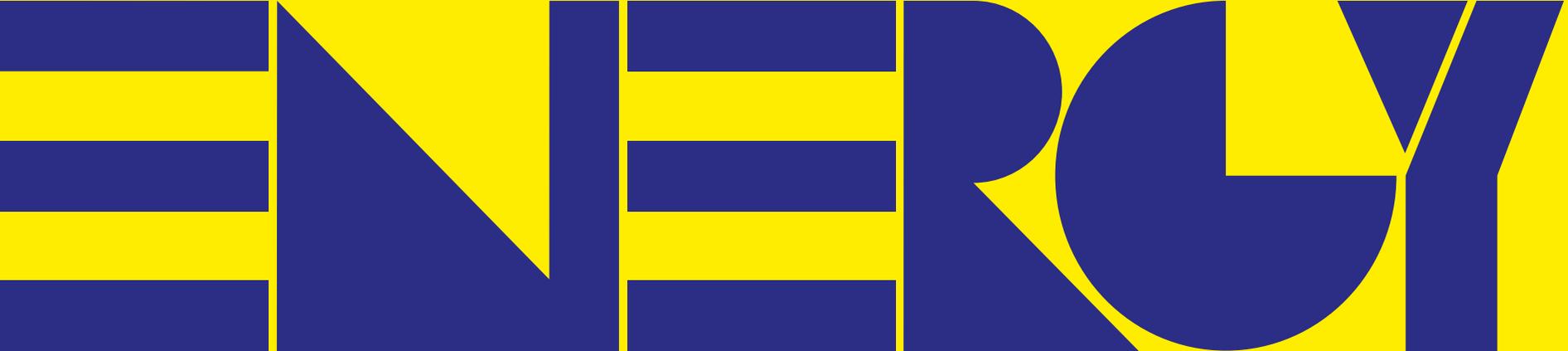


LOW ENERGY



edp



We love energy.

This is the energy that moves us, unites us, and brings us closer to the world.

We love this energy, which is an universal language that comes in all shapes and colors.

An energy that impels us, motivates us, and challenges us in this history of shared achievements.

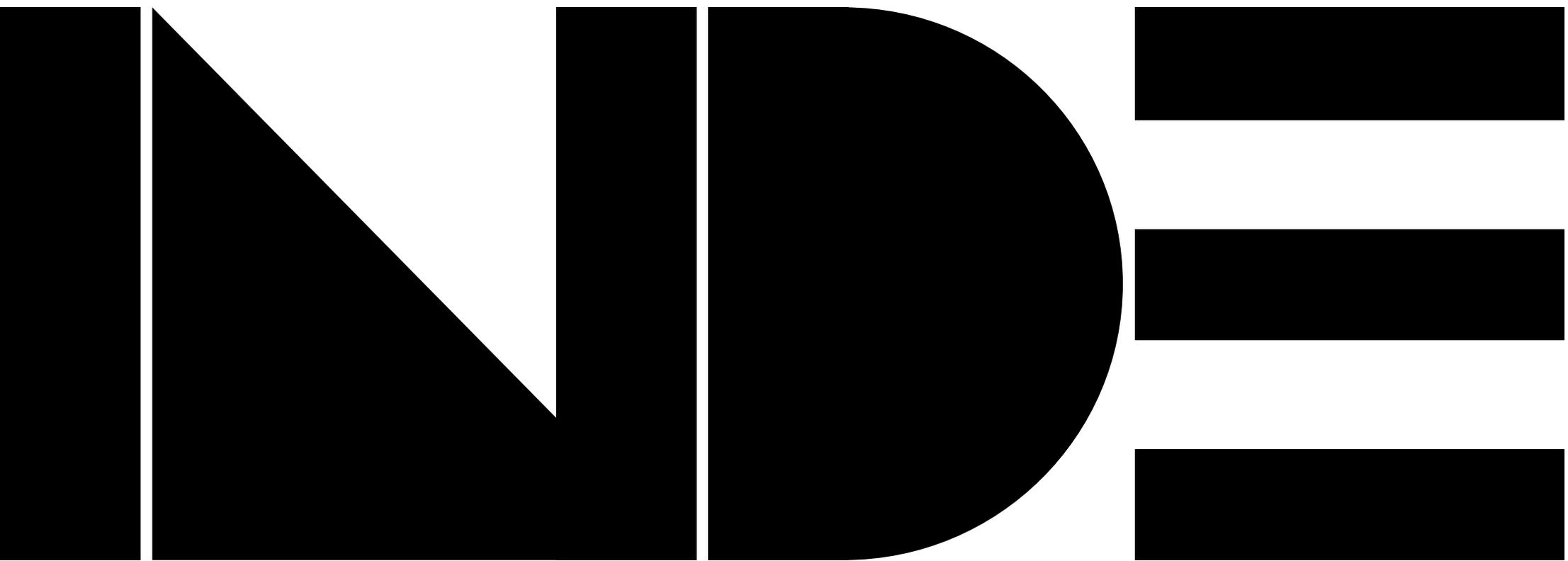
An energy that comes from the sun, the water, the wind and people.

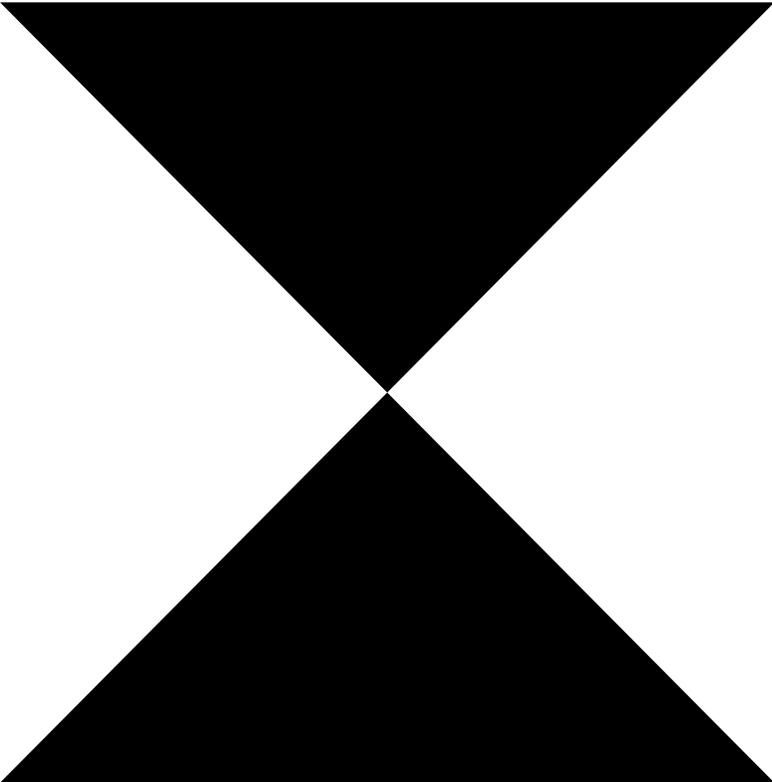
An energy that transforms, reinvents and creates an increasingly clean, sustainable, and efficient future.

A contagious energy that encourages us to explore, to amaze and to innovate in a world in constant change.

This is the energy we love.

WE LOVE ENERGY





CONTENTS

01	INTRODUCTION	11	03	INTERNAL VIEW	49
	Foreword	11		Prioritization of stakeholders	50
	Stakeholder Segmentation Model	12		Issues, responses and channels	51
	Stakeholder Relationship Policy	13			
	Our Organization	14			
	Stakeholder				
	Engagement Procedures	15			
	How We Act	16			
02	EXTERNAL VIEW	23			
	Sample	25			
	Methodological Note	26			
	Relationship Assessment	28			
	Important Issues	29			
	Transparency	30			
	Trust	31			
	Information Retained About the Sector and EDP	32			
	Access to Information	34			
	Social Responsibility	36			
	Decarbonization Measures	37			
	The Benefits of Electric Vehicles	38			
	The Adoption of Electric Vehicles	39			
	The Sector's New Agents	40			
	The Impact of Distributed Solutions	41			
	European Vision	42			

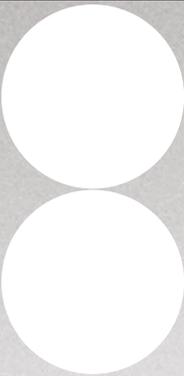
LOVE ENERGY

edp

01 INTRODUCTION

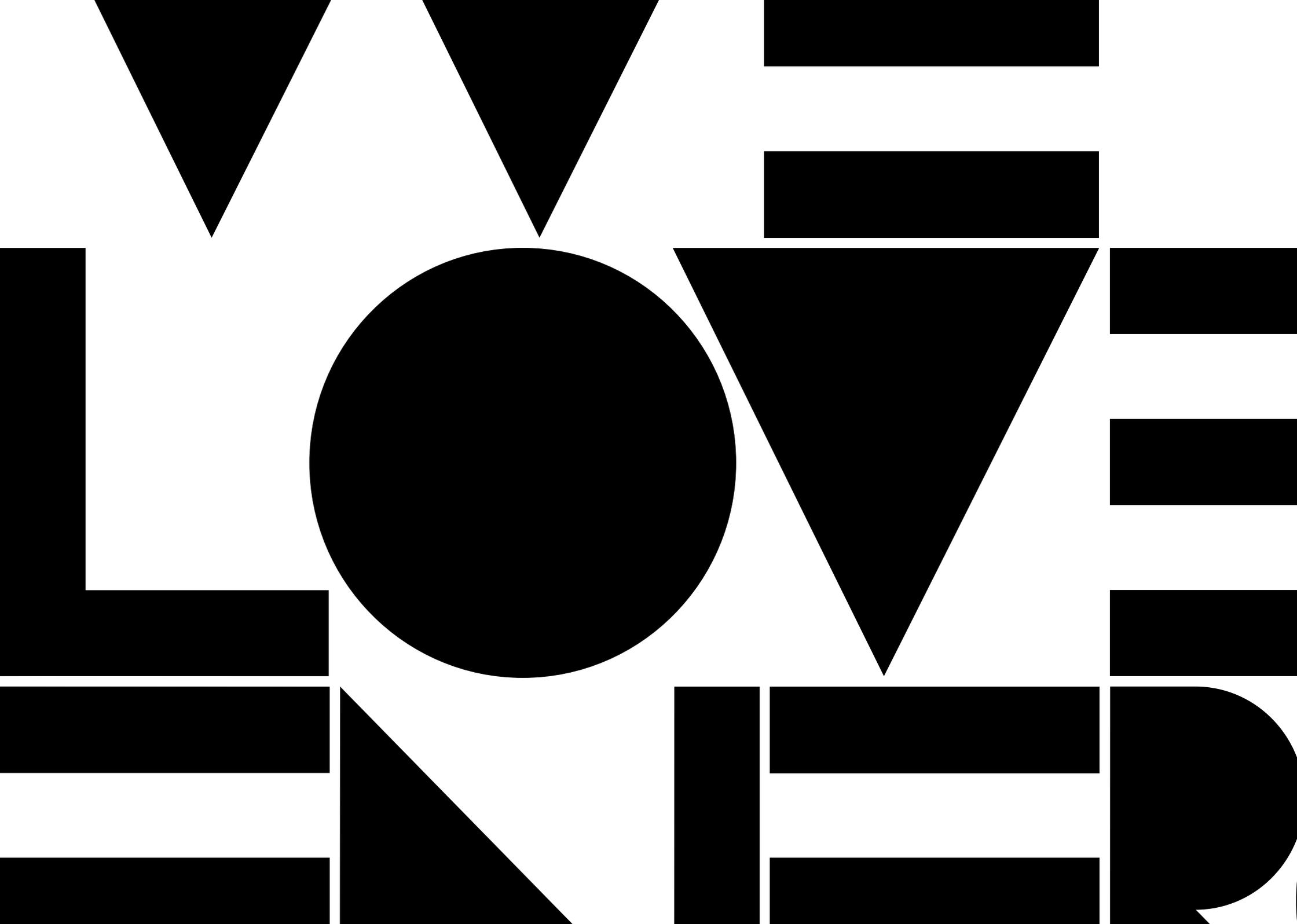
Foreword	11
Stakeholder Segmentation Model	12
Stakeholder Relationship Policy	13
Our Organization	14
Stakeholder Engagement Procedures	15
How We Act	16

