Avangrid, Inc.
Corporate Governance Guidelines

October 14, 2026

PREAMBLE

The corporation is part of the group of companies controlled by IBERDROLA, S.A. (the "**Iberdrola Group**"), which combines, based on its multi-level corporate structure, a decentralized decision-making system, inspired by the principle of subsidiarity, with robust coordination mechanisms that ensure the global integration of the businesses of the Iberdrola Group's companies and the management of their risks, in accordance with a Business Model geared towards maximizing the collective value of said businesses in the interest of all of the companies within the Iberdrola Group, maintaining an effective system of checks and balances and a clear separation of functions and responsibilities.

ARTICLE 1. PURPOSE

1. These Guidelines of the board of directors (the **"Board of Directors"**) of Avangrid Inc. (the "**Corporation,**" a director thereof being a "**Director**") contains the guidelines that are to govern all action(s) taken by the Board of Directors of the Corporation, the basic rules for the organization and operation thereof and the rules of conduct to be observed by the Board of Directors, in order to achieve the greatest degree of transparency, effectiveness, dynamism, supervision and control in the performance of its management and duties and representation of the interests of the Avangrid Group (as hereinafter defined), in accordance with the *Purpose and Values of the Iberdrola Group*.

2. These Guidelines further develop and supplement the legal provisions applicable to the Board of Directors of the Corporation and form part of the Corporation's Governance and Sustainability System.

3. These Guidelines have been prepared and approved taking into account the good governance recommendations generally recognized in international markets.

4. The guidelines for action and the rules for the organization and the operation of the management decision-making bodies within the subsidiary companies within the group whose controlling entity, within the meaning established by law, is the Corporation (the "**Avangrid Group**") shall be governed by the charters relevant to those companies.

5. Such charters shall conform to the principles set forth in these Guidelines, without prejudice to any adjustments that may be required based on the circumstances of each company, and shall, in all cases, abide by the guarantees required by the Corporation's Governance and Sustainability System and the principles of coordination and information that must govern the relations among the management decision-making bodies of the various subsidiary companies of the Avangrid Group in order for them to fully comply with their respective duties.

ARTICLE 2. SCOPE

1. These Guidelines apply to the Board of Directors, the representative decision-making bodies thereof (whether collective or single-person) and its internal committees (if any).

2. The persons and bodies to whom these Guidelines apply shall have the duty to be informed of them, to comply with them and to enforce them, for which purpose the secretary of the Corporation shall provide the Board of Directors with a copy that is to be acknowledged by means of a signed receipt, and that is to be published to the Directors' website and the Corporation's corporate website.

3. The Board of Directors shall comply with and enforce the provisions of the Corporation's Governance and Sustainability System and shall confirm such commitment in writing upon accepting their appointment in such manner as is determined by the secretary of the Corporation.

ARTICLE 3. IBERDROLA GROUP

Section 3.1 The Corporation within the Iberdrola Group

a. The Corporation is a subholding company of the multinational group of companies of which IBERDROLA, S.A. is the controlling member.

b. The Corporation is included within the Iberdrola Group's decentralized corporate structure as a subholding company, with the duty of complementing the strategic supervision, organization and coordination by IBERDROLA, S.A., as the controlling member of the Iberdrola Group, of the head of business companies in which it has an interest, disseminating, implementing and ensuring compliance with policies, strategies and general guidelines at the Iberdrola Group level based on the characteristics and unique aspects of the respective territories, countries and businesses in which said head of business companies are present, contributing to their global integration within the Iberdrola Group and within its Business Model as defined on its Governance and Sustainability System.

Section 1.2. Corporate Interest

The Corporation, as subholding company of the Iberdrola Group in the United States, shares with its sole shareholder the concept of the corporate interest, which is understood as the common interest of all persons owning shares of an independent company, with its own distinct bylaw-based identity, focused on creating comprehensive (economic, environmental, social and governance) and sustainable value by engaging in the activities included in its corporate object, taking into account the other Stakeholders (as such term is defined in the *Stakeholder Engagement Policy*) related to its business activity and consistently with its institutional reach, in accordance with the *Purpose and Values of the Iberdrola Group* and with the commitments made in its *Code of Business Conduct and Ethics*.

Section 1.3. Social Dividend

a. The performance of the activities included in the corporate interest, particularly the Corporation's innovation and digital transformation strategy, must be focused on the sustainable creation of value, in accordance with the *Purpose and Values of the Iberdrola Group* and with the commitments made in its *Code of Business Conduct and Ethics*.

b. The Corporation contributes to the social dividend of the Iberdrola Group consisting of the direct, indirect or induced contribution of value that its activities represent for all shareholders, particularly through its contribution to the achievement of the Sustainable Development Goals (SDGs) adopted by the United Nations (UN) and its commitment to best sustainability practices.

