

# Avangrid Regulations of the Compliance Unit

April 15, 2026

The Board of Directors of Avangrid, Inc. (“Avangrid” or the “Company”) oversees the management of Avangrid and its business with a view to enhance the long term value of Avangrid. Avangrid is 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 these *Regulations of the Compliance Unit* (the “Regulations”) to assist in exercising its responsibilities to Avangrid and its Stakeholders (as defined in Avangrid’s *Stakeholder Engagement Policy*). These Regulations are subject to periodic review and modification by the Board of Directors from time to time. These Regulations 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 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. These Regulations align with and further develop the principles contained in 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. These Regulations also supplement and further develop the *Compliance Policy*, the *Code of Business Conduct and Ethics*, the *Supplier Code of Business Conduct*, the *Anti-Corruption Policy* and the *Internal Reporting and Whistleblower Protection System* approved by the Board of Directors from time to time.

## 1. Purpose

Avangrid’s Compliance Unit (the “Unit”) is an internal body of the Company responsible for proactively and autonomously ensuring the implementation and effectiveness of the Company’s compliance system (the “Compliance System”). The Unit is configured in accordance with the provisions of the Governance and Sustainability System, for which purpose it is vested with the broadest powers, budgetary autonomy and independent action, all without prejudice to the responsibilities of other bodies and divisions of the Company.

The Compliance System is made up of all of the rules, formal procedures and specific material actions including Avangrid’s crime prevention program and its internal reporting system (described below, the “Internal Reporting System”) that are intended to ensure that Avangrid acts in accordance with ethical principles and applicable law and to prevent conduct that may entail the performance of improper acts or acts contrary to ethics, the law or internal rules, particularly the Governance and Sustainability System. The Unit shall be governed by the provisions of these Regulations and the other rules forming part of Avangrid’s Governance and Sustainability System, as well as by any other applicable internal rules.

The establishment of the Unit should be understood to be without prejudice to the existence at each Avangrid Group company of their own compliance unit, or their own compliance division, unit or function, which are particularly responsible for proactively and autonomously ensuring the implementation and effectiveness of the compliance system of their respective company, which includes their own crime prevention programs and other rules and procedures.

## 2. Composition of the Unit

The Unit shall be chaired by a professional external to the Avangrid Group or to any company belonging to the Iberdrola Group, who shall have the qualifications, experience, and availability required to undertake the duties that a chair is expected to perform, particularly in compliance matters.

The members of the Unit shall be the chief compliance officer of the Company (the “Chief Compliance Officer” or “CCO”), as well as professionals from areas or functions related to risk management in the area of regulatory compliance.

The members of the Unit shall be appointed for an indefinite term by the Board of Directors at the proposal of the Audit and Compliance Committee of the Board of Directors (the “Committee”) (on its own initiative or at the proposal of the Unit).

To prepare its appointment proposal, the Unit shall consult with the Office of the Corporate Secretary regarding the areas or functions (and, within them the professionals identified by their respective heads at any given time) that are potentially the most appropriate to perform the Unit’s duties. The Unit shall submit its conclusions regarding the most potentially suitable Unit member profile to the Committee.

Consistent with the Governance and Sustainability System’s requirements on decentralized management of the businesses and separation of responsibilities for each of the subsidiaries of the Avangrid Group, members of the compliance units of Avangrid Group subsidiaries shall not form part of the Unit. Similarly, directors of the Company shall not be members of the Unit.

Members of the Unit shall act with independent judgment in performing their duties, have multidisciplinary profiles, and have the knowledge, skills, and experience appropriate to their roles and responsibilities.

**Unit Chair:** The Unit Chair (the “Chair”) shall have the authority to:

- a) call and preside over meetings of the Unit, set the agenda for the meetings, and direct the discussion and debate;
- b) ensure, with the collaboration of the Secretary, that members receive in advance sufficient information regarding items on the agenda;
- c) encourage debate and active participation among the members of the Unit during the meetings, safeguarding their freedom to express their respective opinions;
- d) promote the work of the Chief Compliance Officer and the availability of the necessary material and human resources;
- e) invite to Unit meetings additional participants whose input may improve the information considered by the Unit in its decision-making;
- f) promote Unit members’ access to training materials and session time that allow members to continuously refresh their knowledge; and
- g) assume any other duties provided for in these Regulations and in the Governance and Sustainability System or determined by the Board of Directors.

The Chair shall meet with the Committee from time to time.

