



edp

EDP at Glance  
One Earth One Choice

We Choose Earth





Our Purpose

Speaks of our stamina, our track record and what drives us to continuously deliver green energy

Our energy and

Highlights our people and their key role in delivering our commitment to our clients, partners and communities

heart drive a

Reflects our ambition and leadership in making change happen

better tomorrow

The reason why we work every day

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**Floating solar  
Alqueva – Portugal**

With close to 12,000 photovoltaic panels – occupying 4 hectares, equivalent to around 0.016% of the total area of the Alqueva reservoir –, the new platform has an installed power of 5 MW and the capacity to produce around 7.5 GWh per year. It is the largest in Europe in a reservoir.



Our Company

# Message from the Chairman of the GSB



João Talone  
Chairman of the General and Supervisory Board

In April 2021, EDP's Shareholders' General Meeting elected new Corporate Bodies, including a **new General and Supervisory Board** ("GSB" or "Board").

Since then, this Governing Body includes a deep diversity in terms of profile and professional experience, gender and nationalities. The GSB's activity in 2022 has confirmed a significant broadening of the scope of skills and views in this Board.

Its structure consists of 16 Members, 9 of whom are independent. They all have extensive professional experience in the private and public sectors. The working model of the GSB was further improved in 2022 after a collective evaluation supported by individual discussions with each of its Members. These improvements were approved by consensus at the Board meeting of 7 April 2022.

This improved the new forms of collective work adopted at the beginning of the current GSB mandate and deepened its relationship with the Executive Board of Directors (or "EBD"). The activity of the GSB continues to be governed by its Internal Regulations, supported by its four Specialised Committees:

- Financial Matters/Audit Committee (or "FMC/AUDC")
- Remuneration Committee (or "REMC")
- Corporate Governance and Sustainability Committee (or "CGSC")
- United States of America Business Affairs Monitoring Committee (or "USA BAMC")

The central and fundamental issues of Corporate Governance remain reserved for debate by the Board plenary, namely:

- **Strategy:** control of the progress of the Strategic Plan and its update; sense of urgency in execution; periodic dialogue with the EBD.
- **Finance:** approval and control of the Financial Plan; analysis and approval of investments and their funding; dynamic analysis of profitability in relation to the cost of capital; monitoring the evolution of debt, its cost and maturity; analysis of individual and consolidated accounts and deviations from approved budgets.
- **Risk:** analysis, discussion and approval of the updated risk strategy in the new context of international volatility; approval of the limits proposed by the EBD for sector and global value at risk; analysis of the risk taxonomy – periodic control of the development of exposures; monitoring of the risk governance model throughout the Group.
- **Sustainability:** environmental sustainability; reassessment of social sustainability policies; energy transition; Human Resources policies, namely talent search, leadership profile, safety policy, human and professional development.
- **Reputation:** perception of EDP's reputation among various stakeholders (customers; employees; regulators; investors, authorities; media; public opinion, etc.), in the various countries, comparing with the objective of positioning the Group as: an efficient, dynamic, innovative, ethical, compliant, and humane Organization.

In all these areas, the GSB's analysis is based on permanent dialogue with the EBD, which suggests, discusses and reacts to the GSB's requests in a dynamic of great mutual respect, collaboration and independence, with a clear recognition of the role and scope of each body.

EDP continues to consolidate the significant developments made over the last two decades, pioneering clean energy production, adding to hydro energy (where it has always been traditionally strong), wind (onshore and offshore), and solar, starting with Portugal and Spain. Today, it is a true multinational, with activities in 29 countries and positioned as one of the world leaders in the energy transition. This commitment was renewed this year, exemplified by the acquisition of the Kronos solar platform in Germany, which will enable EDP Renováveis to grow in very stable European markets with high growth ambitions, such as Germany, France, the Netherlands and the United Kingdom. The year was also marked by the confirmation of the focus on South Asia, geographic pole of the world's largest growth in renewable energies, where EDP was a pioneer through the purchase of Sunseap, a company with assets and pipeline in 9 countries.

This progress is essentially due to the management's vision and Shareholder support, carried out in an exemplary manner by young, dynamic, technically very well-prepared and rigorous teams from the various countries where EDP operates.

This growing footprint has been a huge challenge for the entire company. Including, of course, for the General Supervisory Board in its scope of activity.



We consider it essential that this evolution takes place in a balanced way: combining accelerated growth with risk management; investment with adequate profitability and funding; rigorous management with the necessary skilled and satisfied human resources; ambition with reliability and humility; geographical dispersion with organisation and accountability; profitability for the shareholder with respect for stakeholders and social responsibility.

In this context, in dialogue with the EBD and under its responsibility, the GSB continued to monitor the action plans stemming from specific evaluations on strengths and weaknesses carried out by, or with the support from, independent entities in 2021, covering the following areas:

- **Reputation** among the various stakeholders and geographical areas.
- **Risk management** and certification of the current model.
- Certification of the **Anti-corruption Management System** and the **Compliance Management System** to bring these activities up to best practices.
- Evaluation of **Environment, Social and Governance** (or "ESG") activities and results in light of best practices.
- **Safety at work** and protection of employees.
- Consequences in terms of **stress and personal equilibrium**, given the impact of Covid's new ways of working and their preventive measures on each employee.
- **Ethical depth** of the Organisation at different levels.

The implementation of corrective or improvement plans is the responsibility of the EBD. All actions were presented to the GSB in a timely manner and jointly discussed and will continue to be pursued in future.

The external recognition of the advances of EDP in these domains has been evident, exemplified by the following distinctions:

- **First place** in integrated utilities in the international reference index for sustainability, the **Dow Jones Sustainability Index**.

- Renewal of the statute of one of the **global companies with the best ethical standards by the Ethisphere Institute** (World's Most Ethical Companies)
- Maintenance in the **Bloomberg Gender Equality Index**, improving the results of previous years in recognition of **good practices in terms of inclusion and equal professional opportunities** between genders.
- Certification by the **Top Employer Institute** as one of the **best companies to work for in the world**, recognizing its excellence in people management practices at a global level.

This Report will make some references to these issues, but they will be duly addressed in the 2022 Report and Accounts.

Here we present the aspects that most concerned us in 2022 and, at the same time, the main guidelines of what will be our priorities as a Governing Body of this Company in 2023.

A final word of gratitude to the EBD for its competence and availability for interaction with us; the employees who gave substance to this experience, including the GSB support team; the Shareholders, namely those who are directly represented on the GSB and who contributed to its functioning as a united team whose objectives are always aligned with what we collectively think is best for the Company; and the external bodies who supported us.

João Talone



#### Onshore Wind Farm Monte Mattina — Italy

Monte Mattina wind farm is located in the Campania region, where EDPR already had 35 MW and now has 60 MW. It has seven 3.6 MW wind turbines. The project will contribute to the reduction of more than 25,000 tonnes of CO<sub>2</sub> emissions per year.

# Message from the CEO



Miguel Stilwell d'Andrade  
CEO of EDP and EDP Renewables

## Dear Shareholders and Stakeholders,

Rarely has our sector been in the spotlight as much as in the last year. The conflict in Ukraine has shown that our over-reliance on fossil fuels as a society is not only harming the climate, but also compromising energy security and affordability.

Investing in clean energy is critical to achieving environmental goals such as Net Zero by 2050, but also to the long-term sustainability of the energy system. Governments, business and civil society must come together to ensure that there is more investment in renewables, relying on the power of the sun, the wind and water.

In 2022 important steps were taken to achieve this goal. The European Commission increased the headline 2030 target for renewables installed capacity from 40% to 45% and approved important measures towards faster and more comprehensive permitting procedures, reducing European energy dependence and promoting energy efficiency. With this framework in place, it is now crucial that Member States urgently and adequately implement it in their jurisdictions.

In the United States, the Inflation Reduction Act (IRA) represents a huge political accomplishment. By providing a simple, stable and long-term investment framework, it will further accelerate the development of clean energy and support our investment in the region.

At EDP we are leading the needed energy transition across the world with a very clear mission: drive a better tomorrow and create positivity to our stakeholders every step of the way.

## Our main achievements in 2022

### Renewables generation

In 2022 EDP grew significantly in renewables, adding 2.1 GW of renewables installed capacity and a pipeline of a further 4.0 GW under construction, more than twice the level we had in December 2021. We have now delivered more than 50% of our 20 GW capacity additions target for the 2021-25 business plan period.

Besides concluding the establishment of our renewables growth platform for APAC based out of Singapore, we have acquired a solar developer company based in Germany that allowed us to expand our footprint in Europe to 12 countries, which together cover more than 90% of the expected solar capacity additions in the European Union until 2030.

In Iberia, we commissioned our first hybrid solar and wind energy park in the region and secured a grid connection that will allow EDP to build a 70 MW floating solar project in Alqueva hydro power plant – a project

that falls within our more than 500 MW of solar and wind projects under development to hybridize our hydro assets – an innovative and efficient way of combining several renewable energy sources using the same grid connection point (a scarce resource in many markets).

In the United States, we completed the construction of the largest solar park in Indiana and our first repowering project in Oklahoma, and we started construction on 13 new projects to reach a record of more than 2 GW of new capacity under construction in the country.

In offshore, we are proud to be in the top 5 players worldwide, through the joint venture Ocean Winds 50% held by EDP Renewables, reaching by year-end a portfolio of 16.6 GW through 15 projects across 7 countries worldwide.

We have evolved our presence in storage, starting construction on our first sizeable storage project in the United States. Regarding Hydrogen, we have produced our first hydrogen molecule in a pilot project in Brazil and our three green hydrogen initiatives in thermoelectric plants Aboño, Los Barrios and Soto Ribera in Spain have been selected as key projects to be supported by the European Commission and the Spanish Recovery and Resilience program.

### Networks

In 2022 we invested more than 800 million euros in the development and optimization of our distribution networks and in the growth of transmission in Brazil, commissioning several new lots and finalizing the acquisition of EDP Goiás.



We have distributed 85 TWh of energy (+0.5% vs 2021) and delivered an excellent performance in quality of service of our grids, reaching record levels at our Spanish platform and our Brazilian distribution company in Espírito Santo.

By the end of 2022 we have installed 6.4 million smart meters (+740,000 vs 2021), allowing us to have 80% of energy metered (+3.3 pp vs 2021).

### Client Solutions

Despite the extraordinary context in the energy sector that brought added complexity to our energy supply activity, we managed to maintain the price stability commitment assumed with our clients in Portugal and sustain a competitive price during the year.

We have scaled our distributed solar generation business, a high growth and attractive energy transition technology, with total gross additions of 1.1 GWac over the past three years, across North America, Europe, Brazil, APAC, including as a result of multi-geography partnerships that secured large distributed solar energy installations across the world.

We have also taken important steps in the democratization of access to decentralized solar generation through our energy communities which have reached more than 30 MWp of contracted capacity this year, enabling more than 35,000 neighbours to benefit from solar energy in self-consumption in Portugal.

Regarding electric mobility, we have delivered our ambition to reach 3,000 contracted public charging points in the Iberian Peninsula. One of our flagship projects was the entry into operation of 50 fast and ultra-fast charging points across 17 locations in Portugal's main motorways, giving faster and modernized solutions to drivers in the country.

### Business enablement

Despite the challenging context, in 2022 our workforce grew by 7.4% and EDP employs now more than 13,000 people with 64 nationalities spread all over the world. We continue to evolve as a global organization,

supported by a common purpose: our energy and heart drive a better tomorrow.

We have launched a renewed brand identity that represents a more global and inclusive company focused on the future, sustainability, innovation, social responsibility, and on the ambition to lead the energy transition.

We have continued to invest throughout our 7 innovation domains – renewables, smart networks, distributed solar, hydrogen, mobility, flexibility, storage – to accelerate the delivery of new solutions through 3 key channels – internal incubation, corporate venture capital and partnerships.

Digital and Technology are an important accelerator and enabler of the energy transition. This year we implemented a new strategy focused on 7 critical action drivers – global, digital, cloud, data, cyber, excellence, people – and managed to migrate about 70% of eligible applications to the cloud.

### Our commitment to ESG excellence

We have taken important steps to further strengthen our Environmental, Social and Governance (“ESG”) credentials across our company.

#### Environment

Within the just transition action plan, we made progress in the transformation of our coal sites in Spain and Brazil into Green Hubs alongside 4 business streams: green hydrogen, renewables, storage and flexibility.

We kept our activities rooted in our commitment to the 10 principles of the United Nations Global Compact, notably to build a more sustainable world, aligned with the values of respect for environmental protection. Moreover, EDP became a signatory of the United Nations Sustainable Ocean Principles, recognizing the urgency and global importance of taking measures to promote the sustainability of the oceans for current and future generations.

#### Social

To address the inequalities of today and anticipate those of tomorrow, we created a central department

fully dedicated to social responsibility, which aims to invest more than 300 million euros in social impact projects by 2030, promoting a fair energy transition and access to energy, while fighting energy poverty.