   In this regard, the Corporation may work with foundations related to the Iberdrola Group in order to promote and implement activities carried out in relation to sustainable development policies within its scope of activities.

c. The Corporation's performance in the social, environmental and sustainability areas, as well as the social dividend generated and shared with its Stakeholders, make up the Corporation's non-financial information. The Corporation shall promote the public dissemination of its social dividend generated, especially among its shareholders.

Section 1.4. Governing Law. Governance and Sustainability System and Compliance System.

a. Governing Law. The Corporation, and these Corporate Governance Guidelines, shall be governed by and interpreted under the laws of the State of New York, without regard to its conflict of laws principles or rules that would mandate the application of the laws of any other jurisdiction, as well as by the Corporation's Governance and Sustainability System established by its governance bodies in the exercise of corporate autonomy.

b. Governance and Sustainability System. The Governance and Sustainability System is the Corporation's internal system of rules, which is configured in accordance with applicable law in the exercise of corporate autonomy supported thereby; it is intended to ensure through rule-making the best implementation of the corporate contract that binds its sole shareholder, and especially the corporate object, the corporate interest and the social dividend, as defined in the preceding articles. These Guidelines shall be interpreted in accordance with the Corporation's Governance and Sustainability System.

c. The Corporation adopts and incorporates to its own Governance and Sustainability System those corporate policies and other governance and compliance rules that have been approved by the board of directors of IBERDROLA, S.A. pursuant to its status as the Iberdrola Group's ultimate holding company, thus ensuring proper coordination and consistency with the Governance and Sustainability System of IBERDROLA, S.A.

d. Accordingly, the Governance and Sustainability System is founded upon the principles of the *Purpose and Values of the Iberdrola Group*, which define the founding ideals and values of the Company's business, which, due to its size and importance, is a focal point of interaction for a large number of Stakeholders and the environmental, social, and economic framework under which the Iberdrola Group does business.

e. The Board of Directors is responsible for the development, application and interpretation of the rules making up the Governance and Sustainability System (along with any rules approved by IBERDROLA, S.A. in its position as the sole shareholder of the Corporation), including in relation to ensuring compliance at all times with the purposes of the Governance and Sustainability System and the fulfilment of the corporate interest of the Corporation.

f. Full or summarized versions of the rules making up the Governance and Sustainability System can be viewed on the Corporation's corporate website (in so far as not confidential or internal in nature).

g. Compliance System. Within the framework of the Governance and Sustainability System, the Corporation also has a well-developed Compliance System, consisting of a structured set of rules, procedures and activities intended to prevent and manage the risk of regulatory and ethical breaches or breaches of the Governance and Sustainability System itself, as well as to contribute to the full realization of the *Purpose and Values of the Iberdrola Group* and the corporate interest.

h. The application and further development of the Corporation's Compliance System is the responsibility of the Compliance Unit, a collective, internal, and permanent body that is configured in accordance with the highest standards of independence and transparency and that is linked to the Audit and Compliance Committee, the body of the Corporation that is responsible for proactively and independently endeavoring to ensure the implementation, effectiveness and management of the Compliance.

Section 1.5. Stakeholder Engagement, Corporate Website, Presence in Social Media and Digital Transformation

a. The Corporation shall engage with all Stakeholders in its business activities in accordance with any engagement policy adopted on the same based on the principles of transparency and active listening which allows it to continue to respond to their legitimate interests, with the Corporation being responsible for the effective dissemination of information regarding the activities thereof.

b. The Corporation shall ensure that its corporate website, its presence and activity on social media, and, in general, its digital innovation strategy, contributes to the Iberdrola Group's digital communication strategy aimed at, among other purposes, strengthening the engagement and identification of all Stakeholders, boosting the Iberdrola, as well as the Corporation's, brand and favoring the development of the Corporation's activities and its digital transformation in accordance with the principles described in section a above.

c. The Corporation shall ensure the accessibility of its corporate website as an expression of its commitment to transparency and communication with the various Stakeholders and with society in general, to serve as a basis for generating credibility and mutual trust, in accordance with sections a and b above.

ARTICLE 4. APPROVAL, AMENDMENT AND PRIORITY

1. These Guidelines established from time to time further develop and supplement the law and the provisions set out in the By-Laws of the Corporation.

2. In the event of a conflict between these Guidelines, the law and By-Laws, the law and By-Laws shall prevail.

3. These Guidelines, and any amendment to them, must be approved by resolution of the Board of Directors.

ARTICLE 5. GENERAL PRINCIPLES

1. Pursuant to the Board of Directors' powers to establish rules to regulate itself and make provision for the management of its internal activities and its disposal of matters, each member of the Board of Directors, including the Chief Executive Officer (if applicable), shall, in accordance with their fiduciary duties independently carry out their functions and competencies with due regard to the corporate interest and common purpose, in accordance with the Iberdrola Group's *Purpose and Values of the Iberdrola Group* and *Code of Business Conduct and Ethics*, adopted by the Corporation from time to time as part of the Corporation's Governance and Sustainability System and to all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities.

