorum and Adoption of Resolutions**

At least two (2) Committee members shall be required for and shall constitute a quorum for the transaction of business by the Committee. Committee meetings will be presided over by the Chair of the Committee, and if the Secretary of the Committee is not present, the Chair of the Committee shall appoint another Committee member to act as Secretary of the Committee for purposes of the meeting.

All resolutions by the Committee shall be adopted by a majority of votes of the members present at the meeting. The Secretary of the Committee will draft the minutes of each of the meetings held, which will be approved by the Committee. Any action required or permitted to be taken by the Committee may be taken without holding a meeting if all members of the Committee consent in writing or by electronic submission to the adoption of a resolution authorizing such action. All resolutions so adopted by the members of the Committee, and the written consents thereof, shall be recorded with the minutes of the proceedings of the Committee.

## **10. Meeting Attendance**

The Chair of the Committee may request, through the Chairman of the Board of Directors, the attendance of any member of the Board of Directors at the meetings of the Committee. The Chair of the Committee may also request, through the Secretary of the Board of Directors, the attendance of any officer, manager or employee of the Company as well as of any member of the management decision-making bodies of the companies in which the Company has an interest whose appointment has been proposed by the Company, provided that there is no legal impediment thereto.

Persons who are not either members of the Committee or the Board of Directors may not attend meetings when the matters to be covered are outside of the scope of the powers or duties of such persons, unless otherwise requested by the Chair of the Committee. The Committee may invite such members of management to its meeting as it deems appropriate.

## **11. Interpretation and Integration**

Any questions regarding the interpretation of this Charter will be resolved by a majority vote of the members of the Committee at a meeting or, in absence of a majority, by the Chair of the Committee. The Board of Directors must be notified of the interpretation and resolution of any such questions that may arise. In the absence of any specific regulations, the provisions of the Company's By-laws relating to the operation of the Board of Directors, provided they are not incompatible with its nature and function, will be applicable to the Committee.

## **12. Delegation**

To the extent permitted by law, the Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.