



Non-binding translation  
For information purposes only

**EDP – ENERGIAS DE PORTUGAL, S.A.**

**ANNUAL GENERAL SHAREHOLDERS' MEETING**

21<sup>st</sup> April, 2015

**PROPOSAL OF ITEM 9 OF THE AGENDA**

**Proposal for the election of the Statutory Auditor and Alternate Statutory Auditor  
for the three year period 2015 - 2017**

Whereas:

- a) In accordance with the article 11<sup>o</sup>, n.º 2, al. b) and art. 22<sup>o</sup>, n.º 1, al. c) of EDP's By-laws, the Shareholders' General Meeting shall elect the Statutory Auditor, following a proposal of the General and Supervisory Board (GSB) or, upon delegation by it, of the Financial Matters Committee/Audit Committee.
- b) The mandate of the current Statutory Auditor, exercised by KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A (KPMG) reached its term in 31<sup>st</sup> of December 2014 and so it is required that this General Shareholders' Meeting vote on the election of the Statutory Auditor for the term of office 2015-2017.
- c) Within the scope of the Statutory Auditor activity assessment, the Financial Matters Committee/Audit Committee considers that KPMG performed, in the term-of-office that ended on the 31<sup>st</sup> December 2014, its duties with quality, competence, rigor, impartiality and independence and recommended that the GSB proposes to the annual General Shareholders' Meeting, its election as EDP's Statutory Auditor for the 2015-2017 term-of-office.
- d) The GSB considers that, attending to the rigorous analysis made by the Financial Matters Committee/Audit Committee to the independence and quality of KPMG services as well the balancing of the independence conditions of the Statutory Auditor and External Auditor, the maintenance of KPMG is consistent with the interest of EDP and so, on the meeting held on the 3rd March 2015 has unanimously resolved to propose to the Annual General Shareholders' Meeting the selection of KPMG as EDP's Statutory Auditor for the 2015-2017 term of office



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**PROPOSAL OF ITEM 9 OF THE AGENDA**

**Proposal for the election of the Statutory Auditor and Alternate Statutory Auditor  
for the three year period 2015 - 2017**

The GSB proposes to the General Shareholders' Meeting to resolve:

1. The election of KPMG & Associates, SROC. S.A. (SROC n.º 189), represented by **Vítor Manuel da Cunha Ribeirinho** (ROC n.º 1081), as Statutory Auditor for the tree years period 2015-2017.
2. The election of **Susana de Macedo Melim de Abreu Lopes**, ROC n.º 1232, as Alternate Statutory Auditor for the tree years period 2015-2017.

Lisbon, 3<sup>rd</sup> March 2015

**Eduardo de Almeida Catroga**  
**Chairman of the General and Supervisory Board**



# KPMG's Credentials

Local strength,  
global reach

March 2015

Constantly striving to be better lies at the heart of what makes KPMG different.

It is this state of mind that sets the quality of services we provide, the career experiences we offer and our contribution to our community.



Winner  
Best Performing  
Accountancy Brand



# About KPMG

KPMG is one of the world's leading professional services firms. We are proud of our firm's strong and established reputation, a reputation that is built on a long history of independence, integrity and objectivity.

It is what drives us to deliver clear and practical advice to help our clients grow and succeed in their chosen field.

It is what makes us committed and successful leaders in our profession.

## Our global network

KPMG is a global network of independent member firms providing Audit, Tax and Advisory services. We are present in 155 countries, with 155 thousand professionals operating in member firms around the world.

Our history spans three centuries and features a number of high profile mergers, leading to the merger of Peat Marwick International and Klynveld Main Goerdeler, and their individual member firms in 1987. Today KPMG is a truly global organization, with member firms in 155 countries.

Our purpose is to turn knowledge into value for the benefit of our clients, our people, and the capital markets. Our member firms aim to provide clients with a globally consistent set of multidisciplinary financial and accounting services, based on deep industry knowledge.

Our global values and global code of conduct define a common culture within KPMG, including a collective commitment to the highest principles of personal and professional conduct.

