

Integrated Annual Report 2023



We
Choose
Earth



This report

EDP – Energias de Portugal, S.A. (“EDP”), has its head office in Lisbon, Avenida 24 de Julho 12 and its shares listed on the Euronext Lisbon stock exchange. The group’s businesses are currently focused on the generation, transmission, distribution and supply of electricity and supply of natural gas. Although complementary, the group also operates in related areas such as engineering, laboratory tests, professional training, energy services and property management.

EDP operates essentially in the European, American and APAC energy sectors.

In 2022, EDP publishes, for the first time, an Integrated Annual Report, which includes, in the same document: its strategy, operational and sustainability performance, financial statements, corporate governance and remunerations report.

The Integrated Annual Report is prepared in accordance with the provisions set out on Portuguese Companies Code and Securities Code and in compliance with the provisions set out on CMVM’s Regulations no. 4/2013 and no. 4/2023, concerning Corporate Governance and Disclosure Requirements of the publicly traded companies and under the terms of the Corporate Governance Code of the Portuguese Corporate Governance Institute, revised in 2023.

Its sustainability performance is prepared in accordance with the standards of the Global Reporting Initiative (GRI Standards) and with the Directive 2014/95/EU of the European Parliament and of the Council of 22nd October 2014, that is, disclosure under article 66-B and approval by the general meeting under article 65, both of the Commercial Companies Code. Additionally, follows other voluntary regulatory reporting frameworks, namely the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) and the Portuguese Securities Market Commission (CMVM).

The financial statements presented in the report are prepared in accordance with the International Financial Reporting Standards (IFRS), adopted in the European Union. Thus, under the combined terms of articles 29.ºG and 29.ºL of the Portuguese Securities Code, the documents included in this Report were prepared in the ESEF Format and in accordance with the specifications provided for by the Commission Delegated Regulation (EU) 2019/815 of 17th December 2018, and in accordance with the subsequent

amendments, also taking into account the guidance provided by the European Securities and Markets Authority (ESMA) through the updated version of the ESEF Reporting Manual.

This report covers the calendar year 2023 and has been structured in five major blocks:

- Part I – Management Report
Includes EDP’s strategy, operational and sustainability performance. The sustainability performance is organized around the strategic axes and the year’s material issues
- Part II – Financial Statements
- Part III – Corporate Governance
- Part IV – Remunerations Report
- Part V – Annexes.

Additionally, EDP publishes a set of reports available at www.edp.com:

- [Annual Report of the General and Supervisory Board](#)
- [Climate Transition Plan: Progress Report 2023](#)
- Annual sectoral reports, in particular: [Safety and Business Continuity Report](#), [Internal Audit Report](#), [Ethics Ombudsperson’s Report](#), [Social Investment Report](#), and [People Report](#)
- Bi-annual sectoral reports: [Human and Labour Rights Report](#), [Biodiversity Report](#), [Circular Economy Report](#)
- [EU Taxonomy Regulation and KPIs under article 8 of EU Taxonomy](#)
- Annual and sustainability reports of the companies [EDP Espanã](#), [EDP – Energias do Brasil](#) and [EDP Renováveis](#)
- [Management Report on Sustainability](#) which endorses the issues set by GRI methodology and explains the relation between organizational processes and material issues for the society.

This Report is a free translation of the Integrated Annual Report originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

This document is an unofficial and unaudited version of the EDP Group’s official accountability document, submitted at the CMVM website on March 11th, 2024. Notwithstanding, it corresponds to a faithful [interactive] copy of the aforementioned financial and non-financial information, which can also be found at EDP Group’s website under name “Integrated Annual Report 2023 – Unofficial Version – Unaudited”. In case of discrepancy, the official financial and non-financial information submitted to CMVM on March 11th, 2024 prevails.



We Choose Earth

Our choice is part of who we are. The Earth is the heart of our company, and we are ready to forge a future where humanity and the planet thrive harmoniously to become coal free by 2025, all green by 2030 and net-zero by 2040.

We embrace this transition and the responsibility to tirelessly protect and sustain our precious home. We embody boundless energy, shaped by the forces of nature, focused on renewables.

Through sustainable innovation, we want to become part of a never-ending natural cycle. That's our choice, give power to every leaf, every drop, every wind blow, and every sunrise.

We Choose Earth.



Purpose

Our energy

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

and heart

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

drive a better

Reflects our ambition and leadership in making change happen

tomorrow

The reason why we work every day



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Part I Management Report



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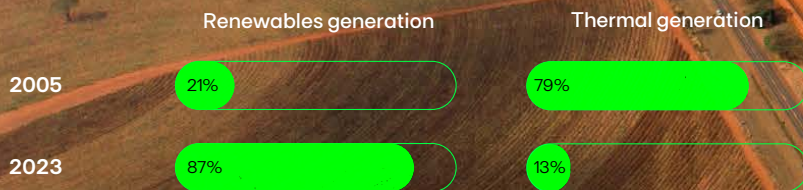
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We are leading the energy transition to create superior value



Pereira Barreto Solar Park, Brazil

Because We Choose Earth

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Message from the CEO



Miguel Stilwell d'Andrade
CEO of EDP and EDP Renewables

Dear Shareholders and Stakeholders,

In 2023, the global energy landscape continued its transformative journey.

Governments and businesses prioritized investments in clean energy and energy efficiency to address climate change and energy security concerns. At COP28, nations made a historic pledge to transition energy systems away from fossil fuels, highlighted by the advocacy, supported by EDP, for tripling global renewable energy capacity by 2030.

Yet, carbon emissions continued to increase and 2023 will likely be the hottest year on record. Inflationary pressures, supply chain restrictions, and geopolitical tensions distressed energy markets and affected investment decisions, highlighting the importance of resilience and diversification. Permitting and lack of grid connections hindered the development of renewable projects.

At EDP, we remained focused in transitioning to a clean energy era, continuously finding ways to navigate the uncertain context and address the various challenges. That is why in our 2023–2026 Business Plan, announced in March 2023, we have committed a further 25 billion euros of global investment to boost renewables generation, reinforcing our electricity networks, and supporting our clients towards decarbonization, across our regional hubs.

We are proud to be one of the greenest utilities in the world, with more than 85% of our capacity generated from renewable energy. We want to take it further by going carbon free by 2025, all-green by 2030, and net-zero by 2040.

Last year alone we took significant steps in that direction: EDP was ranked as the most sustainable electric utility in the world by S&P Global CSA for the third time in a decade. And the company was acknowledged as a leader in climate action during the United Nations Climate Ambition Summit in New York due to the credibility of its decarbonization and sustainability strategies, particularly its Climate Transition Plan.

We are reimagining the energy sector and driving a massive acceleration of renewables to meet the urgent need for cleaner, more reliable, and more affordable energy for all.

Renewables generation

We have added 2.5 GW of renewables installed capacity in 2023, ending the year with a total of 24.4 GW and 4.4 GW under construction.

In Europe, we have commissioned the first hybrid projects in Portugal and Spain, combining wind and solar power generation in one single grid connection. We launched Europe's largest solar project, located in Poland. We secured our first stand-alone battery storage project, in the United Kingdom. We continued to grow in North America, having commissioned 1.2 GWs of utility scale projects in 2023, and expanded our Distributed Generation footprint in the region to a total capacity of 246 MW. And we have launched our largest wind on-shore complex globally in Brazil, with 138 wind turbines. In the Asia-Pacific region, we already reached an installed solar capacity of more than 1 GWp.

Ocean Winds, our 50/50 joint venture with ENGIE focused on offshore wind energy, holds now a secured portfolio of projects in 7 countries representing 16.6 GW of gross capacity, of which 1.5 GW is in operation, 1.9 GW under construction and 13.2 GW under advanced development.

We are on track to hit our target of being coal free by 2025, following the sale of the Pecém coal power plant in Brazil, and the steps taken towards the conversion of the Aboño II thermal plant in Spain from coal into gas, as well as the authorization for the closure of EDP's last remaining coal plants in the country (Soto de Ribera and Los Barrios). We remain fully committed to our Just Transition plans to turn our former thermal sites into green hubs, with ambitious projects being developed along four business streams: green hydrogen, renewables, storage, and flexibility.

We have also kept a focused investment strategy in our hydro power plants in Portugal, Spain and Brazil, fostering hybridization and pumping solutions, aiming at operational excellence while managing volatility.

Electric networks

Networks are the backbone of the energy transition, and we are proud to take good care of the ones that we manage. In 2023 we operated a Remunerated Asset Based of 7.6 billion euros, spread across 387 thousand km of distribution and transmission grids, distributing 86 TWh of energy in Brazil, Portugal, and Spain. And our quality of service has been widely recognized in the sector.

We have invested more than 975 million euros in expanding and modernizing our networks, making our portfolio more reliable, resilient and digital. We have already installed 7.6 million smart meters (+1.1 million year-on-year) which allowed us to have 82% of our distributed energy remotely metered.

Client solutions

Distributed solar generation has become one of EDP's fastest growing business segments – it should account for around 50% of all new solar additions globally over the next few years.

We have now distributed solar generation across 16 markets worldwide, with around 1.7 GWp of cumulative capacity installed for residential customers and businesses. Up to date, our teams have implemented 140,000 installations in residential homes in Europe, in addition to small businesses and large companies in other key markets.

With regards to electric mobility, EDP in Iberia continues its consolidation in this field with 4,700 new public chargers as of year-end. By 2026, the goal is to reach 7,000 public charging points.

Energy management

Important steps were taken in implementing a Global Energy Management platform at EDP, bringing closer together the integrated value from asset development to customer supply to maximize the value of our integrated portfolio and margin.

Energy management has increasingly been an instrument of competitiveness for our growth plan, enabling investments by bridging intermittent renewable energy sources with sophisticated clients that demand clean, affordable, and reliable energy.

Our people, organization and social footprint around the world

As we push forward with our ambitious goals, we are continuously refining our operating model to reflect our global presence and operational excellence in a volatile business landscape, starting our in-house talent. We are more than 13,000 people – more than 60 nationalities across the world – embracing a purpose-driven career, where empowerment, transparency, respect, and meaningful work are key goals. This is reinforced by our recognition as a Top Employer in many of the regions EDP operates. And for the third year running, EDP was also included in the Bloomberg Gender Equality Index, which reflects our commitment to creating a more diverse and inclusive workplace.



We continue betting on digital transformation, democratizing access to data and artificial intelligence, designing a global strategy with GenAI at the core. And we have been taking research and development investment seriously, accelerating delivery in 7 innovation domains – renewables, grids, distributed generation, storage & flexibility, hydrogen, mobility, and decarbonization of end uses – through internal incubation, open innovation & partnerships, and corporate venture capital.

Our goal is also to lead a just energy transition fostered by our social impact strategy. Through our Foundations in Portugal, Spain, and Brazil, we have strengthened projects reaching out communities in need. EDP *Energia Solidária* is a good example – a 2 million euros commitment to back social projects in these regions focused on promoting electric mobility, solar energy, and energy efficiency initiatives. In 2023 we have also launched the 5th edition of the Access to Energy Fund that, over its last four editions, dedicated a total investment of 2.5 million euros to support projects in Africa, benefiting more than 1.5 million people, and impacting key areas such as health, agriculture, education, and access to drinking water.

We continued to carry out our daily operations with strict compliance with the laws and regulations governing the regions in which we operate and ensuring the highest standards of ethics and integrity. This strong ethical foundation – that stands today as a cornerstone of our organization's reputation – enabled us to be recognized by the Ethisphere Institute for the 12th consecutive year as one of the world's most ethical companies.

Our financial performance

The 2023–2026 Business Plan restated the company profile of strong value creation with a sound balance sheet and low risk profile, supported by our diversified shareholder base and high-quality long-term investors. When announcing the new Business Plan last March, we have successfully executed a 1 billion euros capital increase at EDP Renewables level to partially finance the company's growth plan, and a 1 billion euros capital increase at EDP level to fund the takeover of our subsidiary in Brazil. The transaction was successfully concluded, simplifying the group's structure and giving greater flexibility to manage our presence in the Brazilian market.

In 2023, EDP has delivered outstanding results, with a recurring EBITDA of 5,023 million euros, representing an 11% increase year-on-year, benefiting from a strong performance of Iberian integrated electricity margin, a strong execution of the asset rotation program and a stability of the networks business. Recurring Net Profit reached a record of 1,290 million euros, driven by EBITDA growth and the buyback of minorities in our Brazilian business, despite lower wind resource and load factors.

We have successfully issued 7.3 billion euros in green bonds in the 2021–2023 period, while achieving BBB rating across 3 top agencies.

And EDP has revised its dividend policy to a more sustainable payout ratio in line with peers, ensuring a solid and sustainable dividend policy, raising the floor to €0.20 by 2026.

Looking back with appreciation

EDP has a world class team and everyone has played a part in making 2023 another successful year.

I want to thank my colleagues on the Executive Board of Directors for their tireless work and dedication over the 2021–2023 mandate and knowing I could always count on them. I also want to thank and recognize João Talone, the Chairman of EDP's General and Supervisory Board, for his strong convictions, continued support and wisdom over this very successful term. I have learnt a lot from João Talone over this period. Finally, a word of appreciation to all the members of the General and Supervisory Board for their valuable contributions and insights.

I also have heartfelt gratitude to our stakeholders who continued to support EDP – our shareholders, customers, suppliers, regulators, partners, and local communities. And a special word goes out to EDP's 13,000 colleagues around the globe who make our business, our impact, and everything we achieved this year possible.

As I look to 2024, I believe EDP is well placed to continue leading the energy transition, driving positive change on a global scale and creating value for all stakeholders.

Miguel Stilwell d'Andrade

2023 Main achievements

January

- 17** EDP distinguished as one of the best companies to work for by Top Employer in 9 countries, including Greece and Colombia for the first time.
- 31** EDP is once again included in the Bloomberg Gender Equality Index (GEI), improving its overall score compared to last year.

February

- 14** EDP signs its first PPA secured in Greece to sell the green energy produced by a 78 MW wind portfolio.

March

- 02** EDP presents its Business Plan for 2023–26, with a €25 Bn investment plan until 2026 to boost renewable additions, reinforce our networks and support our clients.
- 03** EDP successfully completes a €1 Bn capital increase at EDPR to partially finance the company's growth plan, and also a €1 Bn capital increase at EDP to fund the takeover offer to invest in EDP Brasil.

April

- 12** EDP holds its Annual General Shareholders' Meeting and approves the distribution of dividends relating to 2022 financial year.
- 24** Google and EDPR agree to develop 650MWp of solar energy, the largest US corporate sponsorship of distributed PV, while promoting an initiative that provides benefits to nearly 25,000 low-to-moderate income families.

May

- 03** EDP secures a 15-year PPA to sell the green energy produced by a 150 MWac solar project in Texas, US.

June

- 14** Google chooses Kronos Solar EDPR for long-term energy contract of 40 MWac in The Netherlands, EDP's first PPA in the country.
- 20** European Commission awards EDP's floating solar project in Alqueva for innovation.

July

- 13** Two of EDP's main green hydrogen initiatives, a key vector for the energy transition, have been selected by the European Commission to receive funding from the European Union Innovation Funds.
- 25** EDP closes Asset Rotation deal for a 257 MW wind portfolio in Spain.

August

- 30** EDP successfully completes the takeover bid for the minority shareholders of EDP Brasil, representing an important step in the implementation of EDP's strategy.

September

- 20** EDP recognised among climate action leaders at UN Climate Ambition Summit in New York, being the only company invited to speak at a debate on credibility of Net Zero targets.

October

- 12** EDP completes Asset Rotation deal of 142 MW from 3 operating wind farms and up to 159 MW of hybrid solar projects under development in Poland.
- 27** EDP establishes a new partnership for the conversion of the Aboño thermal plant to gas and request the closure of remaining 2 coal plants in Spain.

November

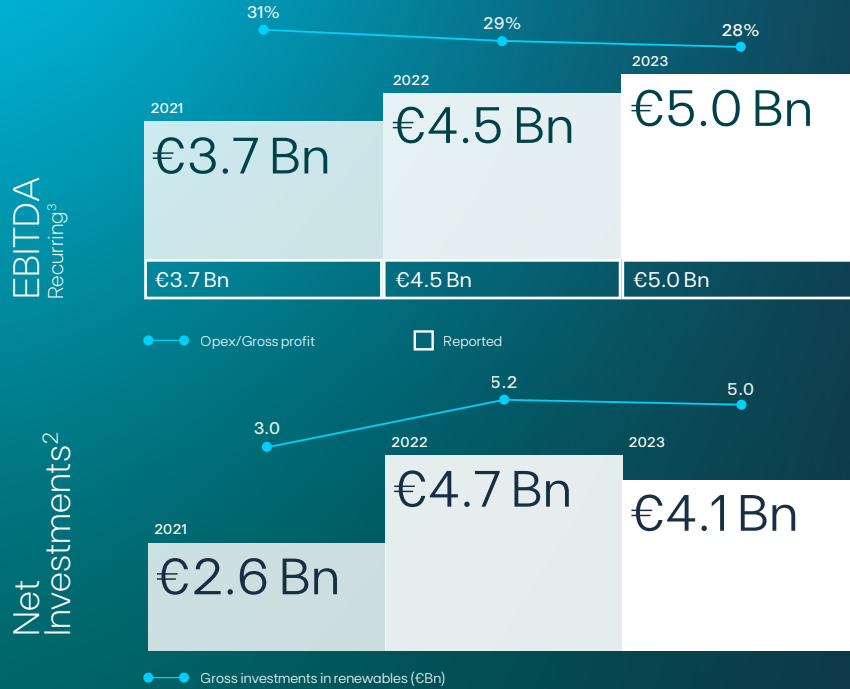
- 01** EDP signs asset rotation deal of two transmission lines in Brazil.
- 27** EDP is recognized as the most sustainable electric utility in the world by S&P Global CSA.

December

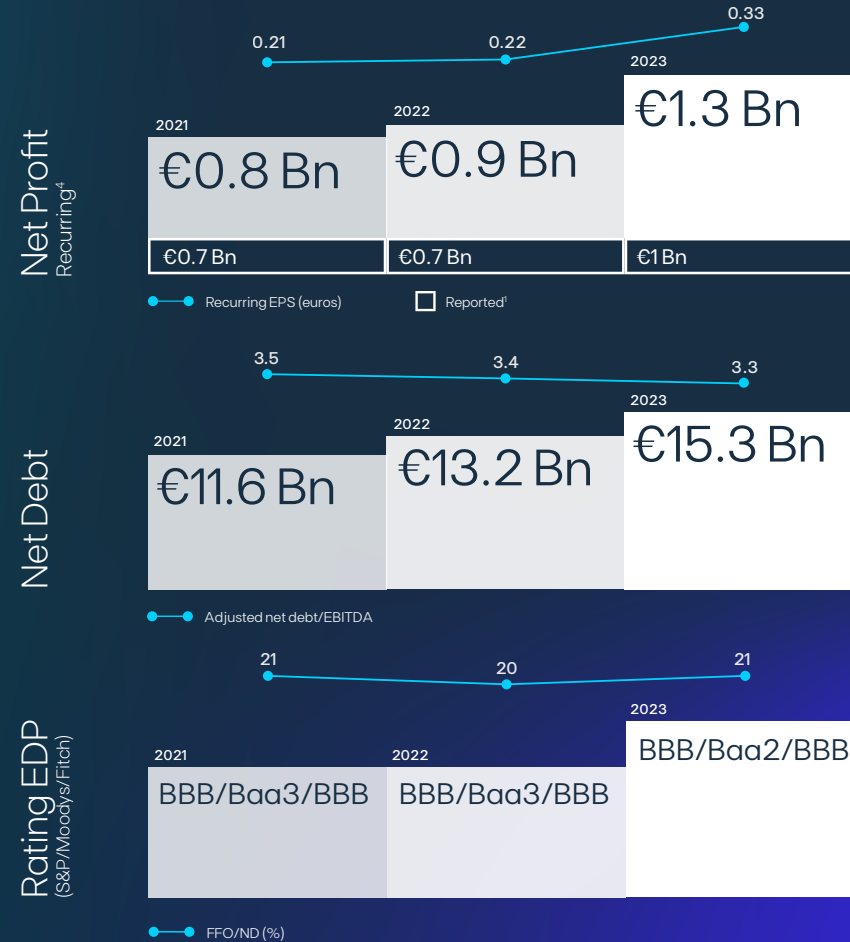
- 05** EDP participates in COP28, joining the GRA pledge to triple renewables capacity by 2030, supporting the "Fossil to Clean" campaign from We Mean Business Coalition, and launching the Utilities for Net Zero Alliance with 24 other major global utilities.
- 18, 21** EDP agrees to sell Portuguese tariff deficit for €2 billion.
- 22** EDP concludes sale of 80% of the Pecém coal-fired power plant in Brazil, in line with our strategy to be coal-free by the end of 2025.
- 29** EDP buys back 49% stake in 1 GW wind portfolio in Portugal, Poland and Italy for €0.57 Bn.
- 30** EDP completes Asset Rotation deal of a 260 MW wind portfolio in Brazil.

Key metrics

Financial data



1 – Net profit attributable to EDP equity shareholders.
 2 – Considers capex of EDP group, organic financial investment €288M (31 Dec 2022: €2,115M) and asset rotation –€2,020M (31 Dec 2022: –€1,967M).
 3 – Non-recurring adjustments in 2023: –€3m, including at Hydro+Clients & EM Brazil the one-off related to loss on Pecém disposal (–€84m); including at Hydro+Clients & EM Iberia a gain at Aboño disposal (+€104m); at Wind & Solar the cancelation of Southcoast PPA, at Ocean Winds (–€10m) and others (–€13m). In 2022: +€1m, including net gain related with portfolio optimization in LatAm (+€4m) and HR restructuring costs (–€3m).
 4 – Adjustments and non-recurring items impact at net profit level: In 2023 –€337m, including: i) Iberian conventional generation impairments and gains (–€32m), ii) EDPR impairments (–€130m), iii) Pecém impairment and loss (–€132m) and other impairments (–€24m); iv) other one-offs at EDPR (–€16m) and other at financial results level (–€4m). In 2022 –€192m, including: (i) impairments in thermal assets and other (–€154m), impairments in EDPR (–€41m); and others.



Key metrics

Operational

24 GW

Renewable Installed capacity Equity + EBITDA
+8% vs 2022

56 TWh

Generation output
+25% vs 2022

9,171

Electricity and gas customers
-2% vs 2022

86.4 TWh

Distributed energy
+1% vs 2022

387

Distribution and transmission operating network ('000 km)
+1% vs 2022

ESG

81 gCO₂/kWh

SBTi: CO₂e emissions intensity (scope 1 and 2)
-50% vs 2022

€26.2M

Global investment in communities
+32% vs 2022

96%

Total recovered waste
+2p.p. vs 2022

62%

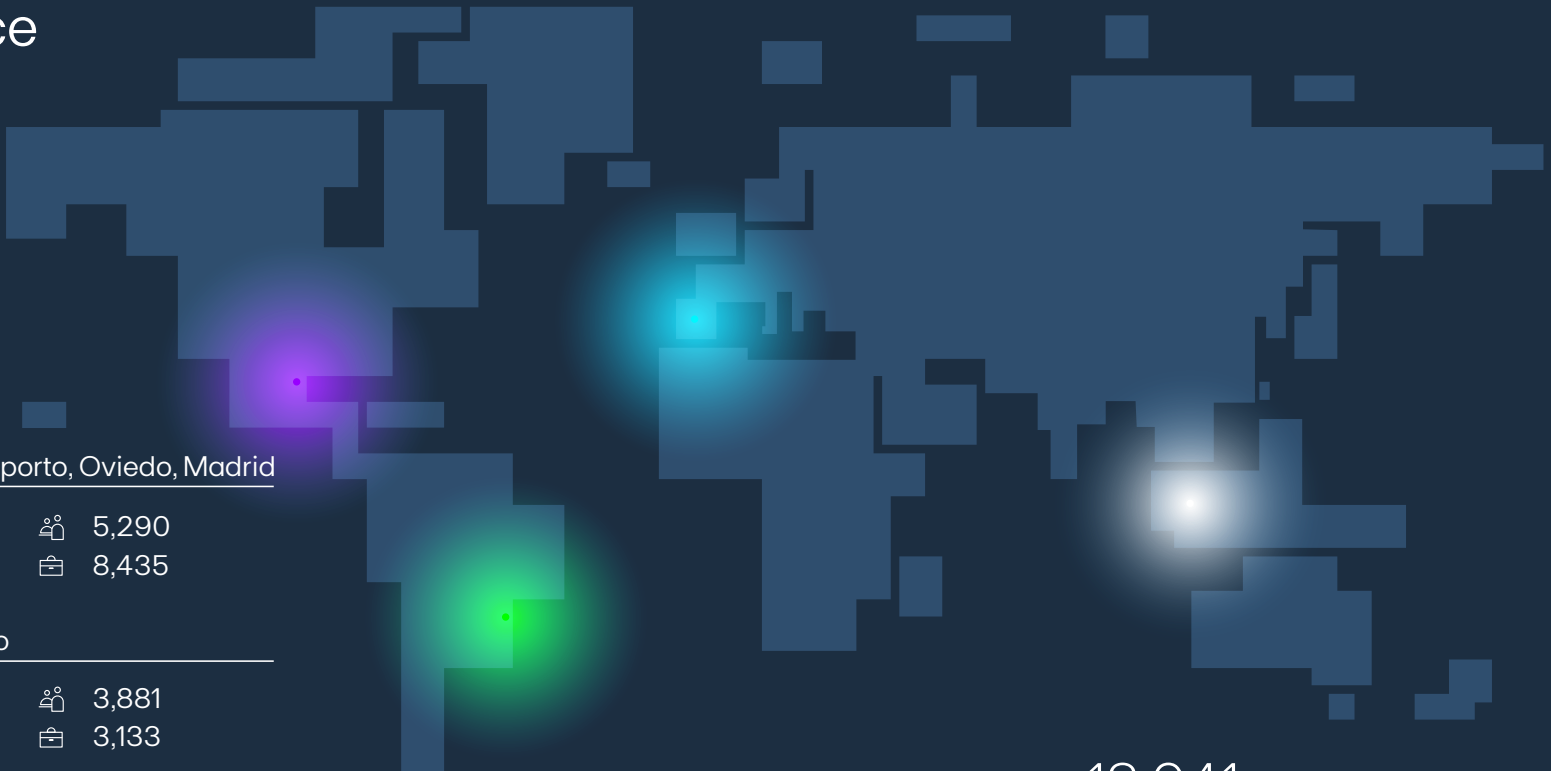
Suppliers compliant with ESG Due Dilligence

29%

Women employees
+1p.p. vs 2022

Global presence

Our Presence is structured around 4 regional hubs



Europe ● Lisbon, Oporto, Oviedo, Madrid

		11,522			5,290
		288			8,435

South America ● São Paulo

		3,200			3,881
		99			3,133

North America ● Houston

		8,405		1,073
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APAC ● Singapore

		950		400
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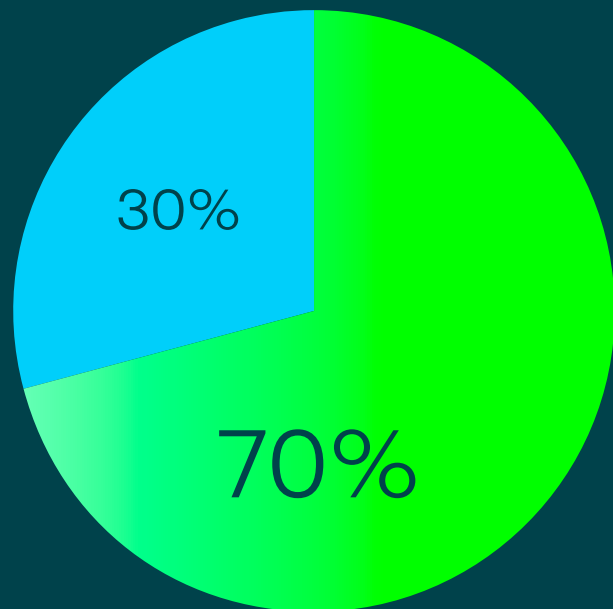
Solar Capacity (MW)	Hydro Capacity (MW)
Wind Capacity (MW)	Networks ('000 km)
Clients ('000 #)	Employees (#)
● ● ● ● Main offices	

13,041 employees

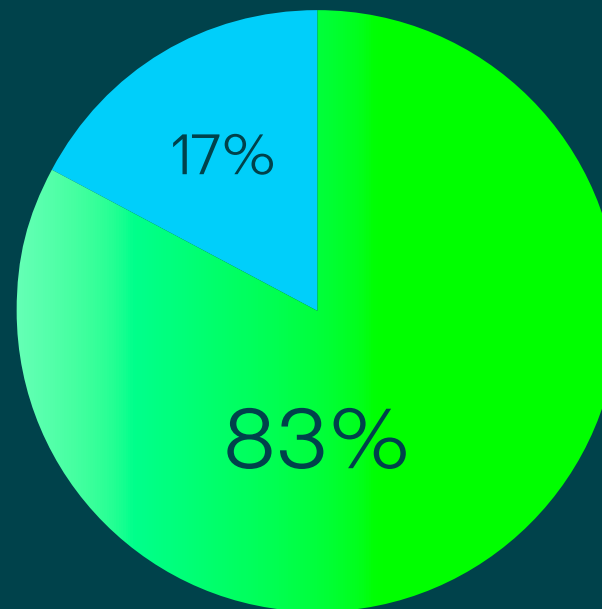
56 TWh

29 GW capacity installed

Business areas



EBITDA



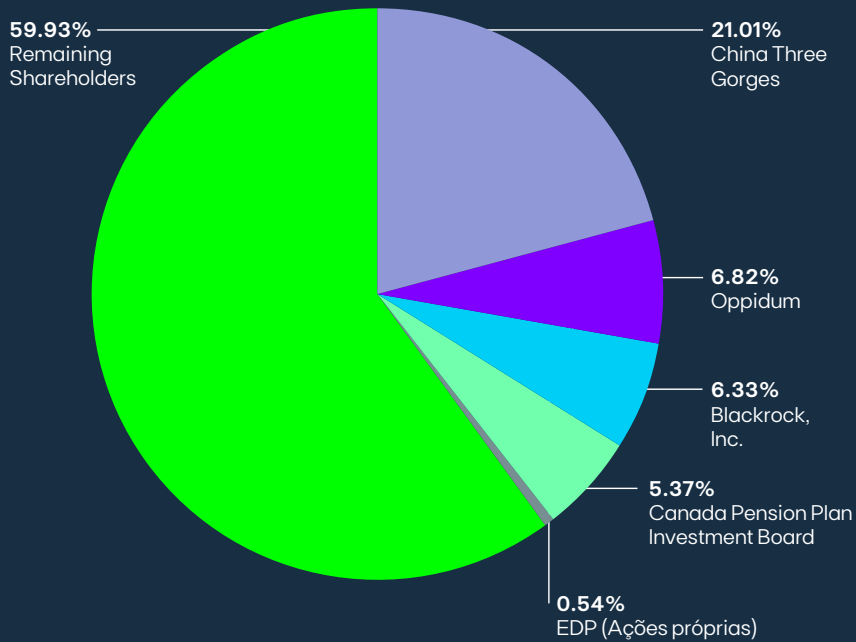
Capex

 Renewables, Clients & Energy Management

 Electricity Networks

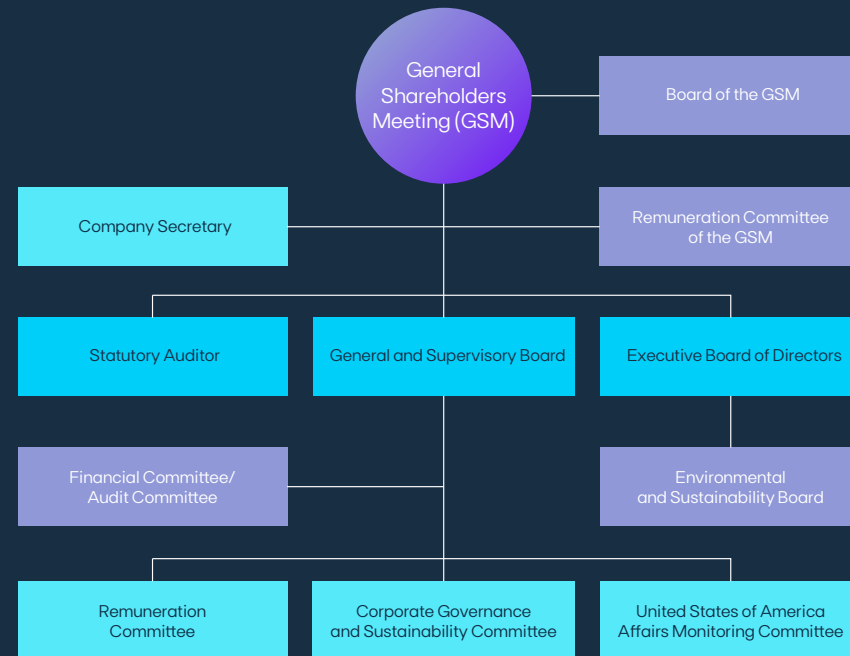
Shareholder structure

The share capital of EDP - Energias de Portugal, S.A. 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.



The volume of the Socially Responsible Investors (SRI) represent 30% of EDP's shares capital, slightly above 2022. 51% of the institutional investors are located in Europe being the rest located in United States (20%), Canada (12%), Asia (10%) and Rest of the World (8%).

Corporate governance



- Corporate Entities¹
- Corporate Bodies
- Other Statutory Bodies

¹ Corporate Entities are also Corporate Bodies, pursuing the article 8(4) of EDP's Articles of Association.

Corporate bodies

Executive Board of Directors



Miguel Stilwell d'Andrade

Rui Teixeira

Vera Pinto Pereira

Ana Paula Marques

Pedro Vasconcelos

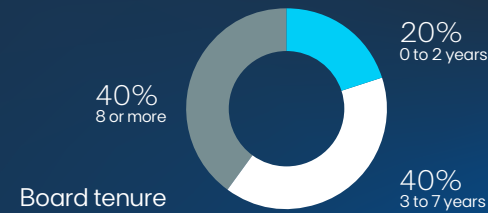
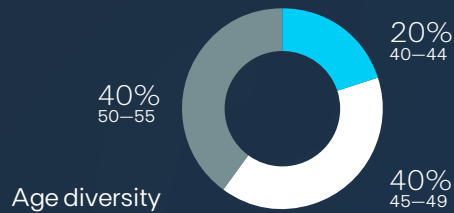
- CEO EDP and EDP Renewables
- Networks
- Strategy, Legal & Governance, Internal Audit, Compliance, Ethics
- People & Organization and Communication

- CFO EDP and EDP Renewables
- Finance, Planning & Control and Investor Relations
- Risk, Sustainability and Shared Services

- Head of Client Solutions
- EDP Foundation and Social Impact
- Brand and Safety, Security & Business Continuity

- Head of Conventional Generation
- Digital and Innovation
- Policy, Regulation & Stakeholders

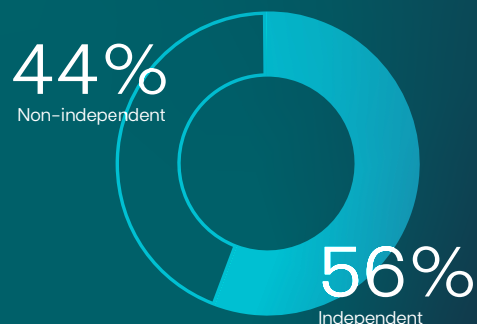
- Head of Global Energy Management
- COO EDP Renewables APAC
- Energy Planning



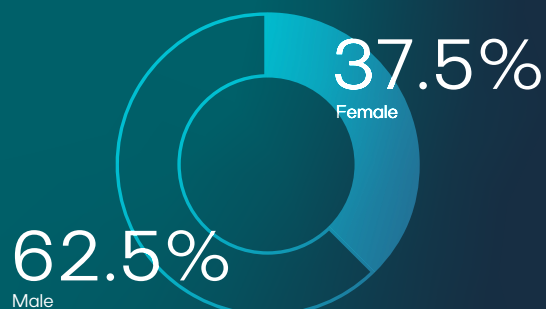
Corporate bodies

General and Supervisory Board

Status



Gender diversity



João Luís Ramalho de Carvalho Talone
Chairman



Dingming Zhang
China Three Gorges Corporation



Shengliang Wu
China Three Gorges International Limited



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



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



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



Felipe Fernández Fernández
DRAURSA, S.A.



Fernando Maria Masaveu Herrero



João Carvalho das Neves



Maria del Carmen Fernández Rozado



Laurie Lee Fitch



Esmeralda da Silva Santos Dourado



Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto



Sandrine Dixson-Declève



Zili Shao

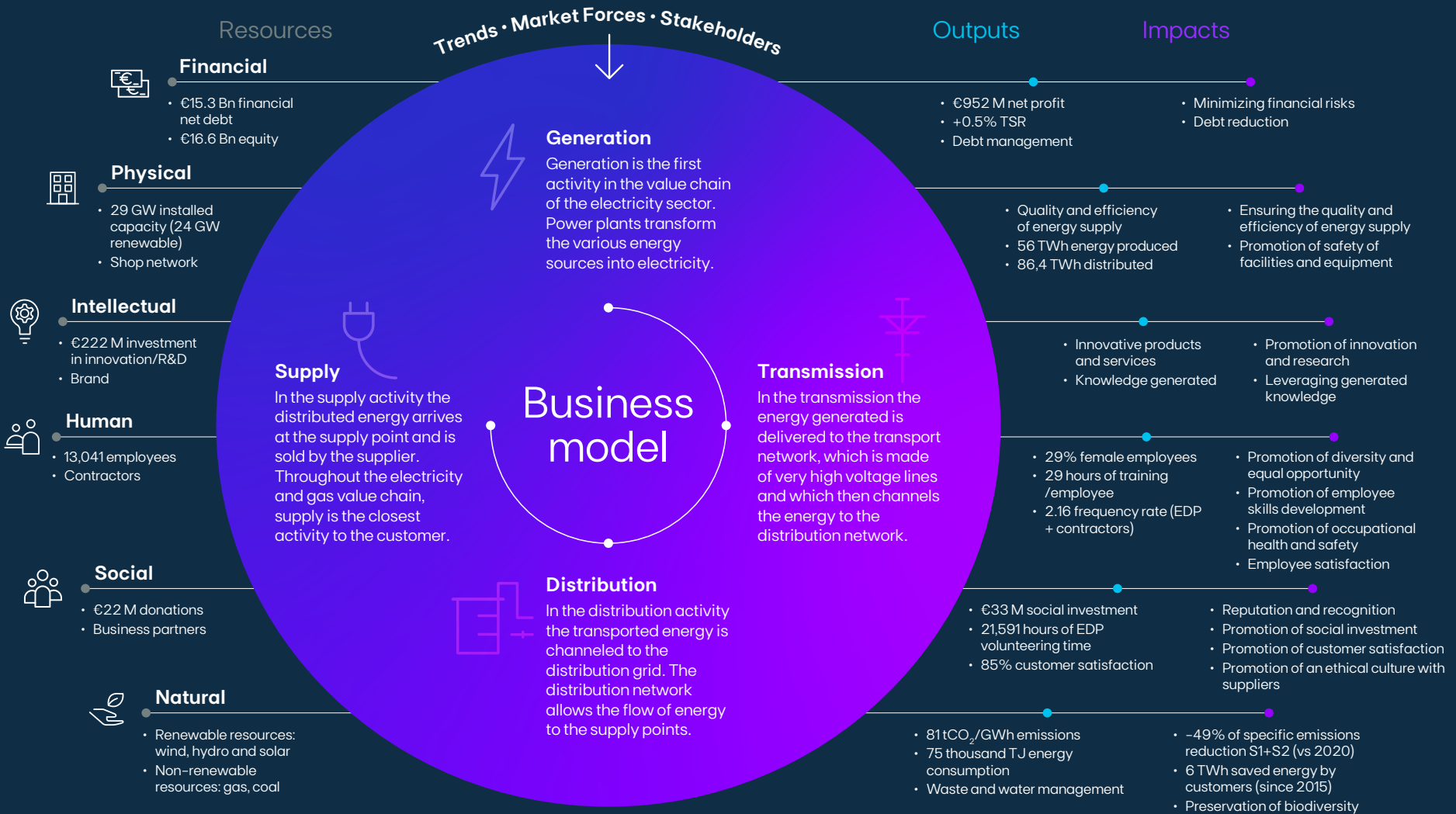


Luís Maria Viana Palha da Silva
Chairman of the General Shareholders' Meeting

Alternate Statutory Auditor

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

Aurélio Adriano Rangel Amado
Revisor Oficial de Contas Suplente



Stakeholder management

Stakeholder management is a strategic priority for EDP, following the ESG (Environment; Social; Governance) growing importance in the business world.

Engaging with stakeholders is an extremely demanding exercise for companies, that involves sharing information and being transparent in their relationship with society and, in particular, with all who are affected by their activities. EDP seeks to achieve this through four major interaction commitments: comprehend, communicate, trust, and collaborate.

EDP remains committed to preserving the excellence achieved in this area, constantly seeking to listen to its key stakeholders, adapting and improving its procedures, and incorporating different visions into its action plans.

As a result, in 2023, the EDP Group carried out a global and integrated study among several stakeholder segments in the regions where it operates, with more than 6,000 respondents. This exercise allowed EDP to assess stakeholders' global perception of the company and its role in leading the energy transition. Following the first global assessment conducted in 2021, there has been steady progress in perceptions and strong reinforcement of our global positioning.

EDP Group continues committed to achieving an excellent level regarding stakeholder engagement activities, designing new procedures, and global and unified approaches on its main markets, adapting it whenever necessary regarding cultural and social specificities.

EDP strongly believes this activity is key to enabling the implementation of the business plan, improving business success, anticipating risks, and also to create value for the stakeholders involved.

Position EDP as a global company at the forefront of the energy transition, increasing awareness in our key markets, and establishing long-lasting and trustful relations with our main stakeholders will continue to be our main purpose.

Stakeholders



Market

- Competitors
- Investors & Analysts
- Financial Entities & Tax equity investors
- Shareholders
- Assets Owners
- Market Agents



Value chain

- Employees & Unions
- Suppliers
- Partners
- Universities & Scientific Community
- Offtakers
- Business Associations
- Start-ups
- Clients



Democracy

- Governments
- Public Powers & Regulation
- Parliament & Political Parties
- Municipalities
- International Institutions & Associations



Social and local communities

- NGOs
- Landowners
- General Public
- Educational Institutions
- Media & Opinion Leaders

For more information see www.edp.com

We will be coal free

by 2025

Setúbal Thermoelectric
Power Station, Portugal

< 023 >



Part I

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Because
We Choose
Earth

2.1. Business Environment

2.1.1. General context 2023 overview

2023 was marked by efforts to recover from what happened in the previous years. After a global pandemic and the immediate effects of the war in Ukraine, the impacts on the global economy still last. The different global economies still struggle to get back on track and the energy sector is finding its way back to lower volatility.

While in 2022 inflation rates were at very high levels, 2023 was the year to start seeing more stable indexes. In the Eurozone inflation was 5.4% by 2023, a drop from 8.4% in 2022, while in the United States, it stood at 4.1% against 8.0% in 2022 (source: [Focus Economics](#)). Monetary policy measures played a big role in 2023, with consecutive increases in interest rates both by the European Central Bank and by the US Federal Reserve. The higher cost of capital creates a challenging environment for investors, cautiously considering where to put their money next.

In 2023 the energy sector recovered from the environment of uncertainty and high volatility from 2022. Coal annual average prices decreased more than 55% in 2023, as API#2 – a widely used European price reference for coal – was around 129 \$/ton compared to 290 \$/ton in 2022.

The Brent price was somewhat stable during the first half of 2023 but following cuts in Saudi Arabia, Russia, and OPEC+ countries production, it reached the maximum of 95.4 dollars per barrel (\$/bbl) by September. The year ended with an average price of 83 \$/bbl, a lower reference compared to the 101 \$/bbl of 2022.

There was a significant decrease in gas prices, as Henry Hub – reference index in the US – reached an average price of 2.5 dollars per million British thermal units (\$/MMBtu), 54% lower than the previous year. The European reference gas index (TTF) price at the beginning of the year was 63 €/MWh (average price in January) but started to decrease to the range of 30–45 €/MWh as EU gas storage reached a level of 86% at the end of the year. The TTF had an average price of 41 €/MWh in 2023, almost three times lower than the 2022 price of 121 €/MWh.

In Europe, the reference carbon price of the European Emissions Trading System (ETS) was on average 84 €/ton in 2023, a slight increase from the 81 €/ton average price in 2022.

Having a sustainable and secure energy system is a clear priority to many countries, after everything that happened in 2022. Accelerating the energy transition is on the political agenda of so many countries, as well as on the strategic plans of private sector corporations. Throughout the year 2023, several policies were put in place, with the main focus of boosting investors' confidence back and strengthening industries' competitiveness, so that economies can keep on recovering and businesses have a favourable environment to strive.

Global warming in 2023

2023 has become the warmest year on record, according to the European Earth Observation Programme, "Copernicus". Unprecedented global temperatures from June onwards led 2023 to become the hottest year since we have registers, overtaking 2016, the previous warmest year. In the past months, global temperatures were 1.48° C warmer than the 1850–1900 pre-industrial level and therefore, close to the 1.5° C limit agreed upon in the Paris Climate Agreement. According to the report, it is likely that a 12-month period ending in January or February 2024 will already exceed the 1.5° C threshold.

The Intergovernmental Panel on Climate Change (IPCC) made a call in March 2023 for urgent climate action, as the planet seems to be at an inflection point regarding climate change, as chances to keep the 1.5° C temperature goal are narrowing. According to the report, limiting global warming to 1.5° C, requires a peak of emissions before 2025, and reducing them by 43% by 2030, 60% by 2035 and reaching net-zero in early 2050.

Global warming has already caused devastating disruptions in ecosystems, populations and economies all around the globe, and impacts seem to be increasingly catastrophic. The year 2023 was no exception and important climate-related events caused widespread damage all around the world. In Libya, and Turkey, torrential rains fell in volumes rarely seen, leading to devastating floods. China was hit by the Doksuri Typhoon, one of the strongest storms in years, that caused significant rainfall and flooding across the country. Extreme hot and dry conditions led to a large number of catastrophic wildfires all around the globe, including Greece (that experienced the largest wildfire ever seen in Europe), Canada, South America and Australia, among

others. On the other hand, record droughts were recorded in different regions, including the Amazon rainforest, Mexico and western Africa.

Climate negotiations: 28th Conference of the Parties of the UNFCCC (COP 28)

The 2023 United Nations Conference of the Parties (COP) took place in Dubai, in the United Arab Emirates (EAU) from 30 November to 12 December.

For the first time, countries agreed on the need to “transition away from fossil fuels in energy systems” in a “just, orderly and equitable manner” to achieve net-zero by 2050. This was the main conclusion to the first Global Stocktake (the inventory on global climate action and support that informs the updates to countries’ Nationally Determined Contributions or NDCs). However, the deal did not include concrete actions and no timescale was specified. Besides, given the omission of the terms “phase-out” or “phase-down” could be a sign of lack of ambition according to some countries.

Countries home to at least half the world’s renewable energy capacity also signed a pledge to triple the world’s renewable energy capacity by 2030 to at least 11 TW and double global energy efficiency improvement rates from around 2%/year now to more than 4%/year by 2030. The renewables’ target will require an unprecedented acceleration in renewables’ deployment, although according to the International Energy Agency, it is an “ambitious, yet achievable goal”.

European Energy Policy

Renewable Energy Directive

The Renewable Energy Directive is the legal framework for the development of clean energy across all sectors of the EU economy. Given the need to speed up the European clean energy transition as mandated in the “Fit for 55” package, the Renewable Energy

Directive EU/2018/2001 for the period 2020–2030, was revised in 2023. The revised Renewable Energy Directive, the so-called “RED III” was published on 31 October 2023 and entered into force 20 days later.

The RED III aims to increase the share of renewable energy in the EU’s overall energy consumption to 42.5% by 2030, with a further indicative target of 2.5%. To achieve this target, the Directive calls for an acceleration of permitting procedures and sub-targets on the industry, transport and buildings sectors are also imposed.

Regarding the acceleration of permitting procedures, the Directive includes measures to considerably speed up permitting for new projects. A key measure is the definition of so-called “Renewable acceleration areas” that have to be defined by Member States (MS), and in which renewable projects will benefit from shorter and simplified permitting processes. In particular, renewable energy sources (RES) projects (or collocated energy storage facilities) in these areas will be exempted from the Environmental Impact Assessment and permitting times shall not exceed one year (two years for offshore projects) and six months for repowering of plants and for new installations with an electricity capacity of less than 150 kW. Outside such areas, the process should not exceed 24 months. The Directive furthermore mandates that the lack of an answer from the administration within the prescribed deadlines will result, in some cases, in tacit approval of the specific administrative step. Under the new Directive, the deployment of RES will also be of “overriding public interest” limiting the grounds of legal objections to new installations.

Member States must transpose the RED III to national law by mid-2025.

Wind Power Package

The European Commission launched the so-called “Wind Power Package” (WPP) in October 2023, which aims to accelerate the roll-out of wind energy in Europe and to strengthen the competitiveness of European wind energy manufacturing. The WPP tackles specific challenges faced by the European wind power sector, such as the uncertain demand for wind turbines, high inflation, shortages and increasing costs of raw material costs, and slow and cumbersome permitting processes. The final goal is to achieve the 420 GW of wind energy that the REPowerEU targets by 2030.

The WPP proposes a Wind Power Action Plan which sets out 15 concrete and immediate actions, structured in 6 key pillars.



Some measures aim at accelerating the deployment of wind through an increased predictability and faster permitting, with a strong emphasis on the digitalisation of national permitting processes.

The WPP also aims at improving auction design. MS will ensure auction prices are indexed to reflect increases in costs and will use prequalification criteria in critical areas such as cybersecurity. The WPP also calls for an increased visibility through wind pledges, publication of the mid-term auction schedules and of long-term plans for renewables deployment.

Access to finance is another key pillar. The EC aims to double the EU Innovation Fund budget for clean technologies and to increase support for wind-related activities in the revised Strategic Energy Technology Plan (SET Plan) focusing on research and innovation in the wind manufacturing sector. On this regard, the EC launched a €4bn call under the Innovation Fund with grants aimed to support investment in clean tech manufacturing. Likewise, the European Investment Bank changed its lending rules to support factory investment and launched a new €5bn counter-guarantees scheme for wind turbines manufacturing.

To ensure commitment from Member States, a dedicated Wind Power Charter was released in December 2023, and was signed by 24 Member States and endorsed also by Bulgaria and Croatia and more than 300 companies from the wind energy sector (such as EDP Renewables).

Market Design Reform

Throughout the year 2023, the EU worked on the electricity market design reform, and in December 2023 the proposal was approved. This reform intended to build an energy system based on clean technologies, while at the same time promoting a competitive environment for businesses and a stable price setting for consumers.

To reach such goals, different proposed measures are moving forward, some of them highlighted here:

- investments in new generation such as wind, solar, geothermal, hydro without reservoir, and nuclear, will be backed through public support in the form of two-way contracts for difference, or an equivalent scheme
- member states shall provide public guarantees to promote new renewable power purchase agreements under certain conditions

- suppliers (with more than 200 thousand customers) will be obliged to offer fixed-term and fixed-price contracts with a duration of at least 1 year
- member states may apply flexibility support schemes to non-fossil technologies, including storage and demand-side response, in the form of capacity payments.

Net-Zero Industry Act

The Net Zero Industry Act was published in March 2023 to strengthen European manufacturing capacity and promote measures to overcome barriers to the scaling up of such capacity. Some specific targets were set to achieve these outcomes, namely increasing the production of zero-impact technologies, in order to meet at least 40% of the EU's annual needs for the deployment of strategic zero-impact technologies by 2030. Solar photovoltaic, onshore wind, offshore wind, batteries, and electrolyzers are some of the technologies among the list considered in this Act.

To ease conditions and stimulate investment, this legislation sets several proposals, namely:

- accelerating permitting and lowering the administrative burden to the implementation of net-zero technology manufacturing projects
- facilitating market access, for example, by including sustainability and resilience criteria for public procurement and auctions
- attracting investment through the Net-Zero Europe Platform and the EU Hydrogen Bank and
- fostering innovation through the creation of regulatory sandboxes.

Critical Raw Materials Act

Clean technologies rely heavily on critical materials, and so the demand for these is expected to rise significantly in the coming years. To secure the supply of strategic raw materials, the European Commission proposed in March 2023 the Critical Raw Materials Act. The legislation identifies a list of strategic raw materials that are needed for key technologies, which in turn are critical for the EU to pursue its green ambitions and goals.

The Act sets a target of having no more than 65% of the EU's annual consumption of each strategic raw material at any relevant stage of processing from a single third country by 2030. By diversifying the supply chains, the EU will be able to mitigate the risk of external dependencies.

The legislation is in provisional agreement by the Council and the Parliament, and it sets the following non-legally binding targets:

- at least 10% of the EU's annual consumption of strategic raw materials, by 2030, must come from internally conducted extraction
- at least 40% of the EU's annual consumption of strategic raw materials, must come from internally conducted processing, by 2030
- least 25% of the EU's annual consumption must come from internally conducted recycling, by 2030.

US Energy Policy

The Inflation Reduction Act, which came into effect on January 1, 2023, is the most significant legislation in the history of the United States. It aims to provide funding, programs, and incentives (such as tax credits) to accelerate the transition to a clean economy. This is intended to reduce the costs of renewable energy for organizations, NGOs, businesses, and academic institutions. The Treasury has informed how investment tax credits will apply to offshore wind and batteries, while also detailing how domestic content and apprenticeship tax credit-adders can be applied. The Department of Energy (DOE) has announced 3.5 billion USD to boost domestic production of batteries, 1.3 billion USD for transmission expansion, and various smaller grants for equal justice and innovation projects focusing on low-income and coal communities.

The Federal Energy Regulatory Commission (FERC) published Order No. 2023 on September 6, 2023. This rule will go into effect on April 3, 2024, and is meant to both reduce backlogs of projects seeking to connect to the transmission system and provide more concrete deadlines throughout the process. The rule will adopt a cluster study approach for examining grid upgrades and additions rather than studying individual proposals.

The Environmental Protection Agency (EPA) proposed greenhouse gas emissions limits for coal- and gas-fired power plants in May 2023. The limits vary based on plant size, whether they are existing or new, and how often they are online. These proposed limits would require the affected plants to either add carbon capture technology, co-fire with 'green' hydrogen, or retire. These rules are not yet final and there has already been pushback from various states, Independent System Operators (ISO) and Regional Transmission Organizations (RTO), citing reliability concerns. It is expected that the final version issued by the EPA will undergo heavy legal scrutiny.

2.1.2. The evolution of renewables around the world in 2023

According to the International Energy Agency (IEA), in 2023, the amount of renewable energy capacity added to energy systems grew by 50% globally compared to the previous year, marking the fastest growth rate in the last two decades, with an estimated addition of 507 GW. Photovoltaic energy contributed to one-third of the global capacity increase. The IEA expects an even faster growth in the next 5 years, increasing the chances of achieving the goal of tripling renewables' global capacity by 2030 as agreed at the COP 28 Climate Change Conference. According to the IEA, solar PV and wind will account for 95% of global renewable additions through 2028. Supportive policy environments and the improving economic attractiveness of these two technologies remain the most important drivers behind the expected growth.