We launched the fourth edition of the A2E (Access to Energy) Fund, supporting nine projects which provide renewable energy to remote and vulnerable communities in Mozambique, Nigeria, Angola and Malawi, with direct impact on priority areas such as health, agriculture, education and access to drinking water.

#### Governance

We have continued the transition to a business platform management model, streamlining our organizational structure and revamping the internal KPIs to ensure the proper alignment and incentives within the organization. Furthermore, we have improved our decision-making process to promote efficiency, agility and simplicity on an increasingly global company.

As we ensure that we follow corporate governance best practices and deliver the best interests of our stakeholders, we have obtained the highest score at the FTSE Russell's ESG ratings for good governance practices and for quality of corporate governance.

We progressed with our Health & Safety program (Play-itSafe) that aims to reach zero working accidents. This year the focus was training and education for all EDP leaders, from the Executive Board of Directors to managers across all business units, on the absolute commitment of the company to safety. There is still work to be done on this top priority area for EDP but I was proud to see that the organization recognizes its importance, with Safety being the dimension with the highest scoring category in our internal climate study of 2022.

#### ESG recognition

EDP's sustainability practices have once again been recognized in the S&P Dow Jones Sustainability Index, with EDP keeping its place as number one integrated electric utility, scoring 90 points, well above the sector average of 50 points. CDP Water and Climate Change recognized EDP as one of the world's leading compa-

nies in the fight against climate change for the sixth year. Furthermore, we saw our net-zero science-based target by 2040 approved by SBTi.

The company was also included for the third consecutive year in the Bloomberg Gender-Equality Index, improving its overall score compared to last year, which reflects our commitment to creating a more diverse and inclusive workplace. In this context, we are proud to have launched our DEIB (Diversity, Equity, Inclusion, and Belonging) Global Policy, as well as an updated Gender Equality Plan (2022/2023) and an Equal Pay Project within our global compensation framework. Moreover, EDP was once again recognized by the Top Employer Institute as an employer of first choice.

Finally, EDP is proud to have joined the Executive Committee of the World Business Council for Sustainable Development (WBCSD), the largest international business organization promoting sustainable development.

### Our financial performance

Despite 2022 being severely impacted by drought in Iberia and the huge price volatility resulting from the Ukraine conflict, we managed to deliver good results, with a recurrent EBITDA of 4,522 million euros, representing a 21% increase year-on-year, benefiting from a strong performance of renewables, networks and thermal in Iberia.

Recurrent net profit of 871 million euros improved 6% compared to the previous year, driven by EBITDA growth, though penalized by higher financial costs.

We have further strengthened our financial base with 2 billion euros of proceeds mainly related with 7 asset rotation transactions closed during the year, allowing us to crystallize value upfront and redeploy capital into new growth opportunities.

Despite a challenging and volatile debt capital markets environment, we re-opened the senior Eurobonds' market in March 2022 with a 1.25 billion euros issuance and in October 2022 we issued a couple of additional bonds, accessing both the Euro and US dollars markets for 500 million each.



We signed our first sustainability-linked loan, amounting to 3.65 billion euros, linked to two ESG KPIs – reduction of scope 1 and 2 greenhouse gas emissions and increase in the percentage of installed capacity from renewable sources within EDP group. By year-end, green bonds already represented 44% of our financial debt.

EDP maintained its “BBB” long-term corporate credit ratings by Standard & Poor’s Global Ratings and Fitch Ratings, with Stable Outlooks, and also maintained its Baa3 rating with Positive Outlook from Moody’s.

### Looking ahead to 2023

I am immensely grateful to all those who have contributed to EDP’s success over the last year.

A special word of thanks goes to my dear colleagues of EDP’s Executive Board of Directors for leading by example and to the Chairman and all members of the General and Supervisory Board for their collaboration and advice throughout a very demanding year for EDP.

I also thank our stakeholders, notably our shareholders, customers, suppliers, regulators, partners and local communities, for their trust and support along the way.

Finally, I want to show my deepest gratitude to our 13,000 employees across the world who are the driving force of our company and the main contributors to its success.

EDP is about to start a new chapter, strengthening its commitment to lead the energy transition, through a promising strategic update for the 2023–2026 period.

I look forward to working with all of you to achieve this goal together.

Miguel Stilwell d’Andrade

### Offshore Floating Solar Farm Singapore

Located off Woodlands, in the Straits of Johor, this is one of the world’s largest offshore photovoltaic systems, with a capacity of 5 MWp. The installation is expected to produce an estimated 6 GWh of energy per year, potentially offsetting 4,258 tCO<sub>2</sub>.



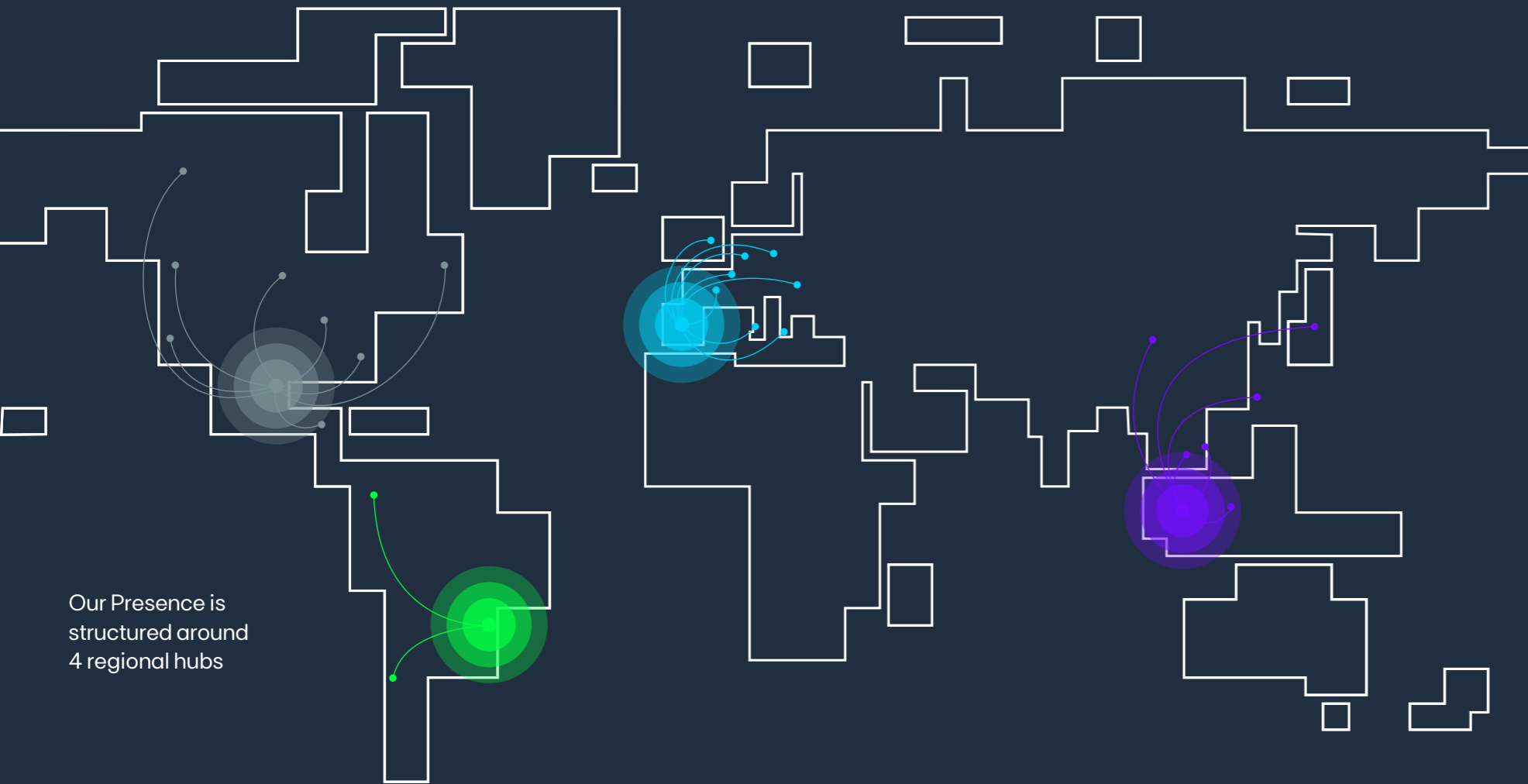




# Our Vision

A global energy company,  
leading the energy transition  
to create superior value.





Our Presence is structured around 4 regional hubs

<b>Europe</b>	● Lisbon, Oporto, Oviedo, Madrid
11,184 285	5,540 8,311
<b>APAC</b>	● Singapore
726	531
<b>North America</b>	● Houston
7,242	1,041
<b>South America</b>	● São Paulo
3,066 98	3,586 3,328
Solar Capacity (MW) Wind Capacity (MW) Networks ('000 km)	Hydro Capacity (MW) Networks ('000 km) Clients ('000 #) Employees (#)
	● Main offices

# Our Presence

2022 data

45 TWh  
74% renewable energy generation

13,211 employees



# Our Platforms

## Renewables, Clients & Energy Management

# 67%

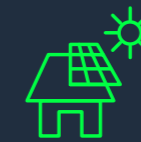
EBITDA



Wind onshore



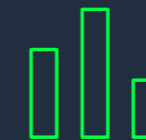
Solar utility-scale



Solar DG



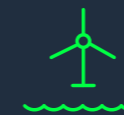
H<sub>2</sub>



Energy management



Client solutions



Wind offshore



Hydro



Storage

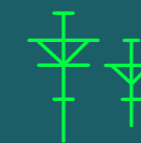
### Clean energy growth

Clean generation with a strong track record across technologies, along with an integrated approach to manage risk, and to create superior and resilient value