**Unit Secretary:** The Secretary of the Unit (the “Secretary”) shall not be a member of the Unit and shall have the qualifications, experience and availability required to undertake the duties that a secretary is expected to perform. The Secretary shall have the following main duties: (i) preparing the minutes of meetings of the Unit; (ii) certifying the resolutions and decisions thereof; (iii) ensuring the formal and substantive legality of its activities and conformance thereof to the internal rules, and particularly to the Governance and Sustainability System; and (iv) generally channeling the relations of the Unit with its members (in all matters relating to the operation thereof, in compliance with the instructions of its chair and under the supervision thereof), and providing support necessary for the proper operation and conduct of the Unit meetings. The Secretary shall have such other duties as shall be determined by the Unit or the Board of Directors.

### **3. Chief Compliance Officer**

The CCO will have the qualifications and experience required to undertake the duties that a CCO is expected to perform.

The Chief Compliance Officer shall manage the Unit's budget, be responsible for carrying out actions and adopting such measures that are necessary or appropriate to develop and implement the annual activities plan of the Unit and endeavor to ensure that the Unit proactively and autonomously complies with its duties. The Chief Compliance Officer will regularly report to the Unit on the performance of these activities. The Chief Compliance Officer shall also carry out the other duties attributed thereto by legal provisions, and particularly by the Avangrid Compliance System, the Governance and Sustainability System, and as determined by the Board of Directors from time to time.

The Chief Compliance Officer, by delegation from the Unit, shall be responsible for the management of the Company's Internal Reporting System.

The Chief Compliance Officer shall regularly report to the Committee on the performance of the Unit's activities. The CCO shall meet with the Committee from time to time, at least twice per year.

#### 4. Duties and Responsibilities of the Unit

These Regulations set forth the principles of action and the internal operating procedures for the Unit and the Unit shall have the following duties and responsibilities:

- a) Promote the dissemination and understanding of and compliance with Avangrid's Compliance System, including, without limitation, the *Code of Business Conduct and Ethics*, *Supplier Code of Business Conduct*, and other anti-fraud and anti-corruption rules and procedures among the Avangrid Group.
- b) Provide a binding interpretation of the *Code of Business Conduct and Ethics* and *Supplier Code of Business Conduct* and resolve any questions or concerns raised with respect to the content or application thereof or compliance therewith, particularly with respect to the application of disciplinary measures by the Company.
- c) Review the *Code of Business Conduct and Ethics* and the *Supplier Code of Business Conduct* at least once annually.
- d) Establish the basic elements of the structure and operation of Avangrid's Compliance System and ensure their proper function, and annually assess their effectiveness and efficiency, as well as the overall effectiveness and efficiency of the Avangrid Compliance System. The Unit will report to the Committee regarding significant matters relating to the effectiveness of the Avangrid Compliance System.
- e) Foster a preventative culture based on the principle of "zero tolerance" for fraudulent or illegal conduct or corruption and the highest principles of ethical and responsible behavior by all directors, officers and employees.
- f) Review the internal policies and procedures of the Avangrid Group to optimize effectiveness, prevent improper conduct and, where appropriate, identify procedures that may be more effective in promoting the highest ethical standards. In particular, the Unit will proactively monitor the application and effectiveness of the *Internal Reporting and Whistleblower Protection System*, the *Compliance Policy*, and the *Anticorruption Policy* and dissemination of the contents thereof to those who must comply with these policies.
- g) Adopt and incorporate into its internal rules and regulations the procedures and protocols approved by the Compliance Unit of Iberdrola, S.A. to ensure compliance with the *Code of Business Conduct and Ethics* and, where appropriate, approve its own procedures and protocols for this purpose.
- h) Manage the Avangrid Internal Reporting System. In particular, the Unit will manage the Internal Reporting System, investigations and processing of reports arising out of the Internal Reporting System. The Unit can delegate its management to the Chief Compliance Officer, pursuant to the *Internal Reporting and Whistleblower Protection System* and these Regulations.

- i) Promote the preparation and implementation of appropriate compliance training and communication programs.
- j) Establish the tools and procedures to register and record the Compliance System actions carried out by the Compliance function to promote the effectiveness of the Compliance System.
- k) Ensure effective implementation and development of, and compliance with, the Avangrid crime prevention program. For these purposes, the Unit shall draft, approve, review and implement internal reporting, whistleblower, and antifraud measures and procedures for the Avangrid Group.
- l) Evaluate, at least annually, the compliance with and effectiveness of the Compliance System in accordance with the terms of section 5, including the crime prevention program, and the *Internal Reporting and Whistleblower Protection System*.
- m) Ensure effective compliance with applicable legal provisions regarding separation of activities.
- n) Annually, the Unit shall also prepare and provide to the Committee the Report on Separation of Activities. The Committee shall report on such the Report on Separation of Activities Report to the Board of Directors.
- o) The Unit shall also have such other powers delegated by the Board of Directors or set forth in Avangrid's *By-Laws*, the *Code of Business Conduct and Ethics*, or the Governance and Sustainability System.