Our international structure is ideally placed to provide the quality of service and audit delivery you expect around the world. We are a truly international organization, not dominated by any single practice. Our strong global presence helps ensure that you have access to our best people and experience worldwide and that we can respond quickly to your changing needs.

Global capability and consistency are central to the way we work. By providing international organizations with the same quality of service and behavior around the world, we can work with them wherever they choose to operate.



# KPMG Portugal

Our offices in Lisbon and Oporto

KPMG is one of the leading professional services provider in Portugal.

With 40 partners and more than 1000 professionals working in the Lisbon and Oporto offices we provide Audit, Tax and Advisory services.

Our local experience, enhanced by the technical and industry knowledge of our global network, means we bring a deep understanding of our clients' business. It enables our professionals to deliver informed and timely advice.

We audit four of the top ten listed companies in Portugal.

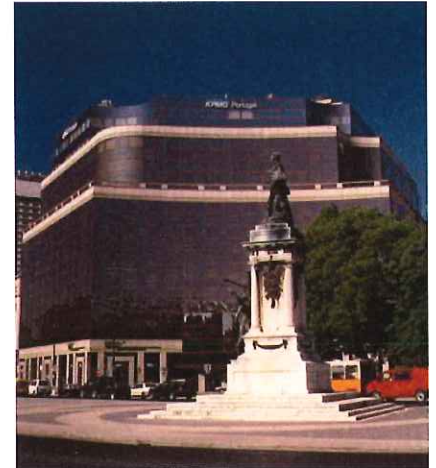
In 2014, the turnover of KPMG in Portugal reached approximately 84,7 million Euros.

## Our structure

To provide high quality services across the globe, KPMG recognizes the critical importance of good governance in promoting our values and performance.

Professional service organizations play a central role in the capital markets and we believe this demands a high level of quality, integrity, and transparency. We also believe KPMG should not only talk about high standards of good corporate governance but also demonstrate high standards in everything we do.

In Portugal, our structure by area of service is composed by the President and by the Heads of Function.



# Our market offering

Our business is to help our clients be successful. But keeping companies in the way of success in constantly evolving markets is not an easy task. A fast growth can imply losing control. Slow growth may imply losing critical mass. Investing millions in technology may imply a risk of obsolesce.

In order to decrease these risks and take advantage of the profits, it becomes necessary to find a partner which can help you to follow the best way to obtain continuous improvement. At KPMG we consider that we are suitable for the job.

By combining industry knowledge and multifaceted approaches, associated to our capacity to act both locally and globally, KPMG gives maximum return to its clients.

We produce exceptional value to our clients' business through a deep knowledge of their business, strategy, improvement of operations and technology.

KPMG was the first audit firm to organize its worldwide practice to deliver services along industry lines as illustrated in the image below.

Our industry-driven structure has enabled us to develop deep knowledge of our clients' businesses and provide them with an informed perspective on the issues they face. It is a strategy that runs across Audit, Tax, and Advisory services and is underpinned by our geographic strength.

**Financial Services**



**Information, Communications & Entertainment**



**Industrial Markets**



**Consumer Markets**



**Infrastructure, Government & Healthcare**



Audit

Tax

Advisory

Our Firm provides Audit, Tax and Advisory services, delivering a globally consist set of multidisciplinary financial and accounting skills and capabilities based on deep industry knowledge.

Our focus on global industries helps KPMG people to develop rich understanding of client's businesses and the insight, skills and resources required to address industry-specific issues and opportunities.

### Audit

KPMG's audit service is built on rigor, integrity and independence.

KPMG performs an active role in providing the capital markets with reliable financial information, working with governments, regulators, investors and other industry professionals.

We want our audits to be considered robust, efficient and based on business understanding.

In order to do so, we adhere to the following standards:

- A multidisciplinary approach, integrating specialists in areas such as risks, tax, pensions, financial instruments and Information Technology among others.
- In-depth knowledge of our clients' business, their strategy and their people.
- Teams tailored to our clients' business.
- Application of a risk-based methodology designed to carry out efficient audits.

### Tax

Our Tax advisors analyze the different operations of our clients, pro-actively identifying tax challenges and opportunities.