## Electricity Networks

# 33%

EBITDA



Transmission



Distribution

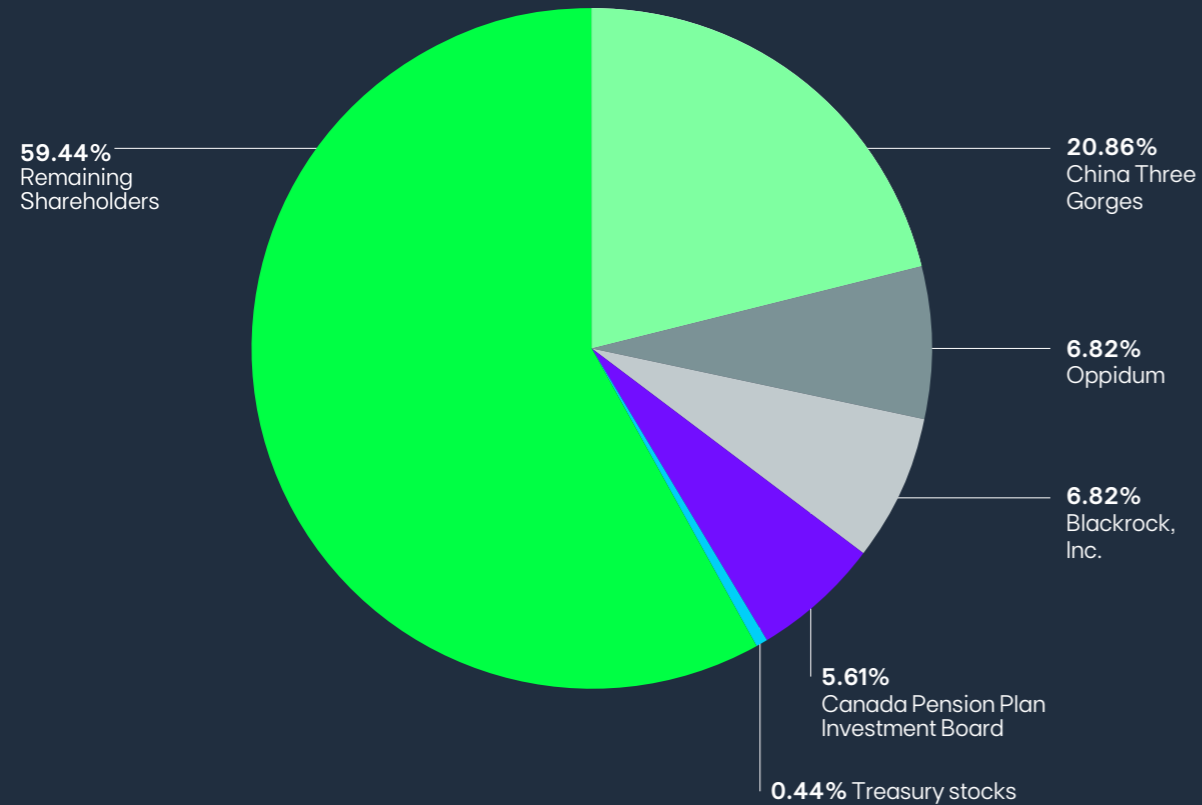
### Energy transition enabler

Stable and attractive returns with visible CAPEX opportunities

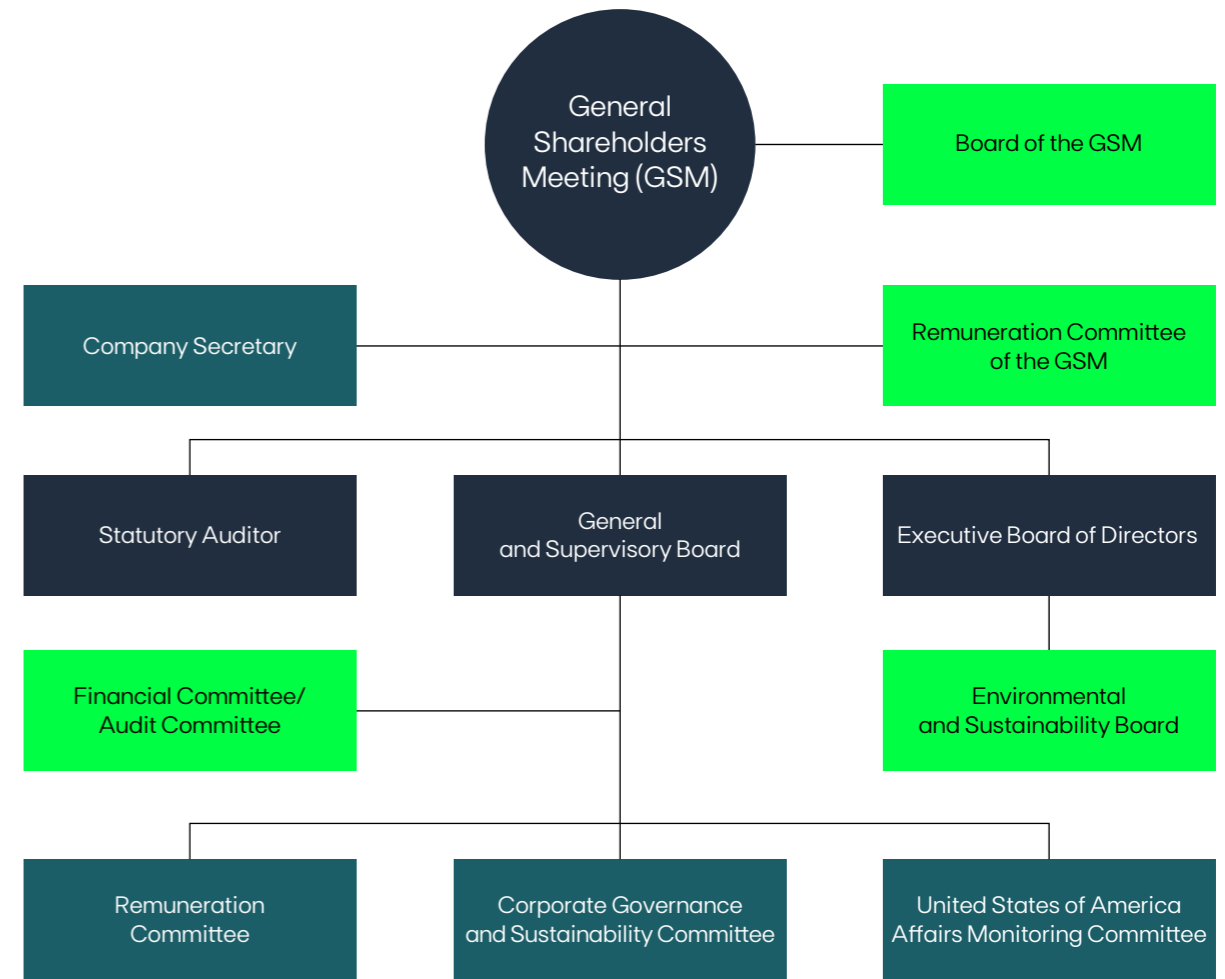


# Shareholder Structure

The share capital of EDP – Energias de Portugal, S.A., as of 12<sup>th</sup> May 2023, is 4,184,021,624 euros and is fully paid up, as provided for in article 4 of the Company Statutes, being represented by 4,184,021,624 shares with a nominal value of 1 euro each.



# Corporate Governance



Corporate Entities<sup>1</sup>
 Corporate Bodies
  Other Statutory Bodies



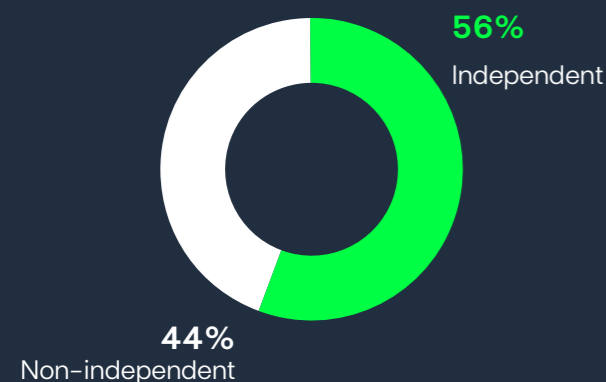
# Our Corporate Bodies

## General and Supervisory Board



**João Luís Ramalho  
de Carvalho Talone**  
Chairman

## Status



**Dingming Zhang**  
China Three Gorges Corporation



**João Carvalho das Neves**



**Shengliang Wu**  
China Three Gorges  
International Limited



**Maria del Carmen  
Fernández Rozado**



**Ignacio Herrero Ruiz**  
China Three Gorges (Europe), S.A.



**Laurie Lee Fitch**

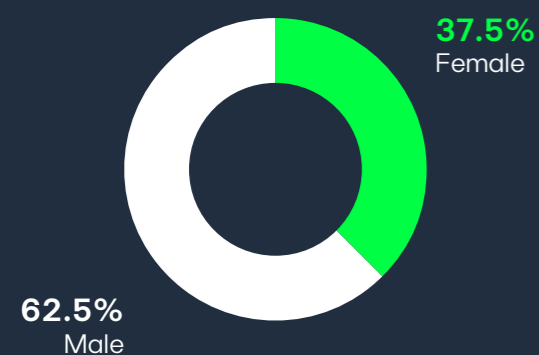


**Zhang Hui**  
China Three Gorges Brasil  
Energia, S.A.



**Esmeralda da Silva  
Santos Dourado**

## Gender diversity



**Miguel Espregueira  
Mendes Pereira Leite**  
China Three Gorges (Portugal),  
Sociedade Unipessoal, Lda.



**Helena Sofia Silva  
Borges Salgado Fonseca  
Cerveira Pinto**



**Felipe Fernández  
Fernández**  
DRAURSA, S.A.



**Sandrine Dixson-Declève**



**Fernando Maria  
Masaveu Herrero**



**Zili Shao**



**Luís Maria Viana  
Palha da Silva**  
Chairman of the General  
Shareholders' Meeting

## Statutory Auditor

**Pricewaterhouse Coopers  
& Associados – Sociedade  
de Revisores de Contas, Lda.,**  
João Rui Fernandes Ramos

**Aurélio Adriano Rangel Amado**  
Alternate Statutory Auditor



# Our Corporate Bodies

## Executive Board of Directors



Miguel Stilwell d'Andrade

- CEO EDP and EDP Renewables
- Networks
- Strategy and Corporate Development
- People & Organization and Communication



Rui Teixeira

- CFO EDP and EDP Renewables
- Risk Management, ESG and Investor Relations
- Shared Services



Vera Pinto Pereira

- CEO EDP Client Solutions
- Global Brand, Social Impact and EDP Foundations
- Safety, Security and Business Continuity



Ana Paula Marques

- CEO EDP España
- Hydro and Conventional Generation
- Digital, Innovation, Policy, Regulation & Stakeholders



Pedro Vasconcelos

- CEO EDP Renewables APAC
- Global Energy Management
- Energy Planning



## Governance highlights committed to the best practices

### Executive Board of Directors



### Gender diversity



### Age diversity



### Board tenure

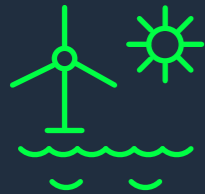


1. Pedro Vasconcelos was elected on 12th April in substitution of Miguel Setas



**Current organization involves 5 business areas and a set of global business enablement functions**

**5 business areas**



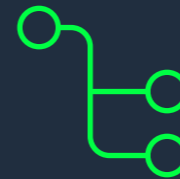
**Renewables**

EDP Renewables



**Generation**

EDP Produção  
EDP ES Generación  
EDP Brasil (Generation)



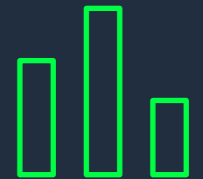
**Networks**

E-REDES  
E-REDES España  
EDP Brasil  
(Transmission and Distribution)



**Global Energy Management**

GEM  
EDP Brasil (Trading)



**Client Solutions**

EDP Comercial  
EDP Brasil  
(Clients)

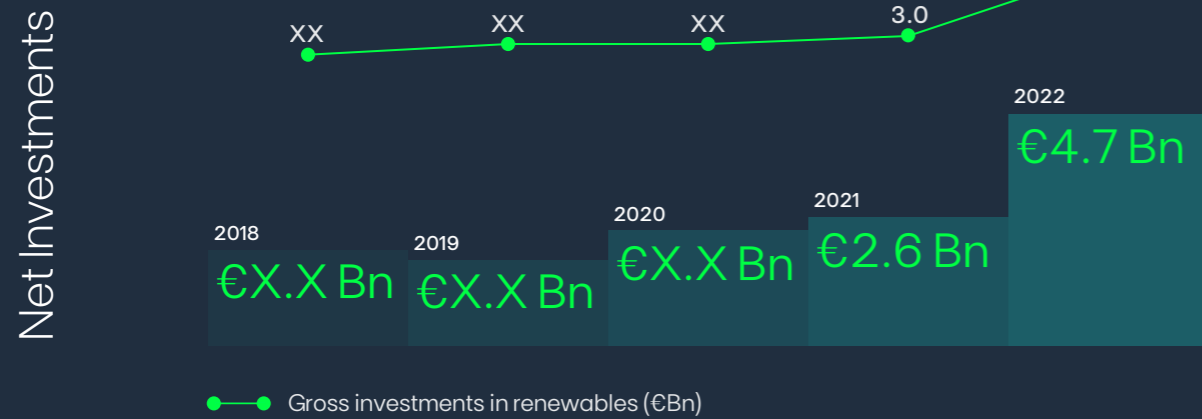
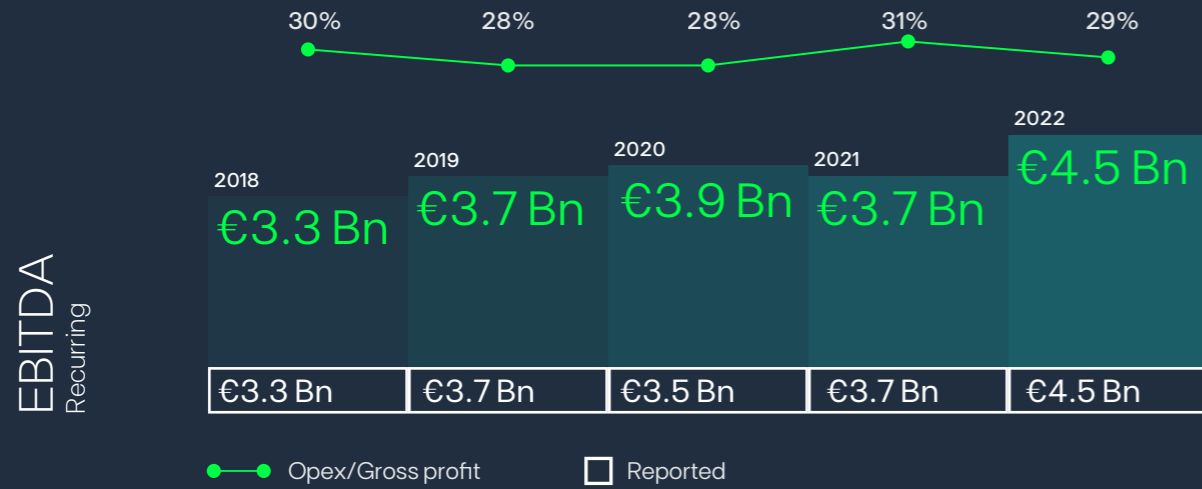
**Global business enablement functions**

Legal & Governance	Internal Audit	Compliance & Internal Control	Ethics Office	M&A and Corporate Development	People & Organizational Development	Communication	Consolidation, IFRS Reporting and Tax
Planning & Control	Investor Relations	Energy Planning	Finance	Risk	Sustainability	Safety, Security & Business Continuity	Regulation
Competition & Energy Policy	External Affairs & Stakeholders	Digital	Social Impact Coordination Office	Brand	CEO Office	Shared Services	Innovation