2. In accordance with the Governance and Sustainability System of the Iberdrola Group, the Corporation shall incorporate into its corporate governance practices the application of the basic rules that characterize the Rule of Law, linked to the principles of legality and legal certainty. Accordingly, the Corporation shall articulate its regulatory system, its internal organization and its external relations (including its relations with its Stakeholders) in accordance with such basic rules in the performance of its activities, and the Board of Directors shall endeavor to ensure that its actions and those of the Corporation are consistent therewith, in each case in accordance with applicable law.

ARTICLE 6. POWERS OF THE BOARD OF DIRECTORS

1. The Board of Directors has the power to adopt resolutions regarding all matters not assigned by law or the By-Laws to the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting, and shall have the broadest powers to manage, direct, administer and represent the Corporation.

2. The following are specific and non-delegable powers of the Board of Directors of the Corporation as the subholding company in the USA:

    a. Disseminate, implement and ensure that the general policies, strategies and guidelines established by IBERDROLA, S.A. as controlling member of the Iberdrola Group are followed by the head of business companies in which the Corporation has an interest, taking into account the nature and particularities of the territories or countries within their purview, as well as the businesses carried out by the head of business companies and respecting the autonomy thereof to engage in the effective management and day-to-day administration of their business, as well as their responsibility for the day-to-day control thereof.

    b. Approve the consolidated annual budget of the Corporation and its directly or indirectly controlled companies, taking into account the budgetary forecasts thereof and pursuant to the budgetary guidelines of IBERDROLA, S.A. as the controlling member of the Iberdrola Group.

    c. Approve the financial information relating to the Corporation and its directly or indirectly controlled companies, following a report from the Audit and Compliance Committee and after any review by the statutory auditor.

    d. Approve the non-financial information of the Corporation and directly or indirectly controlled companies, which shall be included in the consolidated statement of non-financial information and following a report from the Audit and Compliance Committee.

    e. Prepare proposals for the distribution of dividends that will be submitted for a decision of the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting in accordance with the policy established by IBERDROLA, S.A. as the controlling member of the Iberdrola Group.

    f. Promote and supervise, as the subholding company in the United States, the strategy regarding engagement with its respective Stakeholders, in accordance with the policy and model established in this regard at the Iberdrola Group level, and in particular approving any frameworks of collaboration with foundations related to the Iberdrola Group to promote and carry out activities relating to sustainable development policies within its purview.

    g. Endeavor to ensure that the Corporation and its directly or indirectly controlled companies comply with the legal provisions on the protection of personal data in accordance with the policies established in this regard at the Iberdrola Group level.

    h. Establish, along with IBERDROLA, S.A., as the controlling member of the Iberdrola Group, the mechanisms allowing for the exchange of information between the Corporation and its head of business companies required for strategic coordination at the Iberdrola Group level in the interest of all the companies in the Iberdrola Group, without undermining the autonomy of the Corporation and the companies in which it holds an interest or the requirements imposed by law on the directors thereof.

    i. Ensure the proper use of the Iberdrola brand as an expression of the *Purpose and Values of the Iberdrola Group* and its commitment to the *Code of Business Conduct and Ethics*.

j. Supervise the provision of services common to the head of business companies in which the Corporation has an interest, promoting and supervising contracts for the provision of intra-group services, as well as support for the performance of the duties of the corporate committees at the Iberdrola Group level.

k. Bolster the presence of the Corporation and its controlled companies on social media and foster development of the communication and innovation strategy as well as the digital transformation of the Iberdrola Group.

l. In particular, within its purview as a subholding company, establish the structure and accessibility of the Corporation's corporate website through which the *Purpose and Values of the Iberdrola Group* and its *Code of Business Conduct and Ethics* will be disseminated, identifying its activities, its relationship with the Iberdrola Group, and its position on matters of corporate governance, sustainability and the environment, while also serving as an instrument for bolstering its relations with the most significant Stakeholders and with society in general, establishing the coordination required for these purposes with the corporate websites of the head of business companies in which the Corporation has an interest, avoiding any confusion between or among them.

