

DEIB Policy

Diversity, Equity, Inclusion and Belonging at EDP Group

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1. VERSION HISTORY

Version	Date of approval	Draft	Approval	Comment
1	29/01/2013	Human Resources Department	Board of Directors	Initial Emission
2	22/03/2017	Human Resources Department	Board of Directors	Revision
3	17/05/2022	People & Organizational Development Global Unit	Board of Directors	Revision

2. PURPOSE

As a socially responsible company, we incorporate the principles of DEIB (Diversity, Equity, Inclusion and Belonging) into our values and practices. And to achieve all our objectives, we intend to attract, develop, and retain different profiles, going beyond legislation and assuming diversity as an enabling and differentiating factor of innovation, team performance and engagement, which are fundamental in our organization - we are aware and acting urgently, with empathy and consciousness to change tomorrow now.

At EDP, our vision is for each person to use together with their unique characteristics, experiences, and backgrounds to fulfill our mission of creating a new energy for the planet - more inclusive, more shared, greener. We believe that to find the will, knowledge, and action to change tomorrow now, our employees should have the opportunity to be themselves. This freedom will give them the opportunity to be courageous and open-minded; build trustworthy relationships and improve teamwork and collaboration; always share their ideas and perspectives; and enhance their overall on-the-job experience and their engagement with our company.

To promote a truly inclusive culture in the workplace, we are working to know, understand, support, and celebrate the many different and overlapping dimensions of each employee, considering the intersections between them in our policies and practices - we want to understand how different people are affected and take the necessary steps to mitigate the potential negative outcomes during all the employee journeys.

Our mission is to make diversity the way to build a knowledgeable and creative workforce to support the energy transition. But we want to go further, and more than diversity, we want to be a beacon of change in a culture of equity, inclusion, and a sense of belonging, promoting this mindset in the way we behave and welcome our people.

Diversity, Equity, Inclusion & Belonging are more than separate concepts¹, being fundamental elements to understand the complexity of how each person feels represented, is treated fairly, has access to equal opportunities and feels valued and supported. We consider that there are key aspects on building a more human, resilient, innovative, and sustainable company.

¹ Details on DEIB in Terms & Definitions.

3. SCOPE

This policy applies to all companies in a controlling or group relationship with EDP - Energias de Portugal S.A., to their employees and service providers acting on their behalf. This Policy is also applicable to EDP Foundation, Fundación EDP and Instituto EDP (hereinafter “EDP Group” or “EDP”) - which, for this Policy shall be considered as EDP Group - to their employees and service providers acting on their behalf.

This Policy does not seek to address legal and regulatory requirements of all jurisdictions where the Group operates but instead seeks to establish a common commitment and a minimum requirement for compliance and adherence to the Group's principles.

The controlled companies and respective subsidiaries may approve specific policies and procedures, thus ensuring compliance with the applicable local law. In any case, full compliance with the provisions of this Policy must be guaranteed.

Whenever local legal requirements applicable to subsidiaries are less stringent than this Policy and other policies and related procedures, they shall ensure alignment with the principles set out in Group policies.

4. POLICY GUIDELINES

This Policy includes in its guidelines a set of responsibilities and mechanisms that will foster a more human, resilient, innovative, and sustainable company.

4.1. RESPONSIBILITIES

DEIB is everyone's responsibility – aligned with the skills we seek, our People should play a fundamental role in contributing to a more diverse and inclusive workplace. In addition, specific stakeholders should have further contributions.

Below you can find the different responsibilities of each stakeholder:

4.1.1. Employees

- Include and respect the diversity of all people, understanding that everyone is living their own experience and taking their development journey;
- Reflect and act on yourself, your own unconscious biases, and how that might hinder our ability to be more inclusive and collaborative, contributing to a place that values and protects the uniqueness of our people;
- Act proactively as an ally to push yourself and others, taking purposeful actions in everyday work life which build a company free from discrimination or other microaggressions;