The astonishing renewables growth in 2023 was mainly driven by China, that installed as much solar PV as the entire world did in 2022. The growth was also supported by all-time records of new renewable additions in Europe, the US and Brazil.

Wind

According to IEA estimations, global wind additions could have reached 108 GW in 2023. This would represent, the highest figure ever seen, and the first time the wind sector surpasses the 100 GW threshold. Long-term fundamentals remain strong for the coming years, and supportive policies in China, the US and Europe in particular, are expected to boost wind additions in the coming years. However, short and medium-term challenges in project execution remain.

New installations in China could have hit a record and grow to 59-65 GW¹ as provinces are accelerating to meet the targets set out in their five-year plans. India could have commissioned more than 3 GW of new wind projects, the highest figure since 2017.

In the US, new installations have grown at a moderate pace, with around 7-9 GW built in 2023. Although developers seem to be taking advantage of new tax credits from the Inflation Reduction Act, it still takes time to bring projects online. At the end of Q3 2023, nearly 147 GW of onshore wind were operating in the US, according to the American Clean Power Association (ACP). Additions are expected to pick up in 2024.

¹At the time of preparation of this report, final data from the Global Wind Energy Council (GWEC), the American Clean Power Association (ACP) or Wind Europe, had not been released. Experts consulted include IEA, S&P, Bloomberg New Energy Finance, Wood MacKenzie
²Data from the German Wind Energy Association (BWE)
³Data from the National Electricity Energy Agency (ANEEL)

The European Union built a record 17 GW of new wind capacity in 2023, according to preliminary data from Wind Europe. Wind energy is expected to be a fundamental piece of Europe's clean energy transition, but these figures are still well below the required capacity to hit the 2030 target (30 GW/year). Particularly, onshore wind energy still faces some significant obstacles contributing to the observed delay, namely difficulties in obtaining licensing, network restrictions, and increased production chain costs.

Germany was the largest market, followed by the Netherlands and Sweden. Germany² installed 2.9 GW of onshore wind power in 2023, more than the previous year (2.4GW). In addition, around 7 GW were approved in 2023 and 6.4 GW awarded in tenders, figures never seen before.

Spain commissioned 1.6 GW of onshore wind facilities, a very promising figure but still below the 4 GW per year that would be necessary to reach the 63 GW 2030 wind target proposed in the National Energy and Climate Plan (NECP) submitted to the European Commission for approval.

In Latin America, Brazil remains the largest wind market, with expected record additions of around 4.9 GW³. This growth could bring Brazil's total installed capacity to nearly 28 GW, making it the country's second-largest generating technology, after large-scale hydro.

Regarding offshore wind, around 12-14 GW of new offshore installed capacity were globally added in 2023, surpassing the 2022 figure (9 GW). Rising costs and supply-chain bottlenecks have hindered the industry, resulting in project delays and cancellations. China remains the main market, with around 7-8 GW installed.

According to Wind Europe preliminary data, Europe (including the UK) installed 4.2 GW of offshore wind capacity, up 40% from 2022. Netherlands led offshore, as it commissioned the 1.5 GW Hollandse Kust Zuid wind farm, the world's largest operational wind farm, followed by UK and France.

Solar PV

2023 is on course to become another record-breaking year for solar PV, with the IEA forecasting around 373 GW of new installed capacity, a 63% increase compared to 2022. This shows the enormous growth potential of the technology, continuously breaking



records in the last years. All solar PV segments have witnessed considerable growth in in 2023. According to experts, around 55% of new solar PV capacity would be utility-scale projects and the remaining ones small-scale (mainly residential and commercial systems).

China could have added between 180 and 200 GW of solar PV capacity, according to data released by the National Energy Administration (NEA). The growth was supported by China “30-60” goal of reaching peak emissions by 2030 and net zero by 2060. Other major markets in Asia include India (≈10 GW expected), Japan (≈8 GW) and the Republic of Korea (≈3.5 GW).

In the US, approximately 31-33 GW of solar PV capacity could have been added in 2023, according to analysts consulted⁴. Solar PV is the fastest-growing source of electricity in the US, making up almost half of all new power capacity in the first three quarters of 2023. According to the American Clean Power Association, more than 83 GW of solar PV were operating at the end of the third quarter of 2023.

The EU installed a record 56 GW of solar capacity in 2023, well above the 40 GW added the previous year, according to SolarPower Europe. In 2023, Germany returned to the top spot with 14.1 GW of new capacity, followed by Spain with 8.2 GW, Italy with 4.8 GW, Poland with 4.6 GW and the Netherlands with 4.1 GW. In Central and Eastern Europe, Czech Republic, Bulgaria, and Romania crossed the 1 GW threshold for annual solar additions.

In Latin America, Brazil is expected to remain the main market in 2023, with around 12 GW installed, according to the Solar Association ABSOLAR.

Storage

Energy storage systems allow energy consumption to be separated in time from the production of energy. Electricity storage and, more in particular, Battery Energy Storage Systems (BESS), are a key tool in achieving a low-carbon future, as they allow to accommodate larger shares of variable renewables (typically wind and solar PV) allowing to achieve a greater system flexibility. Batteries can not only shift excess renewable energy to hours when there is less production, but they can also provide a wide range of services to the system, such as frequency response, reserve capacity, black-start capability among other grid services. In addition to providing grid stability services, BESS could also be used by TSO and DSOs to defer costly grid investments. All in all, BESS can be a valuable tool to

reduce curtailment, an increasingly important challenge in countries with high renewables’ penetration.

Batteries offer enormous deployment and cost reduction potential, according to analysts. In that sense, utility-scale battery storage deployment is already happening on a very large scale, and its capacity is expected to increase nearly 85-fold by 2050⁵.

However, many challenges lie ahead. On the one side, BESS supply chains are today highly geographically concentrated. According to the IEA, China concentrates around 75% of the manufacturing capacity, and the share is not expected to significantly decrease in the next years. Therefore, countries need to diversify supply chains and/or develop industrial strategies for batteries’ manufacturing. The access to critical minerals, essential for BESS production, is also a key challenge for most of the countries.

On the other side, regulatory and market conditions are not always well-suited to compensate batteries for all the services they can provide, and in most of the countries BESS projects are not attractive to investors. Therefore, it is important to enhance the returns they can yield, monetizing positive externalities and minimizing the risks associated with the projects. This can be achieved through different options including: (i) allowing BESS participation in capacity markets (which need to provide long-term contracts) (ii) designing ancillary services well-suited for BESS (iii) allowing BESS participation in auctions (standalone or paired with renewables), (iv) granting aids or grants when necessary and (v) enabling the PPA market.

⁴ Experts consulted include IEA, SEIA (Solar Energy Industries Association), American Clean Power Association, S&P, Bloomberg New Energy Finance, Wood MacKenzie

⁵ Source: IEA (WEO 2023) according to the data of the Stated Policies Scenario (STEPS)

2.1.3. Regulatory Framework

Renewables, clients & energy management

Renewables

Belgium

- Green certificate scheme (GC)
- Wind farms receive market price plus GCs per MWh produced.
- Number of GC/MWh (kECO) for new plants' contracts was revised in 2019, 2021, 2022 (exceptional update) and 2023
- Last update (Dec-22, for 2023 onwards) the kECO decreased from 0.52 to 0 GC/MWh due to high electricity prices
- The minimum price for GCs is set at 65€/GC in Wallonia.

Poland

- Electricity price can be established through bilateral contracts
- Wind farms commissioned before 2018 are supported through a Green Certificate scheme (GC). Wind receives 1 GC/MWh during a 15-year period. Electricity suppliers have a substitution fee for non-compliance with GC obligations
- Since 2018, wind farms are supported by 15-year two-side Contracts-for difference awarded through auctions.

Italy

- Wind farms in operation prior to 2012YE are under a feed-in-premium scheme applicable during the first 15 years of operation
- Wind farms commissioned from 2013 to 2017 are supported by a 20-year floor CfD scheme, awarded through competitive auctions
- Since 2017, wind farms are supported by a 20-year two-side CfD scheme.

Portugal

- Wind farms commissioned before 2006 are subject to a Feed-in-tariff (FiT) whose value is correlated with production and indexed to CPI. Initial tenure was the soonest of 15 years (or until 2020) or 33GWh/MW but in was increased 7 years (tariff extension) with a cap and floor scheme in exchange of annual payments between 2013 and 2020
- Wind farms under the new regime (COD after 2006) are subject to a FiT for the soonest of 20 years from COD of 44 GWh/MW. Tariff value is also indexed to CPI
- Since 2019, solar projects are awarded following a new auction system
- Floating PV projects awarded in 2022 auction has a 15 years CfD contract with a negative strike price (the original project pays for injecting the energy in the grid in exchange of securing grid capacity that can be used by over equipment and hybrid).

Spain

- Under RD 413/2014, wind energy projects receive pool price and a premium per MW in order to achieve a target return defined by regulation
- RDL 17/2019 has set the target return (TRF) @7.398% for WF's prior to 2013 for the next two regulatory periods (until 2031) and @7.09% for new installations for the current regulatory period (until 2026)
- Premium calculation is based on standard assets (standard load factor, production and costs)
- Since 2016, all the new renewable capacity is allocated through competitive auctions.
- In 2020, RD 960/2020 defined the framework for a new auction mechanism
- Since 2021 several auctions have taken place to grant the new scheme.

Colombia

- Colombian wind farms are awarded 15-year contracts though competitive pay-as-bid auctions. Contracts are signed with distribution companies
- Additionally, Colombian wind farms must secure reliability charge contracts, which provides a monthly payment in exchange of having part of their capacity available when the system is under tight supply conditions.

Brazil

- Old wind farms receive support under a feed-in program ("PROINFA")
- Since 2008, competitive auctions award 20-year PPAs to winning projects

- Electricity may also be sold under private PPAs.

France

- Old wind farms receive Feed-in tariffs for 15 years, with values depending on their COD and load factors achieved
- A transitory Contract-for-difference scheme was released in December 2016 in which wind farms having requested a PPA in 2016 would receive a 15-year CfD, being the strike price very similar to the previous FiT. This scheme was closed in December 2019
- From 2017 onwards:
 - Wind farms with 6 wind turbines (or less, and with 3MW/WTG maximum) can request a 20-year CfD which strike price ranges from 72€/MWh to 74€/MWh depending on turbine's diameter and may include a FiT reduction when a yearly generation cap is reached. Since April 2022, additional tip height restriction (below 132m) has been implemented
 - Wind farms not eligible to CR17 need to participate in competitive tenders in order to obtain a 20-year CfD
 - A new set of rules ("Cahier des Charges") that will govern auctions (both technology-specific and neutral) from H2 2021 until 2026 were published in August 2021

Romania

- Wind assets (installed until 2013) received 2 GC/MWh until 2017 and 1 GC/MWh after 2017 completing 15 years:
 - 1 out of the 2 GC earned until March 2017 is postponed and can only be recovered gradually from January 2018
- Solar assets received 6 GC/MWh for 15 years:
 - 2 out of the 6 GC earned until December 2020 are postponed and may only be recovered gradually from 2025
- GC are traded in the market under a cap and floor system (cap 35.0€ and floor €29.4€)
- Wind assets (installed after 2013) receive 1.5 GC/MWh until 2017 and 0.75 GC/MWh afterwards until completing 15 years
- Solar PV facilities (installed after 2014) only receive 3 GC
- The GCs issued after April 2017 and the CGs postponed to trading from July 2013 will remain valid and may be traded until March 2032.

Greece

- Renewable projects in Greece are supported by a 20-year feed-in premium (Contract-for-Difference) awarded through auctions
- In 2022, Greece launched a new support system, based on two-way contract-for-difference contracts, awarded through auctions:
 - For both onshore wind and solar installations, support will be awarded through a joint competitive tendering procedure, with minimum reserves per technology of 30%

Hungary

- Renewable projects before 2016 benefited from a feed-in tariff scheme ("KÁT system")
- In 2016 the FiT was closed to new projects and replaced by a new support system ("MÉTAR system") consisting of 15-year Contracts-for-Difference granted through technology-neutral tenders.

Chile

- Technology-neutral auctions, for renewable and non-renewable technologies award 15-year power purchase agreements with distribution companies
- Large non-regulated customers can also enter PPAs directly with generators or organize a public auction.

UK

- Since 2013, renewables are supported through a 15-year two-way Contracts-for-difference, awarded through auctions, that have progressively replaced the former Green Certificate scheme:
 - the "established technologies" which include onshore wind and solar PV, compete for budgets in each allocation round. Less mature technologies have a separate "pot" of allocated budget. For the first time, in 2023 auction, offshore will compete with mature technologies.

Vietnam

- Onshore wind projects were supported under two different Feed-in-tariff regimes:
 - projects were granted a 20-year PPA with EVN, the state utility
 - as the latest feed-in-tariff was closed for new projects, a new support scheme is expected to be released soon – most likely, competitive auctions will be introduced



- Solar PV projects have also been remunerated under two different feed-in-tariff regimes and the government is also planning to introduce a pilot auction program
- FiT schemes are no longer available; however a transitional scheme has been published for renewable projects that had a FiT signed but failed to COD on time. Transitional scheme would be subject to a price negotiation with EVN.

Singapore

- No support is given to large-scale renewable energy
- Solar PV development is mainly incentivized through public agencies tenders like the SolarNova programme or JTC tenders :
 - Solarnova was launched in 2014 by the Housing Development Board (HDB). It aggregates demand for solar PV across some government agencies buildings to achieve economies of scale. Since 2014, 8 SolarNova tenders have been launched
 - JTC is a government agency under the Ministry of Trade and Industry that launched several Solar PV tenders under the Solarland and SolarRoof programme. There have been fewer and smaller auctions than in solarnova's program.

Clients & Energy Management

Spain

Main measures with impact on the retail activity and energy management are the following:

- Order TED/81/2023, of January 27, established the following percentage distribution of the amounts to be financed related to the Social Bonus by activity for that year: production, 46.44%; transmission, 1.09%; distribution, 3.93%; commercialization, 47.56%; and direct consumers in market, 0.98%
- Circular 1/2023, of February 7, reformulated the incentives for the system operator introduced by Circular 4/2019, of November 27, to better optimize resources in the dynamics of the system operation, as well as to better adapt to the energy transition objectives
- Resolution of February 23, 2023, of the National Commission of Markets and Competition, approved the operating rules for the daily and intraday electricity markets to adapt to the economic regime of renewable energies and the evolution of the market agents committee

- through Order TED/296/2023, of March 27, the contribution obligations to the National Energy Efficiency Fund in 2023 were set: (i) a final energy savings target of the National System of Energy Efficiency Obligations of 204.12 ktoe or 2,373.95 GWh; (ii) the financial equivalence for the calculation of economic contributions to the National Energy Efficiency Fund, set at 1.928 million euros per saved ktoe or 165,778.16 euros per saved GWh, based on the estimated average cost to mobilize investments in all sectors of action necessary to achieve the annual savings target; and (iii) the corresponding savings obligations, calculated according to the procedure established in its annex I, as well as its economic equivalence for the year 2023.
- Order TED/567/2023, of May 31, called for access to the regulatory testbed provided for in Royal Decree 568/2022, of July 11, which establishes the general framework of the regulatory testbed for the promotion of research and innovation in the electricity sector.
- subsequently, through Royal Decree 446/2023, of June 13, which modifies Royal Decree 216/2014, of March 28, reduced the volatility of the voluntary price for the small consumer (PVPC) by mitigating the effects derived from the electricity price context at the time
- Royal Decree-Law 5/2023, of June 28 introduced relevant innovations in (i) e-mobility (administrative simplification), (ii) permitting of renewable generation facilities, (iii) energy communities (Renewable Energy Communities and Citizen Energy Communities), remuneration for cogeneration, biomass, and waste (RECORE) (updating remuneration parameters for the period 2023-2025), and electro intensive consumers (among other issues, extending the 80% exemption from electricity tolls until December 31, 2023)
- Resolution of October 19, 2023, approved the new electric operation procedure 7.5 on the active demand response service, which aims to regulate the operation of the specific active demand response balance service of the Spanish peninsular electrical system, to address situations in which an insufficiency of tertiary regulation reserve is identified
- through the Resolution of the General Water Directorate, EDP España, S.A.U. was authorized to modify the characteristics of the concession for the hydroelectric use of 142 m3/s of the Nalón River for hydroelectric production (135.6 MW) at the Tanes dam to include the hydroelectric use of 20 m3/s at the Rioseco reservoir dam (3.3 MW), Nalón River, in the municipality of Sobrescobio (Asturias)
- Resolution of November 2, 2023, of the National Commission of Markets and Competition, approved conditions and requirements for the execution of a regulatory demonstration project for voltage control in the Spanish peninsular electric system
- Resolution of the General Water Directorate, announcing the public tender for the exploitation of the hydroelectric use of La Riera, in the municipality of Somiedo

(Asturias), the public tender for the exploitation of hydroelectric power plant “La Riera” was published, granting a three-month period for offers presentation

- finally, Royal Decree–Law 8/2023, of December 27 introduced relevant regulatory changes in several areas, including: (i) regarding Gas Clawback (reduction of remuneration for electricity production activity) and Cap gas (adjustment mechanism or Iberian exception), no measures were contemplated, therefore these mechanisms ceased to be applicable as of January 1, 2024; (ii) progressive recovery of the Value Added Tax on Electric Energy Production (IVPEE); (iii) extension of the energy tax; (iv) progressive recovery of taxation, articulated through a progressive increase in VAT and the special tax on electricity; (v) continuity of the 80% reduction in electricity tolls for electro intensive consumers; (vi) extension and flexibilization of deadlines for the development of new renewable installations; (vii) implementation of measures to provide greater network capacity for self-consumption; (viii) extension until June 30, 2024, of the following measures to protect vulnerable consumers: discounts on the Social Bonus, Last Resort Tariff (TUR) for property communities, maximum limit for the revision of the TUR for natural gas, measures to flexibilize electricity and natural gas contracts, limitation of the maximum sale price of packaged liquefied petroleum gases, and prohibition of interrupting basic supplies to vulnerable consumers due to non-payment; (ix) publication of new unit values for the financing of the Social Bonus; (x) promotion of pumping facilities by introducing various measures in the Water Law, both for existing pumping and for new facilities under development; and (xi) adaptation of renewable energy auctions to include criteria for measuring environmental and social quality, innovation, and job creation. Auctions may include non-economic award criteria with a maximum weighting of 30%.

Portugal

With impact on the **generation activity**, the regime for the use of water resources was changed by removing the right of preference of the previous entity with the hydro concession in future tender procedures when the respective concession period expired.

Measures related to the Hydro Strategic Reserve (“Reserva Estratégica Hídrica”) were suspended which, since October 1, 2022, determined the temporary suspension of the use of water resources of 15 hydropower plants (13 belonging to EDP), until the minimum levels of storage of their useful capacity are reached.

Concerning the **retail activity**, the financing mechanism for the electricity social tariff has been changed, shifting from being supported only by producers under the ordinary regime to generators, retailers and other market agents in the consumption function (not applicable to TSO and DSO).

In the **electricity tariffs**, the regulator (ERSE) carried out an update of the energy tariff in April 2023, reflecting a decrease of 5€/MWh, which was effective from April 1st to June 30th. Additionally, exceptional tariffs were set for the second half of 2023, with an average increase in network tariffs (TAR) of 55 €/MWh and the maintenance of the transitional tariff for end users (TTVCF) in the normal low voltage (BTN), compared to the previous semester. For 2024, an increase of 2.9% in TTVCF in BTN and an average increase of 66 €/MWh in TAR were approved, comparing with the previous year's average.

Regarding the **electricity sector's tariff debt**, the tariffs foresee an ex-ante debt of 1.995 billion euros by the end of 2024, representing an increase of 1.116 billion euros compared to the tariff debt at the end of 2023.

Related to **gas tariffs**, ERSE proceeded with an updated to the energy tariff during the gas year Oct 2022–Sep 2023, increasing 2€/MWh from January 1st to September 30th, 2023. Gas tariffs and prices for the gas year Oct 2023–Sep 2024 were also approved, with an 1.3% increase of the transitory tariff to the end user in low pressure, in force from October 1st, 2023, onwards.

Networks

Spain

Given the current crisis resulting from the conflict between Russia and Ukraine, the main measures taken have been aimed at reducing the impact of the rise in energy prices, as well as encouraging savings and promoting renewable energies.

Regarding the distribution activity, the main measures introduced were the following:

- resolution of January 19, 2023, of the National Commission of Markets and Competition, which provisionally establishes the remuneration of electricity distribution companies for the year 2023, established a transitional regime for the year 2023 applying the remuneration approved by Order TED/749/2022, of July 27. That transitional regime was established without prejudice to the effects that, on the remuneration of said year, may arise from appeals filed against Order TED/490/2022, of May 31, which executes the judgment of the Supreme Court in relation to the “lesividad” of Order IET/980/2016, of June 10, which establishes the remuneration of electricity distribution companies for the year 2016. On this date, Supreme Court has upheld the appeal 726/2022 filed by Viesgo Distribución Eléctrica, S.L., declaring Order TED/490/2022 to be unlawful, and

recognizing its right to have its remuneration set based on the content of its reformulated accounts as of December 31, 2014

- Royal Decree 314/2023, of April 25, develops the procedure and requirements for granting administrative authorization for closed electricity distribution networks
- through Resolution of December 21, 2023, of the National Commission of Markets and Competition, which establishes the values of the access tolls to the electricity transmission and distribution networks applicable from January 1, 2024, the prices of the terms of contracted power and active energy of the transport and distribution tolls applicable to consumers, self-consumers for the energy demanded from the grid, and generators for their own consumption were set for the year 2024
- Royal Decree-Law 8/2023, of December 27, established a transitional regime for electricity tariffs, extending until 2024 the application of those provided for in Order TED/1312/2022, of December 23, until new ones are established by ministerial order. As of this date, the aforementioned order awaits publication
- regarding settlements of regulated activities in the electricity sector, the most recent development is the publication of the Resolution approving the Provisional Settlement nº 11 of 2023 for regulated activities in the electricity sector, dated January 18, 2024.

Portugal

In the **distribution activity**, standard documents were published that regulated the public tender procedure which aims to allocate the low-voltage electricity networks concessions.

Brazil

Regarding the **liberalization of the Brazilian power market**, since January 2024 consumers with less than 500 kW load and voltage levels equal to or greater than 2.3 kV, represented by retailers, can choose their own energy suppliers. The Ministry of Mines and Energy (MME) launched a Public Consultation to discuss the market liberalization for low voltage consumers from 2026 onwards. To choose their energy supplier, low voltage consumers must also be represented by a retailer. The result of this Public Consultation has not yet been published.

Law 14,300/22 created the regulatory framework for **mini and micro distributed generation** (DG) in Brazil. The Law established a transition period after which DG will have to start paying for the grid fees according to the amount of electricity injected into the grid. The enactment of this Law brings legal security and regulatory stability to foster these

investments, incentivizing clean energy sources. The main topics addressed by the Law are:

- existent DG (grid fees exemption until 2045): mini and micro-DG already installed will only pay a partial grid fee if there is a positive difference between the total energy consumption and the energy production injected into the grid. Also, mini and micro-DG that have requested access to the grid until January 6th 2023, can benefit from the exemption regime
- new DG (tariff transition): the Law created a transition period, varying from 6 to 8 years, for new DG to gradually pay for grid fees until 2028. The subsidy is matched by resources from *Conta de Desenvolvimento Energético* - CDE.

Regarding the concession renewals of **distribution utilities**, the MME launched a Public Consultation to design the guidelines for the renewals. In summary, the renewals – and not new bidding processes – are designed with the implementation of social measures with a focus on energy efficiency measures. Furthermore, the MME proposed the same indexes for quality sets and economic health of the utility. The renewals' process still awaits the enactment of a Decree and the opening of a public consultation by ANEEL to discuss with society the terms of the new concession agreement, stages of which are expected to follow along 2024.

Regarding **transmission companies**, Decree 11,314/22 determined that transmission concessions are to face new bidding processes at the end of their contractual term, being the concession renewal the exception (unfeasibility of bidding or in case of any prejudice for the public interest). This Decree was preceded by a Public Consultation opened by the MME in which EDP included some contributions.

Between 2024 and 2032, twenty-four transmission concession agreements will expire. It is worth noting that EDP's first transmission contract expires in January 2043.

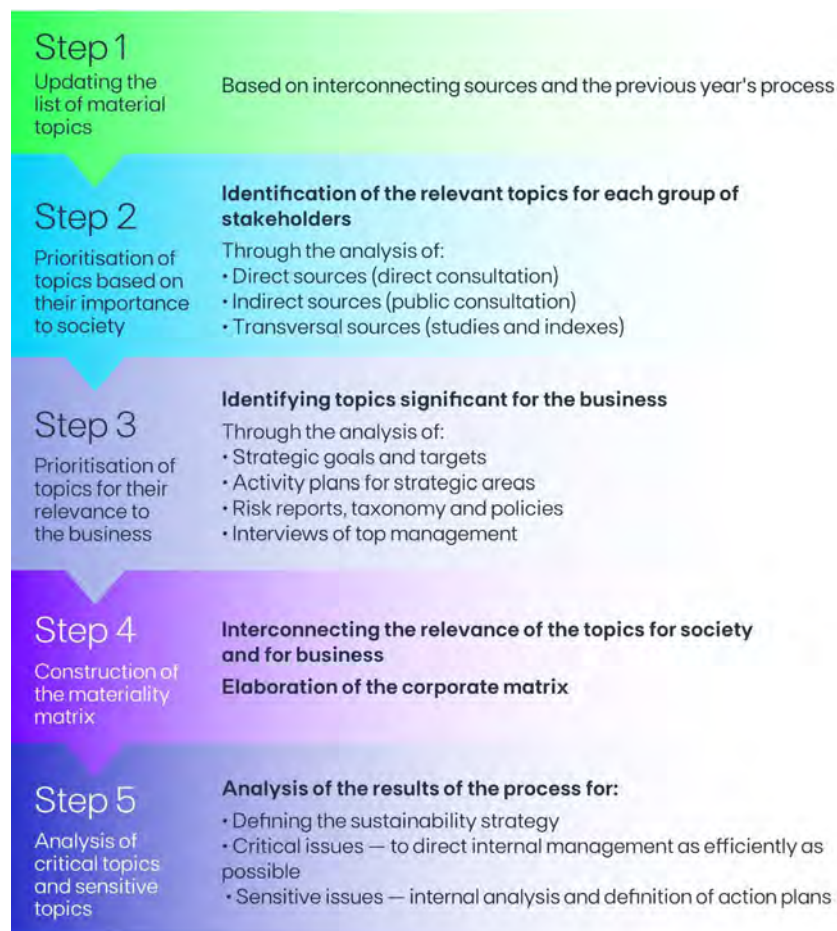
2.2. Materiality

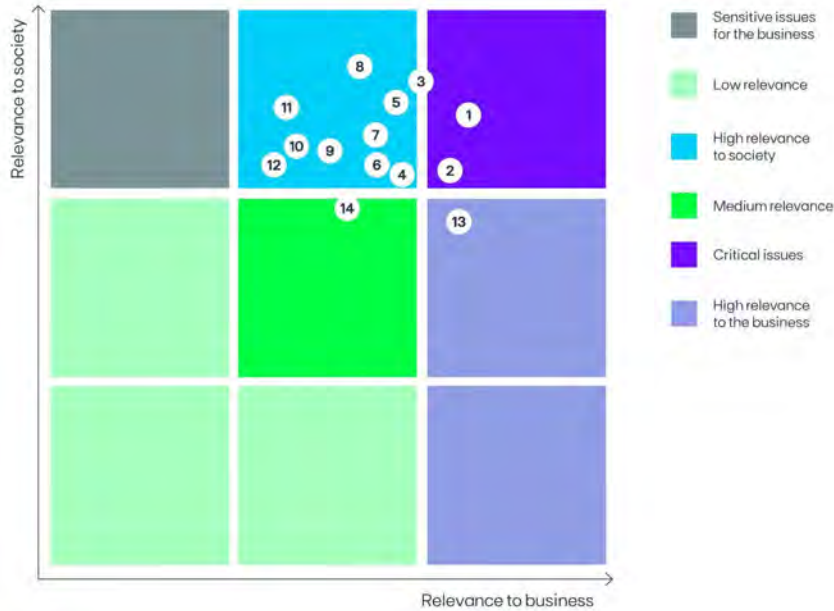
EDP's Materiality analysis process has been continuously developed since 2016, through a comprehensive methodology, standardized across the group and detailed in a specific report available at www.edp.com. This process is conducted every two years, in alignment with the revision of the Business Plans, and enables the identification of the relevance of non-financial issues for stakeholders, cross-referencing it with their relevance to the business priorities and strategy. The analysis supports decision-making and strategy development within the organization, particularly in terms of sustainability performance assessment.

The main stages of the materiality process are outlined in the infographic on the right. EDP's methodological approach to defining materiality incorporates the concept of double materiality, as defined by GRI Standards. This alignment underscores the importance given by the group to the relevance of the issues for society, in which it takes into account their impact on its stakeholders. As the concept of double materiality gains prominence in the international regulatory landscape, namely with the guidelines set by the European Financial Reporting Advisory Group and within the International Sustainability Standards Board, EDP is adjusting its methodology for identifying material themes for subsequent reports. This adaptation aims to align with the evolving expectations of stakeholders and uphold the company's commitment to society and the environment.

In 2023, the materiality was revised to incorporate the Business Plan for 2023–2026. Additionally, an alignment with the CSRD was initiated, integrating the materiality themes and categories of 2022 with those of the ESRS standards. Fourteen material themes have been identified, and their relevance to both society and business is positioned in accordance with the matrix presented on the following page, highlighting:

- 1. Climate Change** – Climate change stands out for its high relevance to both society and business. This emphasis aligns with the global concern regarding this issue and is intricately integrated in the strategy of EDP. This overarching theme encompasses three key issues: (1) adaptation to climate change; (2) mitigation, involving decarbonization solutions, such as sustainable mobility and energy efficiency; and (3) the promotion of renewable energies.





- 1 Climate Change
- 2 Supply chain
- 3 Biodiversity and ecosystems
- 4 Circular economy
- 5 Affected communities
- 6 Innovation and digital transformation
- 7 Health, safety and crisis management
- 8 Pollution
- 9 Energy consumers and end-users
- 10 Business conduct
- 11 Water and marine resources
- 12 Human Rights
- 13 Sustainable finance
- 14 Own workforce

2. Supply chain – The growing relevance of the topic for business and society is due to the increased importance given to environmental criteria within the supply chain, namely the reduction of CO₂ emissions in the context of decarbonisation, in light of global goals. Additionally, under the external pressures from the market and regulations, equipment traceability has emerged as a key factor in avoiding and mitigating indirect risks related to social and environmental concerns.

3. Biodiversity and ecosystems – The new Global Biodiversity Framework elevates the urgency of halting biodiversity loss and preserving the ecosystem services provided by nature. Companies need to accelerate their efforts to assess biodiversity and ecosystem-related impacts and dependencies, manage associated risks, and adopt a net gain approach. Their strategy and business model should be adjusted accordingly. Prioritizing actions to avoid, mitigate, restore, and compensate is essential for fostering responsible business practices.

The Materiality process also makes it possible to identify the degree of priority given by each stakeholder group to sustainability issues. This analysis shows a natural dispersion of the relevance attributed by various stakeholders to the analysed themes, inherently related to their nature and relationship with the company.

The figure in the next page details the identified themes, aggregated by the degree of relevance attributed to each of the stakeholder groups.

MAIN TOPICS

<p>Climate Change 1</p> <p>Mitigation</p> <p>Energy</p>	<p>Sustainable finance 13</p> <p>Creation of long-term value</p> <p>Innovation and digital transformation 9</p> <p>Development of innovative technologies</p>
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	Climate change	Pollution	Water and marine resources	Biodiversity and ecosystems	Circular economy	Business conduct	Own workforce	Supply chain	Affected communities	Energy consumers and end-users	Human Rights	Innovation and digital transformation	Health, safety and crisis management	Sustainable finance
Market														
Shareholders, Investors	High	Medium	Medium	Medium	Medium	High	Medium	High	High	Medium	High	Medium	High	High
Financial entities	High	Medium	Medium	Medium	High	High	Medium	Medium	Medium	High	Medium	High	High	High
Competition	High	High	High	High	High	Medium	Medium	High	High	High	Medium	Medium	Medium	Medium
Democracy														
Government, Public entities, Regulation	High	High	High	High	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
Political parties	High	High	High	High	High	Medium	Medium	Medium	Medium	High	Medium	Medium	Medium	High
International institutions	High	High	High	High	Medium	Medium	Medium	Medium	Medium	Medium	High	Medium	High	Medium
Social and Territorial Environment														
NGOs	High	High	High	High	Medium	Medium	Medium	Medium	High	Medium	High	Medium	High	Medium
Local communities	Medium	Medium	Medium	Medium	Medium	High	Medium	Medium	High	Medium	Medium	Medium	Medium	Medium
Local government	High	Medium	Medium	Medium	Medium	Medium	Medium	High	High	Medium	Medium	Medium	Medium	Medium
Media, Opinion makers	High	Medium	Medium	Medium	Medium	High	Medium	Medium	High	Medium	Medium	Medium	Medium	Medium
Value Chain														
Scientific community	High	Medium	Medium	Medium	Medium	Medium	Medium	Medium	High	Medium	Medium	High	Medium	Medium
Customers	High	Medium	Medium	Medium	High	Medium	Medium	Medium	High	High	Medium	High	High	Medium
Suppliers	Medium	Medium	Medium	Medium	Medium	High	Medium	High	Medium	Medium	High	Medium	High	Medium
Employees	Medium	Medium	Medium	Medium	Medium	High	High	Medium	Medium	Medium	Medium	High	High	Medium

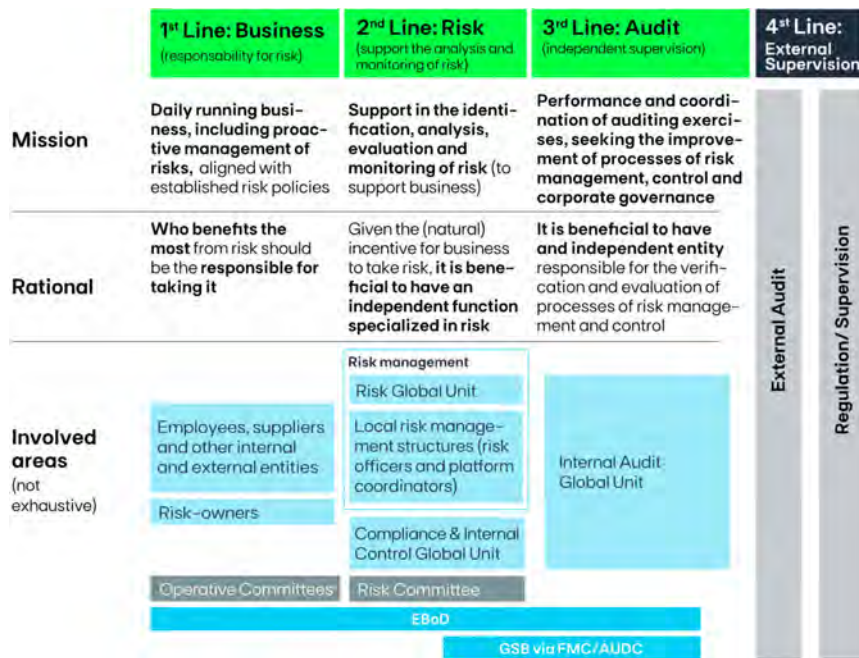
Relevance level ● High ● Medium ● Low

2.3 Risk management

2.3.1 Risk governance model

The EDP group adopts a risk governance model, widely accepted in most relevant literature, that relies on the idea of three internal lines of defence for the organisation – which can be supplemented, in certain situations, by a fourth external line of defence, in the form of external auditing and regulation/supervision¹.

Three Lines of Defence Risk Governance Model



¹IIA Institute of Internal Auditors, Position Paper, [The IIA's Three Lines Model: An update of the Three Lines of Defense](#), July 2020

Each line of defence has designated entities and forums that are officially set up to implement each line of defence at corporate and Business Unit levels, preventing any overlap or omission and encouraging collaboration and coordination between the different areas.

Risk management is embodied both by the Risk Global Unit and by the risk areas of the different Business Units (led by the respective risk officers), which report functionally to the former, ensuring fluid articulation and communication regarding the main sources of exposure and risk mitigation measures.

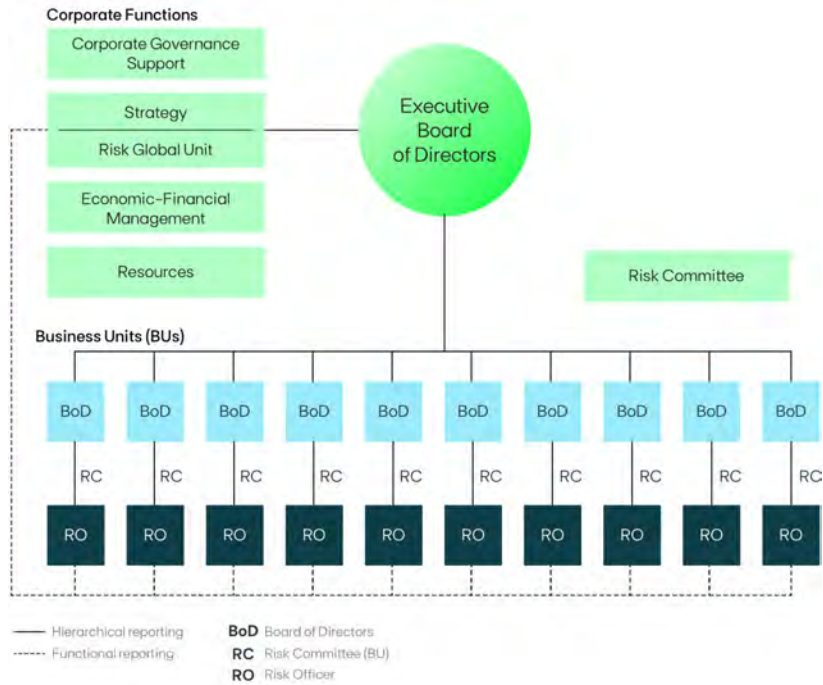
Moreover, the group has Risk Committees at both corporate level and at Business Units, where top management and relevant specialists meet to examine, discuss, and advise on key risk exposures for the group, their limits and mitigation actions.

The Internal Audit Global Unit, as the third line of defence, performs internal audits on the group's processes that manage, control, and monitor the different risks it faces. To do this, annually, it decides which audit activities should be part of the next year's activity plan, based on, among other things, the inputs and concerns of the first and second lines of defence. In this regard, for 2023, the Internal Audit Global Unit did internal audits to the risk management process with a focus on: counterparty risk management; market risks related to Energy Management; financial risks; security and cybersecurity; and compliance with policies and procedures, promoted by the second lines in the areas of Compliance and Internal Control. The Internal Audit Global Unit's Director is part of the Risk Committees, thus facilitating the monitoring of projects carried out by RISK.

RISK regularly meets with the General and Supervisory Board and the Financial Matters Committee/Audit Committee to monitor the effectiveness of the risk management system. The FMC/AUDC defines in its annual planning sessions dedicated to monitoring the main exposures and risk management issues, addressing matters related to financial, strategic, ESG, business and operational risks. In 2023, RISK had three meetings with the GSB, two with the FMC/AUDC and the yearly meeting of the Audit Committees, addressing several risk issues, namely the monitoring of EDP's main exposures and Key Risk Indicators, an

overview of the RISK execution plan (financial and non-financial risks, including ESG risks and climate risks), risk reporting mechanisms, ESG investments criteria, long-term contracting strategy, foreign exchange risk management policy, risk appetite framework review and RISK strategic priorities for 2024. In June 2023, a presentation was also made to this Commission on the project that began in 2024 to prepare the company for the Sustainability Reporting Directive (CSRD), regarding the Internal Control System for Sustainability Reporting (ICSRS), as well as climate risk analysis and the ESG risk framework.

Corporate Functions



EDP’s external audits also contribute to assess the degree of internal compliance with the risk management system. The last external audit took place in 2022 and focussed on assessing the level of maturity of the Enterprise Risk Management system at group and Business Unit levels.

A description of those involved in the EDP group's risk governance model, as well as their respective responsibilities, is available in the [Corporate Governance Report](#) and, in more detail, on the EDP website: [EDP group Risk Governance Model | edp.com](#)

2.3.2 Risk appetite

The EDP group is exposed to several risks due to its size, and diversity of businesses and geographies in which it operates. Therefore, it recognises risk-taking as an integral and unavoidable component of its activity, both in terms of threat and opportunity. In this context, the group explicitly and implicitly establishes its risk appetite with its stakeholders, at corporate and Business Unit level, through a series of mechanisms:

- the development and periodic approval by the Board of Directors of the group's Business Plan, which sets out and explains the main strategic guidelines over a three-to-five-year horizon
- rigorous assessment of the risk associated with investment and divestment opportunities carried out by the Business Units and approved by the Executive Board of Directors, supported by the opinion of the Investment Committee
- the development of risk management policies, both at corporate and Business Unit level, establishing guidelines, assessment methodologies and exposure limits for key risks²
- periodic risk maps based on objective, quantitative and comparable criteria, with the aim of analysing exposure to the most relevant risks and taking preventive action to deal with excessive exposure in relation to the established risk tolerance
- the development of periodic risk reports for the main risk categories, making it possible to regularly monitor the evolution of current and emerging risks and compare the various exposures against the established limits. Dissemination of said reports in line with the group's strategy and performance metrics to the EBD and GSB
- the definition of an internal Risk Appetite Framework, approved by the EBD.

The EDP group's risk appetite framework is structured around four pillars:

- the governance model identifies the main players in the risk appetite process and their responsibilities
- the risk appetite statement formally defines a set of risk appetite statements complemented by risk indicators and thresholds. In terms of positioning, the group has established maintaining a controlled risk profile as a fundamental pillar of its strategy

- monitoring and follow-up, defining the key processes of monitoring, update and action plan
- and the reporting platform, embodied in a risk appetite dashboard, that allows the EDP group's risk appetite to be monitored.

² These include, among others, the [Enterprise Risk Management Policy](#), the [Risk Appetite Framework Policy](#), the [Energy Risk Management Policy](#), the [Financial Management Policy](#), the [Counterparty Risk Policy](#), the [Insurable Risk Management Policy](#), the [Occupational Health and Safety Policy](#), the [Information Security Policy](#) and the [Crisis Management and Business Continuity principles, structure and procedures](#).



2.3.3 EDP group risk appetite statement

1 st Level Declaration	2 nd Level Declaration	KRI (Objective)
Balanced business Controlled risk utility, with a strong share of regulated/LT contracted activities, diversified both geographically and across the value chain, with a strong growth focus on renewables.	GEOGRAPHICAL CONCENTRATION Geographical diversification and focus on geographies/markets with reduced country risk.	Max EBITDA by Market/Country (<50% in Iberia) Max EBITDA in Emerging Countries (<20% in Brazil)
	BUSINESS SEGMENTS Diversified portfolio across the value chain with a strong growth focus in medium to long-term viable renewable generation and grids.	Max EBITDA by Technology
	REGULATED/LT CONTRACTED Activity focused mainly in regulated or long-term contracted operations.	Min Regulated EBITDA / LT Contracted Min Contracted Duration of Generation Assets
	ST ENERGY MARKET POSITION Controlled short-medium term energy market risk and limited proprietary trading exposure.	Max Portfolio Value at Risk Min Net Position in Iberia (coverage of ≈70-80% for hydro and ≈80-90% for wind and solar)
	REGULATORY MONITORING Foresight of possible high impacting regulatory/political changes in current portfolio and potential new geographies.	Max Expected Loss of Regulatory Risk
Solid financials Credible business plan with sound financials, aiming for a solid investment grade rating and sustainable dividend policy.	RATING Alignment between business and financial profiles to target a solid Investment Grade.	Min Long-Term Rating (BBB target) Min Funds from Operations/Net Debt (>20%)
	DIVIDENDS Predictability and sustainability of dividend policy as a fundamental element of the shareholders' value proposition.	Max Payout Ratio (recurring Net Income) (target payout of 60-70%) Max Net Income Recurring @Risk
	LIQUIDITY Maintenance of liquidity reserves enough to cover cash needs in short-medium term in times of stress.	Min Survival Period (coverage > 100%)
	FINANCIAL MARKET RISK Proactive management of the exposure to financial markets, namely FX and IR, controlling the impacts on the business activity. Investments are financed in local currency if possible.	Max P95% Net Investment Loss - Foreign Exchange Max % Variable Rate Debt in EUR and USD Min Duration of group Debt in EUR and USD
	CREDIT & COUNTERPARTY Controlled exposure to credit & counterparty risk, favouring higher rated counterparties.	Max Expected Portfolio Loss Max Exposure to non-Investment Grade Counterparties Max Concentration of counterparty exposure
	IMPLEMENTATION OF THE INVESTMENT PLAN Investment in projects with an attractive risk adjusted profitability, limited market exposure and short time to cash.	Min IRR P90 / WACC (1x)
	SOCIAL LIABILITIES Full coverage of funded social liabilities, through a diversified asset portfolio of limited duration gap, with new pension plans as defined contribution.	Min Funded Pension Coverage Ratio Max V@R of the Assets-Liabilities Position
ESG Excellence Build a future-proof organization adherent to key ESG principles.	ENVIRONMENT Leading the energy transition to create superior value accounting for climate change resilience and limiting the environmental impact of the group activities.	Min Percentage of Renewable Generation (93% in 2026) Min Percentage of Revenues aligned with the EU taxonomy (70% in 2025)
	SOCIAL People-oriented way-of-working, with zero tolerance for non-compliance with safety measures, assuring Human and Labour Rights, attracting and retaining diverse top talent, and empowering communities.	Max Rate of Work Accidents Max Work-Related Fatalities (target of 0 fatal accidents)



1 st Level Declaration	2 nd Level Declaration	KRI (Objective)
Operational excellence Prudent operational risk management, following best-practices and assuring business continuity.	GOVERNANCE Maintain the highest standards of ethical behaviour, transparency and accountability, with zero tolerance to corruption and to any other illicit behaviour or non-compliance with laws and/or regulations, and continuously work towards the enhancement of our governance practices for the benefit of our stakeholders.	Max Outstanding Value of Passive Legal Contingency Max High Integrity Risk Counterparties Min RepRisk Score Leading Position in the DJSI Index
	DEVELOPMENT/CONSTRUCTION OF PHYSICAL ASSETS Excellence in project management, limiting risk of CAPEX deviation and COD delays, allowing the fulfilment of the Investment plan.	Max CAPEX Weighted Deviation Max COD Weighted Deviation
	AVAILABILITY AND INTEGRITY OF PHYSICAL ASSETS AND ENERGY LOSSES Prudent O&M and security of physical assets, complemented with insurance and contingency and recovery planning, guarantying limited operational losses, outstanding quality of service and assets availability. Control of technical and non-technical losses in electrical grid through adequate tech, maintenance, operation and fraud anticipation processes.	Max Losses after Insurance in Physical Assets
	SECURITY, CONFIDENTIALITY, INTEGRITY AND AVAILABILITY OF SYSTEMS Prudent management, targeted maintenance, security and availability of IT and OT systems and related services, ensuring resiliency capability under abnormal/disruptive situations.	Min Bitsight Security Performance Rating
	PROCESSES Pursue of increasingly efficient and adequately controlled processes, digitalization and, for business critical and intersecting processes, assurance of business continuity and recovery under abnormal/disruptive situations and minimization of procedural errors.	Min Digitised Processes
SUPPLY CHAIN Reinforcement of the effectiveness, sustainability, resilience and continuity of the supply chain, providing service excellence to customers and partners in a secure manner, while ensuring supplier compliance.	Max Supply of High-Risk Regions Max Suppliers Concentration by Product	

Monitoring Risk

EDP has a comprehensive risk monitoring framework to safeguard its operations and investments, reporting on a recurring basis to the Executive Board of Directors and Risk Committee.

At the forefront of this strategy is the annual mapping of risks, complemented by quarterly interim updates, to identify, quantify and prioritise the risks of the different categories of the risk taxonomy.

The quarterly risk appetite dashboard is a vital tool that systematically assesses the company's risk exposure, comparing the value of the KRIs with the limits defined in the Risk Appetite Statement. In the table above are some examples of these limits, within brackets.

In addition, the Risk Global Unit prepares a fortnightly risk report focused on controlling energy and financial risks, which are more volatile and therefore require more recurrent monitoring.

At local level or for individual policies, there are dedicated reports for monitoring risk, focussed on more operational metrics, some of which updated daily.

To reinforce the risk monitoring infrastructure, EDP has a group Risk Committee, which includes four annual meetings, as well as risk committees in the different Business Units. These committees play a key role in monitoring risk exposure and defining risk mitigation policies and measures.

2.3.4 Risk management for the year

The EDP group's risk management endeavours to act in an integrated manner across five fundamental pillars:

	Recurring activities	Developments in 2023	Priorities for 2024
In-depth knowledge about key main sources of risk exposure	<p>Development of the risk map with the main risks for the following year and the Business Plan horizon, with updates for the main risks during the year</p> <p>Quantitative analysis of exposures (based on expected loss and maximum loss)</p> <p>Development of the climate risk assessment</p> <p>Presence at national and international forums on risk management</p>	<p>Risk analysis of the electric mobility and decentralised solar businesses</p> <p>Realisation of a project to develop an Ethical Risk framework</p> <p>Carrying out in-depth risk maps together with the Business Unit teams</p>	<p>Update of the main strategic and emerging risks analysis for the EDP group</p> <p>In-depth analysis of the main IT/OT risks</p> <p>In-depth analysis of the main operational risks</p> <p>Further analysis of inflation risk</p> <p>Strategic reflection on insurance coverage in the group</p>
Definition of risk management strategy	<p>Support for explaining and reflecting on risk-return trade-offs (and risk appetite) in key management decisions</p> <p>Periodic updating of the risk appetite statement, formalised and disclosed in the Annual Report and Accounts</p> <p>Periodic updating of specific risk management policies</p>	<p>Alignment of the EDP group's Risk Appetite Framework with the new Business Plan</p> <p>Implementation of the Enterprise Risk Management Roadmap</p> <p>Implementation of a corporate counterparty risk policy, aligning risk concepts and practices and centralising metrics</p> <p>Updating the EDP group's energy risk policy</p> <p>Updating the EDP group's foreign exchange risk management policy</p>	<p>Creation/Update of the Risk Appetite Statements of EDP's Business Units based on the group's update</p> <p>Extension of the Counterparty Risk Project to the other BUs</p> <p>Creation of a Financial Risk Policy at group level</p> <p>Creation of a framework for analysing and controlling inflation risk</p> <p>External audit of EDP's risk management system</p>
Active participation of risk in key management decisions and processes	<p>Risk advice on the Business Plan and Budget exercises</p> <p>Support for investment decisions (including participation in the Investment Committee)</p> <p>Support in defining coverage strategies for key exposures</p> <p>Analyses and advice on topics with possible impact on the group's risk profile</p> <p>Follow-up and control of key exposures (through periodic reports at group level and for the most relevant BUs)</p> <p>Periodical Risk Committees (for debate of key sources of risk exposures and treatment measures)</p>	<p>Strategic risk reflection for the EDP group Business Plan</p> <p>Active participation of the risk teams of EDP's Business Units in the evaluation of EDP group investments</p>	<p>Creation/Updating of reports to monitor the risk exposures set out in the Risk Appetite Statements of EDP's Business Units</p>
Formalisation of the risk governance model	<p>Updating the EDP group's risk management policies and principles</p>	<p>Updating the EDP group's Enterprise Risk Management Policy.</p> <p>Continued support for the dynamization of the risk-officer network and the maturing of the risk function (in the BUs with more recent risk governance models).</p>	<p>Updating the EDP group's Enterprise Risk Management Manual</p>
Promoting a solid risk culture throughout the organisation	<p>Carrying out a wide range of awareness initiatives, adapted to the different target audiences:</p> <ul style="list-style-type: none"> • Training on risk issues and new trends in risk management at the Annual Meeting of the Audit Committees, for members of the General and Supervisory Board • Specialised courses for all employees (e.g., ethics, health and safety, cyber security) • Programme to boost the EDP group's network of risk officers: quarterly individual meetings, annual planning meeting, sharing of information in the ERM Repository, quarterly masterclasses, annual meeting of risk officers and participation in Risk Committees • Annual Risk Summit to promote a risk culture and train risk officers and their teams, as well as members of the Risk Committee (such as Internal Audit) and members of the General and Supervisory Board 	<p>Development of several sessions dedicated to risk for senior management (executives and non-executives): four Risk Committees dedicated to analysing the main risk issues with senior executive management; participation in two sessions of the Financial Matters Committee and three plenary sessions with the General and Supervisory Board</p> <p>Training workshop for members of the Audit Committees and some members of the General Supervisory Board on ESG risks and new trends in non-financial reporting</p> <p>Diagnosis of competences in risk teams, with the aim of defining a structural development plan</p>	<p>Implementation of the development plan based on the diagnosis, with the creation of dedicated training programmes</p>

2.3.5 Main risks for 2024

EDP group seeks to have a comprehensive view over the key risks it is exposed to, at strategic and ESG, business, financial and operational levels, establishing processes to ensure their monitoring and proactive management.

Macro Categories of EDP's Risk Taxonomy



The year 2023 continued to be marked by the geopolitical crisis caused by the conflict in Ukraine, resulting in an energy crisis. The financial markets also noted some concern about the sharp rise in inflation and increase in interest rates. Risk management reaffirmed its importance, playing an essential role in this disruptive context.

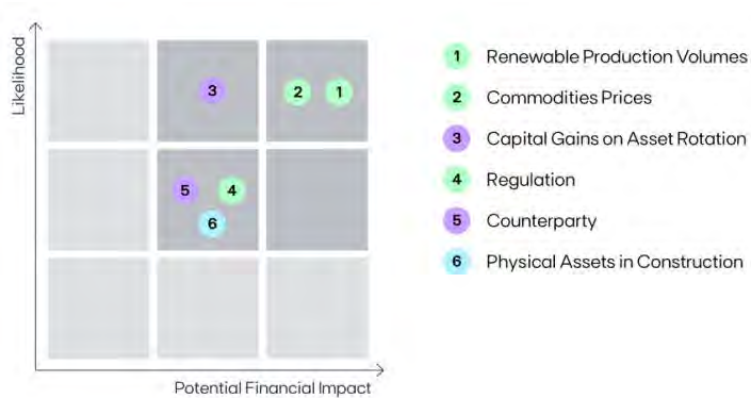
A detailed description of the various risks relevant to the EDP group is available on the EDP website: [EDP Risk Taxonomy | edp.com](https://www.edp.com/pt/risco). The table below details the risks expected to have the greatest potential impact on the group's EBITDA in 2024, in an adverse scenario.