3. The Board of Directors shall also be responsible for directly exercising the following powers, which may not be delegated:

a. Establish its own organization and operation.

b. Prepare the annual financial statements, the directors' report and the proposed allocation of profits or losses of the Corporation, ensuring that such documents provide a true and fair view of the assets and liabilities, the financial position and the results of the Corporation in accordance with the provisions of law, and to submit them to the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting.

c. Prepare the statement of non-financial information within the period and in accordance with the provisions established by applicable law and the Governance and Sustainability System and submit it to the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting.

d. Prepare any type of report required of the Board of Directors by law insofar as the activity referred to in the report cannot be delegated.

e. Designate and renew internal positions within the Board of Directors and the members of and positions on the committees that may be established therein.

f. Submit to the sole shareholder, in the exercise of the powers of shareholders acting at a General Shareholders' Meeting, in accordance with the By-Laws and within the limits established thereby, proposed resolutions relating to the remuneration of directors in their capacity as such.

g. Set the remuneration to which the chief executive officer is entitled to and the other terms to be included in their contract in accordance with the provisions of law.

h. Approve the appointment and dismissal of members of the executive officers. For these purposes, those executive officers who directly report to the Board of Directors or to one of its members, and in any case the head of the Internal Audit and Risk Division, shall be deemed executive officers.

i. Approve proposed appointments and removals of directors of the directly controlled companies of the Corporation, provided, however, that proposed appointments or removals of any external directors shall be submitted to IBERDROLA, S.A.'s Appointments Committee for acknowledgement. The Corporation's Board of Directors shall also acknowledge proposed appointments and removals of the directors of indirectly controlled companies.

j. Decide on proposals submitted thereto by the chief executive officer, if any, or by such committees of the Board of Directors as it has decided to create.

k. Carry out the decisions of the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting.

l. Approve or propose to the sole shareholder for approval, as appropriate, Related-Party Transactions (as defined in these Guidelines) for which approval has not been delegated based on the provisions of section 8 of Article 16 below, and decide on any approval or waiver of obligations arising from the duty of loyalty, all upon the terms established by law and the Governance and Sustainability System, without prejudice to any powers in this regard of the Board of Directors of IBERDROLA, S.A. as controlling member of the Iberdrola Group.

m. Approve and review on an annual basis the basic terms that, in order to safeguard the corporate interest, must be observed in transactions between the Corporation and its subsidiaries and the other companies of the Iberdrola Group.

n. Approve the disposition of essential assets of the Corporation and, in general, investments or transactions of any kind that are strategic in nature to the Corporation due to the large amount or special characteristics thereof (and whose approval, as provided by law and the By-Laws, does not correspond to the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting), including industrial, commercial or financial transactions that have a particular significance or pose a particular risk to the Corporation, establishing any position of the Corporation with respect to its controlled companies, on the aforesaid matters and transactions.

   The foregoing shall be understood to be without prejudice to the power of the Board of Directors to request of the sole shareholder, in the exercise of the powers of shareholders acting at a General Shareholders' Meeting, the approval of the decisions contemplated in the preceding paragraph.

o. Take account of mergers, spin-offs, concentrations or global transfers of assets and liabilities that affect any of the companies directly dependent on the Corporation.

p. Approve the creation or acquisition of equity interests in special purpose entities or entities registered in countries or territories that are considered to be tax havens, as well as any other transactions or operations of a similar nature that, due to their complexity, might diminish the transparency of the Iberdrola Group.

q. Supervise the effective operation of the Audit and Compliance Committee and of any other consultative committees that may have been created, and the conduct of the delegated decision-making bodies and of any officers that have been appointed.

r. Approve the appointment of the members of the Compliance Unit, upon a proposal of the Audit and Compliance Committee.

s. Approve and, if appropriate, amend the Regulations of the Compliance Unit, upon a proposal of the Audit and Compliance Committee.

t. Identify the principal risks of the Corporation and organize appropriate internal control and information systems, as well as carry out the regular monitoring of such systems, taking into account the Iberdrola Group's general risk policy for these purposes.

u. Make decisions regarding any other matter within its authority that the Board of Directors believes to be in the interest of the Corporation.

4. Without prejudice to the non-delegable powers referred to in sections 2 and 3 above, the Board of Directors shall entrust the day-to-day management and administration of the Corporation to the chief executive officer, if any, and to the officers, promoting and supervising the management of the Corporation, and particularly compliance with the guidelines and objectives established by the Board of Directors.

5. Powers reserved by law or the By-Laws to be directly exercised by the Board of Directors may not be delegated.

ARTICLE 7. CHIEF EXECUTIVE OFFICER

1. The Board of Directors, upon a proposal of the chairperson thereof, and with the favourable vote of two-thirds of the directors, may appoint from among the directors a chief executive officer with the powers it deems appropriate, and which may be delegated pursuant to law, the By-Laws and these Guidelines.

2. The position of chief executive officer may also be held by the chair of the Board of Directors.

3. The chief executive officer, if any, shall be responsible for the day-to-day management and administration of the Corporation under the supervision of the Board of Directors, and particularly the following:

a) Promote the application of the general corporate policies and management guidelines of the Iberdrola Group within the scope of the Corporation's activities, in accordance with the guidelines established by the Corporation's Board of Directors.

b) Apply the strategy and policies approved by the Board of Directors within the scope of its activities and in accordance with the basic management guidelines of the Iberdrola Group.

c) Propose annual objectives to the Board of Directors and the budget required for the achievement thereof.

d) Endeavour to ensure that the head of business companies in which the Corporation has an interest are aware of the recommendations relating to technological and operational practices and, in turn, apply and develop the innovation and digital transformation strategy, which, in accordance with the global guidelines and strategy, can be carried out by the committees established in accordance with the Business Model to favour synergies that will contribute to maximising the value of the businesses of the Iberdrola Group.

e) Establish the institutional relationships required within the scope of the Corporation's activities.