4.1.2. Executive Board of Directors (EBOD)

- Challenge the different spheres of influence, positioning EDP as a beacon of change in a culture of DEIB, which fosters this mindset internally and externally;
- Lead by example through active advocacy and decision making, being a reference for the organization, which promotes DEIB within EDP;
- Include DEIB in the organization's agenda, positioning it as a fundamental pillar, in pursuit of our goals for the energy transition;

4.1.3. Leaders

- Influence the employee experience and the daily processes, mitigating potential unconscious biases, to guarantee fair and equitable opportunities for all;
- Lead by example through behaviors and guidance, being a reference for its employees, which promotes DEIB in its teams;

- Create direct channels for open, empathic and inclusive conversations, acting on direct feedback from employees, and share improvement opportunities with P&O;

4.1.4. People Management Teams

- Build and monitor the DEIB strategy, ensuring a fair and equitable employee experience for all, aligned with the company positioning;
- Provide development opportunities and diverse experiences, fostering awareness, reflection, open dialogue, to promote the daily adoption of the inclusive behaviors;
- Implement listening, feedback and reporting mechanisms, acting on the employee feedback, to take care of the inclusive culture in the company;

4.2. IMPLEMENTATION MECHANISMS

To ensure the implementation, monitoring, reporting and respective continuous improvement of the EDP Group's DEIB strategy and policy, there are three mechanisms:

- **DEIB Global Council:** group formed by the Board Members and Top Managers with the responsibility of P&O and other directly related topics, who meet every six months to:
 - Promote co-responsibility and accountability about what is being implemented, how it is working and discuss what to do next.
 - Share knowledge, experiences and best practices that ensure good decision-making;
- **P&O Global Community – D&I Network:** group formed by the corporate and local DEIB pivots and other interested people, who meet monthly to:
 - Promote global discussions and alignment to drive EDP's DEIB strategy, fostering the achievement of the different goals and targets, and a more inclusive lifecycle for all the employees;
 - Promote sharing, learning and networking between pivots from DEIB areas and other employees interested in this topic;
- **Inclusion Office:** a global network that brings together all EDP Group employees who seek to become more deeply involved in the subject of DEIB. Through this network, employees can:

- Understand how they can be active allies, participating in different programs, projects, events or initiatives related to DEIB topics;
- Enhance their development journey and diverse global networking, fostering the different skills we seek in our People such as collaboration, open-mindedness, curiosity, and others.

4.3. LISTENING MECHANISMS

To ensure that we are developing and using different mechanisms to hear our employees about these issues, EDP has the following reporting mechanisms in place:

- **Feedback, suggestions, questions or doubts:**

A direct channel to any stakeholder above mentioned communicating feedback, suggestions, questions and/or doubts - inclusion.office@edp.com – which is monitored by P&OD Global Unit team, who will analyze, treat and solve in due course.

- **Reporting Inappropriate Conduct:**

EDP aims for an inclusive culture that welcomes and supports employees' voices. The Code of Ethics is a privileged tool that frames the reflection on Ethics, but it is essentially a means of supporting the resolution of ethical issues since it presents standards and norms of behavior that help sustain the company's decisions. The interaction of Complainants with the EDP Group in matters allegedly of an ethical nature may take place through the following Ethics Channels: [EDP](#), [EDP España](#), [EDP Renewables](#), [EDP Brasil](#).

5. MONITORING, REPORTING AND CONTINUOUS IMPROVEMENT

P&OD is responsible for reassessing this Policy every two years and/or making relevant changes whenever necessary, submitting the proposed changes for approval by EDP's Executive Board of Directors.

In addition to this responsibility, P&OD is responsible for promoting adequate procedures and mechanisms to monitor and report on the Policy, such as:

- Monitoring the implementation of the Policy;
- Monitoring and reporting communications of irregularities associated with this Policy;
- Monitoring of relevant legislative or other changes with an impact on the EDP Group.

6. FINAL PROVISIONS

Any doubts regarding the interpretation or the application of this Policy and related procedures must be directed to the P&OD, which will guarantee advice on the most appropriate form of action.