Risk	Risk Description	Evolution compared to 2023	Mitigation Measures (not exhaustive)
1	Renewable Production Volumes The EDP group has a material degree of exposure to variations in renewable energy generation volumes, particularly regarding hydro volume, but also wind and solar. A dry year and/or a year with lower wind or solar resources can have a negative impact on the company's results	↘	<ul style="list-style-type: none"> • Geographical and production portfolio diversification • Long net position in the various markets, with continuous monitoring, protecting the company from the risk of becoming over hedged even in scenarios where there are low renewable resources • For Iberia, compensating for bad water years with greater thermal production • Appraisal of instruments to hedge the volume of renewable generation (hydro and wind).
2	Commodity Prices Changes in commodity prices, essentially due to market exposure in Iberia to electricity, coal, gas and CO ₂ prices, but also in EDP's other markets (residual exposure not covered by PPA). These changes may be due to various factors, namely fluctuations arising from supply and demand dynamics or regulatory changes (national or international) and may impact the company's results	↘	<ul style="list-style-type: none"> • EDP's business with a high percentage of forward contracts with PPAs, being very protected from price variations within these contracts • Integration of generation with retail in several of the most important geographies • Prudent management strategy for residual energy not covered by PPAs, by the Global Energy Management Unit, which negotiates and manages coal, gas and CO₂ licence contracts, and is also responsible for mitigating price risk via hedging (including exchange rate risk in US dollars, in coordination with the Finance Global Unit).

Risk	Risk Description	Evolution compared to 2023	Mitigation Measures (not exhaustive)	
3	Capital Gains on Asset Rotation	Reduction of capital gains expected from asset rotation activity due to a decrease in the value of assets, because of lower market appetite, a generalised rise in interest rates or exchange rate variations	↗	<ul style="list-style-type: none"> Diversification of asset rotation across different geographies (EU, NA, LATAM, APAC, etc.) and currencies (EUR, USD, BRL, PLN, etc.) Exchange rate risk hedging (Net Investment and transactional), within the framework of the group's financial risk management policy Financing structure in the different currencies (namely variable rate percentage and duration) aligned with the characteristics of the assets, offering risk mitigation to interest rate hikes.
4	Regulation	Risks related to legislative and regulatory changes that the group is obliged to comply with in the different geographies and markets in which it operates (namely sector packages, regulatory models, environmental legislation, taxes and other). Adverse regulatory changes could have a negative impact on the company's results	↘	<ul style="list-style-type: none"> High business diversification both geographically and in the energy value chain Proactive management through careful monitoring and preparation of the several dossiers, as well as the adoption of a constructive and cooperative stance when discussing them, making it possible to anticipate and minimise the materialisation of options that are unsuited to the reality of the various market contexts in which the group operates.
5	Counterparty	Risk associated with the potential default (or increase in relation to the expected level of default) of contractual obligations from customers, energy counterparties, financial counterparties (essentially associated with deposits with financial institutions and financial derivatives) and/or suppliers	=	<ul style="list-style-type: none"> Diversification of counterparties, with limits on the concentration and percentage of exposures below Investment Grade Careful analysis of counterparties, differentiating risk limits between counterparties, promoting contracts with those with the best credit quality Continuous monitoring of the evolution of the credit quality of the group's counterparties Use of counterparty risk mitigation instruments, such as financial guarantees, clearing and credit insurance Implementation of credit risk premiums in contracts where the EDP group is a price-setter, differentiating between counterparties and compensating for Expected Losses.
6	Physical Assets under Construction	Risk associated with Capex deviations and/or COD delay beyond what was estimated in the investment decision, leading to potential impacts on the current year (less revenue and more costs) and on the profitability of investments. This risk is mostly concentrated in Renewables investments due to the proportion of new investments foreseen in the Business Plan	↗	<ul style="list-style-type: none"> Timely contacting of equipment and EPC, to reduce the risk of cost increases or unavailability of the supply chain after commitments to projects have been made Introduction of a buffer between the expected COD and the PPA start, to reduce the risk of incurring penalties or the need to purchase energy to fulfil the contract Prudence in defining contingencies and assumptions of stress analysis (COD and CAPEX deviation) in the investment decision-making process.

The quantification of EDP's risks is based on the potential loss in EBITDA, in a P95% scenario, estimated through the application of Monte Carlo simulations. Monte Carlo simulation, through the definition of probabilistic distributions for each risk factor/variable, allows to simulate possible future outcomes; for each simulation, different values are randomly generated for each of the probability distributions of the various risk variables (inputs). The result of a Monte Carlo simulation is a probability distribution, i.e., a representation of the different possible future outcomes and their probability of

occurrence. In addition, EDP also makes a qualitative assessment of the potential financial impact and probability/likelihood of each risk, and the impact matrix for the main risks identified above is presented below.



Also, in the process of evaluating risk in the budget exercise, as a way of assessing execution risk, stress analyses are carried out using Monte Carlo analysis. This type of analysis is applied to EBITDA, EBT, NI, FFO/ND and all relevant output variables at group level and broken down by platform, technology, BU, among others.

In addition, liquidity/solvency stress analysis are also carried out to assess the company's ability to continue operating in a highly stressful situation, i.e., to maintain sufficient liquidity/cash levels to continue operating. Two different scenarios are considered (generalised liquidity crisis scenario for one year and EDP-specific stress scenario for two years), for which the company's ability to survive is assessed. EDP must have available liquidity, in cash and available credit lines, to cover these stress scenarios.

A climate risk analysis exercise is also carried out every year using three different scenarios, which can be consulted in greater detail in section 2.3.7 Climate Risks.

EDP favours risk management based on quantitative analysis and continuous monitoring of the risks that may affect its business. For this purpose, the company regularly carries out sensitivity analyses of financial and non-financial risks, as well as analyses of stressed scenarios, using Monte Carlo analysis, or focusing on some specific stress scenarios.

As an example, every year, when analysing the risk of the budget for the following year, EDP carries out a sensitivity analysis of various risk factors, namely renewable volume (hydro, wind and solar), electricity price, gas price, electricity demand, inflation, exchange rate, inflation rate, among other specific operational sensitivities, for the different markets which impact EDP's business. The impact on EDP's EBITDA of the variation in some risk factors is presented below, namely:

- **Hydro volume:** a significant risk factor for EDP given its portfolio and high volatility of the variable, impacting the company's generation capacity. Assuming a price of €80/MWh, a 20% reduction in the expected volume impacts EDP's EBITDA by ≈€100M–€140M. It should be noted that EDP's financial performance in 1Q2022 was strongly impacted by the extreme drought in Portugal in the winter of 2021/2022 (≈-30% compared to the historical average hydro production)
- **Unavailability of assets:** assuming an average 1% reduction in the availability of all EDP's generation assets (conventional and renewable), the impact on EDP would be ≈€30M–€50M.

2.3.6 Emerging risks

In addition to closely monitoring the main risks inherent to the group's activity, the main trends (at global and sectoral level) that may translate into threats and opportunities for the group are also comprehensively mapped, and appropriate mitigation strategies are proactively developed. In 2022, the mapping of emerging risks was updated, with an assessment by the EDP group's top, executive and non-executive, management.

In 2023 the following stand out: (1) gap in labour market and risk of unavailability of talent for renewable energy companies; (2) disruptive technologies in energy sector; (3) geopolitics of global supply chains; (4) Introduction of Artificial Intelligence; (5) cybersecurity; and (6) increased climate risks and potential misalignment of international commitments for climate transition.

Description	Potential Impacts	Mitigation Measures
<p>Social Risk Gap in labour market and risk of unavailability of talent for renewable energy companies</p>	<p>The renewable energy sector is currently in a phase of rapid expansion, fuelled by a growing demand for clean energy solutions and government initiatives aimed at facilitating the transition to low-carbon economies. This increase in the renewable energy industry is expected to create a substantial demand for qualified professionals in various fields, such as engineering, project management, installation, and maintenance. At the same time, demographic trends indicate a projected decline in the working-age population in Europe, along with a stabilization in the United States. This demographic shift, along with a projected increase in the need for workers in renewable assets (which is expected to increase 3-4 times by 2030 in the EU), is set to result in a global shortage of skilled labour in the green economy, reaching 7 million by the year 2030, predominantly in the solar and wind sectors. This shortage of skilled labour represents a notable risk to EDP's business plan. The company has ambitious targets for the years 2023-26, with the aim of deploying approximately 17 GW of additional renewable capacity, with an expected overall increase in the workforce of around 6%. Specifically, in the wind and solar sectors, a percentage increase in the number of employees of around 30% is expected. In the digital and innovation sectors, the expected increase in headcount is around 20%.</p>	<ul style="list-style-type: none"> Increased competition in attracting and retaining talent, leading to more competitive and aggressive recruitment and retention strategies in the market Companies, such as EDP, will need to become more involved in strategic workforce planning to identify critical roles, assess skills gaps, and implement measures to mitigate the impact of workforce shortages Heavier investment in innovation and automation to reduce reliance on manual labour, streamline processes, and boost efficiency, as well as invest in research and development Delayed project deadlines and risk of execution of the Business Plan Increased global mobility of the workforce, attracting talent from regions where there is a surplus of qualified labour in the renewable energy sector, increasing global collaboration, and the diversity of the workforce Significant investment in training and development programs to improve the skills of current employees and prepare them for roles in the renewable energy sector.
<p>Technological Risk Disruptive Technologies in energy sector</p>	<p>The growing pressure to keep global warming to +1.5C by 2050 is attracting bigger than ever investments to clean energy technologies. In 2022, \$1.4 trillion were invested in the energy transition. These large investment amounts are financing multiple types of technologies, some of which have low technology readiness levels, but high disruptive potential. Examples include carbon capture & removal, new geothermal energy, new nuclear energy (Small Modular Reactors and nuclear fusion), and geoengineering. EDP reinforced its investment of ~€25B (gross investment 2023-26) in energy transition, with a strong focus on renewables and core low-risk markets (>50 GW of RES gross additions from 2021-30), and ESG excellence and future proof organization, being coal free by 2025, all green in 2030 and net zero by 2040.</p>	<ul style="list-style-type: none"> If technological portfolio choices are not the most adequate, decrease in renewables' relevance in the future energy mix Loss of revenue, as demand for renewable energy decreases Decrease in the value of EDP's renewable assets, creating stranded assets and impacting EDP's financial performance, in a worst case scenario Loss of EDP competitiveness in the energy sector Damage to the company's reputation and brand image.



	Description	Potential Impacts	Mitigation Measures
			<ul style="list-style-type: none"> EDP has been diversifying its portfolio of assets to increase its resilience to emerging technologies, for instance with innovative projects in areas such as floating PV, offshore wind, hybridization projects of solar and wind, and utility-scale storage.
<p>Geopolitical Risk Geopolitics of global supply chains</p>	<p>The supply and value chain obstacles for critical materials and electric components needed for renewable energy equipment supplies, which were thought to be temporary in the pandemic context, have proven to be a structural problem and have been further exacerbated by growing China-US tensions. China assumes a dominant position in the production of clean-energy technologies, accounting for ~65% of the manufacturing capacity of most of the equipment and components needed for the energy transition, leading to a high supply chain dependency for the rest of the world (for example, 97% of global solar wafers comes from China). Additionally, critical materials global reserves, mining and refining are highly geographically concentrated, which can become a geopolitical leverage.</p>	<ul style="list-style-type: none"> Shortage of equipment and components needed to deploy the 17 GW of renewables committed in 2023-26 Business Plan and/or maintain EDP's new and/or existing projects Impact to EDP's investment execution and financial performance through projects COD delays and cost and CAPEX increase Loss of profitability due to the implementation of import tariffs for project supplies Breach of existing and/or new agreements, due to failure to comply with agreed requirements (e.g., timings, maintenance, etc.) Damage to EDP's reputation and brand image. 	<ul style="list-style-type: none"> Supply chain and suppliers' diversification at tier-N level EDP regularly analyses and assesses supplier exposure to potential supply chain disruptions and monitors critical suppliers, as well as supplier diversification to reduce dependencies. Moreover, through innovation and R&D, the group explores new types of solutions to overcome supply chain issues, such as circularity options and/or new materials. When applicable, evaluate the trade-off of extending ongoing contracts vs. new bids/anticipating purchases to cover shortages and price increases Evaluate and improve /transform EDP's inventory management strategies Analyse and implement new partnerships with current /new suppliers. EDP maintains close connection with the players acting in the energy ecosystem, including startups with innovative products or services, with which pilot projects are organised whenever a fit exists with EDP needs.
<p>Technological Risk Introduction of Artificial Intelligence (AI)</p>	<p>The introduction of AI tools into the corporate landscape presents a double-edged sword, offering tremendous potential for automation, efficiency, and innovation while simultaneously posing inherent risks that could threaten EDP's future trajectory. As AI automates tasks and evolves skill requirements, a prime concern is that employees will face the dual perils of job displacement and obsolescence, jeopardizing their security and adaptability. Moreover, AI systems may handle vast amounts of sensitive data raising concerns about data privacy and security. Furthermore, AI systems are susceptible to biases that can permeate their decision-making, leading to discrimination against certain groups of people. Finally, the complexity of AI systems often makes it difficult to comprehend their decision-making processes, hindering accountability for any errors or unintended consequences. Several regulatory approaches to legislate AI are as of early 2024 in nonbinding principle (Singapore, United States) or being finalized (European Union).</p>	<ul style="list-style-type: none"> Legal charges for not complying with new developments in the AI legislation, across the various countries under which it operates. Fines from legal enforcement could represent up to 7% of annual global revenues, according to regulation proposed by the EU Loss of EDP market share and/or competitiveness due to slow adoption of AI Increased costs associated with required investment in data security and compliance Damage to EDP's reputation and consumer trust due to data breaches and discrimination scandals involving AI Loss of competitiveness due to leak of confidential information, namely commercially sensitive and/or advantageous information Compromise of personal data with impact on data subjects (employees, clients, vendors, and other third-parties). 	<ul style="list-style-type: none"> Ensure transparency in AI usage within EDP by creating a taxonomy and inventory of models, classifying them in accordance with regulation, and recording all usage across the organization in a central repository Create detailed documentation of AI usage, its functioning, risks, and controls, and clear documentation on how a model was developed and what is its intended use Implement a governance structure for AI that ensures sufficient oversight, authority, and accountability both within the organization and with third parties and regulators Establish clear data governance policies that protect privacy and ensure that data is used responsibly Implement bias detection and mitigation measures to identify and address biases in EDP's AI systems Investment in training and development to ensure that EDP's employees have the necessary skills and knowledge to work effectively with AI systems Continue the digital talks and clinics initiatives that are online interactive sessions aiming to increase knowledge in digital topics, namely AI Limit the use of AI platforms to a controlled (exclusive tenant), scope limited and secure environment, monitored by EDP.
<p>Technological Risk Cybersecurity</p>	<p>EDP, as an energy utility company, has become very reliant on its digital infrastructure for efficient operations and services delivery. However, this increase in technological sophistication and integration also leads to an increased exposure to cyber risks of different natures. EDP is already driving a digital transformation to further boost business performance with a total of ~€2B in digital TOTEX (for 2023-26 period), in which cyber resilience is included. Despite all the efforts made by organizations, there is probable risk that cyber-attacks become more frequent and with higher magnitude.</p>	<ul style="list-style-type: none"> Losses from critical EDP systems unavailability (dispatch/plants, billing, customer service) In an extreme case, damage/destruction to physical assets and lives Data breach /loss (personal and others) Fines due to GDPR violations Increased costs associated with increase in cybersecurity investment Damage to EDP's reputation in case of a cyber-attack that impacts power availability or data privacy. 	<ul style="list-style-type: none"> Cyber Governance at EDP with strong support from the Board Continuous improvement of the security of internal systems Continuous improvement of dedicated Security Operations Centre (SOC) for continuous security monitoring of the group's IT & OT infrastructure Continuous improvement and development of dedicated EDP Cyber-range training scenarios for simulation and testing of cyber attacks Online training and awareness actions on information security principles, seeking to enlarge training audiences Continue digital talks and clinics initiatives (online interactive sessions) to increase knowledge in digital topics, namely cybersecurity Continue to integrate national and international work/study groups (e.g., CRT.PT, Word Economic Forum, Cyber DSO group, International Energy Agency), and European projects.



	Description	Potential Impacts	Mitigation Measures
			<p>EDP Global SOC is also seeking membership within Trusted Introducer, which is an European forum focused on cooperation and coordination of CSIRTs and general good practices in information security.</p> <ul style="list-style-type: none"> • Continue to monitor cybersecurity Bitsight rating (2022 value already reached 2025 target, and is maintained during 2023) • Continue to address cybersecurity topics in the Cyber Executive Committee, with attendance of BU's management, the Chief Information Security Officer (CISO), Chief Risk Officer (CRO) and an EBD member • Cyber risk insurance.
<p>Environmental Risk Increased climate risks and potential misalignment of international commitments for climate transition</p>	<p>Physical risks associated with climate change (e.g., chronic risks such as increased temperature or reduced precipitation, and acute risks such as extreme temperature and precipitation events) impacting portfolio availability, generation output and increasing costs. Risk of political misalignment with a global climate transition strategy (due to the influence of other factors with greater relevance at the level of each State, namely favouring social policies), jeopardizing long term decarbonization objectives. To accelerate its energy transition, EDP has committed investment in energy transition of ~€25B in 2023-26. EDP carries out an annual assessment of climate risks and opportunities until 2050, which is described in the following section.</p>	<ul style="list-style-type: none"> • Structural loss of portfolio profitability due to damage to physical assets and loss of revenue caused by more frequent extreme weather events and increase in overall costs (such as insurance) • Reduction in hydro portfolio profitability in case of a structural reduction in precipitation • Limitation of the economic potential of investments in new technological solutions in case of misalignment towards a green economy (e.g., green hydrogen with 1.5 GW of installed capacity expected by 2030). 	<ul style="list-style-type: none"> • Continue structured assessment of climate risks (TCFD), updating scenarios, evolution of climate variables and key risks and opportunities for each business • Continue the development of climate adaptation plans by Business Unit in line with the main risks identified • Integration of climate risk assessment into investment analysis • Close monitoring of national and international commitments in decarbonization and adjustment of EDP's strategy accordingly • Geographic, technological and business line diversification (€25B gross investment in 2023-26, of which ~85% in renewables, clients and energy management and ~15% in electricity networks; ~40% North America, ~40% Europe, ~15% South America and >5% APAC).

2.3.7 Climate risks

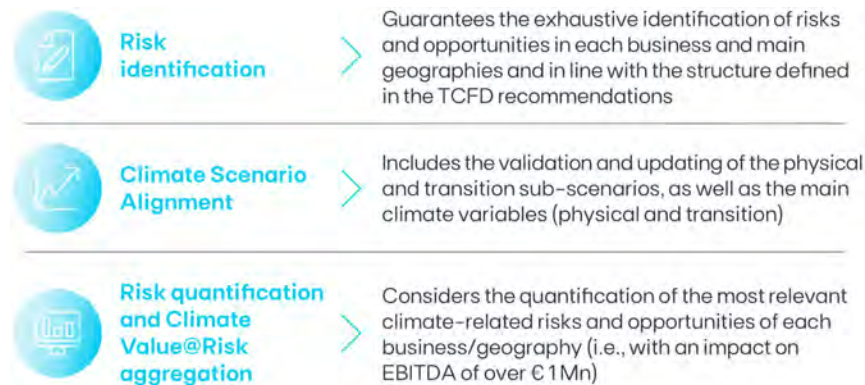
2.3.7.1. Introduction

In 2017, the TCFD (Task Force on Climate-related Financial Disclosures) issued a set of recommendations on how to analyse, report and incorporate the climate transition to increase transparency and climate-related information. The EDP group has adopted these recommendations and in 2021 launched a project to deepen them, including a diagnosis to identify points for improvement and the creation of an annual process to assess climate risks and opportunities.

More detailed information on the TCFD recommendations, governance model and resilience strategy are available on EDP's website: [EDP Climate Transition Plan | edp.com](https://www.edp.com/EDP-Climate-Transition-Plan).

EDP has in place an internal climate risk management governance model, integrated into the global risk management process, to annually review and report on the resilience of EDP's strategy to climate change. The process is overseen by the Risk Global Unit and the Sustainability Global Unit, with the collaboration of the Energy Planning Global Unit, and supported by a team of specialised interlocutors from the different Business Units (risk officers, sustainability officers and energy planning areas). The process is structured in three distinct phases:

2.3.7.2. Climate Risk Management Process



2.3.7.3. EDP's Climate Risk in 2023

After validating the taxonomy, three climate scenarios were defined that aggregate the physical and the transition scenarios.

Climate scenarios

	<u>Transition scenario</u>	<u>Physical scenario</u>
As green as it gets (AGG)	Net Zero Scenario (IEA)	RCP 2.6 (IPCC)
A bit greener than today (BGT)	Base case scenario (resulting from several international sources), assuming that of market prices changes will not be significant between the two scenarios, due to short/ mid term nature of transition risks	RCP 4.5 (IPCC)
Slow move towards transition (SMT)		RCP 8.5 (IPCC)
Time periods assessed	<ul style="list-style-type: none"> • 2025 • 2030 • 2050 	<ul style="list-style-type: none"> • 2025 • 2030 • 2050

Considering a 30-year horizon and for the different scenarios defined, narratives focussing on the various dimensions (social, regulatory, and political, economic and technological, and energy) were constructed and are presented below:

Physical scenarios:

- **RCP 2.6:** considers (1) compliance with the Paris Agreement; (2) that the energy system reaches carbon neutrality by 2070; (3) that the temperature rises between 1.5°C and 2°C; and (4) that the average sea level rises by 0.4m and ocean acidification begins to recover by 2050
- **RCP 4.5:** considers that (1) the Paris Agreement is not fulfilled; (2) the temperature rises between 2°C and 3°C and extreme temperatures become more frequent; and (3) the sea level rises by 0.5m and many species are unable to adapt



- **RCP 8.5:** considers that (1) the Paris Agreement is not fulfilled; (2) the temperature rises by more than 3°C; (3) extreme events become more frequent and there are large variations in rainfall; and (4) the sea level rises by 0.7 metres.

Transition scenarios:

- Net Zero Emissions by 2050 Scenario (NZE) with internal adjustments: considers (1) the global energy sector reaching net zero CO₂ emissions by 2050; (2) economic growth and job creation related to sustainable energy; (3) a more resilient and cleaner energy system; and (4) full international co-operation for sustainable development
- Base Scenario: assumes that (1) the announced policies are generally complied with, and no additional effort is made towards sustainable development; and (2) policies, albeit limited, are adopted to reduce the use of fossil fuels, but demand is still high.

For more detailed information on the physical and transition variables considered, please consult the [EDP Climate Transition Plan | edp.com](https://www.edp.com/Climate-Transition-Plan). The evolution of the physical variables was provided by a specialised external consultant, using the Copernicus database and other international databases. The transition variables, namely the evolution of prices, energy demand and energy mix, are based on scenarios from the IEA and other international sources (e.g., Aurora, Baringa, among others), with the necessary adaptations to the countries where EDP is present.

Quantification, based on the individual analysis of the impact on EBITDA of each risk and opportunity (physical and transition), is carried out by each Business Unit and for each geography. This quantification considers the identification of the physical variables and their evolution according to the experts, and the political/social/economic/technological narratives related to the different scenarios. The quantification method depends on each risk and opportunity using, whenever possible, the direct method (expected loss/gain and maximum loss/gain at P95%) or, alternatively, the indirect method (probability/frequency, average impact and maximum impact at P95%). For the purposes of the group's analysis, the consolidation of losses and gains is carried out considering correlations among risks and opportunities and among geographies.

Short-term risk (5 to 10 years, specifically 2025 and 2030) is mainly related to transition risks, namely energy market design, prices, regulatory framework, and technological developments. Long-term risk (10 to 30 years, specifically 2030 and 2050) is mainly related to physical risks that may affect EDP's asset portfolio, namely regarding extreme temperatures, extreme wind and rain events, and structural changes in physical parameters.

The following table shows, for 2050, the potential impact on the EDP group of the relevant physical risks (maximum loss P95%) and opportunities (minimum gain P5%) (chronic and acute), considering the physical scenarios RCP 2.6 and RCP 8.5 and relating them to the mitigation measures in place.

RISK	MAIN IMPACT	BUSINESS SEGMENT	QUANTIFICATION			MITIGATION MEASURES	
			€0-€50M	€50M-€100M	>€100M		
CHRONIC	Temperature increase	Rise of energy losses Loss of efficiency Demand increase	EDP group	AGG: OPORT & RISCO SMT: OPPORTUNITY & RISK			Natural mitigation, i.e., an increase in temperature will result in an increase in demand. In addition, EDP group has an integrated energy risk management and follows a strategy of diversification by business area and geography
	Water availability	Reduction of hydro generation	Hydro Generation	AGG: RISK SMT: RISK			Strategy of diversification by technology, business segment and geography
SHARP	Extreme temperatures	Unpredictability of consumption Loss of efficiency Malfunctioning turbines and panels	Client Solutions EDPR	AGG: OPORT & RISCO SMT: OPPORTUNITY & RISK			Energy risk management to cover potential generation outages and a strategy of diversification by technology, business segment and geography
	Extremes events (wind/rain)	Disruptions of activities (production and networks) Increase operating costs	EDP group	AGG: RISK SMT: RISK			Preventive maintenance of protection strips on distribution lines, a comprehensive insurance plan and EDP group has also been strengthening business continuity and crisis management plans, minimising the impact on business and third parties.
	Wildfire	Damage to assets (distribution networks, production)					

For transition risks and opportunities, the following tables show the main potential impacts for 2030, considering the IEA's NZE (Net Zero) and Base scenarios (the result of several international sources), and the respective mitigation measures.

RISK	MAIN IMPACT	BUSINESS SEGMENT	QUANTIFICATION			MITIGATION MEASURES
			€0-€50M	€50M-€100M	>€100M	
REGULATORY AND LEGAL	Increase exposure to environmental litigation Changes in product regulation	EDP group (mainly EDPR)	AGG: RISK SMT: RISK			Strategy of diversification by technology, business segment and geography, asset maturity, as well as through a close monitoring of government regulation and policies
MARKET	Loss of revenue due to new competitors Effect of additional environmental measures on market price variables	EDP group (mainly Generation and EDPR)		AGG: RISK SMT: RISK		Focus on the electrification of the economy (through energy services, EVs, among others) as an offsetting strategy
TECHNOLOGICAL	Failure to follow up/delay in adopting new technologies Devaluation/replacement of assets due to technological obsolescence	EDP group (mainly Generation and EDPR)	AGG: RISK SMT: RISK			Close monitoring of market trends, technological development (including emerging technologies across value chain) together with a clear Innovation Policy focused on the main trends in the sector
REPUTATIONAL	Stakeholders' concerns regarding the company's path to climate transition Implementation failures of environmental measures or market positioning regarding the new climate reality	EDP group	AGG: RISK SMT: RISK			Electricity sector has traditionally been seen as a net contributor to climate change. In a paradigm shift, the group is strengthening its renewable portfolio, and is committed to attaining 100% renewable capacity by 2030. At the same time, it is recognized for its excellent performance in the various sustainability indexes of which it forms part, demonstrating its sustainable character and providing evidence of adopted measures and strategies.

OPPORTUNITY	MAIN IMPACT	BUSINESS SEGMENT	QUANTIFICATION		
			€0-€50M	€50M-€100M	>€100M
ENERGY SOURCES	Use of incentive policies for renewable production Explore new green energy sources	EDP group			AGG: OPPORT SMT: OPPORT
PRODUCTS & SERVICES	Greater electrification leading to increased energy demand Higher need for heating and cooling due to physical risks	EDP group	AGG: OPPORT SMT: OPPORT		
RESOURCE EFFICIENCY	Use of more efficient means of transport and consequent increase in installed capacity	EDP group	AGG: OPPORT SMT: OPPORT		
MARKET	Access to new markets and consequent increase in installed capacity	EDP group	AGG: OPPORT SMT: OPPORT		
RESILIENCE	Increase supply chain reliability	EDP group	AGG: OPPORT SMT: OPPORT		

2.4. Strategic priorities

Today's world is changing very fast and very volatile, and this environment requires businesses to adapt quickly. EDP has a resilient business plan focused on driving growth and making sure that EDP can navigate through world's volatile environment. With this business plan in place until 2026, EDP is promoting renewables as a source of energy, reinforcing its position in electricity networks, and supporting collaborators, clients, communities, shareholders, and partners in achieving a climate positive world.

Vision

EDP's vision is to be a leader in the energy transition, while creating superior value. To achieve this, EDP is strategically positioning itself with a low-risk, cross-diversified and resilient profile, which enables the company to create distinctive conditions for the execution of a value-creation strategy in the challenging context of low ecological footprint leveraged in sustainable growth.

By prioritizing sustainability and innovation, EDP is committed to being at the forefront of the energy industry and aims to create value for all stakeholders while minimizing its environmental impact. With its forward-thinking approach and strong focus on sustainability, EDP aims to drive the energy transition and contribute to a more sustainable future. As our business expands, our purpose and commitment to the planet grows stronger.

Strategic Pillars

Based on its Vision, EDP has identified four strategic pillars:

- Accelerated and focused growth
- ESG excellence and future proof organization
- Distinctive and resilient portfolio
- Superior value creation for stakeholders

EDP aims to achieve accelerated and focused growth by implementing its investment plan for the period of 2023–2026 that will reinforce EDP's position as a leader of the energy transition and its distinctive "green" position and low risk profile. With the goal to be net-zero by 2040, and a clear roadmap of coal free by 2025 and all green by 2030, EDP has clearly defined its strategy towards decarbonization. The fast deployment of renewables

capacity will be combined with the intended sale of majority stakes in selected renewable assets, in line with EDP's asset rotation strategy, to accelerate growth and enable a less capital-intensive growth model.

The focus on building a future-proof organization will drive the EDP of the future. EDP is focused on accelerated and sustained growth, being a more global, agile and efficient organisation by improving its decision-making process and simplifying its organisational structure. By having digital at the core of its strategy and being fast adopters on innovation while continuously investing in talent, it will achieve its targets.

EDP has a distinctive and resilient portfolio with a low-risk profile and focused geographic presence, with a BBB credit rating, 21% FFO/Net Debt target by 2026 and >80% EBITDA in high-rated markets such as Europe and North America. EDP is leveraging a superior portfolio and infrastructure as a competitive advantage for increased renewables deployment such as hybridization, repowering, storage and hydrogen.

EDP is committed to delivering attractive returns through a sustainable dividend policy based on a target pay-out ratio of 60 to 70 per cent., with a dividend floor at €0.19 per share in 2023 with an increase to €0.20 per share in 2026. EDP is focused on delivering value to shareholders through a sustainable business model for the long term. Accordingly, EDP has committed to various sustainability targets by 2030 and beyond, focused on an all green positioning and facilitating the energy transition.

Strategic guidelines compliance

In the following pages are the main objectives and strategic goals of the group defined for the period 2023–2026.



Strategic Axist	Key figures and targets	Target 2026	Status 2023
Accelerated and sustainable growth	• Gross investment 2023–26	€25 Bn	€6.1 Bn
	• Gross additions	18 GW	2.7 GW
	• RES gross additions 2021–30	>50 GW (by 2030)	7.4 GW
ESG excellence and futureproof organization	• Coal free by 2025 ³	0%	3% <small>(Pecém deconsolidated; 50/50 partnership to convert Aboño into a gas-fired plant)</small>
	• All Green by 2030 (Renewable installed capacity)	33 GW	24 GW
	• Net-Zero by 2040	-	-
Distinctive and resilient portfolio	• Credit rating	BBB	BBB
	• FFO / Net Debt ²	21% ²	21% ²
	• EBITDA in high-rated markets (Europe and North America)	>80%	78%
Superior value creation for all stakeholders	• EBITDA ¹	€5.7 Bn ¹	€5.0 Bn ¹
	• Net income ¹	€1.4–1.5 Bn ¹	€1.3 Bn ¹
	• DPS floor	€0.20	€0.195 ⁴

1 – Recurring Values. 2 – FFO/ND with a formula consistent with the methodology of rating agencies, considering EDP's definition of recurring EBITDA. 3 – Coal installed capacity/ total installed capacity. 4 – To be proposed in the General Shareholders Meeting



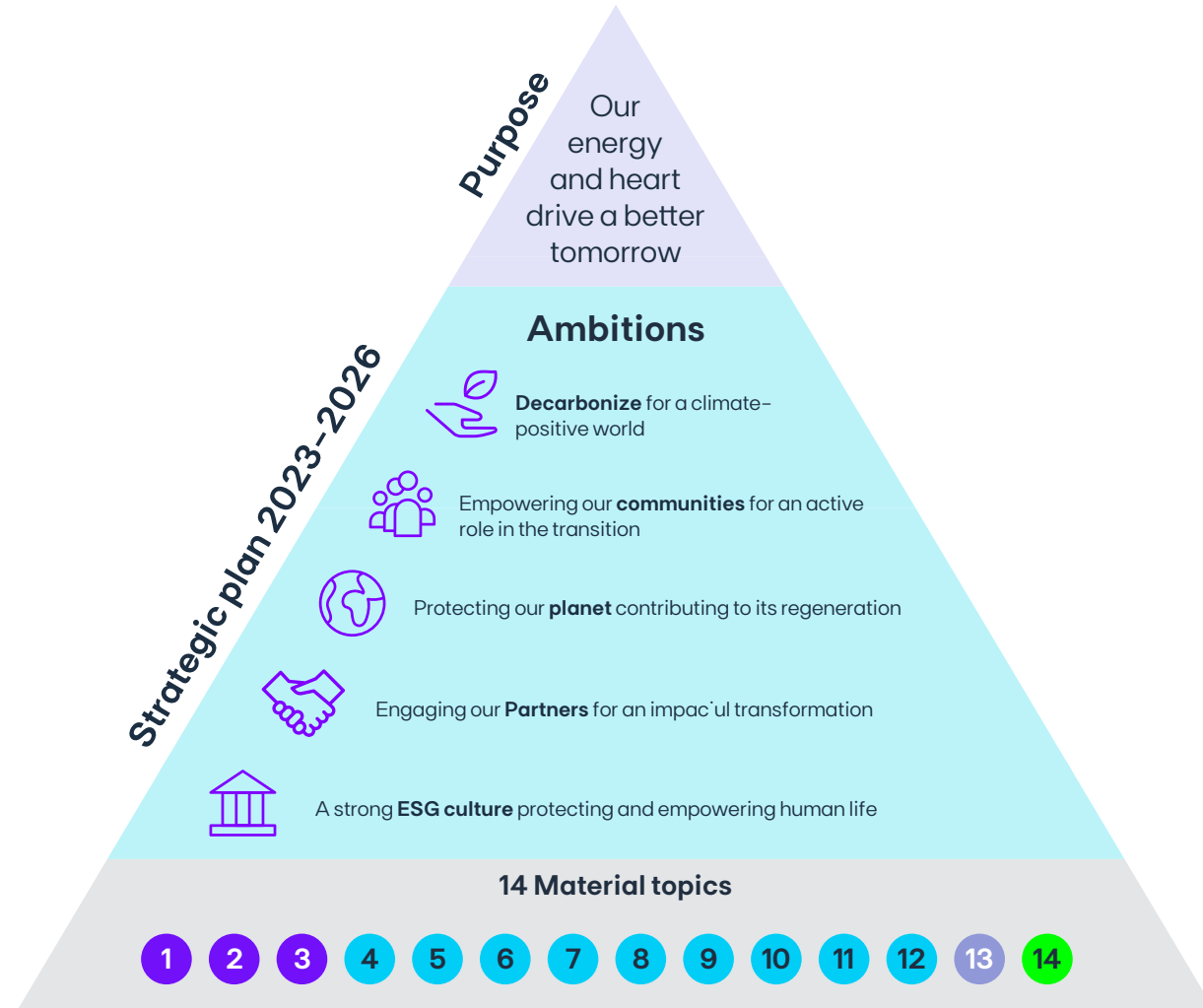
Ambition	Objective	2023	Goal 2026	Ambition 2030
 Decarbonize	SBTi: Scope 1 + Scope 2, gCO ₂ e/kWh (% vs. 2020) ¹	81 (-49%)	36 (-77%)	8 (-95%)
	SBTi: Scope 3, MtCO ₂ e (% vs. 2020) ¹	8.1 (-16%)	—	~6M (-45%)
	Renewables generation	87%	93%	100%
 Communities	Global investment in communities, cumulative ²	88.7	~€200 M	>€300 M
	Social impact investment beneficiaries ³	604	20 m	>30 m
	New hires	1,425	>3,000	>6,500
	Training in upskilling and reskilling program, % training ⁴	86%	45%	>45%
 Planet	Total recovered waste ⁵ , % per year	96%	90%	>90%
	Projects with Net Gain Biodiversity tracking system	22%	100%	100%
 Partners	Suppliers compliant with ESG Due Diligence ⁶	62%	100%	100%
	Purchases volume aligned with EDP ESG goals ⁷	~50%	90%	>90%
 ESG Culture	Fatal accidents	5	0	0
	Women employees	29%	31%	35%
	Women employees in leadership	29%	31%	35%
	Employees receiving ESG training	83%	70%	90%

1. 2020 as base year. 2. Accumulated OPEX 2021–2030. Includes voluntary & mandatory investment + management costs. 3. Accumulated 2021–2030. Includes direct and indirect beneficiaries & A2E clients. 4. Excludes transversal training. 5. Includes construction, operational and dismantling phases and considers the change in EDP's technology mix. 6. In 2023, this indicator was improved. Prequalification assessment already considers IDD, Environment and H&S, as well as other risk mitigation stages: desk assessments/audits/inspections, during contract period, and contract evaluation after contract closure. With this new approach, in 2023, 62% of suppliers are already compliant with ESG due diligence. 7. The volume of purchases associated with critical suppliers whose decarbonization, environmental (biodiversity and circular economy), and human rights goals are consistent with those of the Group is considered aligned with EDP's ESG objectives. In 2023, approximately 50% of the Group's purchasing volume is considered aligned with EDP's ESG goals.


Strategic alignment

Through the materiality process, the group carefully identifies and prioritizes the most important topics for both society and the business. By doing so, the group can optimize its strategic direction and direct its internal management towards addressing these material topics to integrate them into the group's overall strategy. These material topics are embodied in the three strategic pillars of the current business plan.


Based on these strategic pillars, the group defines objectives that are relevant to the entire scope of the group's operations and ensures that they are integrated and aligned with the strategic axes. These objectives aim to help the group achieve its long-term vision and contribute to the group's ongoing success. By following this process, the group can effectively manage its resources, respond to evolving societal expectations, and remain competitive in the market.



Contribution to the SDGs



7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION

Decarbonize

Decarbonize for a climate-positive world

Coal free by 2025

All green by 2030

Net Zero by 2040



11 SUSTAINABLE CITIES AND COMMUNITIES



17 PARTNERSHIPS FOR THE GOALS

Communities


Empowering our communities for an active role in the transition

~€200 Mn in social investments (accumulated)


2023 status: €88.7Mn

>3,000 new hires

2023 status: 1,425



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



15 LIFE ON LAND

Planet


Protecting our planet, contributing to its regeneration

100% Projects with Net Gain Biodiversity tracking system

2023 status: 22%

90% recovered waste

2023 status: 96%



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Partners

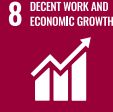
Engaging our partners for an impactful transformation

100% suppliers compliant with ESG Due Diligence


2023 status: 62%

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

2023 status: ~50%



8 DECENT WORK AND ECONOMIC GROWTH



5 GENDER EQUALITY

ESG Culture

A strong ESG culture protecting and empowering human life

Aim to Zero fatal accidents

2023 status: 5

70% employees received ESG training

2023 status: 83%

31% women in leadership

2023 status: 29%

Remuneration linked to ESG



We will be all green

by 2030

Livadi Wind Farm, Greece

Because
We Choose
Earth

03 Performance

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3.1. Business area analysis

3.1.1. Renewables, Clients and Energy Management

Financial Analysis

EBITDA Renewables, Clients and Energy Management

€3,552M

+18% vs. 2022

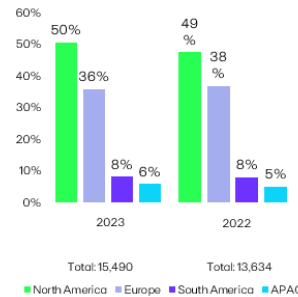
Renewables, Clients and Energy Management EBITDA (Wind & Solar generation plus Hydro, Client Solutions and Energy Management activity) increased 18% vs. 2022 to 3,552 million euros, supported by:

- **Wind and solar EBITDA decreased to 1,835 million euros in December 2023** despite higher capital gains, reflecting: (i) lower avg. selling price (-6% YoY), mitigated by higher generation output (+4% YoY) mainly driven by higher average MW installed (+8% YoY) and (ii) lower contribution from Ocean Winds.
- **EBITDA from Hydro, Client solutions and Energy Management** (hydro and thermal generation, supply and energy management), increased to 1,718 million euros detailed by:
 - **In Iberia: EBITDA increased to 1,480 million euros, with 2023** figures including an extraordinary gain of 104 million euros, resulting from the 50/50 partnership signed to convert Aboño into a gas-fired plant. Besides this extraordinary gain, YoY increase reflects a strong rebound from a very weak 2022 that was penalized by a record-high prices and the driest winter period since 1930 that heavily penalized intermediation costs. In more detail: (i) Hydro production benefited from a normalization of hydro resources specially during the first quarter of the year, (ii) normalization of energy management activities in a context of declining commodity prices, which contrasts with a 2022 with extremely high intermediation costs and (iii) recovery of supply activities when compared with a very harsh environment in 2022. These effects partially compensated the decrease in thermal production (54%

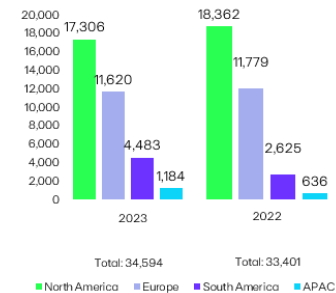
- YoY) and the booking of 1.2% revenue tax in Spain (45 million euros already recorded in 1Q23).
- **In Brazil, 238 million euros EBITDA**, with the segment performance being penalized by: i) sale of Pecém in December 2023 (-84 million euros) and ii) deconsolidation of hydro plant Mascarenhas (“Energest”) in December 2022.

Operational Analysis

INSTALLED CAPACITY WIND & SOLAR (MW)



NET ELECTRICITY GENERATION WIND & SOLAR (GWH)



Wind and Solar Generation

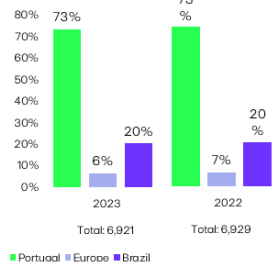
- The Group's wind and solar generation portfolio corresponds to a total of 16.6 GW of installed capacity (EBITDA + Equity), an increase of 1.8 GW (+12%) explained by the growth of the portfolio of EDP Renováveis (“EDPR”) net of deconsolidations resulting from the asset rotation strategy.
- In 2023, EDPR added a total of 2.5 GW, including the acquisition of a wind portfolio in Spain (45 MW).
- Regarding the EBITDA portfolio, EDPR added: i) 958 MW of onshore wind technology: 277 MW in Europe (65 MW in Spain, 12 MW in Poland, 117 MW in Italy, 35 MW in Greece, 26 MW in France and 22 MW in Portugal), 297 MW in Canada, 202 MW in the United States,

99 MW in Brazil and 83 MW in Chile; ii) 1,300 MW of solar PV technology: 589 MW in the United States, 498 MW in Europe (195 MW in Poland, 66 MW in Spain, 223 MW in Portugal, 9 MW in Netherlands, 4 MW in France) and 212 MW in Brazil; iii) 251 MW of solar DG technology: 63 MW in the United States and 190 MW in APAC (9 MW in Vietnam, 85 MW in Singapore, 79 MW in China, 11 MW in Taiwan and 6 MW in Thailand); iv) 15 MW of storage technology in the United States.

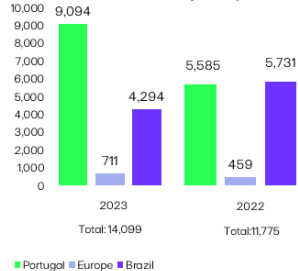
- Following the asset rotation strategy, EDPR concluded the following sales: a 256 MW in Spain, 142 MW in Poland and 260 MW in Brazil wind onshore portfolios. Regarding the equity portfolio, the variation was -35 MW resulting from a stake in San Cristo de Magallón and San Juan Bargas and +1MW of solar DG technology in APAC.
- Wind and solar generation increased 4% YoY, as a result of higher installed capacity (+12%), which was mitigated by: i) concentration of annual capacity additions in 4Q23, ii) wind resources below LT average in the United States related to El Niño, iii) increase of solar capacity weight, with lower load factors vs wind, iv) asset rotations closed in 3Q23 for wind assets in Europe (Spain and Poland).
- At the end of 2023, EDPR had 4.4 GW of capacity under construction, of which 0.9 GW related to onshore wind, 2.8 GW solar and 0.7 GW offshore wind. Regarding onshore wind, 90 MW in Europe (20 MW in Spain and 70 MW in Greece), 329 MW in Brazil and 504 MW in Colombia. Solar projects respect to 404 MW in Europe (140 MW in Spain, 15 MW in France, 155 MW in Italy, 21 MW in Netherlands and 74 MW in Hungary), 2,074 MW in the United States, 255 MW in Brazil and 65 MW in APAC (31 MW in Singapore, 25 MW in China, 8 MW in Taiwan and 1 MW in Malaysia). On wind offshore, 419 MW in the United Kingdom and 309 MW in France.

Hydro Generation

INSTALLED CAPACITY HYDRO (MW)



NET ELECTRICITY GENERATION HYDRO (GWH)



Iberia

- EDP's hydro production portfolio in the Iberia includes a total of 5.5GW of installed capacity, of which 43% includes pumping.
- Hydro generation in 2023 increased 62% year on year (+3.8TWh), to 9.8TWh, reflecting the above average hydro reservoir levels in Portugal, with hydro generation coefficient of 0.99 in Portugal, compared with a coefficient of 0.63 in 2022.

Brazil

- The Hydro generation portfolio in Brazil includes a total of 1.4 GW of installed capacity. The portfolio also includes 0.6 GW of equity installed capacity (Jari, Cachoeira-Caldeirão and S. Manoel).
- In 2023, the average GSF stayed at 90% registering an increase of 4% vs 2022. Consequently, the volume of energy production, considering the consolidated companies, was 4,294 GWh, a decrease of -25% year-on-year.

Risk outlook

- **Renewable generation volumes:** uncertainty regarding hydro generation levels, with high volatility, being 2022 an example of a year with very low production in the Iberian Peninsula; uncertainty regarding the remaining technologies with less annual volatility in a normal scenario, but which could be strongly affected by extreme meteorological scenarios (e.g., El Niño in 2023).
- **Prices of PPAs:** price reduction trend due to increased competitiveness (auctions and Corporate PPAs) and reduction in the cost of raw materials and equipment.
- **Prices for generation to market:** high volatility of market prices (albeit with lower base values), including electricity prices, green certificates, and RECs (Renewable Energy Credits).
- **Policy/ regulatory support for renewables:** uncertainty regarding long-term regulatory frameworks (i.e., incentives, capacity, among others), as well as potential clawbacks to inframarginal technologies.
- **Political/ social risk in EDP geographies:** risk of political uncertainty and instability in EDP geographies, the most current example being Brazil, with the risk of social unrest increasing in recent years (although progressively decreasing since the 2022 presidential elections).

- **Counterparty:** possibility of counterparties defaulting on their obligations (i.e., energy sales contracts, equipment purchase contracts, among others).
- **Interest rates and capital gains:** increased volatility of reference interest rates, impacting the expected profitability of new investments and impacting the lower-than-expected selling price of parks for some projects, leading to lower capital gains.
- **Inflation:** uncertainty regarding the evolution of inflation in the different geographies, with an impact mainly on the costs (Capex and Opex) of operational projects and new projects.
- **FX:** potential evolution of key currencies leading to lower results in EUR.
- **Construction and asset development:** delays in the allocation of construction permits and potential capex deviations and delays in the commissioning date, due to supply chain related constraints and cost increases.
- **Asset operation and availability:** uncertainty regarding damage of assets and/ or loss of profit, risk of delays in maintenance and construction due to logistical and supply chain constraints.

- Thermal generation decreased 50% compared to 2021 (-8.6 TWh), to 8.6TWh, following the disposal of 80% of the 720 MW Pecém coal plant in Brazil in December, and the new 50%/50% partnership in Aboño Coal Plant in Spain (deconsolidated in December 2023), as well as hydro recovery. Nuclear generation remained stable.

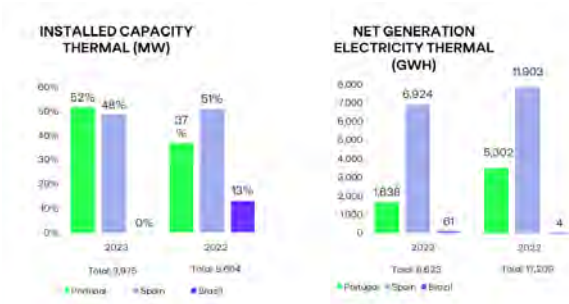
Brazil

- In Brazil, 80% of Pecém plant was sold in December, therefore there is no thermal installed capacity in 2023.
- Pecém was dispatched during the 4Q23 with an output energy of 61 GWh due to the heat waves of November and December.
- Pecém's availability stayed at 99%.

Supply

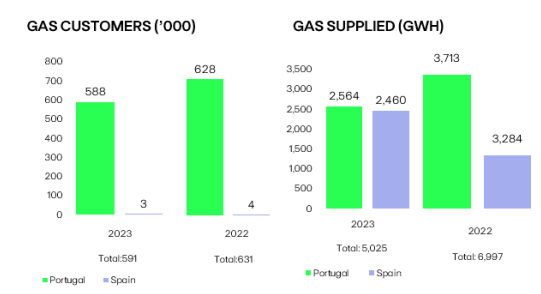
Operational Analysis

Thermal Generation



Iberia

- The Iberian thermal generation portfolio has an installed capacity of 4 GW, with most of the capacity being CCGT (73% or 2.9 GW) and coal (23% or 0.9 GW). The remaining thermal capacity is divided between nuclear, cogeneration and waste (0.2 GW).



Europe

- 2023 marked a more stable context but still challenging in the commercialization of energy-related products and services, mostly as a consequence of the price increase in 2022. Wholesale energy and commodities prices soared during 2022 in response to gas supply shortage due to Ukraine-Russian conflict and sanctions taken by Western countries against Russian gas supply, which led to all-time high inflation levels in energy products and services.
- In this context, the already in place Energy Transition plans were fast paced worldwide with countries and companies committing to more ambitious Net Zero targets, which resulted in higher prices and supply chain disruptions. These decisions affected directly prices and supply of solar panels and Electric Charges to face a higher demand of customers looking for green solutions and energy independence.
- In Portugal the regulated electricity business (operated by EDP under SU Electricidade brand) decreased 5% vs 2022 in number of clients to 927 thousand, while electricity sold increased 7% to 3 TWh.
- In the liberalized electricity business in Portugal, EDP saw a 4% reduction in number of clients to 3.8 million, and a reduction of 4% in the volumes sold to 17 TWh. The liberalized gas business lost competitiveness, and therefore EDP portfolio of gas customers in Portugal reduced by 13% to 480 thousand, and volumes sold decreased by 38% to 3.2 TWh.
- In Spain, EDP also registered a decrease of 23% in electricity sold to 9.5 TWh and a decrease of 25% in gas volume sold to 2.5TWh.
- In the services sector, among the main traditional services, emphasis should be placed on “Funciona” portfolio, which grew by 1% vs 2022 to 599 thousand customers and “EDP Saúde”, which registered a total number of 236 thousand customers in Portugal, 9% more than in 2022.
- The commitment and the focus on to new services more focused on efficiency and energy transition remain, EDP positions itself as a brand that looks for offering to all its clients (residential, small and medium-sized companies, large business groups, and government entities) solutions that allow energetic autonomy and independence. Hence, solar DG and Electric Mobility are the present bet thinking about the future. In Iberia, EDP is proud of having installed 189MWac of solar DG and 2,3 thousand chargers both public and private.
- Regarding the ambition of geographical expansion, EDP has been investing in companies providing service related to solar DG, with the purchase of Enertel (Italy) in 2021, Soon Energy and Zielona (Poland) in 2022, and Enerdeal (Belgium and Luxembourg) in 2023. Therefore, during 2023 EDP installed 106 MWac in these countries.

Brazil

- The total volume of energy sold in 2023 increased by 20% to 39.7 TWh.
- The focus on solar DG is also a reality in EDP Brazil, with 48 MWac installed in 2023. Although being the geography most affect by the delays in the installations, a recover is expected in 2024.

Risk outlook

- **Market price:** high volatility of market prices (albeit with lower base values), including electricity prices, as well as fuel prices with an impact on the Energy Management activity. Potential differences in electricity and gas hedges in indices other than the original exposure (both gas and electricity) with basis risk (especially relevant in cases of energy crisis).
- **Risk on thermal revenue:** possibility of a fall in thermal generation spreads.
- **Retail margin/ market share:** uncertainty regarding the evolution of retail margin or loss of market share, marketing of new products and services and potential deviations in demand vs. energy previously contracted.
- **Political/ social risk in EDP geographies:** risk of political uncertainty and instability in EDP geographies, the most current example being Brazil, with the risk of social unrest increasing in recent years (although progressively decreasing since the 2022 presidential elections).
- **Counterparty:** possibility of counterparties defaulting on their obligations (i.e., energy sales contracts, energy purchase contracts, equipment purchase contracts, among others).
- **Operation and availability of assets:** uncertainty regarding damage to assets and/or loss of profits, risk of delays in maintenance and construction due to logistical and supply chain constraints.
- **Liquidity risk:** the risk of a sudden increase in liquidity needs (e.g., margin calls) that may exceed current sources of funding. Liquidity risk increased significantly with the energy crisis in Europe, however, in recent months it has shown a downward trend, associated with the reduction in market prices.

3.1.2. Networks

EBITDA Networks

€1,501M

-0.3% vs. 2022

Financial Analysis

- **EBITDA from networks remained flat vs 2022 at 1,501 million euros**, mainly explained by: (i) 6 million euros increase in the Brazilian networks segment mainly due to tariff update in 2023 and higher RAP, mitigated by higher operating costs as result of higher inflation in the period which also reflect on distribution remuneration; (ii) 9 million euros decrease in Spain following the increase in Opex due to higher personnel costs.
- In Iberia, EBITDA was broadly stable compared to 2022 as the positive impact from higher Portuguese 10Y bond yields on the return on RAB and the benefits from integration of Viesgo were compensated by an increase in OPEX, mainly reflecting the high inflation environment.

Operational Analysis



Distribution

Iberia

- The Distribution network in Iberia reached the length of 287,516 km in 2023 corresponding to a slight increase of 1% vs 2022.

- At the end of 2023, EDP reached 7.0 million smart meters installed in the entire distribution network in the Iberian Peninsula. Smart meters are aligned with the efficiency, digitalization and innovation strategies and are considered a strong bet in the Group, especially in Portugal where there was an increase of 22% against 2022.
- In 2023 the volume of electricity distributed in Iberia remained equal to 2022.
- The Installed Capacity Equivalent Interruption Time (ICEIT) in Portugal registered a decrease vs 2022, reaching the value of 48 minutes, which is still below the regulator's benchmark. In Spain, the registered ICEIT value was of 19 minutes, an increase from the previous year's value of 18 minutes.
- Regarding energy losses in the network, Portugal registered a decrease in the indicator (measured based on energy input into the grid) which reached 7.8% in 2023 (-0.9pp vs 2022), remaining below the upper regulatory limit of 9.00%. In Spain (measured based on energy input into the grid), losses stayed at 4.8% (-1.1pp vs 2022).

