



EDP Group's Tax Mission and Policy

This Policy was initially approved by the Executive Board of Directors of EDP – Energias de Portugal, SA on June 6, 2014, with the last amendment being approved on October 2, 2023.

EDP GROUP'S CORPORATE TAX MISSION

The EDP Group believes it has both an ethical and civic obligation to contribute to the funding of essential government functions in the countries where the Group operates. As such, the Group manages its tax matters by adhering to the best tax practices, maintaining transparency, efficiency, and responsibility in tax payments, in strict accordance with the applicable legislation, all the while mitigating significant risks and avoiding needless disputes, and ensuring value creation for shareholders.

EDP GROUP'S CORPORATE TAX POLICY

Purpose

This Policy is intended to set forth the EDP Group's tax strategy founded on principles of excellence and a steadfast commitment to conduct tax affairs in accordance with the highest standards of legality, ethics, and responsibility.

It underscores EDP Group's civic responsibility to contribute to public revenues in the countries where it operates, aligning with its broader corporate values and sustainability objectives. The Corporate Tax Policy emphasizes ethical conduct, risk management, and value creation for all stakeholders while maintaining compliance with local tax requirements, supporting business growth and the betterment of the communities EDP serves on a global scale.

Main principles of conduct

The EDP Group's fiscal strategy is based on five main pillars:

1. Compliance with Tax Laws and Regulations

The EDP Group bears both an ethical and civic obligation to support the funding of essential governmental functions in the countries where it operates. In this context, the Group conducts its fiscal responsibilities with diligence and professionalism, in alignment with the EDP Group Tax Mission, guided by the following principles:



- Implements the options which are most appropriate to the business and to the shareholders, in faithful compliance with the spirit and letter of the Law.
- Pays the taxes that are due in all the countries where it carries out its activity.
- Adopts the arm's length principle, in the context of applicable international rules, guidelines and best practice on transfer pricing in the light of Organization for Economic Cooperation and Development (OECD) guidelines, and implemented an internal transfer pricing policy based on three main principles:
 - The terms and conditions of all EDP commercial and financial intra-group transactions are determined taking into consideration the inherent economic rational, the risks assumed and the functions performed by each party, in order to settle a price aligned with what is usually agreed between independent parties in comparable transactions;
 - EDP fully complies with OECD Documentation Guidelines regarding intra-group transactions and takes into consideration the specific requirements of the internal legislation of each jurisdiction where the Group develops its activity.
 - Therefore, EDP transfer pricing Policy does not constitute an instrument for tax planning and / or tax evasion at EDP Group.
- Adopts tax practices based on principles of economic relevance and commonly accepted business practices.
- Discloses true and complete information concerning relevant transactions; and,
- Seeks to defend its legitimate interests by administrative means and, when appropriate, judicially, when the payment of any taxes, contributions and levies reasonably raises doubts regarding its legality.

2. Ethical Tax Practices

The EDP Group conducts all the tax affairs with integrity, responsibility, and a dedication to the highest ethical standards. Its approach involves a thorough and prudent interpretation of the prevailing tax laws governing its transactions, often with the support of legal experts and external advisors.

When necessary and feasible, the Group seeks the opinion of local tax authorities to ensure that its actions are strictly aligned with the applicable legislation. This commitment to ethical tax practices not only ensures the Group full compliance with tax laws but also upholds its responsibility in contributing positively to the communities and societies in which the Group operates.



3. Full collaboration with Tax Authorities

The EDP Group is committed to maintain a relationship with the Tax Authorities of the countries where it operates based on principles of trust, good faith, transparency, cooperation and reciprocity, aiming to facilitate the application of the Law and to minimize litigation, without prejudice to the legitimate disputes that may arise with such authorities concerning the interpretation of applicable legal provisions.

4. Risk Management

The companies of the EDP Group shall adopt the control mechanisms necessary to ensure compliance with the tax laws and regulations, as well as the principles and good practices set forth in this Policy, as part of proper business management. They shall also use proper and sufficiently qualified human and material resources for such purposes, as well as technology to maximize the quality and accuracy of data to support tax management activities and the filing of related tax returns and forms.

The EDP Group has implemented a risk management policy with the goal of identifying, quantifying, managing, monitoring and mitigating, among others, the tax risks, namely the risk of materialization of the tax contingencies. EDP Group, through a specialized team, continuously monitors the processes associated with tax risks and contingencies (related and not related to ongoing litigation), in close cooperation with the respective Business Units, corporate legal services and external lawyers and advisors, with a bi-annual report of their evolution to the General and Supervisory Board of the EDP Group.

Accountability for the tax Policy and its Supervision

The EDP Group's Executive Board of Directors is involved in the decision-making process of the relevant operations, being its tax impact, if any, analyzed and, documented as it may constitute an important element for the final decision, in order to ensure long-term value creation for shareholders.

EDP also has a Financial Matters Committee/Audit Committee, whose main mission, upon delegation of the General and Supervisory Board, includes the permanent monitoring and supervision of any matters related to the internal control system over financial information and the risk management process, including its fiscal aspects.

5. Transparency

The EDP Group considers transparency a core principle of its fiscal function, particularly through:

- Not using opaque structures or operating in jurisdictions lacking a substantial economic connection to our operations. The EDP Group does not establish subsidiaries in territories considered to be non-cooperating in accordance with Portuguese legislation and / or with the OECD standards; and,



- Disclosure of tax information in accordance with the best international tax practices and accountability standards. This commitment aims to offer stakeholders a comprehensive view of the Group's contributions to the economies where it operates, emphasizing transparency and solidifying its position as a responsible and ethical participant in the global business community.

To this end, the EDP Group presents key tax information in both its financial statements and the Sustainability Report, guaranteeing clarity, usefulness, and accuracy in the information provided.

Adoption, incorporation, publication, validity and updates

The EDP Group's tax mission and policy is defined by EDP – Energias de Portugal, SA as parent company and is approved by the Executive Board of Directors of EDP – Energias de Portugal, SA.

The Governing Bodies of entities controlled by the EDP Group must incorporate the tax mission and policy adopted by their parent company, thus assuming the responsibility to ensure its knowledge and application throughout the respective entity together with the specific task of spreading its culture, principles and values.

The EDP Group's tax mission and policy (including their updates) come into effect from the first day following the day of its approval and are published on the EDP Group's website (www.edp.com).