ON A CLEAR





**WE
LOVE
THE SUN**



01 INTRODUCTION

PREFACE

In the context of the ongoing enhancement of EDP Group's relationship with its stakeholders, the Institutional Relations and Stakeholders Department resumed its external consultation process in 2018. The results presented in this report are those of the work carried out in this consultation, together with the structuring of the internal view of stakeholder relations across the EDP Group.

External consultation has made it clear that there is now greater depth to and institutionalization of EDP Group's relations with its stakeholders. Structured relations with EDP's various stakeholders are an established fact. There is now increasing focus on these relations, which results in a challenge that can only be perceived positively by EDP. The Group regards openness in relations and transparency in communication of its activities as key factors in a positive relationship with all stakeholders. EDP is committed to continue

as a leader in stakeholder engagement, both in its business and in its social and environmental activities. Further evidence of this leadership commitment was provided with the achievement of a maximum score in the Dow Jones Sustainability Index Stakeholder Engagement area in 2017 and 2018 and the Policy Influence area in 2018.

The critical areas assessed included the relationship with the EDP Group and the perception of transparency and trust in EDP. EDP achieved a very positive assessment in these aspects. It should, however, be noted that there is an increasing desire and demand for institutional interaction. Stakeholders want EDP to exchange more information as a way to consolidate relations rather than have them based on a business logic. Stakeholders were also consulted on EDP's intervention in the area of social responsibility, and there was a growing concern about EDP's involvement in intensifying the Group's activities on topics such as energy poverty and social inclusion.

Other issues of importance have also been addressed in this consultation, which have received extensive stakeholder attention.

A recurring issue was the concern with enhancing the value of the country's hinterland and about what EDP can do in this regard. Stakeholders have also been very open to contributing to new long-term industry trends, such as electric mobility, agents that will lead the long-term energy transition and decentralized solutions with disruptive potential. These are valuable contributions that help EDP shape its own thinking on these issues.

In an exercise involving several countries in which the EDP Group operates, this consultation was also extended to European institutions. Achieving this European vision of EDP has been of great interest to the Group as it has confirmed a perception of EDP's leadership in the European energy transition. The challenge now is to communicate EDP's success story at European level.

Internally, this report highlights the intense joint work with all of EDP Group's business areas and territories to define the critical issues to be addressed with the various stakeholders. Cross-referencing these critical relationship topics with the results of the external consultation has enabled us to draw up a joint action plan to guide our future activities.

EDP is perfectly clear about the need for this open and transparent relationship with its stakeholders. This report is a contribution to that and is intended to be an important starting point for the relationship with all EDP Group stakeholders.

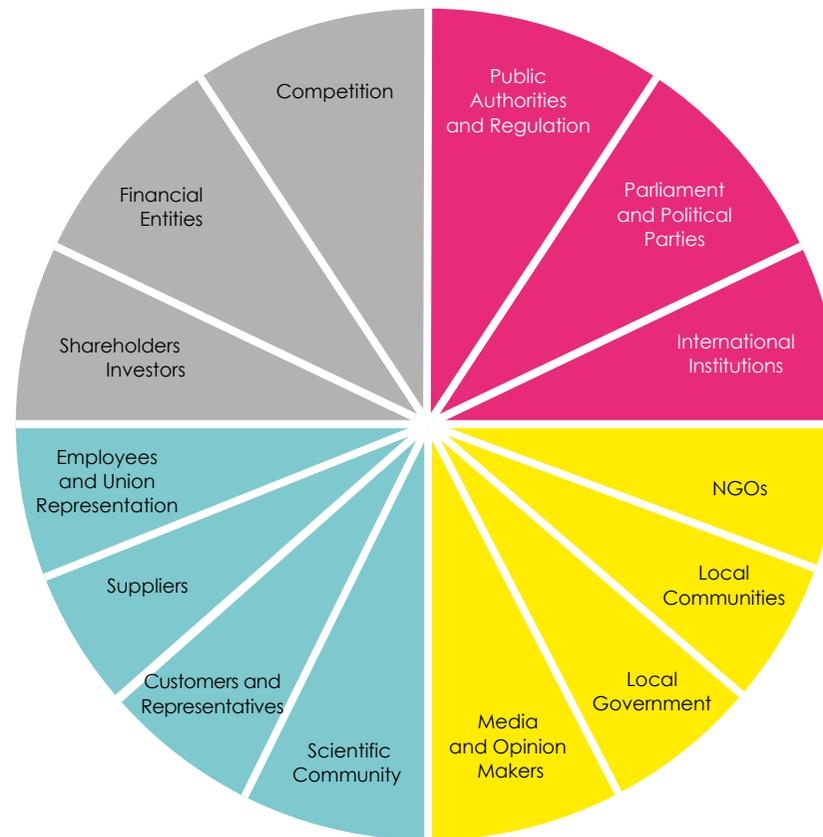
STAKEHOLDER SEGMENTATION MODEL

MARKET

Competition, investors and financial partners that impact the operational implementation of EDP's business investment, internationalization and diversification strategies.

VALUE CHAIN

A set of skills, activities and processes that allow customers access to electricity, gas and support services, particularly the scientific community, suppliers and customers.



DEMOCRACY

The conditions under which EDP operates: rules and regulations, competition, public policies and regulatory decisions.

SOCIAL AND TERRITORIAL CONTEXT

Territories with important EDP investments, civil society organizations and public opinion.

STAKEHOLDER RELATIONSHIP POLICY

UNDERSTAND

INCLUDE, IDENTIFY, PRIORITIZE

- We dynamically and systematically identify stakeholders who influence and are influenced by the company.
- We analyse and seek to understand stakeholder expectations and interests in decisions that impact them directly.

TRUST

TRANSPARENCY, INTEGRITY, RESPECT, ETHICS

- We believe promoting a climate of trust with our stakeholders is crucial to establishing stable and long-term relations.
- Our relationship with stakeholders is based on such values as transparency, integrity and mutual respect.

COMMUNICATE

INFORM, LISTEN, UNDERSTAND

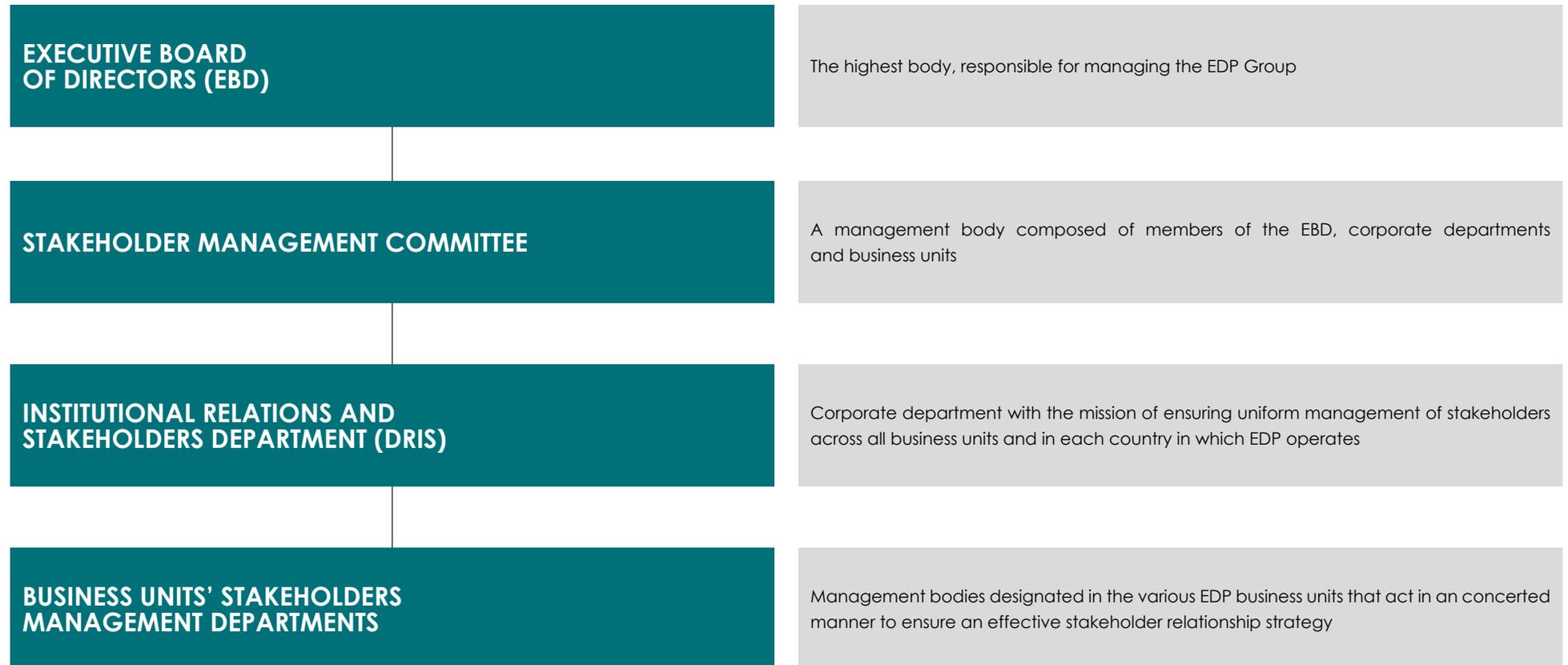
- We are committed to promote a two-way dialogue with stakeholders through information and advisory activities.
- We listen, inform and respond consistently, clearly, accurately and transparently to stakeholders to build close, strong and lasting relationships.

COLLABORATE

INTEGRATE, SHARE, COOPERATE, INFORM

- We aim to work with stakeholders to build strategic partnerships that collate and share knowledge, skills and tools, thereby promoting the creation of shared value in a differentiated way.