Brazil

- The Distribution network in Brazil reached the length of 96,999 km in 2023, corresponding to an increase of 1% vs 2022.
- In 2023, the volume of energy distributed increased 4.9%, (2.7% at EDP SP and 8.3% at EDP ES). This reflects the increase in the number of connected costumers and the heat waves during the months of November and December.
- The number of new customers increased 3% with free customers increasing by 16.5% (153 customers at EDP SP and 159 customers at EDP ES), due to the migration of captive customers to the free market.
- Regarding service quality indicators, both distribution companies show a slight worsening (vs 2022) of the Equivalent Duration of Interruption (DEC) with the values staying at 369 minutes for EDP SP and 437 minutes for EDP ES. As for Equivalent Frequency of Interruption (FEC), there was an improvement vs the previous year, with the values reaching 2.9 in EDP SP and 3.1 in EDP ES.
- As for energy losses in the network, both distribution companies showed improvements with EDP SP reaching a value of 7.2% (-0.7p.p. vs 2022) and EDP ES reaching 11.8% (-0.1p.p. vs 2022).

Transmission Brazil

- In 2023, EDP Brazil concluded the sale of two transmission lines (EDP Transmissão SP-MG and Mata Grande Transmissão de Energia).

- The construction of Lote 02 and at the end of the year 91% of the Lote EDP Transmissão Norte (Lote 1) was built.
- In 2023 there was the conclusion of all reinforcement and improvement licencing of 2023 and anticipation of 2024 in EDP Goiás, with an additional margin of 59% - R\$37Bn in Xavantes and 32% R\$13Bn in Itapaci.

Risk Outlook

- **Low voltage network concessions (Portugal):** uncertainty as to the timing of the launch of the tender and its terms, with possible fragmentation of the activity and possible increased costs for the system.
- **Political/ social risk:** risk of political uncertainty and instability in EDP geographies, the most current example being Brazil, with the risk of social unrest increasing in recent years (although progressively decreasing since the 2022 presidential elections).
- **Counterparty:** possibility of default or failure of counterparties to meet their obligations, leading to possible delays, penalties or lost revenue.
- **Construction and asset development:** delays in the allocation of construction permits and potential capex deviations and delays in the commissioning date due to supply chain related constraints and cost increases.
- **Asset operation and availability:** uncertainty regarding damage of assets; risk of delays in maintenance and construction due to logistical and supply chain constraints.
- **Business continuity:** impact of extreme events with possible materialization in a prolonged interruption of operations.

3.2. Group's financial analysis

3.2.1. Income Statement

EURO MILLION	2023	2022	Δ %	Δ ABS.
Gross Profit	6,997	6,121	14%	+876
Operating Costs	1,995	1,874	6%	+121
Other Revenues/(Costs)	(59)	38	-%	-97
Joint Ventures and Associates	78	239	-68%	-162
EBITDA	5,020	4,524	11%	+496
EBIT	2,798	2,530	11%	+268
Net Profit for the period	1,331	1,170	14%	+161
Net Profit attributable to EDP shareholders	952	679	40%	+273
Non-controlling interests	379	491	-23%	-112

EBITDA

€5,020M

11% vs. 2022

- **EBITDA amounted to 5,020 million euros in 2023**, a 11% increase vs. 2022. Excluding non-recurrent effects Recurrent EBITDA increased 11% to 5,023 million euros, benefitting from a strong growth of Hydro, Clients & Energy Management in Iberia.

- **Renewables, Clients and Energy Management** EBITDA increased 18% vs. 2022 to 3,552 million euros. On **EDPR**, EBITDA decreased to 1,835 million euros in December 2023 despite higher capital gains, reflecting: (i) lower avg. selling price (-6% YoY), mitigated by higher generation output (+4% YoY) mainly driven by higher average MWs installed (+8% YoY) and (ii) lower contribution from Ocean Winds. **Hydro, Clients & Energy Management Iberia** EBITDA increased to 1,480 million euros in 2023 mainly reflecting a recovery of hydro resources in 2023 vs. the extreme drought of 2022. **Hydro, Clients & Energy Management Brazil** EBITDA in 2023 decreased 95 million euros YoY to 238 million euros mainly driven by the deconsolidation of the Mascarenhas Hydro Plant ("Energest") that took place in December 2022.

- **Electricity Networks** EBITDA slightly decreased to 1,501 million euros in 2023. In Brazil EBITDA was flat YoY, mainly driven by (i) tariff update in transmission 2023 and higher RAP given the completion of reinforcement works in Lot Q and EDP Goiás and (ii) over contracting costs in distribution. EBITDA in Iberia was slightly down YoY, mainly influenced by the high inflation environment, leading to an increase in operating costs.

EBIT

€ 2,798 M

11% vs. 2022

- **Opex costs increased 6% vs. 2022** to 1,995 million euros due to inflation, the tight cost control and successful implementation of ongoing saving programs avoided a higher increase.
- **Other net operating revenues/(costs)** decreased to -59 million euros, explained by increased costs with rents on distribution and the windfall profit tax in Spain.
- **EBIT increased 11% vs. 2022 to 2,798 million euros**, reflecting the increase in the operational performance.
- **Net Financial results** remained flat at -910 million euros in 2023. On one hand, the average cost of debt increased to 5% YoY, penalized by all currencies, essentially by EUR and USD higher interest rate environment. This effect was mitigated by an increase in capitalized financial costs. Net foreign exchange was positively impacted by 37 million euros from the settlement of US dollar pre-hedge as a result of the revision of our funding strategy by currency.

Net profit

Attributable to EDP
Shareholders

€952M

40% vs. 2022

- **Income taxes** amounted to 507 million euros, representing an effective tax rate of 27% in 2023.
- **Non-controlling interests** decreased 23% to 379 million euros in 2023, including (i) 295 million euros related to EDPR (-67 million euros year-on-year), explained by the lower operational performance and the impact of Colombia impairment; (ii) €57 million euros related to EDP Brasil, reflecting the acquisition of all minorities at EDP Brasil holding level in 3Q23 (+48 million euros positive impact on EDP net profit in 2023).
- **Net profit attributable to EDP shareholders reached 952 million euros in 2023** (+40% vs. 2022), driven by normalization of hydro resources and better results from energy management. Moreover, EDP successfully concluded the full acquisition of EDP Brasil's minority interests, which also contributed to an improvement in EDP's net profit in 2023.

3.2.2. Investment Activity

Gross investment

€6,139M

-8% vs. 2022

Expansion Investments (including Expansion Capex and Financial Investments), 5,491 million euros (-9% vs. 2022)

- **Expansion Investment represented 89% of gross investment** and mostly dedicated to new renewables capacity and electricity networks (~94%).
- **Expansion Investment in new renewable capacity** amounted to 4.7 billion (-9% vs. 2022), distributed by North America (60%), Europe (22%), APAC (3%) and Latam (15%).
- **In Brazil**, Expansion Capex in transmission investments increased by 28% while in distribution it increased by 10% vs 2022, mainly due to grid expansion and improving quality of service in distribution.

Maintenance Capex, €648M (-1% vs. 2022)

Maintenance capex amounted to 648 million euros in 2023 and was mostly absorbed by networks in Iberia and Brazil (72 % of total).

Asset rotation

€2,020M

3.2.3. Net Debt

Net debt

€15,319M

16% vs. 2022

The execution of our asset rotation strategy remained strong during 2023:

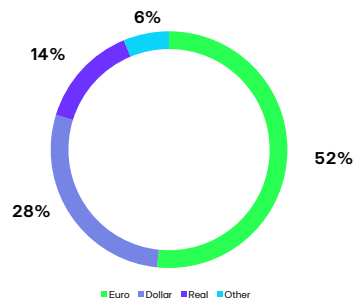
In 2023 we announced and closed several asset rotation deals, of which it's worth highlighting: (i) a 260 MW wind portfolio in Brazil (0.3 billion euros), (ii) a 257 MW wind portfolio in Spain (0.46 billion euros), (iii) a 142 MW wind portfolio in Poland (0.49 billion euros). The remaining asset rotation proceeds resulted from transactions announced in 2022, which only were cashed-in in 2023.

As of December 2023, net debt amounted to 15.3 billion euros, +16% vs. December 2022, reflecting the acceleration in the investments in renewables and networks, mitigated by the capital increase at EDPR.

3.2.4. Funding Policy

- Centralized policy for financial debt at EDP – Energias de Portugal, S.A., EDP Finance BV and EDP SFE (approximately 83% of gross debt), while the remainder is divided between EDP Brasil (ring fenced vs. the rest of the Group), project finance at some EDP Renewables subsidiaries.
- In 2023, the average cost of debt stood at 5.0% (+65 basis points vs. 2022), mainly driven by the cost EUR/USD, partially offset by the cost reduction in Brazil.
- Fixed interest rate debt represents 79% of overall gross financial debt.

Gross Debt by Currency in Dec-23 ⁽¹⁾



¹After FX-derivatives

Bond Issues

All EDP issuances in 2023 were green notes, detailed as follow:

ISIN CODE	CURRENCY	AMOUNT	COUPON	MATURITY
PTEDP4OM0025	EUR	1,000,000,000	5.943%	23/04/2083
PTEDPUOM0008	EUR	750,000,000	3.875%	26/06/2028
XS2699159278	EUR	600,000,000	4.125%	04/04/2029
XS2699159351	EUR	750,000,000	4.375%	04/04/2032

Rating

Regarding EDP's rating, in May 2023, Moody's upgraded EDP's rating from Baa3, with a positive outlook, to Baa2, with stable outlook. Throughout the second half of 2023, EDP maintained its rating, namely S&P's rating of BBB with stable outlook, and Fitch's rating of BBB with stable outlook.

	LONG-TERM	SHORT-TERM	OUTLOOK
S&P	BBB	A-2	Stable
Moody's	Baa2	P2	Stable
Fitch	BBB	F2	Stable

3.3. Share performance

3.3.1. Share

EDP market price was 4.555€ per share at the end of 2023, 2.2% below the 4.656€ per share at the end of 2022. Based on the payment of dividends to shareholders held on April 12th, 2023 (0.19€ per share), which implied a dividend yield of 4.2% (considering 2023's year-end closing price), in 2023 EDP generated a total shareholder return (TSR) of 1.5%, assuming automatic reinvestment of the dividends received into new shares.

3.3.2. Market Performance

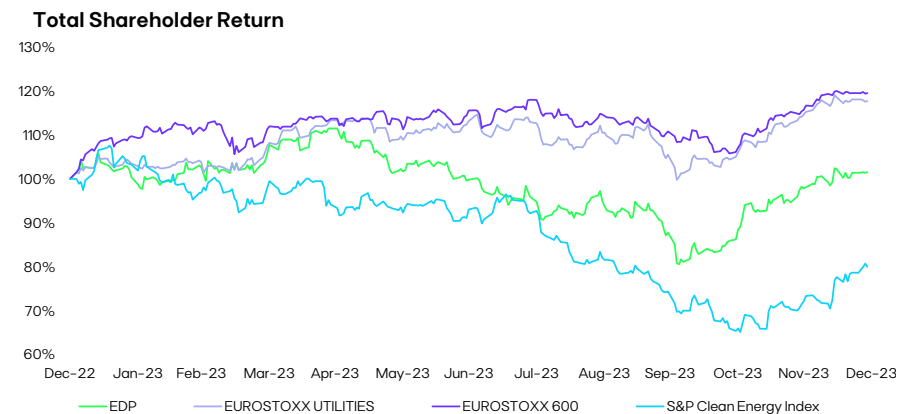
In 2023, European Equities benchmark index, Eurostoxx 600, yielded a positive TSR of 19.5% as stocks rallied and bonds recovered after suffered substantial losses at the onset of the year due to concerns about a recession faced last year. The year 2022 was significantly impacted by geopolitical tensions stemming from the invasion of Ukraine, resulting in an unprecedented energy and food crisis that reverberated across much of the globe. Additionally, the performance of European shares in the early months of 2023 was influenced by global market challenges, particularly the abrupt downfall of Swiss lender Credit Suisse and the struggles faced by U.S. mid-sized lender Silicon Valley Bank. These anxieties were subsequently alleviated as investors' confidence grew, propelled by a noteworthy shift in expectations for interest rate reductions by the commencement of 2024.

The Utilities Sector underperformed the Eurostoxx600 and exhibited total return of 17.7% in 2023, in contrast to the challenges faced in 2022, where energy markets were adversely affected by rising energy sourcing costs. Despite the difficulties encountered by renewables players throughout the year, government policies persist in bolstering the performance of electricity markets, thereby promoting the ongoing energy transition. Moreover, the reduction in interest rates for 2024 is anticipated to contribute to a recovery in energy market stocks.

In 2023, the global benchmark for clean energy-related businesses, S&P Global Clean Energy Index, registered a TSR of -20.1%, mainly attributed to the underperformance of pure renewables companies compared to utilities, resulting from profit warnings prompted by high interest rates, operational challenges, and disruptions in

the supply chain. Consequently, a wave of impairments affected renewable energy players, precipitating a subsequent decline in the clean energy stock market.

EDP's TSR of +1.5% in 2023 underperformed both European and Utilities benchmark Indexes, impacted by lower resources caused by weather conditions and capacity delays. The performance benefits from strong performance of integrated portfolio in Iberia following hydro recovery and better sourcing costs.



3.3.3. Factors influencing the change in EDP share price

The performance of EDP's share price in 2023 was impacted by several factors. On one hand, the adverse of macroeconomic conditions resulting from the increase in interest rates, supply chain issues and complicated weather condition. On the other hand, the implementation and strong delivery of EDP's Strategic Plan growth targets in the first year of this plan.



Internal factors	Accelerated Sustainable Growth	Focused Growth	<ul style="list-style-type: none"> In renewables, at EDPR level, has 9.9 GW of secured capacity to 2023–26, with additions of 2.5 GW additions in 2023 and expected 4GW to be installed in 2024. In renewables, the strengthened position in the global renewables landscape across four regional hubs: APAC, North America, Europe and South America. Delays in us 0.9 GW in solar capacity from 2023 to 2024 and 0.5GW projects in Colombia due to delays in permitting.
		Portfolio Optimization	<ul style="list-style-type: none"> EDP close 3 asset rotations deals in 2023, amounting a total capital gains of €460m with €1.5Bn in asset rotations proceeds. Acquisition of EDP Brasil minority stakes with an investment of €1.1Bn that will generate an earnings contribution of ~€120m in 2024 and represent an important milestone in the implementation of EDP's strategy, as well as synergies between EDP's different business units. EDP has taken important steps to implement its strategy of exit coal: i) the sale of 80% and the option to sell 20% of the Pecém thermal power plant in Brazil ii) a partnership in the Aboño power plant in Spain with a decision to invest in the conversion to gas; as well as iii) a request for authorization to close the Soto 3 and Los Barrios coal-fired power plants in Spain. EDP buys back 49% stake in 1GW wind portfolio in Portugal, Poland and Italy for €0.57Bn. With this transaction EDP will hold 100% in projects with strong operational track record, providing immediate cashflow and earnings accretion.
			Hedging Strategy	EDP is managing its integrated position with adjusted hedging strategies to optimize portfolio risk / return with renewables generation hedging of ~70%–80% in hydro and ~80–90% in wind and solar.
	Solid Balance sheet	<ul style="list-style-type: none"> Credit rating upgrade by Moody's to "Baa2" with stable outlook. EDP is rebalancing our debt currency mix, aiming to decline the US dollar weight. EDP proceed to a €2Bn capital increases €1Bn to finance acquisition of EDP minorities stakes and €1Bn to invest in EDPR and finance renewables growth. EDP carried out in December da sale of €2 Bn tariff deviation following ERSE announcement of its final proposal for electricity tariffs in Portugal for 2024. 	

External Factors	ESG Excellence	<ul style="list-style-type: none"> Reassured presence in the S&P Global Clean Energy Index, recognized leadership among electric utilities in the S&P CSA 2023 and continued presence on the Dow Jones Sustainability Index (16th consecutive year). EDP improved alignment with EU taxonomy, with 96% of the Capex and 43% of Revenue aligned with EU taxonomy. Renewables represents 87% of total generation and coal decrease its weight in EDP's total revenue to 4.3% in 2023. 	
		Dividend policy	<ul style="list-style-type: none"> Proposal to increase by 3% YoY the 2023 dividend per share (paid in 2024), reflecting a 63% payout ratio on 2023 recurring net profit, in line with 2023–26 strategic plan.
		Regulatory Environment	European Union	RES energy target for 2030 doubled to 45% in REPowerEUPlan. The EC has reached an agreement on a proposal to amend the EU's electricity market design, allowing to start negotiations with the European Parliament to reach a final agreement.
	USA		<ul style="list-style-type: none"> The Inflation Reduction Act, which came into effect on January 1, 2023, is the most significant legislation in the history of the United States. It aims to provide funding, programs, and incentives (such as tax credits) to accelerate the transition to a clean economy. This is intended to reduce the costs of renewable energy for organizations, NGOs, businesses, and academic institutions.
	Spain		<ul style="list-style-type: none"> Spain's Minister for the Ecological Transition supports extending the temporary Tax levy, suggesting it may become permanent. Spanish Parliament reinstated, from 2024 onwards, the special tax on power generation revenues.
	Portugal		<ul style="list-style-type: none"> The lower-than-expected wholesale electricity prices in 2023 (162€/MWh ERSE assumption vs. 88 €/MWh effective value) implied higher than expected deviations, despite ERSE's prices correction in the extraordinary review for the 2H23.
	Supply Chain	<ul style="list-style-type: none"> Bottlenecks throughout global supply chains have been responsible for strong inflationary pressures and delays mainly regarding restrictions on imports of solar panels from Asia to US. 	

	Interest-rate	↘	<ul style="list-style-type: none"> • "Higher for longer" inflation and interest rates environment resulting on a downward pressure on EDP's and on the Energy Sector performances.
	Gas and Electricity Prices in Europe	↘	<ul style="list-style-type: none"> • Decline of wholesale gas and electricity prices in Europe with a negative impact on merchant generation volumes
	Climate	↘	<ul style="list-style-type: none"> • El Niño effect penalizing wind resources in 2023 namely in US.



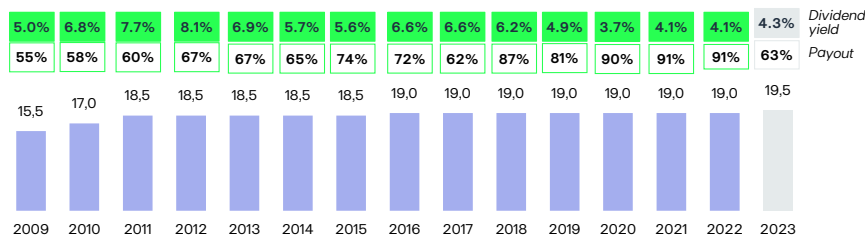


3.3.4. Dividend

In the Strategic Update held virtually on March 3rd, 2023, EDP reiterated its dividend policy, comprising a dividend floor of 0.19€ per share on the dividend going forward, which we delivered in 2023. The announced dividend policy dictates that the dividend should continue to evolve in tandem to earnings per share, within a payout ratio interval of 60% to 70%.

Executive Board of Directors will propose to the General Shareholders' Meeting, the distribution of a dividend for the year 2023 in the amount of €0.195 per share an increase of 3% vs 2022 with a payout of 63%, the first increase recorded since 2016, considering the dividend policy established in our 2023–2026 strategic plan.

Dividend per Share(€cent)



Accordingly, for the 2022 financial year the Executive Board of Directors of EDP submitted to the approval of the General Shareholders' Meeting of April 12th, 2023, a proposal for the allocation of 2022 profits, including 791 million euros to be distributed to shareholders in the form of dividends. The proposal was approved at the General Meeting and a gross dividend of 0.19€ per share was paid on the May 3rd, 2023.

(1) 2018 Payout based on Net Profit excluding regulatory impacts (-€208m), impairments at coal plants in Iberia (-€21m), restructuring costs (-€21m), net gain on disposals (+€64m), debt prepayment fees and others (-€26m) and the extraordinary contribution for the energy sector (-€65m).

(2) 2019 Payout based on Net Profit excluding impairments (-€224m), the provision for Fridão (-€59m), provision reversal at S. Manoel and the gain on the revaluation of Feedzai (+€28m), restructuring costs (-€8m), provision for the sharing of some gains with customers and gains following the change in medical plan of employees in Brazil (-€12m) and the extraordinary contribution for the energy sector (-€66m).

(3) 2020 Payout based on Net Profit excluding the net gain from disposals and investments (+€325m), impairments (-€252m, mainly thermal in Iberia), liability management costs (-€55m), regulation related items and other (-€18m) and HR restructuring costs (-€38m).

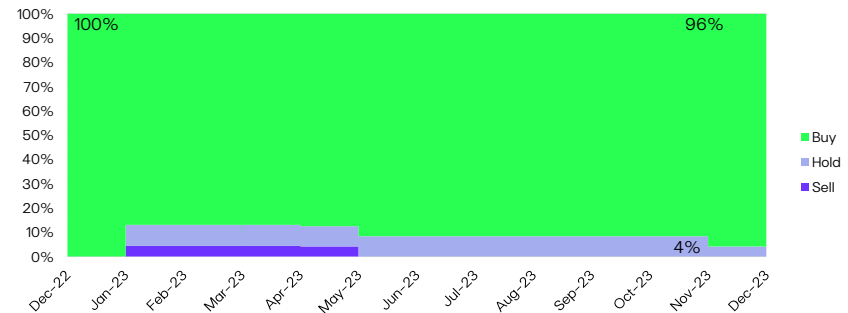
(4) 2021 Payout based on Net Profit excluding (i) impairments, mostly CCGTs in Iberia (-€164m), (ii) acquisition of debt in minority stake in Spain (+€36m); (iii) provision on competition authority penalty (-€33m), (iv) gain from CIDE disposal (+€21m), (v) debt buyback prepayment fees (-€19m), (vi) curtailment costs in (-€10m).

(5) 2022 Payout based on Net Profit excluding (i) impairments in thermal assets and other (-€154m) and EDPR(-€41m); and (ii) net gain related to portfolio optimization in LatAm (+€6m) and HR restructuring costs (-€3m).

3.3.5. Analyst's Recommendations

There are currently 24 Equity sell side analysts with active coverage of EDP. During 2023, the weight of Buy recommendations by equity sell side analysts deteriorated to 96%, representing 4 p.p. decrease, due the worsened in outlook for renewable players, high interest rates, supply chain issues and low resources driven by weather conditions. Hold recommendations increased from 0% to 4%, whereas Sell recommendations remain 0%. The average Price Target as of December 31st, 2023, was €5.513 per share, according to Bloomberg, implying a 21% upside potential.

Analysts' Recommendations

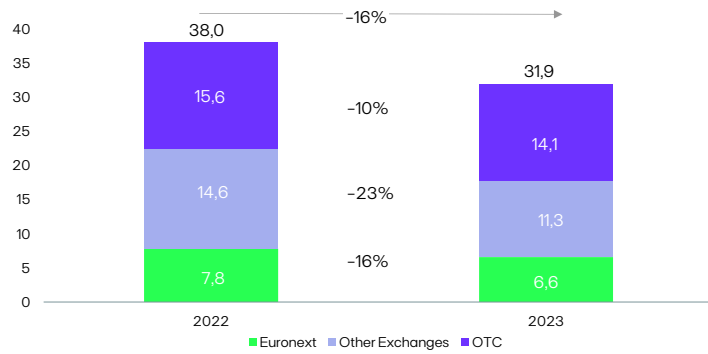


Source: Bloomberg

3.3.6. Volumes

EDP's ordinary shares are publicly traded not only in its main market (Euronext Lisbon), but also in other 27 stock exchanges (including Turquoise and Chi-X Europe) and 7 Over-the-Counter markets (including BATS Chi-X Europe and BOAT).

Average daily trading volume per type of market in 2023 (million shares)



Source: Bloomberg

[Click to check each subject](#)

3.4. Sustainability

Environmental

Environmental management is strategic for the EDP Group, aiming to prevent pollution and mitigate impacts. Through its Environmental Policy and in compliance with ISO 14001:2015, the group maintains a certified corporate environmental management system (SIGAC). Continuous improvement is supported by action plans, objectives, and targets, with a particular emphasis on the Climate Transition Plan.

Governance & Economic

EDP's responsible business conduct, focused on long-term value creation, implies the implementation of due diligence practices in increasingly vital areas for the business. This includes rigorous diligence processes in integrity and in the supply chain, with the aim of safeguarding stakeholders from associated risks. These practices are grounded in various policies and regulations, which are in complete alignment with the values and principles established in EDP's Code of Ethics.

Social

The current and potential impacts associated with the multiple dimensions of the social pillar requires the company to develop policies, action plans, and set objectives and targets. These are based on our policies that align with the values and principles of the Code of Ethics. Identifying risks and opportunities related to those impacts, especially in the 'Human Rights' dimension, is critical for the company's management.

Environmental

- [Climate change](#)
- [Pollution](#)
- [Water and marine resources](#)
- [Biodiversity and ecosystems](#)
- [Circular economy](#)

Stakeholders

- Shareholders | Employees
- Suppliers | Consumers
- Academy | State
- NGOs | Communities

Social

- [Own workforce](#)
- [Health, safety and crisis management](#)
- [Affected communities](#)
- [Crisis management](#)

Governance & Economic

- [Supply chain](#)
- [Energy consumers and end-users](#)
- [Business conduct](#)
- [Innovation and digital transformation](#)
- [Sustainable Finance](#)





3.4.1. Climate change

3.4.1.1. Climate action approach

Prominently positioned at the forefront of energy transition, EDP recognises the importance of the electricity sector, and of its contribution to a low-carbon economy, as part of the solution for tackling climate change.

Given the current context of climate emergency, as well as compliance with the global commitment established by the Paris Agreement and reinforced by the Glasgow Pact to limit the increase in global average temperature to 1.5°C, EDP's contribution to combating climate change is realised through its Climate Action approach, embodied in the [Climate Transition Plan](#) (published in an autonomous document in 2023).

EDP's Climate Action approach focuses on mitigation actions - with the aim of reducing greenhouse gas (GHG) emissions and adopting climate change adaptation plans in all regions and business units exposed to significant climate risks. These actions are supported in a crosscutting way by innovation - which aims to promote the development of carbon-neutral technologies and increase energy efficiency; and by capacity building, increasing awareness and transparency on climate change, both within and outside EDP.

This approach is the responsibility of corporate governance, which assumes a strategic role in the appropriate management of climate responsibilities and action plans, where it includes the identification, analysis and management of climate-related risks and opportunities (more details in [Climate Transition Plan](#)).

EDP has publicly assumed a set of near and long-term objectives and targets that support its decarbonisation strategy, approved by the Science Based Target initiative (SBTi), as being aligned with a decarbonisation trajectory of 1.5°C. Under the new SBTi Net-Zero standard, EDP has also committed to achieve Net-Zero by 2040 across its value chain, covering scope 1, 2 and 3 emissions, from a baseline year set for 2020. Despite ongoing efforts to reduce GHG emissions, there are residual emissions that cannot be eliminated. For these emissions, EDP will offset them using carbon credits.

The following emission reduction targets were validated and approved by SBTi in 2023:

Scope	Target 2030	Target 2040	2023 vs. 2020
S1+S2 [intensity]	-95%	-96%	-48.6%
S3 [absolute]	-45%	-90%	-16.0%
S1+S3C3 [intensity]	-80%	-95%	-47.3%
S3C11 [absolute]	-45%	-90%	-57.1%
S1+S2+S3 [absolute]	-	-90%	-35.2%

EDP follows the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures), disclosing information on governance, strategy, risk and opportunity analysis, metrics and targets and financial impact of climate change on the company (more details in [Climate Transition Plan](#)).

The EDP group publicly discloses its response to the CDP Climate Change questionnaire, in which it details its strategy and performance in the fight against climate change in line with the TCFD ([CDP Climate Change EDP 2023](#)).

In 2023, EDP achieved again the highest level of this index (Leadership A) in the CDP Climate Change, which has been secured since 2015.

Climate Transition Plan progress

In 2023 EDP published its Climate Transition Plan, built upon the 2022 Commitment to Climate Transition and the results of the Net Zero Acceleration Taskforce, and approved at 2023 Annual General Meeting, supported by strong shareholders vote of over 90%. The Board engagement and the Say on Climate from shareholders brings consistency and credibility to the path to follow.

EDP is being recognized as front runner in credibility of its transition plan: i) **was the only corporate selected to speak at the Credibility session of the UN Climate Ambition Summit** convened by UN Secretary General, September 2023, to showcase first “movers and doers” and ii) was invited by CDP showcase its climate transition plan among recognized corporate standards, companies, and financial institutions.

The Climate Transition Plan sets a baseline of EDP's strategy for this decade, supported mainly by the Business Plan 23-26 under a broader pathway for a net zero goal in 2040.

EDP's climate pathway is set on an action plan that provides the strategy to decarbonise towards science-based Net-Zero targets.

EDP will review this Plan in each Business Plan Cycle. In the meanwhile, the progress towards targets achievement based on EDP's mitigation actions, mainly impacting carbon footprint and evolution of emissions reductions and corresponding Net-Zero targets, are reported on the document [Climate Transition Plan: Progress report, 2023](#).

Further information can be found in [Climate Transition Plan](#).

Mitigation

Mitigation is directly linked to EDP's Business Plans, both on the supply side and on the demand side, with the aim of reducing global GHG emissions by implementing solutions based on four main pillars:

<p>1. Continued reduction of production from coal-fired power plants (coal-free by 2025) and natural gas (by 2030).</p>	<p>2. All green by 2030: increase in renewable power, with the public objective of reaching 100% in 2030</p>
<p>3. Strengthening electrification and promoting energy efficiency, favouring the supply and demand of renewable energies and sustainable mobility solutions.</p>	<p>4. Promoting innovation aimed at mitigating the effect of climate change, contributing to the energy transition to a low carbon economy.</p>

In 2023, compared to 2022, the first and second pillars were strongly influenced by:

- favourable hydro conditions in the Iberian Peninsula (productivity index close to the average year), after a 2022 of extreme drought, which led to a higher hydropower generation and a lower operation of the CCGT plants
- the sharp reduction in production from coal-fired power plants in Spain, combined with the announced plans for the Spanish thermal assets:
 - to convert Aboño II from coal into gas fired, expected to occur by middle of 2025 while continuing to co-fire blast furnace gases, a case study of circular economy in Europe

through the valorisation of this by-product, avoiding the emission of one million tons of CO₂/year

- establishment of a new partnership with the Asturian based industrial group Corporación Masaveu, S.A. ("CM"), through the sale of a 50% stake in Aboño
- authorization requested from the electricity system operator (Red Eléctrica) to close Aboño I coal plant, as well as EDP's last remaining coal plants in Spain (Soto 3 and Los Barrios).
- the limited production from the Pecém power plant in Brazil and the sale of 80% of this power plant concluded in December
- with the announced plans for Aboño and Pecém, the weight of coal on total generation is expected to be immaterial in 2024 providing further visibility on the delivery of EDP's commitment to become coal-free by 2025
- the net increase in renewable capacity (wind and solar), which now accounts for around 60% of the total installed capacity.

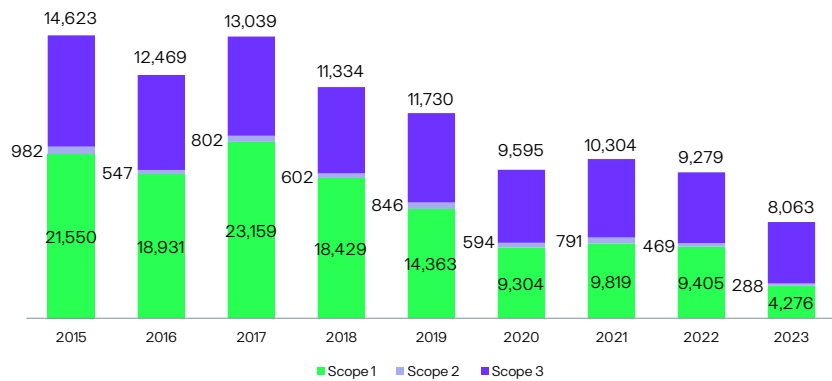
As a result of these operating conditions, there was a significant decrease in both EDP's primary energy consumption (-51% YoY) and the CO_{2e} emissions associated with electricity generation (-55%YoY).

EDP reports its GHG emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (categories detailed in [GRI Indicators | Environmental indicators](#)). In summary:

- **Scope 1 emissions:** includes stationary emissions from thermoelectric power plants, which represent 99.4% of the total, as well as emissions from the vehicle fleet, fugitive emissions (SF₆) and those corresponding to natural gas consumption in buildings. In 2023, the scope 1 emissions totalled 4.3 MtCO_{2e}, 55% less than in 2022.
- **Scope 2 emissions:** refer to electricity consumption, including losses in transmission and distribution networks (the part produced by third parties), internal consumptions in power plants and consumption in administrative buildings supplied by third parties. In 2023, they totalled around 0.29 MtCO_{2e}, 39% less than in 2022, considering only the technical losses, and also due to the significant reduction in emission factors in Portugal, Spain and Brazil, affecting the contribution of emissions-related losses in the distribution networks, which represents 91% of the total scope 2 emissions.
- **Scope 3 emissions:** comprise all remaining indirect emissions upstream and downstream of the value chain, not accounted for in scopes 1 and 2. They essentially include emissions associated with purchased goods and services, capital goods, fuel and energy related activities and the sale of gas to end customers. The total value of

scope 3 emissions reached 8.1 MtCO₂e, 13% less than in 2022, essentially due to the reduction in the categories of sale of gas to end customers, capital goods and fuel and energy related activities.

Scope 1, 2 and 3 emissions (ktCO₂e)

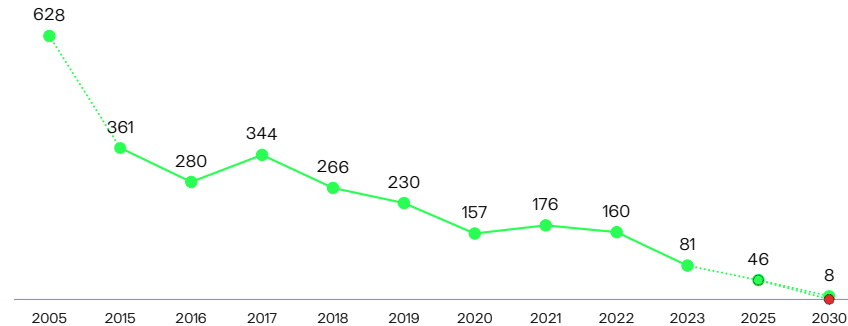


The 54% reduction in Scope 1 and 2 emissions, despite the decrease in electricity produced (-8%), has led to a decrease in Scope 1 and 2 emissions intensity by around 50% compared to 2022, which is now 81 gCO₂e/kWh.

The production of electricity from renewable sources, by replacing fossil-based thermoelectric production in the country where they operate, avoids the emission of greenhouse gases in an amount corresponding to that which would be emitted by a mix of the existing thermoelectric portfolio in that country, producing the same electricity. In 2023, the avoided emissions amounted to 25.8 Mt CO₂e, 14% more than in 2022, with the following distribution: wind - 72%; hydro - 20%; solar - 8%.

The decarbonisation strategy also has an impact on improving energy efficiency along the value chain, contributing, on one hand, to the reduction of upstream primary energy consumption and, on the other hand, to greater efficiency in the end use of energy (third pillar of the mitigation strategy), avoiding GHG emissions. In the car fleet, the percentage of electric light vehicles reached 29% this year. It should be noted that EDP has assumed a commitment to electrify more than 40% of the light vehicle fleet in 2025 and 100% in 2030.

Scope 1 and 2 specific emissions (gCO₂/kWh)



The fourth pillar regarding innovation is developed in [chapter 3.4.13.2](#).

Supply chain impact on Scope 3 emissions and data quality

EDP's ambitious renewable deployment plan brings challenges on supply chain related emissions. While in 2022 supply chain emissions accounted for 30% of Scope 3 emissions, by 2030, it is expected that over 65% of EDP's non-commodity supply chain emissions are associated with solar and wind farms activity (construction, operation, and maintenance).

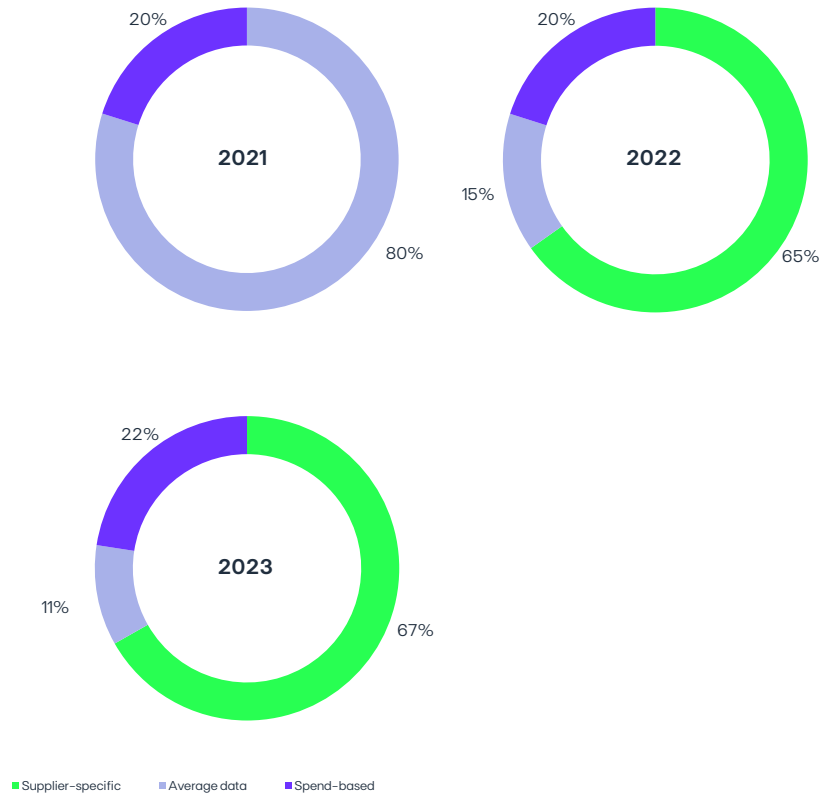
Since 2022, one of the steps EDP is implementing to tackle the challenge of reducing supply chain emissions whilst growing its renewable deployment is the engagement with wind and solar suppliers with the purpose of improving data quality.

The first major developments were on wind projects, where all Capital Goods emissions were calculated using the global warming potential available on the Life Cycle Assessment (LCA) or Environmental Product Declaration (EPD) of the specific turbine suppliers and models used in the 2022 projects.

During 2023 EDP has applied the same methodology to solar projects, engaging with the main solar suppliers of modules, inverters and trackers to request environmental information from their equipment. For this reason, this was the focus of the efforts that took place in 2023, with the majority of solar suppliers already able to provide information on the carbon footprint of PV modules and inverters.

As a result, EDP has been able to report with a higher level of precision on supply chain emissions, as seen in the graphs below, whilst mapping the carbon footprint impacts of both suppliers and their products.

Evolution of supply chain Scope 3 emissions data quality



Adaptation

Ensuring the resilience of its electricity generation and distribution infrastructures is one of the priorities of EDP's climate action. To this regard, the group maintains the objective of having implemented in its business units, by 2025, climate change adaptation plans that ensure the resilience of infrastructures that may be exposed to extreme events of increasing intensity and frequency, given the reality we know today.

To this end, the common corporate methodology supports the Business Unit plans already in place and the evaluation and quantification of physical risks are consolidated at corporate level in accordance with EDP's risk taxonomy, aligned with the TCFD recommendations.

The level of exposure of EDP's infrastructures to physical climate risks is assessed considering the relevant climate variables, the short, medium and long-term IPCC scenarios and level of regionalisation. In addition to supporting the sensitivity analyses of the group's business units in the implementation of climate change adaptation plans, the physical risk analysis serves to support the decision for new investments.

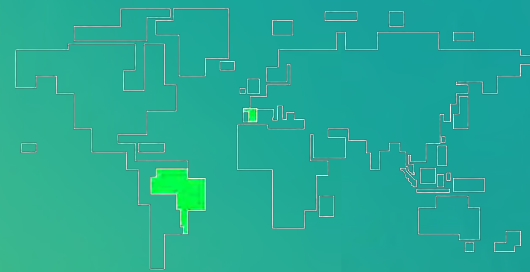
Further information can be found at www.edp.com.



Coal free by 2025

Decarbonizing for a fair transition, always committed to a sustainable future.

Our approach: EDP is steadfast in its commitment to achieving a coal-free status by 2025 and transitioning to 100% renewable energy by 2030. The company has made significant strides in this direction, including the recent announcement of the disposal of the Pecém coal power plant in Brazil, with potential for conversion while retaining hydrogen capabilities. Moreover, EDP is actively pursuing the conversion of the Aboño II thermal plant from coal to a gas-fired facility, while simultaneously developing it into a Green Hydrogen hub, for which it has already been awarded the Important Project of Common European Interest (IPCEI) status. Additionally, EDP has sought authorization to close its last remaining coal plants, Soto 3 and Los Barrios in Spain, as part of its unwavering commitment to decarbonization. Furthermore, the company is decommissioning Puente Nuevo, Los Barrios, and Soto, with plans for several repurposing projects, including renewables, to ensure a smooth transition.



Country: Spain and Brazil




The transformation of Aboño's thermal power plant into the Asturian green hydrogen valley, recognized as the continent's most honored green hydrogen initiative by the European Commission.

Differentiator factor: EDP's strategic commitment to be coal-free by 2025 and its investment in the transformation of Aboño's thermal power plant into the Asturian green hydrogen valley set it apart from other energy companies. Aboño and Soto de Ribera's unique location as a fair transition area sets them apart. Both initiatives follow circular economy principles due to the repurposing of two thermal power plants' facilities, demonstrating EDP's commitment to sustainable and responsible practices in the energy transition.

What lies ahead: EDP remains focused on achieving its decarbonization targets while ensuring a just transition for the community and its employees. The company's intention to close its last remaining coal plant, Los Barrios, in Spain, aligns with its ambitious decarbonization objectives, marking a significant step towards a cleaner and more sustainable energy future.

[Link for more information.](#)

3.4.1.2. Decarbonising the world

Alignment with the SDGs	Objectives	KPIs 2023	Target 2025
	Installed capacity from renewable sources	86%	90%
	Smart meters installed in Iberia	91%	100%
	EV charging stations	8.5k	>40K

The fight against climate change and, in particular, the fulfilment of the climate goals of the Paris Agreement, reinforced in the Glasgow Pact, requires a five-fold acceleration in the pace of decarbonisation of the world economy.

The electricity sector, through the use of renewable energies, is key to this acceleration by promoting the electrification of the remaining sectors, particularly transport, air conditioning in buildings and industry. EDP, by the nature of its activity, plays a pivotal role in this collective effort to combat climate change, an integral part of its global strategy.

Leading the energy transition, contributing to a low carbon economy, has been a primary objective of the group, which is now a globally recognised reference among its peers.

EDP contributes to the decarbonisation of the world economy on two different fronts:

- through the decarbonisation of generation, through expansion into renewable energies and the progressive closure of thermoelectric plants
- through the electrification of consumption, offering new low carbon product and service solutions.

These services include:

- **distributed generation:** installation of solar photovoltaic systems on a self-consumption basis and adapted to customers and local characteristics, including energy communities

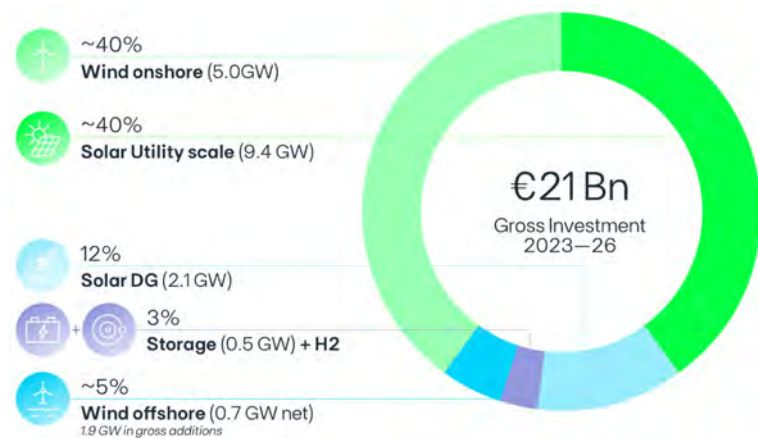
- **sustainable mobility:** support, advice and availability of in-home and out-of-home charging solutions currently available in Portugal, Spain and Brazil
- **energy efficiency:** more efficient equipment and lighting, such as LED lamps, high-efficiency motors, electronic variable speed drives and heat pumps, as well as advisory services and energy audits.



Renewable energies

KPI 2023	TARGET 2025
86% installed capacity from renewable sources	>90%
87% production from renewable sources	83%
2,3 GW installed capacity in centralized solar systems	5.5 GW
1,1 GW installed capacity in decentralized solar photovoltaic systems	3.7 GW

The path to decarbonisation involves a strong commitment to electricity production from renewable sources. The 2023–2026 Business Plan, presented to the markets in May 2023, emphasised the acceleration of the group’s investment in energy transition, with a total planned investment of 25 billion euros, 85% of which in renewables, clients, and energy management. This unprecedented investment in renewable energy includes wind, solar and green hydrogen complemented by energy storage technologies. This unprecedented investment in renewable energy includes wind, solar and green hydrogen complemented by energy storage technologies.



The Plan targets 18 GW gross added renewable capacity by 2026. On average, new gross installed capacity is estimated at 4.5 GW/year, during the period 2023 to 2026, preferably in low-risk markets with regulatory stability, favouring long-term PPA (Power Purchase Agreement) and energy purchases Contracts for Difference (CfD).

In technological terms, 40% of the total planned investment will be allocated to solar technology (9.4 GW), 40% to wind onshore (5.0 GW), 12% to solar DG (2.1 GW), 5% (0.7 GW) to wind offshore, to be carried out by the company Ocean Winds (50/50 joint venture with Engie) and 3% to H2 and storage.

To increase flexibility, EDP also intends to expand its energy storage capacity beyond its traditional storage in hydroelectric plants with pumped-storage reservoir. An increase of 0.5 GW of capacity is therefore planned for 2023–2026.

The group’s asset rotation strategy that crystallises value and funds additional growth opportunities, significantly contributes to this implementation. For the period 2023–2026, In 2023, EDP added 958 MW of wind farms, 1,715 MW of solar projects, 15 MW on storage. EDP also sold a total of 658 MW and 22 MW in decommissioning, resulting in a net addition of 2,008 MW of installed renewable capacity.

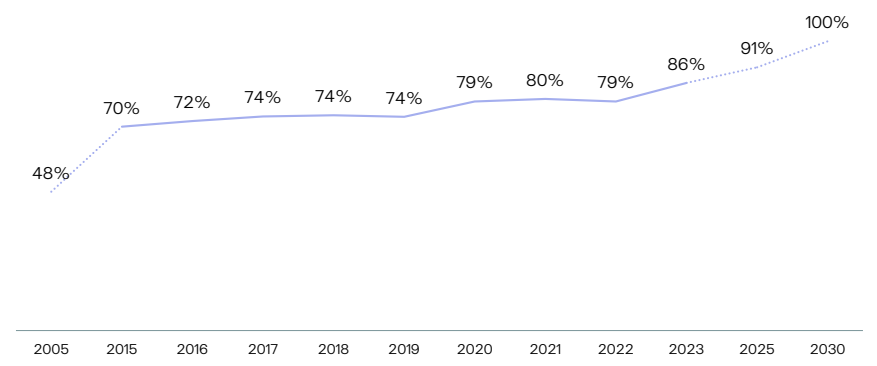
In line with the marked investment planned in renewable energies, EDP has set ambitious targets, aiming at being all green by 2030, i.e., all power generated will be from renewable sources. By 2025, both the renewable installed capacity and generation should already exceed 90%, both indicators reaching 100% in 2030.

At the end of 2023, the percentage of renewable installed capacity was 86%, i.e., up 7 p.p. compared with 2022.

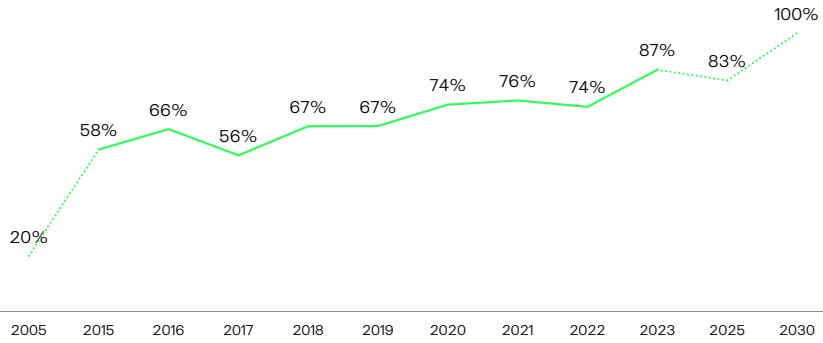
In 2023, electricity production from renewable sources accounted for 87% of the total electricity generated, 13% more than in 2022. Of this 87%, wind contributed with 56%, hydro with 25% and solar with 6%. The increase in this indicator was essentially due to:

- the high increase in hydropower generation in the Iberian Peninsula (IPH close to the average year), after a 2022 of extreme drought, which also led to a lower use operation of the CCGT plants
- the sharp reduction in production from coal-fired power plants in Spain and from the Pecém power plant in Brazil.

Renewable installed capacity (%)



Renewable energy generation (%)



The decarbonisation route that the group has followed also involves the development of innovative projects, in anticipation of future business solutions. There is notable investment in areas such as energy hybridisation, which leverages potential synergies between different technologies (solar, wind, hydro and storage), the medium-term production of green hydrogen and solar and wind installations on offshore structures.

EDP, through Ocean Winds, has been raising its profile in offshore wind growth with 1.5 GW gross capacity in operation by 2023, 1.9 GW under construction and a portfolio of 13.2 GW under development.

Distributed generation

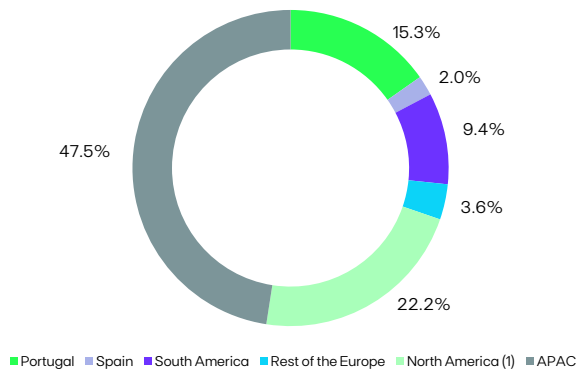
Anticipating the new energy paradigm, EDP has been consolidating its presence in a future in which power production, consumption and distribution will be increasingly decentralised. In this sense, the group offers a variety of solutions aimed at the specific needs of the various customer segments, through a diverse and competitive set of products and services in the solar photovoltaic field, which avoid emissions in the final consumption of energy.

Through its suppliers, EDP offers this service in Portugal, Spain, Brazil, Italy and Poland, both on a transactional basis, with a personalised installation service tailored to each customer, and on an as-a-service basis, in which the investment and operation of the system is ensured by EDP for a certain period of time contracted with the customer.

EDP Renováveis is also heavily involved in this activity, especially in the USA, APAC (Singapore, China, Taiwan, Vietnam, and Thailand) and Europe (Germany, the Netherlands, France and the United Kingdom, Belgium and Luxembourg).

In 2023, EDP installed a total of 410 MW of decentralized solar photovoltaic systems and the total installed capacity by the end of 2023 amounted to 1,100 MW, which produced 1,045 GWh and avoided 570 ktCO_{2e} of emissions.

Decentralised solar installed capacity (%)



⁽¹⁾ North America installed capacity includes 1MW of storage.

Sustainable mobility

KPI 2023	Target 2025
Sustainable mobility	
107 k customers with electric mobility solutions	180k
29,4% electrification of the light fleet	100% (in 2030)
8,510 charging points installed	>40k

EDP has made a pioneering commitment to promoting electric mobility over the next few years. The objectives outlined are in line with the conviction that the fight against climate change and the decarbonisation of the economy will involve a greater penetration of renewable energies and the electrification of consumption, particularly in the transport, heating and cooling sectors.

In conjunction with the group's strategic objectives of achieving 100% renewable installed capacity by 2030 and reducing its specific CO₂ emissions by 95% in 2030 compared to 2020 levels, we are actively contributing to accelerating the transition to sustainable mobility. EDP is committed to achieving a 100% electric fleet (light vehicles) by 2030, which will require a strong investment in the renewal of its vehicle fleet. This transition will now be accelerated and will enable a 70% reduction in CO₂ emissions from the global fleet, which consists of around 4,000 service vehicles. EDP has also committed to installing 40,000 public and private charging points by 2025 in the different geographies where it has commercial activity (Portugal, Spain and Brazil), as well as reaching 180,000 customers with electric mobility solutions by 2025.

Within the scope of the services offered by EDP, which contribute to the decarbonisation of energy consumption, electric mobility also plays a key role.

Given the potential for action, the company has internalised a large part of its efforts in the area of electric mobility, through solutions (products, services and charging networks), mostly aimed at its customers, but also in internal measures at group level. In this regard, in 2023 EDP maintained the "Sustainable Mobility Support Credits" initiative, which allocates an annual sum to employees to use in shared mobility modes (excluding individual combustion-powered vehicles).

In addition, EDP's approach has included the promotion of an ecosystem of partnerships and initiatives for electric mobility at international level:

- EDP actively participates in Eurelectric – where it shares the E-mobility working group since 2023 – which aims to promote the implementation of a regulatory framework favourable to the development of the electric mobility sector, as well as innovative business models that benefit both companies in the sector and end consumers, and thus support the transition to clean mobility.
- EDP is a board member of ChargeUp Europe, an association of companies in the EV charging infrastructure industry, which actively works to defend public policies to promote the rapid and uncomplicated deployment of EV charging infrastructure in Europe. EDP was the first Portuguese company to join the association. In 2023, ChargeUp Europe published the second edition of the State of the Industry report, a publication that provides, in a simple and accessible way, a set of insights, facts and case studies on the EV charging sector. EDP actively contributed to the development of the report and also shared its own case study on the smart charging management of the more than 170 charging points installed at its headquarters in Lisbon.
- EDP is part of The Climate group's ambitious EV100 initiative, through which it has made a commitment to transition its light fleet of more than 3,000 vehicles to electric vehicles by 2030.
- EDP is a founding member of the Portuguese Association of Electric Mobility Operators and Suppliers (APOCME), an association that aims to promote the development of electric mobility, not only as a vector for decarbonising the transport sector, but also for integrating the electric vehicle as a resource for security and energy transition.
- In order to increase awareness and visibility of electric mobility, EDP continues to promote the "Portugal Mobi Summit", the largest urban mobility event in Portugal for the sixth consecutive year, in partnership with the Global Media group.
- In Spain, EDP is part of the *Asociación Empresarial para el Desarrollo e Impulso de la Movilidad Eléctrica* (AEDIVE), whose mission is to promote and contribute to the competitiveness of sectors related to the electric mobility value chain, in order to boost the development of the market, creating a solid and stable framework for it.
- EDP Spain also participates in events that promote electric mobility, such as VEM – an exhibition of electric vehicles whose main aim is to bring electric mobility to private consumers and public and private companies (fleets) in Madrid – and the Global Mobility Call – a world congress whose aim is to promote collaboration between companies and generate public-private partnerships that contribute to the development of sustainable mobility.