At KPMG we consider that tax planning is the best way to help manage our clients' tax burden, in compliance with the prevailing tax system.

We specialize in different areas of tax, offering a full advisory services tailored to our clients' specific needs:

- Transfer Pricing;
- International Corporate Tax;
- Indirect Tax;
- Financial Services;
- Large Corporate Accounts;
- Tax Compliance;
- Corporate Tax Consulting;
- Personal Advisory Services;
- Tax M&A.

### Advisory

KPMG's Advisory practice is a helping hand for some of the biggest companies in every sector, right across the world.

We seek to add value as our member firm professionals immerse themselves in client operations, understanding their needs, culture and unique requirements.

We provide objective advice based on experience and tailored to support individual circumstances. We seek to go beyond simply supporting operations or transactions and reach into every aspect of corporate strategy, as well as advising on complex services relating to regulation, valuations and risk management.

We do this via our three service groups:

- **Transactions & Restructuring** – because recognizing the new business environment means rethinking every aspect of how our clients operate.
- **Performance & Technology** – because to make the most of the opportunities that rapid change brings, our clients need reliable advice from experienced professionals.
- **Management & Risk Consulting** – because from planning for the future to dealing with present dangers, our clients need to ask whether risk is embedded in their organization.

Our teams are client-focused and cooperate internally, working across both internal business areas and international jurisdictions to deliver genuine results. So, no matter what stage of the business cycle a business is in, or where it wants to be, our member firm's Advisory professionals can point the way forward.





# Success through shared values

Today's global, multicultural businesses are a complex mix of strategies, structures, technologies, products, services, risks and commitments. Above all, however, organizations are people. While KPMG's people are trained and focused in pursuit of our business objectives, our shared values are what keep us together on a day-to-day basis and keep us together for years.

## Global Values

Our values form the guiding philosophy for members of the global organization. Values create a sense of shared identity. They define what we stand for and how we do things, helping us to work together in the most effective and fulfilling way.

Our values are:

We lead by example

We work together

We respect the individual

We seek the facts and provide insight

We are open and honest in our communication

We are committed to our communities

Above all, we act with integrity



# Our experience in the Energy & Natural Resources sector



KPMG's Energy and Natural Resources practice focuses on providing Audit, Tax and Advisory Services to several segments. This industry focus gives our professionals an in-depth understanding of the key issues facing our clients, helping them to provide practical services of real benefit to member firms' clients.

The aim of our global network is to assist member firms' clients build more profitable focused and efficient businesses through:

## **Depth of Experience**

- Each client issue requires a tailored mix of skills and experience. From member firms vast range of resources, KPMG International's global network can quickly create multidisciplinary teams who work together efficiently and effectively to meet clients' needs.

## **Commitment to client service**

- Personal service is a top priority, facilitating strong professional relationships with our clients based on open communication and knowledge sharing.

## **Advice Built on Understanding**

- In the face of growing competition and ever more complex challenges, KPMG's Energy and Natural Resources practice can help clients face the future with confidence. Indeed, anticipating issues is core to our firms' business philosophy.

## Our clients

Global consistency, local delivery – everywhere that matters. We recognize that global energy and natural resources companies have operations in diverse countries and remote locations; in each, a high standard of service delivery is imperative.

To meet this need we established our Global Client Program through which we coordinate global service delivery for KPMG’s major clients. We strive to achieve a consistently high standard of service that is delivered by local KPMG teams to a wide range of clients, irrespective of local or regional boundaries.



| Energy & Natural Resources sector |                |
|-----------------------------------|----------------|
| Company                           | Country        |
| AES                               | EUA            |
| BHP Billiton                      | Australia      |
| BP                                | United Kingdom |
| Chevron                           | EUA            |
| EDP                               | Portugal       |
| E.ON                              | Germany        |
| GDF SUEZ S.A.                     | France         |
| Lukoil                            | Russia         |
| Rio Tinto                         | United Kingdom |
| Royal Dutch Shell Plc             | Netherlands    |
| RWE                               | Germany        |
| Statoil ASA                       | Norway         |
| Total S.A.                        | France         |
| Vale                              | Brazil         |
| Vattenfall                        | Sweden         |

## Our experience in Portugal

KPMG is one of the leading audit professional services provider in Portugal. With 40 partners and more than 1000 professional working in the Lisbon and Oporto offices, we provide Audit, Tax and Advisory Services.