7. REFERENCES & DOCUMENTS

- European Union
 - *A Union of Equality: Strategy for Equality of Gender 2020-2025*, European Commission
 - *European Pact for Gender Equality*, The Council of the European Union
 - *Directive (EU) 2019/882 for the accessibility requirements for products and services*, European Parliament

- United Nations
 - Universal Declaration of Human Rights, United Nations (1948)
 - International Convention on the Elimination of All Forms of Racial Discrimination
 - Convention of the Elimination of All Forms of Discrimination against
 - Convention on the Rights of Persons with Disabilities
 - Sustainable Development Goals (SDGs)
 - SDG 5 – Gender Equality
 - SDG 10 – Reduce inequalities

- Global Reporting Initiatives
 - GRI 405 – Diversity and Equal Opportunity
 - GRI 406 – Non-Discrimination

EDP Documents Reference

- OS 06/2017/CAE, 16 May – Social Investment Policy
- Annex to protocol N°26/2011 – Principles of Sustainable Development
- Annex to protocol N°38/2011 – Volunteering Policy
- Annex to protocol N°23/2016 - Code of Conduct for Senior Management and Senior Financial Officers
- Annex to protocol N°20/2017 - Declaration of respect for Human and Labor Rights

- Annex to protocol N°42/2017 - Code of Good Conduct for preventing and combating harassment at work
- **Code of Ethics** - an “action guide” reflecting the way EDP believes one should work, therefore its enforcement is inevitably mandatory; the employees who do not comply with this [Code](#) are subject to disciplinary action, under the terms of the regulations applicable to infringements.
- **Action Plan 2020-2022:** a strategic vision filled with 15 challenges and more than 30 initiatives that seek to make the EDP Group a more inclusive workplace.

8. TERMS AND DEFINITIONS

Glossary of terms relating to diversity, equity, inclusion and belonging, meant to serve as a starting point for awareness, communication and learning within the organizational context. These terms are backed by social and behavioral sciences advancements and have been validated by academia¹ and other expert entities. The acknowledgment of these terms in this Policy reinforces EDP’s commitment to using the best references to guide affirmative actions toward a more inclusive workplace.

Ableism: Beliefs or practices that rest on the assumption that being able-bodied is “normal” while other states need to be “fixed” or altered. This can result in devaluing or discriminating against people with physical, intellectual, or psychiatric disabilities. Institutionalized ableism may include or take the form of un/intentional organizational barriers that result in disparate treatment of people with disabilities (PwDs).

Accessibility: The "ability to access" the functionality of a system or entity and gain the related benefits. The degree to which a product, service, or environment is accessible by as many people as possible. The accessible design ensures both direct (unassisted) access and indirect access through assistive technology (e.g., computer screen readers). Universal design ensures that an environment can be accessed, understood, and used to the greatest extent possible by all people.

Ageism: stereotyping and discriminating against individuals based on their age.

Allyship: or being an ally is using one’s position of privilege to help people from one or more marginalized groups one’s doesn’t identify with.

DEIB: an abbreviation for Diversity, Equity, Inclusion and Belonging.

Diversity refers to the traits and characteristics that make people having differences from each other and unique. Differences among people with respect to age, class, ethnicity, gender, health, physical and mental ability, race, affective-sexual orientation, religion, physical size, education level, job and function, personality traits, and other human differences.

Equity: the notion of having fair treatment and access opportunities within an organization or system, while striving to identify and eliminate inequities and barriers.

Inclusion: the psychological and social function of a high perceived sense of uniqueness and belonging by an individual; the act of creating an environment where all individuals feel welcomed, supported, and valued.

Belonging: a sense of relatedness, acceptance and being valued, connected to a positive relationship or relationships within a group or organization.

Disability²: A disability is defined as a condition or function judged to be significantly impaired relative to the usual standard of an individual or group. The term is used to refer to individual functioning, including physical impairment, sensory impairment, cognitive impairment, intellectual impairment mental illness, and various types of chronic disease. Disability is conceptualized as being a multidimensional experience for the person involved. There may be effects on organs or body parts, and there may be effects on a person's participation in areas of life. Correspondingly, three dimensions of disability are recognized in ICF: 1) Body structure and function, and impairment thereof; 2) Activity, and activity restrictions; 3) Participation, and participation restrictions.

