

Compliance Policy

April 9, 2025

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 wholly owned subsidiary of Iberdrola, S.A. and a member of the group of companies controlled by Iberdrola, S.A. (the “Iberdrola Group”). The Board of Directors of Avangrid (the “Board of Directors”) has approved this *Compliance Policy* (this “Policy”) to assist in exercising its responsibilities to Avangrid and its stakeholders. 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. This Policy aligns with and further develops the principles contained in the *Compliance Policy*, the *Purpose and Values of the Iberdrola Group*, and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* approved by the Board of Directors of Iberdrola, S.A. from time to time. This Policy also supplements and further develops the *Code of Business Conduct and Ethics*, the *Anti-Corruption Policy* and the *Internal Reporting and Whistleblower Protection System* approved by the Board of Directors from time to time.

1. Purpose

The purpose of this *Policy* is to establish the main principles of conduct governing the commitment of the Avangrid to prevent, detect and respond to any conduct that is improper or involves any act that is illegal or contrary to law or to the Governance and Sustainability System, as well as to demonstrate the willingness of Avangrid to combat said conduct in all of their activities, both as an expression of its culture of compliance and its own social commitment to the public interest and to avoid any potential damage to its image and reputational value and, ultimately, the value of Avangrid.

Thus, on the one hand, the *Policy* makes explicit Avangrid’s firm commitment to its purpose and values, with ethical principles and with ongoing monitoring and penalization of improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, and on the other conveys to the shareholders, to the members of the management bodies and to the professionals of Avangrid, as well as to third parties engaging in relationships therewith, a strong message of opposition to the commission of any impropriety or act that is illegal or contrary to law or to the Governance and Sustainability System.

This Policy shall apply to all directors, officers and employees of the Avangrid Group. Furthermore, all third persons acting as representatives of the Avangrid Group shall, to the extent possible, promote the implementation of crime prevention programs within their own organizations.

2. Main Principles of Conduct

The main principles of conduct that Avangrid adopts and promotes in the area of compliance are described below:

- a) On the one hand, foster a preventive culture based on the principle of “zero tolerance” towards improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, and on the other, the application of ethical principles and principles of responsible behavior that should govern the conduct of all members of the management bodies, as well as of the professionals of Avangrid, regardless of

their level or functional subordination, and that of its suppliers.

This “zero tolerance” principle is absolute in nature and takes precedence over the possibility of obtaining any type of benefit (financial or otherwise) for Avangrid or its directors or professionals, when based on a business or transaction that is improper, illegal or contrary to law or to the Governance and Sustainability System.

- b) Within the framework of the drive for its preventive culture, foster processes of self-control in the conduct and decision-making of the members of the management body and of the professionals, such that their actions are based on four basic premises: (i) that they are ethically acceptable; (ii) that they are legally valid and comply with the provisions of applicable law and internal rules, including the Governance and Sustainability System, and particularly with the *Code of Business Conduct and Ethics*; (iii) that they are performed within the framework of the corporate interest of Avangrid; as well as (iv) that they are prepared to assume responsibility therefor.
- c) Identify and assess the risks associated with improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System in the activities of Avangrid.
- d) Establish the appropriate controls and preventive measures (including, without limitation, through the internal rules and procedures approved for this purpose) for the identification, control, mitigation and prevention of improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, as well as identified risks, in line with the provisions of the *General Risk Control and Management Foundations of the Iberdrola Group* and the *Sustainable Development Policy*.
- e) Take appropriate measures to ensure that relations between the professionals of Avangrid with any other company and the members thereof are governed by the principles of transparency and honesty, as well as by respect for free competition.
- f) Promote relations of Avangrid with its Stakeholders being based on ethics and integrity.
- g) Ensure that the relationship of Avangrid with its suppliers is based on legality, business ethics, efficiency, transparency and honesty and endeavor to ensure that they comply with established policies, rules and procedures, particularly with respect to the prevention of corruption, in any of its manifestations, adopting the appropriate due diligence measures to promote principled, sustainable and responsible business behavior throughout the supply chains.
- h) Implement appropriate training programs and communication plans for professionals of Avangrid, as well as for third parties with whom relations are customarily maintained, regarding the duties imposed by the law applicable to any of their areas of activity or that are established in the Governance and Sustainability System and other internal rules and regarding the consequences of the violation thereof, with a frequency sufficient to ensure that their knowledge of the issues covered by this *Policy* is kept up to date.

In particular, specific training programs shall be carried out to provide information on the *Internal Reporting and Whistleblower Protection System* and the operation thereof, as well as on the procedure established to manage grievances and reports received through this system and measures of protection and support for whistleblowers.

- i) Penalize, in accordance with the provisions of applicable law at any given time: (i) conduct that contributes to preventing or hindering the discovery of improprieties or acts that are illegal or contrary to law or to the Governance and Sustainability System; (ii) breach of the specific duty to report through internal reporting channels (as this term is defined in the *Internal Reporting and Whistleblower Protection System*) potential improprieties or breaches of which they are aware; and (iii) the taking of any type of retaliatory measures against the whistleblower (or persons related thereto) who reports the aforementioned conduct.
- j) Seek a fair, non-discriminatory and proportional application of penalties as provided by applicable law from time to time.