# Our Key Metrics

## Financial Data



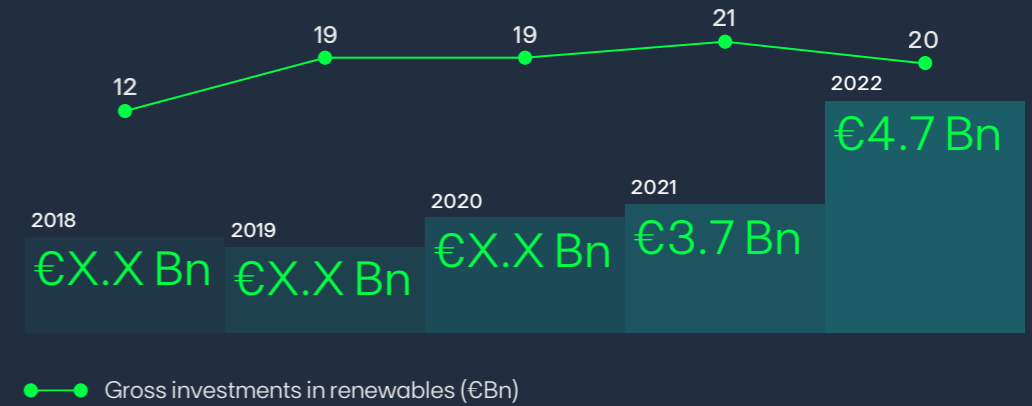
## Net Profit Recurring



## Net Debt

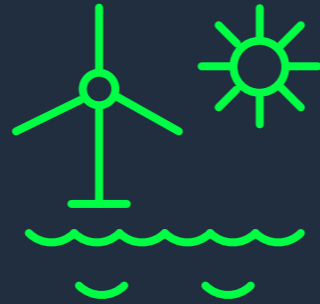


## Rating EDP (S&P/Moody's/Fitch)



## Operational Data

## Renewables



22.2 GW

Installed Capacity  
Equity + EBITDA  
+5% vs 2021

45.2 GWh

Generation Output  
-1% vs 2021

4.0 GW

Capacity U/C  
+109% vs 2021

## Electricity Networks



85.3 TWh

Electricity distributed  
+0% vs 2021

381

Distribution operating  
network ('000 km)  
+1% vs 2021

0.4

Transmission under  
construction network  
( '000 km)  
-72% vs 2021

11,583

Supply Points ('000)  
+1% vs 2021

2.2

Transmission operating  
network ( '000 km)  
+1249% vs 2021

6,429

Smart Meters ('000)  
+13% vs 2021

## Client Solutions &amp; Energy Management



5.6 GW

Installed capacity thermal  
+11% vs 2021

65.9 TWh

Electricity sales  
+10% vs 2021

8,495

Electricity customers  
( '000)  
-2% vs 2021

10.4 TWh

Gas supplied  
-28% vs 2021

631

Gas customers ('000)  
-8% vs 2021



## ESG Data



## Environmental

Renewables generation	%	74	76	-2 p.p.
Recovered waste materials	%	95	83	+12 p.p.
Specific CO <sub>2</sub> emissions	tCO <sub>2</sub> /GWh	152	164	-7%
Assets certified by ISO 14001	%	87	90	-3 p.p.
Coal installed capacity	GW	2.5	2.0	+25%
Revenues aligned with EU taxonomy	%	49	63	-14 p.p.
Investments in environmental matters	€ M	105	88	+19%



## Social

Employee engagement (top tier company)		X	X	
Employees	#	13,211	12,236	+8%
Female employees	%	27.5	27.0	+0.5 p.p.
Total hours of training	H	309,936	337,295	-8%
Employees with training	%	100	100	0 p.p.
Accidents at work with employees	#	28	21	+33%
Accidents at work with suppliers <sup>1</sup>	#	105	132	-20%



## Governance

Female employees in management position	%	28	26	+2 p.p.
Cybersecurity	(bitsight rating)	810	790	+20
ESG & equity linked compensation for Top Management		✓	✓	
Top quartile in ESG rating performance		✓	✓	

# We are an ESG leader recognized by top-tier institutions and aim to maintain a leadership position in ESG rating performance

## Entities and ratings

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA



**FTSE4Good**

**90/100**

#1 integrated electric utilities (Dec-22)

**4,5/5**

Top 5% (Sep-22)



**20/100**

Medium risk (Jan-23)



**A list**

on climate change and on water security (Dec-22)



**AAA/AAA**

Top 12% (Feb-23)



VE (ex, Vigeo)

**72/100**

Top 3 in utilities (May-22)

Note: All indexes are performance based except for Sustainalytics that is risk based

## Other recognitions

**S&P Global Clean Energy Index**



**ISEB3**

Brazil



**G R E S B**  
★★★★★ 2022

E-REDES España



Offshore Wind Farm  
Moray East – UK

Scotland's largest wind farm, Moray East is a result of the Ocean Winds (OW) joint venture, owned by EDPR and Engie. With 950 MW of capacity, Moray East will generate power at £57.50/MWh, which is less than half the price of power generated by offshore wind farms under construction today.



Our Strategy

# Commitments and targets

## Leading the energy transition to create superior value

### Our commitments

### Key figures & targets

Accelerated and sustainable growth

**€25 Bn**  
gross investment 2023-26

**4.5 GW/yr**  
gross additions 2023-26

**>50 GW**  
RES gross additions 2021-30

ESG excellence and future-proof organization

**Coal free**  
by 2025

**All Green**  
by 2030

**Net Zero**  
by 2040

Distinctive and resilient portfolio

**BBB**  
credit rating

**21%**  
FFO / Net Debt by 2026

**>80%**  
EBITDA in high-rated markets  
(Europe and North America)

Superior value creation for all stakeholders

**€5.7 Bn**  
EBITDA by 2026

**€1.4-1.5 Bn**  
net income by 2026

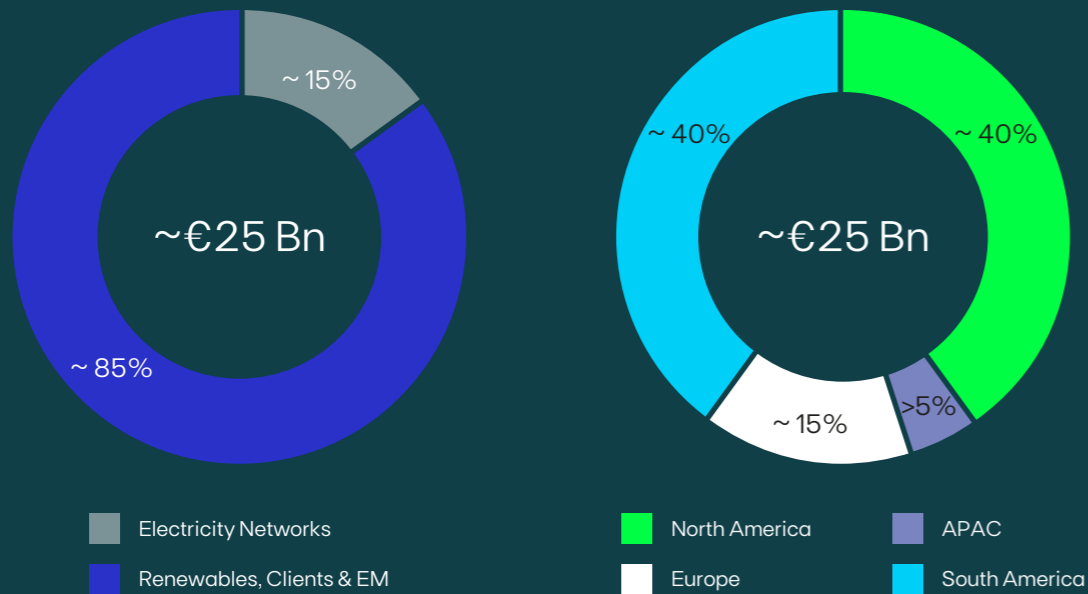
**€0.20**  
new DPS floor by 2026



# Accelerated and sustainable growth

We are investing in the energy transition, with a strong focus on renewables and core low-risk markets

Gross Investments<sup>1</sup> 2023-26 (€ Bn)



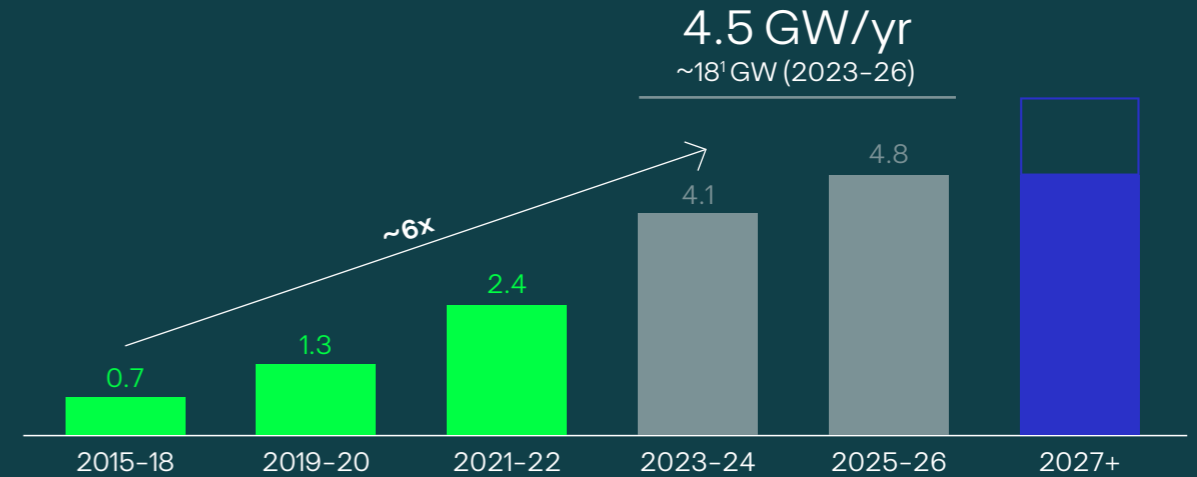
Following a clear investment framework, maintaining our selective and disciplined approach

1. Including financial investments.

We are successfully ramping up growth with clear visibility on execution

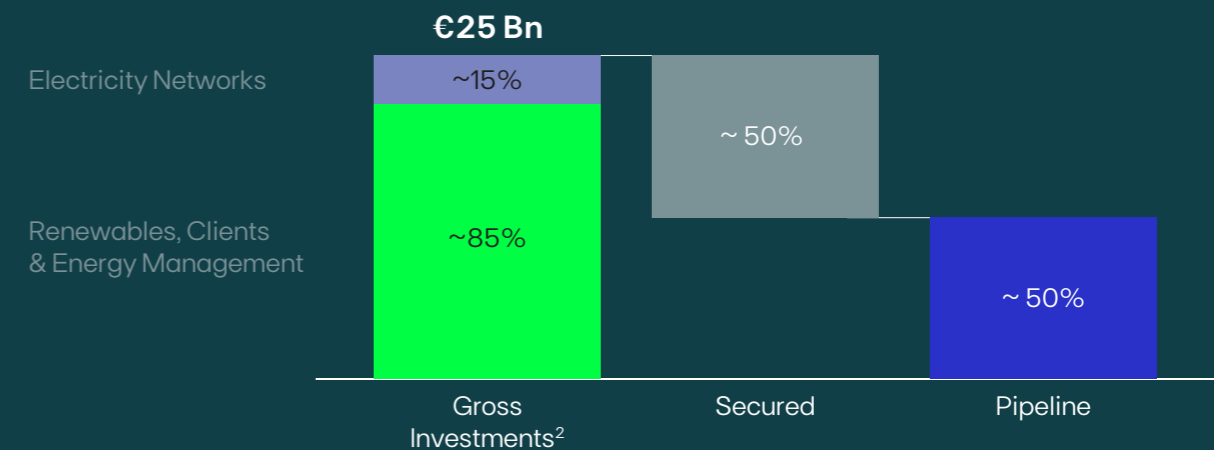
We are scaling-up our growth rate...

Gross additions, GW



... and have clear visibility on execution

€ Bn, 2023-26



1. Includes ~17.1 GW from EDPR and ~0.7 GW of Solar DG as a service from Clients & EM in Europe and Brazil; excludes ~1.4 GW of Solar DGB2C Build and Transfer from Clients & EM in Europe and Brazil.  
 2. Including financial investments.