In 2014, the turnover of KPMG in Portugal reached approximately 84,7 million Euros.

We audit four of the top ten listed companies in Portugal.

### Our Energy & Natural Resources Practice

The Energy & Natural Resources line of business has more than 70 fully dedicated professionals. The number and the level of experience of these professionals is unique and makes the difference.

Our market position in the energy & natural resources market in Portugal is very strong. We provide professional services to the major companies in the energy sector, in Portugal.

Please find below a representative client list of audit and other services in the Energy & Natural Resources sector.

| Energy & Natural Resources sector         |                                |
|---|--------------------------------|
| Company name                              |                                |
| EDP Energias de Portugal                  | Sojitz Beralit Tin And Wolfram |
| EDP Renováveis                            | Grupo Infraventos              |
| GALP Energia                              | Petróleos da Venezuela         |
| Grupo Neon                                | Sonangol                       |
| EEM – Empresa de Electricidade da Madeira | Carbopego                      |
| DouroGás                                  | Tejo Energia                   |
| Grupo Novenergia                          | Elecgás                        |
| Grupo Partex                              | Gamesa                         |
| Somincor                                  | Grupo AGS                      |
| Grupo Infusion                            |                                |

# Statement of Independence

The reputation of KPMG is built, in great part, upon the conduct of KPMG personnel and their ability to deliver objective and independent advice and opinions. That integrity and objectivity which is present in the work KPMG performs, is of paramount importance in the market in which our firm operates. KPMG firms and KPMG personnel exercise alertness and vigilance in applying KPMG ethics and independence policies, methodology and procedures and in protecting their integrity, independence and objectivity.

KPMG and all of its Partners, Management group and professional staff are required to follow the independence rules of the KPMG's International Global Quality & Risk Management Manual, in addition to complying with the norms issued by the Portuguese Institute of Statutory Auditors and, where applicable, the International Ethics Standards Boards for Accounts, the Securities and Exchange Commission and other regulatory agencies.

Each KPMG professional is personally responsible for maintaining his or her independence, regularly reviewing individual financial interests and relationships to verify that they are in compliance with the independence requirements of the firm and the profession. Additionally, firm policies state that no KPMG personnel is permitted to serve other organizations (clients or non-clients) in any capacity (e.g. director, officer, voting trustee, employee, adviser, promoter, or underwrite), that may raise questions as to the firm's present or future independence.

Upon commencement of employment, KPMG professionals are required to complete a detailed affidavit that requires the employee to abide by the applicable independence rules, to avoid a direct or indirect financial interest in an audit client, to refuse favors from clients, to keep information confidential, and to avoid associations with client personnel that would impair the independence or objectivity of the firm.

Additionally, KPMG professionals must complete and submit this independence affidavit each year thereafter.

# KPMG's Quality Assurance

KPMG's internal quality control process, assures the quality of work performed and services rendered.

This description can be divided in two major areas:

- Professional staff;
- Services rendered

Concerning the services rendered by KPMG, quality control is guaranteed through three fundamental components:

- Risk evaluation of present and potential clients;
- Work methodologies applied;
- Quality control of work performed.

## Quality control of work performed

The quality control of work performed, is exercised by several means:



## Quality control reviews performed by local teams

In order to ensure a high quality service, KPMG annually performs a quality control reviews of client work performed, mainly focused on the following aspects:

- Review of the audit teams work, in order to ensure prior to the work's conclusion, the identification of the areas where additional work is needed to cover certain components of the client financial statements;

- Annual revision of a representative sample of work papers of the clients audit files. This revision is performed by a team composed of experienced KPMG professionals, in order to assure that the work planning and the internal control systems analysis were properly performed, and that the data gathered during these stages allowed the structure and design of audit substantive tests in a way that these tests assured the analysis of all the risk areas identified in the planning stage and, also, afterwards.