## **5. Relations of the Unit with the Compliance Unit of Iberdrola, S.A. and with the Compliance Bodies or Functions of its Subsidiaries in Compliance Matters**

To the extent permissible under applicable law and the Governance and Sustainability System, and to ensure the effectiveness and efficiency of Iberdrola, S.A.'s compliance system, the Unit and the other compliance units, divisions, or functions as appropriate, of the companies of the Avangrid Group shall coordinate with the Iberdrola, S.A. compliance unit, observing the provisions of the *General Coordination, Collaboration and Information Protocol*.

While respecting the purviews proper to Avangrid Networks, Inc. and Avangrid Power, LLC, both wholly-owned subsidiaries of Avangrid, the Unit shall establish the framework for relations of coordination, cooperation and information with the respective compliance units, divisions or functions, as appropriate of its subsidiaries and with the heads of the compliance function of the companies of the Avangrid 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.

In this regard, the Unit shall establish the appropriate mechanisms for coordination with the compliance units of the Avangrid Group in order to:

- (a) promote knowledge-sharing and enhance collaboration and efficiencies across the compliance systems of the companies of the Avangrid Group;
- (b) propose improvements and initiatives for the optimization and responsible use of financial and human resources allocated to the compliance function;
- (c) monitor and systematize the compliance training plans or training program of the Avangrid Group; and
- (d) promote transparency in Avangrid's relationships with its Stakeholders (as defined in the *Stakeholder Engagement Policy*), including shareholders, employees, customers, suppliers, markets, and the general public.

The Unit shall establish the basic structure, operation, duties and responsibilities of the compliance systems of the Avangrid Group. The Unit shall promote the exchange of best practices to ensure that the Avangrid Group maintains an effective Compliance System

in accordance with applicable law. The Unit shall issue annually to the Committee a report evaluating the effectiveness of the Avangrid Compliance System, created with the assistance of the Avangrid Group compliance units, a report evaluating the effectiveness of the compliance systems of the Avangrid Group. The Committee reports to the Board of Directors on such reports. The Unit may subsequently publish information contained in these reports in a transparent and clear manner, as a mechanism to make explicit the effectiveness of its compliance culture and its own social commitment to the public interest.

## 6. Unit Meetings

The Unit will meet as many times as necessary, in the sole discretion of the Chair, to comply with its undertakings, which shall be at a minimum at least four (4) times per year, and shall establish the annual calendar of regular meetings before the start of each financial year or at the first meeting of the financial year. In addition, the Unit shall meet at the request of the Chair, the CCO, or two (2) of its members. The Chair, or the Secretary at the Chair's request, will provide notice to the Unit members of the meetings by email or any other reasonable means, addressed to each of its members, including the place, date and time of the meeting, and the agenda. The notice must be provided at least 72 hours in advance, unless there is a need for an urgent meeting. The notice requirement for the meetings of the Unit will be deemed waived when, all the members of the Unit being present, the Unit unanimously accepts holding the meeting and the points on the agenda.

At least more than half of the Unit members (one of which must be the Chair or the CCO) shall be required for and shall constitute a quorum for the transactions of business by the Unit. The Unit Chair shall preside over meetings of the Unit. In the event of a vacancy, illness, incapacity or absence of the Unit Chair, the member having the longest tenure in the Unit, shall chair the meeting. The Secretary shall act as secretary for the meeting. In the event of vacancy, illness, incapacity or absence of the Secretary, the person appointed by the chair of the meeting for such purpose shall act as secretary.

All resolutions by the Unit shall be adopted by a majority of votes of the members present at the meeting. In the event of a tie, the Chair shall have the tie-breaking vote. The Secretary will draft the minutes of each of the meetings held, which will be approved by the Unit. Any action the Unit is required or permitted to take may be taken without holding a meeting if all members of the Unit 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 Unit, and the written consents thereof, shall be recorded with the minutes of the proceedings of the Unit.

A specific portion of each meeting may be devoted to a presentation on matters that are significant for the Company in order to improve the knowledge of Unit members.

The Chair may request the attendance at its meetings of additional participants whose input may improve the information considered by the Unit during its decision-making. Requests for attendance by members of the Board of Directors shall be channeled through the Secretary to the Board of Directors. Guest participants must leave the meeting during the Unit's decision-making. The Secretary shall record the entries and exits of guests at each meeting in the minutes.