OUR ORGANIZATION



STAKEHOLDER ENGAGEMENT STRATEGY

SCOPE | EDP STAKEHOLDER ENGAGEMENT PROCEDURES

EDP's Stakeholder Engagement procedures establish the minimum requirements for external stakeholder relations for all business units within the EDP Group's consolidation perimeter, both locally and institutionally, and considering all countries in which EDP operates. These procedures are mandatory and are reported to the Business Units' Stakeholder Management Departments and to the Institutional Relations and Stakeholders Department (DRIS).

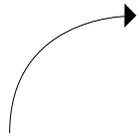
EDP STAKEHOLDER ENGAGEMENT PROCEDURES ARE GUIDED BY:

- Identification, segmentation and prioritization of stakeholders
- Engagement and stakeholder consultation methods
- Risk management and opportunities for engaging stakeholders
- Monitoring and reporting on stakeholder engagement performance

EDP STAKEHOLDER ENGAGEMENT PROCEDURES ARE SUPPORTED BY:

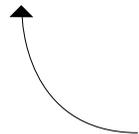
- EDP Stakeholder Relations Policy
- EDP Stakeholder Segmentation Model
- EDP Stakeholder Management Methodology Guide

HOW WE ACT



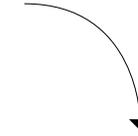
INTERNAL VIEW

The **Internal View** is the first step in the Stakeholder Management Methodology Guide, and its main goal is to identify what stakeholders have most influence on EDP activities and which are most affected by EDP's activities, as well as those who value most the relationship with the Company.



EXTERNAL VIEW

The **External View** is the key point of the Stakeholder Management Methodology Guide. It is an important time to listen to stakeholders directly and proactively.

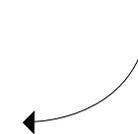


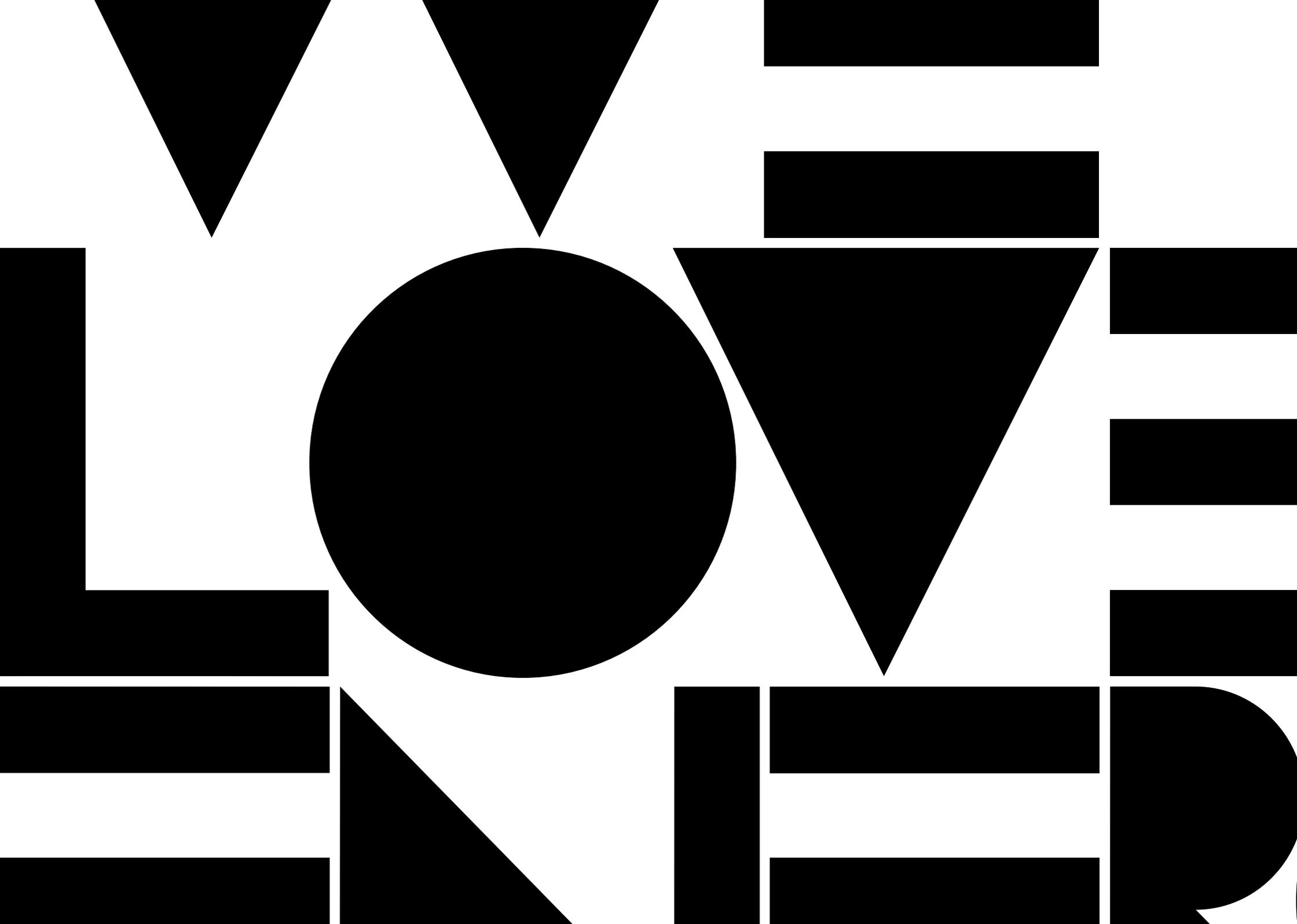
ACTION PLAN

Preparation of an **Action Plan** containing clear and consistent responses that meet stakeholder expectations, enabling trust-based relationships and the creation of shared value.

REPORTING AND MONITORING

Reporting and Monitoring the performance of relationships with stakeholders allows EDP to adjust its ongoing activities according to the level of implementation and results achieved. Monitoring is important to establish feasible agreements, implement them, take decisions and allow the early identification of emerging issues that impact the Company's business, projects and reputation.



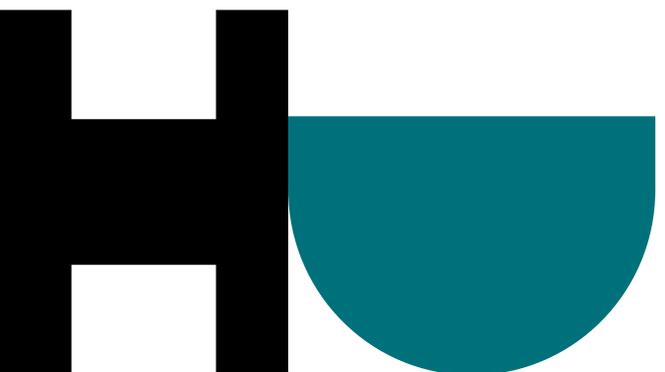


LOVE ENERGY

edp

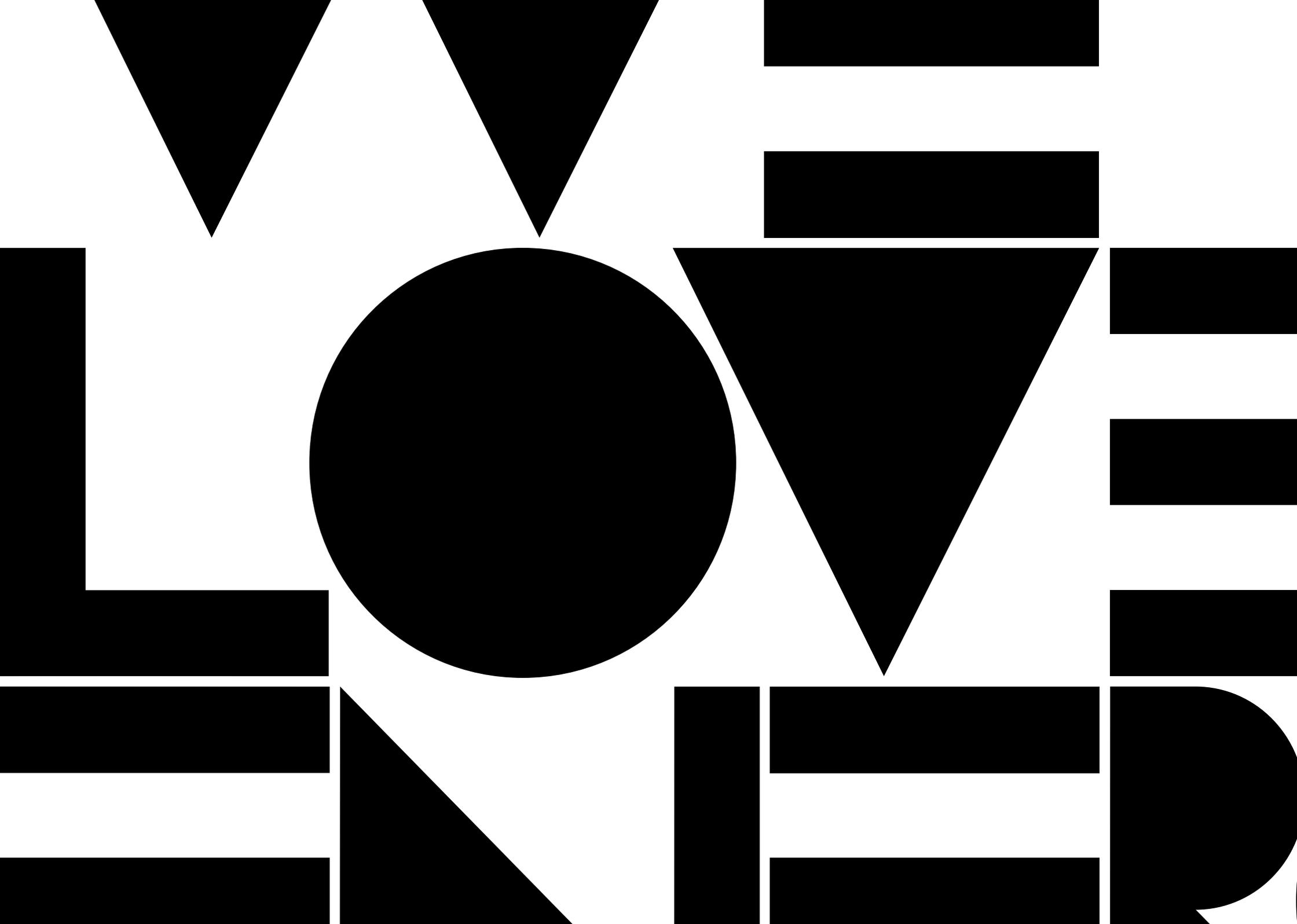
02 EXTERNAL VIEW

Sample	25
Methodological Note	26
Relationship Assessment	28
Important Issues	29
Transparency	30
Trust	31
Information Retained About the Sector and EDP	32
Access to Information	34
Social Responsibility	36
Decarbonization Measures	37
The Benefits of Electric Vehicles	38
The Adoption of Electric Vehicles	39
The Sector's New Agents	40
The Impact of Distributed Solutions	41
European Vision	42





**WE
LOVE
HUMANITY**



02 EXTERNAL VIEW

It is through dialogue with stakeholders that their expectations are known and channels of communication are enhanced. The development of EDP's external view is based on the consultation carried out for this report. When stakeholders are consulted, it is a key moment for DRIS to audit relations in the most independent way. Only by taking this stance can the impact of EDP business unit activities on stakeholders be understood and resulting improvements designed.