ARTICLE 8. CHAIR AND VICE-CHAIR

1. The Board of Directors shall elect from among its members a chairperson who shall exercise the powers that correspond thereto in accordance with law and the Corporation's Governance and Sustainability System, and particularly the following:

   a) Call and preside over meetings of the Board of Directors, setting the agenda for the meetings and directing the discussion and debate.

   b) Bring to the Board of Directors those proposals that the chairperson deems appropriate for the efficient running of the Corporation, particularly those corresponding to the operation of the Board of Directors itself.

   c) Ensure, with the collaboration of the secretary of the Board of Directors, that the directors receive in advance sufficient information regarding the items on the agenda.

   d) To stimulate the debate and active participation of the directors during meetings, safeguarding their freedom to take positions.

   e) Drive the work of the consultative committees of the Board of Directors and endeavour to ensure the efficiency thereof in the performance of their duties and responsibilities, as well as the availability of required material and human resources.

   f) Invite to the meetings of the Board of Directors all those persons who may contribute to improving the information contemplated by the directors during the decision-making portion of the meetings.

2. The Board of Directors may elect a vice-chair upon a proposal of the chairperson. If the Board of Directors has elected a vice-chair, the vice-chair shall temporarily replace the chairperson of the Board of Directors in the event of vacancy, absence, illness or incapacity. In the absence of a vice-chair, the chair shall be replaced by the director with the longest length of service in office, and in case of equal length, by the oldest.

3. The chairperson and any vice-chair of the Board of Directors who are re-elected as members of the Board of Directors by a decision of the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting shall continue to hold said positions within the Board of Directors without the need for a new election and without prejudice to the Board of Directors' power of revocation with respect to said positions.

4. Meetings of the Board of Directors shall be held in person, including the possibility of being held at a single physical location as well as at several locations connected to each other, or by remote means, on the terms set forth in the notice of meeting.

ARTICLE 9. SECRETARY AND DEPUTY SECRETARY

1. The Board of Directors, upon a proposal of the chairperson, shall appoint a secretary, who need not be a director, and who shall perform the duties assigned thereto by law and the Corporation's Governance and Sustainability System, and particularly the following:

   a) Maintain a minute book of the decisions of the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting, while also ensuring the maintenance and custody of said minute book. Without prejudice to the foregoing, the secretary shall inform the secretary of the Board of Directors of the sole shareholder of the minutes recording the decisions of the sole shareholder that are adopted.

The secretary shall also inform the Board of Directors of the decisions that the Corporation has made as sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting of the companies in which it has the status of sole shareholder.

b) Maintain the minute book of the Board of Directors and any other management decision-making bodies in which they hold the position of secretary, duly reflecting therein the proceedings of the meetings, and also ensuring the maintenance and custody of said registers and of the corporate documentation generated in relation to the operation of said management decision-making bodies.

c) Maintain the registers referred to in paragraphs a), b) and c) above upon the terms and for the periods established by the Board of Directors, and in any event for the minimum periods provided by law. Upon leaving office, the secretary must transfer to the incoming secretary the corporate documents that the secretary has maintained and kept in custody on the terms and for the periods referred to above.

d) Ensure the formal and substantive legality of the actions of the Board of Directors and other management decision-making bodies in which he or she holds the position of secretary, as well as the compliance of such actions with law and the Corporation's Governance and Sustainability System, taking into account for this purpose, among others, any orders issued by regulatory bodies.

e) Advise the Board of Directors in relation to the development and updating of the Corporation's Governance and Sustainability System in accordance with the provisions of the By-Laws.

f) Generally act as a channel in relations between the Corporation and the officers in connection with all matters relating to the operation of the Board of Directors, in compliance with the instructions of the chair thereof.

g) Assist the chair of the Board of Directors so that the directors receive information relevant to the exercise of their duties sufficiently in advance and in the proper format, while also channelling requests for information and documentation by directors regarding those matters of which the Board of Directors should be aware.

h) Perform the duties set forth in paragraphs f) and g) above with respect to the committees of the Board of Directors in which they act as secretary.

i) Decide on the information that should be included on the Corporation's corporate website pursuant to the Governance and Sustainability System.

j) Endeavor to ensure, under the supervision of the chair of the Board of Directors, the efficient coordination of the Board with internal committees with duties of consultation or support to the Board of Directors, particularly with respect to the establishment of required information flows.