Discrimination: treating a person or a particular group of people differently, or less favorably, for some reason and/or based on some characteristics (ex.: race, gender, age, etc.).

Emotional Tax: the combination of being on guard to protect against bias, feeling different at work because of gender, race, and/or ethnicity, and the associated effects on health, wellbeing, and ability to thrive at work.

ERG – Employee Resource Groups: abbreviation for Employee Resource Group. Typically, an employer-sponsored or –recognized largely voluntary employee-led group of those who share the interests and concerns common to those of a particular race, ethnicity, gender, or sexual orientation.

Gender: may seem like a social and cultural construct that, historically, divided people into two categories: “female” and “male” — though people who identify as a gender beyond the female-male binary have been traced across different cultures and throughout history. May also be related to the binary gender system, the attitudes, beliefs, practices, and laws in a society that assume and reinforce social norms that contend we live in a two-category gender system of (men/women).

Gender Expression: related to how a person chooses to outwardly express their gender, within the context of societal expectations of gender.

Gender Identity: one’s sense of perception of own gender, which may or may not correspond with their birth-assigned sex.

Heteronormativity: the social and institutional systems that favor heterosexuality, based on the assumption that everyone is or should be straight.

Homophobia: a strong irrational dislike, fear or intolerance of people who are homosexual or have feelings of homosexuality. Biphobia and Lesbophobia are related to irrational beliefs against people who are bisexual and lesbian, respectively.

Human Rights³: the basic rights and freedoms that belong to every person in the world, from birth until death; they apply regardless of where you are from, what you believe or how you choose to live your life. These basic rights are based on shared values like dignity, fairness, equality, respect and independence.

Human-centered organization: an organization that exists to fulfill a purpose for its employees and orients all its innovation and initiatives around those people.

Inclusive Leadership: a leader who intentionally welcomes, embraces and values contributions of all, encouraging team members to be candid, be themselves and dissent, resulting in a higher-performing team.

Inclusive workplace: An atmosphere where all employees belong, contribute, and can thrive. Requires deliberate action.

Intergenerational: the interaction, involving of or relating to people of different age categories or generations.

Intersectionality⁴: The complex, cumulative way in which the effects of multiple forms of discrimination (such as racism, sexism, and classism) combine, overlap, or intersect, and their multiple effects on the same individuals or groups. Also refers to the view that overlapping and interdependent systems of discrimination and inequality can more effectively be addressed together.

LGBTQIA+: an abbreviation for lesbian, gay, bisexual, transgender, and queer. Often used as an umbrella concept to encompass affective-sexual orientation and gender identities that do not correspond to heterosexual norms.

Microaggression: A daily behavior in a form of comments or action that unconsciously or unintentionally expresses or reveals a prejudiced attitude toward a member of a marginalized group, such as a racial minority. These small, common occurrences include insults, slights, stereotyping, undermining, devaluing, delegitimizing, overlooking, or excluding someone. Over time, microaggressions can isolate and alienate those on the receiving end and affect their health and wellbeing.

Neurodiversity: When neurological differences are recognized and respected as are any other kind of human differences or variations. These differences can include Dyspraxia, Dyslexia, Attention Deficit Hyperactivity Disorder, Dyscalculia, Autistic Spectrum, and Tourette Syndrome.

Prejudice: an assumption or an opinion about someone simply based on that person's affiliation to a particular group, characteristic, background, etc.; a feeling of like or dislike for someone or something especially when it is not reasonable or logical; injury or damage resulting from someone judgment or action of another in disregard of one's rights.

Privilege: an unearned, sustained advantage that comes from the race, gender, sexuality, ability, socioeconomic status, age, and other differences.

Pronouns: words to refer to a person after initially using their name. Gendered pronouns include she and him, her and him, hers and his, and herself and himself. "Preferred gender pronouns" (or PGPs) are the pronouns that people ask others to use about themselves. They may be plural gender-neutral pronouns such as they, them, they're (s). Or, they may be ze (rather than she or he) or hir (rather than her(s) and him/his). Some people state their pronoun preferences as a form of allyship.