The external view seeks to capture society's perception of EDP in a systematic and quantifiable way, and acts as a tool for developing action plans that mitigate relationship risks and leverage institutional relationships. To this end, we have carried out an extensive consultation to people and bodies across various sectors of society.

The consultation strategy defines a subset of issues that are maintained from previous editions of the reports to evaluate past actions. In addition, new issues have been introduced that align with the consultation process in the current EDP environment.

In addition, new issues were introduced that align with the consultation process in the current EDP environment.

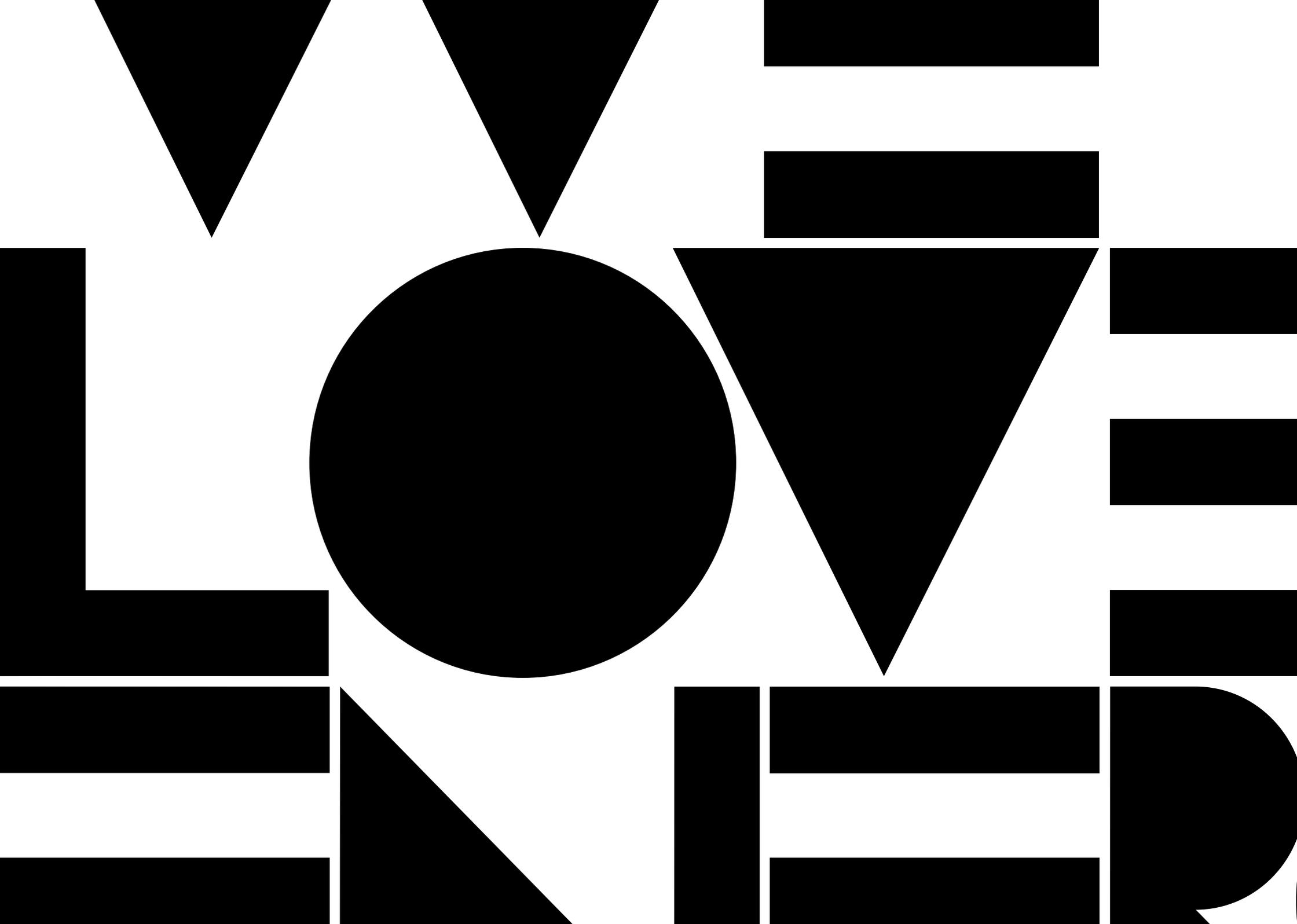
Another fundamental point of the consultation is the constitution of the sample. The process was carried out with the greatest transparency and openness, so every effort has been made to listen to a wide range of opinions. It has been an effort of all stakeholder reports that was intended to be enhanced in this year's edition. EDP's relations can only be improved by consulting not just those who are most favourable, but by also listening to those with remote relations with EDP and who offer constructive criticisms, illustrating what room for improvement in relations exists.

Even in this context of openness to a range of opinions, the results are still extremely positive, highlighting the constructive manner in which most stakeholders – from the most critical to the most favourable – evaluate EDP's activities.

The consultation also provides an opportunity for establishing new relationships and communication channels with stakeholders currently unconnected to EDP. This focus has an impact on the assessment of the relationship with EDP, but above all it has the unequivocally positive outcome of broadening the spectrum of action, leading EDP to improve communication with all stakeholders.

In general terms, it is important to note that the context in which EDP operates in Portugal has changed significantly in recent years. Some stakeholders have identified new concerns and established a new level of demand. The results of this chapter reflect these demands and open a way to

identify business opportunities and improve relationships with several stakeholders.

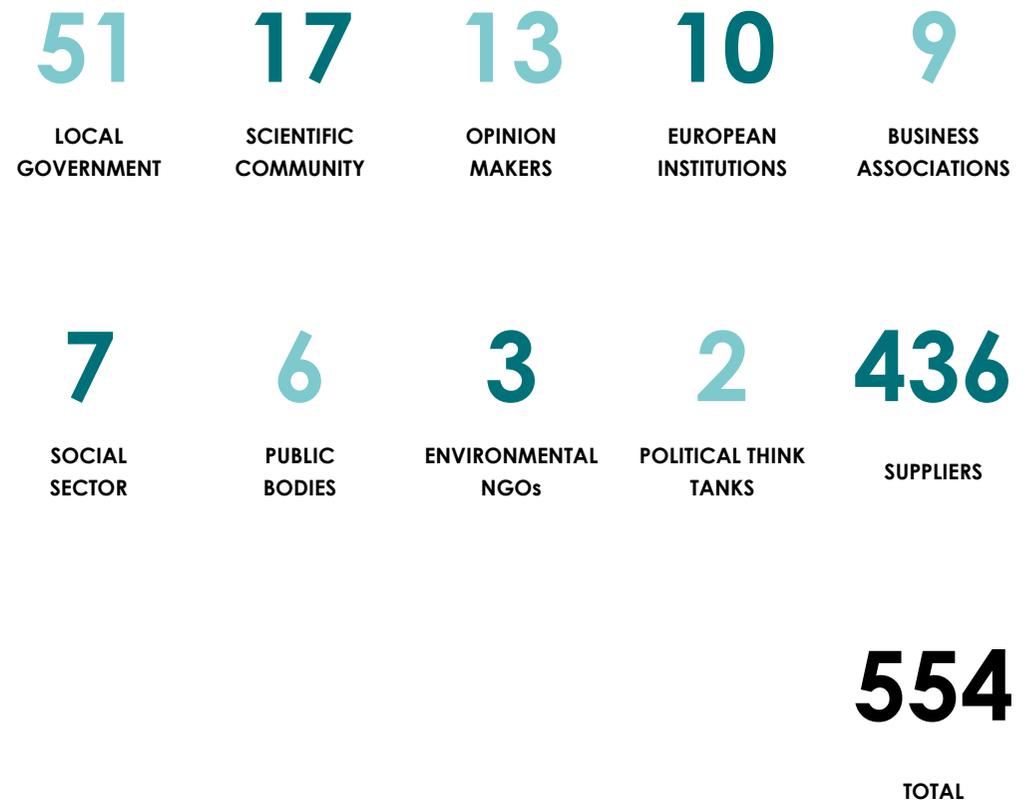


SAMPLE

The consultation was carried out by means of face-to-face inquiries, except for the suppliers segment which was carried out online.

Priority segments have remained in line with previous editions, namely Local Government, the Scientific Community and Opinion Makers, as well as others, such as the Social Sector, Business Associations and Suppliers.

New segments have also been included: Political Think Tanks, Public Bodies and Environmental NGOs. The MEP segment has been extended to include other European institutions.



METHODOLOGICAL NOTE

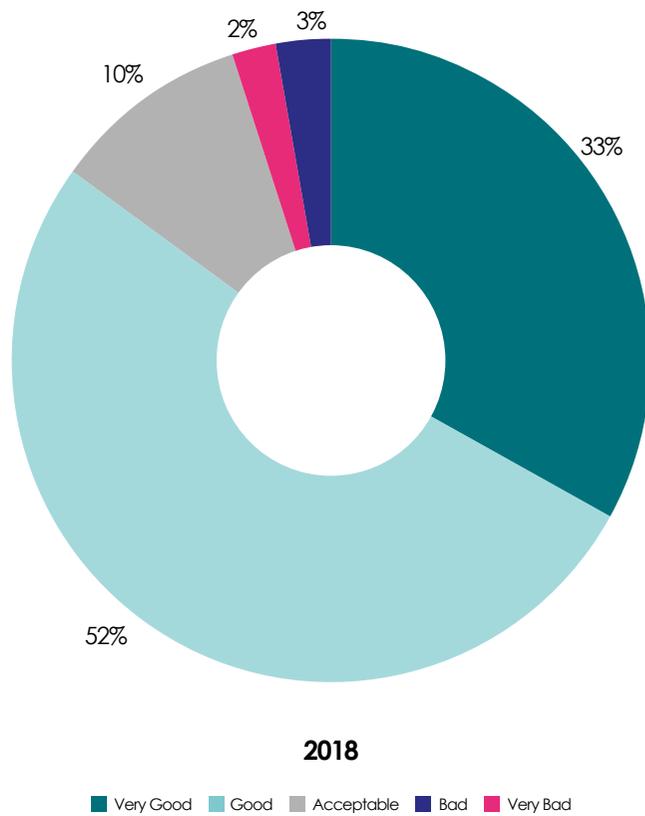
STAKEHOLDER	SAMPLE CONSTRUCTION
LOCAL GOVERNMENT	▶ Local Government with relationships with the various Business Units, Chairmanships of Inter-Municipal Communities and District Capitals.
SCIENTIFIC COMMUNITY	▶ Engineering, economic and social science professors with knowledge of the energy sector.
OPINION MAKERS	▶ Opinion makers among journalists, columnists and television, newspapers and online commentators in the society, economy and politics areas.
EUROPEAN INSTITUTIONS	▶ MEPs, assistants and representatives of the European Commission at national and international level.
BUSINESS ASSOCIATIONS	▶ Main Portuguese associations and confederations representing businesses in the primary, secondary and tertiary sectors.