Products and Services

The EDP group has a diverse commercial offer of products and services, particularly in Portugal, Spain and Brazil. Throughout 2023, EDP worked to provide the best charging solutions for its customers. The group has focused on the one hand, on developing ever more complete electric mobility solutions tailored to the needs of the growing market and, on the other hand, on having more competitive prices, thus reaching more and more electric vehicle drivers.

In Portugal

EDP, through its subsidiary EDP Comercial, supplies and installs charging solutions for electric vehicles through charging stations for the B2C and B2B segments, as well as being an active operator of charging points on the public network.

EDP currently has partnerships with the five largest rental companies in Portugal (Leaseplan, Arval, Leasys, Locarent and Kinto), and already has more than 300 charging points contracted in this segment.

EDP manages a constantly updated [website](#) with relevant information to help customers overcome the initial barriers of this new sustainable transport paradigm and with a simulator to help customers choose the best solution for their electric vehicle according to their mobility profile and home electrical installation.

In 2023, EDP invested in the digital transformation and evolution of the technological ecosystem of electric mobility EDP Charge.

The EDP Charge app allows customers to charge on the public network, at home and in the workplace. Using this new app, customers can check the availability of the most suitable chargers for their vehicle, start charging digitally, simulate charging session costs and consult their charging history, providing a simple and digital experience for customers.

The new EDP Charging Portals, for condominium managers and B2B customers, allow various functionalities, including managing and carrying out remote actions on chargers, monitoring charging sessions, assigning drivers access to chargers, setting charging caps for employees, among other features that give customers autonomy and flexibility to manage their electric fleet.



Sales of the "smart charging" service were also boosted in 2023 – it is a differentiating service in the market that makes it possible to distribute the electrical power made available by the network in a balanced way among all the vehicles that need charging, avoiding costly investments in reinforcing the electrical infrastructure of buildings. With the exponential growth of mobility, this topic has been one of the main concerns of customers.

In terms of charging solutions for the B2B segment, the offer available on Effizency Sales – an EDP Comercial platform that allows access to personalised energy efficiency recommendations and technical services adapted to the business – has been updated with charging solutions adapted to the real needs of business customers, both for proven access spaces and public access spaces, with different levels of personalisation and also available as-a-service.

Also, for the business segment, a new product has been launched – the EDP Charge Fleet card. This card allows company employees to manage their charging anywhere (at home, in the workplace or on the public network). We believe that this is an innovative product that brings convenience to companies and their employees, offering a digital charging experience integrated into the private and corporate spheres.

In Spain

MOVE ON is a global tool for connecting with both customers, via the app, and partners, on the portals, which has been in operation throughout 2023 despite having a plan to switch to global systems.

Thanks to the agreement reached with one of Spain's leading low-cost petrol companies – Petroprix – the installation of the first battery-powered ultra-fast charging network in Spanish territory has begun. This project was recognised by the MOVES SINGULARES programme for its innovative approach to limiting the impact of power availability at more than 40 sites through the use of storage systems.

In order to make the user experience as easy as possible, EDP has continued to focus on being an operator open to interoperability and ad hoc payment. To this end, EDP's charging points are connected to the main European and Spanish interoperability facilitators, such as Electromaps, Hsubject and DCS, and it has also signed direct bilateral agreements with other charging point operators, such as Zunder, Wenea and Repsol.

In addition, and also with the aim of facilitating the user experience, thanks to the alliance with Mastercard and Banco Santander through GETNET and Worldline, the installation of charging points where it is possible to pay by bank card has begun.

In the corporate segment, EDP manages charging infrastructures in company buildings for the drivers of the corporate fleet, and this includes the management of energy payments.

Public charging network

In Portugal

Estimated electric charging needs for the coming years point to a demand for 20,000 charging points by 2025.

EDP continues to make a positive contribution to the creation of a vast public charging network, increasing the number of charging points in Portugal, not only through strategic partnerships in publicly accessible commercial locations (Brisa, McDonalds, Burger King, etc.), but also by investing in partnerships with small and medium-sized companies, contributing to greater capillarity of the public charging network.

In 2023, EDP grew by +14% in contracted charging points and closed several important partnerships that resulted in more than 2,350 contracted charging points. EDP's growing network of partners, who provide space on their premises for the deployment of charging points, continues to be crucial for EV users, ensuring greater capillarity of the public charging infrastructure. It is important to note that 2023 was the year with the highest utilisation of the public charging network operated by EDP with more than 500,000 charging sessions in Portugal.

EDP leads the CEME market – the market for energy sold in public charging – with more than 83,200 cards issued, allowing its users to benefit from one of the most attractive tariffs in the public charging market.

In Spain

By the end of 2023, EDP had contracted a total of 2,444 public charging points.

Agreements have been reached with organisations such as town halls (Ayuntamiento de El Franco), hotels (Hotel El Albir) and supermarket chains – such as Carrefour, a partnership in which 978 charging points have been contracted.



In Brazil

EDP has opened two new public charging stations, with two chargers each, one ultra-fast (>150 kW) and the other semi-fast (2x22 kW). One of the charging stations was installed in the state of Minas Gerais, an important point for the construction of the electric corridor on one of Brazil's main motorways. EDP ended the year with 12 ultra-fast charging stations, out of the 18 planned in the project.

The E-Lounge Powered by EDP was also inaugurated, a public space with a 60 kW fast charger and four 22 kW chargers, aimed mainly at app drivers. In the state of Espírito Santo, EDP completed the first electric bus project in partnership with a local operator for private transport of company employees between the capital and three neighbouring municipalities, covering a radius of more than 100 km. All the projects are part of ANEEL's Research & Development programme.

Energy efficiency

KPI 2023	Target 2025
Energy efficiency	
46% B2C customers with sustainable services	25%
13 MtCO ₂ emissions avoided by customer	15 MtCO ₂

EDP promotes the improvement of energy efficiency throughout the value chain as an important contribution to decarbonisation, contributing to greater efficiency in the end use of energy by offering its customers low carbon products and services.

In 2023, 46% of B2C customers on the liberalised market had sustainable services, such as energy efficiency, electric mobility or decentralised solar solutions. The target set for 2025 (25%) has already been reached and is fast approaching the goal of 50% of B2B customers with sustainable services by 2030.

In Portugal, the "Casa Elétrica" programme continued, focusing on B2C customers, aiming to promote the switching from butane or propane gas consumption to electricity, with an

impact on energy consumption and safety, and in alignment with the strategy of electrification of consumption. In 2023, EDP launched two new solar photovoltaic offers:

- **Solar Water Heater:** a solution that combines solar panels with a water heater, taking advantage of surplus solar production to heat water. The water heater not only optimises the operation of the solar system, but also includes a management system that allows you to have only the amount of hot water you need when you need it and in the most economical way possible.
- **Solar Apartments:** a solution that allows customers living in flats to take advantage of solar energy to reduce their energy bills and their energy dependency.

In the corporate segment, EDP supports companies in the implementation of integrated energy efficiency services by offering solar energy, sustainable mobility, and consumption management solutions.

For B2B customers in Europe, in 2023, EDP boosted the contracting of approximately 500MW of solar photovoltaic solutions for self-consumption, for installation in companies from various sectors of activity, ranging in size from large customers to small businesses.

In order to support the decarbonisation efforts of the business fabric in the Iberian Peninsula, EDP offers a multi-sector, turnkey Going Net Zero solution to support the transition to emission-neutral businesses. This service includes the measurement of corporate greenhouse gas emissions or product catalogue through life cycle analysis and promotes the implementation of mitigation plans.

Also in 2023, EDP continued to focus on diversifying its offer, through solutions that promote the energy transition of companies, through innovative and inclusive solutions with special emphasis on local energy community solutions, that exceeded all business forecasts for 2023 with more than 80 MWp contracted.

In Brazil, EDP also invests in energy efficiency initiatives, either through distribution companies, which operate in the regulated market, or through the service company EDP Smart, which operates in the liberalised market. The distributors, according to the legislation of the Brazilian electricity sector, have the obligation to apply 0.4% of net operating revenue annually in Energy Efficiency Programs (PEE) and 0.1% in the National Program of Electric Energy Conservation (PROCEL). EDP Smart offers solutions to improve energy efficiency (lighting, air conditioning) and also in the area of electric mobility and distributed generation. By 2023, the implemented measures led to energy savings of 33.3 GWh and 30 ktCO₂ avoided.

Energy efficiency services generated around 571 million euros of income in 2023, representing an 16% increase compared to 2022.

The set of energy efficiency, sustainable mobility and distributed generation initiatives carried out in 2023 led to an estimated energy saving of 496 GWh, avoiding the emission of 1,066 ktCO₂, including those corresponding to the sale of electricity from renewable sources, through the guarantees of origin scheme. Since 2015, the savings generated from sustainable services have made it possible to avoid the emission of 13 MtCO₂, which represents around 86% of the 2025 target.

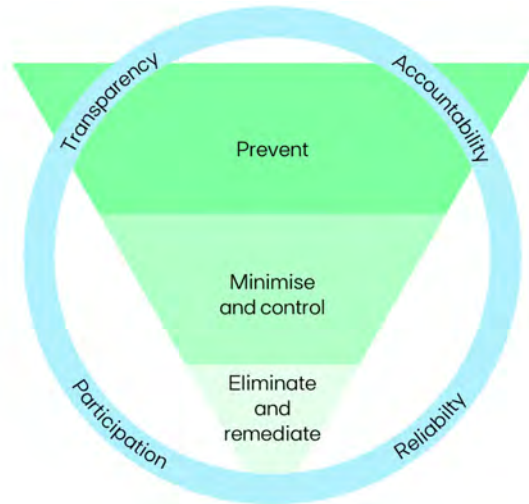


3.4.2. Pollution

Ensuring pollution prevention is a key strategic focus for the EDP group and represents a core commitment within its [Environmental policy](#) to "effectively manage environmental risks, with a specific emphasis on preventing pollution and responding to emergencies in the event of accidents and/or disasters."

The environmental aspects and potential impacts are assessed within the scope of the environmental management systems in facilities and activities, certified according to ISO 14001 across the EDP group, also in the thermal and hydroelectric production facilities in Portugal to comply with the Eco-Management and Audit Scheme (EMAS) registration.

In pollution prevention, we employ the best available techniques to eliminate potential adverse effects, address impacts when no compatible and viable alternative exists, and consistently monitor and control existing impacts. Our pollution prevention measures are aligned with the following hierarchy towards achieving zero pollution in the air, water, and soil:



Source: European Environment Agency – Zero pollution action plan

The production and distribution of electricity have the most significant direct environmental impact. Key environmental aspects that have a negative impact include fuel and chemical consumption, greenhouse gas and atmospheric pollutant emissions, water usage, treated effluent discharge, effects on wildlife and plant life, and noise in specific facility scenarios.

Thermoelectric power plants have equipment to reduce polluting atmospheric emissions, liquid effluent treatment and are subject to environmental permits that set emission limits. The monitoring results are made available to the competent authorities. The reduction of pollutant emissions in 2023 is in line with the objective of not producing electricity from coal after 2025.

In the electricity distribution activity, the main impact mitigation measures focus on the integration of overhead lines into the landscape, installation of sound barriers, and oil retention systems. In the management of transformers contaminated with polychlorinated biphenyls (PCBs) with a concentration of more than 50 ppm, in addition to complying with the legislation in force, EDP adopts the best practices for identifying, screening and forwarding PCB waste for appropriate final treatment. Equipment with concentrations higher than 50 ppm, which are increasingly residual in the group, will be completely deactivated by 2025.

The implementation of the circular economy strategy (please see [3.4.5 Circular economy](#)), particularly at a time when several dismantling projects are underway, also supports the reduction of hazardous waste towards achieving zero pollution to the soil.

In order to respond to emergencies, internal emergency plans and, when applicable, external emergency plans are defined, with scenarios of potential emergencies or serious accidents involving hazardous substances. This response capability is trained through simulation exercises, and lessons learned are incorporated to improve response capacity. In 2023, there were 253 environmental simulation exercises, and no environmental accidents occurred, although there were 211 small oil spills, totalling 37 m³ of oil spilled. These spills are mainly due to theft in transformers in electricity distribution activity. These repair situations are carefully managed by specialist teams, and the contaminated land is properly disposed of at an appropriate final destination. As a pollution prevention measure for these minor spills, the mineral oil in the transformers has been replaced with vegetable oil, thus eliminating the hazardous nature of the waste produced.

In the activities of the EDP group, the following actions stand out in the context of pollution prevention and nature protection:

- contractual environmental requirements for contractors, with penalties applied if these requirements are not met
- environmental audits and inspections at different stages of the facilities' life cycle (construction, operation, maintenance, and dismantling) in various activities with environmental impact
- analysis of causes of occurrences with environmental impact and identification of rapid corrective and preventive measures
- implementation of noise minimization measures
- environmental training for employees involved in activities that impact the environment.

The number of environmental complaints has decreased again in all areas of activity and has reduced globally 40% (vs. 2022). The theme biodiversity represents 41% of the reasons for environmental complaints, followed by the theme noise, with 29% representation.

On the other hand, in order to have a positive effect on the environment, EDP continues to invest heavily in improving technologies and in initiatives to prevent and mitigate the environmental impacts of its operations, totalling 522 million euros in 2023.



3.4.3. Water and marine resources

3.4.3.1. Water management

EDP recognises access to drinking water and sanitation as a universal Human Right and assumes its responsibility in the pursuit of SDGs, in particular SDG 15, contributing to the sustainable use of freshwater ecosystem services, and SDG 7, seeking to ensure the supply of clean and affordable energy for all.

Under its [Environmental Policy](#), EDP is committed to mitigating its impacts, managing risks and promoting the ongoing improvement of processes, practices and performance through a collaborative approach with stakeholders for the sustainable management and efficient use of water.

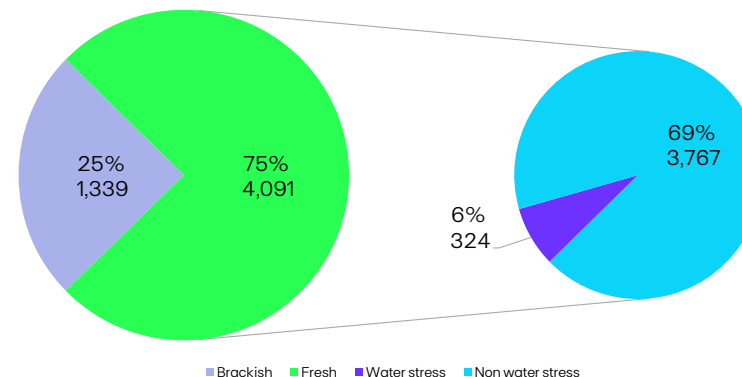
Water is a vital resource for electricity generation, particularly hydroelectric power, which is an important part of EDP's renewable generation portfolio and is crucial to its strategy of reducing CO₂ emissions and mitigating climate change.

Although, and contrary to the other activities of the organization, the use of water in hydroelectric production is not considered consumption, EDP monitors the volume of water managed in these assets, which has reached 131 million cubic meters, +17% compared to 2022, as a result of favourable water conditions in the Iberian Peninsula, after a year of extreme drought (2022), leading to increased hydroelectric production and reduced operation of CCGT power plants. This indicator heavily depends on the hydroelectric productivity index in Portugal, in which the water portfolio is more relevant, standing at 0.99 (compared to 0.63 in 2022), 1 p.p. below the average hydrological year.

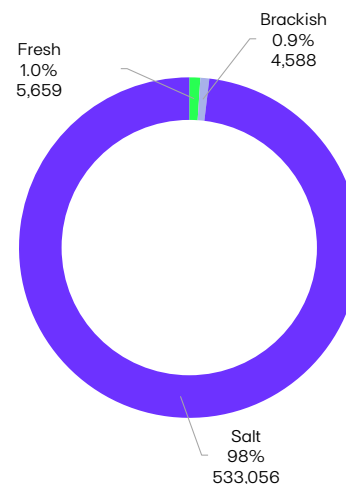
The following table highlights the impact on water consumption and operational dependence on the resource in EDP group's assets, namely in thermal power plants, hydroelectric plants, solar parks, and wind farms:

ASSET TYPE	WATER CONSUMPTION	DEPENDENCE
Thermoelectric power plants	High	High
Hydroelectric power plants	Low	High
Solar farms	Low	Low
Wind farms	Low	Low

Water consumption (% , Thousand m³)



Water withdrawal (% , Thousand m³)



The specific consumption of fresh water changed in 2023 (-50% compared to 2022), with the decrease in the EDP group's coal-fired electricity generation (-52% vs. 2022), which is justified by the limited production from the Pecém power plant in Brazil, with the sale of 80% of this power plant being completed in December, and by the significant reduction in production at coal power plants in Spain.

In 2023, EDP reached the level of higher performance (leadership) with the rating

A-

CDP Water Security

EDP monitors potential shortages, water quality and sediments, as well as the impact of the management of this resource on biodiversity, for which it undertakes mitigation activities such as the release of ecological flows, the transfer and transport of fish, and support for scientific research on these topics.

To assess exposure to water stress, EDP uses the World Resources Institute's Aqueduct tool to carry out an initial high-level risk assessment, mapping its generation assets against a widely recognized indicator of water availability (Baseline Water Stress). The assessment of exposure to water risk is carried out on a river basin scale, and then a local analysis is conducted taking into account quantitative information from national institutions and the experience of the operational in-house teams.

This analysis is carried out for all geographies where EDP has generation activities, whose water abstraction sources are located close to the facilities (Portugal, Spain and Brazil). Wind generation and distribution assets are excluded, given their low dependence on water. According to this analysis, it should be noted that the Pecém thermoelectric plant in Brazil is located in a water stress zone.

Since 2010, EDP has responded to the CDP Water Security, where it provides a detailed description of its ongoing initiatives. In 2023, EDP achieved the highest performance level of this index (leadership) with a rating of A-.

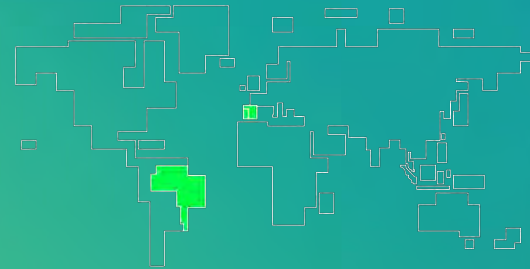




The role of hydropower in the Energy Transition

Hydropower and pumped storage as key drivers for the energy transition.

Our approach: EDP Geração owns 68 hydroelectric plants totaling around 7,000 MW in Portugal, Spain and Brazil, including 10 pumped storage plants in Iberia. In addition, there are two technologies developed in the context of storage: hydro pumping, with greater scale and technological maturity; and battery storage, as part of hybridisation projects. One of the best examples is Frades II (Venda Nova III), equipped with the most powerful variable-speed reversible units on the Iberian Peninsula.



Countries: Portugal, Spain and Brazil

68 hydroelectric power stations totaling around 7,000 MW.

Differentiator factor: One of the main features of Frades II (Venda Nova III) is the variable speed technology that allows for power variation when operating in pump mode, as well as the exceptional ability to provide grid stability services. Overall, dams and pumping technology are real facilitators of the energy transition and one of EDP's main focuses on becoming a totally green energy company by 2030, by promoting more efficient management of the electricity grid in periods of higher demand or intermittency of other non-dispatchable sources – such as solar and wind.

What lies ahead: EDP is exploring opportunities at Iberian level to boost the use of existing pumping technology (optimisation of the turbine-pump at the Torrão power station) and to carry out conversions, such as the one at the Alto Lindoso power station, in order to increase the overall efficiency of the system and thus contribute to the energy transition.

3.4.4. Biodiversity and ecosystems

Biodiversity faces a critical threat, emphasizing the urgent need to rehabilitate damaged ecosystems. There are high hopes for reinforcing the global commitments and targets outlined in the Kunming–Montreal Global Biodiversity Framework, which was adopted in late 2022. This Framework aims to achieve a world living in harmony with nature by 2050, with key targets including the restoration of 30% of all degraded ecosystems and the conservation of 30% of land, water, and seas by 2030. According to the United Nations Environment Programme (UNEP), the degradation of marine and terrestrial ecosystems has a significant impact on the well-being of 3.3 billion people worldwide, with an associated annual cost of approximately 10% of the planet's gross product due to the loss of species and essential ecosystem services.

3.4.4.1. Policy and targets

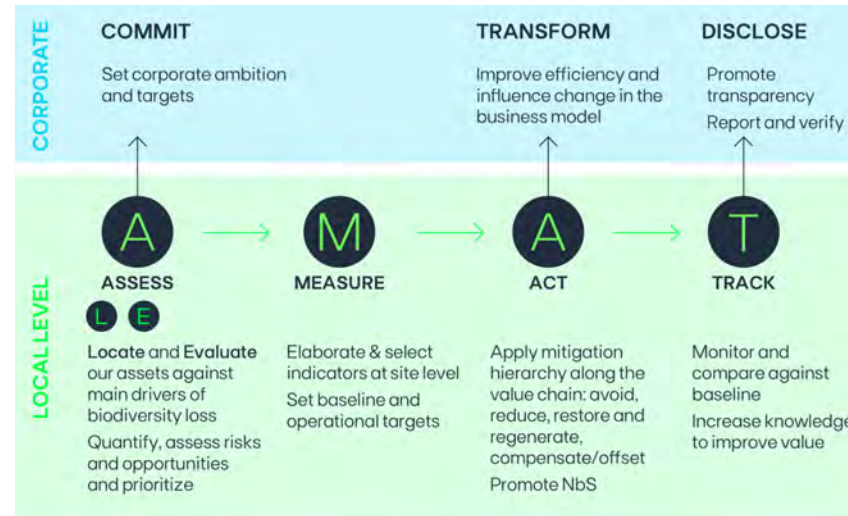
EDP's new Business Plan for 2023–2026 includes targets related to Nature, including a corporate objective to attain a Biodiversity Net Gain in all new projects with significant residual impacts by 2030. By 2026, EDP aims to have implemented Net Gain Biodiversity tracking systems supporting 100% of new projects, signifying the need for all internal knowledge and resources to be in place to enable the company to meet Nature's 2030 targets. Under this 2026 target, EDP maintains its commitment to have 100% of action plans in place whenever its facilities are recognized as having high biodiversity risks. Under this level of ambition EDP will work towards a no net deforestation practice.

Additionally, EDP maintains its commitment to not build new generation facilities in Natural Heritage Sites, from UNESCO's World Heritage list.

[EDP's Environmental Policy](#), includes specific commitment to the protection of biodiversity:

- contributing to the reduction of biodiversity loss, prioritising mitigation line management and aiming for a positive outcome on the biodiversity balance sheet in the long term
- contributing to the deepening of scientific knowledge of biodiversity and ecosystem services, including through the establishment of partnerships.

This Policy is supplemented by internal guidance to establish a shared understanding of how to act at project level, emphasizing the use of the mitigation hierarchy approach throughout the project life cycle, as the initial step in fulfilling the overall biodiversity commitments.



EDP's Biodiversity Strategy, based on SBTN; TNFD; Business4Nature; CSRD.

3.4.4.2. Key developments and performance in 2023

In 2023, EDP's started using IBAT to characterize our generation and transport assets and as an early risk screening tool for new projects; The use of this tool reinforces the mitigation hierarchy approach, integrating biodiversity into the investment decision-making process. Following IBAT datasets, by the end of 2023, EDP reviewed its data, disclosed in [GRI indicators | Environmental indicators](#). During 2024, EDP will drilldown this info to improve data quality, supported by internal Geographic Information Systems.

During 2023, EDP's Biodiversity strategy was reinforced, to better support alignment with international core standards, such as Taskforce on Nature-related Financial Disclosures (TNFD), Science Based Targets Network (SBTN) and the new European CSRD, in accordance to figure above. In short:

- several programs at Business Unit level were designed and several others reinforced (table in page 96)

- biodiversity indicators were reviewed to improve monitoring of related risks decision making process.
- internal workshops for the sustainability teams in EDP's Business Unit were promoted to align local action with the Nature Based Solutions' concepts and practices.

During 2024, EDP will strengthen TNFD content to improve alignment and will reinforce action at operational level, mainly working in early risk screening processes.

In addition, during 2023, EDP continued to strengthen its public commitments in this area by:

- updating its commitments made under [Act4Nature-Portugal](#). Act4Nature is an initiative led by the BCSD-Portugal and fostered by the biodiversity working group since 2020, where EDP is part of the Steering Committee and the Advisory Board
- in Brazil, the Brazilian Business Council for Sustainable Development CEBDS, launched in October 2019 the Brazilian Business Commitment to Biodiversity aiming to emphasise the importance of Biodiversity and ecosystem services for businesses. This initiative is framed by nine global goals and targets have actions in progress that are subject to re-evaluation/definition depending on the evolution of approaches, indicators and metrics that are being defined internationally
- in 2023, EDP made a similar commitment in Spain under the [Iniciativa Española Empresa Y Biodiversidad \(IEEB\)](#), promoted by Fundación Biodiversidad. By endorsing the Pacto por la Biodiversidad y el Capital Natural, EDP pledged to adhere to 10 common principles crucial to the Kunming-Montreal agreement. The company also committed to assessing and sharing its impacts and dependencies on biodiversity and natural capital, and to develop a roadmap for mitigation.

During 2023, EDP published its [Biodiversity Report 2020-2022](#), detailing its initiatives on going and additional indicators and practices can be consulted in it.



Biodiversity projects ongoing worldwide (non-exhaustive)

Generation	Portugal	EDP Generation in Portugal launched the Nature4Tomorrow Program, aiming to promoting biodiversity and contribute to CO ₂ sequestration. The Alto Lindoso reforestation project, covering 22 hectares in the National Park of Peneda Geres, is the first project aiming to enhance ecological conditions and support EDP's commitment to Net Zero by 2030. The project benefits the environment but also promotes economic benefits for local communities and green job creation. It is aligned with the SBTN AR3T framework, focusing on the assessment of flora species, implementing measures for positive change, and embracing Nature-based Solutions. Engaging with local communities and authorities is paramount for the project's success, raising awareness about the pivotal role of biodiversity in socioeconomic development. Operationally, the project involves improving the ecosystem by densifying weakened cork oak trees with native forest species and controlling invasive alien species. The project's area has forest management certification and certification in ecosystem services.
	Spain	In Spain, EDP is working on improving its understanding on the impacts of the environmental footprint of its generation assets on natural capital, with special emphasis on ecosystems and ecosystem services (ES). To this end, a methodology has been developed to measure the impact of its facilities on natural capital still in its early stages but making it possible to measure the impact of a facility at a local level, mainly using information from its environmental footprint. The tool integrates three variables for measuring the impact: (i) scope of the impacts of the facility, (ii) severity of these impacts and (iii) relevance of the ecosystems and ES impacted by the facility. As a pilot study, the tool has been applied at EDP's Aboño Thermal Power Plant, located on the coast of Gijón, Asturias (Spain), where the main impacts came out as (i) terrestrial acidification, (ii) urban land occupation and (iii) terrestrial ecotoxicity.
Networks	Portugal	For networks in Portugal, two main priorities prevail in managing biodiversity protection: 1) For more than 20 years a multi stakeholder protocol, involving local authorities and NGO allowed a thorough mitigation program focusing reducing the risks of bird collision and electrocution. By the end of 2023, more than 1,300 km were adapted, with significant expected bird loss reduction. 2) Managing more than 68 thousand km of network extension, E-REDES is enhancing the resilience of its network to extreme events, particularly rural fires, through preventive measures and planned protection of infrastructure. Under its partnership with ForestWISE, the company is focusing on monitoring vegetation proximity, investing in advanced technologies, and working for effective biodiversity management, namely when inside some sensitive or classified natural area, looking to promote competitive use of the land. In 2023 the partnership behind the Birdlife Protocol was extended for another five years.
	Spain	NATURNET is a tool designed to assess the effects of medium and high voltage overhead power grids on impacted habitats, the services they offer, and the most vulnerable species within these habitats. It enables the management of risks associated with power grid impacts and facilitates investment decisions to minimize these risks. The analysis covers all high and medium voltage overhead networks spanning the communities, with a detailed examination down to the municipality level. The assessment focuses on the impacts on habitats, species, and ecosystem services, utilizing official external sources of information cross-referenced with internal network data. This knowledge allows for the management of risks associated with constructing new lines at the municipal level and the exploration of alternatives with reduced impact. Furthermore, it provides opportunities to invest in suitable locations to compensate for damaged services and habitats.
Renewables	Europe	In Iberia, it can be highlighted the different projects on-going to protect several species of birds, mostly associated with mitigation and compensation activities associated windfarms operations. One of the oldest partnerships is with GREFA, a Spanish environmental NGO, with whom EDP Renewables collaborates to reintroduce the Bonelli Eagle in Madrid and the central peninsular area, as well as in projects to improve lesser kestrel and Egyptian vulture populations in other regions of Spain. Additionally, projects to improve pollination within the area of management are being tested. An example is in Poland and in Hungary, where flower meadows are being planted to reinforce biodiversity, create asylum for rare and protected species especially insects and protect the land from drought.
	North America	In North America, biodiversity protection is centred around applying the mitigation hierarchy. For projects where biodiversity impacts could not be avoided or minimized, North America conducted a wide range of compensation initiatives from conserving bat habitats to restoring wetlands and sensitive habitats, tailored to meet local needs and regulations. For instance, in Mexico, EDPR is working to preserve rare desert plants through flora relocation and restoration across approximately 330 hectares at two windfarms, and a partnership with a local university supports these activities. Meanwhile, in New York, an ongoing offsite wetland and stream restoration project aims to enhance the habitat of three federally endangered mussel species using nature-based remediation techniques to address streambank erosion and sedimentation. The restoration activities, covering 13 hectares, also seek to safeguard adjacent floodplain wetlands from potential washouts during high rainfall events. Moreover, in the USA, companies have the option to purchase credits from recognized biodiversity banks. EDP Renewables has utilized this opportunity to cover 545 hectares of land conservation in the Midwest, thereby increasing the availability of suitable maternity roost habitats for bat and its conservation purposes.
	LatAmerica	In Brazil, EDP is reinforcing its IT geographic information systems by mapping all its assets against different layers of protected and sensitive areas, namely all IBAT datasets. This initiative will improve risk analysis and the decision-making process, not only for the current portfolio, but for future business expansion in Brazil. Locally, EDP in Brazil maintains several initiatives to protect biodiversity, within the surroundings of its facilities, from compensatory forest planting in several locations to seeding distribution and education programs.

3.4.5. Circular Economy

KPI 2023

Promoting the Circular Economy

Target 2025

74% Accelerating circularity in renewables in terms of operational waste and decommissioning	>80%
-76% Reduction of operational waste	-82%
42% Increased rate of recyclability in the operation	85%
-88% Reduction of water consumption	-78%

While renewable energy sources and electrification are vital first steps in transitioning to zero-emission models, the significant growth of renewable energy technologies poses challenges in material supply, production, and end-of-life management. The growth of these technologies must be established as part of a circular economy approach to prevent new environmental problems and boost job creation and economic development. The increasing use of renewable energy sources will also lead to the decommissioning of EDP's thermoelectric plants, which will require a circular economy strategy to address the large volume of land, assets, and materials involved.

The Circular Economy is one of the axes of the EDP group's sustainability strategy, constituting an important pillar of its [Environment Policy](#). For EDP, the Circular Economy is based on the efficient use of natural resources from a life-cycle analysis perspective, aiming to:

- minimise the use of natural resources necessary for the proper execution of its activities
- efficiently optimise and manage internal products and services capable of leveraging the circular economy in its customers
- maximise the recovery of waste and its reintroduction into the economy as by-product.

EDP's Circular Economy strategy is based on three fundamental pillars: Reduction, Optimisation and Valorisation as a way to promote the increase of circularity in the business, implemented through seven priority axes of action (see figure in the [next page](#)).

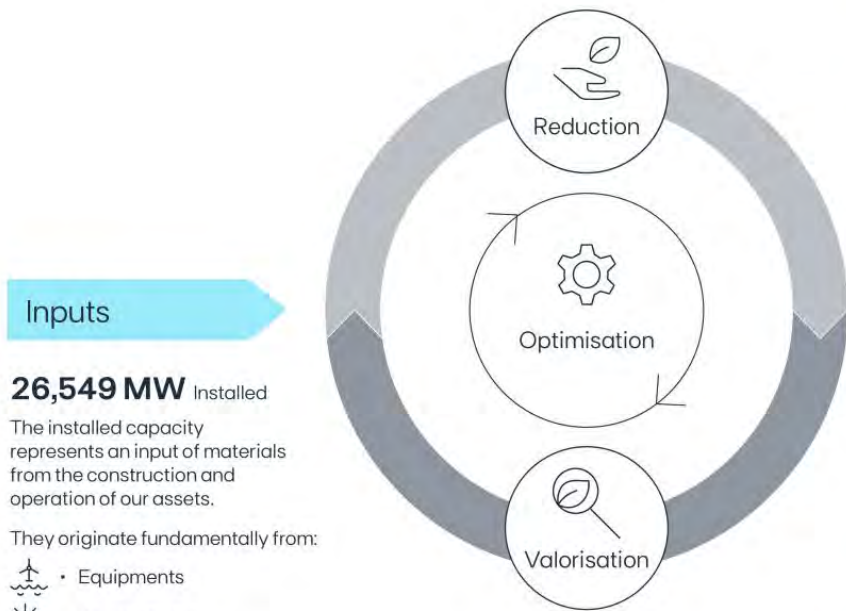
Close the loop program

"As an innovative solar recycling company with industry-leading technology that can recycle and recover over 95% of the valuable material from a solar panel, we are thrilled that EDP Renewables North America has chosen SOLARCYCLE as a top, trusted partner for its new Close the Loop Program. With this new partnership, EDP is not only demonstrating its leadership on sustainability, but also joining us in our mission to build a more circular industry that strengthens the solar supply chain."

Suvi Sharma, CEO and Co-Founder of SOLARCYCLE



Materials inputs and outputs

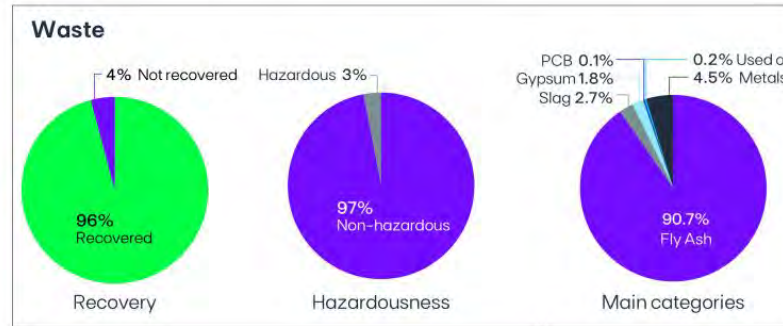


26,549 MW Installed

The installed capacity represents an input of materials from the construction and operation of our assets.

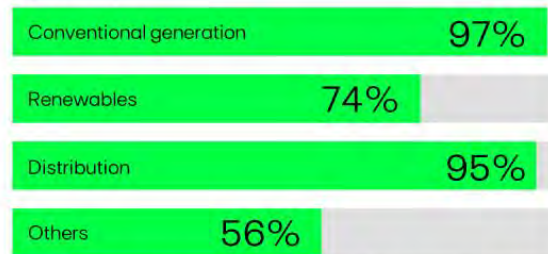
They originate fundamentally from:

- Equipments
- Raw materials
- Consumables



Total residual materials recovered¹: 256,689 t

By activity:



¹Residual materials recovered: Byproducts + Recovered waste

The 7 EDP's axes of action for circular economy

	Efficiency in the use of resources and materials	Promote the reduction of inputs of resources and materials and reduction of waste outputs.
	Product longevity	Promote solutions that extend the product lifecycle, including modular design solutions, which allow the product to be easily disassembled and their components replaced, remanufactured, repaired, updated.
	Digitalisation	Integrate digital solutions that through technology and data allow dematerializing processes and reducing the consumption of materials and resources, but also supporting the construction of new business models (product as a service).
	Resource valorisation	Promote the valorization of waste materials at the end of life, focusing on their "second life" after the original purpose, namely through the creation of symbiosis with other sectors of activity, recycling, energy recovery, etc.
	New business models	Promote the construction of new business models that allow the introduction of different circularity levels in the products and services provided to the customer, such as the life cycle extension, models as a service, efficiency, sharing, etc.
	Circular supplies	Promote circularity practices, such as replacing materials and products with longer-lasting, recycled, reused ones; labelling of products identifying their circularity; but also the inclusion of criteria in purchases.
	Influence and awareness	Ensure the company's responsibility for the products, materials and assets it produces and manages/uses. Responsibility to influence the value chain to leverage the circularity in its products, services and choices.

The EDP group is committed to providing innovative and competitive solutions by ensuring coherence across all its activities and ecosystems:

- in **power generation**, the group aims to reappraise renewable energy supply chains throughout their value chain and manage thermoelectric assets until their decommissioning
- in **infrastructure and network**, the group aims to redefine the value chain of major assets through "Circularity by Design" and use digitalization to accelerate the role of the network as a platform
- in **end customers**, the group aims to facilitate their transition to circularity through new products and services
- in **suppliers** to support and leverage the entire supply chain towards circularity.

All other areas, from digital infrastructures to trading to office management, are also actively involved.

Achieving high levels of circularity is only possible through a collaborative and systemic approach. Therefore, EDP is collaborating with international organizations and platforms, as well as in its main countries of operation, including European countries, the United States, and Brazil. The group collaborates with institutions, companies, NGOs, universities, and other stakeholders to increase knowledge and understanding of the circular economy and support the system transition.

EDP has set out four ambitious circular economy targets for 2025, contributing to its commitment to SDGs 8 and 12, promoting decent work and economic growth, and sustainable production and consumption. To achieve these objectives, a corporate roadmap was determined, to which projects and initiatives developed by the different Business Units of the group contribute.

In 2023, there are several best practices for circular economy, for each of the priority axes of action, which are detailed in the following table.



Axis of action	Initiative	Description	Business Unit
Efficient use of resources and materials	E-Redondo	The E-REDONDO Action Plan aims to internalize the circular economy in the activities of the networks in Portugal, involving workshops and consulting from Capgemini. Eight critical assets were selected for assessing their circularity, including interviews with suppliers. In the future, the analysis will be extended to more assets with a new circularity assessment tool. The integration of this analysis into the procurement process and green purchasing criteria is a significant step in reducing E-REDES' environmental impact on the supply chain.	E-REDES - Portugal
	CIRCUMETRIC 2.0	Circumetric is a corporate tool designed to assess the circularity of initiatives, with the primary goal of raising awareness and identifying improvement measures. In 2023, significant enhancements were made to the tool, and its scope was expanded to cover all geographies. This expansion ensures the tool's continued functionality while incorporating new features to better serve its purpose.	EDP Spain – Global
	Energy storage system with batteries at solar farms	Installation of batteries for energy storage in solar farms with the aim of improving the flexibility of electrical systems, thus incorporating greater renewable capacity.	EDP Renováveis - Europe and Brazil
	Promotion of rationalization of water consumption	Minimizing water usage in hydroelectric plant landscapes is a key priority for us. To achieve this, we are actively incorporating rainwater reuse practices for irrigation. Additionally, we are conducting a comprehensive assessment to identify opportunities for streamlining water consumption. To address areas with less developed water management, such as hydroelectric power plants, we are executing an action plan. This plan focuses on enhancing consumption accounting measures and initiating pilot projects in gardens. These projects involve selecting climate-appropriate vegetation and optimizing watering practices for increased efficiency.	EDP Produção - Portugal
	Use of rainwater in wind farms	Implementation of rainwater harvesting systems in wind farms to reduce water consumption for human use.	EDP Renováveis - Europe and Brazil
Product longevity	Reuse or recycle unused electronic equipment	EDP Global Solutions launched a pilot initiative for reusing and recycling electronic equipment. Collection points were set up, urging employees to responsibly dispose of unused computer peripherals. The collected items were either reused or processed for recovery to ensure proper disposal. Demonstrating its commitment to sustainability, EDP Global Solutions plans to expand this initiative to other facilities in 2024. The company will integrate it with a social project, benefiting communities. This approach aligns with EDP's mission of making a lasting positive impact on the environment and society through responsible business practices.	EDP Global Solutions - Portugal
Digitalisation	Transformers overhaul	Reconditioning of transformers and the use of predictive analysis and remote monitoring of this equipment in real time, which allows an increase in the responsiveness and quality of service, and simultaneously increases the useful life of resources through dematerialisation processes.	E-REDES - Portugal
	LIDAR system on power lines	Use of LIDAR systems for maintenance and monitoring of lines, avoiding travel and saving resources.	EDP Spain - Spain



Axis of action	Initiative	Description	Business Unit
Resource valorization	Recycling of porcelains isolators	Because a significant amount of porcelain isolators was being generated in networks, EDP decided to reevaluate their use. Tests in a laboratory with crushed porcelain in concrete blocks showed positive results. As a result, the solution was to reuse this material on a larger scale, using it as fine aggregate in civil construction. This approach ensures 100% utilization of the previously considered waste material.	EDP Brazil – Brazil
	Wind turbines end-of-life	Promote the search for innovative solutions for wind turbine blades and PV panels at the end of their life. Integrated in EDP Lite Up project, blades out of use were donated. Also a framework was developed to establish the strategies for resource valorization at the end-of-life of wind or solar projects in EDPR – “Guidelines for end-of-life projects at EDPR”.	EDP Renewables – EU&LATAM
	Recycling solar panels	EDP Renewables, in partnership with SOLARCYCLE, has launched a programme to recycle materials used in renewable energy projects in North America, addressing one of the main challenges of renewable energies. The aim is to promote a circular economy and reduce environmental impact by using resources more efficiently and extending the useful life of products. The goal is to recover 85 % of waste by 2026, helping to reduce pollution and preserve natural resources.	EDP Renewables – NA
	Cattlemen II Circularity Plan	EDP Renewables created a comprehensive circularity plan for offtaker Microsoft Corporation, which includes the proper recycling and disposal of all project components, equipment and material both during and at the end of the useful life of the project, Cattlemen II Solar Park in Milam County, Texas. Within the plan, EDPR NA highlights means, methods, scope, and strategy for how the company promotes asset recovery, recycling, and the efficient use of resources through each stage of the project lifecycle, including development, construction, operation and maintenance, and decommissioning.	EDP Renewables – NA
	Solar energy sales as a service	Development of a business model as a service for solar, in which the management of panels made by EDP contributes to their better maintenance and, therefore, to an extension of their useful life, in addition to the fact that when the customer no longer needs them, they can be reused by other customers.	EDP Comercial and EDP Spain – Iberia
New business models			
Circular supplies	Integrating circularity in suppliers' evaluation	At Iberia, our global procurement team is actively implementing a series of measures to seamlessly incorporate circular economy principles into the assessment processes for our suppliers. Specifically, we are enhancing the supplier registration questionnaire to gather information about initiatives and practices related to the circular economy undertaken by our partners. Additionally, we are modifying the contractual performance evaluation questionnaire to encompass criteria pertinent to the circular economy. Moreover, we are crafting an Environmental, Social, and Governance (ESG) roadmap to provide suppliers with insights into their performance and guide them in aligning with EDP's circular economy strategy.	EDP Global Solutions – Iberia and Brazil



Axis of action	Initiative	Description	Business Unit
Influence and awareness	Circular economy training	Circular Economy Training sessions have been held for EDP Spain employees, with 3 sessions and a total of 167 attendees. The content of the training includes of 6 modules. The first ones focus on conceptual topics on Circular Economy, and the last ones in Circular Economy at the EDP group, targeting mainly the environmental area (EDP's Circular Economy Strategy, Action Plans and CIRCUMETRIC evaluation tool).	EDP Spain - Spain
	Partnerships for circularity improvement	We engaged with and registered 18 qualified waste management organizations — and growing — to cover various materials recycling including the recycling and reuse of scrap metals, wind turbine parts and components including blades, packaging material such as cardboard and pallets, batteries from energy storage projects, as well as oils and associated lubricant waste from operations	EDP Renewables – NA

EDP gathers efforts to develop solutions so that its main waste materials can be used as by-products and raw materials for another industry, namely fly ash and coal slag which made up around 65% of the total waste materials recovered (256,689 tonnes).

With regard to construction, operational activities and the maintenance of facilities, reuse is prioritized so that, when discarding, recycling is always considered as the first solution.

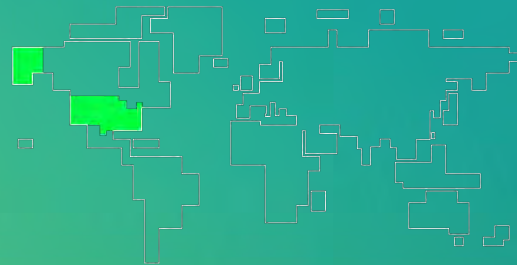
In this way, contracts are established with licensed operators who transport the waste to the appropriate destination for recovery. Efficient waste management goes beyond the suitable disposal of waste and its incorporation into the economic circuit, by promoting its reintegration whenever possible. This management starts upstream, in design and in the choice of materials necessary for the functioning of operations.



Close the loop program

Tackling the end of life cycle of solar panels.

Our approach: EDP Renewables North America launched, Close the Loop, a company-wide recycling program. This program supports EDPR's circular economy goal by building structured partnerships with various stakeholders, promoting efficiency in the product life cycle, optimizing resource use while minimizing waste, and ensuring transparent communication throughout the company. EDPR NA has engaged with 19 qualified waste management organizations to cover various materials recycling including solar modules, wind turbine generator components, batteries metals, oils and lubricants, as well as packaging material. EDPR NA's key partner in this program is SOLARCYCLE, an advanced technology-based solar recycling company. Founded in 2022, SOLARCYCLE offers tailored recycling solutions, reverse logistics, rapid testing, low-cost and eco-friendly recycling, and advanced environmental reporting for solar panels. The process aims to return those materials back into supply chains to help grow the domestic solar manufacturing industry.



Country: US



SOLARCYCLE's patented recycling process extracts more than 95% of the value in a panel, including aluminum, silver, silicon, and glass.

Differentiator factor: One of the key differentiators of the Close the Loop program is its focus on the entire lifecycle of both solar and wind renewable energy projects, including waste from construction to operations and maintenance, to repowering and decommissioning. EDP Renewables is committed to innovative approaches towards sustainability and responsible resource use throughout the project lifecycle.

What lies ahead: EDPR NA is supporting the advancement of U.S. renewable energy supply chains tied to a vibrant secondary market for recycled materials through the establishment of specific ESG targets. Globally, EDP Renewables has set a target of 85% waste recovery by 2026, with an ambition to take that figure to 90% total waste recovered by 2030.

[Link for more information.](#)

6.4.6. Own workforce

Alignment with the SDGs	Objectives	KPIs 2023	Target 2025
	Employee Engagement	80%	High-performance company
	Female employees	28.8%	30%

6.4.6.1. Our purpose

EDP is committed to evolving as a global, agile, and efficient organisation with a people-centred approach that seeks to attract, develop, and retain the skills needed to meet future challenges.

For EDP to be a truly future-proof organisation, an ambitious People and Organisation (P&O) strategy has been defined to fulfil the following in the coming years:

- provide its people with a human and meaningful experience through a global purpose and skills and concrete measures of well-being and flexibility
- focus on attracting and retaining internal talent through a strong global strategy of employer branding and onboarding, as well as a customised succession and development strategy
- foster growth opportunities for all employees in an engaging manner, in line with a global development mindset
- invest in collaboration and internal mobilities as a way of sharing knowledge and individual and organisational development
- treat diversity, equity and inclusion as catalysts for innovation
- promote agility and efficiency through the improvement and digitalisation of processes to reduce decision-making time
- use the global tools of people analytics as instruments to support decision-making and strategic planning.

The major events of 2023 continue to transform the global labour market, reinforcing the importance of preparing EDP for the challenges of the future whilst meeting the needs of its global population, which has slightly decreased when compared to the previous year:

- decrease of 1.3% in the global population (-170 for a total of 13,041 employees), considering the inclusion of 3 new markets (28 markets in total) and 8 new companies with headcount (101 companies in total), representing 13 new nationalities (68 nationalities in total)
- decrease in the number of additions (1,425) and an increase in the number of leaves (1,729)
- increase of women in global representation (+1.3 pp totalling 28.8%) and in leadership positions (+0.9 pp totalling 29.2%)
- Generations Y and Z represent around 63% of the global population, with an increase of 1.5 pp of Generation Y in leadership positions (43.6%)
- growth of 0.2 pp of people working outside their country of origin (3.8%), in a reality where 62% of the global population continues to work in a hybrid model.

In the dynamic landscape of the contemporary job market, marked by transformative phenomena such as the Great Resignation and other impactful trends, EDP registered a voluntary turnover of 5.8%. EDP continues to strategically navigate these challenges, recognizing the evolving nature of workforce dynamics, and prioritizing talent retention initiatives across the employee journey described throughout this chapter.

Considering EDP's global presence, the work developed in terms of people management in 2023 was based on the consolidation of a new people narrative through the integration of a global purpose in the main people management processes, strengthening the sense of belonging and pride in employees:

Our energy and heart drive a better tomorrow

3.4.6.2. Our energy

This purpose dimension represents the strength, legacy, and motivation of EDP's people to deliver green energy continuously, leading to an increasingly empowered organisation.



Organisation

EDP remains committed to promoting simple and agile organisational practices, supported by digital tools suitable for fulfilling its objectives.

In this sense, in 2023, EDP continued to promote efforts to provide greater empowerment and autonomy to its people through improvements in terms of the span of control and simplification of organisational layers in different Business Units, making it possible to increasingly decentralise decision-making and increase accountability.

Considering the ongoing transition towards a business platform management model, the Key Performance Indicators (KPI) for 2023 were established and communicated to the entire EDP global population, with the respective results being communicated at the end of each quarter.

To guarantee the group's global alignment and the speed with which commitments are delivered, the KPIs are defined annually based on EDP's organisational performance model, which is divided into three axes of action: Attractive Returns, ESG Excellence, Future-Proof People & Organisation.

Efficiency and decision-making

In 2023, the efficiency of the P&O and decision-making systems was also ensured with the implementation of various improvements that allowed for the reduction of more than 1.150 hours of work.

These improvements are related to the follow-up of the three-year digital roadmap that aims to increase the digital maturity of people management processes which includes other achievements such as the implementation of a tool to automate and standardise the global workforce planning process, automation of the estimation of short-term incentives (STI) for all employees in Portugal, implementation of a new onboarding platform, standardisation of the recruitment process in a single tool and the construction of scorecards that allow the consolidation of employee data as a way of supporting decision-making by managers and P&O teams.

Speed and efficiency are keywords for any future-proof organisation. In 2023 a new global decision-making model for EDP was approved. The main objective of this model is to improve the agility of decision-making processes, simplifying them and empowering employees. On the other hand, being a standardised global model, it speeds up the

adaptation to an organisation structured by business platforms. The measures that are being taken to streamline decisions include focusing EBD interventions to the level of strategic definition and planning, increasing the approval autonomy of Management Teams in business situations, and providing the remaining levels with greater autonomy in operational decisions.

Collaboration

EDP continues to discover new opportunities to bring its people together through digital collaborative tools such as virtual global communities. Currently, EDP has already implemented eight global communities (Finance Ahead; ESG; People & Organization; Global Energy Management; Brand & Communication; Innovation; Digital; Generation), connecting more than 40% of the global population and providing access to content and initiatives in an innovative and customised way to each functional family.

3.4.6.3. Our heart

People are at the heart of EDP's strategy, and this dimension of its global purpose reflects their importance and fundamental role in delivering the organisation's commitments to customers, partners, and communities. Recent years have led the EDP group to rethink its working models in favour of a more flexible and balanced working environment and to develop an active listening strategy highlighting the organisation's work in this direction.

Organisational climate

The organisational climate constitutes a fundamental, active-listening tool for monitoring different dimensions of employee experience, and the 2023 climate survey had the participation of 91% of EDP group employees.

In terms of engagement, it was found that 80% of employees feel involved with the company, where the majority show pride in working for EDP (85%) and would recommend EDP as a great place to work (76%). Regarding empowerment, it was also concluded that 75% of employees have a high perception of organisational support, where 77% feel they can carry out challenging work, 72% believe that their skills and abilities are well used, and 75% feel they have the authority to make decisions necessary to do their job.

Rewards and benefits

The work environment at EDP must also create global conditions of equality and recognition. Therefore, following its implementation in 2023, EDP's current global compensation framework was communicated to the entire population through different internal channels, contributing to a better understanding of how pay is determined, as evidenced by a 2% increase in the latest organisational climate results compared to the previous year.

This framework, aligned with the best companies in the market, defines a common strategy and language for the entire group, allowing for global alignment and increasingly transparent communication. As well as clarifying the concepts associated with compensation through a global glossary for all EDP markets, this model makes it possible to define a range of job grades, map all the group's functions in a functional matrix and group them into organisational segments according to the level of responsibility, autonomy, impact on the company, level of knowledge and skills required.

EDP globally assigns long-term incentive plans to the Top Management segment and critical positions in the Senior Management segment. The Executive Board of Directors (EBD) considers the attribution of these incentives as a tool for attracting and retaining talent, focusing on achieving results and complying with the business plan.

In 2023, this global approach was also extended to the different benefits awarded to employees in the different markets where EDP is present, to define a common global offer complemented by local benefits. This framework was built over the year and is expected to be implemented in 2024.

Flexibility and well-being

In 2023, the global flexibility measures already implemented were consolidated, with positive employee feedback, as evidenced by the organisational climate results: most employees claim being satisfied with the hybrid working model (82%) and the Flex Fridays measure (83%), and say they feel productive in a hybrid working environment (95%).

Throughout this year, continuity was also given to the global well-being strategy, based on five pillars (physical, social, professional, financial, and emotional). To this end, global awareness campaigns have been developed (e.g., Diversity & Well-being Moments; Mind Your Mind) to encourage the adoption of healthy behaviours, promote the accountability of the organisation's leaders, and remind all the channels and support helplines available.

EDP believes work-life balance is fundamental to achieving more competitive companies and a fairer society based on flexibility, respect, and equal opportunities. To this end, EDP has once again been certified by the Fundación Másfamilia as a family-responsible company (efr, in its Portuguese acronym), a recognition awarded for the first time this year to the entire group. This certification, which the company has received since 2013, gained a global dimension this year, reinforcing the excellence of the various work-life balance measures that the EDP group promotes among its employees in all the markets in which it operates.

Diversity, equality, inclusion and sense of belonging

By ensuring fairness and inclusion for its people, EDP is also creating a more diverse working environment, and according to the organisational climate results, 85% believe all employees, regardless of their differences (age, gender, ethnicity, colour, disabilities, sexual orientation, religion), are treated fairly. Following the adoption of the DEIB (Diversity, Equity, Inclusion and Belonging) acronym and the revision of its global policy in the previous year, EDP continued throughout 2023 to promote different awareness-raising initiatives on inclusion issues and held the second Global Council at which the next strategic priorities were defined, with a focus on the inclusion of people with disabilities.