## We are consolidating our presence across technologies with differentiating value propositions

### Wind & Solar



~40%

**Wind onshore** (5.0GW)

Top 4 global<sup>1</sup> player with extensive track record along the full value chain with highly experienced teams



~40%

**Solar Utility scale** (9.4 GW)

Additions ramping up quickly, leveraging presence in growing markets, through traditional and new technologies (e.g., floating solar)



~5%

**Wind offshore** (5.0GW) *1.9 GW in gross additions*

Significant growth opportunity with medium term value crystallization, and CAPEX acceleration post 2025



3%

**Storage** (0.5 GW) + H2

+



**Storage:** Market starting to materialize by 2025; target mainly co-located opportunities  
**H2:** Growth avenue reinforced by recent targets and existing portfolio; equivalent to ~0.4 GW of gross additions in partnership structures (incl. JVs)



12%

**Solar DG** (2.1GW)

High growth market, leveraging on developed capabilities and portfolio, global footprint with transversal segments and business models, and synergies with utility scale





## Decarbonize: For a climate-positive world

Coal free by 2025

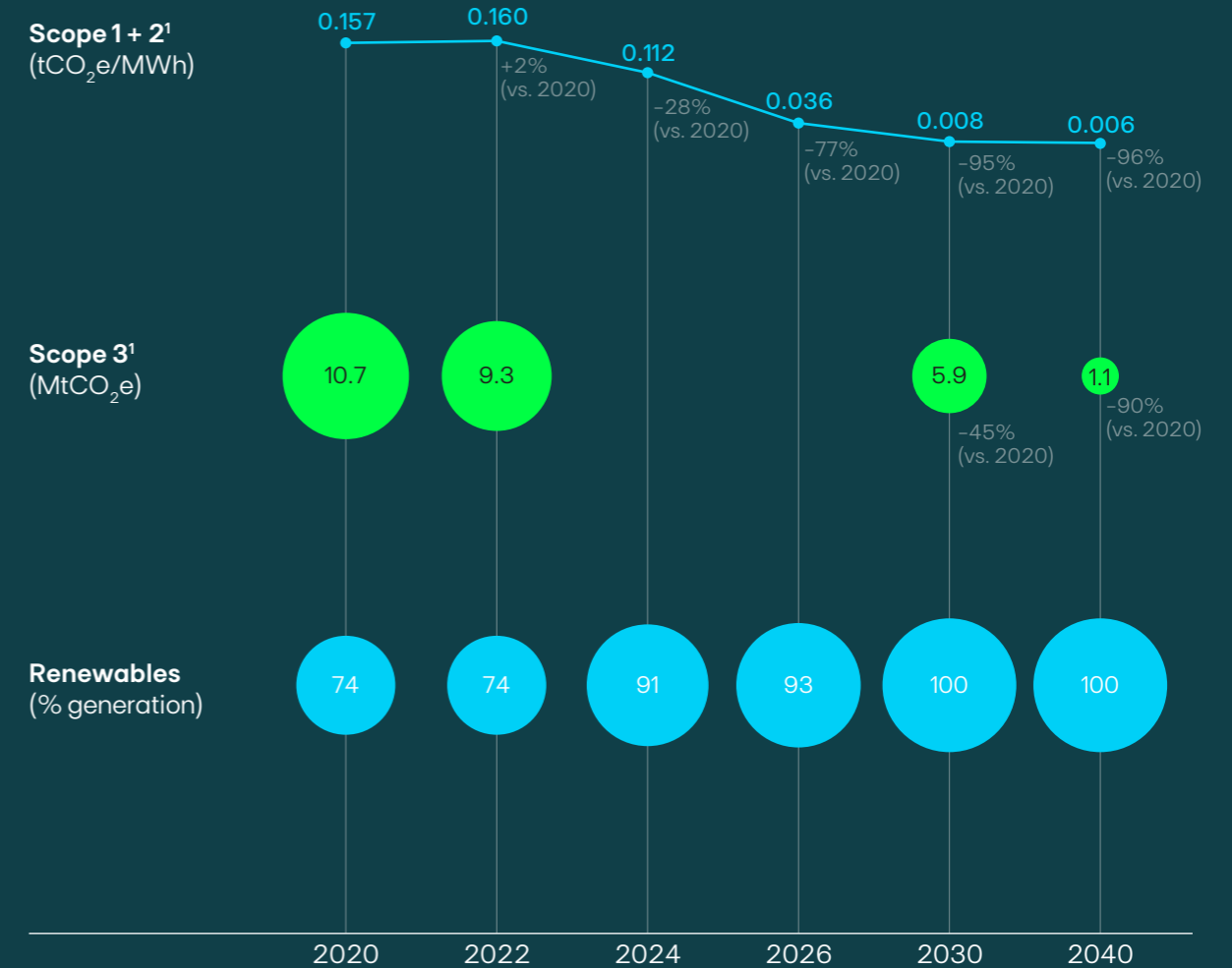
All green by 2030

Net Zero by 2040

Reinforce efforts for the decarbonization pathway of EDP's portfolio towards Net Zero, by aligning objectives with suppliers and processing the learning curve on offsetting to reduce emissions outside the value chain.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



**Key milestones**

Decommission coal plants with a clear plan to mitigate impact on the community (e.g., reskilling, repurposing assets)

Decommission/repurpose gas assets (full portfolio)

Ensure green procurement from all suppliers (start to engage now and provide support to ensure compliance by 2040)

1. 2020 as base year.

# ESG excellence and future-proof organization

**We are leading the decarbonization of the sector, working every day towards Net Zero**

ESG Framework, 2026 Targets

## We will

Decarbonize for a climate-positive world



Coal free by 2025



All green by 2030



Net Zero by 2040

## We are



Empowering our communities for an active role in the transition

~€200 Mn in social investments (accumulated)

>3,000 new hires



Protecting our planet, contributing to its regeneration

100% projects with Net Gain Biodiversity tracking system

90% waste recovery along the value chain



Engaging our partners for an impactful transformation

100% suppliers compliant with ESG Due Diligence

90% of purchases volume aligned with EDP's ESG goals

## We have

A strong ESG culture protecting and empowering human life

Aim to Zero fatal accidents

70% employees received ESG training

Remuneration linked to ESG



## We have digital at the core of our strategy and are fast adopters on innovation



~€2 Bn  
Digital TOTEX  
2023-26

### Digital empowering business transformation

- “Digital First” mindset and culture, boosting agility and opportunities
- Digital as an enabler and accelerator across the Group
- Evolving into a Digital and AI lighthouse

#### Digital First Company

85%<sup>1</sup> energy assets with advanced analytics

#### Digital & AI Enabled Business

100%<sup>1</sup> businesses with Artificial Intelligence

#### Digital ways of working

95%<sup>1</sup> of digitalized processes

1. 2026 targets.  
Note: TOTEX = CAPEX + OPEX.



~€1 Bn  
Innovation TOTEX  
2023-26

### Fast adopter on innovation to accelerate ‘new’ impact

- Focusing on key domains aligned with corporate strategy and market trends, unlocking EDP’s future growth avenues
- Involving people at a global scale and strengthening Group’s foresight capacity and business expertise

#### Internal Delivery

Develop and scale internally incubated projects

#### Energy Innovation Ecosystem

Build on symbiotic relationship with stakeholders (e.g., open innovation pilots)

#### Venture Capital

Invest in high potential strategic start-ups

**We are continuously investing in our talent to ensure a future-proof organization, being recognized by the market across the globe**

	Talent strategy	Goal	2022	2026 targets
<p><b>Attraction</b></p> <p>Bringing on-board the best talent</p>	Boost employer branding strategy	New hires	>2,000	>3,000
	Scale-up sourcing strategy	Women in leadership	28%	31%
	Broader and diverse talent pool			
<p><b>Experience</b></p> <p>Nurturing an unrivaled workplace</p>	Global strategy for well-being, flexibility and inclusion	Market recognition	<p><b>Leading position</b> in Dow Jones Human Capital Index</p>	
	Global compensation and benefits framework	Internal retention	<p><b>Long-term incentive plan</b> for top and other critical positions</p>	
	Top talent retention and succession plan			
<p><b>Development</b></p> <p>Preparing for the future, empowered</p>	Global collaboration and mobility	Internal mobility	10%	13%
	Fostering leadership growth	Training in upskilling and reskilling (% training)	40%	45%
	Continued re/upskilling			

Recognized as top employer across markets





# Distinctive and resilient portfolio

We remain fully committed to a strong BBB rating to structurally support the CAPEX cycle ahead

We achieved the target BBB rating...



Improved FFO/Net Debt, reaching >20% since 2021



Solid cash flow generation

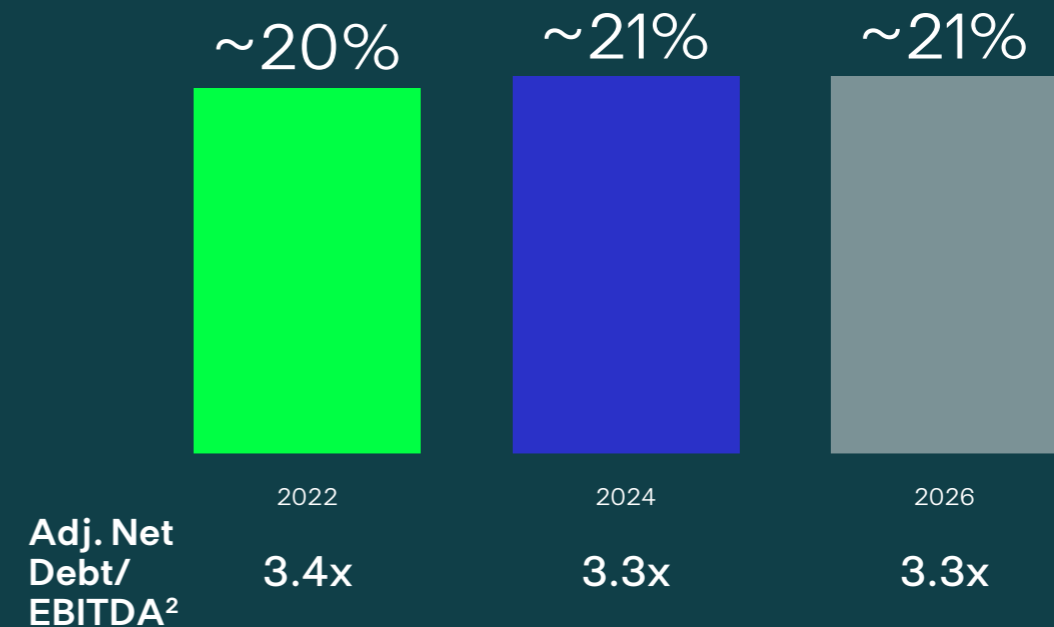


Operating with flexibility to further reinforce balance sheet (e.g., asset rotation, portfolio optimization)

1. FFO/ND formula consistent with rating agencies methodologies, considering EDP definition of EBITDA Recurring  
2. Financial net debt + Leases - Regulatory receivables / Recurring EBITDA (including AR gains and excluding one-offs)

... and reinforce our commitment to keep a strong balance sheet

FFO/Net Debt<sup>1</sup>

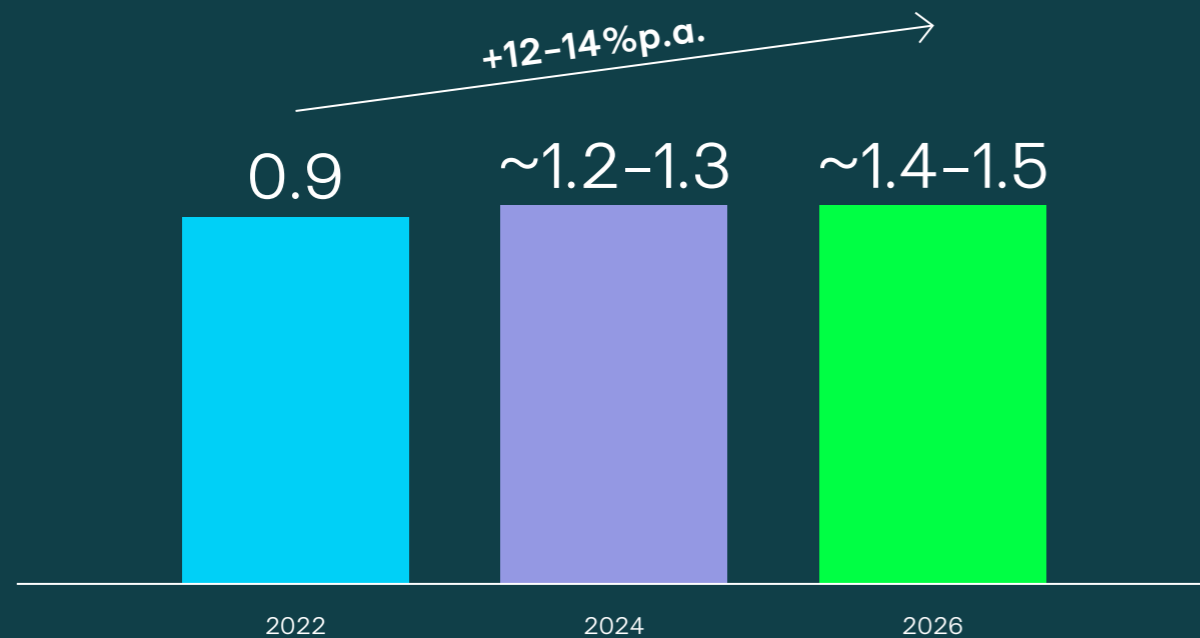


# Superior value creation for all stakeholders

We are delivering superior value through sustained EPS growth and a solid dividend policy with an increased floor

Delivering strong earnings growth...