METHODOLOGICAL NOTE

STAKEHOLDER	SAMPLE CONSTRUCTION
SOCIAL SECTOR	▶ Institutions aggregating various national charities in the social area.
PUBLIC BODIES	▶ Main national authorities responsible for the environmental licensing of EDP projects.
ENVIRONMENTAL NGOs	▶ Major environmental NGOs
RESEARCH DEPARTMENTS	▶ Research departments of the main political parties represented in the Portuguese parliament.
SUPPLIERS	▶ Online survey sent to all suppliers registered in Portugal across various categories.

RELATIONSHIP ASSESSMENT

OVERALL RESULTS



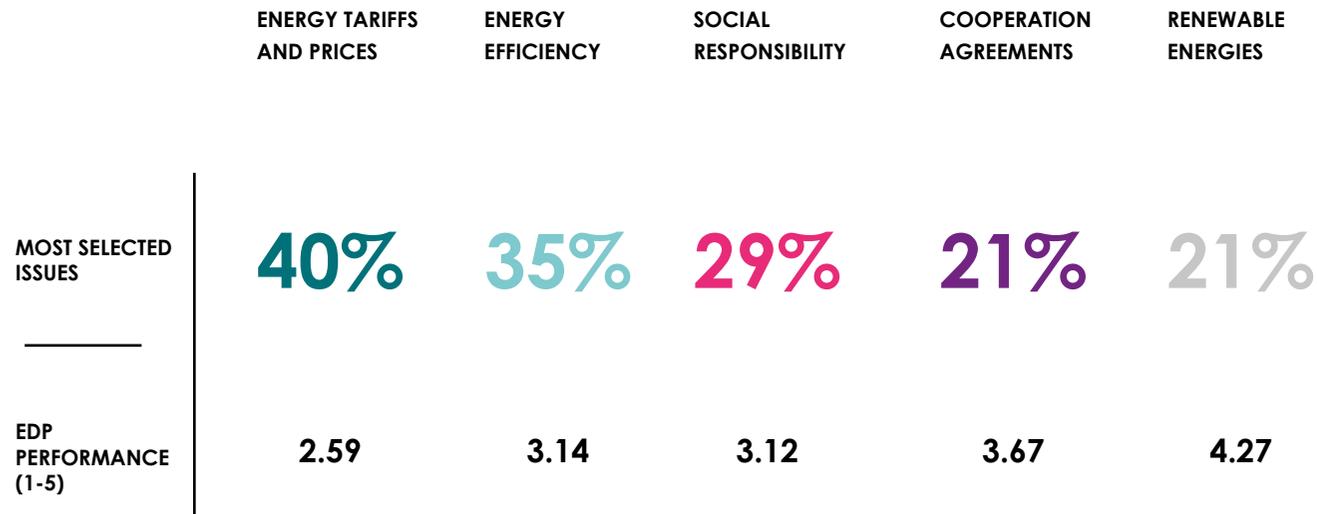
HOW DO YOU ASSESS THE RELATIONSHIP WITH THE EDP GROUP?

95% of stakeholders assess their relationship with the EDP Group positively.

This is a result that reflects EDP's continued willingness to engage openly with its stakeholders. The relationship assessment was not greatly impacted by the deliberate option of listening to a set of personalities with very heterogeneous opinions regarding EDP and also exposed to the media agenda.

IMPORTANT ISSUES

OVERALL RESULTS

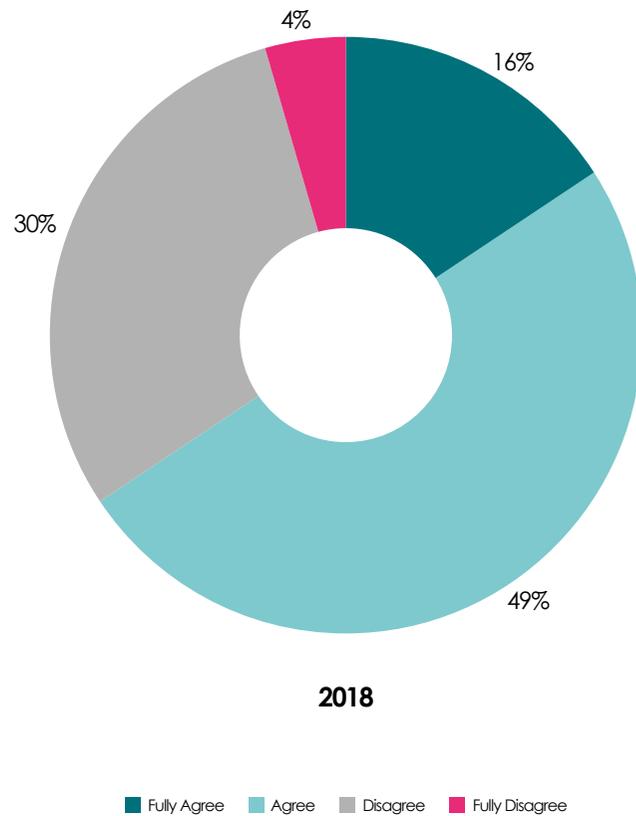


WHAT ARE THE IMPORTANT ISSUES IN THE RELATIONSHIP WITH EDP AND HOW DO YOU ASSESS THEM?

The five most important issues for stakeholders cover both business issues and activities with social and academic impact. Overall, and except for the energy price in Portugal, EDP's performance on these issues was assessed positively. On energy price, EDP continues to be seen as the body most responsible for price formulation. This misconception requires EDP to make an effort to clarify all components and actors involved in price formulation.

TRANSPARENCY

OVERALL RESULTS



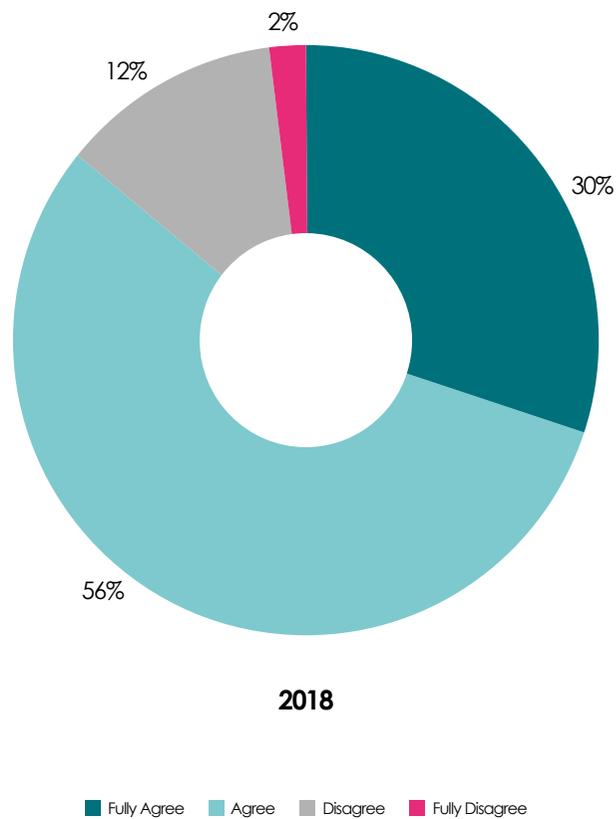
DO YOU THINK EDP IS A TRANSPARENT COMPANY?

65% of stakeholders believe EDP is a transparent company. The greatest room for improvement lies in sharing information about the company and the sector. Media issues also affect stakeholders' perception of EDP's transparency.

Stakeholders relate access to information with transparency, considering there is room for improvement in EDP's communication on topics they consider critical.

TRUST

OVERALL RESULTS



DO YOU THINK EDP IS A TRUSTWORTHY COMPANY?

EDP continues to be considered highly trustworthy by stakeholders.

The company's longevity and its historical roots have solidified an image of consistency and quality in how it engages in its business.

There is a high degree of interdependence between the concepts of transparency and trust, which means that the reasons advanced for the lack of transparency, namely the lack of information, are also referred to as impacting on the feeling of trust that stakeholders have in EDP.

INFORMATION GRASPED ABOUT THE SECTOR AND EDP

OVERALL RESULTS

72%

In 2017, there were four consecutive days in Portugal when electricity generation was exclusively from renewable resources, with no consumption of any imported fuel

65%

EDP pays about 10% of all corporate income tax paid in Portugal

57%

About 60% of EDP Group's profits come from outside Portugal

41%

The tax burden on EDP in Portugal is greater than 50%

DID YOU KNOW?

The most high profile themes among stakeholders in recent years are those with related news coverage were most widely disseminated by the general media, which shows the reach of these communication channels. It is important to note that the tone of the news coverage was sometimes negative on topics, such as the company's corporate income tax, when it was originally accused of paying less than 1% tax. Although they heard EDP's explanations, stakeholders remain uncertain about the truth.

INFORMATION GRASPED ABOUT THE SECTOR AND EDP

OVERALL RESULTS

39%

In the last ten years, EDP has on average invested more than EUR 1 billion a year in Portugal

24%

For the third year in succession, in 2016 EDP Distribuição achieved the best possible result for Quality of Service in the supply of electricity in Portugal, and was once again placed in the group best performing European energy suppliers

22%

Fundação EDP has social responsibility projects under way in all districts across the country

19%

At one extreme, if all light passenger vehicles in Portugal were electric, Portuguese net energy imports would fall by 20%

16%

You spend €1 per year on average charging your smartphone at home

DID YOU KNOW?

The issues with the lowest profile relate mainly to more detailed aspects of EDP's business or the group's social responsibility activity.

There is also little knowledge of the real impact energy life has on the economy and personal lives of stakeholders. This explains many of the myths around the company, particularly in terms of the price of electricity, which when explained in a clear and comparative manner, attracts the attention and understanding of stakeholders.