2. The secretary must state for the record the opposition thereof to resolutions that are contrary to law, to the Corporation's Governance and Sustainability System or to the corporate interest.

3. The Board of Directors, if it so decides and upon a proposal of the chair, may appoint an assistant secretary, who need not be a director, and who shall replace the secretary in the event of vacancy, absence, illness or incapacity. In the absence of a secretary and an assistant secretary, the director that the Board of Directors appoints from among those present at a particular meeting shall act as such.

4. The secretary and the assistant secretary, if any, of the Board of Directors who are re-elected as members of the Board of Directors by decision of the sole shareholder in the exercise of the powers of shareholders acting at a General Shareholders' Meeting shall continue to perform the duties they previously carried out within the Board of Directors, without the need for a new appointment and without prejudice to the Board of Directors' power of revocation with respect to said positions.

ARTICLE 10. GENERAL DUTIES OF DIRECTORS

1. The directors must carry out their office with the loyalty of a faithful representative, acting in good faith and to protect the corporate interest, in any case giving priority to the interest of the Corporation over their own interests.

2. In particular, a director shall be required to:

   a) Properly prepare the meetings of the Board of Directors and, if applicable, of the committees of which the director is a member, for which purposes the director must diligently become apprised of the running of the Corporation and the matters to be discussed at such meetings.

   b) Attend the meetings of the Board of Directors and of the committees of which the director is a member and actively participate in the deliberations in order that the director's opinion may be an effective contribution to decision-making. If the director is unable to attend the meetings to which the director has been called due to justified reasons, the director must give instructions to the director that is to represent them.

   c) Fulfill any specific obligation that is entrusted to the director by the Board of Directors, by the chairperson thereof or by the chief executive officer, if any, and that reasonably falls within the director's scope of dedication.

   d) Inform the Board of Directors of any irregularities in the management of the Corporation of which the director may have had notice and monitor any situation of risk.

   e) Propose a call to an extraordinary meeting of the Board of Directors or the inclusion of new matters in the agenda for the next meeting to be held, in order that deliberations may be conducted on such issues as the director deems advisable.

   f) Oppose resolutions that are contrary to law, the Corporation's Governance and Sustainability System or the corporate interest, request that such opposition be recorded in the minutes, and pursue the challenge of said resolutions.

3. The secretary, even if not a director, and the assistant secretary of the Board of Directors, if any, shall be responsible for fulfilling those directors' obligations that apply thereto due to the nature of their office.

ARTICLE 11. DUTY NOT TO COMPETE

1. A Director may not be director or officer of, or provide services to, another company whose object is similar, in whole or in part, to the object of the Corporation or which is a competitor thereof. Excepted from the foregoing restriction are the duties that may be performed and the offices that may be held: (i) in companies belonging to the Iberdrola Group; (ii) in companies in which the director acts as a representative of the interests of the Iberdrola Group; (iii) in companies in which any of the companies belonging to the Iberdrola Group has an interest and in which the director does not act as a representative of the interests of the Iberdrola Group, unless the Board of Directors finds that the corporate interest is compromised; and (iv) those other instances in which the sole shareholder, in the exercise of the powers of shareholders acting at a General Shareholders' Meeting, when so required by law, or the Board of Directors in other cases, waives

the foregoing restriction based on a finding that the corporate interest is not compromised or no damage to the Corporation can be expected, of if so expected, will be offset by the benefits that are expected to be obtained from the waiver.

2. A non-executive director who ceases to hold the office to which the director was appointed or who for any other reason ceases to act as such, may not be a director or member of management of, or provide services to, any entity whose object is similar, in whole or in part, to that of the Corporation or which is a competitor of the Corporation, for a term of two (2) years, unless it is an entity within the Iberdrola Group. The executive directors' duty not to compete shall be as determined in their respective contracts. The Board of Directors may, if it deems it appropriate, relieve the outgoing director from this restriction or reduce it to a shorter period.

ARTICLE 12. CONFLICTS OF INTEREST

1. Without prejudice to the provisions of section 3.7. of the By-Laws, conflicts of interest shall be governed by the following rules:

   a) Communication: once a director becomes aware of being in a situation of conflict of interest, the director must give written notice of the conflict to the Board of Directors, in the person of the secretary thereof, as soon as possible.

      The notice shall contain a description of the situation giving rise to the conflict of interest, with a statement as to whether it is a direct conflict or an indirect conflict through a connected person, in which case the latter person must be identified.

      The description of the situation must include, as applicable, the subject matter and the principal terms of the transaction or the planned decision, including the amount thereof or an approximate quantification thereof.

      Any question as to whether a director might be involved in a conflict of interest must be forwarded to the secretary of the Board of Directors, and the director must refrain from taking any action until it is resolved.

   b) Abstention: if the conflict arises from a transaction or circumstance that requires any kind of operation, report, decision or acceptance, the director must refrain from taking any action until the Board of Directors studies the case and adopts and informs the director of the appropriate decision, without prejudice to the exceptions established by law.