Psychological Safety⁵: a term coined and defined by Harvard Business School professor Amy Edmondson, is interpersonal trust that makes individuals feel they won't experience negative repercussions for speaking up with ideas, questions, concerns or mistakes. Related to a safe space to one's be themselves and open about ideas, questions, concerns or mistakes.

Race and ethnicity: a social term that is used to divide people into distinct groups based on characteristics such as physical appearance (mainly skin color), cultural affiliation, cultural history, ethnic classification, social, economic, and political needs. Being from an Ethnic Group is related to identification with smaller social groups based on characteristics such as cultural heritage, values, behavioral patterns, language, political and economic interests, and ancestral geographical base.

Racism: a belief that racial differences produce or are associated with inherent superiority or inferiority. Racially based prejudice, discrimination, hostility or hatred. Institutionalized racism, also known as systemic racism, refers to forms of racism that are engrained in society or organizations. It is when entire racial groups are discriminated against, or consistently disadvantaged, by larger social systems, practices, choices or policies.

Religion: a system of spiritual beliefs and part of a formal, organized institution.

Sexual Orientation: interpersonal and based on whom one's or isn't romantically, emotionally, and/or physically attracted to.

Targets (D&I): quantitative commitments to which the EDP Group commits itself, in the different dimensions of Diversity, Equity, Inclusion and Belonging.

Trans: An umbrella term used to describe a person whose gender identity is something other than their Sex Assigned at Birth (SAAB). The SAAB is a person's first association with gender, typically based on physical sex characteristics

Unconscious Bias⁶ - is what happens when we act on subconscious, deeply ingrained biases, stereotypes, and attitudes formed from our inherent human cognition, experiences, upbringing and environment. Prejudice in favor of or against one thing, person, or group compared with another, usually unfairly or negatively. Unconscious bias, also known as implicit bias, is defined as "attitudes and stereotypes that influence judgment, decision-making, and behavior in ways that are outside of conscious awareness and/or control".

Universal Design⁷: the process of designing products, environments or services that are usable by all people (inclusive of abilities, disabilities, and different characteristics or the needs different people may have) to the greatest extent possible.

Xenophobia: irrational dislike, fear of or prejudice against people from a different country, nationality or cultural background.

Sources:

¹ DIB Glossary: Foundational Concepts & Affirming Language, Office for Equity, Diversity, Inclusion, and Belonging (OEDIB) Harvard University.

² International Classification of Functioning, Disability and Health (ICF), the World Health Organization (WHO) framework for measuring health and disability at both individual and population levels.

³ Universal Declaration of Human Rights, United Nations General Assembly in Paris on 10 December 1948

⁴ Term coined by Kimberlé Crenshaw in 1989 and refers to an analytical framework for understanding how aspects of a person's social and political identities combine to create different modes of discrimination and privilege.

⁵ Related to the studies developed by Kahn, William A. (1990-12-01). "Psychological Conditions of Personal Engagement and Disengagement at Work". *Academy of Management Journal*. 33 (4): 692–724; Edmondson, Amy (1 June 1999). "Psychological Safety and Learning Behavior in Work Teams" (PDF). *Administrative Science Quarterly*. 44 (2): 350–383 and Edmondson, A.; Lei,

Z. (2014). "Psychological Safety: The History, Renaissance, and Future of an Interpersonal Construct". Annual Review of Organizational Psychology and Organizational Behavior. 1: 23–43.

⁶ Work on implicit bias and its relationship to diversity was pioneered by Harvard Professor Mahzarin Banaji (with Tony Greenwald) and includes the Implicit Association Test. Psychology of judgment and decision-making, heuristics and biases, were studied together by Daniel Kahneman and Amos Tversky: Kahneman, Daniel; Slovic, Paul; Tversky, Amos (1982). Judgment Under Uncertainty: Heuristics and Biases. Cambridge University Press.

⁷ Coined by the architect Ronald Mace to describe the concept of designing all products and the built environment to be aesthetic and usable to the greatest extent possible by everyone, regardless of their age, ability, or status in life - "Ronald L. Mace on NC State University, College of Design".

9. ATTACHMENTS

Communication Tools:

Inclusion Office – Email: inclusion.office@edp.com

Inclusion Office – Microsoft Teams