ACCESS TO INFORMATION

OVERALL RESULTS

68%

CONSIDER IT EASY TO COMMUNICATE WITH EDP,
BECAUSE OF THE GROUP'S RESPONSIVENESS

98%

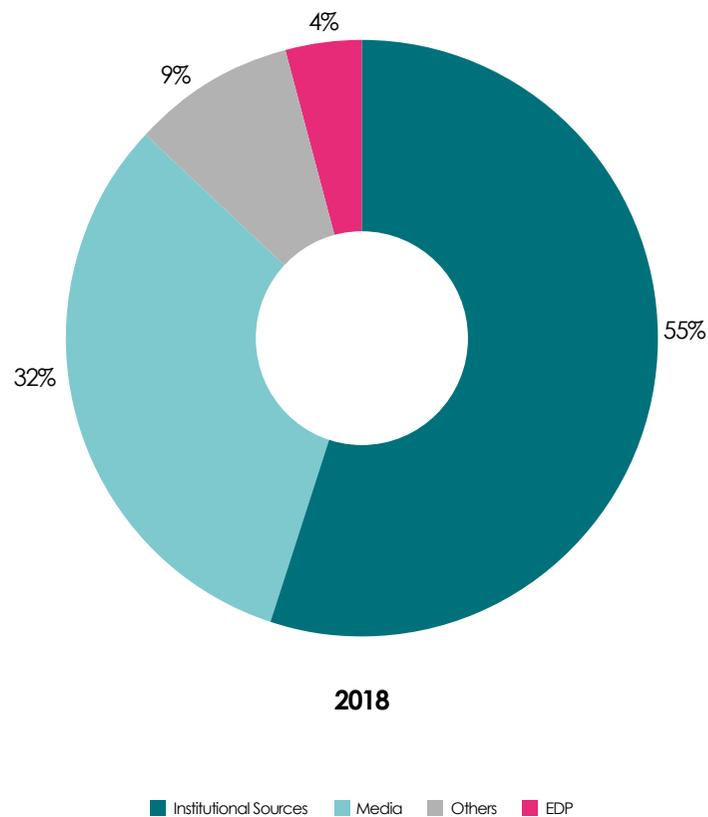
AVAILABLE TO HAVE
A REGULAR COMMUNICATION
CHANNEL WITH EDP

IS IT EASY TO COMMUNICATE WITH EDP AND ARE YOU AVAILABLE TO HAVE AN OPEN AND CONTINUOUS CHANNEL WITH EDP?

There is a general belief that it is easy to communicate with EDP, although there is scope for improvement, notably in terms of deadlines for replying to requests and simplifying information. This is reflected in the interest shown by almost all stakeholders in maintaining a regular relationship with EDP.

ACCESS TO INFORMATION

OVERALL RESULTS



WHAT IS THE MAIN SOURCE USED TO GET INFORMATION ABOUT THE ENERGY SECTOR AND EDP?

National and European institutional sources such as EUROSTAT, OECD, ERSE, REN, among others, are those stakeholders deem most important. There are also other stakeholders, such as Opinion Makers and the Scientific Community, who use personal contacts, journalistic sources or scientific articles. EDP is the least sought-after source for information on the energy sector. Stakeholders view this as an opportunity to increase the number of available communication channels and to improve proactive communication on the critical and current topics of the Company and industry.

SOCIAL RESPONSIBILITY

OVERALL RESULTS

60%

ENERGY POVERTY

57%

SOCIAL INCLUSION

IF YOU MANAGED EDP GROUP'S SOCIAL RESPONSIBILITY BUDGET, WHICH WOULD BE THE THREE MAIN PRIORITIES?

The belief remains that EDP should prioritize support for vulnerable customers in its social responsibility strategy and increase the focus on social issues.

In view of the latest stakeholder consultation process, there remains a wish for EDP to continue extending its social responsibility strategy to the whole territory. Mirroring the activity of Fundação EDP, Art and Culture are high in the list of stakeholder priorities

30%

DECARBONIZATION PROMOTION

29%

ART AND CULTURE

28%

ENTREPRENEURSHIP

27%

ENVIRONMENTAL PROTECTION

21%

OTHER

DECARBONIZATION MEASURES

OVERALL RESULTS

47%

ELECTRIFICATION OF TRANSPORT

42%

PROMOTING ENERGY EFFICIENCY

IN VIEW OF THE EUROPEAN GOAL TO REDUCE GREENHOUSE GAS EMISSIONS BY 40% BY 2030, COMPARED WITH 1990, WHICH TWO MEASURES DO YOU CONSIDER MOST IMPORTANT?

There are two measures stakeholders clearly prefer for achieving the emission reduction targets: 47% believe that meeting international targets must be achieved through the electrification of transport, highlighting the relevance of the topic of electric mobility in public opinion. 42% refer to a more traditional measure in the sector as a solution, i.e. promoting energy efficiency.

22%

INCENTIVES TO INVEST
IN RENEWABLE ENERGIES

10%

IMPLEMENTATION OF
SMART GRIDS

10%

OTHER

9%

RENOVATION OF
HOUSING STOCK

4%

GREEN TAX THAT PENALISES THE
MOST POLLUTING ENERGY SOURCES

THE BENEFITS OF ELECTRIC VEHICLES

OVERALL RESULTS

54%

ZERO EMISSIONS

43%

LOWER USAGE COSTS

WHICH ARE THE THREE BENEFITS ASSOCIATED WITH ELECTRIC VEHICLES THAT YOU MOST VALUE?

The absence of emissions was the most widely-chosen benefit of electric cars in all stakeholder segments, except the social sector, which shows a greater environmental awareness among 54% of stakeholders.

Alongside this benefit, there is a general perception that electric vehicles have lower usage costs, in particular by being powered by electricity and avoiding the use of fossil fuels.

27%

TAX INCENTIVES

23%

GREATER ENERGY EFFICIENCY

12%

NOISE REDUCTION

5%

PREFERENTIAL PARKING AREAS

1%

OTHER

THE ADOPTION OF ELECTRIC VEHICLES

OVERALL RESULTS

14%

DO YOU HAVE AN ELECTRIC FLEET OR VEHICLE

52%

DO YOU INTEND TO PURCHASE ONE

WHY HAVE YOU NOT PURCHASED A FLEET OR ELECTRIC VEHICLES YET?

Although only 14% of the consulted stakeholders currently own an electric vehicle, most want to buy one in the near future. There is still a feeling that electric vehicle technology has not reached maturity, since the main reasons put forward by stakeholders for not having yet purchased this type of vehicle are: the high acquisition cost, charging time and limited vehicle range.

37%

HIGH ACQUISITION
COST

30%

CHARGING TIME

27%

LIMITED RANGE

20%

BATTERY
MAINTENANCE

15%

FEW CHARGING
POSTS

5%

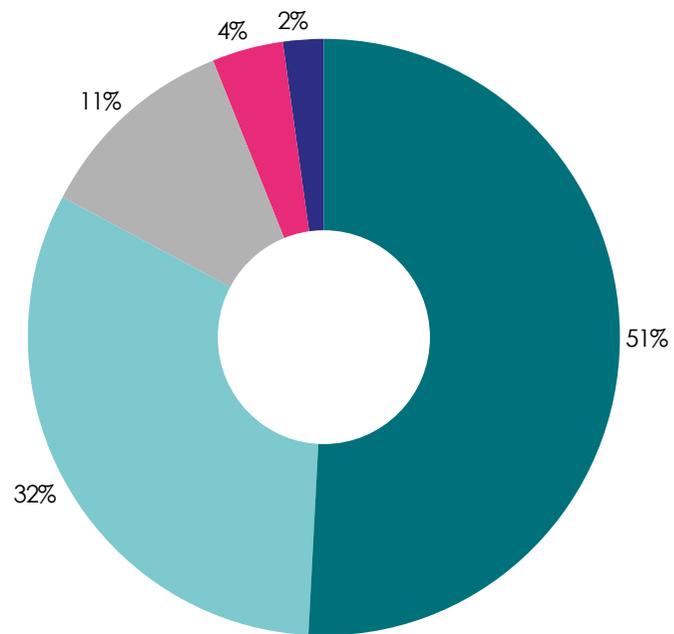
OTHER

2%

DID NOT
ANSWER

THE SECTOR'S NEW AGENTS

OVERALL RESULTS



2018

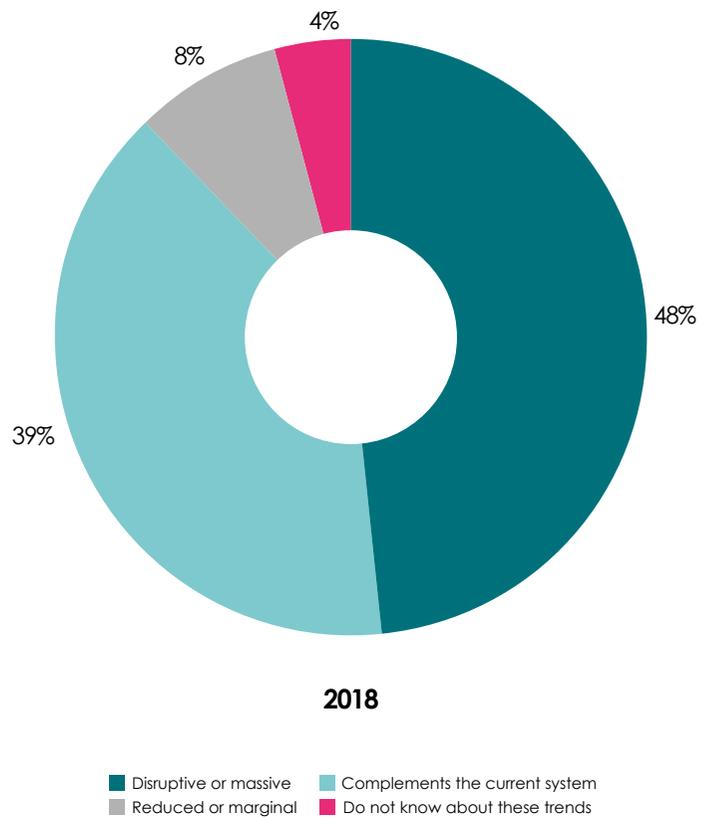
■ Energy sector companies ■ Technology companies ■ Others
■ Decentralized business platforms ■ Services companies

WHICH COMPANIES WILL BE BETTER PLACED TO INCORPORATE THE PROFOUND CHANGES IN AREAS SUCH AS DECENTRALIZED PRODUCTION, ENERGY STORAGE OR ELECTRIC MOBILITY SERVICES AND DEVELOP PRODUCTS TO MEET THESE NEW TRENDS?

Companies in the energy sector, like EDP, are perceived as the traditional agents that will continue lead the sector, followed by technology companies.

THE IMPACT OF DISTRIBUTED SOLUTIONS

OVERALL RESULTS



WHAT IMPACT WILL DISTRIBUTED GENERATION AND STORAGE TECHNOLOGIES HAVE ON THE ELECTRICITY GENERATION AND DISTRIBUTION BUSINESS IN THE NEXT 10 YEARS?

There is a widespread belief that distributed generation and storage could massify if, in the near future, it becomes possible to associate micro-production with micro-storage in batteries.