Black connections

"The aim of this programme was to strengthen, broaden connections, welcome, boost talents and enrich the journey of the 45 black professionals who took part in this training. During the journey we had the opportunity to reflect on the fundamental importance of valuing our struggle, which is constant and daily, to understand how significant our professional valorisation is, and above all, how much stronger we are when we are together! I'm very honoured and grateful for this journey! And very proud of everything we have already achieved, but persisting in what is yet to come."

Wellington António





In 2023, efforts were made to ensure increasingly inclusive recruitment and the 2023–2024 Gender Equality Plan was launched. This plan, developed annually, presents a set of measures (policies, programmes, incentives and benefits, initiatives, or projects) framed within the following dimensions: strategy, mission statement and values, equal opportunities, awareness and training, work–life balance, and partnerships for progress.

3.4.6.4. Our drive

This dimension of EDP's global purpose reflects its ambition and leadership in making change happen as an organisation prepared for the challenges of the future.

Talent attraction

For EDP it is essential to develop a strong employer branding strategy that is increasingly global and attractive, which in 2023 meant continuing to review its employee value proposition to reflect the company's global positioning, purpose, and flexible, balanced, inclusive, and development-oriented culture.

Overall, in 2023, the EDP group impacted more than 32,000 people through more than 140 initiatives and strong positioning on its main social networks, which resulted in more than 400 people-related content. This attractiveness strategy gave rise to more than 50,000 applications in EDP's different markets, resulting in 1,425 new hires and 677 internships, through an increasingly global, standardised, and digital recruitment process, which has been characterised by a strong investment in upskilling all the stakeholders involved to ensure a competitive position in the market, particularly in the energy market.

In 2023, EDP also implemented its first-ever global onboarding experience and a new internal mobility program, demonstrating its commitment to attracting and retaining top talent. The global onboarding experience provides employees with a structured learning path that fosters a deeper understanding of EDP's business, brand, and people narratives, while also strengthening their contact networks. Meanwhile, the new internal mobility program empowers employees to explore a wide range of temporary and permanent opportunities worldwide, aligning with their development goals and presenting exciting new possibilities, resulting in more than 730 mobilities registered in 2023.

These efforts resulted in several distinctions, such as a new recognition by the Top Employers Institute, highlighting the EDP group's strong positioning with candidates and employees and its dedication and commitment to attracting and retaining the best talent.

Talent development and management

In 2023, the first holistic assessment cycle was completed, evaluating past individual performance, current skills, and agility to face future challenges, following a global development model implemented the previous year. This cycle showed very high participation results, proving its importance for the development of each employee: 86% chose peers, 88% carried out their self-assessment, 91% carried out their assessment as managers, and 95% of employees confirmed that they had their development conversation. At the end of this year, a new assessment cycle began, with an improved user experience.

Throughout 2023, efforts also continued to ensure the global development of EDP's leadership through an approach characterised by a focus on themes related to leadership, people management, culture, digital, innovation, safety, ethics, and compliance. The EDP group's total training volume in 2023 resulted in more than 375,000 hours of training, reinforced by worldwide access to on-demand content via Udemy, currently with 72% coverage. According to the organisational climate results, 76% of employees believe EDP provides learning opportunities, experiences, and tools to do their jobs in the best possible way.

EDP's succession planning is also crucial to ensure the continuity of the business, acting as an important people management tool. In line with the defined criteria, 150 successors and 457 potential career moves were mapped for 71 Top Management positions, as well as 694 successors and 1412 potential career moves for 346 Senior Management and Senior Consultant positions. Considering EDP's growth, the competitiveness of the market and the shortage of talent, several customised development initiatives were also carried out throughout the year, ensuring that most (80%) of top priority successors were involved in learning and development opportunities and contributing to the retention of more than 90% of the successors and their readiness to assume future roles.

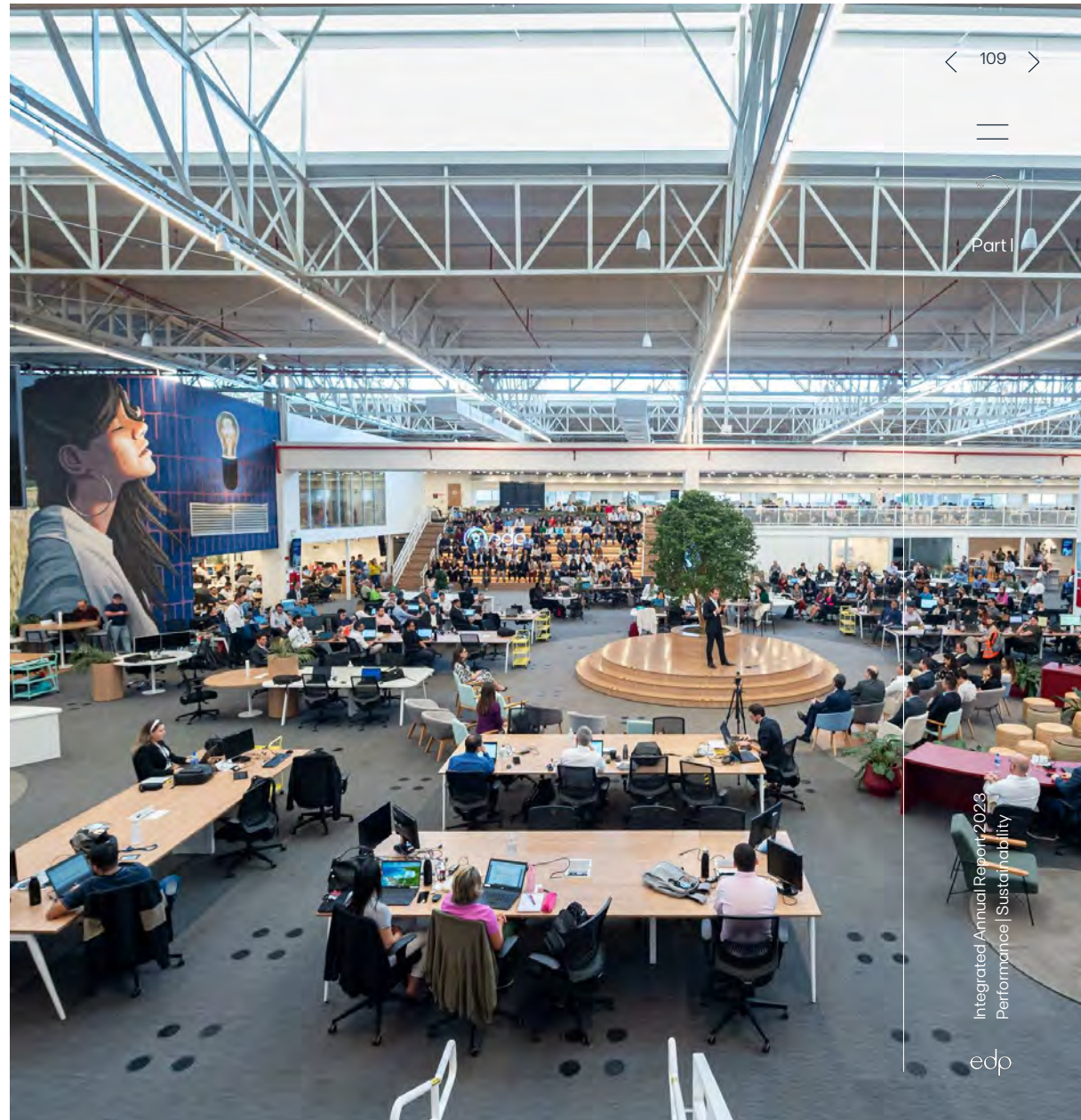
3.4.6.5. A better tomorrow

EDP's current strategy sets out ambitious commitments for the coming years, allowing it to become a future-proof organisation focused on providing a better tomorrow for current and future generations. In this sense, EDP's P&O strategy will continue to focus on meeting the challenges of attracting, developing, and retaining the skills needed to meet the challenges of the future, ensuring:

- a global organisational design strategy that represents our global presence
- enhanced digital maturity and efficiency of processes

- greater collaboration by strengthening our global communities
- an inclusive and flexible working environment that promotes meritocracy
- a strong employer branding strategy to attract the best talent
- a learning and development-oriented culture that fosters accountability.

With people at the heart of its strategy, EDP will continue to work towards an increasingly attractive, human, and meaningful experience for all its candidates and employees to drive a better tomorrow.

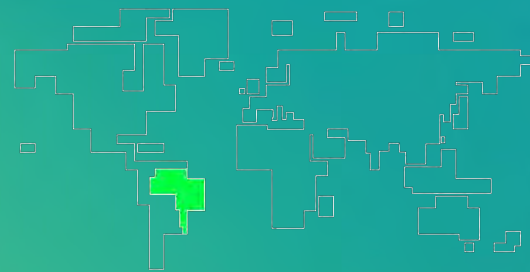




Black connections

Expanding racial representation through a journey of development and strengthening of the network of Black individuals at EDP.

Our approach: In 2023, we invested in the Black Connections Programme, an initiative that aims to create an individual development plan for Black professionals with a focus on recognition, retention, and career acceleration. There were 45 participants, and significant results have already been achieved, such as 18 merits, three promotions, totalling a 46% mobility rate in their careers. In addition, we concluded the programme with a Net Promoter Score of 98, which exceeded the project's expectations.








Country: Brazil

Net Promoter Score of 98

Differentiator factor: It stands out for its personalised approach to the development and progression of Black professionals within the organisation. It emphasises individualised development plans, recognition, retention, and career acceleration, responding to the need for greater representation and progression of Black talent. The innovative format, which includes theoretical content and round table discussions, provides a dynamic and engaging learning experience.

The future: The programme's next steps will focus on affinity groups and the dissemination of the knowledge acquired by participants. This approach will contribute to the continuous development and advancement of Black professionals in the company, ultimately reinforcing the programme's effectiveness and value.

3.4.7. Supply chain

Alignment with the SDGs	Objectives	KPIs 2023	Target 2026
  	Suppliers compliant with ESG Due Diligence	62% ¹	100%
 	Volume of Purchases aligned with EDP's ESG goals	~50% ²	90%

3.4.7.1. ESG challenges in supply chain management

EDP's materiality matrix identifies the supply chain and its management as one of the most relevant aspects for the company, based on its impact to society and for the business. Therefore, suppliers are a key stakeholder and also a main partner to achieve the company renewable installed capacity growth targets and sustainability goals. Technical excellence, execution performance, economic competitiveness, together with sustainability are the basis for EDP's supply chain management.

Sustainability in the supply chain faces considerable challenges arising from the increasing external pressure, both regulatory and market-driven, to implement ESG initiatives in the company's operations. The transition to renewable energy sources and the reduction of emissions are crucial imperatives to address climate change. Simultaneously, ensuring ethical working conditions and promoting equity in the supply chain take on a heightened urgency, further emphasizing the need for increased transparency and regulatory compliance.

The growing pressure from external stakeholders, encourage companies to collaborate with suppliers committed to high ESG standards, implement technological innovations for traceability (such as blockchain and AI), and adopt policies that incorporate ethical principles and human rights.

In this challenging scenario, the effective integration of ESG criteria into the supply chain allows EDP to improve management and risk mitigation, thereby contributing to the resilience of the organization in the global landscape.

Supply chain – hot topics

Given the dynamism present in the global ESG context, it becomes crucial to understand and adapt to ESG requirements by implementing strategies that involve data collection and regular engagement with stakeholders as a guarantee of future competitiveness.

Navigating through new laws and priorities: As ESG risks grow in complexity and severity globally, laws are being implemented worldwide to ensure effective mitigation of these risks. Two recent and stringent laws, the U.S. Uyghur Forced Labor Prevention Act (UFLPA) and the German Supply Chain Due Diligence Act (LkSG), have important implications in case of non-compliance. Looking ahead to 2024, companies must prepare to face an evolving ESG landscape, adjusting practices and leveraging technology to meet compliance obligations while exploring opportunities to positively impact society and the environment.



*EDP defines local purchases as purchases from suppliers in countries where EDP is present divided by the total volume invoiced on the Region of the Company to which the supplier / contractor supplies in 2023. In Portugal and Spain, only purchases from those specific countries (instead of region) were considered.

¹In 2023, this indicator was improved. Prequalification assessment already considers IDD, Environment and H&S, as well as other risk mitigation stages: desk assessments/audits/inspections, during contract period, and contract evaluation after contract closure. With this new approach, in 2023, 62% of suppliers are already compliant with ESG due diligence.

²The volume of purchases associated with critical suppliers whose decarbonization, environmental (biodiversity and circular economy), and human rights goals are consistent with those of the Group is considered aligned with EDP's ESG objectives. In 2023, approximately 50% of the Group's purchasing volume is considered aligned with EDP's ESG goals.



Stakeholder’s demand for greater transparency on ESG practices: Instead of relying solely on financial metrics for their investments, investors are now turning to ESG principles to assess companies’ performance in sustainability goals. Similarly, consumers are increasingly interested in how companies ensure clear policies – including suppliers and downstream partners – that demonstrate their commitment to sustainability goals.

The environmental agenda dominating overall concerns: Growing concerns about decarbonization of the supply chain and the transition to a circular economy pose significant challenges to suppliers. Therefore, organizations need to adopt more sustainable practices that will require changes in production processes. Compliance with environmental standards or certifications will become a market trend, and close collaboration with suppliers is essential to effectively implement decarbonization and circular economy strategies throughout the chain, thereby mitigating environmental impacts and promoting sustainability.

The importance of sustainable procurement in a competitive market: Customers and investors care about the origin of products and the underlying ethics, leading them to question certain products or processes and demand assurances that goods were acquired responsibly with minimal harm, both directly through production activities and indirectly through the origin of raw materials, etc. Consequently, companies need to implement scrutiny processes and supply chain visibility to remain competitive in an increasingly dynamic global market.

3.4.7.2. Supplier management governance

The Board of Directors directly monitors the procurement process management structures that implement the policies, being the ultimately responsible for ensuring that the company’s procurement policies and procedures are followed.

EDP’s global procurement, qualification and process teams, and market-level operational teams at business units are responsible for managing suppliers from the bidding process through to their activities. Procurement teams have staff assigned to coordinate supplier relations with internal sustainability teams and supplier relations and engagement.

At business unit level, Environmental and Health and Safety teams support and are in continuous liaison with the procurement teams to ensure that the company’s ESG priorities are considered throughout the contractual relationship with suppliers: tenders, construction, and operations.

In addition, a permanent working group within the scope of sustainable procurement ensures that procedures are reviewed, updated, and reported, thus ensuring the day-to-day management of sustainability in the supply chain.

The company has a set of policies and procedures that frame the entire sustainable procurement process across the group:

- [Supplier Code of Conduct](#) that feeds into the purchasing and contract negotiation processes with suppliers to ensure the alignment of critical suppliers with the company’s ethics and sustainability commitments
- [Sustainable Supply Chain Policy](#) that establishes the principles and commitments to sustainability implemented along the purchasing process
- [Sustainable Procurement Protocol](#) that defines the company’s action protocol and due diligence process related to the supply chain. This Protocol includes the identification of critical suppliers based on their activity with EDP.

3.4.7.3. Identification and mitigation of sustainable procurement risks

EDP’s procurement process includes an analysis of potential risks that may occur throughout the supply chain, from risks that occur in upstream processes in the manufacture of equipment, to those that could occur in the company’s own operations and facilities.

Procurement teams implement measures to mitigate technical, operational or ESG risks at different stages. The entire procurement and due diligence process specified below is intended to avoid and mitigate supply chain risks related to:

- equipment efficiency risks due to poor manufacturing or maintenance
- lack of supply due to supply chain disruption
- possible risks related to ethics and compliance of the company partners
- abolition of human rights risks such as forced labour or child labour, as well as other bad labour practices or lack of safety
- environmental risks due to bad supply chain practices or lack of preparedness
- other ESG and operational risks.

ESG Criticality matrix		LOW	MED	HIGH
Business Plan	1. Supply category (value chain country/sector/activity level risks)			
	2. Purchase amount (EUR)			
	3. Duration of the contract and frequency of supplies			
	4. Importance for operation, innovation and investment			
	5. Consequence of sudden supply interruption			
Exposure to ESG risks	6. Irreplaceability of suppliers			
	7. Supplier access to equipment/facilities			
	8. Supplier access to customers			
	9. Supplier access to protected personal data			
	10. Supplier access to reserved data and Cybersecurity			
	11. Risks of occupational accidents from the contracted activity			
	12. Environmental risks from the contracted activity			
	13. Ethical, human and labour rights of the contracted activity			

The risk management process is based on the EDP's Sustainable Procurement Protocol, being critical suppliers those with high impacts and risks and therefore those for which engagement and additional measures should be prioritized. Therefore, through criticality analysis, the EDP group identifies and segments the potential risks associated with each type of specification.

The analysis is carried out using a Sustainability Matrix defined in EDP's Sustainability Protocol, which combines the relevant risks of the activity, identified by consulting stakeholders and attributable to the sector, with the characteristics of the specifications. Based on this internal process, the following criteria are considered in the analysis: financial, business relevance and continuity; dependence and autonomy; access to data; facilities; customers; local communities; cybersecurity; emissions potential; waste;

environmental accidents; accidents at work; integrity and compliance; human and labour rights.

Once the risks of each type of purchase have been identified, non-negotiable clauses are included in the specifications that establish the minimum qualifications standards that suppliers must meet, as well as the rules for monitoring execution of the contract. Suppliers that submit proposals only enter the negotiation phase after a thorough ESG due diligence is carried out, including integrity, legal and ethical, financial, technical, social and environmental compliance.

Through the application of go/no-go rules in the selection of suppliers and contractual clauses that include monitoring, audits, and performance assessment, EDP ensures that it works with low-risk suppliers with skills appropriate to each activity's inherent risks.

Traceability and indirect risks

During 2023, EDP has taken a step forward in terms of equipment traceability. Traceability has become a fundamental element for the company to avoid the emergence of risks in the supply chain, being a key tool to:

- ensure a clean supply chain and avoid human and labour rights abuses
- be able to measure the environmental impacts generated by the transport of equipment
- comply with regulatory requirements, such as Uyghur Forced Labour Prevention Act, Corporate Sustainability Due Diligence Directive (CSDDD), Corporate Sustainability Reporting Directive (CSRD), Carbon Border Adjustment Mechanism (CBAM), among others
- being able to avoid a disruption of the supply chain due to international conflicts
- comply and respond to stakeholders demands such as investors and offtakers.

Traceability has become a key element in the engagement with the suppliers of the main equipment, becoming a tool that allows the origin of the equipment to be tracked during the phases, until the development of the final product that it is supplied.

To tackle this challenge, the company is creating a working group that involves the key teams in this process, to ensure that all the knowledge is available for the development of a traceability tool. This group has already started developing internal traceability protocols based on international frameworks developed in the main markets in which it operates.

Therefore, traceability it is now a main part of the engagement process with suppliers when providing the company with the project traceability map and when they must comply with the specific protocols for equipment. All these topics have become a common element in the engagement and contractual negotiation with its equipment suppliers.

Sustainable Procurement Process

EDP's procurement process extends to direct and indirect suppliers and allows to establish practices and procedures that ensure a high-quality relationship with the company's suppliers and sustainability practices through the entire supply chain. Some of these practices and procedures are:

- development of activities that promote the exchange of sustainability best practices in procurement processes;
- contribution to the growth and profitability of the business through the promotion of initiatives for the progress and continuous improvement of the supply chain
- systematic monitoring of suppliers' performance and risk profile
- dissemination and implementation of EDPs ESG policies (Environmental, H&S and Human and Labour Rights policies and Code of Ethics) in the acquisition of goods and services
- involvement and empowerment of all actors in the supply chain.

These practices are only possible through continuous dialogue and engagement with suppliers where the main priorities of both parties are shared at the technical, implementation and ESG levels.

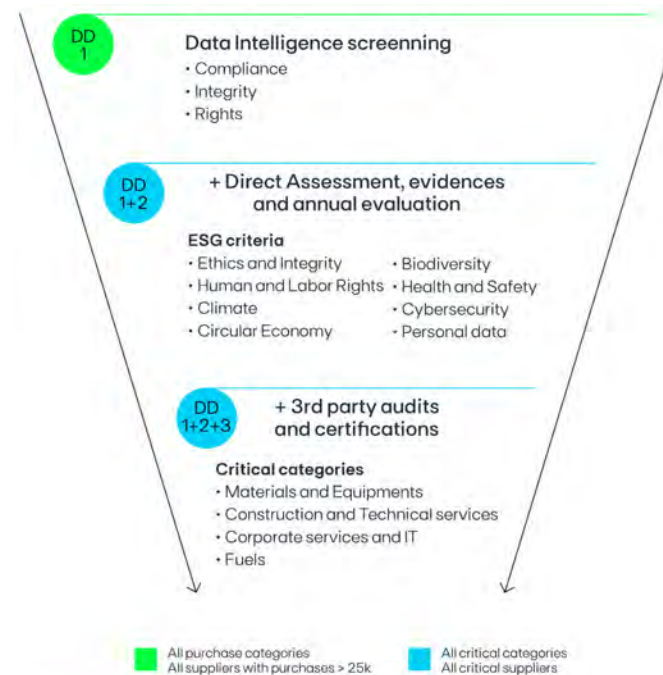
EDP assesses human rights violations that may be related to any counterpart, particularly on the electric power sector supply chain, where rely the critical suppliers for EDP. A Due Diligence process on legal compliance, integrity, human and labor rights is carried out for counterparts with businesses exceeding €25,000. In accordance with specific risk maps, there is a thorough analysis of climate and environmental issues, management practices, qualifications, sustainability, financial and business continuity risks, cybersecurity, safety prevention and management, quality, among others. Once the contractual relationship is established, with ESG requirements being converted into contractual clauses, EDP monitors, audits, and evaluates the performance of its critical suppliers.

Uptoday, the Due Diligence process has been mainly focused on contracted or yet-to-be-contracted suppliers. although EDP is extending this Due Diligence to indirect suppliers.

Auditing suppliers of suppliers is an emerging issue on the international agenda – it requires time and a mindset shift, as well as collaborative work between companies. EDP is currently addressing this issue through discussions with its key suppliers exposed to ESG risks, modifying clauses in its specifications, requesting equivalent commitments, and developing the principle of independent auditing.

Therefore, EDP has in place requirements related to ESG, Quality and Risk management that have to be met by its suppliers throughout the main procurement phases aligned with the due diligence process: 1. Registration and Qualification, 2. Requests for Proposals and Contracting and, lastly, the 3. Monitoring and Evaluation of the suppliers.

ESG due diligence layers





1. Registration and Qualification

The registration process is a mandatory requirement for any company who intends to become a supplier or apply for a qualification process. EDP's corporate System of Supplier Registration supports supplier's selection by providing detailed information, validated and updated by credible sources, in order to guarantee their accreditation through financial, technical quality and ESG criteria.

EDP's qualification process aims to provide an analysis on critical issues and establishes minimum requirements to ensure that the suppliers score positive in: technical capabilities & quality management, financial & risk, compliance & integrity, health & safety and environmental management criteria. The company regularly reviews and reassesses the Qualification System criteria to ensure that they reflect the main market trends and regulations and that a high level of quality of the information available from suppliers is maintained.

In addition, during the Qualification Process, the company shares relevant information that suppliers must comply with: [EDP Code of Ethics](#), [EDP Integrity Policy](#) and [EDP Supplier Code of Conduct](#). Other policies and requirements are also shared with the suppliers depending on their activity with the company and the phase where they are involved (manufacturing or operational services).

The qualified suppliers are then able to participate in the EDP's bidding and contracting process, during the qualification validity period.

2. Requests for Proposals and Contracting

The incorporation of adequate criteria in the contracting processes is essential to ensure in-depth management, mitigation, and avoidance of operational and ESG risks in the supply chain.

In 2023, EDP has updated its additional analysis on 5 ESG priorities – decarbonisation, circular economy, human and labour rights, health and safety, and transparency and biodiversity – in its tenders (RfP and other processes) for strategic renewables' equipment purchases. At this stage, EDP analyses suppliers' policies, targets, strategies, statements, roadmaps and other documents or procedures that show their alignment with EDP's positioning.

This analysis also helps the company to identify potential ESG risks. During this phase EDP also performs specific meetings with suppliers to understand their strategies, measures and policies regarding EDP's ESG main priorities.

Adequate compliance by all EDP suppliers with applicable H&S and environmental requirements is essential to guarantee the correct performance of the contracted services and works. The company has also a disciplinary and sanctioning regime, which is included in some of the RFPs, contracts, and purchase orders so any provider will be always informed about the consequences of not complying with EDP's H&S and Environmental requirements.

Moreover, EDP has a Third-Party Integrity Due Diligence Procedure to reinforce risk identification and prevent possible integrity or corruption risks for EDP in the relationship with third parties. In high-risk situations, it is necessary the approval of the Management Team, its submission to the Executive Board of Directors, and the execution of additional recommendations to the inclusion of the compliance clauses in the agreements, related to corruption, conflict of interest and the inclusion on sanctions lists.

During the contracting and awarding phase, the company establishes a fluent dialogue and shared of information with strategic suppliers through specific meetings. Through these meetings EDP and its partners discuss technical and sustainability criteria that are fundamental for the fulfilment and execution of the projects.

During 2023, EDP has taken a step forward in the contractual negotiation with suppliers regarding ESG requirements been requested. Depending on the type of equipment or service, EDP establishes a series of contractual requirements to address any material issues during execution.

3. Monitoring and Evaluation

In order to guarantee suppliers' compliance with the previously mentioned requirements, EDP monitors critical suppliers during their services delivery and activity in the group's facilities.

EDP has two mechanisms to ensure compliance with contractual obligations, passive mechanism and active mechanism:

- The passive mechanisms are those related to suppliers' report on of any situation, infringement, or circumstance that may affect the agreement



- The active mechanisms consist in physical audits; inspections; management systems implemented by EDP certified and supervised by verified external certification bodies (third parties).

Valuing ESG Criteria in Supplier Selection

ESG criteria are technical specifications that suppliers must demonstrate to be selected for the negotiation phase.

The definition of the required ESG criteria is established at two levels:

- as minimum contractual conditions applicable to all purchase contracts
- as specific conditions for certain types of contracts, depending on pre-identified and relevant risks.

These specifications are go/no go criteria. For example, for a contract exposed to workplace accident risks, the supplier must demonstrate the existence of a certified management system, including the qualifications of its employees, and report accident indicators below a set limit.

Applying minimum weight to ESG criteria in procurement through the go/no go mechanism, based on thresholds, ensures that ESG criteria are non-negotiable. In some situations, such as market shortage, dependence on certain specific technologies, or low qualification of suppliers, given the defined ESG goals, proposals are ranked according to a criterion-by-criterion scoring system, and an exception may be approved. For all intents and purposes, through the ESG matrix, these cases are pre-identified. These situations are closely monitored, and suppliers are excluded from contracting if they fail to meet the minimum ESG requirements within a specified timeframe.

Purchases Main Risks and Segmentation

There are four segments of ESG risk in the supply chain that correspond to various purchasing categories in the value chain.

- **Electrical/Industrial Equipment:** EDP does not develop, design, or manufacture any type of equipment, directly or indirectly. The procurement of equipment's is directed towards finished technologies, in wholesale, ready for installation, which must meet pre-defined technical and sustainability specifications. For each type of technical equipment, the number of manufacturers is small, resulting from previous specifications and requirements.

- **Technical Services and Construction:** technical and construction services are directed to local suppliers and include both preparatory work for the installation of infrastructure and the actual installation of equipment and technologies. Often, the same suppliers are responsible for maintenance work. This type of activity is based on direct service providers and, depending on their expertise, includes subcontracted providers. EDP qualifies not only contractors but also subcontractors.
- **Corporate and IT Services:** these services are developed by service providers under medium/long-term outsourcing contracts. These activities have a low level of direct equipment and energy consumption since they are office extension and local logistics activities. The exception is data storage and management.
- **Fuels:** consists of a small number of coal suppliers, usually around 10, and will remain in the portfolio until 2025 at the latest when EDP closes the last coal-fired power plant. Additionally, natural gas suppliers will be in the portfolio until 2030 when EDP will terminate all thermal activities.

PURCHASES RISKS AND SEGMENTATION	2023	2022	2021
Electrical/Industrial technology			
ESG upstream footprint	26%	13%	22%
Technical Services and Construction			
Waste, Safety, Subcontracting, local impact, ESG upstream footprint	45%	41%	40%
Corporate Services and IT			
Data Privacy, Cybersecurity, Integrity	18%	16%	18%
Fuels			
CO ₂ emissions and pollutants, waste, safety, working conditions, upstream ESG footprint	11%	30%	20%



3.4.7.4. Supply chain engagement

The EDP group acknowledges the importance of partners in advancing sustainability goals and the mutual success of both parties. Through the EDPartners program, EDP aims to enhance partner success by promoting the exchange of best practices, initiatives, and project development. The program focuses on aligning processes for excellence, recognizing positive practices, identifying areas for improvement, and building trust to positively impact society and improve the long-term supply chain.

Two significant initiatives have been developed under the EDPartners program:

- **EDPartners Talks:** This initiative fosters open and constructive dialogue with strategic partners, facilitating informal conversations to gain insights into EDP's operations and strengthen understanding and proximity with key partners. It involves specific questions about EDP's competitive advantages, strategic plan, communication channels, negotiation processes, innovation in procurement, and potential difficulties of becoming an EDP supplier. The initiative aims to continually improve collaboration, promote innovation, and strengthen sustainability throughout the supply chain. It involves 15 suppliers from all procurement categories.
- **ESG Talks:** This initiative focuses on promoting sustainability analysis and identifying the ESG maturity of key suppliers through sharing sessions. It aims to identify actions for sustainable purchasing and focuses on critical partners with management systems for decarbonization, human and labour rights, circular economy, biodiversity, and health and safety. The initiative explores market drivers in the ESG context, peers' investment in meeting ESG requirements, and parameters for more sustainable products for EDP's future needs. The goal is to accelerate ESG maturity in the supply chain through concrete initiatives and improved communication on ESG issues. It involves 10 suppliers from critical materials such as cables, solar panels, and IT.

Cumulatively, EDPR performs an engagement process with its strategic suppliers throughout its relationship with them, from qualification to the beginning of the service or delivery of equipment, including contractual negotiations:

- During the qualification, the company has conversation with the suppliers and contractors to request information and analyse them regarding to the following criteria: Technical; Compliance; Environment; H&S and Financial.
- During the RFP and contracting phase, it requests additional information from the shortlist of suppliers that can be awarded, with additional technical information, as well as information related to the suppliers' ESG performance and practices.



- In addition, in the contracting phase, EDPR has continuous conversations and meetings with suppliers to negotiate and include clauses of different types that ensure the execution of the contract and are in line with the company's standards.
- During the execution of the contract, depending on the type of supplier and the service offered to the company, the engagement will be different, through conversations related to the manufacturing process of the equipment to the control, coordination and monitoring of the installation and maintenance processes in the facilities.

3.4.7.5. Scope 3 and supply chain decarbonization

For more information, see chapter [3.4.1. Climate change – Supply chain impact on Scope 3 emissions and data quality](#).

3.4.8. Health, safety and crisis management

3.4.8.1. Health and safety

Alignment with the SDGs	Objectives	KPIs 2023	Target 2025
	Severity index (employees and contractors)	445	<150
	Fatal accidents (employees and contractors)	5	0

EDP uses Humanisation as one of its fundamental values and places people at the heart of its strategic agenda. Safeguarding the health and safety of employees (both inside and outside the group), suppliers, contractors, customers and stakeholders, is a priority. For the group, no situation or emergency can justify endangering a person's life!

In fact, EDP guides its action in this matter by the principles established in the [Health and Safety at Work Policy](#), a binding document that covers all group employees and contractors, making the entire hierarchical structure responsible.

To this end, the EDP group requires everyone to adopt practices in line with the principles of this policy, in order to ensure continuous improvement.

Safety practices

Audits, inspections, visits and observations

52,573

The implementation of EDP's annual occupational health and safety programme was based on a set of actions aimed at preventing occupational accidents, as measured by a reduction in the frequency rates and the seriousness of accidents and occupational illnesses, and included training for EDP employees and contractors, the ongoing evaluation and control of labour risks and the implementation of an internal and external inspection and audit programme of EDP facilities and works.

The plan of strategic Occupational Health and Safety (OHS) objectives contains the repository of commitments and initiatives undertaken by the different organisational units for the execution of the six vectors of intervention defined on a strategic and corporate level, concerning OHS approved for 2020/25: (1) commitment of leaderships to OHS; (2) behaviour, preventive activities and learning from mistakes; (3) streamlining, digitalising and standardising OHS processes in the EDP group; (4) skills; (5) communication and involvement; (6) management of OHS in the contracting of ESP.

With regard to emergency preparedness and response, 537 simulated drills were carried out throughout the EDP group, covering various industrial, administrative and construction sites, in order to test the effectiveness of the planned response capacity in potential emergency situations. These drills included the participation of the civil defence force, the fire brigade, police and public safety authorities, as well as employees, contractors and the surrounding communities.

Training

EDP workers and ESP

392,211 h

In order to prevent electrical accidents involving third parties not involved in the group's activity, EDP ensures that the risks associated with its facilities and equipment are identified and communicated. However, in 2023 there were 47 accidents of electrical origin with third parties, which resulted in the deaths of 15 people. These accidents were the result of civil construction activities, tampering with the grid and leisure, among others.

Safety indicators

The [Health and Safety at Work Policy](#) within the EDP group demonstrates its commitment to a model of Health and Safety Work Management based on continuous improvement and the conviction that working in a safe, healthy environment is instrumental for employee satisfaction and provides added value for successful results. To improve management of the Policy objectives, EDP has a Corporate Safety Management System based on ISO 45001:2018 and the ILO-OSH 2021 recommendation. This system can be adopted in its entirety by each of the companies, or, alternatively, taken as a reference for the implementation of their own systems. In 2023, the EDP group counted a total of 10,255 employees covered by ISO 45001:2018 certification. The certification covers 92% of net installed power in production activities.

In EDP group, 177 work-related accidents with lost days, occurred out of all EDP employees and ESP, representing an increase of 33% compared with 2022. The frequency rate (FR) amongst EDP employees and ESP in 2023 grew 13% compared with the previous year, consequently we were unable to achieve the target of 1.64 set for 2023.

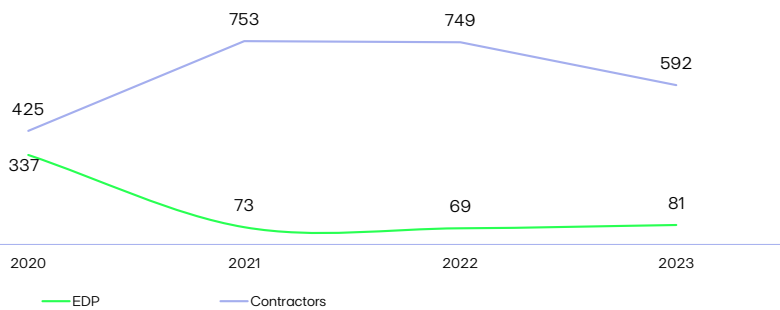
During 2023, there were five fatal accidents at work with contractors (fall from height, electrical origin, impact with objects and fallen objects).

Additional information visit www.edp.com.

Frequency rate (Fr)

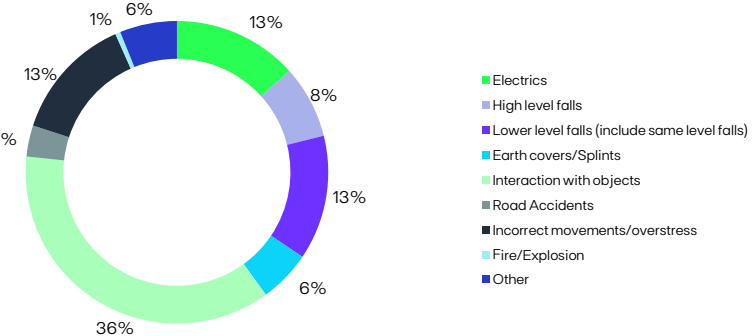


Severity rate (Sr)



Accidents that occurred due to interaction with objects are responsible for 36% of accidents, followed by incorrect movements or overexertion, falls from a level, and electrical causes with 13% each, 8% of which were falls from a height, while the remaining causes accounted for 17%.

Typology of accidents at work (%)



Health promotion

The health and well-being of the group's employees are promoted and protected through compliance with occupational health monitoring requirements, in accordance with applicable legislation.

Health monitoring programmes guarantee fulfilment of the regular medical examinations plan, workplace inspections, participation in the Occupational Health and Safety and Internal Accident Prevention Committees, and the implementation of a range of preventive campaigns.

During 2023, 10,436 medical exams, 1,940 consultations with employees who have nutrition programmes, 1,973 cardiovascular screenings and 2,841 vaccination programmes against influenza, pneumococcal infection, hepatitis B and yellow fever, which covered 1,418 employees, were carried out in the EDP group. Also, within the scope of occupational medicine activities, 398 screening sessions for alcohol and drugs were carried out. EDP group monitors and follows up the occurrence of occupational diseases.

In 2023, no cases of occupational illness were recorded.

play it Safe

Life always comes first

Psychosocial risks

Work-related psychosocial risks have been one of the major challenges associated with Safety and Health in the workplace, and are directly linked to problems such as stress, violence, harassment, burnout and engagement.

Our approach: The Prevention and Safety area once again signed a protocol with the Faculty of Psychology of the University of Lisbon to draw up an "Assessment of Psychosocial Risks and Well-being" across all the business units and geographies where we operate, with the exception of APAC. Between June and July 2023, employees were invited to respond online, and the response rate was very positive. The aim of the questionnaire was to identify the factors associated with the appearance of both stress and well-being, as well as to establish intervention guidelines for building a safer and healthier working environment.




Main conclusions: The results indicate stability compared to 2021, with the majority of risk and protective factors remaining unchanged. The absence of overwork, role conflict and job insecurity stand out, as does the presence of a positive social climate and support from colleagues and bosses. However, around 32 per cent of workers feel that the company does not look after their well-being, highlighting the need to develop practices to promote well-being. Furthermore, the adoption of a hybrid teleworking model is well received by workers, bringing advantages for the company, team and individuals.

EDP Group employees showed adequate stress and well-being when carrying out their work and can be considered to be carrying out their activity in a healthy working environment.

Differentiator factor: Until 2018, this assessment was carried out in the sphere of EDP employees in Portugal, due to the fact that it was a legal issue. In 2019, the pandemic we are experiencing challenged our routines and our people-focused corporate culture. The EDP Group therefore wanted to extend this Psychosocial Risks and Well-being assessment to all the Group's employees.

What lies ahead: In 2025 a new Psychosocial Risk Assessment will be carried out in all the Group's geographies.

3.4.8.2. Crisis management

Alignment with the SDGs	Objectives	KPIs 2023	Target 2026
 	BitSight rating	810	≥740
	Climate change adaptation plans implemented	50%	100%

Organizations face, nowadays a multiplicity of adverse situations, as a result of their international positioning, further exposing them to disruptive events with potentially high negative impacts. On the other hand, being aware of its position allows organizations to assume a state of continuous monitoring and alertness, regarding the evolution of possible crises on a global scale, with impact on the organization.

The EDP group assumes crisis management as a strategic capacity that enhances its supported and sustainable response to abnormal situations, characterized by high uncertainty and with potential negative impact on its strategic and business commitments and objectives, requiring urgent attention and action to protect the life and physical integrity of people, the environment, assets, and the reputation of the EDP group.

The EDP group Crisis Management Plan (OS 4/2021/CAE), which is transversal and strategic in nature and aligned with the ISO22361 standard, establishes the management structures, guiding principles for decision making, and practices to be observed in the three phases of the crisis management process: before, during and after the crisis. Alongside the Crisis Management Plan, the Crisis Communication Plan was established, which supports the actions of the teams responsible for ensuring effective communication – transparent, coherent, and consistent – in these highly complex and volatile contexts.

Designed to allow a strategic response to crisis and pre-crisis situations of diverse natures and with different levels of complexity, these plans are echoed in the Business Units and Corporate Centre Departments, when applicable, ensuring the tactical and operational capacity to respond to Crises, and an adequate escalation to the EBD and the EDP group's Crisis Management Office.

In order to strengthen its resilience, the EDP group established, in the OS 15/2023/CAE and OS 16/2023/CAE, its Business Continuity Policy and approach to Business Continuity

Management, respectively, also specifying the methodological parts to be observed, in alignment with the ISO 22301:2019 standard, strengthening its ability to detect and respond appropriately to risks with potential impact on its activity.

It should be highlighted that E-REDES has maintained an ISO 22301 – Business Continuity certification since 2015, while EDP REDES España has accomplished its certification against this standard, in 2023.

EDP has therefore developed and maintains a set of human, procedural and technological controls, and safeguard measures that have been improved overtime, complemented by recovery plans at an operational level, such as the Business Continuity Plans for priority processes/services, Contingency Plans or Disaster Recovery Plans, among others. These allow EDP to enhance its capacity to continue to provide its services at acceptable levels even when faced with incidents, emergencies, and disasters, fulfilling its purpose and meeting the objectives it has committed to. To ensure their effectiveness and adequacy, these plans are subject to periodic exercises and simulations, both internally and in collaboration with external entities relevant to EDP's value chain.

Also noteworthy was the creation of the Safety, Security & Business Continuity Unit (SSBC) in January 2022, which allowed for the strategic reframing of the Crisis Management and Business Continuity, Safety (prevention and security) and Security (physical security and duty of care) subjects, towards a holistic and transversal management of these in EDP, benefiting from the clear complementarity between them and from an integrated approach.

Aiming to strengthen this commitment, the EDP group has defined the Security Policy (OS 8/2022/CAE), which establishes the guiding principles to be followed by all Business Units and Corporate Centre departments.

Monitoring the evolution of geopolitical conflicts

Since February 2022, following what was established in its Crisis Management Plan and Crisis Communication Plan, EDP assumed a Pre-Crisis Situation, motivated by the emergence of the Russia-Ukraine conflict, which resulted in a worsening of geopolitical instability in Europe and worldwide.

Starting an intensive follow-up of the evolution of this situation, a monitoring group was established that included different areas of the Corporate Centre of EDP, S.A., and the Business Units, especially those with a greater presence in the nearby region. This monitoring is carried out in terms of topics such as the physical safety of people and assets,



cybersecurity, business continuity, risk management, supply chain, energy management, finance, regulation and stakeholders, compliance, communication, and social support.

This monitoring group, under the coordination of the SSBC Unit, is responsible for reporting to the EBD on the main risks existing at each moment, changes in the environment, the status of implementation of risk management measures defined, as well as further measures proposed for adoption.

The presence of EDP Renewables and, more recently, EDP Comercial in countries bordering the conflict zone led to the adoption of a series of immediate measures to safeguard its people in these regions and the EDP group's people from Ukraine and Russia who are in other operations, as well as its assets under construction and in operation, including Evacuation Plans.

As a complement to the analysis and monitoring of the situation by the different areas, EDP also opted to resort to entities specialized in the management of geopolitical conflicts, in order to acquire greater knowledge of potential developments and thus anticipate its response to potential risks or threats. Considering the possible scenarios of the evolution of geopolitical conflicts (including, among others, the situation in the Middle East), an approach to evaluation of the most relevant risks and impacts for EDP was adopted, as well as of the main risk management and impact mitigation measures.

Critical infrastructures

Council Directive 2008/114/EC defines "critical infrastructure" as "the asset, system or part thereof located in Member States which is essential for the maintenance of vital societal functions, health, safety, security, economic or social well-being, and the disruption or destruction of which would have a significant impact in a Member State as a result of the failure to maintain those functions".

EDP is responsible for a set of critical infrastructures in Spain and Portugal, which include electricity generation and distribution infrastructures (physical and control facilities), as well as related customer service activities, which have been identified within the scope of the transposition of Council Directive 2008/114/EC into Spanish and Portuguese law.

It should be noted that a new European directive was recently approved, Directive (EU) 2022/2557 of the European Parliament and Council of December 14, 2022, on the resilience of critical entities (repealing Council Directive 2008/114/EC with effect from October 18, 2024), which is awaiting transposition into national law.

Due to the diversity of the critical infrastructures under its responsibility, EDP has proactively adopted strategies to respond to risks of different natures, such as physical risks (e.g., fires, earthquakes, atmospheric events, including extreme events), and technological risks (including, but not limited to, cybersecurity risks for operational systems and information systems).

In addition, the measures and tools adopted to mitigate these risks are diversified and different in nature, adjusted to the specifics of the infrastructures, necessarily covering physical security (safety and security aspects), technological security and cybersecurity, as well as the management of business continuity, leveraged by a strong component of training and exercises. EDP has developed, for each of the critical infrastructures, the respective security plan, supported by the conclusions of the risk analysis carried out and the set of measures implemented as a result, in line with the provisions of Council Directive 2008/114/EC and in alignment with the national legislation DL 20/2022 revoked (DL 62/2011).

Furthermore, it is important to mention the role assumed by EDP in promoting the adoption of good practices in the management of critical infrastructures in the sector, through its dissemination, but also through collaboration with external entities, participating in exercises and workshops relevant to the topic.

Focusing on establishing and developing a Security Culture, EDP promoted a set of awareness-raising activities, provided by SIS - Security Information Service; (i) the Knowledge and Sensitive Information Protection Program, which aims to alert entities in Portugal to espionage threats and raise their awareness of the importance of protecting knowledge and sensitive information and (ii) the Kρίtica Program, with the aim of contributing to improving the protection of critical infrastructures and sensitive national points against the terrorist threat.

Also, with the aim of promoting a culture of resilience at EDP, the SSBC dedicated a month to the dissemination of good practices and strategies to be adopted in natural disaster scenarios, in particular, earthquakes. Highlights among the initiatives promoted were: EDP's participation in the annual seismic risk awareness exercise "A Terra Treme", the organization of the conference "Resilience | Connecting the dots between entities", with the participation of the National Emergency and Civil Protection Authority and of the Lisbon City Council, through its [ReSist program](#), and a *workshop* in collaboration with the [Southern California Earthquake Center](#), focusing on good practices to adopt for earthquake preparedness and response.

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Furthermore, in this context and following the approval of the Sendai Framework for Disaster Risk Reduction 2015-2030, EDP has participated, in Portugal, in the National Platform for Disaster Risk Reduction (PNRRC in its Portuguese acronym), under the responsibility of a sub-committee coordinated by ANEPC (National Authority for Emergency and Civil Protection). We highlight EDP's participation in the development of the Handbook on "Sectoral Interdependencies in the Resilience of operators of essential services to society" as part of the PNRRC activities for the 2021-2023 (soon available on the PNRRC [website](#)), while during the 2015-2017 triennium, the "Good Resilience Practices for Critical Infrastructure - Private Sector and State Business Sector" was developed and made available at the PNRRC [website](#).

Information security

The EDP group's [Information Security Policy](#), updated and approved by the Executive Board of Directors in 2023, establishes information security as a competitive factor, generating confidence in its stakeholders, but also as a critical responsibility in a social context, due to its role as an operator of critical infrastructures and manager of large volumes of personal data on customers and employees.

The governance of information security in the EDP group underwent an evolution during 2023, with the Executive Cybersecurity Committee now taking place every quarter to:

- set guidelines for the strategic planning of information security
- assess the company's cybersecurity risks
- monitor scenarios of serious incidents in the energy sector and the organization's cybersecurity risk profile.

The EDP group's cybersecurity risk is presented annually to the members of the General and Supervisory Board.

Cybersecurity in 2023 in the EDP group

The global cybersecurity landscape has become more challenging, with increased geopolitical tensions posing greater threats to critical infrastructures and with the energy sector remaining a prime target for attackers. Despite this context, the EDP group's cybersecurity teams were able to:

- approve of the evolution of the group's cybersecurity governance model
- expand the global SOC (Security Operations Center)
- eliminate legacy communication protocols vulnerable to cyberattacks.

Despite the increase in cyber threats and incidents compared to the previous year - largely due to the expansion of the attack surface resulting from the expansion of the organization's operations -, no incidents with a significant impact on either the EDP group's image or its operations were registered.

Cybersecurity activities and indicators

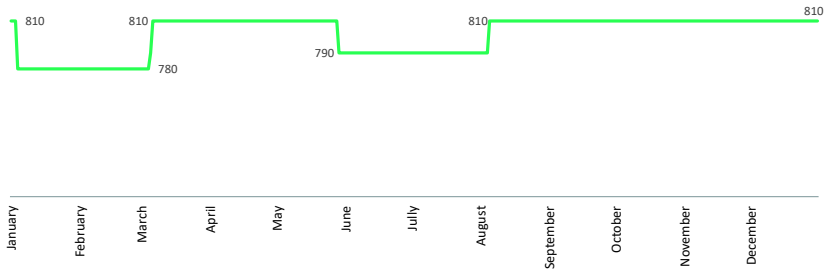
The Cybersecurity rating adopted - defined as the group's KPI for this area -, observes the EDP group's behaviour in cyberspace. During 2023, the rating remained at the advanced level, with an average of 810 points, well above the average for the sector.

To support the challenge secure operations in EDP's energy networks and facilities, a "Zero Trust" strategy for cybersecurity was adopted, comprising a plan of initiatives for the years 2021-2023, both in the domain of networks and IT systems and in the OT domain. These plans are currently being executed.

Regarding face-to-face training, highlights include the EDP Cyber Range, providing a learning model based on gamification. In 2023, more than 14,000 online courses were completed, and 586 employees took part in face-to-face or online training.

EDP continues to position itself as reference in the use of best practices in the area of information security by participating in several national and international work/study groups, as well as European projects with other European counterparts, academia and governmental organisations.

BitSight Security rating



3.4.9. Affected communities

3.4.9.1. Voluntary investment in the community

EDP group’s social investment – strategic vision

The EDP group actively contributes to the sustainable development of the communities in which it operates worldwide, through its own social investment and collaborative initiatives, donations and volunteering. As social impact is a strategic pillar of the EDP group, these initiatives aim to meet social needs in line with the group’s core themes, namely investment in **fair energy transition** projects which should represent around **45% of investment by 2025**.

The **Fair Energy Transition** projects include support for energy access, energy inclusion and communities impacted by the closure of thermal power plants, projects aimed at protecting natural heritage and biodiversity and also projects promoting energy efficiency and renewable energies, contributing to decarbonisation and combating climate change.

On the other hand, the group’s social investment strategy is also based on **Culture**, with the mission of promoting access to culture, stimulating art and protecting cultural heritage. Cultural projects are projected to represent around **30% of investment by 2025**. In parallel and recognising the need to continue to support projects that respond to other social needs in the communities where EDP is present, part of the annual budget is earmarked for investment in various areas, such as training, health, social inclusion and response to emergency situations, among others.

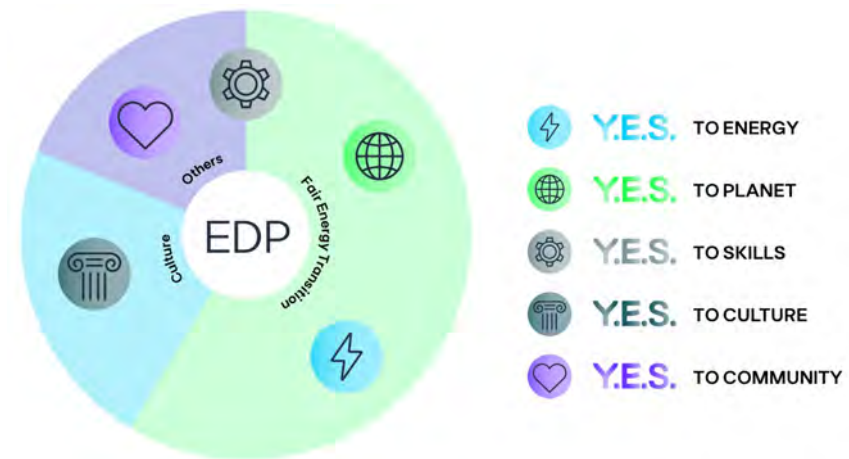
These Pillars are aligned with the [Social Investment Policy](#).

THEMATIC FOCUSES OF SOCIAL INVESTMENT	GLOBAL INVESTMENT 2023 (M€)	%	TARGET 2025 (%)
Fair Energy Transition	10.4	36	45
Culture	11.1	39	30
Other projects	7.1	25	25
Total	28.5	100	100
Management costs	5.7		
Total with management costs	34.2		

Social investment projects developed in the countries where EDP is present are communicated to the various stakeholders through the **EDP Y.E.S – You Empower Society** brand, ensuring an integrated narrative about the EDP group’s social investment. The projects are classified into **five main Pillars: Energy, Planet, Skills, Culture and Community**, which are framed within the thematic focuses of EDP’s social investment strategy.

For more information on the social investment projects that are part of each EDP Y.E.S pillar and the respective social investment focused, please see the [EDP group Social Investment Report](#) and also the [website](#) where you can find information about projects supported by EDP around the world, articles related to the Y.E.S pillars and even a dedicated form where entities can submit requests for EDP support for projects within the scope of social investment.

The framework of the edp yes pillars in the social investment thematic focuses





Voluntary contributions – application of the B4SI methodology

EDP uses the international methodology [B4SI – Business for Societal Impact](#) to characterise and assess its **voluntary investment in the community**, which accounts for most of the investment made in this area (97%). This model promotes alignment between the purpose of companies and social needs, facilitating the structuring of priorities and reflecting on their results and benefits for the communities.

In 2023, according to the B4SI methodology, voluntary investment in the EDP group's communities was **33.1 million euros**, supporting the projects of **604 entities**, resulting in **3.1 million direct beneficiaries**. Of this investment, 91.7% was classified as **community investment**, **8.2%** as **charitable gifts** and **0.1%** as **commercial initiatives**. **Cash contributions** were the main form of contribution (**65%**), followed by **in-kind contributions (33%)** and **time contributions (2%)**. **Time contributions**, equivalent to **570 thousand euros**, correspond to **EDP volunteering initiatives** carried out during **working hours**.

Investment in **Education** was primarily directed at skills development projects, namely training (upskilling and requalification) in renewable energies to respond to future labour needs, as well as educational programs for new generations to understand the importance of renewable energy. Investment in **Health** was directed at supporting health institutions and health professionals (equipment, support for health research, among others). Investment in **Emergency Relief** was mostly aimed at supporting local organizations that aim to guarantee the safety of populations in the event of emergencies, such as fire brigades and humanitarian organizations in the context of the earthquake that occurred in Turkey and Syria. Investment in **Economic Development** gave priority to energy access projects for communities without access to the electricity grid, with the A2E Fund standing out and support for entrepreneurship and job creation projects. Projects for social inclusion and fighting energy poverty contributed to the investment in **Social Welfare**, promoting the improvement of thermal comfort and living conditions for several families. Voluntary investment in the **Environment** was carried out through projects to promote biodiversity, decarbonization, and climate change awareness-raising. In turn, investment in **Arts and Culture** gave priority to projects providing access to art and culture, and those preserving and promoting cultural heritage.