Recurring Net Income<sup>1</sup>  
€ Bn



1. Net income range represents the incremental contribution of EDP Brasil's delisting tender offer (€0.1Bn)

... with an attractive dividend policy

	From	To
DPS floor	€0.19	€0.19 in 2023 €0.195 in 2024-25 €0.20 in 2026

Target payout	75-85%	60-70%
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Sustainable EPS growth to deliver DPS increase



**Solar and Wind Hybrid  
Sabugal – Portugal**

First EDPR hybrid plant, combining wind and solar production on a single site. This is the first park of its kind on the Iberian Peninsula to combine the two different technologies. The Mina de Orgueirel Solar Plant was set up next to the Mosteiro wind park, in Sabugal municipality, increasing the complex capacity to 8.4 MW, for over 39 GWh of renewable energy production per year.



Our Stories

# First green hydrogen molecule on Latin America

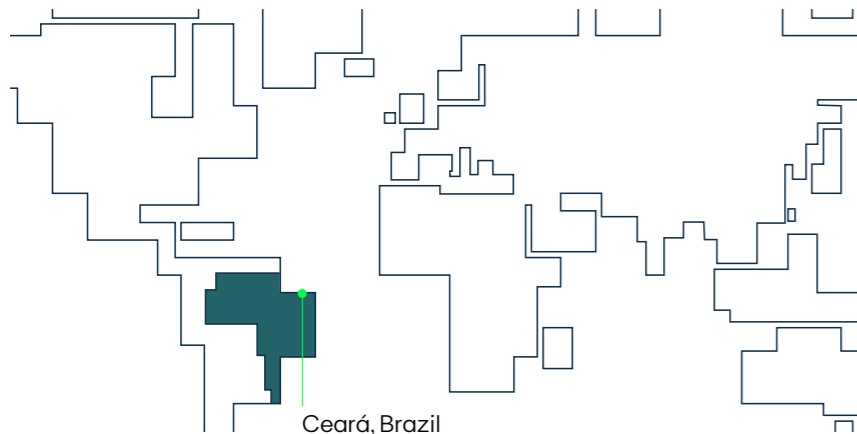
In December 2022, EDP Brazil produced the first green hydrogen molecule. The Solar plant with a capacity of 3 MW that feeds an electrolyzing module to produce hydrogen, ensuring a renewable origin and the capacity to produce 250 Nm<sup>3</sup>/h of gas.

## THE DIFFERENCE

Among other uses, hydrogen can be used to replace heavy-oils in production start-up processes of coal-fired plants and EDP Brasil has replaced the burning of these oils with the use of hydrogen – thus generating an environmental improvement. The project also aims to analyze the hydrogen gas production chain, business models, strategic partnerships with industries, and adaptations to the mobility sector.

## THE FUTURE

With almost permanent sun, a geographical location that makes it one of the closest Brazilian regions to Europe and a deep-water port (the port of Pecém) that allows the easy outflow of ammonia (into which hydrogen must be transformed for transportation), Ceará has almost unique conditions to become a major producer of green hydrogen, not only for domestic consumption, but also for export.



3 MW



# Largest floating solar park on a Hydro Dam in Europe

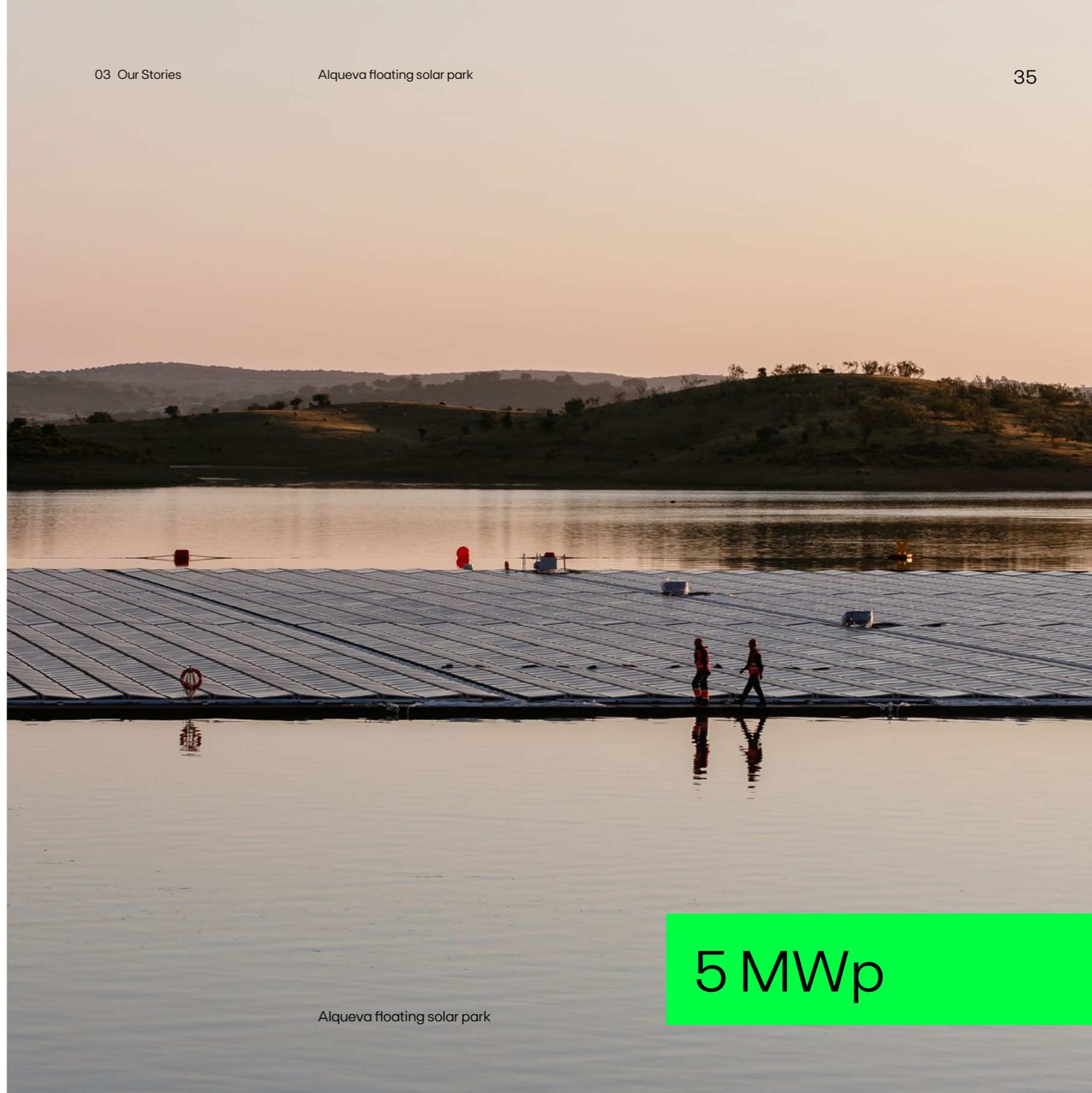
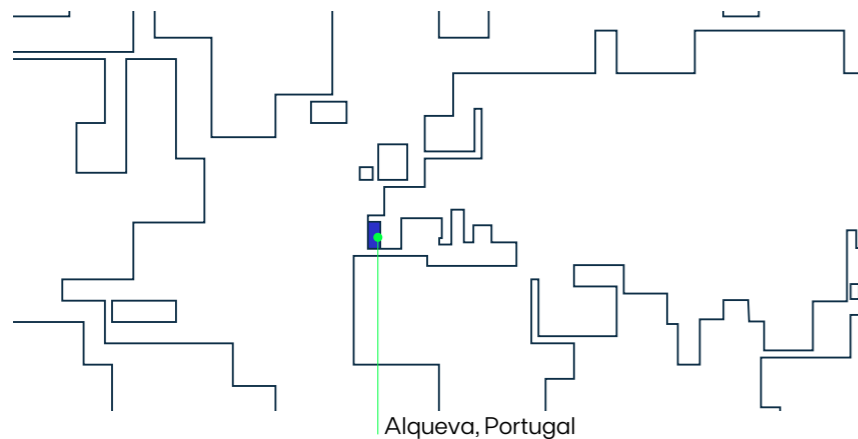
A floating solar park with almost 12,000 photovoltaic panels, with a capacity of 5 MWp, that produces around 7.5 GWh/year to supply the equivalent of more than 30% of the families in the region. The project has been distinguished by the European Commission in the Innovation category of the European Sustainable Energy Awards 2023.

## THE DIFFERENCE

The concept of hybridization – combining hydro storage (from the hydropower plant) and solar energy (from the floating plant) and a battery, using only one point of access to the electricity grid. Development of a new floater with a cork composite, reducing their carbon footprint by 16%.

## THE FUTURE

EDP obtained the largest capacity awarded in the first floating solar auction in Portugal: a lot of 70 MVA of grid connection capacity. That will be accomplished by overequipping the 70 MW of solar photovoltaic capacity awarded in the auction with another 14 MW of solar overcapacity and 70 MW of wind capacity, thus achieving a fully hybrid farm with a total of 154 MW of renewable capacity.



Alqueva floating solar park

5 MWp

# Cutting-edge technology for efficiency and reliability of the electricity distribution system

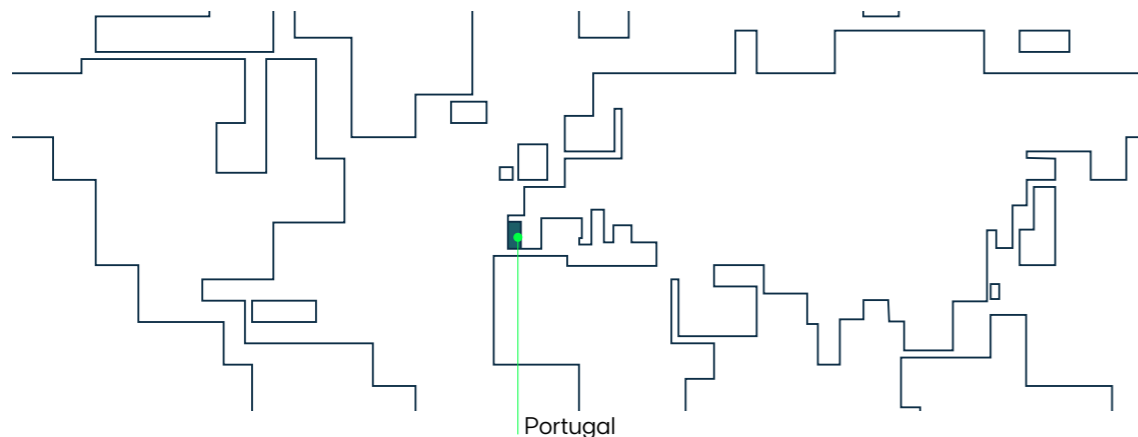
The E-Redes Supervisor Center (ESC) in Lisbon is a central control center operated by E-Redes, the main electricity distribution network operator in Portugal. It serves as the nerve center for monitoring, controlling, and managing the country's electricity distribution network.

## THE DIFFERENCE

The ESC utilizes state-of-the-art technology and advanced systems to monitor and control the electricity distribution network. This includes real-time monitoring of grid performance, data analysis, and predictive maintenance capabilities. It's also equipped to handle the integration of renewable energy sources into the electricity grid. As the energy landscape shifts towards increased renewable generation, the ESC plays a crucial role in effectively managing the fluctuating supply and demand dynamics associated with renewable sources. This integration allows for a more sustainable and efficient distribution of electricity.

## THE FUTURE

The ESC is likely to embrace further digitalization and automation to enhance its operations. Advanced technologies such as artificial intelligence (AI), machine learning, and Internet of Things (IoT) could be utilized to improve real-time monitoring, predictive maintenance, and decision-making capabilities. Overall, there will be an ~€0.9 Bn investment in digitalization of Networks (2023-26) and a target of 100% smart meters penetration in Iberia by 2024.



# 5.2

smart meters  
installed  
in Iberia



# EDP Group's largest renewable complex in the world

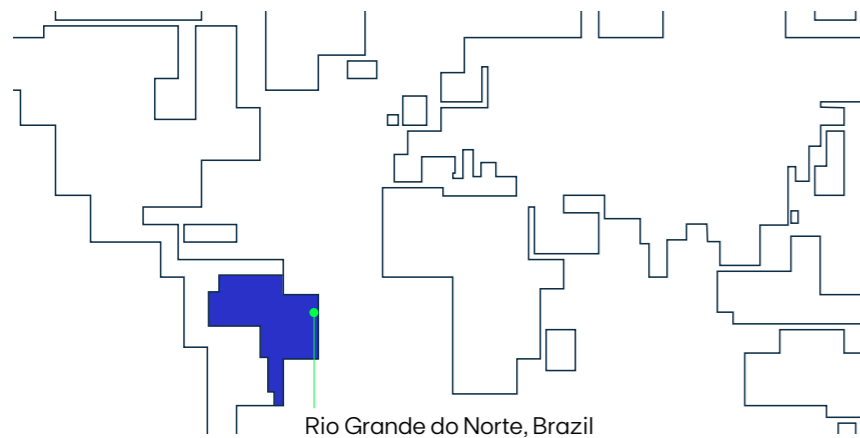
Inaugurated in February 2023, the complex has 14 wind farms with 138 wind turbines and a combined installed capacity of 580 MW. It includes the Monte Verde I–VI, Boqueirão I–II, and Jerusalém I–VI wind farms.