EUROPEAN VISION

OVERALL RESULTS

100%

WOULD LIKE EDP TO SHARE
MORE WIDELY ITS SUCCESS
CASES WITH EUROPEAN
INSTITUTIONS

83%

SEE EDP AS
A LEADER AMONG PEERS

RENEWABLE
ENERGIES

THE CONCEPT MOST
ASSOCIATED WITH EDP

RENEWABLE
ENERGIES
AND ENERGY
EFFICIENCY

REMAIN CRITICAL ISSUES
OF EUROPEAN DIMENSION

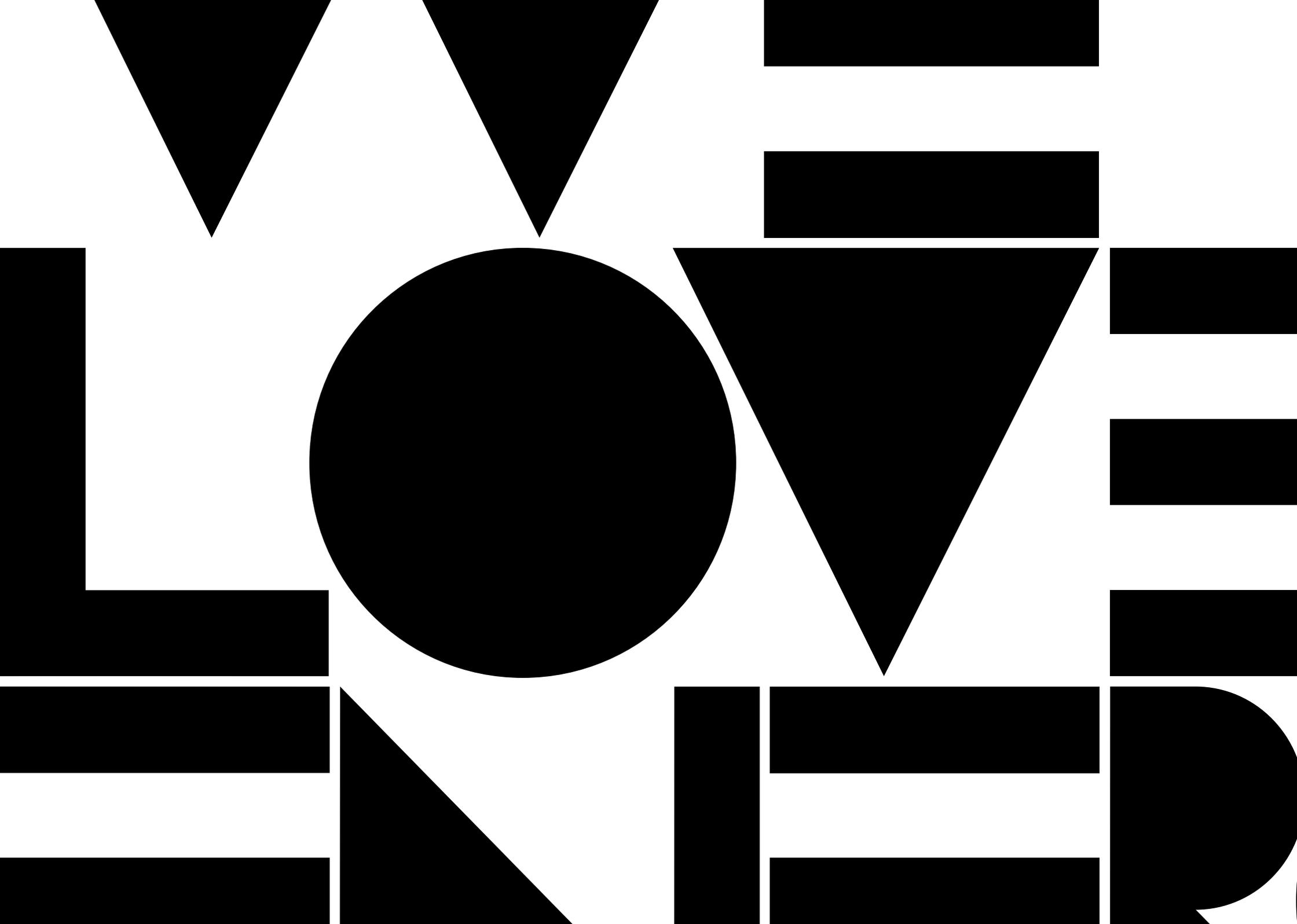
ENERGY
POVERTY
AND ELECTRIC
MOBILITY

ARE THE NEW ISSUES OF
IN EUROPE

WHAT IS THE PERCEPTION OF EDP IN EUROPEAN INSTITUTIONS?

EDP is seen as a leading company in energy transition and there is a clearly favourable view in European institutions of the company's journey over the last decade.

There is widespread recognition of the investments in renewables worldwide. This positive vision helps ensure there is strong willingness to hear EDP's position at the different stages of European energy policy-making.



LOVE ENERGY

edp

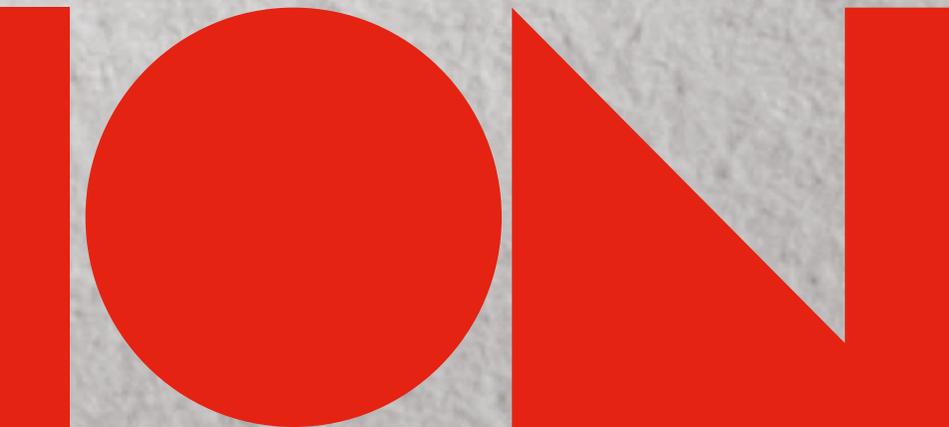
03 INTERNAL VIEW

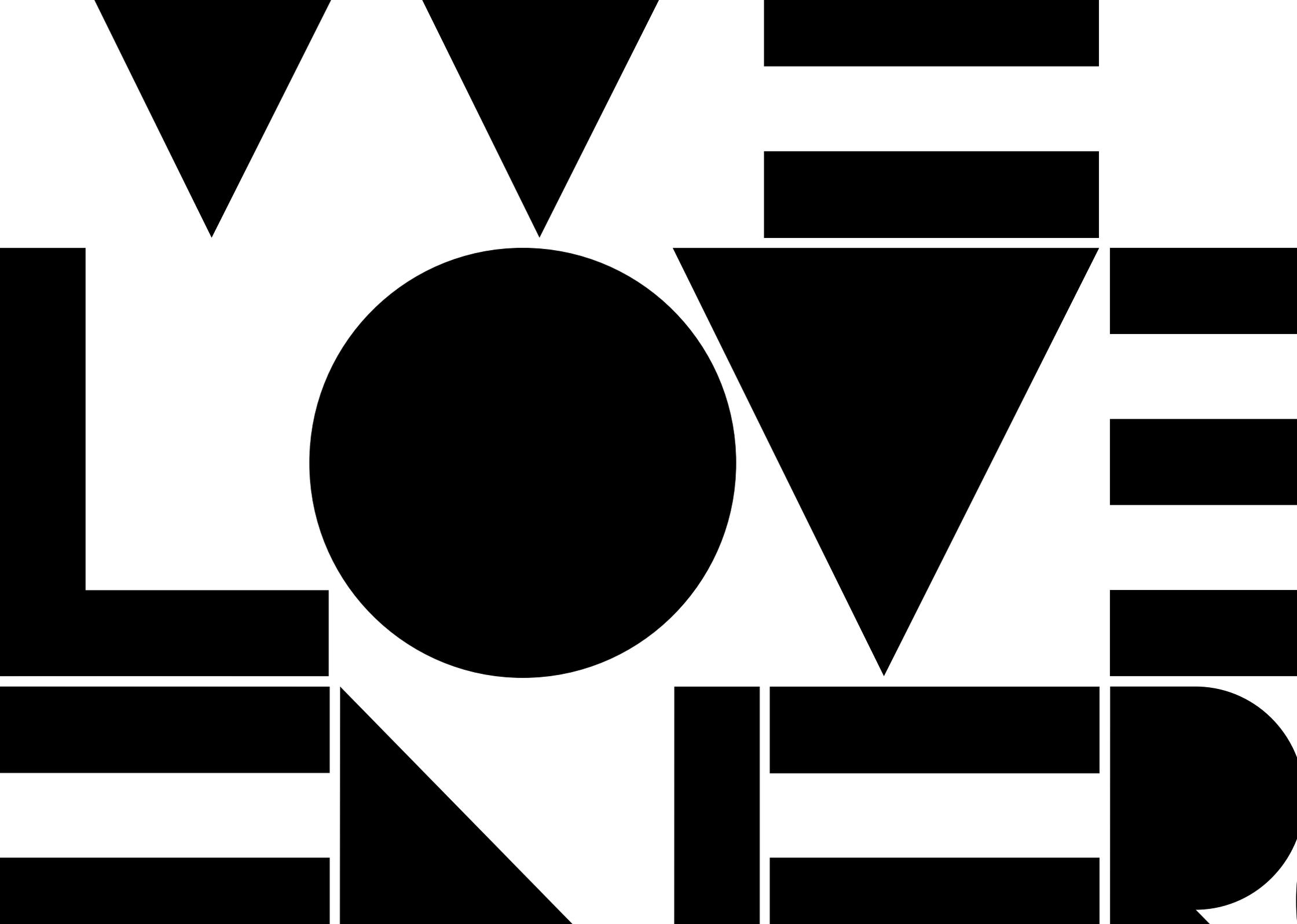
Prioritization of stakeholders	50
Issues, responses and channels	51



KNOWNT

**WE
LOVE
INNOVATION**





03 INTERNAL VIEW

As important as knowing the expectations of stakeholders towards the EDP Group, is knowing the company's view of its stakeholders.

This vision is the result of an in-house consultation in which BU's from all territories in which EDP operates identify and organise their stakeholders on a map structured by themes, priorities, responses and dialogue channels. This consultation is consolidated into a single vision of the EDP Group according to the internal stakeholder management methodology. The following chapter is accordingly divided into two maps:

- **Stakeholder prioritization**, in which there is a brief identification of the stakeholders with whom we relate on a scale of priorities. It clearly shows the stakeholders with whom a stronger relationship is expected and activities geared to those expectations. It is important to

note that this mapping is only one part of the internal stakeholder management process. Each BU has its prioritization identified in a more comprehensive way.

- **The maps identifying stakeholders, relevant issues, responses and dialogue channels.** This map identifies the channels for dialogue with each of the stakeholders, the issues each business unit considered important in the relationship with the stakeholders and which responses are planned, or under way, to address them. As with prioritization, the most important issues and macro-responses are presented. Each business unit can have other specific management topics and responses.

Unlike the action plan, the internal view defines topics and responses based on the EDP Group's objectives. The cross-referencing

of internal and external view shows gaps that have to be closed through the activities of the action plan.