- k) Provide all necessary and appropriate assistance and cooperation to internal or judicial and administrative bodies and domestic or international institutions and entities, including competition authorities, to investigate acts that are allegedly improper, illegal or contrary to law or the Governance and Sustainability System that may have been committed by the members of the management bodies or the professionals of Avangrid and that relate to or affect the scope of their activities.
- l) To the extent necessary and appropriate, coordinate, cooperate and share information with the compliance units of the other companies of the Iberdrola Group and with the heads of the compliance function of the other companies of the Iberdrola Group in order to promote the highest ethical standards in the compliance area, particularly but not limited to issues relating to investigation procedures, the analysis and evaluation of criminal risks, the measures and controls implemented for the mitigation thereof, internal compliance rules, and the promotion of training plans.

The monitoring of and compliance with the principles contained in this *Policy* contribute to achieving the full realization of the *Purpose and Values of the Iberdrola Group* and of the corporate interest, in accordance with applicable legal provisions, and particularly with the Governance and Sustainability System, consistently with the principles and guidelines for conduct aimed at ensuring the ethical and responsible behavior of the directors, professionals and suppliers of Avangrid.

3. Compliance System

Avangrid has a Compliance System, which includes all the rules, formal procedures and substantive activities that are intended to ensure that Avangrid acts in accordance with ethical principles, the law, and internal rules, particularly the Governance and Sustainability System, to contribute to the full realization of the *Purpose and Values of the Iberdrola Group* and the corporate interest, and to prevent, manage and mitigate the risk of regulatory and ethical breaches that may be committed by the directors, professionals or suppliers thereof within the organization.

Avangrid's Compliance Unit proactively and autonomously oversees the implementation and effectiveness of its Compliance System, without prejudice to the responsibilities corresponding to other bodies and divisions of Avangrid.

The Compliance System is under continuous review to incorporate the most advanced international practices and trends in accordance with the highest international good governance standards and new regulatory requirements in this field, and ensures the dissemination, implementation and monitoring of the principles of conduct set out in this *Policy*. For such purposes, Avangrid's Compliance Unit, which is configured in accordance with the highest standards of independence and transparency and which has at least one member not related to any of the companies of the Iberdrola Group, enjoys the necessary autonomy and capacity for initiative and control and has the appropriate material and human resources for the performance of its duties.

The fundamental elements of Avangrid's Compliance System are, on the one hand, its crime prevention program and, on the other hand, the Internal Reporting System, activated so that the members of its management decision-making body, its professionals, its suppliers and other third parties determined by applicable legal provisions can report potentially improper conduct or acts that are potentially illegal or contrary to law or to the Governance and Sustainability System that concern or affect the their respective activities, including, in particular, acts and conduct that are potentially fraudulent or facilitate corruption in any of its forms.

The internal reporting channels activated for this purpose by the Company form part of the internal reporting system pursuant to the provisions of the *Internal Reporting and Whistleblower Protection System*, and they constitute the preferred channel for reporting such conduct and acts and for the processing of grievances or reports that are submitted.

Avangrid regularly submits its Compliance System to review by independent experts.

4. Crime Prevention Program

As regards the basic principle relating to the identification and evaluation of the risks relating to improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, Avangrid has implemented through the Compliance Unit and other competent bodies a specific and effective program for the prevention of crimes, which is understood as the group of measures intended to prevent and mitigate the risk of commission of potential crimes and to detect and react to the commission thereof.

The purpose of this program is: (i) to strengthen the commitment of Avangrid to combat the commission of crimes, and particularly all forms of corruption and fraud; and (ii) to assure third parties and judicial and administrative authorities that Avangrid effectively complies with the duties of supervision, monitoring and control of its activities by establishing appropriate measures to prevent crimes – or to significantly reduce the risk of the commission thereof – and that, therefore, Avangrid exercises due control over the members of its management decision-making bodies, its professionals, and other subordinates, based on its governance model, as is legally required thereof, including the monitoring of possible situations of crime risk that may arise within the scope of its activities, even in those cases in which such situations cannot be attributed to a specific individual.

Avangrid's Compliance Unit is responsible for endeavoring to ensure the implementation, development, updating and fulfilment of the crime prevention program of Avangrid and of those other companies of the Avangrid Group.

Furthermore, at least once per year, Avangrid's Compliance Unit shall evaluate compliance with and the effectiveness of its crime prevention program and shall assess whether regular modification and update thereof is appropriate, provided that the circumstances so require.

5. Implementation and Monitoring

The Compliance Unit proactively endeavors to ensure the application and effectiveness of this *Policy* and disseminates the content hereof among the people to whom it is addressed, all without prejudice to the responsibilities assigned to other bodies and divisions of Avangrid.

The Audit and Compliance Committee shall regularly review the contents of the *Policy*, ensuring that it reflects the recommendations and best international practices, and shall propose to the Board of Directors those amendments and updates that contribute to the development and ongoing improvement thereof, taking into account any suggestions and proposals made by the Compliance Unit.