## THE DIFFERENCE

Together, they have the capacity to generate more than 3 million MWh/year, enough electricity to power a city of more than 1.5 million people. The project will avoid the emission of more than 1 million metric tons of CO2 each year. Projects such as this have a strong impact on the social and economic development of the region. A total of 3,300 jobs were created during the construction of the complex.

## THE FUTURE

It now has more than 800 MW in operation, with another 300 MW under construction. EDP Renewables currently boasts more than 7 GW of solar and wind capacity in various stages of development in Brazil.



**580 MW**

Boqueirão



# First floating wind farm in continental Europe

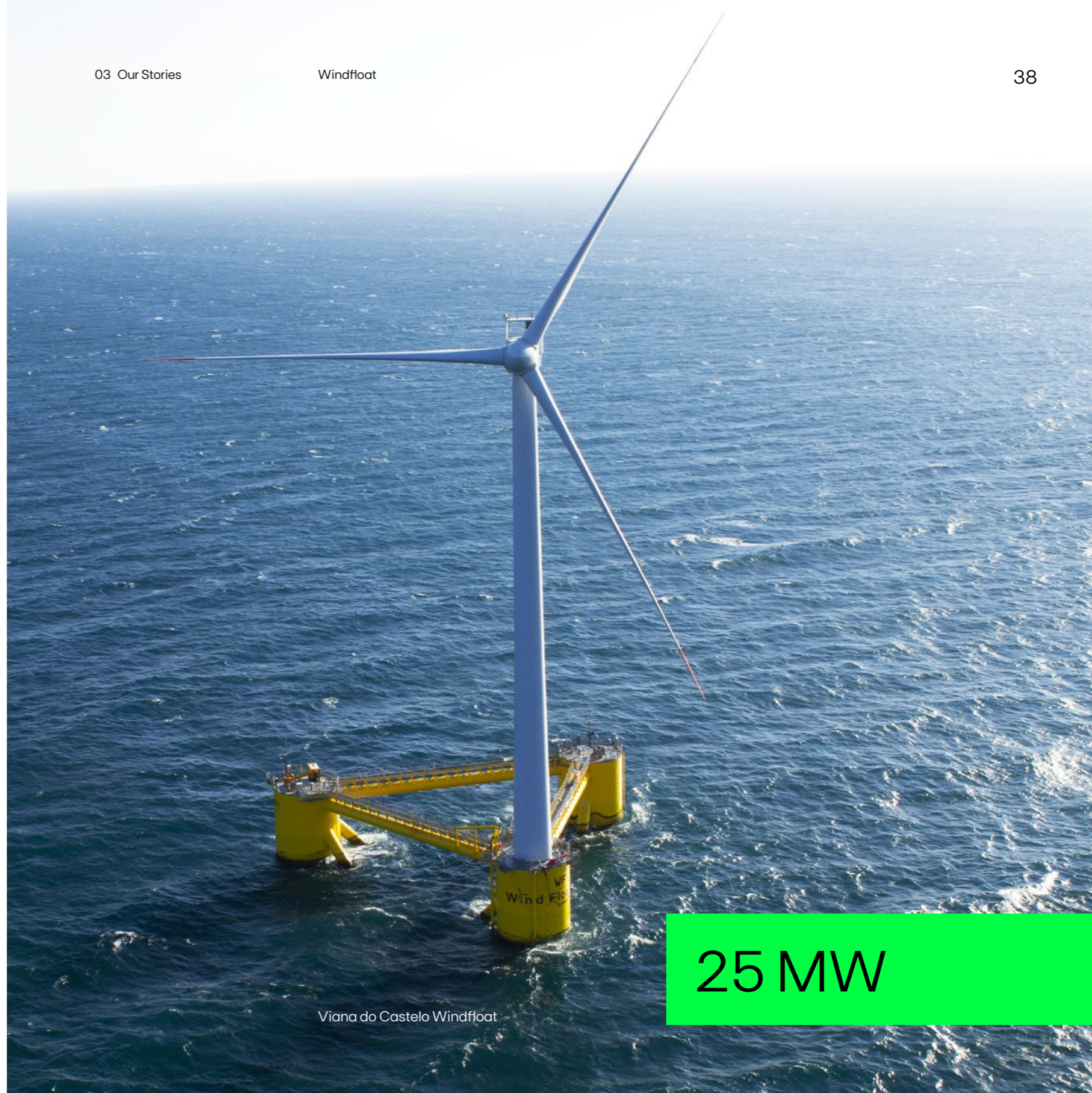
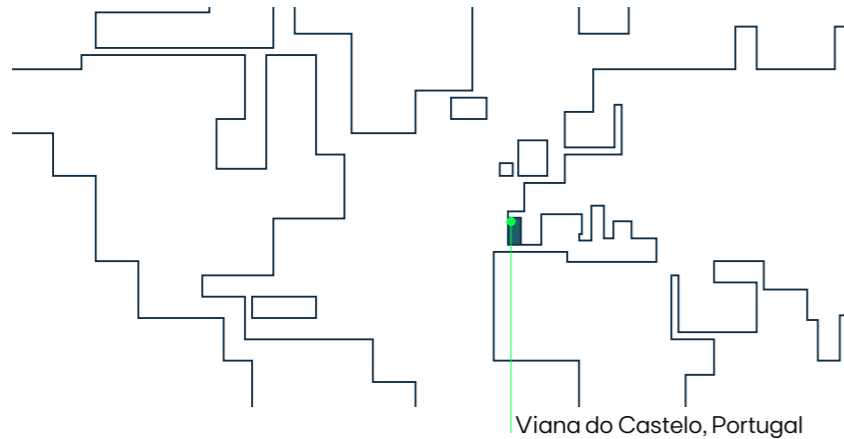
Semi-submersible, three-column floating platform compatible with any standard offshore wind turbines and suitable for deployment in waters deeper than 40 m. The pilot project started in 2011 with 2MW, pioneering this technology. From that date until today we have accumulated experience and data collection globally. The three turbines that make up the wind farm are mounted on floating platforms moored to the seabed, for a total installed capacity of 25 MW, equivalent to the energy consumed by 60 thousand families over a year.

## THE DIFFERENCE

It enables offshore wind farms to access the best wind resources by largely decoupling the project economics from water depth and seabed conditions. This allows wind farms to be sited responsibly, minimizing impact to both the environment and other ocean users. In total, WindFloat Atlantic can save nearly 1.1 million tons of CO<sub>2</sub>.

## THE FUTURE

EDP is building another in France and also has projects with the same technology in Scotland and the United States of America, which will be developed over the next decade.



25 MW

Viana do Castelo Windfloat



# EDPR as the first company in the sector to implement wind-solar hybrid projects in both Spain and Portugal

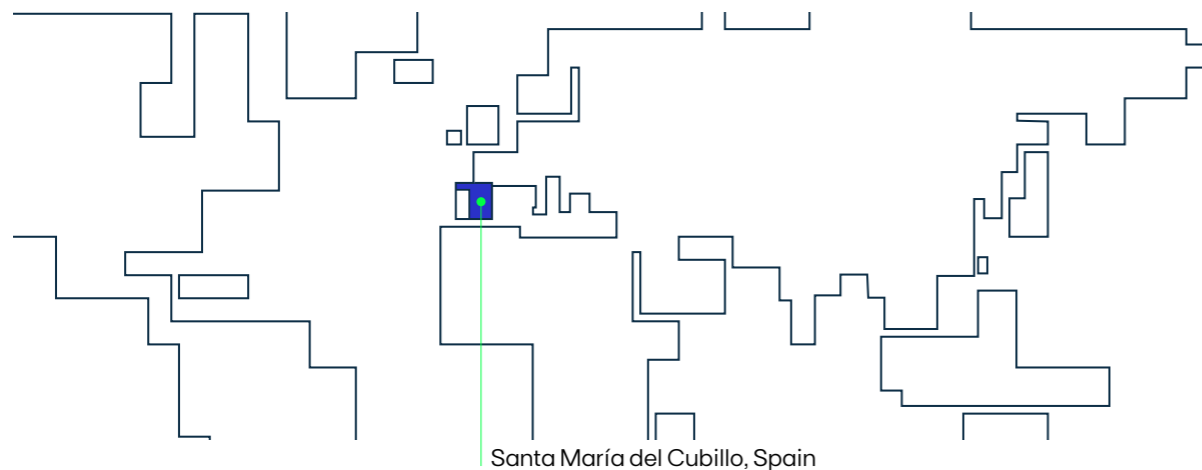
The wind farm consists of 22 wind turbines with an installed capacity of 14.5 MW, and with 13.8 MWp (11.38 MWac) of installed photovoltaic capacity – over 25,000 solar panels. Together, they will produce over 58 GWh of electricity annually, sufficient to meet the expected consumption needs of approximately 17,000 households in the region. This is the first hybrid plant installed in Spain and the second in the Iberian Peninsula, following EDPR's inaugural global hybrid project in northern Portugal last January.

## THE DIFFERENCE

This hybrid plant will prevent the emission of more than 24,000 tons of CO<sub>2</sub>. The solar installation features bifacial panels, allowing it to harness solar radiation from both sides.

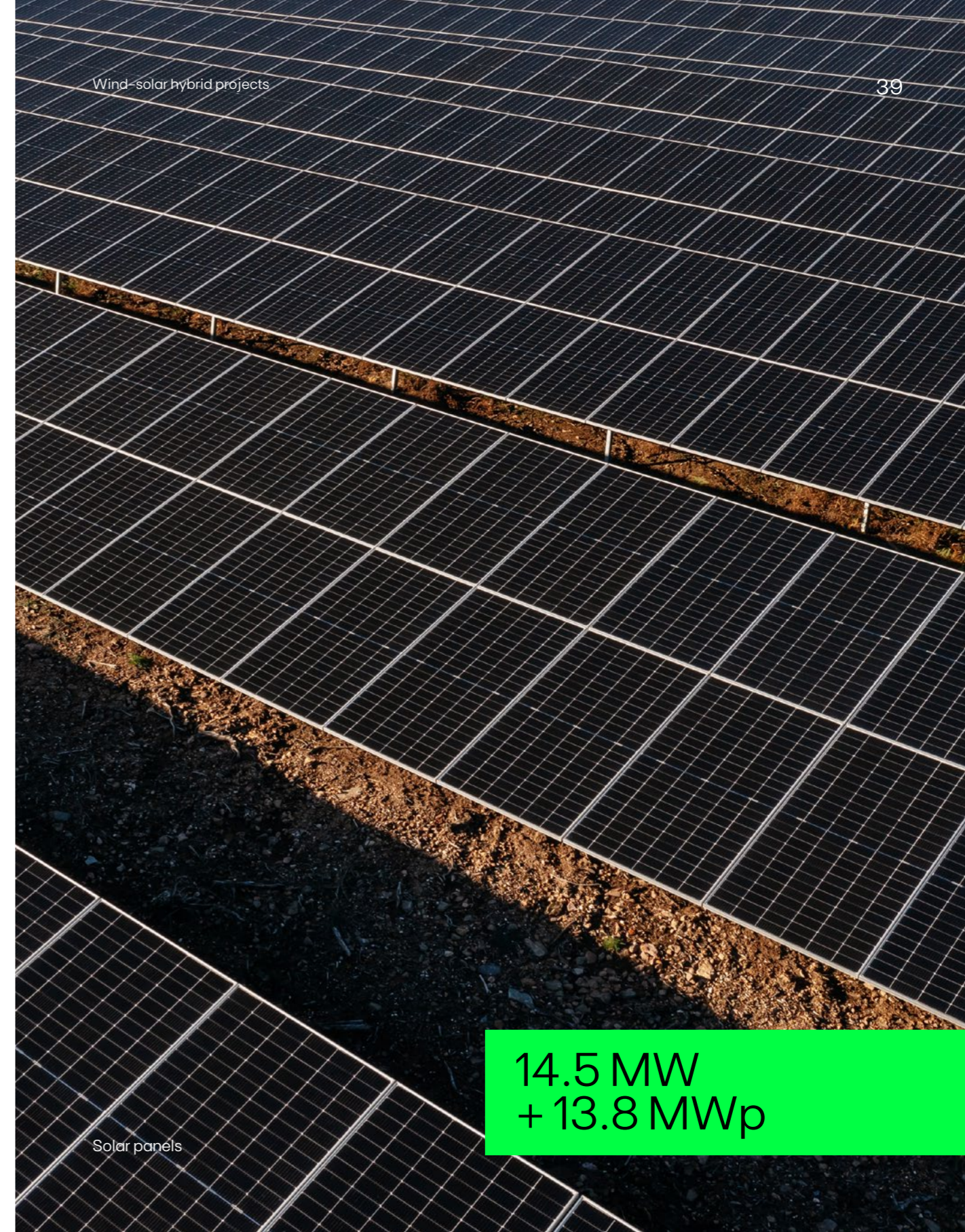
## THE FUTURE

EDPR currently has 15 wind-solar hybridization projects under construction and development in Spain, collectively adding more than 200 MW of renewable capacity to the country.