PRIORITIZATION OF KEY STAKEHOLDERS



CUSTOMERS AND REPRESENTATIVES

SHAREHOLDERS AND INVESTORS

EMPLOYEES AND UNION REPRESENTATION

PUBLIC AUTHORITIES AND REGULATION

SUPPLIERS

LOCAL COMMUNITIES

LOCAL GOVERNMENT

FINANCIAL ENTITIES

MEDIA AND OPINION MAKERS

SCIENTIFIC COMMUNITY

NGOS

INTERNATIONAL INSTITUTIONS

COMPETITION



EDP is a leading energy company with a presence throughout almost the entire value chain, starting with energy generation, through distribution to the commercialization of energy. This vertical integration implies a relationship with a broad group of stakeholders that is even more complex due to its activity in 16 countries with different economic, regulatory and social priorities and environments. Therefore, EDP Group stakeholders' prioritization should consider the multiplicity of relationships of its BU's but fundamentally follow the Impact Matrix methodology to define the adjoining list (left). The Impact Matrix quantifies the economic, social and environmental impact stakeholders have on the Company and the economic, social and environmental impact the Company has on stakeholders. Good institutional relations and the indices of transparency and trust are addressed with actions described in the following pages, including institutional communication.

ISSUES, RESPONSES, AND CHANNELS

STAKEHOLDER	IMPORTANT THEMES	RESPONSES	DIALOGUE CHANNELS
SHAREHOLDERS AND INVESTORS	<ul style="list-style-type: none"> ▪ Business Sustainability ▪ Corporate Governance ▪ Promotion of Renewable Energy ▪ Customer Service and Satisfaction 	<ul style="list-style-type: none"> ▪ Implementation of "Investor Day" for the presentation of strategic goals and investment plans ▪ Roadshows on specific topics ▪ Conducting satisfaction studies ▪ Publication of quarterly financial reports ▪ Presence on sustainability stock market indices 	<ul style="list-style-type: none"> ▪ General Meeting of Shareholders ▪ Market communications ▪ Profits call ▪ Roadshows ▪ Meetings ▪ Dedicated area on EDP website ▪ Dedicated e-mail and phone line ▪ Annual Report ▪ Sustainability Report
FINANCIAL ENTITIES	<ul style="list-style-type: none"> ▪ Business Sustainability ▪ Socially Responsible Investment ▪ Innovation and Research ▪ Customer Service and Satisfaction ▪ Corporate Ethics ▪ People Management ▪ Environmental Management ▪ Climate Change 	<ul style="list-style-type: none"> ▪ Regular provision of information ▪ Roadshows on specific topics 	<ul style="list-style-type: none"> ▪ Meetings ▪ Telephone ▪ Profits call ▪ Roadshows ▪ Market communications ▪ Conferences ▪ Annual Reports

STAKEHOLDER	IMPORTANT THEMES	RESPONSES	DIALOGUE CHANNELS
COMPETITION	<ul style="list-style-type: none"> ▪ Business Sustainability ▪ Climate Change ▪ Promotion of Renewable Energy ▪ Corporate Ethics ▪ Supplier Management ▪ People Management ▪ Safety ▪ Corporate Governance ▪ Energy Infrastructure ▪ Environmental Management 	<ul style="list-style-type: none"> ▪ Provision of information ▪ Collaboration in sectoral working groups in strict compliance with competition rules 	<ul style="list-style-type: none"> ▪ Conferences ▪ Working Groups
CUSTOMERS AND REPRESENTATIVES	<ul style="list-style-type: none"> ▪ Customer Service and Satisfaction ▪ Energy Efficiency ▪ Energy Prices ▪ Communication and Transparency ▪ Energy Infrastructure ▪ Vulnerable Customers ▪ Information security and privacy 	<ul style="list-style-type: none"> ▪ Installation of smart meters ▪ Clear Invoice ▪ Voice of the Customer ▪ ATL/BTL campaigns for energy supply + services ▪ Launch of new innovative/differentiating offers ▪ Launch of digital advice platform ▪ B2B quarterly newsletters ▪ State and SME seminars ▪ Enhancing the promotion and galvanization of Save to Compete ▪ Running information campaigns among business confederations and associations ▪ Expanding portfolio of energy partnerships and services ▪ Regular meetings with Consumer Associations 	<ul style="list-style-type: none"> ▪ Billing ▪ Customer manager ▪ EDP website ▪ EDP Online ▪ EDP App ▪ E-mail ▪ Telephone ▪ Click to Chat ▪ Funciona service visits ▪ Satisfaction surveys ▪ E-mail ▪ Customer Ombudsman
EMPLOYEES AND UNION REPRESENTATION	<ul style="list-style-type: none"> ▪ People Management ▪ Corporate Ethics ▪ Safety ▪ Communication and Transparency 	<ul style="list-style-type: none"> ▪ Clear explanation sessions ▪ Mobility programme ▪ Volunteering programme ▪ Personal Development Plan ▪ EDP Succession planning ▪ Reconciliation (Work-Family) and Valuing the Experience programmes ▪ Welcome programme ▪ Trainee programme ▪ Mentoring programmes ▪ Executive Development Program ▪ Monitoring and definition of annual action plans ▪ Macro-structure meetings 	<ul style="list-style-type: none"> ▪ Employee Committees ▪ Prevention and Safety Committees ▪ Annual meetings ▪ Intranet ▪ Ethics channel ▪ Whistle-blowing Channel ▪ edpON Magazine ▪ edpON Television ▪ Newsletter ▪ Employee studies ▪ Feedback meetings ▪ Ethics Ombudsman

STAKEHOLDER	IMPORTANT THEMES	RESPONSES	DIALOGUE CHANNELS
SUPPLIERS	<ul style="list-style-type: none"> Supplier Management Energy Infrastructure Safety Corporate Ethics People Management 	<ul style="list-style-type: none"> Annual Supplier Meeting Supplier action plan BU and procurement working group Analysing risks and opportunities 	<ul style="list-style-type: none"> EDP website E-mail Telephone Face-to-Face meeting Procurement area Visits to supplier premises Satisfaction surveys Electronic auctions Ethics channel Meeting with suppliers Code of ethics
SCIENTIFIC COMMUNITY	<ul style="list-style-type: none"> Innovation and Research Attraction and retention of talent Project cooperation and financing Energy planning Climate Change Sustainable Mobility Promotion of Renewable Energy Energy Efficiency Environmental Management 	<ul style="list-style-type: none"> Collaboration on master's and doctoral scholarships Business information sharing Promotion of visits to EDP projects Participation in conferences Sponsorships Collaboration protocols Social investment programmes in schools Internship programme 	<ul style="list-style-type: none"> Conferences and training E-mail Digital channels Institutional Events Working Groups Meetings
PUBLIC AUTHORITIES AND REGULATION	<ul style="list-style-type: none"> Energy tariffs and prices Supply quality and guarantee Energy planning Taxes, fees and subsidies Environmental Management Climate Change Promotion of Renewable Energy Energy Efficiency Vulnerable customers Socially Responsible Investment Energy Infrastructure Communication and Transparency 	<ul style="list-style-type: none"> Compliance with energy legislation and regulation Proposals and comments on reviews of the sector's regulation Organization of visits to EDP Group construction sites and projects Participation in working groups Carrying out risk assessment studies Asset maintenance plans Involvement in studies Discussion and clarification sessions 	<ul style="list-style-type: none"> Face-to-face meetings Working Groups Conferences and training Letters Telephone E-mail Digital channels Public consultations

STAKEHOLDER	IMPORTANT THEMES	RESPONSES	DIALOGUE CHANNELS
PARLIAMENT AND POLITICAL PARTIES	<ul style="list-style-type: none"> Energy and environmental policy Vulnerable Customers Climate Change Promotion of Renewable Energy Business Sustainability Energy Infrastructure 	<ul style="list-style-type: none"> Replies to formal requests for information or explanations Organization of visits to EDP Group worksites and projects to share information about the sector 	<ul style="list-style-type: none"> Face-to-face meetings Letters E-mail Telephone
INTERNATIONAL INSTITUTIONS	<ul style="list-style-type: none"> Climate Change Innovation and Research Energy Efficiency Environmental Management Vulnerable Customers Promotion of Renewable Energy Community Engagement and Development Communication and Transparency Safety Corporate Ethics 	<ul style="list-style-type: none"> Replies to formal requests for information or explanations Organization of meetings and participation in conferences on important themes and with potential synergies in the energy sector Participation in Sector Associations and Think Tanks Participation in public consultations on European policies Collaboration with international institutions on energy and environmental policy Organization of visits to EDP Group worksites and projects to share information about the sector Support for independent studies 	<ul style="list-style-type: none"> Bilateral meetings Published products Public consultations Conferences and training Institutional Events Working Groups Meetings E-mail
LOCAL COMMUNITIES	<ul style="list-style-type: none"> Community Engagement and Development Vulnerable Customers Climate Change Safety Environmental Management People Management 	<ul style="list-style-type: none"> Financing of an Energy Access Fund Implementation of social, cultural and environmental programmes Prevention, mitigation and compensation programmes Support for the training and recruitment of local labour Media programs for the regular dissemination of information on enterprises and projects Providing exclusive communication channels for local communities Negotiating forums with local communities Protection plan for indigenous populations and lands EDP Solidarity Program Cultural Patronage Participation in simulations and exercises Provision of used cars to local partners Volunteering programme Asset visit programme Support for local cultural and sports entities 	<ul style="list-style-type: none"> Exclusive lines Direct dialogue Websites exclusively for assets Information bulletins Notices Meetings with community entities Public hearings EDP Solidarity dialogues Meetings and talks E-mail Telephone

STAKEHOLDER	IMPORTANT THEMES	RESPONSES	DIALOGUE CHANNELS
LOCAL GOVERNMENT	<ul style="list-style-type: none"> Community Engagement and Development Public Street Lighting Energy Efficiency Climate Change Corporate Ethics Safety Digital Transformation Communication and Transparency Environmental Management Energy Infrastructure 	<ul style="list-style-type: none"> Communication of detailed information on key achievements Regular meetings with municipal authorities and energy agencies Provision of used cars to local partners Sponsorship and support of events Data service scanning Disclosure of the local government area app Installation of Energy Efficiency LEDs in IP Coordinated action with Municipal Civil Protection in emergency situations, and participation in exercises Participation in the preparation of municipal civil defence plans Participation on Municipal Civil Defence committees Open-Door days 	<ul style="list-style-type: none"> Meetings Telephone Letters Newsletter Exclusive digital channels Conferences and training E-mail Institutional Events
NGOs	<ul style="list-style-type: none"> Climate Change Environmental Management Socially Responsible Investment Safety Community Engagement and Development Corporate Ethics Promotion of Renewable Energy 	<ul style="list-style-type: none"> Partnerships in social and environmental projects to minimise project impacts EDP in Schools programme EDP Solidarity dialogue 	<ul style="list-style-type: none"> Meetings Partnerships Institutional Events Working Groups Meetings Sustainability Report Sustainability channel
MEDIA AND OPINION MAKERS	<ul style="list-style-type: none"> Climate Change Customer Service and Satisfaction Communication and Transparency Innovation and Research Promotion of Renewable Energy 	<ul style="list-style-type: none"> Regular press releases Holding of press conferences Visits to EDP facilities to share information about the sector 	<ul style="list-style-type: none"> EDP website (area dedicated to the media) Press releases Press conferences Media Day Events E-mail Telephone Social Media

edp

WE LOVE ENERGY