## 7. Resources, Budget and Annual Activities Plan

The Board of Directors shall ensure that the Unit has the resources necessary to guarantee its independence and effectiveness and to perform its duties and responsibilities. Prior to each fiscal year, the Unit, at the proposal of the CCO, shall submit to the Committee for approval a budget for the upcoming fiscal year. Once reviewed by the Committee, the budget shall be submitted, upon the recommendation of the Committee, to the Board of Directors for approval. The budget shall include the annual compensation to the Unit's external members (the Chair, and, if applicable, the Secretary). In addition, prior to each fiscal year, the Unit, at the proposal of the CCO, shall submit to the Committee for approval an annual activities plan stating the material and human resources the Unit requires to perform its duties. Each year, the Committee shall report to the Board of Directors on implementation of the annual activities plan and the performance of the Unit.

If the Unit requires an extraordinary budget, it shall, at the proposal of the CCO, submit it to the Committee, along with a rationale for the extraordinary activities to be carried out, for validation and subsequent submission to the Board of Directors or to the Executive Committee for final approval.

## 8. Access to Management and Experts

To the extent permissible under applicable law and necessary for the proper performance of its duties, the Unit shall have access to all directors, officers and employees of Avangrid and the minutes of the meetings of management, supervisory and control bodies. Requests addressed to directors or that cover minutes of meetings of the Company's management decision-making body or of the Committee shall be channeled through the secretary of the Board of Directors. All directors, officers and employees shall cooperate with the Unit. To the extent appropriate and practicable, and provided it does not affect the effectiveness of its work, the Unit shall seek to act transparently, informing the affected directors, officers and employees of the purpose and scope of its activities. The Unit may also retain and obtain the advice and assistance of outside consultants, legal counsel and other advisors as it deems necessary to fulfill its duties and responsibilities. These outside resources will report directly to the Unit.

## 9. Duties of the Members of the Unit

The members of the Unit must exercise independent judgment, act independently and perform their work with the utmost diligence and professional competence. They shall not disclose any confidential information, data, reports or background information to which they may have access, nor use any of the foregoing for their own benefit or that of third parties, without prejudice to any applicable duties of transparency or reporting. The duty of confidentiality of the members of the Unit and Compliance Department shall survive even after such individuals no longer hold such positions. This Section 9 does not, and is not intended to, prohibit the lawful reporting of unlawful conduct to governmental agencies or cooperation with governmental agencies investigating such unlawful conduct.

In particular, Unit members must (i) attend and properly prepare for Unit meetings, diligently informing themselves of the matters to be discussed at such meetings, and (ii) actively participate in deliberations to contribute their opinion to decision-making.

## 10. Training and Conflicts of Interest

Members of the Unit who have a potential conflict of interest must notify the Unit of the potential conflict. The Unit shall have the power to resolve questions or conflicts that might arise in this regard. A conflict of interest shall be deemed to exist in those situations in which the interest of the member of the Unit conflict, whether directly or indirectly, with the interest of Avangrid and with their duties as a member of the Unit including, without limitation, conflicts between Unit activities and financial and non-financial performance objectives conflicting. An interest of a member of the Unit shall exist if a matter dealt with by the Unit affects such member or a natural or legal person connected thereto. If a member of the unit is involved in a conflict of interest, they must refrain from participating in discussions, deliberations, and decision-making concerning the matter in question and must leave the meeting until a decision is made. Such member shall be subtracted from the number of Unit members for purposes of calculating the quorum and majorities at the relevant meeting and with respect to the matter at hand. Any such conflicts shall be reported to Committee at the next Committee meeting.

The Unit shall develop and conduct an orientation process for newly appointed Unit members and ensure that Unit members receive appropriate ongoing training and development, including with respect to conflicts of interest.

## 11. Internal Reporting System

Avangrid shall maintain, in accordance with the *Internal Reporting and Whistleblower Protection System*, the Internal Reporting System in order to promote compliance with legal provisions and with the rules of conduct established in the *Code of Business Conduct and Ethics* and in the *Compliance Policy*. Implementation of the Internal Reporting System is in addition to, and not to the detriment of, any other procedures or channels that are established pursuant to the Governance and Sustainability System and the Committee, in coordination with the Committee of the Board of Directors, may establish to allow for the communication of potentially significant financial and accounting irregularities observed within the Avangrid Group. Communications addressed to the Internal Reporting System may also be sent by completing an electronic form. The Unit, under the direction of the Committee, shall be responsible for the oversight of the Internal Reporting System and has delegated authority for the day-to-day management of the Internal Reporting System to the CCO.

