

IBERDROLA START-UP PROGRAM CHALLENGE REGULATIONS

1. Challenge Background

Iberdrola is seeking creative ideas or approaches that focus on reducing the impacts of severe weather due to global warming on our electric facilities. Desirable approaches should include, but not be limited to, unique and innovative methods to predict, prevent, recover and/or hedge financial impacts from weather events that impact our electric infrastructure and impede service to our customers.

2. Description of the challenge

Countries across the world are constantly faced with the challenges associated with severe weather event frequency and impacts that are continually increasing due to global warming. These events can threaten or damage the electric system and interrupt service to thousands of customers depending on the magnitude of the weather event. Iberdrola has a fundamental responsibility to the public to keep our service operating and to restore it promptly at the lowest possible cost when damage occurs as a result of both localized and widespread weather events.

Inversiones Financieras Perseo S.L., Iberdrola's venture capital vehicle (hereinafter "**Perseo**"), decided to launch this challenge to seek creative and innovative approaches to help mitigate the impacts of weather and damage to Iberdrola's electric system (hereinafter the "**Challenge**"). These solutions need to support the storm recovery decision making process in the areas of preparedness, response, recovery and mitigation. Proposals for consideration should include, but not be limited, to the following:

- Identification and development of predictive methods for determining where damage could occur along with the potential magnitude of the damage.
- Identification and development of preventative methods for reducing or even preventing potential damage to areas of less resilience.
- Identification and development of recovery methods for increasing restoration of service to customers in the event of an outage.
- Prioritization of recovery solutions to help restore service to customers in the most efficient expeditious, and safe manner.
- Possible hedging strategies to mitigate financial impacts of storms.

Submissions will include a detailed description of the proposed solution(s) and any supporting information with regards to its feasibility and economics.

3. Participants

Applicants who apply to this Challenge (hereinafter the "**Participant/s**") can be natural persons or entities.

In any case, Participants and/or people in their teams must be at least 18 years old and have age of majority and legal capacity in the jurisdiction where they have their residence.

If the participation in the Challenge is made by a team or by a legal entity, the proposal should be submitted by a representative who shall be the only contact person through the Challenge and shall have full representation powers and responsibility towards the team or legal entity.

4. Submission

The Participant will submit information through <http://connect.startus.cc/iberdrola-startup-challenge> related to the Challenge described in paragraph 2 (collectively referred to as the "Proposal").

Each Participant may submit one or more Proposals.

Participation in this Challenge does not grant any protection to intellectual property rights against third parties. Participants are advised to provide adequate protection to their intellectual property rights prior to submission of the Proposal.

By submitting a Proposal, the Participant accepts these regulations as well as declares under his/her own responsibility the ownership or right of usage of any intellectual property rights involved in the Proposal and the absence of conflicts of interest.

Perseo and/or the relevant company of the Iberdrola Group reserve the right to reject any Proposal that does not comply with these regulations.

5. Reward

The reward will consist of signing a collaboration and testing agreement with Perseo and/or any other relevant company of the Iberdrola Group.

Iberdrola and/or the relevant company will:

- i. bear the costs of such collaboration and testing activities;
- ii. provide the winner with the technical support to test the solution proposed, granting access to equipment, teams, infrastructures, high-tech locations and co-working areas;
- iii. provide the winner with a real environment and data to test the solution.

If the test or proof of concept is successful, Iberdrola and/or the relevant company, directly or indirectly through a company of the Iberdrola Group, might offer the Participant an opportunity to scale-up the solution by adopting it through commercial agreements.

In addition, Perseo could consider to invest in the awarded Participant and/or Challenge.

Winning this Challenge does not give any other right than receiving the referred reward.

Perseo might select the winner at its own discretion and might declare the competition deserted if no applications fulfill Iberdrola's expectations.

6. Representations and warranties:

By applying to the Challenge, the Participant represents and warrants that:

1. The information contained in the submitted Proposal is true, accurate and complete.
2. The Participant owns all the rights, including, but not limited to, all intellectual property rights and/or has obtained any and all consents, approvals, or licenses required in order to submit the Proposal and participate in the Challenge. No third party rights are breached.

3. Perseo and/or the relevant company of the Iberdrola Group are not requested to verify the authenticity of the ownership of the rights of the proposal and any issues derived from third party claims that may arise are the solely responsibility of the Participants.
4. The Participant has not breached any laws to participate in the Challenge.
5. The Participant releases and undertakes to hold harmless Iberdrola and/or the relevant company of the Iberdrola Group, and its subsidiaries, affiliates, employees and agents from any and all liability or any injury, loss or damage of any kind arising from or in connection with the Proposal and the Participant's participation in the Challenge.
6. The Participant is aware of Iberdrola's zero tolerance to corruption and complies and will comply with equivalent principles to those assumed by Iberdrola in its Code of Ethics available at <https://www.iberdrola.com/corporate-governance/corporate-governance-system/purpose-values-code-ethics>.

7. Application

Proposals will be submitted through <http://connect.startus.cc/iberdrola-startup-challenge> and shall be in English.