NATURE OF THE CONTRIBUTION (B4SI)	VOLUNTARY CONTRIBUTIONS (K€)	%
Education	1,916	7.3
Health	70	0.3
Economic development	1,909	7.3
Environment	3,017	11.5
Arts and culture	10,961	41.8
Social welfare	5,569	21.2
Emergency relief	123	0.5
Other	2,646	10.1
Total	26,211	100
Management costs	6,850	-
Total with management costs	33,060	-

Mandatory contributions

In addition to voluntary contributions, EDP also invests in the communities in which it operates through **mandatory contributions**. These types of contributions correspond to support for projects resulting from counterparts, commercial/legal impositions or compensatory measures. In 2023, the mandatory investment in the communities of the EDP group was **1.1 million euros (3% of total investment in the community)** supporting **18 entities**.

Although with less weight than voluntary contributions and not recognised by the B4SI methodology as social investment, these contributions promote the sustainable development of the communities where EDP operates and, at the same time, are an important instrument to obtain the social license to operate in territories where new EDP infrastructure is to be built or new markets where EDP begins to operate.

Contribution to the SDGs

In addition to contributions through its operations/business, the EDP group also contributes to the **Sustainable Development Goals (SDGs)** through its social investment programmes, prioritising goals **5, 7, 8, 9, 11, 12, 13, 15** and **17**, in accordance with the Social

Investment Policy. EDP reports its contribution to the SDGs not only at the level of the SDG objectives and targets, but also at the level of the **indicators** set by the United Nations. Additional information regarding EDP's contribution to the SDGs can be found in [chapter 2.5](#).

In 2023, of all the voluntary contributions recognised by the B4SI methodology, EDP supported projects that contributed to the SDGs with an investment of **14 million euros** (43 % of total voluntary contributions) , resulting in **1.8 million direct beneficiaries**. In turn, through mandatory contributions, EDP supported projects that contributed to SDGs with an investment of **1 million euros** (92% of total mandatory contributions).

For more information on the voluntary and mandatory social investment projects developed and supported by the EDP group, as well as the methodology used by EDP for their compliance with the SDGs, see the [EDP group Social Investment Report](#).

CONTRIBUTION OF SOCIAL INVESTMENT TO THE SDGS	VOLUNTARY CONTRIBUTIONS (K€)		MANDATORY CONTRIBUTIONS (K€)	
		%		%
SDG 5: Gender equality	287	0.9	81	7.3
SDG7: Renewable and affordable energy	3,154	9.5	52	4.7
SDG 8: Decent work and economic growth	2,655	8.0	22	2.0
SDG 9: Industry, innovation and infrastructure	14	0.0	-	-
SDG 11: Sustainable cities and communities	5,409	16.4	381	34.2
SDG 12: Sustainable production and consumption	36	0.1	92	8.3
SDG 13: Climate Action	551	1.7	18	1.6
SDG 15: Protecting terrestrial life	233	0.7	-	-
SDG 17: Partnerships for the implementation of the objectives	141	0.4	-	-
SDG 4 ¹ : Quality education	380	1.1	86	7.7
SDG 10 ¹ : Reducing inequality	1,368	4.1	291	26.1
Total SDG	14,228	43	1,023	92
Total social investment	33,060	100	1,114	100

¹ nonpriority SDGs for EDP

Volunteering strategy

EDP Volunteering program is a fundamental pillar of the company's relationship with communities and, at the same time, contributes to the development of employees, expanding the purpose and meaning of their activity. The Volunteering Program's areas of intervention are aligned with the EDP group's Social Investment Policy and focus **on social inclusion, empowerment, energy inclusion, biodiversity and climate action**. Over the years, the Volunteering Program has attracted a growing number of participants, because it allows the allocation of working hours to the various initiatives, reinforcing the important role of volunteering for the EDP group, as well as its visible impact on everyone involved. The aim is to achieve a **30% share of the EDP group's Headcount (HC)** by 2024.

In all the different actions and projects promoted throughout 2023, **4,426 unique volunteer employees participated (34% of the company's HC)**, contributing **21,591 hours during working hours and 4,887 hours outside working hours**. Given the inclusive nature of the Volunteering Program, **585 EDP Friend volunteers** (company retirees, friends, family and partners) were also involved, contributing **1,274 volunteer hours**. In total, in 2023, the EDP group Volunteering Program involved **5,011 volunteers**, making a total of **27,752 volunteer hours**.

In 2023, the main focus of the Volunteering Program was to strengthen training projects, in particular with children and young people, volunteers and leaders and social organizations, while continuing to provide an effective response to the main challenges identified in the volunteering strategy defined for 2022- 2025, in particular, communication, recognition of volunteers and raising awareness among leaders on the subject of volunteering, as well as working towards increasingly involving different stakeholders in the initiatives promoted and working on empowering communities, in particular with the 2nd edition of Energy Week, in Portugal. In this initiative, EDP dedicates a week to a community outside large urban centres, rehabilitating a space that serves the community (in partnership with the NGO Just-a-Change) and carrying out various activities, from energy classes to ateliers or workshops, environmental actions, among others, involving the entire population, from the youngest to the senior population.

Additionally, and following the trend of recent years, skills volunteering has been gaining more and more ground, putting employees' talents and know-how at the service of the community, and in 2023, topics such as **fair energy transition, social entrepreneurship and ESG themes** began to gain more prominence in this field. In 2023, worthy of mention was the **9,034 hours in skills-based volunteering projects** (34% of total volunteer hours) carried out by EDP employees, of which **7,316 hours took place during working hours**.



2023 was also a year of great achievements regarding the Volunteer Program as a global program. On May 25th, during the Energy Campaign, the **first Global Volunteer Action** was launched under the motto – Move your heart for a greener planet – from Portugal to Singapore, passing through Spain, the United States, Brazil, Greece, Italy, Poland, Romania, Hungary and the United Kingdom, we had **705 volunteers** participating in the various actions that took place on this day, such as beach cleaning, walks and solidarity runs, the participation of which went to the global organization Plant for the Planet and Make-a-Wish Portugal, along with some local organizations, depending on the initiatives promoted.

On the other hand, a new global campaign was launched – Go green – challenging teams from several countries, between September 15th and October 15th, to carry out environmental initiatives. In this new campaign, **235 EDP volunteers** and **84 EDP Friends** were involved, in a total of **903 working hours** of volunteering, and around **2.3 tons of waste** could be collected. From Brazil to Singapore, passing through Chile, Portugal and Spain, there were several geographies that promoted environmental volunteering actions that marked this period and contributed to a greener planet.

EDP VOLUNTEERING	Un	2023	2022	2021	2020
Unique EDP volunteers	#	4,426	3,626	3,681	2,482
Employees involved in voluntary actions	%	34	27	30	19
EDP volunteer work hours – working hours	h	21,591	10,551	11,307	14,457
Hours of skills-based volunteering – working hours	h	7,316	2,556	3,316	9,133

Global programs

In 2023, an effort to **converge and align similar social investment programs** developed in different geographies where EDP is present began. The objective is to guarantee an integrated narrative of the programs and incorporate the best practices of each EDP Business Unit. Within the scope of this initiative, the following programs were covered:

EDP Energy Solidarity

This program was based on the EDP Solidarity program in Spain, Portugal and Brazil. Initially with the sole objective of promoting the quality of life of socially disadvantaged people and the integration of communities at risk of social exclusion, in recent years, this program has specialized, giving greater attention to sustainability, innovation and equal

access to energy in the areas where EDP carries out its activity. This new approach gave rise to a new name for the program – **EDP Energy Solidarity** – which aims to support projects that contribute to a fair and inclusive energy transition, promoting **access to energy** (Brazil), **sustainable mobility** (Portugal and Spain), **energy efficiency** and the **use of renewable energy** (Portugal, Spain and Brazil) and **support for communities in transition** (Spain).

Know more about this program in Spain: [EDP Energía Solidaria](#)

Know more about this program in Portugal: [EDP Energy Solidarity](#)

Energy Inclusion

To address the problem of **energy poverty**, the EDP group promotes several projects focused on implementing **energy efficiency measures** and raising **awareness about the responsible use of energy** that allow reducing the energy bill of identified families and NGOs and changing their habits of consumption. The scope of intervention is quite broad because the solutions can be passive (thermal insulation, windows, doors) or involve the installation of more efficient equipment, household appliances, LED lighting, or even self-consumption solar panels. In addition to the solutions, EDP also promotes energy literacy by training families on habits and behaviours that promote energy savings on a daily basis. In 2023, projects belonging to this program were developed in Portugal, Spain and Brazil.

Know more about this program: [Energy Inclusion](#)

Solidarity Solar

Through this program, EDP promotes the **installation of self-consumption solar panels** in needy communities in Portugal, Spain and Brazil. In addition to guaranteeing access to clean and renewable energy, in cases of communities that often do not have adequate electrical infrastructure and where interventions are also carried out at the level of the Energy Inclusion project, it also results in significant savings on household energy bills, promoting sustainability, social inclusion, improving the quality of life of residents and local development.

In Portugal, the Solidarity Solar program started in 2022 in the neighbourhood of Cova da Moura, a community located on the outskirts of Lisbon, which faces challenges related to the lack of basic infrastructure, namely electricity. In this first action of the program, which



concluded in 2023, around 150 families in the neighbourhood each received two solar panels for energy production and an efficient refrigerator as a complement.

Know more about this program: [Solidarity Solar](#)

Your Energy

This EDP educational activity aims to explain to young people the difference between the different types of energy generation technologies. The sessions consist of leading students through the world of renewable energies using children's characters representing solar, hydraulic, wind, geothermal and biomass energy, accompanied by videos and interactive presentations allowing them to learn about their different characteristics in an easy and attractive way.

As part of this program, a dedicated website was also developed, where students and teachers can find the content to be used in the sessions. In 2023 this website was available in Portugal and Spain and, in 2024, it is intended to be used in the remaining countries where EDP develops this program.

Know more about this program: [Your Energy](#)

In 2024, the aim is to continue with the convergence work, increasingly promoting the alignment of initiatives that are part of the EDP group's portfolio of social investment programs.

3.4.9.2. Just transition

The Just Energy Transition process engages through **three pillars: Innovation** (deploying solutions for a fast and secure outcome); **Access to Energy** (Fighting energy poverty and taking energy to all places in the World, as in the A2E project and [fund](#) by EDP), and **Community Engagement**: *Leaving no one behind* must be a common signature for all transitioning, since the Coal production phase-out, and the overtaking of new territories by Renewable Energy solutions, are dramatically impactful on local economies and cultures. It becomes eventually even more demanding when displacement of population takes place, in order to develop new energy sources. **EDP is deeply committed to earn its License to Operate** through preventing early engagement with local communities, promoting shared value upon its approach.

This commitment is showcased at **Sines**, where one of the largest coal power plants in Portugal operated with a 1,256 MW capacity, from 1985 until 2021. Sines former coal power plant is already in the process of decommission with plans to become an H2 hub reference in Portugal.

Social impact program [Futuro Ativo Sines](#), (featured by the World Economic Forum in its [coal to renewables toolkit](#), specifically addressed the needs of the subcontractor's workers, as well as the local community at large, with **entrepreneurship programs, vocational training** in partnership with the employment agency, **support for local action NGO's**, a dedicated office for social support, etc. It was designed as a Fair Transition tool for the southern Portuguese region and promoted (from its early academic assessment on the local economy perspectives) the launch of the Observatory for the Just Transition of Alentejo Litoral.

The numbers evolved in 2023, showing the success of its implementation: 77% have found new jobs, and are now working; 12% in training and 11% retired or are under health leave.

After working for more than two years the [support office](#) put together with the Sines Municipality and the National Institute for Skilling and Employment (IEFP) achieved its goals and reached very low levels of demand and as such was closed on Jun 2023 with the following results : 117 registrations were held there, 19 requests for social support and three people received psychological support (all not related to the plant).

The reskilling program created reached 24 persons and the [entrepreneurship scholarship](#) reached 45 entrepreneurs with 36 business projects that may create 22 jobs and it is still ongoing on sines.

33 social entities received material from the dismantled plant worth more than 330k€; and 11 local ONG received from the Fund created to support the region, **EDP Solidária Sines**, a total of [141.000€](#) benefiting more than 3000 people.

And in Spain, the program EDP SUMA+, structures the engagement of social and environmental landscapes, supporting local communities in Aboño, Soto de Ribera, Los Barrios and Puente Nuevo, four projects endorse communities into entrepreneurship, school and technical education and further quality building within common facilities, through [ENTAMA](#), [Tech Camps](#), EDP Partners and EDP + CERCA.

Also in the APAC region, EDP has been implementing the local stakeholder approach new policy, reinforcing the Community engagement strategies.

In North Singapore, deploying solar DG on the [Pulau Ubin](#) island was a visible incentive into the walking the talk approach, since there was no business interest in the region, but rather on implementing the energy transition as a flagship locally, since Ubin is a deeply respected natural sanctuary... but had a power grid fed by diesel fuel generators, now partially transformed into solar DG: the enhanced microgrid system is powered by 328 kWp of solar energy, equipped with a 1 MWh vanadium flow redox battery energy storage system, creating an electrical ecosystem that powers the island with non-intermittent renewable energy, capable of meeting at least 95% of the key business and residential needs. Today, more than 30 households and businesses enjoy 24/7 non-intermittent renewable energy, thereby reducing the island's reliance on diesel by more than 100,000 litres per annum, avoiding 268,000 kg of CO₂ emissions. With the use of solar power, it also stabilizes the electricity pricing for residents, as they are no longer subjected to the price fluctuations of diesel.

Also in Vietnam the strategy to a just transition is rooted on seeding a solid educational bases to the whole population on operation areas – and this was why EDPR invested on a powerful transformation on the education facilities and tools for populations around operation areas (Xuan Thien Thuan Bac and Xuan Thien Ninh Thuan Solar farms play a crucial role on the transition, aligned with the approved master plan (PDP-7), these projects boast a total capacity of 255MWp.).The back to school operation covered over one thousand households, also endorsing economically fragile families, and further developing local institutional relations with the authorities. This long-term investment on education, deeply knowing the population and transparently engaging, was part of EDPR's recognition as the first project worth of a **Fast Infra Label Assessment**.

EDP worked closely with the European Union institutions into fasten the policy making, the funds and the acts protecting the energy transition.

A just transition can only be achieved with the close involvement of all stakeholders at the European, national, or local levels. To ensure that social impacts are reduced or even avoided in all locations where thermal power plants previously existed, EDP has been committed to adapting these facilities to new technologies, particularly in the creation of Hydrogen and Storage Hubs, especially in Spain (Aboño, Soto de Ribera and Los Barrios) and in Portugal (Sines).

To make these technologies a reality, in 2023, EDP has been closely collaborating with several entities to secure **European funding**. Some successful initiatives have been acknowledged as pioneering, thus empowering local communities with future economic perspectives, as in the Aboño H2 project (remarkable synergies among different funding programs); Los Barrios (IPSEI and Pioneros recognition); Soto de Ribera (Pioneros' Recognition, Soto 2 now being decommissioned)

The **Sines** project in Portugal has received recognition from the European Commission by being awarded through the competitive Innovation Fund.

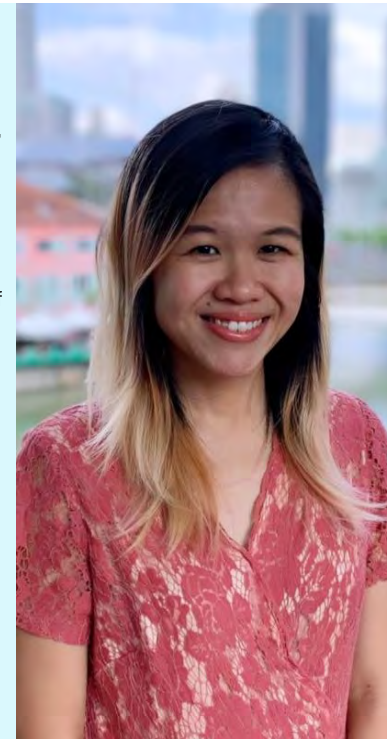
Pulau Ubin

“Since 2013, the Pulau Ubin micro-grid has provided more than 30 of the island's residents and businesses with a more reliable, cleaner and affordable electricity supply, while also being a living lab for innovative, clean energy solutions.

Through a research and development grant, the Energy Market Authority (EMA) of Singapore has supported the enhancement of the Pulau Ubin micro-grid with a Solar Green Roof and Energy Storage System. These enhancements could potentially help the micro-grid meet 90% of the daily electricity demand in the main village using solar power, while regulating ambient temperatures and increasing the efficiency of rooftop solar deployments.

The test-bedding of these innovations in a micro-grid will provide useful learnings for mainland applications and support Singapore's journey towards a more sustainable energy future.”

Violet Chen, Director (Industry Ecosystem Development), Energy Market Authority of



This work is being constantly updated, following the new projects in the pipeline by EDP and the new programs launched at national and European levels.

Throughout 2023, EDP promoted its constant engagement with European Institutional stakeholders, sector associations and peers in order to promote enabling policies to deliver the just transition projects stated previously.

Renewable hydrogen has been one of the key topics of advocacy activities, considering its potential in the transformation and conversion of coal power plants' areas into green hubs.

EDP has co-signed and/or supported, within its membership in associations, a series of letters calling for the definition of a regulatory framework for renewable hydrogen that truly ensures the contribution to the decarbonization of hard to abate sectors and support the execution of projects:

- [Letter to the European Council and Parliament on the Delegated Act for RFNBOs](#)
- [Letter on the urgent Adoption of the Renewable Hydrogen Directive](#)
- [Letter to EU Finance Ministers in order to call for an EU approach to the financing of renewable hydrogen](#)

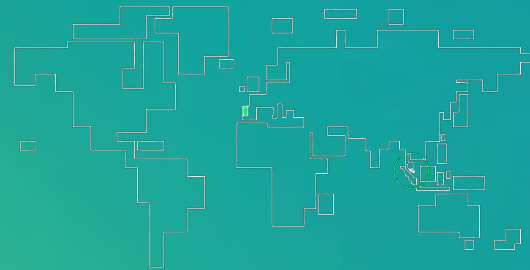




Pulau Ubin Green Micro-grid

Transitioning from diesel reliance to clean, renewable solar energy.

Our approach: EDP Renewables APAC, with the support of Singapore's Energy Market Authority and National Parks Board, has enhanced the micro-grid on Pulau Ubin island in Singapore. The enhanced micro-grid now includes a Solar Green Roof with a 328 kilowatt-peak (kWp) solar photovoltaic system together with a 1 Megawatt-hour (MWh) Vanadium Redox Flow Battery (VRB) Energy Storage System (ESS). More than 30 households and businesses will benefit from this enhanced micro-grid.



Country: Singapore

The island's reliance on diesel will also be reduced by nearly 100,000 liters per annum, avoiding 268,000 kg of CO₂ emissions.

Differentiating factors: Vanadium flow batteries are ideal for this application of long duration energy storage as they can operate continuously for over 20 years without degradation. It is also a significantly safer technology compared to lithium-ion batteries as they are not flammable, making them ideal for remote applications such as on islands like Pulau Ubin. These unique features of the VRB ESS set it apart from other battery storage systems.

The Solar Green Roof helps to regulate the ambient temperature surrounding the solar panels, optimising the efficiency of the panels by up to 4%.

The Future: There are potential plans to extend this micro-grid solution to areas outside of Pulau Ubin's Main Village. This could have a significant impact on the sustainability of other areas in Singapore and contribute to the broader national goal of environmental stewardship and energy security. The learnings from the Pulau Ubin Green Micro-grid project can also be applied across other hard-to-electrify areas in the APAC region. The project marks another landmark for Singapore to be a reference for energy transition in the region – what EDPR seeks to lead – while contributing to EDPR's solar and storage capacity as well as net zero targets.

[Link for more information.](#)



3.4.9.3. Respect for local and indigenous communities

To keep on track with the Paris Agreement of limiting the global average temperature to 1,5°C, the effort required from the energy transition is immense. The infrastructure required will continue to take over new territories and their population - who may never have seen this type of massive construction and abrupt landscape change before.

The paths needed to engage with these communities are urgent and need to bring shared value to the local quality of life.

Businesses must endorse the new economy’s people-positive culture, committed to respect human rights as climate change is tackled.

Installed clean energy must triple by 2030, but it will only grow consistently if we assure community support:

EDP approved its new [Local Stakeholder Engagement Policy](#), with an extensive list of Procedures compulsory throughout the group. The premise is to map and deeply engage with the communities before starting a new project, and to deeply diagnose, through independent external studies, the real impacts business will have on the new energy landscape. It’s the safest path to build shared value, supporting communities before construction begins and earning a social license to operate. A preventive identification of risks and knowledge of the local stakeholders will frankly diminish the chances of deep crisis further ahead. This new approach was developed under the lighthouse project for ESG at the EDP group, called “Community Gate Keeper”. Under this umbrella, all local Stakeholder teams now have a common SharePoint to share best practice and lessons learned. Quarterly meetings are held to improve their Community Rights protection tools. Community Gate Keeper monitors the group’s activity towards local populations and reports regularly to the EBD and the GSB on impact achieved or avoided.

Tackling these new community challenges, EDPR has implemented a proactive approach that emphasizes effective communication, transparency, and community engagement. Listening to the concerns of local communities and addressing them in a timely and meaningful manner is a priority. The CRC, “Community Relations Coordinator” figure was created in North America for EDP to be close to any situation needed to address throughout the region. This project, implemented in 2023 and bringing locally respected society figures to work closely with EDPR, has been most welcome locally and has become a strong facilitator for local relations and developments.

Still, some flags were shown and are being addressed as follow:

- In North America, community opposed the construction of the Rolling Uplands Wind Farm, and a deep dive engaged impact study is ongoing before any further decisions are taken. A previous community concern raised with the Misenheimer Solar Park has been surpassed and is now under the construction phase, strongly aligned with the local authorities. In Wisconsin, two townships required restrictive ordinances on the Marathon Wind Farm, opposed by EDPR.
- In Brazil, the Northeast region EDPR won its first project in the state of Paraíba and a preventive social diagnosis was carried out in advance, aiming to plan the social and communication actions to be carried out in these communities. As a result, the departments of Environment, Social and Public Affairs & Community Relations drew up an action plan to be executed through-out 2023, which included initiatives addressing:
 - education and improvement of school environment, catering for almost 500 students in the municipal educational network
 - cultural events throughout the year, with theater plays and movies in public spaces
 - sports events throughout the year designed to promote socio-emotional benefits of sport
 - development of rural enterprise to inject economic dynamism into socioeconomically deprived regions, through technology involving agroecological production, combating drought, water security and food supply safety
 - development of a social project to train young people for the job market
 - creation of a narrative aligned and coordinated with the rest of the industry through the largest industry body, Abeolica, and
 - preparation of a differentiated communication plan for the region.

A whistleblowing channel is in place and by the end of 2023 no major issues have been reported. Monthly meetings have also been held with communities since May 2023, which have gone off without a hitch.

The surroundings of São Manoel Hydroelectric Power Station are historically inhabited by the Kayabi, Munduruku and Apiaká ethnic groups, made up of around 1,400 people living in 19 villages on the banks of the Teles Pires River. Built in June 2014 and operating since May 2018, mitigation measures and environmental compensation are still ongoing for the benefit of these peoples, respecting the specificities/particularities of each indigenous people. 17 programs, approved by FUNAI, aim to improve the quality of life of these communities. The monitoring of these programs is made by a Management Council

created with representatives from the company, FUNAI and each of the indigenous communities involved. The execution is prioritized around actions linked to subsistence activities.

During 2023, regarding infrastructures, the following works were executed and delivered in 2023:

- Basic Indigenous Health Unit (UBS-I) Bom Futuro Village, Munduruku people
- Basic Indigenous Health Unit (UBS-I) Papagaio Village, Munduruku people
- Casa de Farinha (Siqueirinha Village), Kayabi People
- Meeting Shed, Community Kitchen and Photovoltaic Energy System (Kururuzinho Village), Kayabi People
- Photovoltaic Energy System (Teles Pires Village), Munduruku People
- Meeting Shed and Photovoltaic Energy System (Bom Futuro Village), Munduruku People

Another action that continued in 2023 was the maintenance of the granting of higher and technical level scholarships, within the scope of the Program for the Strengthening of Indigenous Organizations, all 39 scholarships were awarded. So far, eight students are trained in the area of health, nine professionals with courses completed in the area of education and already work in the classroom as teachers, three graduated in the area of Law, another three graduated in Business Management and one in the area of forest engineering.

The established procedures in place ensured that, throughout 2023, as in previous years, the EDP group was not subject to accusations or suspicions of violations of fundamental human and labour rights. However, occasional occurrences, which were neither structural nor recurrent, were recorded and dealt with, often related to individual behaviours, and translated into individual complaints that were endorsed and solved within the framework of the ethical process and, when justified, gave rise to corrective measures, penalties or reinforcement of procedures.

Additionally, the **EDP IMPULSA programme** was created by EDPR in Brazil with the objective of supporting the professional development and employability of people in the communities where the company operates. Following a social diagnosis performed with the collaboration of the local government, a high unemployment rate was identified among young adults who lacked basic training to find employment in the region. Scholarships for vocational training courses were offer to residents and over 120 students received training

on High Voltage Building Electrician, Industrial Sewing Machine Operator, Bricklayer, and Motorcycle Maintenance Mechanic.

Keeping engaged with communities

But it is not just in operation areas that EDP feels responsible for a healthy society: the work aims on promoting the wellbeing and development of society as a whole, focusing on the people who contribute to the success of the company's business and how society may benefit from it.

During 2023, it is worth highlighting what was achieved in La Guajira (Colombia). With the goal of improving the lives of the most vulnerable people, the donation of 100,000 COP helped 700 families (about 3,150 people) affected by the winter cold wave. This donation mitigated some basic needs through the delivery of non-perishable food kits were delivered in Uriba, Maicao, and Albania.

In Greece, one of the company's various initiatives is the collaboration with the cleaning of Lokron beach, located in the Malesina region near Livadi and Erinia wind farms. By organizing and participating in beach clean-up activities, EDPR has helped preserve the beauty of Lokron beach and protect its ecosystem.

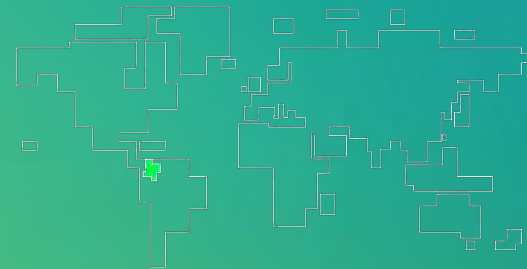




Prior consultations

A mechanism that guarantees the listening and free participation of the communities in Colombia.

Our approach: Prior consultation is a fundamental right of indigenous peoples and other ethnic groups before deciding on actions that affect the self-determination of peoples, either by legislative and/or administrative measures or the implementation of projects, works or activities within their territories. The parameters for prior consultations were defined by Ruling SU-039/97 and they seek to protect the cultural, social and economic integrity of these communities and guarantee their right to participation. In the Sierra Nevada de Santa Marta, EDPR considered the specific governance system and environmental conservation values of the four peoples in the local communities. They initiated a prior consultation with these communities, which is estimated to last three months. The engagement between EDPR and these communities has been positive, and there are plans for meetings and tours to be held. In La Guajira, Colombia, EDPR conducted environmental education workshops with the ethnic communities in the area of influence of the Beta wind farm. These workshops facilitated outreach with the communities, allowed for the exchange of knowledge, and helped EDPR to better understand how the communities perceive the project, ultimately identifying opportunities for improvement.



Country: Colombia

EDPR considers prior consultation to be a mechanism that assists in listening to the needs and realities of local communities, as well as guaranteeing their right to participation.

Differentiator factor: With that in mind, the field teams have sought to think ahead and strengthen their relationship with the communities through educational activities in which they can combine their ancestral knowledge with the opportunities that come with working alongside the private sector. One such example of this are the educational spaces and workshops on environmental issues that have been implemented in La Guarija.

What lies ahead: The company will continue to ensure that best practices in prior consultation are carried out to promote the path towards intercultural understanding and to recognize a human and ethnic right.

[Link for more information.](#)



3.4.10. Human rights

3.4.10.1. Respect and advocate for human rights

EDP has in place a [Human Right's Policy](#) based on the international frameworks defined by the United Nations and the International Labour Organization. Within the framework of the United Nations, EDP follows the principles of the "International Bill of Human Rights", as well as the different instruments to protect vulnerable people and groups. In addition, fundamental labour rights are enshrined in eight International Labour Organization conventions, covering namely the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation. From a management approach perspective, the following topics are addressed under this Policy:

- Non discrimination
- Integration and Inclusion
- Freedom of association and collective bargains
- Abolition of forced labour
- Abolition of child labour
- Equal pay, remuneration and work environment
- Rest and family life conciliation
- Health and Safety environment
- Environmental protection and impact on the land
- Data protection

EDP has a common and global approach to ensure the respect of human and labour rights along its value chain, implementing policies, processes and measures to ensure the protection of these rights.

The company's main objective is to avoid abuses of human rights both in its own activities and along its supply chain; ensure a safe and healthy environment for its direct and indirect employees, promote a just and ecological transition, and ensure an activity aligned with the needs and expectations of local communities.

The purpose of this chapter is to clarify concepts and scope of action and serve as an index to support readers better understand where specific chapters disclosing human rights practices are detailed along this Report.

The chapters in which human rights management is addressed are specified below, with the organisation's stakeholder engagement process being considered as a starting point, as it is essential to understand the needs and expectations of EDP's stakeholders in order to be able to manage the risks related to human rights that may arise along the value chain.





Governance

The previous mentioned approach requires the involvement of several departments within the organization, each of them playing a key role in ensuring that all necessary practices are put in place.

At the highest level, human rights governance follows the [sustainability governance](#). The General and Supervisory Board of Directors is the body ultimately responsible for overseeing human and labour rights, through its [Corporate Governance and Sustainability Committee](#), which has the highest responsibility to oversee all Sustainability aspects.

At the executive level, the Executive Board of Directors is supported by a sustainability team that coordinates and consolidates and monitors performance and initiatives carried out by all the operational departments involved. Among the teams involved in the process are ethics, compliance, procurement, health and safety, environment and people management.

Stakeholder engagement process

The protection of human and labour rights starts with an effective stakeholder management. Depending on the stakeholder, a series of processes and means of engagement are established to respond to the particular needs and manage any impact (positive or negative) that the company may have. This engagement is central to risk identification and used to prioritise action. Please refer to [stakeholder management](#) for more information on the process and consider the [materiality process](#) to better understand the overall identification of material topics.

To guarantee compliance with human rights' internal policy, EDP diferenciantes its approach among direct and indirect stakeholder groups. Direct group includes the ones closely related to the company's value chain, such as: suppliers; employees and contractors; and local and indigenous communities. Indirect stakeholders are those who have an influence on EDP's activity and determine how the company's issues and priorities are addressed. This latest one include: civil society and governments; investors and shareholders; and customers, consumers and offtakers.

Risk Analysis and Human rights Materiality

The materiality process carried out by the company identifies human and labour rights as one of the material categories for EDP's direct and indirect stakeholders. Please refer to the [Materiality](#) chapter of this report for more information.

The human and labour rights protection continues with risks assessment. This exercise is carried out by assessing the country risk, the local risk and the specific risk of each activity and equipment, according to the nature of the project, informed by the sector's risk map. Depending on whether we are considering new investments, the creation or modification of infrastructures, contracting suppliers and other counterparties, or operations with customers and employee management, specific risk control and mitigation measures are implemented (additional information can be found in previous Human Rights reports published by EDP in [2021](#) and [2022](#)).

EDP faces indirect risks of failure to respect fundamental labour rights, relating to the extraction and production of the equipment necessary for the value chain of manufacturers of electrical technologies. These risks occur several levels upstream of the direct suppliers and focus on internationally identified regions. Please refer to EDP's [2022 Human and Labour Rights Report](#) for more information regarding other potential human and labour rights risks that could occur in the value chain.

Due diligence process

Policies and Codes of Conduct

The human rights due diligence process begins with the company's public commitments and codes of conduct, which are the starting point for ensuring the respect of human rights throughout the value chain. These policies and codes apply to a wide range of stakeholders working directly or indirectly for EDP. The commitments are set out in the [Human and Labour Rights Policy](#) updated in 2021, aligned with EDP's [Code of Ethics](#), principles and commitments. Additionally, EDP has a set of specific policies and codes addressing concrete issues under the human and labour rights framework, listed below.

The [Human and Labour Rights Policy](#) covers the EDP group worldwide. It identifies the references, standards and international conventions to which it is subject, establishes the strategic principles, specifies the principles for action, assigns responsibilities, determines obligations and management bodies. The Policy details operational commitments, its workings, complaint and communication channels, reporting and training obligations and



extends obligations to suppliers. In particular, the Policy sets out Due Diligence procedures, implementing the Ruggie and OECD methodology, and anticipating the EU Due Diligence directive.

Tools and Management Systems

To adequately implement the [Human and Labour Rights Policy](#), EDP has a set of tools in place.

Any stakeholder group can use the [Speak Up Channel](#) that the company makes publicly available. Issues are handled anonymously to ensure that there is no conflict with the whistleblower. In addition, the company has an Integrity Due Diligence (IDD) process to identify integrity-related disputes or potential human rights abuses on business partners. Additional information on the Speak Up Channel outputs, please consult [Operational and ESG indicators](#) and the [Ethics Ombudsperson Report 2023](#).

To manage potential risks in the **supply chain**, the company has a Sustainable Procurement Protocol that serves as a guide for the integration of sustainability aspects in purchasing and to define the criticality of suppliers. This protocol is framed by the [Sustainable Procurement Policy](#) and complemented by the [Supplier Code of Conduct](#). Additionally, is complemented by specific actions such as screening of suppliers in terms of human rights, mechanisms to know the traceability of components or other tools that make up the EDP due diligence process in the supply chain. More information on human rights management in the supply chain can be found in [Supply Chain](#).

Regarding **health and safety** management of employees and contractors in operations, EDP's Corporate Safety Management System (CSMS), in alignment with ISO 45:001, is certified by LRQA, and additional information is detailed both in [Health and safety](#) and [EDP's Health and Safety report](#). The CSMS frames the guiding procedures for companies at local level, which may follow directly CSMS or have their own operational SMS system.

Regarding to **human capital**, EDP has internal policies and procedures that seek to promote equality and non-discrimination, the recruitment and retention of talent and the reconciliation of work and personal life. In addition, for each country in which the company operates, it has systems in place to ensure compliance with regulations regarding collective bargaining agreements and workers' rights. Please refer to [Own Workforce](#) for more information on human capital management.

Furthermore, EDP approved its new [Local Stakeholder Engagement Policy](#), with an extensive list of Procedures compulsory throughout the group. The main goal is to assure

the full Human Rights legislations respect, under the terms set out in the EDP group's current internal regulations. For additional information on this subject, please refer to [Affected Communities](#).

Championing human rights programme

Framed by its Social Investment Policy, EDP prioritizes social inclusion programs, particularly aimed at vulnerable communities, for skill development and energy inclusion. This is in line with the B4SI methodology, and the global priorities of the United Nations as expressed in the Sustainable Development Goals. The focus is on combating energy poverty and implementing energy access programs for populations not connected to electricity grids. For more information on these programs please refer to [Affected Communities](#).

Moving Forward

2024 will continue to be a demanding year, with an action plan mostly focused on the following issues:

- **Supply chain** traceability and human rights management practices improvements, due to the challenge of getting into the tier+1
- **Local communities**, with the roll-out program of the new Local engagement Policy approved in 2023
- **Local employment**, by implementing the just transition process for phasing out coal with the development of "green hubs". This local reinvestment, mainly in Spain, includes hydrogen pilot projects, storage projects and other solutions to make the system more flexible
- **Health and Safety** with the PlayItSafe Program development.

EDP' s process to ensure Human and Labour Rights protection

Human and Labour rights framework					
Main stakeholders involved					
Suppliers	Employees and Contractors	Local and Indigenous Communities	Civil Society and Government	Investors and shareholders	Clients, Customers and offtakers
Codes and Policies					
Code of Ethics	Human Rights Policy	Stakeholder Relationship Policy	Integrity Policy	Personal Data Protection Policy	Supplier Code of Conduct
H&S Policy	Environmental Policy	Diversity Policy	Training Policy	Volunteering Policy	Local Engagement Policy
Tools and Management Systems					
Speak up Channel	Sustainable Procurement Protocol	Integrity Due Diligence (IDD)	Supply chain due diligence process	HSE Management Systems	
Sustainability Guidelines for contractors	PlayitSafe Program	Human Capital Management Processes	A2Energy Projects	Community Gatekeeper projects	



3.4.11. Energy consumers and end-users

EDP has been expanding its commercial activities and currently has a presence in several European countries and Brazil. With a portfolio increasingly aligned with the energy transition, EDP offers its residential and business customers a range of products and services, spanning from energy supply to solutions in energy efficiency, electric mobility, and decentralized solar energy.

In Iberia, the regulatory framework defines the separation of distribution (regulated market), supply (liberalised and regulated market) and supply in the regulated market. While, in Portugal, EDP operates in the three activities through independent companies, in Spain it is present in distribution (regulated market) and supply (liberalised market). In Brazil, in the states of São Paulo and Espírito Santo, EDP operates in the regulated market, in distribution and supply, as well as in supply in the liberalized market.

In the current market context, there are several events and trends that put pressure on service quality and challenge the commercial relationship with customers, of which we highlight the following:

- the volatility in the energy markets that forces adjustments in price and contractual conditions and the search for solutions that favour price stability and predictability
- the priority to decarbonise and adapt to climate change, through continuous technological, digital and legislative innovation
- new regulatory dynamics and customer behaviours
- the growing importance of energy services compared to the traditional business of selling energy

As a result, transformation dynamics in the market context are changing the classic segmentation of customers, widening their diversity and expanding business opportunities and challenges. In this area, we continue to see a growing focus on trends towards the energy rating of buildings, the acceleration of electric mobility, self-consumption and energy communities, and the increase in the divide between customers with the capacity to invest in energy efficiency and customers in the state of energy poverty.

The EDP group maintained its commitment to accelerating investment in commercial innovation by diversifying its portfolio of services and markets to ensure a highly satisfying customer experience through its commercial services, and excellence in the quality of the commercial relationship. Commitments that are part of the EDP's values and culture and translated into quantitative strategic objectives.

3.4.11.1. Promoting sustainable consumption

Aligned with the group's ambition to be a global leader in the energy transition, EDP has been expanding its commercial portfolio to offer products and services that empower consumers to contribute to a more sustainable planet.

Efficient equipment

To achieve carbon neutrality, it is critical not only to electrify consumption, but also to consume energy in a more conscious manner. In 2023, EDP added a particularly innovative product to its portfolio – a solar water heater, in partnership with Mixergy, that enables savings of up to 60% on the water heating bill. Resorting to artificial intelligence, this equipment adapts to the consumption patterns of the household, heating only the necessary water when energy is more affordable, and doing so five times faster. Additionally, the equipment also harnesses surplus solar energy to heat water for free and use later.

Decentralized solar energy

This clean and virtually inexhaustible source of energy allows customers to be active participants in the energy transition while reducing exposure to electricity price fluctuations and, therefore, accessing significant savings on the energy bill.

EDP offers solutions that allow customers to maximize the investment and benefits of the solar installation, including a consumption monitoring system and the option to install a storage battery so that customers can not only consume their solar energy during the day but also store it for later use.

For the business sector, EDP develops customized offers to accommodate the unique needs of each business, with a focus on the as-a-service model, in which EDP takes on the entire investment and is responsible for the installation, operation, and maintenance of the solar plant.

2023 was also another year of growth for Solar Neighbourhoods, renewable energy communities that are democratizing access to solar energy. In these neighbourhoods, producers make their space available for the installation of solar panels, and the energy produced is shared among the community's neighbours.

Electric mobility

EDP is present throughout the entire journey of electric vehicle users, from research to the use of charging solutions at home and in public spaces. In addition to information initiatives and integrated offerings for private charging, EDP has significantly expanded its public charging network, surpassing the 4,500 contracted charging points in the Iberian Peninsula in 2023.

EDP is focused on developing charging solutions for all use cases and in 2023 launched a new product for corporate fleets, which currently represent about 80% of the electric vehicles sold in Portugal. The EDP Charge Fleet card aims to simplify the adoption of electric mobility by allowing a company to allocate a direct credit to each employee, which can be used for charging on the street, at work, and at home. In a pioneering solution for the Portuguese market, an EV driver has access to a single tool that allows them to charge the electric vehicle according to their needs. This solution is integrated into the ecosystem of solutions for companies, which also includes the installation of chargers for private spaces, a digital portal where fleet managers can manage chargers, analyse consumption, allocate credits, among other features, as well as the EDP Charge App, where each employee has access to innovative features such as home reimbursement and integrated payment management.

3.4.11.2. Customer satisfaction

The EDP group has made the commitment to maintain a customer satisfaction level of over 85%. This objective is monitored through customer satisfaction in their interactions with the company, the number of complaints, and through satisfaction questionnaires carried out periodically.

In **Portugal**, in the liberalised market, a satisfaction level of 92% was achieved, an increase on the previous year. The NPS (Net Promoter Score) of the liberalised market, which measures the degree of customer recommendation in relation to the company, was 28% in B2C segment and 27% in B2B. In the regulated market, satisfaction levels reached 88%.

In **Brazil**, the main indicator used to measure customer satisfaction is the Quality Satisfaction Index (ISQP), obtained through the ABRADÉE Residential Survey. In 2023, there has been an improvement in the ranking (EDP São Paulo 76% and EDP Espírito Santo 75%).

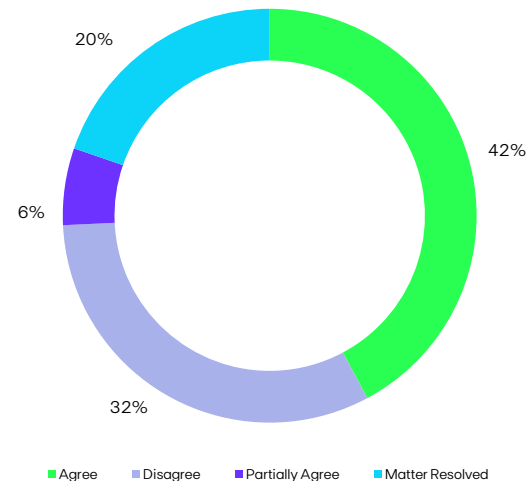
In **Spain**, the B2B segment recorded an average satisfaction rate of 7.6 (on a scale of zero to ten).

3.4.11.3. Complaint and claim management

The EDP group continuously invests in the development of channels and means of handling complaints and grievances, as well as improving customer experience. In addition to facilitating conventional means of service, alternative solutions to those provided by law are made available, such as the [Customer Ombudsman](#), the Ethics Ombudsman (see [Ethics](#)) and participation in citizenship initiatives, such as the [Complaints Portal](#).

In Portugal, EDP has a [Customer Ombudsman](#), an independent body whose role is to assess customer complaints in cases where they are not satisfied with the responses obtained from the standard system.

Response details from the customer ombudsperson (%)





In Portugal, in the liberalised market, despite the continuation of a context of high volatility in the market, the energy supply segment recorded a significant reduction in the volume of complaints (–7p.p. compared to 2022), reaching the lowest value ever recorded. This result is mainly due to the greater robustness of business cycle processes and a less severe winter that resulted in fewer incidences of power failure and/or losses.

Regarding solar energy, there was a reduction in the volume of claims, despite a significant increase in installations. This was due to the continuous improvement of sales, installation and after-sales procedures and evolutions in the performance of the smart meter replacement process and settlement activation. As for electro mobility, due to the context of strong growth of this activity, there was a natural increase in the volume of complaints, although not significant when compared with the installed number of recharging stations and CEME cards.

In B2B energy in Spain, as in Portugal, the year was marked by the continuation of a very volatile context in the energy market, but the stabilization of the regulatory context compared to the changes that were implemented during the year of 2022, led to a sharp drop in the number of complaints.

COMPLAINTS	UN	2023	2022
Portugal		81,954	87,141
B2B	#	1,561	1,796
B2C	#	72,632	77,873
SU	#	7,761	7,472
Spain ¹		217	344
B2B	#	217	344
Brazil		71,912	56,565
Company	#	58,059	45,131
ANEEL	#	3,728	2,444
PROCON	#	4,100	4,451
Justice	#	6,025	4,539

¹From December 2020, EDP stopped operating in B2C in Spain for the sale of electricity and gas. 2020 figure represents claims to 30 November 2020.

3.4.11.4. Energy prices

In the Iberian Peninsula, energy supply is free, and consumers can contract it with any supply company.

In Portugal, and according to ERSE, in September 2023, the liberalized market represented around 86% of total customers and approximately 94% of consumption, and the regulated market tariff is expected to be abolished at the end of 2025. Until then, liberalized market Normal Low Voltage electricity customers have the right to access a scheme equivalent to regulated tariffs and may return to the regulated market if their supplier does not provide this equivalent scheme. The average reference price tariffs for end user in Portugal, in 2023, was mostly composed of energy and supply costs (113%), as a result of the high level of electricity prices in wholesale markets, with the costs of energy policy not being a cost but a revenue of ≈–29% of total value and use of networks representing ≈17% of the total value.

In Spain, on September 2022, the liberalized market accounted for 70.8% of total customers, corresponding to 98.4% in the SME segment, 98.6% in industrial segments and 69.9% of customers in the domestic segment. Domestic prices in Spain, from June 2023 onwards, included a component of energy policy costs of around 11% of the final tariff, while the energy and network use components represented, respectively, 60% and 29% of the total.

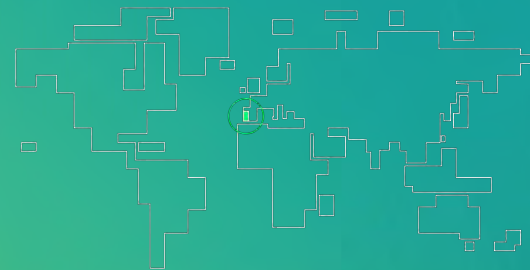
In Brazil, in September 2023, the liberalized market represented more than 37% of the country's total electricity consumption, with a total of 36,329 customers. Since January 2021, consumers with contracted power equal to or greater than 1,500 kW can buy energy from any source as liberalized consumers, with this threshold being reduced to 1,000 kW in January 2022 and to 500 kW in January 2023, under the terms of the Ordinance 465/2019, from the Ministry of Mines and Energy (MME). In September 2022, MME Ordinance 50/2022 was published, which allows high voltage consumers to purchase electricity from any supplier from January 2024. In the same month, a Public Consultation was opened with a proposal for an Ordinance containing the schedule for opening the low voltage market starting from 2026, with predicted total opening by 2028, including residential and rural customers. With regard to the breakdown of the price of electricity, energy and supply costs constitute about 50% of the costs invoiced to the customer, with the costs of using the networks (transmission and distribution) and energy policy corresponding to around 39% and 11%, respectively.



Analytics4Vegetation

Need for greater efficiency dealing with the vegetation proximities to the electric grid.

Our approach: Analytics4Vegetation for managing vegetation management information. It incorporates an integrated infrastructure for vegetation management processes and includes an analytical and predictive model for vegetation growth, using machine learning techniques. This solution enables the prediction and generation of alerts for possible situations where vegetation interferes with the electricity grid, includes a vegetation growth model (taking into account external factors such as weather conditions, altitude, proximity to the coast) and a criticality index for the assets in question.



Country: Portugal

Four awards in the field of digital, analytics and innovation.

Differentiator factor: Integration in one single infrastructure of all the process needed to have an effective and efficient vegetation management operation.

The future: Analyze the IA outputs fit to reality and improve the model with retrofit.

[Link for more information.](#)



3.4.11.5. Quality of service

Improving the quality of the technical service provided to customers is one of E-REDES' main goals as a distribution network operator. E-REDES maintains a process for rigorously monitoring the quality of the technical service, allowing for the adoption of mitigating measures whenever justified. At the same time, complementary checks and analyses are carried out at customer delivery points, in accordance with regulatory provisions. These procedures are designed to help optimise the maintenance and operation of the distribution network, with a focus on improving the quality of service provided.

In 2023, the quality of service, particularly with regard to continuity of service and the quality of electricity, remained high as a result of the commitment of the technical teams, in a joint effort between E-REDES and the service providers, and of management measures, new investments and cooperation and dialogue with stakeholders.

In Portugal, the good performance of the distribution network has been helped by specific investments and maintenance plans for network assets, as well as modernisation and automation projects for the HV, MV and LV networks carried out over the last decade. The main continuity of service indicators have stabilised in recent years, confirming a general trend that reflects the good performance of E-REDES in improving the quality of technical service in electricity distribution.

In 2023, the distribution network was subjected to several extraordinary weather events in various parts of mainland Portugal, including the storm at the beginning of the year on 1 January, the Babet depression on 17 October, the Aline depression on 19 October, the Bernard depression on 22 October, the Ciarán depression between 1 and 2 November and the Domingos depression on 4 November, which had a major impact on electricity infrastructure.

E-REDES developed an effective response to the events mentioned above, in order to minimise their impact on the quality of service for customers in the affected areas, having alerted its entire operational structure with the activation of the POAC-RD (Distribution Network Operational Crisis Action Plan), resulting in the reinforcement of E-REDES teams, the contact centre (handling fault reports) and its external service providers and the reinforcement of the allocation of vehicles, generators and other specialised equipment.

E-REDES España, for the third consecutive year, stands out as a leading company in terms of security and quality of supply, as a result of the investment made above all in digitalising the network so that it becomes totally intelligent, and in operational efficiency. E-REDES España also obtained AENOR certification in Business Continuity according to the ISO

22301 standard. This is a very important milestone, as it is the first company in the electricity sector in Spain to obtain the ENAC¹ seal on its certificate, as it focuses business continuity on distribution processes (operation, maintenance, and management of communications with its customers in the event of a breakdown).

ENAC accompanied the certification audit with the aim of extending AENOR's accreditation to the "25 - Electricity generation and distribution" sector, which also ended up materialising. This success was possible thanks to the strong involvement and support of the Board of Directors and the efforts of the team made up of employees from the Networks area and the DCNySF structure area.

In Brazil in 2023, the indicators of distributors EDP São Paulo and EDP Espírito Santo remained below the regulatory limits established by ANEEL, mainly due to improvement actions and preventive maintenance. Distributors count on specific projects to improve quality indexes and are focused on remedying recurrent cuts, the improvement of internal processes and the acquisition of new technologies.

In the last year, the indicators of Equivalent Duration of Interruption per Consumer Unit (DEC) and Equivalent Frequency of interruption per Consumer Unit (FEC) recorded in both São Paulo and Espírito Santo was consistently better than the limits defined by the regulator and lower than that observed in 2022.

3.4.11.6. Safety of products and services

The safety of products and services sold by EDP represents a fundamental aspect for the sustainability of the business. Risk prevention and control of all activities and equipment is an essential organisational requirement, committed to at the highest level and adhered to by the entire group.

Within the scope of energy services in EDP's portfolio, there is a set of promoted practices that foster safety for products and services, namely:

- promotion of online simulators that allow solutions to be customised and sized according to each client's needs. In these offers, prior visits are made to adjust the solution and ensure that all additional interventions are considered
- steps are taken to ensure that the legal compliance of all services and products is met in accordance with the regulations in force
- training and supervision of all installation teams as well as the inclusion of instructions for use and safety rules made available to all customers

- specific studies for safety analyses of the structure of buildings and of accessory equipment, enabling safety risks to be mitigated or even eliminated, for continuous improvement
- regular inspection of assets, according to their function, type and regulation, to ensure their safe operation during their life cycle.

3.4.11.7. Social inclusion of consumers and end-users

Vulnerable customers

Quality of life and well-being are directly dependent on access to energy and, in particular, to high quality electrical energy at affordable prices. In an increasingly technological and digital society, ensuring that everyone can enjoy this essential asset is a challenge that the EDP group places at the centre of its business strategy, for which it has established quantitative objectives (more details at www.edp.com) and a commitment to contribute to the targets of the United Nations sustainable development goals (SDG 7).

EDP's approach to customer energy vulnerability is based on three pillars:



Commercial commitments

- Service guarantee
- Adapted solutions



Energy poverty

- Social tariffs
- Energy efficiency



Access to energy

- New business
- Social dimensions

Commercial Commitments

EDP scrupulously applies the service guarantees specified by regulation and which aim to protect priority customers from interruptions in the supply of energy. Priority customers are informed individually about supply interruptions that are subject to prior notice, with the minimum adequate prior notice, and have priority in the restoration of service in the event of breakdowns. Priority clients are health services, security forces, firefighters, civil

protection, maritime and air safety, and penitentiary facilities. Similarly, for customers with special needs, with limited vision, hearing or oral communication or olfactory deficit, EDP adapts its information and communication systems and guarantees the same levels of quality of service and rights available to other customers.

EDP also provides the "Safe Invoice" service, which covers situations of involuntary unemployment, temporary incapacity for work or total and permanent disability.

Energy Poverty

Energy poverty translates into the financial inability to maintain thermal comfort conditions within homes – temperatures between 18° and 21°C in winter, and 19° and 23°C in summer – according to the World Health Organization. This can lead to chronic illnesses and other respiratory and cardiovascular complications or even death.

The structural causes of energy poverty are poor energy performance of the housing stock and the inability of unemployed and poor families to invest in improving the energy efficiency of their homes. The social impacts of energy poverty are also well-known: deepening structural poverty and social exclusion, with significant impacts on public health. The International Energy Agency estimates that around two billion people around the world suffer from energy poverty and data from the EU Energy Poverty Observatory indicates that the estimated number of energy poor citizens in the European Union ranges between 50 and 125 million of people.

EDP argues that support for energy poor customers should be directed at solving the structural problem, fundamentally through the implementation of energy efficiency measures and the adoption of preventive measures to avoid power being cut off in response to non-payment. In line with the European Commission's guidelines, the group also advocates that this type of measure should be financed, preferably by the State, as an obligation of the Social State, or alternatively supported by other consumers as a national solidarity measure.

In Portugal, since 2010, legislation has provided for the application of a social tariff for electricity and natural gas, which translates into a discount granted to economically vulnerable customers on the access tariff. The process to access the social tariff was facilitated in 2016, with the expansion of eligibility criteria and its automatic allocation. Financing of the social tariff is ensured, in the case of natural gas, by the transmission network operator, distribution network operators and natural gas suppliers. Regarding electricity, the financing of the social tariff was borne by electricity generators not covered by guaranteed remuneration schemes. However, Decree Law 104/2023, of November 17th,



expanded the number of financing entities, now covering not only generators, but also electricity suppliers and consumers who buy directly on the wholesale market, without suppliers' intermediation.

In the process of defining the tariffs for 2023, the Energy Services Regulatory Authority estimated a number of beneficiaries of the social electricity tariff in Portugal of around 853 thousand customers, with a discount equivalent to 33.8% of the gross price of the transitory regulated market tariffs, corresponding to €129 million. In turn, it estimated around 51 thousand beneficiaries of the natural gas social tariff in mainland Portugal, with a discount equivalent to 31.2% of the final customers invoice, corresponding to a value of 2.4 million euros. In December 2023, the number of beneficiaries of the social tariff in EDP's customer portfolio amounted to approximately 500 thousand customers for electricity and 19 thousand for gas. The amount supported by EDP, in 2023, in relation to the social electricity and gas tariff was 73 million euros and 2 thousand euros, respectively.