### **Quality control reviews performed by international teams**

In addition to the quality control reviews performed by the Portuguese professional staff, KPMG also performs, every two years, international quality reviews of general procedures, risk evaluation procedures and the overall quality of works. These are performed by professional staff of other KPMG offices.

This control, allows the sharing and harmonization of KPMG knowledge at a global level, namely identification of risks that, although only just visible in Portugal are already common in other countries, where analysis and risk minimizing tools have already been developed and can be shared.

Both the local and international quality control processes, are performed on a specifically developed software – the Assurance Practice Control Questionnaire, that allows the systematization of the reviewers work, and assures, in an interactive way, that all work areas were analyzed and the evaluation properly performed and documented.

The organizational aspects of the audit work are also evaluated as well as the technical aspects.

### **Quality control reviews performed by external entities**

Due to the fact that, sometimes, our work is used as evidence to support Local Statutory Auditors firms audit opinions our audit files are subject to quality control reviews of the Portuguese Institute of Statutory Auditors. Therefore, when required, we submit for their evaluation some of the audit work performed during the year, to ensure compliance with the relevant auditing/revision technical rules.

In addition, CMVM (Portuguese Stock Exchange regulatory entity) is also empowered by legislation governing capital markets to perform quality evaluation reviews on the audit firms inscribed with the Commission. Therefore, when required, we are also subject to quality control reviews performed by this entity.



The information contained herein is of general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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# Vitor Ribeirinho



## Contacts

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## LOCATION

Portugal

## Qualifications:

- Head of Audit of KPMG in Portugal;
- Bacharel in Accounting and Administration from "Instituto Superior de Contabilidade e Administração de Lisboa";
- Statutory Auditor since 1999;
- Member of Registration commission of the Portuguese Institute of Chartered Accounts.

## Experience:

- More than 20 years of experience in audit and he was involved in several projects such as, accounting advisory, accounting reorganization, consolidation, mergers and acquisition, asset management, financial forecasts, implementation of documental circuits and organizational restructuring in large companies;
- Since his nomination as Partner in 2002, he was responsible for the audit of major clients of KPMG in Portugal. In 2006 he was appointed as Head of the Audit Department of KPMG, he is also member of the Executive Committee of KPMG Portugal. Partner responsible for the quality assurance of the audit engagement of EDP Group in 2011, having assumed the role of Global Lead Partner of the Group since 2012;
- Responsible for several projects for conversion into IAS/IFRS, in some of the major Groups in Portugal;
- Responsible also for the review of reports prepared for the Securities Exchange Commission (SEC), namely regarding conversion into US GAAP as well as review of offering-circular within the scope of the issue of subordinated debt and share capital increases.

# Susana Abreu



## Contacts

Tel:+351 210 110 000  
sabreu@kpmg.com

## LOCATION

Portugal

## Qualifications:

- Degree in Economics from “Instituto Superior de Economia e Gestão”;
- Chartered Accountant since 2006, registered in OROC and CMVM.

## Experience:

- Joined KPMG in October 1995, where she is Partner in the Audit Department, specialized in areas such as Industry, Consumer Markets, Services and Energy and Natural Resources.
- Her activity has been mainly focused on the Energy and Natural Resources sector. She has also participated and supervised several audit engagements in the Industrial, Consumer Markets and Services sectors.
- She has been a part of several special projects, namely in accounting assistance and reorganization, due diligence projects, mergers and acquisitions, sustainability projects and in the implementation and review of the internal control systems.
- During her career, she acquired and developed expertise in consolidation. She has been involved in conversion projects to IAS/IFRS, US GAAP and SNC.
- She participated in the review of reports prepared for Securities and Exchange Commission (SEC) reporting purposes, namely regarding conversion into US GAAP as well as in the review of offering-circulars in connection with debt issuance programs and Initial Public Offerings (IPO).
- Trainer in KPMG internal trainings and in several International Financial Reporting Standards (IFRS) training sessions organized by KPMG for several national entities.
- Currently, she is Partner in the audit of EDP Group, having a significant experience in the Energy Market.