      To this end, the director shall leave the meeting during the deliberation and voting on those matters in which the director is affected by a conflict of interest and shall not be counted in the number of members attending for purposes of the calculation of a quorum and the majorities required for approval of resolutions.

      At each meeting of the Board of Directors and of the committees thereof, the secretary shall remind the directors, before dealing with the agenda, of the communication and abstention rule established in this article.

   c) Transparency: whenever required by law, the Corporation shall report any cases of conflict of interest in which the directors have been involved during the financial year in question and of which the Corporation is aware by reason of notice given thereto by the director affected by such conflict or by any other means.

2. The secretary of the Board of Directors shall prepare a register of the conflicts of interest reported by the directors, which shall be continuously updated. The information contained in said register

shall have a level of detail allowing for a sufficient understanding of the scope of each of the situations of conflict.

ARTICLE 13. USE OF CORPORATE ASSETS

1. Without prejudice to the directors' duties at law, a director may not use the Corporation's assets or profit from the director's position in the Corporation in order to obtain any financial benefit, unless arm's length consideration has been paid and it is a standardized service.

2. On an exceptional basis, the director may be relieved from the obligation to provide such consideration, but in any such case the financial benefit shall be deemed remuneration in kind and must be authorized by the Board of Directors.

ARTICLE 14. NON-PUBLIC INFORMATION

A director may use non-public information of the Corporation for private purposes only if the following conditions are satisfied:

a) That such information is not applied with respect to transactions for the purchase or sale of securities or financial instruments of the issuer to which the information directly or indirectly refers.

b) That it does not place the director in a position of advantage vis-à-vis third parties, including suppliers and customers.

c) That the use thereof does not cause any harm to the Corporation.

d) That the Corporation does not own proprietary rights in, or have a similar legal position with respect to, the information that the director wishes to use.

ARTICLE 15. BUSINESS OPPORTUNITIES

1. A director may not take advantage of a business opportunity of the Corporation, either for the director's own benefit or for the benefit of connected persons, unless the investment or transaction has previously been offered to the Iberdrola Group, the Iberdrola Group has chosen not to take advantage of it without any pressure from the director, and the director has been authorized by the Board of Directors to profit from the transaction.

2. For purposes of the preceding section, a business opportunity shall be deemed to be any possibility of making an investment or a business transaction that has arisen or has been discovered in connection with the director's performance of duties as such, or through the use of means and information belonging to the Corporation, or in circumstances such that it is reasonable to believe that the third party's offer was in fact addressed to the Corporation.

3. Likewise, a director shall not use the Corporation's name and shall not invoke the position thereof as director of the Corporation in order to carry out transactions for the director's own account or for the account of connected persons.

ARTICLE 16. RELATED-PARTY TRANSACTIONS

1. "Related-Party Transactions" shall be those transactions involving a transfer of resources, services or obligations between the Corporation or its controlled companies with their directors, with officers or with their respective Related Parties, as well as transactions carried out by the Corporation with other companies of the Iberdrola Group subject to a conflict of interest.

2. For purposes of these Guidelines, the following shall be deemed to be "Related Parties" of the directors and officers:

   - The spouse of a director and of an officer or persons connected thereto by a like relationship of affection.

   - The ascendants, descendants and siblings of the director and of the officer or the spouse thereof.

   - The spouses of the ascendants, descendants and siblings of the director and of the officer.

   - Companies or entities in which the director and the officers directly or indirectly holds, including through an intermediary, an interest that gives them significant influence, or companies or entities, or the controlling company thereof, in which they hold a position on the management body or within the senior management thereof. For these purposes, it is assumed that any interest equal to or greater than 10% of the share capital or voting rights or based on which it has been possible to obtain representation on the company's management body, in fact or by law, provides a significant influence.

   - The shareholders represented by the director on the Board of Directors.

3. By way of exception Related-Party Transaction shall not include: (i) transactions entered into by the Corporation with its sole shareholder or with its wholly-owned controlled companies; (ii) transactions carried out by the Corporation with its controlled companies or investees unless any of its directors or officers or their respective Related Parties is in turn a significant shareholder in the controlled company or investee; (iii) transactions carried out on standard terms for customers and that are not significant, understood as those whose reporting is not necessary to give a true and fair view of the assets and liabilities, financial position and results of the Corporation; and (iv) the approval by the Board of the terms and conditions of the contract to be entered into between the Corporation and any director who is to perform executive duties, including the chief executive officer and other officers, and the determination by the Board of the specific amounts or remuneration to be paid under such contracts.