Each Proposal will include:

- 1) General Information:
 - Details of the Participant. If the Participant is a team or legal entity, the representative submitting the application shall be identified as such and shall include proof that is authorized to act as a representative of such team or legal entity.
 - Website Link (optional).
 - Location (city, country).
 - Contact information (contact person, position, email, phone).
- 2) Description of the Proposal:
 - Describe your solution in 50 words.
 - Company/entity/team presentation.
 - Demo or Video Link (optional).
 - Solution Maturity (R&D, Proof of concept, Full Commercial).
- 3) A list of all the intellectual property rights owned by, licensed to and/or created by or on behalf of the Participant and incorporated to the Proposal.

8. Calendar

The Proposals should be submitted from 15/May/2019 at 12:00 p.m. GMT until 30/June/2019 at 12:00 p.m. Each Participant will receive a confirmation of receipt of their Proposal. Proposals received after this submittal window will be rejected.

The Proposals will be evaluated internally by Perseo and/or the relevant company of the Iberdrola Group's employees.

At any time Perseo and/or the relevant company of the Iberdrola Group may contact the Participants asking for some additional information if necessary

Participants can make their questions and suggestions sending an email to: IberdrolaChallenge@iberdrola.es.

The evaluation process will finish in July when Perseo will inform the winner of its success.

Perseo might declare the competition deserted if no applications fulfill Iberdrola's expectations.

After the communication to the winner, Perseo and/or the relevant company of the Iberdrola Group will publish the name and the details of the winner with a description of their Proposal and the reasons for its choice on the Iberdrola website and the Iberdrola Group's social channels.

11. Changes to Regulations

Perseo could change these Regulations at any time at its own discretion. This includes changes to dates for deadlines and events, locations or specifications of the Challenge. Perseo will post/inform any change to these Regulations in the platform <http://connect.startus.cc/iberdrola-startup-challenge>.

12. Cancellation, changes or suspension of the Challenge in case of irregularities

Perseo reserves the right to cancel, change, or suspend the participation of an unfair participant and/or the whole Challenge if they believe someone has cheated or introduce a virus, bug, internet bot, etc. or if there is a catastrophic event, or any other unforeseen or unexpected event that cannot be reasonably anticipated or controlled (also referred to as force majeure) that could affect the fairness and/or integrity of this Challenge.

Perseo and/or the relevant company of the Iberdrola Group may disqualify and ban any unfair participant from any future competition.

13. Data protection

Inversiones Financieras Perseo, S.L. with registered office at Plaza Euskadi 5, Bibao 48009, Spain informs that the personal data of the Participant included when register the Proposal will be processed by Perseo as a data controller for the purposes of executing this Challenge.

The legal basis for processing the Participant's data is the Participant's consent, granted when the Participant registers with the Challenge and accept these Regulations. The Participant is entitled to withdraw its consent at any time without this affecting the lawfulness of data processing based on the consent the Participant gave prior to the withdrawal.

If, as a result of the Participant taking part in the Challenge, the Participant provides with personal data on third parties, the Participant must, prior to the personal data being provided, inform said third parties that their personal data will be processed under the terms of suchs notice.

Participant's personal data will not be communicated to any third party. However, these personal data will also be accessible by external service providers related to the management of the platform <http://connect.startus.cc/iberdrola-startup-challenge>.

The Participant's personal data provided will be kept for the period of time necessary to comply with the Challenge as detailed above. Furthermore:

- If the Proposal is not selected, the personal data will be deleted.

- If the Proposal is selected, the processing by Inversiones Financieras Perseo, S.L., of the personal data will be regulating in the corresponding agreement.

However, the personal data provided may be kept duly blocked for as long as required by applicable laws and regulations.

Iberdrola has implemented the necessary technical and organizational measures to protect the Participants data from accidental loss or unauthorized alteration, access, use or disclosure, having also established procedures to react to any security incident that could affect the Participants personal data.

The Participant has the right of access to the personal data being processed, as well as the right to request the rectification of inaccurate data or, where appropriate, to request their erasure when the data are no longer necessary for the purposes for which they were collected, as well as the right to object and restrict the processing. The Participants may also withdraw their consent at any time.

The Participant may exercise these rights free of charge by writing to the data protection officer to perseo@iberdrola.es.

If the Participant are not satisfied with the exercise of their rights, they may submit a complaint to the Spanish Data Protection Agency.

14. Costs and taxes

Participants will bear the costs and taxes relevant to their participation in the Challenge and the reception of the reward, in its case. Participants are advised to check in advance the applicable costs, duties and taxes according to the laws of the jurisdiction where they reside or where are otherwise obliged to pay taxes.

15. Limitation of liability

Perseo and/or the relevant company of the Iberdrola Group are not responsible for problems regarding computers, networks or any other reasons that may lead to lost, damaged or late entries.

16. Governing law and jurisdiction

The Competition is ruled by Spanish law. Any disputes shall be exclusively set by the Courts of Madrid (Spain).