Wind-solar hybrid projects

39



Solar panels

14.5 MW  
+ 13.8 MWp



# The largest power plant on the Iberian Peninsula equipped with variable speed drives

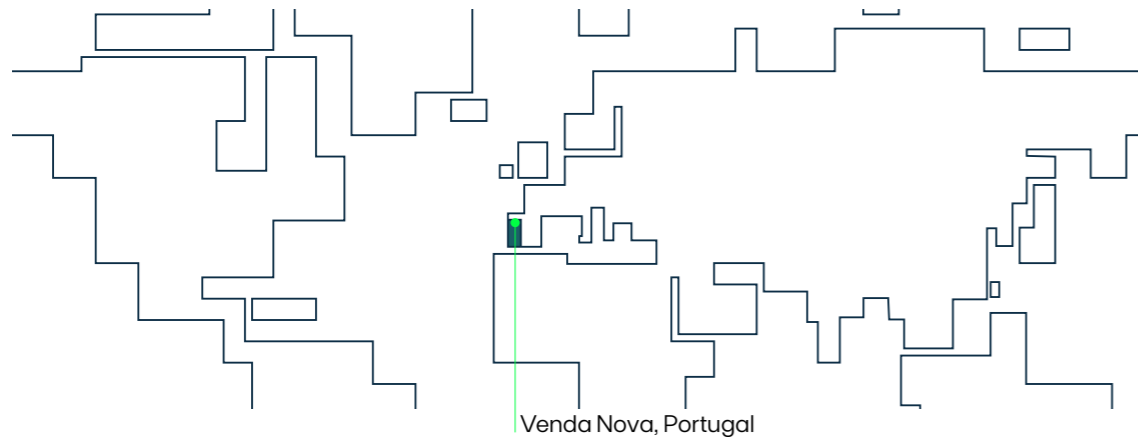
Venda Nova III is one of the largest hydroelectric plants in Portugal in terms of installed capacity. Consisting of two reversible units with total output of 736MW, it has an average generation of 1.273 GWh/year, of which 17 GWh/year net of pumping. Pumped-storage systems like this can consume energy by pumping water upstream during periods when other renewable sources, such as wind and solar power, are producing more power than the grid needs. Conversely, when wind and solar supplies tail off, pumped-storage units can reverse operation to generate electricity from the stored water to make up the difference.

## THE DIFFERENCE

The project was recognized with the "VGP Quality Award 2018" from the International Association of Power Producers and as "Top Plant 2018" by Power Magazine. It was also mentioned in a 2016 report by the International Energy Agency (IEA) that commended Portugal for its renewable energy achievements. One of the key features of this power plant is the variable speed technology which allows for power variation, when operating in pump mode, besides being able to provide extraordinary grid stability services.

## THE FUTURE

The massive penetration of variable RES that is about to take place, will demand for unprecedented storage capacity, as well as new and more specific ancillary services. In this soon to arrive context, power schemes like Venda Nova III will assume a critical role in assuring a safe and reliable energy transition.



736 MW



# The acquisition of a stake in SolarWorks! marked the beginning of EDP's new strategy in Access to Energy (A2E) area

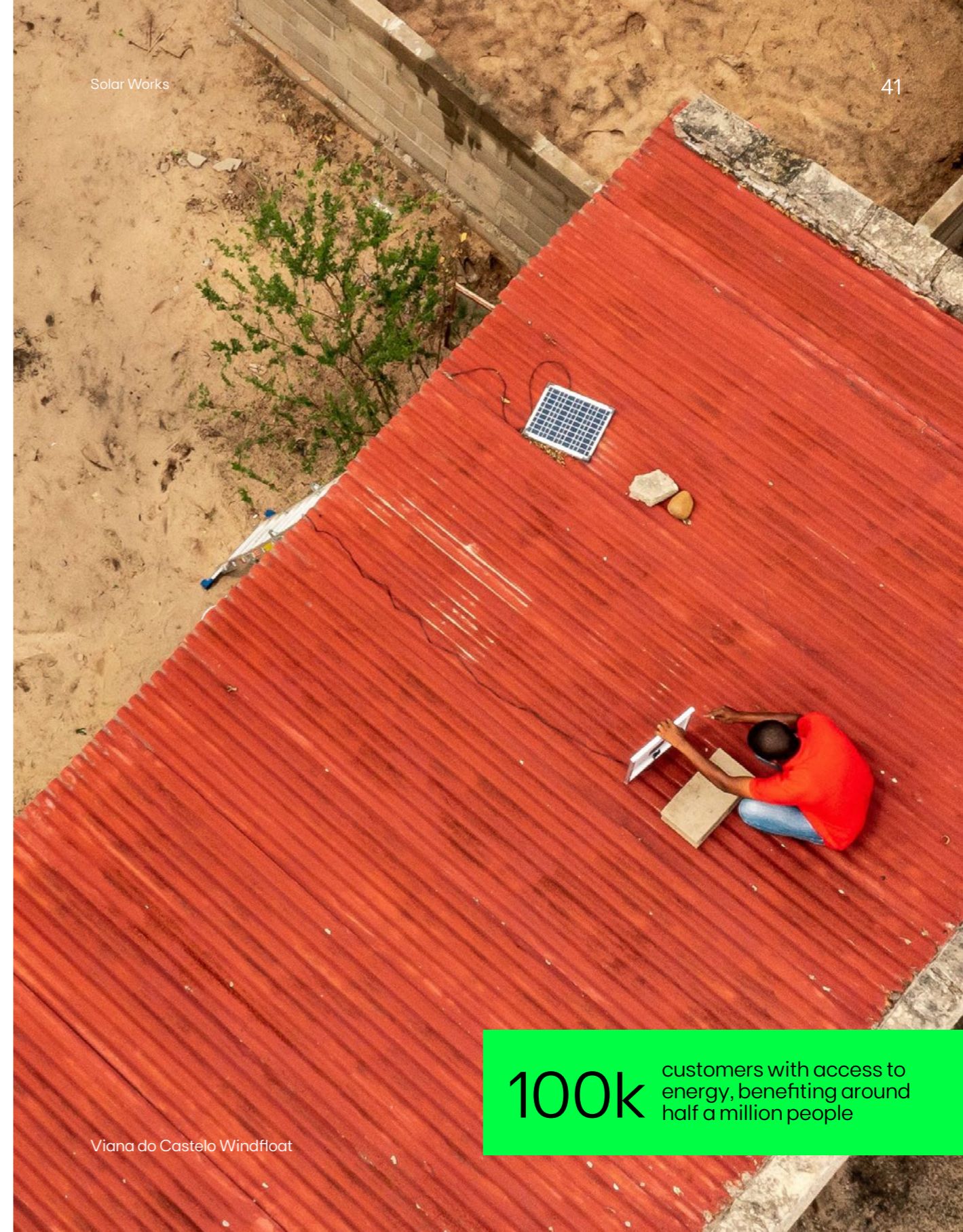
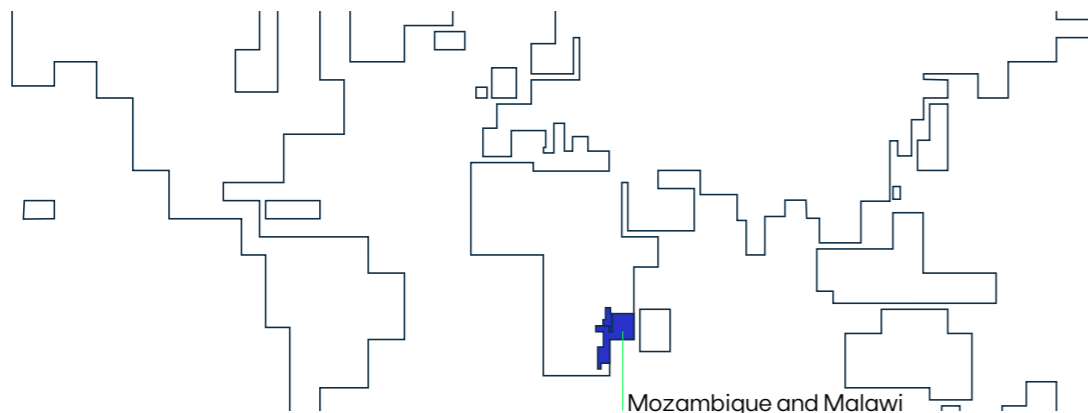
SolarWorks! promotes solar systems adapted for homes and small businesses that are often the only option available for rural communities to access electricity for everyday tasks as simple as turning on a light bulb, charging a mobile phone, switching on a TV or a fridge.

## THE DIFFERENCE

The company, which has EDP shareholder participation since 2018, operates in Mozambique and Malawi, offering a range of solar products that enable many people to access energy for the first time in their lives. In addition, it continues to focus on innovation, developing other productive use kits for small entrepreneurs such as sewing and hair cutting machines, water pumps, fridges, among other applications.

## THE FUTURE

After a consolidation period with the involvement of EDP as a key partner and shareholder, the main mission of SolarWorks is to continue developing the offer of a wider range of products and services, with the same commercial effort in growing markets of Mozambique and Malawi. Also, SolarWorks strategy consists in: (a) diversifying the markets (as well as the referred products and services) through the opening of new countries, and; (b) developing the B2B market in the geographies where the company is operating.



**100k** customers with access to energy, benefiting around half a million people



# The first EDPR North America community solar and storage projects in the state of New York

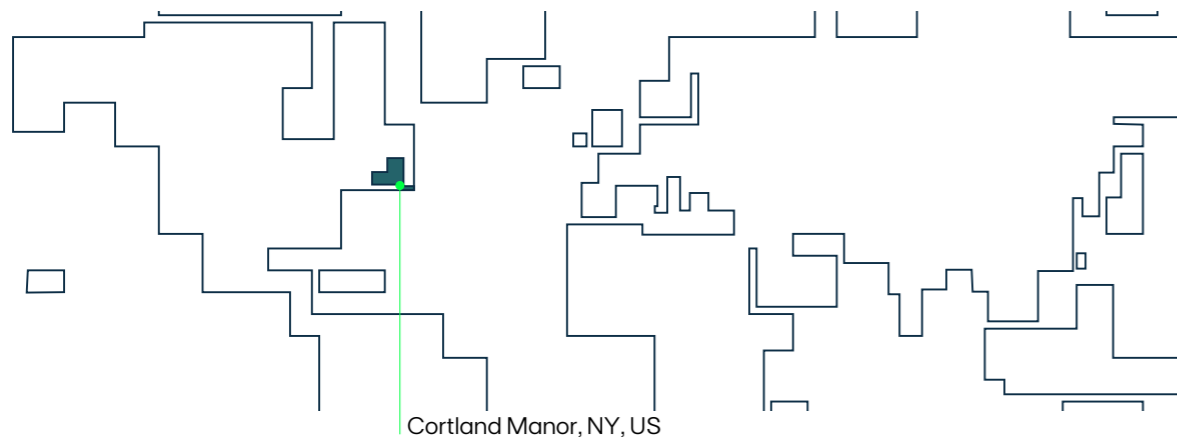
The Mines Press community solar + storage facility is comprised of rooftop solar and battery storage installation. Over 90% of the project will service low-to-moderate (LMI) customers and an additional small percentage of the project's offtake was carved out to provide residential offtake to EDPR NA DG employees living in New York State.

## THE DIFFERENCE

Historically, LMI income households have been excluded from the clean energy revolution. Many LMI households are unable to install solar on their properties due to barriers such as lack of access to capital, low credit scores, or lack of homeownership. Through the Mines Press project, EDPR NA DG demonstrated its commitment to alleviating poverty and expanding access to solar and storage to countless LMI affordable housing tenants throughout New York State. Approximately \$880,000 in savings will be passed on to LMI customers over 20 years and by going with community solar, Catholic Charities is ensuring access to local, more reliable, and resilient clean energy for its tenants who depend on affordable energy. Investment and development of this project resulted in regional economic stimulation and job.

## THE FUTURE

This project helps contribute to New York's upgraded goal to deploy 10 gigawatts (GW) of distributed solar generation capacity by 2030, against an earlier target of 6 GW.



1.2 MW + 1kW

Mines Press



We Choose Earth