4. Approval. Related-Party Transactions must be approved by the sole shareholder, in the exercise of the powers of shareholders acting at a General Shareholders' Meeting, in the instances provided by law and, particularly, if they relate to a transaction having a value of more than ten per cent of the corporate assets. In other situations in which the law does not require the approval of the sole shareholder, in the exercise of the powers of shareholders acting at a General Shareholders' Meeting, Related-Party Transactions shall be subject to the approval of the Board of Directors. A prior report of the Audit and Compliance Committee shall be required in both cases.

5. The Board of Directors, through the Audit and Compliance Committee, shall endeavour to ensure that Related-Party Transactions are fair and reasonable from the viewpoint of the Corporation.

6. Without prejudice to the provisions of this section, the Board of Directors may delegate the approval of Related-Party Transactions entered into by the Corporation when so allowed by law, and particularly those of the Corporation with other companies controlled thereby belonging to the Iberdrola Group and subject to a conflict of interest, provided that they are transactions entered into in the ordinary course of business, which shall include those resulting from the execution of a master agreement or contract and concluded on arm's-length terms. The approval of the delegated Related-Party Transactions shall not require a prior report from the Audit and Compliance Committee, but the Board of Directors must establish a regular internal reporting and control procedure in relation thereto, in which the Audit and Compliance Committee must participate, which Committee shall verify the fairness and transparency of such transactions and compliance with any criteria for allowing the delegation.

7. The execution of a Related-Party Transaction puts the director engaging in said transaction or who is connected to the person engaging in the transaction in a conflict of interest, for which reason, to the extent applicable and subject to the provisions of law, the provisions of article 11 above shall apply.

8. The directors must give written notice to the secretary of the Board of Directors, on an annual basis, within the first quarter of each year, regarding the Related-Party Transactions in which they or persons connected to the Corporation relating thereto have engaged during the immediately preceding period. The members of senior management must do so through the director of Compliance, who must forward the information received to the secretary of the Board of Directors.

9. Without prejudice to the foregoing, directors must immediately inform the Board of Directors in writing of any Related-Party Transaction relating to them or to their Related Parties that must be approved by the Board of Directors or by the sole shareholder pursuant to the provisions of article 11 or the provisions of law.

10. The notice of Related-Party Transactions must include the following information: (i) object and nature of the transaction; (ii) date on which it originated; (iii) main terms and conditions, including the value or the amount of the consideration and the terms and conditions of and periods for payment; (iv) identity of the persons who participated in the transaction and the relationship, if any, with the director; and (v) other aspects, such as pricing policies, guarantees, and any other feature of the transaction that allows for a proper assessment thereof, particularly including such information as allows for verification that it is fair and reasonable from the viewpoint of the Corporation.

11. The secretary of the Board of Directors shall prepare a register of Related-Party Transactions, except with respect to the Related-Party Transactions of the officers, which shall be prepared by the director of Compliance.

12. The Board of Directors, through its secretary, shall report to the sole shareholder regarding Related-Party Transactions on an annual basis.

ARTICLE 17. DUTY TO DISCLOSE INFORMATION

1. A director must notify the Corporation, through the secretary of the Board of Directors, of any holdings in the capital of any company with an activity that is the same, similar or complementary to the activity constituting the corporate object, and the positions or duties performed therein, as well as the performance on the director's own behalf or on behalf of others of any type of activity that is complementary to the activity constituting the corporate object of the Corporation. This disclosure shall be included in the notes to the annual financial statements as required by law.

2. A director must also disclose to the Corporation:

   a) All positions the director holds at and services the director provides to other companies or entities, other than those within the Iberdrola Group, as well as the director's other professional commitments. In particular, the director must inform the Board of Directors before accepting office as director or member of management at another company or entity (except for the positions the director is called upon to hold at companies belonging to the Iberdrola Group or at other companies in which the director represents the interests of the Iberdrola Group).

   b) Any substantial change in the director's professional status that may affect the condition or capacity by virtue of which the director may have been appointed as such.

c) Any judicial, administrative or other proceedings instituted against the director which, because of their significance or characteristics, may seriously reflect upon the reputation of the Corporation. In particular, every director must inform the Corporation, through its chair, in the event that the director is subject to an investigation or if an order for further prosecution or an order for commencement of an oral criminal trial is issued against the director for the commission of any of the crimes. In such instance, the Board of Directors shall review this circumstance as soon as practicable and shall adopt the measures it deems fit taking into account the interests of the Corporation, such as opening an internal investigation, requesting the resignation of the director or proposing the removal thereof.

d) In general, any fact or event that may be relevant to the holding of office as a director of the Corporation.

ARTICLE 18. POWERS OF INFORMATION AND INSPECTION

1. A director shall have the power to obtain information regarding any aspect of the Corporation, to examine its books, records, documents and other background information on corporate transactions, to inspect all of its facilities and to communicate with the officers of the Corporation, without prejudice to the limitations arising from any applicable legal provisions.

2. The exercise of the aforementioned powers shall first be channelled through the secretary of the Board of Directors, who shall act on behalf of the chair thereof.