To perform such duty, the Unit and the CCO, as applicable, shall comply with all applicable laws and the Governance and Sustainability System including, without limitation, the provision of these Regulations, the *Internal Reporting and Whistleblower Protection System*, the *Compliance Policy*, the *Code of Business Conduct and Ethics*, and the *Supplier Code of Business Conduct*. The Unit shall be responsible for receiving grievances or reports sent through the Internal Reporting System in accordance with the provisions of these Regulations, processing the corresponding case files, moving forward the procedures for verification and investigation of the grievances or reports received, and making the corresponding decisions in relation to the files processed. The Unit shall endeavor to ensure the implementation of the protection measures provided for in Avangrid's Compliance System and in the *Internal Reporting and Whistleblower Protection System* for the persons who submit grievances or reports through the Internal Reporting System and for the persons affected thereby.

Once a communication has been received through the Internal Reporting System, the Unit will determine whether or not to process it pursuant to the standards set forth in the *Code of Business Conduct and Ethics*. In the event a grievance or report concerns a Unit member or the business area for which a Unit member is responsible, the Unit Chair and CCO, as appropriate, may maintain the confidentiality of such grievance and report from such Unit member and such Unit member shall recuse themselves from all discussions and decisions with respect to the matter, including, without limitation, the determination of whether or not investigate the grievance or report. The Unit shall not process any communication in which it is obvious that the subject matter does not violate the *Code of Business Conduct and Ethics* or the Governance and Sustainability System. In order to decide whether a communication should be accepted for processing, the Unit may, if it deems it appropriate, request the person making the communication to clarify or supplement it, providing such documents and/or data as may be required. Effort will be made to maintain confidentiality to the extent practicable and to protect the identity of the person making the communication. All information received by the Unit will be processed in accordance with applicable personal data protection and privacy laws. Employees have the right to report a concern through the Internal Reporting System anonymously. All matters related to accounting, internal accounting controls, auditing matters or financial irregularities shall be reported to the Committee and the Committee shall oversee the undertaking of the necessary investigation by the Unit.

Once a communication has been accepted for processing, the Unit will undertake the necessary investigation and may rely on the collaboration of external advisors, if necessary. Review and investigation shall be conducted promptly pursuant to the standards set forth in the *Code of Business Conduct and Ethics* and applicable law. If the communication concerns a member of the Unit, then such member may not participate in the processing thereof. All directors, officers and employees shall cooperate in good faith with investigations of communications to the Internal Reporting System. At any time during the processing, the Unit may seek the advice and cooperation of the People and Organization Division, the Legal Services Division, the Internal Audit and Risk Division, the Purchasing Division or any other relevant division, for purposes of investigating and determining the consequences and manner of action with respect to any communication.

If the resolution concludes that a supplier has violated applicable law or the *Suppliers Code of Business Conduct*, the Unit shall notify the Purchasing Division, or the appropriate division that participated in the procurement for the exercise of the appropriate contractual rights, notice of which shall be provided to the Unit. If the result of the investigation reveals that legal action may be appropriate and/or necessary, the Unit shall give notice to the Legal Services Division for assessment and review of the potential legal action.

If the matter reported concerns a member of the Board of Directors, the chair of the Unit shall inform the secretary of said body in order for the secretary to assist the chair in the processing of the case file. In these cases, to ensure independence, the investigating officer appointed by the Unit shall be conducted by a person from outside the companies of the Avangrid Group. Once the processing of the case file has been completed, the investigating officer shall forward the file together with a proposed decision to the Unit. In the event that the proposed resolution concludes the matter as an improper act or an act that is illegal or contrary to law or the Governance and Sustainability System, the Unit shall submit the decision to the Board of Directors, through its secretary, for application of any of the measures provided for in the Governance and Sustainability System, the adoption and content of which shall be reported to the Unit.

If the matter reported might have a material impact on the financial statements or internal control of the Company, the Unit shall inform the Committee and shall provide it with such documentation as it may request in relation to the processing of the case files.

## **12. Amendment and Interpretation**

Proposals to amend, change or modify these Regulations shall be approved by the Board of Directors upon recommendation of the Committee. These Regulations shall be interpreted in accordance with the Avangrid Governance and Sustainability System. Any dispute regarding the interpretation of these Regulations shall be resolved by majority vote of the Compliance Unit, and in the absence of such resolution, by the Unit Chair, who shall be assisted by the Secretary or by such persons, if any, as may be appointed by the Unit for such purpose. The Committee shall be informed of the interpretation and resolution of the questions or disputes that may have arisen.