In Spain, the social tariff has been implemented since 2009, covering, however, only electricity customers. The mechanism currently in force distinguishes three categories of social tariff beneficiaries, depending on their income level: vulnerable customers, with a 25% discount, severely vulnerable customers, with a 40% discount, and customers at risk of exclusion, with a 100% discount. However, as a result of the publication of Decree-Law 18/2022, of 18 October, vulnerable customers and severely vulnerable customers saw their discounts increased to 65% and 80%, respectively, during 2023. The discounts in question apply to the fixed term and to a maximum energy consumption. The social tariff is not granted automatically and must be requested and renewed periodically by the customer, if they meet the eligibility conditions, in particular, income-related criteria. Following the sale of the B2C commercial business to Total in December 2020, there are no social tariff beneficiaries in the customer portfolio of EDP's suppliers in Spain. From the beginning of 2022, the financing of the social tariff discount is assumed by all agents of the electricity sector value chain as a proportion of their turnover, following the decision of the Spanish Supreme Court, which considered the previous model discriminatory because it only applied to electricity suppliers. The sum financed by the EDP group, in 2023, amounts to €16.2 million.

In Brazil, the Social Tariff was implemented in 2002 and consists of a benefit created by the Federal Government applicable to low-income families. This is a discount on the tariff applicable to the residential class of the electricity distributors, which can vary between 10%, 40% and 65%, according to the consumption of each residence, up to a maximum of 220 kWh/month. Indigenous and *quilombola* families who meet the specified requirements benefit, in turn, from a 100% discount up to a consumption limit of 50 kWh/month. In December 2023, EDP's two energy distribution companies had

approximately 625 thousand customers in the social tariff. ANEEL provides monthly databases with the information necessary for distributors to cross-check the information, so that if a customer is identified as falling within the social tariff criteria, the benefit will be granted automatically.

However, the EDP group's contribution to protecting vulnerable customers is not limited to the promotion of the social tariff and compliance with legal obligations. Voluntarily, through its [Social Investment Policy](#), EDP also develops programmes to combat energy poverty.

To address this problem, EDP develops and supports projects in several countries focusing on the **implementation of energy efficiency measures**. The solutions adopted can be passive (thermal insulation, windows, doors) or involve the installation of more efficient equipment (household appliances, LED lighting) or even **self-consumption solar panels**. EDP also promotes **energy literacy** through training on behaviours that promote energy savings in everyday life.

These projects allow reducing the energy bills of families and NGOs who have difficulty maintaining thermal comfort in their homes and modifying their consumption habits, contributing to the improvement of their living conditions.

The theme of social investment projects developed and supported by EDP to mitigate energy poverty and promote access to energy is addressed in greater detail in the [Social Investment Report](#) of the EDP group.

Access to Energy

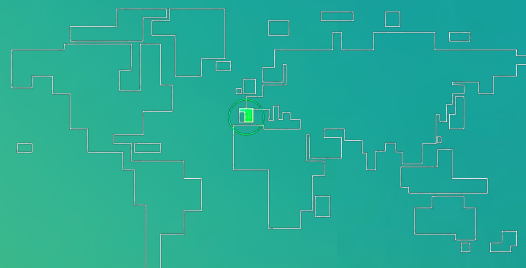
This third axis is aimed at promoting access to energy for populations without connection to electricity networks, either through **investments in companies** with this theme in mind, such as SolarWorks in Mozambique and Rensource in Nigeria, or through the provision of an **annual financing fund** for sustainable clean energy projects in the areas of education, health, water and agriculture, business and community in countries with low electrification rates.



EDP's Solar DG Strategy and Klepierre Partnership

Promoting Solar DG solutions through corporate Partnerships.

Our approach: The company has installed 1.6 GWp of solar DG capacity worldwide, with a focus on residential and business clients. EDP's strong track record and dedicated teams have deployed 127 thousand installations across Europe, Asia Pacific, North America, and Brazil. The company is set to expand its solar DG presence significantly in Europe, the US, APAC, and Brazil, with key corporate partnerships driving growth. One of the examples is the partnership with Klepierre with an investment €2 million to install photovoltaic panels in three of its shopping centers in Madrid: La Gavia, Plenilunio, and Príncipe Pío. This initiative is a significant step in Klepierre's Act For Good® strategy, demonstrating its commitment to sustainability and environmental responsibility.



Country: Spain (Klepierre business case)

Strong track record in 17 markets and a commitment to invest €2.5 billion by 2026 to install an additional 4 GWp in solar projects.

Differentiator factor: EDP's partnership with Klepierre showcases the integration of sustainable energy solutions in commercial spaces, contributing to significant energy savings and environmental benefits. EDP's global presence and expertise in solar DG, combined with Klepierre's commitment to sustainability, create a powerful synergy that drives positive impact.

What lies ahead: Solar DG segment is rapidly growing and will be key to EDP as it is expected to represent close to 50% of all new market solar additions globally in the coming years.

[Link for more information.](#)



3.4.12. Business conduct

3.4.12.1. Ethics

Ethics Office (ETH) and Ethics Ombudsperson activity in 2023

The activity of the **Ethics Office** (ETH) in 2023 continued to be based on the design, management, and implementation of **Ethics Programs**, as it has been since 2019. The ongoing program, "**Making Ethics Real**," aims to reinforce the perspective of the importance of practicing an "ethics of substance" in addition to the already established structural framework. The **main objectives of the program** include integrating ethics into the company's daily operations and aligning the corporate ethics policy across the entire EDP group.

Specific initiatives in 2023 included stabilizing the whistleblowing management model, which now applies to EDP SA, EDP Renewables, and EDP Spain; launching the 2023 Ethical Environment Questionnaire; and initiating a project to create a methodology for identifying and evaluating ethical risks.

Continuing from previous years, ethics **training and communication** were key activities in 2023, with ongoing training sessions from 2022 and a new initiative to reinforce the Speak Up culture. Notably, in-person training sessions were held for approximately 420 middle managers under the title "Approaching Ethics" and "Lead Now" sessions were conducted for 50 new managers. Online training on "Ethical Risks in Business," initiated in 2021, reached 64 mid-level managers in the Generation area, with an overall session completion rate of 77%.

To ensure the dissemination of ethical culture, various internal channels published content throughout the year emphasizing the importance of ethics at EDP. This included a global celebration of Ethics Day in October and monthly publication of short videos related to the various topics of the Code of Ethics, known as "The Energy of Ethics."

In 2023, EDP maintained specialized **partnerships** that have complemented their work for years, including collaboration with AESE through the existing Ethics Chair, which has supported executive training for over ten years, and with Católica Porto Business School for another benchmarking study aimed at obtaining information on how companies are addressing and emphasizing key ethics management topics.

Efforts to reinforce employees' trust in the **whistleblowing process**, following a clear recommendation from the 2021 Ethics Survey, continued through various training and communication initiatives, resulting in a significant overall increase in the 2023 survey results.

The **management of potentially ethical contacts**, the responsibility of the Ethics Ombudsperson, continued in 2023 within the new whistleblowing management model shared with the Compliance & Internal Controls Global Unit regarding legislative and/or integrity-related issues. Contacts deemed potentially ethical after investigation are reviewed by the Ethics Commission, which issues appropriate opinions and informs the parties involved.

The Ethics Ombudsperson, with the support of the Ethics Office, also supported the activities of the Ethics Committees of EDP SA and EDP Renewables and participated in the meetings of the EDP Brazil Ethics Committee. Specifically in 2023, the Ethics Ombudsperson prepared quarterly status reports on the 2023 Annual Ethics Plan, as well as Management of Whistleblowing Scorecards throughout the year.

In 2023, the **biannual Ethics survey** was administered to the entire EDP population, recording a response rate of 41%, which was 4 percentage points higher than the previous survey and revealed slightly improved overall results. However, it notably showed a significant increase of 13 percentage points in better understanding the whistleblowing.

3.4.12.2. Compliance

The EDP group is committed to carrying out its activity in strict compliance with the legislation and regulations, as well as to act in a responsible and oriented way by the highest standards of ethics and integrity, maintaining the idea of establishing Compliance as a strategic part of the company's corporate culture. This commitment applies to all EDP R entities and to their administrators, employees and contractors who act on their behalf.

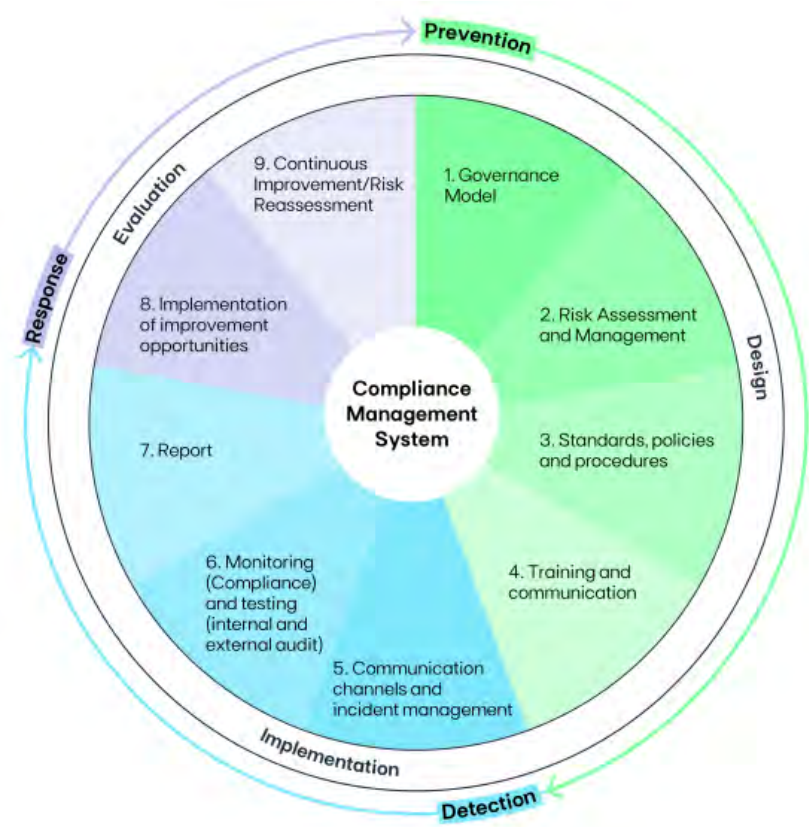
In this sense, EDP assumes a **zero tolerance Compliance policy** regarding any non-compliance with the applicable legal and regulatory requirements, especially regarding bribery, corruption or money laundering.

To put this commitment into practice, EDP has implemented a Compliance Management System Implemented, under the coordination of the Compliance & Internal Control Global Unit (C&IC), which is aligned with the best international practices, namely with the ISO Standard 37301:2021 - Compliance Management Systems - and with the COSO

(Committee of Sponsoring Organizations of the Treadway Commission) reference of risk management, internal control and fraud prevention (Fraud Risk Management).

The Compliance Management System is essentially based on nine components, which can be framed in three levels of action (as illustrated).

Compliance Management System



This System is developed at the group level, allowing the harmonization of Compliance management guidelines and methodologies throughout the organization and to different regulatory scopes, covering all activities, businesses, and geographies. Whenever necessary corporate guidelines are specified by business units in order to meet their respective particularities.

Through the work developed over the years, EDP currently has different mechanisms, such as a specific governance model, specific policies and procedures, periodic training/awareness initiatives and monitoring and reporting instruments that enable the identification of situations to consider from continuous improvement perspective, responding to internal and external challenges. The EDP group also provides several whistleblowing channels, some global and others specific to certain matters or with a specific scope by company, country or subgroup, whose management is ensured by independent and impartial areas.

The Compliance Management System integrates specific programs (SCPs) depending on the risks affecting the group namely: (1) Integrity/Anti-corruption; (2) Prevention of Money Laundering; (3) Personal Data Protection; (4) Prevention of Criminal Risks; (5) Internal Control System for Financial Reporting; (6) Competition; (7) Separation of Activities; (8) Environment; (9) Health and Safety.

The Compliance Management System, as well as the respective SCPs, are continuously monitored by the C&IC and periodically subject to internal audits, in accordance with the annual activity plan of the Internal Audit Department or subcontracted to third-parties, and external audits, which may result in the identification of opportunities for improvement, considered for the purpose of improving the Compliance management.

Also, from a continuous improvement perspective, a Compliance Survey is conducted every 2 years for all group employees, from all Business Units and geographies, with the aim of assessing their perception and positioning regarding Compliance matters, including their knowledge about the application of the existing Compliance mechanisms in the group. The last Compliance Survey was conducted in 2022, resulting in the development of an action plan that provided for the reinforcement of awareness and training actions. Also aiming at the improvement of the group's Compliance Management System, an annual self-assessment survey is carried out with all Compliance function employees and an evaluation survey by their main interlocutors.

Integrity, anti-bribery and corruption

This Specific Compliance Program has as its central axis the [Integrity Policy](#), which defines the commitments, general principles of action, and duties of the entities of the group, its employees, contractors, and business partners, regarding the prevention of illicit acts. This Policy complements the set of existing norms and compliance mechanisms at both the corporate level (including the Supplier Code of Conduct, the Code of Conduct for Senior Management and Senior Financial Officers, the Related Party Transactions Policy, and the Social Investment Policy, in addition to the group's own Code of Ethics and the available whistleblowing channels), and in the group companies, particularly the prevention and control models of criminal liability previously implemented by EDP España and EDP Renováveis and the *Compliance* program for the prevention of corruption at EDP Energias do Brasil (which include a significant set of specific Compliance policies and procedures).

The group's Integrity Policy is approved by the Executive Board of Directors, periodically reviewed (last review conducted in 2023), made available to all employees - being a mandatory reading document, with registration of acknowledgement - and is available on the [EDP website](#). This Policy reinforces the zero-tolerance policy regarding corruption or bribery practices, clarifies the prohibition of facilitation payments, and details the principles related to the prevention of conflicts of interest, donations and sponsorships, contributions to political parties, prevention of money laundering and combating the financing of terrorism, as well as guidelines regarding the performance of integrity due diligence of third parties, the relationship with politically exposed persons (PEPs), the acceptance and allocation of offers and invitations to events, and the monitoring of international sanctions. As to whistleblowing, the Integrity Policy reinforces the principle of non-retaliation, listing the different available channels at the internal and external levels, and addresses the process of investigating potential non-compliance situations and identifying and implementing any corrective actions.

The principles and guidelines set out in the Integrity Policy are embodied in specific internal procedures:

- the Third-Party Integrity Due Diligence Procedure, namely suppliers, business partners/counterparties, beneficiaries of sponsorship/ donations, employee applicants and other third parties, evaluating the various integrity risks (if necessary, using specialized external consultants), foresees the analysis of possible existing legal proceedings, adverse news, involvement with PEPs, inclusion in sanctions lists,

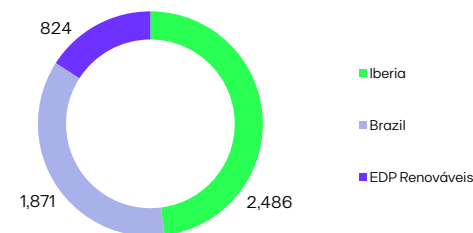
situations of conflict of interest, etc. The analysis carried out results in the assignment of a rating and the issuance of an opinion that includes specific recommendations regarding the approval of the transaction, the adequacy of its contractual conditions, and the monitoring of the contract's execution

- the Procedure for relations with PEPs provides for specific rules of action, foreseeing the need to record and communicate certain types of interaction
- the Procedure for offers and invitations to events defines rules of action and thresholds for its award and acceptance, as well as review and approval mechanisms
- the procedure for the attribution of donations and sponsorships, requires an integrity due diligence of the respective beneficiaries as well as the monitoring of the actual application of the support granted
- the conflict-of-interests management procedure establishes rules that guarantee impartiality and transparency in decision-making and to prevent misconduct or inappropriate behaviour
- the Complaint Management Procedure defines the principles of action and rules to be followed in the management of complaints received and in the investigation process, involving five phases: preliminary analysis, documentary investigation, interviews, investigation, and the release of a final report.

In the operationalization of this SCP in 2023, the following stands out:

- The analysis of 5,181 third parties (2022: 6,317), as part of the Integrity Due Diligence (IDD) procedure.^{3 4}

Integrity due diligence (# of analyzed transactions)



³ For calculating this indicator, in 2023, EDP considers the number of third parties analyzed, regardless of the number of times each of them has been subject to analysis.

⁴ Portugal and Spain data are presented jointly because the operationalization of respective DDIs is centralized.



- The conclusion of the analysis of 54 cases (2022: 14) related to corruption and bribery – 7 carried over from 2022 and 69 new ones received in 2023 – reported through the different whistleblowing channels made available by the EDP group. Of these, two were considered substantiated, being related to the improper performance of service providers, with whom the contractual relationship was consequently terminated.
- The development of training and awareness-raising actions to ensure the strengthening of the compliance and integrity culture, complemented by specific initiatives developed locally according to identified needs, namely:
 - global training on the Speak Up whistleblowing channels and on the Complaints Management Procedure
 - monthly global publication of the Compliance Golden Rules, raising awareness of the main principles of different compliance areas, including specific topics related with the Integrity procedures
 - communication campaigns to disseminate integrity topics as the celebration of the Compliance Officer Day, the Compliance Day and Anti-Corruption Day.

In this context, a total of 15,300 participations (2022: 25,637) were recorded in the various sessions made available, corresponding to a total of 5,770 training hours (2022: 7,445 hours).

In terms of continuous improvement, the following initiatives stand out throughout 2023:

- development and publication of the Corruption Risks Prevention Plan (covering all EDP companies in Portugal subject to this legal regime) under the terms of the General
- Framework for the Prevention of Corruption
- review and update of internal regulations on Integrity, considering changes in context and continuous adherence to best practices
- automation of some of the existing control mechanisms
- strengthening the monitoring of the application of the implemented procedures.

The corruption risk assessment carried out by the group covers all its operations, being the EDP Integrity Specific Compliance Program certified in accordance with the requirements of ISO 37001 Standard – Anti-Corruption Management Systems, at EDP Energias de Portugal S.A., EDP España, EDP Renováveis and EDP Energias do Brasil.

Prevention of money laundering

The structuring of the Specific Compliance Program for the Prevention of Money Laundering and Combating Terrorism Financing is based on the specific internal regulations implemented by each of the obliged entities as well as on a transversal procedure regarding the reporting of suspicious transactions. Additionally, and in accordance with legal requirements, the obliged entities have designated a Responsible for Normative Compliance, whose activity is articulated with the governance model defined within the scope of this program and provide a specific channel for the reporting of complaints in this area.

In this context, in 2023, no complaints were received nor were any suspicious operations identified at the group level.

Throughout the year, compliance with the applicable legal requirements was ensured, with emphasis on compliance with counterparty identification and diligence duties regarding counterparties with whom EDP obliged entities establish business relationships and/or occasional transactions.

Personal data protection

The strict respect for privacy and protection of all its stakeholders is assumed by EDP as a commitment to be followed in its activity, throughout the value chain. In this context, the Specific Personal Data Protection Program is one of the main global programs of EDP's Compliance Management System.

This commitment is reflected in the [group's Data Protection Policy](#), approved by the EDP's Executive Board of Directors, according to which such commitment is ensured by observing the following principles which guarantees compliance based on observance of the following principles: (1) Lawfulness and purpose; (2) Transparency and Loyalty; (3) Proportionality; (4) Monitoring; (5) Privacy from the very start; (6) Responsibility and (7) Safety.

These principles are embodied in the different global data protection norms and procedures that address in particular:

- the **privacy by design** processes
- the **risk assessments** of processing activities and **data protection impact assessments**

- the management of **processors**
- the process of responding to the **exercise of data protection rights**
- the management of **personal data breaches**.

These global procedures are complemented by specific procedures and controls defined at the level of each Business Unit for the entire life cycle of processing activities, according to their respective exposure to personal data protection risks.

In their relationship with customers and other data subjects, the group companies provide information on the data processing carried out, either by themselves or by their processors, namely through the Privacy Policies available on their respective sites or informative disclaimers provided in contractual clauses or data collection forms. In these documents, the EDP group entities identify, among other aspects, the purposes for which they process the data, the respective grounds for lawfulness, retention periods, if applicable, whether the data is shared with other parties, as well as provide the contacts of the entity responsible for data processing and the contacts of the respective Data Protection Officer (DPO), through which data subjects can exercise their rights regarding personal data protection, request information or clarifications about their data and submit complaints.

The management of this Specific Compliance Program is based on a specific governance model, based on the Compliance Management System, which establishes the responsibilities and the paradigm of relationship between the different stakeholders, with the coordination of the Compliance & Internal Control Global Unit, specific teams responsible for promoting the dissemination, knowledge, training, and implementation of the Compliance program in their respective areas of activity, and with the Internal Audit Global Unit, in the third line of defence, conducting specific audit work to verify the adequacy and effectiveness of the control mechanisms implemented. Whenever legally required, this Governance Model also includes a DPO.

Regarding incidents with personal data, in 2023, the EDP group entities:

- received a total of 614 Customer complaints (2022: 324); and
- notified the respective control authorities of two breaches of Customers' personal data in Portugal (2022: 3) and one in Spain (2022: 2) Of these, were also communicated to data subjects, two data subjects in Portugal (2022:1) and zero in Spain (2022: 0).

	RECEIVED DIRECTLY FROM THE CLIENT			REFERRED BY THE CONTROL AUTHORITY
	EDP COMMERCIAL CHANNELS	DPO	OTHER CHANNELS	DPO
Portugal	537	32	40	4
Spain	0	0	0	1
Brazil	0	0	0	0

Under the Personal Data Protection Compliance Program, a total of 9,183 participations were registered in the sessions provided in 2023, corresponding to a total of 3,965 training hours (2022: 11,619 employees/4,374 hours). In this context, the launch of the "The World of Data Protection" global learning stands out, with the objective of refreshing basic concepts, principles, and obligations regarding personal data protection.

With regard to ongoing improvement initiatives developed in 2023, the following stand out:

- the approval and dissemination of the revised and updated internal regulations. This revision aimed mainly at their updating, better systematization, clarification, and streamlining of procedures
- the face-to-face training sessions with key interlocutors on the new procedures implemented in the revision of the regulations, also aiming at reinforcing topics whose maturity was intended to be strengthened
- the continuous improvement of the Personal Data Protection Program Management Tool, highlighting the revision of the templates of some assessments with the aim of simplifying it and deepening its filling instructions.

Prevention of criminal risks

The Prevention of Criminal Risks Program was implemented, in a first phase, in the companies based in Spain (including a specific program at EDP Renováveis), following different reforms of criminal legislation in this country, which introduced and deepened the concept of criminal liability of legal persons with respect to certain offenses, also defining the requirements to be considered in the implementation of compliance models.

The Compliance programs implemented in this context at EDP, meanwhile extended to other geographies with similar legal frameworks, provide the organization with a

management system that includes supervision and control measures to prevent the occurrence of crimes or mitigate the risk of their occurrence, mainly related to prevention corruption, bribery and other similar offenses (benefiting of synergies with other global Compliance programs such as the Integrity Compliance Program).

EDP España and EDP Renováveis Compliance Programs regarding the Prevention of Criminal Risks are certified according to the UNE 19601:2017 Standard – Criminal Compliance Management Systems, certifications awarded by independent entities.

Fair competition practices

EDP promotes strict compliance with Competition rules, based on the commitments assumed in its Code of Ethics, its Integrity Policy, its Commitment to Healthy Competition and its Competition-related Specific Compliance Programme.

Approved at the end of 2019, and transversal to all EDP group companies operating in Portugal, the Specific Compliance Programme for Competition Legal Obligations (SCP) aims to ensure strict compliance with national and EU competition legislation. For this purpose, it includes a set of specific tools, namely:

- **Competition Manual**, which explains the basic concepts of Competition, the applicable rules, the impact of non-compliance, as well as the rules of conduct that all EDP group employees are obliged to comply with and enforce
- **Norm and Governance Model**, which establish the relationship model, duties, and responsibilities of the various participants who act within the scope of the SCP
- **controls to mitigate competition risks**, with periodic monitoring of compliance by the heads of the different business units, with the support of SCP Promoter
- **competition checklist and standard clause**, to support the conclusion of contracts and/or agreements with suppliers, contractors, partners, and other entities
- **internal policies, standards**, and procedures specific to the activities of EDP group companies, outlining the fundamental principles to be ensured in terms of Competition
- **specific training** courses on Competition issues for EDP group employees, in particular the “100% Compliant – the Competition Game” e-learning course, which is part of EDP’s new employee onboarding programme, and the “Competition Quiz” e-learning course, both available to all employees in Portugal and with very high access and completion rates since their launch, and more recently a specific Competition module was included in a mandatory training for external service providers; and

- **other resources to raise awareness and publicize Competition issues**, such as the Competition email to clarify doubts and support employees in implementing SCP, and communications aimed at employees who represent EDP in business associations, outlining the main rules of conduct.

Every six months, since its implementation in 2020, the SCP is scrutinized, together with the different business units and other stakeholders, and evidence of their actions in accordance with the Competition rules is presented and validated. Improvements to the SCP are also identified and proposed, with a view to continuous improvement, which has made it possible to strengthen the EDP group’s compliance culture in the field of Competition. The year of 2023 was no exception and was marked by:

- alteration and creation of new controls for the GEM Platform (the group’s energy management platform), and inclusion of SU Eletricidade (electricity supplier of last resort) in the SCP, with the creation of specific controls for monitoring
- on-site training on Competition Compliance, for a wide range of EDP Comercial (the group’s company that supplies in the liberalized market) employees, with a practical focus, adjusted to EDP Comercial’s day-to-day business; and
- approval by the EBD of the manual of procedures to be adopted in the event of on-site inspections, namely by Competition Authorities (OS 13/2023/CAE of 25 July), and subsequent training actions carried out by the Competition & Energy Policy and Legal & Governance departments.

At present, two legal proceedings of a competition law nature are ongoing:

- in the first case, EDP, S.A. and EDP Comercial were charged by the Portuguese Competition Authority (AdC) with entering an alleged non-compete agreement with Sonae MC – Modelo Continente. This decision was appealed before the Portuguese Competition, Regulation and Supervision Court (TCRS), which reduced the fines by 10%, to EUR 2.6 million and EUR 23.2 million, respectively. This TCRS decision was appealed before the Lisbon Court of Appeal (TRL) which, in April 2021, had ordered that the case be adjourned and referred to the Court of Justice of the European Union (CJEU) for a preliminary ruling. The CJEU handed down its judgement in October 2023. This court’s position is not binding and refers some points specifically to the TRL, which will now have to assess and hand down its judgement on the appeal against the TCRS judgement of September 2020. The decision is pending.
- in the second case, EDP Produção was accused by the AdC of allegedly abusing its dominant position in the secondary regulation band market, with a fine of 48 million euros being imposed, and EDP Produção appealed against the AdC’s decision to the



TCRS. This court upheld the conviction of EDP Produção, which appealed this sentence to the TRL. In a judgement handed down in September 2023, the TRL partially rejected the appeal filed by EDP Produção, confirming the TCRS judgement, although it upheld the appeal regarding the reduction in the amount of the fine imposed on EDP Produção, reducing it to 40 million euros. Faced with this decision, in October 2023 EDP Produção filed an application with the TRL arguing that the judgement had been flawed in a number of ways and filed a request to appeal to the Constitutional Court, raising the unconstitutionality argued throughout the process. In December 2023, the TRL rejected the invalidations invoked by EDP Produção, and EDP Produção submitted a request for clarification of part of the judgement. A decision is pending on this request for clarification, as well as a decision by the Constitutional Court on the admissibility of the appeal and notification to submit written arguments. Nonetheless, in the context of this case, EDP Produção has already been legally obliged to pay the fine to which it was condemned by AdC even before the judgement and final decision of the TCRS. Following this case, the lus Omnibus Association filed a popular action, anchored in the AdC's decision, claiming the payment of compensation to all consumers in Portugal who were allegedly harmed. This case is suspended until a final decision is taken in the administrative offence case brought by AdC.

- EDP is fully convinced that, in both cases, no offence was committed.
- it should be noted that a similar approach to preventing and mitigating practices that restrict competition is being implemented for the remaining countries, without prejudice to the codes and manuals already in place.

Internal Control System for Financial Reporting (ICFR)

EDP, within the scope of its financial reporting obligations, has an Internal Control System for Financial Reporting (ICFR), consisting of a model for the evaluation and mitigation of financial reporting risks, through the monitoring of the execution of control activities and the identification of potential improvement actions and their implementation.

The EDP group's ICFR was developed and implemented based on the criteria established by the internal control regulatory framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013") in relation to business processes and overall controls, and by the Control Objectives for Information and related Technologies ("COBIT") in relation to general information technology controls. In 2023, the ICFR mapped and monitored a total of 3510 controls that contribute to mitigating the risks in Financial Reporting, including those of fraud and information systems.

Annually, the ICFR is audited by an external independent entity, and since 2010 it has been considered, in all materially relevant aspects, an appropriate and effective internal control system and is certified by the external auditor without conditions and comments.

3.4.12.3. Responsible political involvement

Representation of interest

EDP group institutional engagement and external affairs are managed in accordance with legal requirements and in line with the principles of action established in the [Code of Ethics](#), [Integrity Policy](#) and other internal provisions of the company governing its relations with stakeholders, in particular those of integrity, transparency and responsible political involvement. 2023 was the year for the implementation of the new Policy of Representation of Interest, implementing its Principles for responsible political involvement: It prohibits any contribution or association of the EDP brand to political parties, candidates, political campaigns/candidacies or to related people or entities. This covers the direct or indirect delivery of goods or provision of services on behalf of, or representing, EDP. It also includes the prohibition on using EDP resources for actions related to political processes.

None of the group's companies have made monetary contributions or contributions in kind to political parties, although permitted in some of the legal regimes in countries where the EDP group operates.

Nevertheless, EDP participates in public decision-making processes, and engages in activities with various national, European and international institutions, with a view to conveying to public bodies their legitimate interests and/or those of the sector, which it considers worthy of consideration within the scope of legislative processes.

These activities include:

1. Awareness of specialized people and institutions

EDP Renewables undertakes awareness activities for specialized individuals and institutions according to local legislation.

In addition, in accordance with US law, and at the request of US employees, EDP Renewables North America (EDPR NA) provides duly regulated mechanisms for the participation of employees in political processes and has established a policy action committee (PAC) called "EDPR NA PAC". The EDPR NA PAC is funded entirely by



voluntary personal monetary contributions made by members of the PAC, who are employees, according to US law. Decisions on which political campaigns to support are made with the approval of the PAC's Board of Directors, whose members are elected PAC members, also in accordance with US law.

The activities representing the interests of EDPR mainly involve the following awareness-raising initiatives, presented below which exclude the amounts under EDPR NA PAC.

• **Contributions to America Energy Action activities**

EDP Renewables North America contributes to the activities of America Energy Action, a social welfare organization established under Section 501(c) (4) of the US Federal Internal Revenue Code. This type of organization can legally participate in political activities by defending or opposing candidates for public office. However, these kinds of activities must be absolutely independent of specific candidates or campaigns: they can be undertaken for ideas, concepts or public interests.

• **Contributions to Non-Governmental Organizations (NGOs)**

EDP Renewables North America works with a number of organizations with social or environmental objectives, pursuing goals aligned with support for decarbonization and the transition to a low carbon economy. This type of organization can support a candidate with its own funds, but its communications cannot be coordinated by a political party, campaign, or candidate.

• **Procurement of lobbying services**

EDP Renewables North America has lobbying consultants operating with the US Government and in some US states. These political consultants are prohibited from making contributions to candidates or political parties and campaigns on behalf of EDPR NA, to ensure that their activities never violate the prohibition on making political contributions, established with the EDP group.

2. Participation in the main European or international Sectoral or Industrial Associations

During 2023 EDP sought to raise awareness among the various stakeholders in the context of the European institutions (European Council, European Parliament and European Commission) on a number of issues central to sustainability in the field of energy, either proactively or as part of public consultations, leveraging on the advocacy activities of associations. The long-endured Energy Crisis aroused by the eastern war inflicted by

Russia led to an acceleration in the EU commitments to the sustainable transition and the phase-out from fossil-fuels, a final definition of a number of legislative files within the fit for 55 Package as well as of the Electricity Market Design , reinforcing EDP group' s participation within the main European sectoral associations, in particular Eurelectric, WindEurope, Solar Power Europe, EASE, ChargeUp Europe, European Distribution System Operators (E.DSO) or the European Federation of Energy Traders (EFET).

At the same time, to promote the development of the energy sector, its sustainability and efficiency, EDP strengthened alliances with similar parties to establish macro platforms for joint public positions that reflect the vision of the sector as a whole vis-à-vis the major decarbonization commitments undertaken internationally.

In this context, we're highlighting the renewable hydrogen implementation efforts:

- Letter to the European Council and Parliament on the Delegated Act for RFNBOs
- Letter on the urgent Adoption of the Renewable Hydrogen Directive
- Letter to EU Finance Ministers in order to call for an EU approach to the financing of renewable hydrogen and of course the multiple contacts with decision-makers in different institutions seeking to contribute to opinion-forming and communicating the company's views on such wide-ranging and decisive issues as the Market Design, Permitting, European Funds, and Biodiversity.

Membership and activity undertaken in global associations such as:

- the World Economic Forum, where its first year as partner was deeply engaged on the world paths to netZero, also engaging in cyber security; grids and storage; the World Business Council for Sustainable Development group (WBCSD)
- or at European level such as Eurelectric
- or yet at national level, in the different geographical areas, such as the Portuguese Association of Electricity Sector Companies (Elecpor), the Spanish Association of Electric Energy Companies (Aelec), The Brazilian Association for the electrical grid (Abradee) , The North American Solar Energy Industry Association, The American Energy Action, and others, clearly identify the shared and constructive path that the EDP group continues to build, advocating sound climate action, world sustainability and security, all aligned with [EDP's Human and Labour Rights Policy](#).



Advocacy to combat climate change:

The persistent advocacy in all representations of the Climate positioning, following the Paris Agreement as stated throughout EDP’s policies and public commitments, is mapped in the group’s Strategy, mirroring the transparent, scrutinized, and constructive positioning of the EDP group’s growth.

In 2023 EDP publicly updated its [UN Energy Compact](#) “All green Energy by 2030” restating its commitments to 100% renewable energy by 2030 and coal free by 2025, while promoting access to energy and decarbonizing its value chain with the commitment to be Net Zero by 2040.

EDP joined the WEF based CEO Climate Leaders Alliance a CEOs led initiative across sectors scaling ambition on climate action to encourage policy makers to support bold climate action by setting ambitious targets, taking collective action, reducing own emissions, and inspiring others to do the same. Ahead of UNFCCC COP28 in Dubai EDP signed COP28 Open letter where members of the CEO Climate Leaders Alliance call for policy changes that can drive outsized impact and subscribed the policy letter and campaign calling for fossil fuel phase out “Fossil to Clean” mobilized by the We Mean Business Coalition (WMBC) and supporting partners aiming to send a clear message that businesses are taking action to accelerate the deployment of clean technologies and reduce emissions – and that business can go even further with bold political leadership at COP28 and beyond. It was also towards COP28 that EDP supported the Global Renewables Alliance positioning, that deeply impacted COP’ s themes pushing Renewables on the Energy transition.

The preparation of Davos Annual Meeting in themes like Cybersecurity or Solving for net zero through industrial Clusters, or yet the Hydrogen Acceleration, built up to behaviour and positioning commitments among energy utilities in all of these fronts, fulfilling the corporate strategy on leading the energy transition, by creating superior value on a path aligned with the ambition of the Paris Agreement.

The 2023 commitment towards a NetZero planet can be identified at the 70% of the TOP10 Interest Representation being relevant and involved work on Climate position Organizations, through an investment of 2.140 k€.

From our selected TOP10 representations of interest, 94% of the work was taken through Business or Sectoral Associations, and none through lobbying.

3. The direct or indirect involvement of employees appointed/designated for this purpose

At European level, the transparency of lobbying activities carried out by appointed lobbyists is ensured through the publication of their activities in the [European Union Transparency Register](#), a public register in which organizations representing specific interests in the European Union register and provide up-to-date information on these interests. Internally, EDP group has developed a [Stakeholder Relationship Policy](#), with the definition of principles and guidelines for interaction with strategic groups, in particular Employees and Politically Exposed Persons and, based on four guiding commitments: Understand, Communicate, Trust and Collaborate. There is also an internal compliance platform for registration with PEP; another to record actions and contacts established (TRUST) and a shared map of EDP’s external representations in society, the “Impact Map”, that centralizes all external representation at EDP, defining which is Representation of Interest and of what kind. This tool was formalized and made a managing procedure by [the Interest Representation Policy](#) mentioned above (June 2023).

Value of the activities of representation of interests

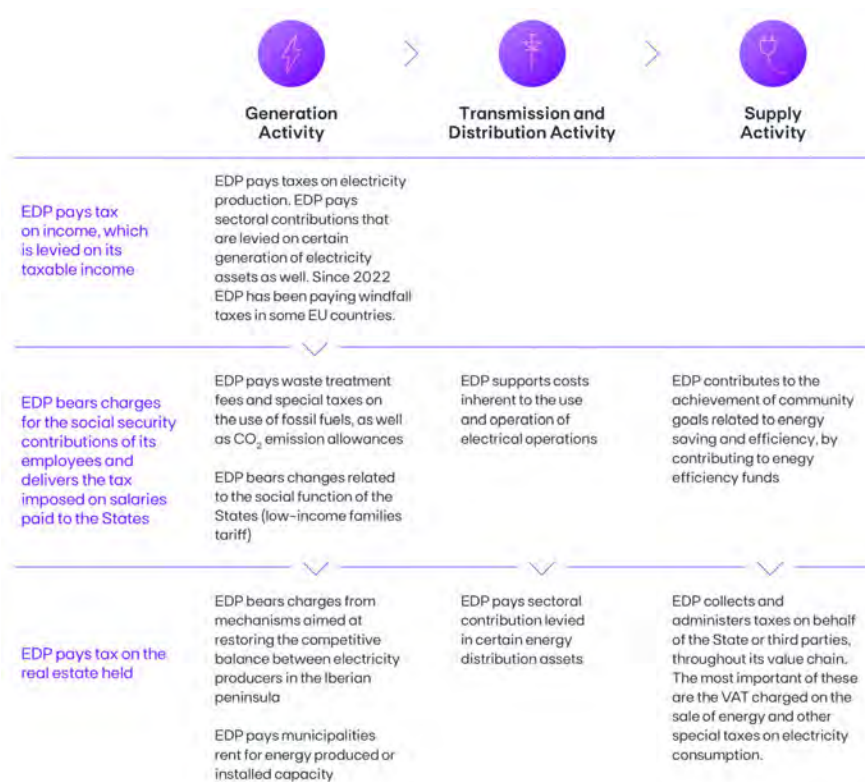
For the year 2023, the costs of representation of interests were under 6.8 million euros and were deeply related to the decarbonization of the economy, electric mobility, energy efficiency and security of supply. Reinforcing the facing of a long-endured energy crisis was a strategic focus, bringing Renewable Energies as key to guarantee Independence. The focus of advocacy work with the main national energy sector associations (UNESA, Eurelectric, American Wind Energy Association and TDA), above all, dwelt with the European Green Deal and market design, the National Climate and Energy Plans of the member states and biodiversity as a whole.

For details of lobbying activities undertaken in 2023, at global and climate action level, go to www.edp.com.

3.4.12.4. Tax transparency

The fiscal footprint of EDP Group

EDP Group is a utility present in 4 regional hubs, whose value chain includes the activities of generation, transmission and distribution and supply of energy. These activities trigger various types of taxes, levies and financial contributions which, when considered as a whole, determine the level of taxation to which the EDP Group is subject.

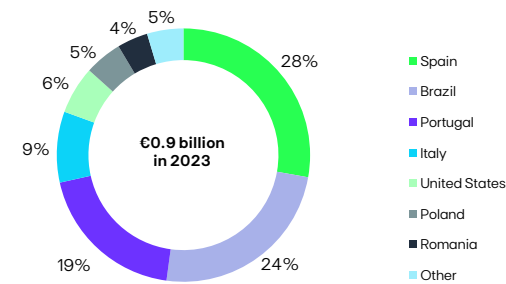


Of all the phases in the EDP value chain, its energy production activity is the one that contributes most significantly to the payment of taxes and other contributions.

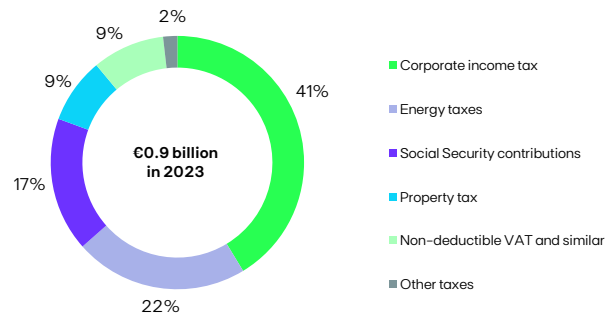
Global contribution of the EDP group

In 2023, EDP Group's global tax contribution to the public revenues of the countries where it is present amounted to approximately 2.9 billion euros, of which 0.9 billion euros correspond to own taxes and contributions borne (paid) by the EDP Group and circa 2 billion euros of taxes collected (contributions to the States on behalf of other economic agents), as shown in the following charts.

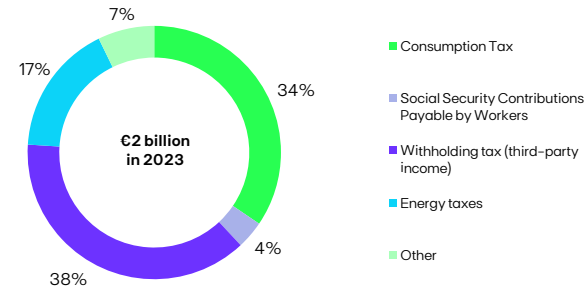
Taxes borne (paid) by EDP Group, by geographical area



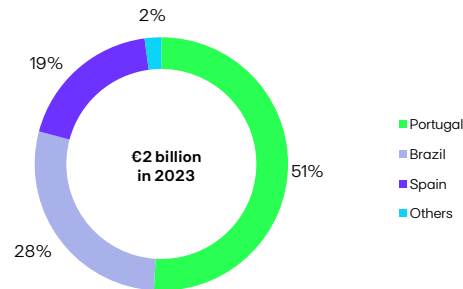
Taxes borne (paid) by EDP Group, by type of contribution



Taxes collected by EDP Group and delivered to the States (burden of other agents), by type of contribution



Taxes collected by EDP Group and delivered to the States (burden of other agents), by geographical area



Regarding the taxes borne by EDP Group, Spain is the country with the highest tax contribution, accounting for 28% of total taxes borne by EDP Group.

On the other hand, considering the taxes incurred by EDP Group, the most relevant amount (41%) concerns to corporate income tax, followed by specific taxation on the energy sector (including the windfall tax paid in Spain, Romania, Italy and Poland) (22%), and, finally, social security contributions borne by companies (17%).

Regarding corporate income tax rates, the nominal tax rates in the main countries in which EDP Group operates range between 16% in Romania and 31.5% in Portugal, adding municipal and state surtaxes to the nominal rate in the case of companies located in Portugal.

In Portugal, the taxes borne (paid) in 2023 amounted to 180 million euros, emphasizing the weight of corporate income taxes amounting to 74 million euros, as well as social security contributions borne by the companies amounting to 78 million euros.

In Spain, the taxes borne (paid) in 2023 amounted to 258 million euros, where the specific taxation on the energy sector should has the highest weight amounting to 116 million euros, followed by corporate income taxes that amounted to 88 million euros.



Taxes collected by EDP Group and delivered to the States where it carries out its activity (burden of other agents) amounted to 2 billion euros in 2023, mostly related to the collection of consumption taxes (e.g., VAT) and withholding taxes on income.

Country by country tax contribution

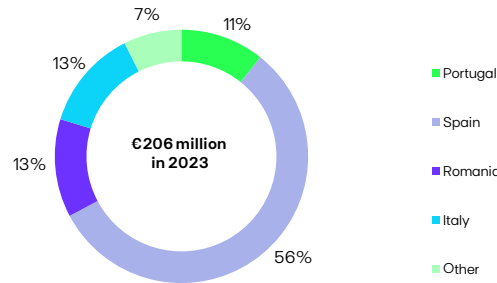
THOUSAND EUROS		
Corporate income tax paid (cash basis)	2023	2022
Belgium	445	0
Brazil	112,239	55,056
China	8	40
Colombia	3,323	3,802
Germany	34	1
Spain	88,246	16,872
France	61	-447
Greece	11	9
Hungary	63	0
Italy	54,942	16,527
Japan	8	10
Luxembourg	21	0
Mexico	14,060	7,230
Malaysia	0	3
Netherlands	843	0
Poland	31,166	24,892
Portugal	74,084	91,959
Romania	9,180	387
Taiwan	3	16
United Kingdom	0	1
United States	-4,851	1,058
Vietnam	0	132
Total	383,886	217,549



THOUSAND EUROS							
TAXES BORNE (PAID) BY THE EDP GROUP							
2023	CORPORATE INCOME TAX	ENERGY TAXES	SOCIAL SECURITY CONTRIBUTIONS	PROPERTY TAX	NON-DEDUCTIBLE VAT AND SIMILAR	OTHER TAXES	
Belgium	445	0	238	0	0	0	0
Brazil	112,239	8,233	27,086	2,037	71,486	5,084	
Canada	0	0	32	177	0	0	
Chile	0	0	51	0	201	0	
China	8	0	212	0	0	91	
Colombia	3,323	0	787	0	9,271	2,475	
Germany	34	0	604	3	5	0	
Spain	88,246	116,321	35,626	11,513	0	6,583	
France	61	838	2,654	94	0	416	
Greece	11	0	508	0	94	1,176	
Hungary	63	0	137	0	53	10	
Indonesia	0	0	6	0	18	0	
Italy	54,942	26,438	2,314	379	0	5	
Japan	8	0	66	0	0	1	
South Korea	0	0	0	0	16	0	
Luxembourg	21	0	29	0	0	-1	
Macao	0	0	0	0	0	0	
Mexico	14,060	0	132	0	0	296	
Netherlands	843	0	75	0	214	0	
Poland	31,166	6,178	1,113	5,900	0	81	
Portugal	74,084	22,031	78,253	1,332	3,758	487	
Romania	9,180	25,787	50	1,439	0	3	
Singapore	0	0	2,115	0	613	122	
Taiwan	3	0	44	0	0	0	
United Kingdom	0	0	204	109	0	0	
United States	-4,851	0	6,857	54,615	0	0	
TOTAL	383,886	205,826	159,194	77,601	85,728	16,829	

Specific taxation on the energy sector in 2023

The specific taxation on the energy sector carries significant weight within the EDP Group. In 2023, the EDP Group incurred taxes of this nature amounting to 206 million euros, as shown in the following graph.



Indeed, in the year 2023, several European countries maintained or enforced the so-called "windfall taxes", which originated from Council Regulation (EU) 2022/1854 of October 6, 2022, establishing emergency intervention measures at the European Union level to address high energy prices. These measures included, among others, the introduction of price cap mechanisms for market revenues obtained by electricity producers from, essentially, renewable energy, and a temporary solidarity contribution applicable exclusively to companies active in the crude oil, natural gas, coal and refining sectors.

Although the rules contained in this Regulation are aimed to create standardized measures in the European Union in response to the energy prices rise, certain countries where the EDP group is present have introduced unilateral measures, giving rise to the payment of windfall taxes in Spain, Romania, Italy, and Poland.

While EDP fully acknowledges that the existing emergency situation required for extraordinary measures, the Company also considers that (i) the principle of not taxing unrealized extra-profits should always prevail and (ii) the compatibility with existing, legitimately implemented, risk management strategies, needs to be ensured. These requirements are necessary to avoid harming producers that do not actually benefit from the current high electricity prices, due to having hedged, individually or at Group level, their revenues, against fluctuations in the wholesale electricity market. These financial hedges

follow the Company's established low risk strategy to secure long term revenues and to remove electricity prices volatility on the company's earnings. For these reasons, EDP will pursue all legal actions at its disposal in order to challenge the legality of these measures.

The introduction of this tax in Spain resulted in the payment of 48 million euros by the EDP Group in 2023, making this country bear the highest level of energy taxation, representing about 57% of the total amount paid by the entire EDP Group.

At the same time, there was a very significant decrease in the value of energy taxes paid in Portugal and Romania.

In the case of Portugal, the reduction in terms of taxes paid was mainly due to (i) the suspension of the mechanism to restore competitive balance between electricity producers operating on Portuguese territory and electricity producers operating in Spain (known as clawback), (ii) the postponement of the collection of the amount corresponding to the social tariff for 2023 (which will be collected at the beginning of 2024, as stated in ERSE Directive 1-2024 of January 9, 2024), and (iii) the decision not to pay the CESE, whose constitutionality is being legally challenged by the EDP Group.

In the case of Romania, the amount of tax paid decreased by approximately 69 million euros, as from March 2023, because the requirements for the application of the windfall tax in that country were no longer met.

3.4.13. Innovation and digital transformation

3.4.13.1. Transforming our business

DGU's mission for business transformation

EDP's **Digital Global Unit (DGU)** has the mission to shape a global technological strategy and vision for the organization, transforming how the business delivers value by seamlessly integrating digital technology.

DGU plays a key role in managing the complexities of energy systems, focusing on three priorities to accelerate digital and technology adoption: (1) consolidate business proximity for a global digital operation; (2) enhanced data and digital ambition, ensuring a group-wide digital strategy, and increasing digital maturity; and (3) ensure a high-quality and secure digital ecosystem.

In 2023, DGU concentrated on strengthening data fundamentals and adopting emerging technologies, contributing to EDP's digital ambition by democratizing AI adoption and advancing data analytics. These efforts set a strong foundation for furthering EDP's digital goals, promoting disruption, maximizing value, accelerating Data & AI adoption, and expanding digital practices across the organization.

Digital strategy as driver to energy transition

The **digital strategy** is paramount in partnering with the business to tackle key challenges and generate value. Digital transformation is an enabler and accelerator for EDP to lead the energy transition across all its operations.

Building on the ambitious goals outlined in the 2021–25 strategic plan, EDP has set even more ambitious **digital KPI's** for the 2023–26 period. This decision is driven by positive forecasts and the significance of measuring the Digital contribution.

As of 2023, certain Digital KPI's are heading well towards the targets set for 2026, as per:

KPI 2023	Target 2026
74% Energy Assets with Advanced Analytics	85%
82% Businesses with Artificial Intelligence	100%
82% Digitalized Processes	95%
810 Zero trust security	≥740

DGU and digital transformation

To accelerate digital transformation EDP has committed to invest a total of ~€2 billion Digital TOTEX in 2023–26 to meet the targets for the period:

- 85% energy assets with advanced analytics
- 100% businesses with artificial intelligence
- 95% processes digitalized.

EDP's digital transformation extends across all businesses and geographies, to digitize processes, tools, and the ecosystem for enhanced agility and efficiency. This inclusive journey involves active participation not only from EDP's people but also from partners and suppliers, all contributing significantly to the desired digital acceleration at EDP.

EDP's digital transformation journey is powered by four strategic priorities:

- a Global DGU, closer to business
- focus on a people-centric organization
- push on digital-first culture
- excel in delivery and cyber.

During the year, ~200 digital and technology projects were managed with cross-business and geographies impact.



Global DGU, closer to business

DGU continued its journey to become a truly global team, with global functions, hubs, and teams to deliver value and increase proximity across the value chain.

In 2023, several strategic projects were implemented to improve communication between digital and business teams, pursuing high business-value solutions with increased synergies and simplification:

- **DGU Now:** Initiated a program to reshape DGU's organizational model. This involves redefining DGU's operating model, governance mechanisms, operational models for hubs, and people strategy. The goal being to enhance alignment across Global functions, platforms, and hubs, strategically positioning digital at the core of EDP's overall strategy
- **Digital Roadmap:** A Digital Roadmap from 23 to 26' was created seeking to have an aligned digital vision, focused on higher business value and engaging the organization toward the digital transformation
- **Agile Squads:** allocation of dedicated global resources to work close to business units, ensuring continuous alignment with the business throughout the development of new solutions, driving delivery speed and quality
- **Reference Architectures:** defined a set of reference architectures to allow the business to have higher flexibility and faster development in adding new products/services and introducing innovations, with reduced costs and lower architecture disruption. In 2023, the focus was on Client Solutions, Data & AI Strategy and Governance, Generative AI, Integration, Master Data Management and Monitorization reference architectures.

Focus on a people-centric organization

EDP's vision is to create a global human-centred organization and acquire and train talent with new and upgraded skills for critical roles.

To enable the organization's readiness to adopt a more digital mindset, EDP has taken action to place people at the heart of the transformation, by investing in the development of digital skills of its people at all professional levels:

- **GenAI workshops:** held a series of workshop sessions to push GenAI democratization across the group, reaching EDP's Top Management (+50 participants) and the Digital Global Community (+800 participants)
- **Training & Certifications:** achieved a maximum number of certifications in a year at EDP, with a total of +500 certifications, most being delivered in critical technologies for the future (e.g., Cloud and Data)
- **Leadership Training:** DGU launched a training program for leaders to cascade down through their teams at all levels, to introduce the DGU new operating model and ways of working, aligned with the group's Global People Development Strategy.

Push on digital-first culture

EDP invested in creating a digital organizational culture and mindset, both by (1) promoting digital awareness and maturity across the company's leadership, with immersive training programs including top management involvement, and (2) developing and improving the key data & AI foundations to accelerate digital impact, with the implementation of new data lakes/hubs and new analytics solutions.

In 2023, the main highlights were:

- **Digital2Leaders:** boosted digital culture across top management, by pushing digital awareness and establishing a common lexicon
- **Digital Global Community:** virtual community that promotes collaboration and knowledge on digital technologies and methodologies (e.g.: Agile, Blockchain, Cybersecurity, Data & AI, High Tech...), currently with almost ~2,000 members
- **IoT Platform:** significant push of IoT Use Cases implementation and cross-pollination, with three global references in production
- **Data & AI Governance:** defined a global strategy to guardrail AI ramp-up at EDP and implement data governance across geographies and platforms
- **GenAI Program:** defined the golden rules for deployment of Generative AI solutions and created a pipeline of priority use cases to implement in 2023-24, with +five initiatives undergoing implementation

- **Open Data Portal:** implemented a portal that allows main stakeholders (e.g., universities, municipalities, energy producers and developers) to have regular and organized access to data, to deliver value to society and foster innovation.

Excel in delivery and cyber

In 2023, EDP has made significant progress in ensuring that its landscape is future-proof, through the implementation of (1) a multi-cloud strategy, with the gradual migration of apps to cloud, (2) parallel initiatives to optimize cloud storage, and (3) a secure ecosystem, with a robust response system to block or resolve any cyber threats.

Main highlights in 2023 include:

- **Strategic Tech Partnerships:** consolidated partnerships with a pool of tier-1 global strategic tech partners to build cutting-edge solutions, to power tech evolution and modernization of the application landscape
- **Simplifica Program:** implemented S/4HANA in Brazil, following a greenfield implementation strategy which covered ~80 companies of the group and impacted 100% of the business processes and interfaces with business systems
- **All Cloud Program:** continued the journey to achieve a future-proof multi-cloud architecture and generate flexibility, scalability and application management autonomy. By the end of 2023 EDP had migrated +80% of all apps to the cloud
- **All Cyber – Defend EDP as one:** building a cybersecure organization ensuring a global and robust threat monitoring and response processes. The program has acted on three domains: (1) definition of cybersecurity organizational model (i.e., roles, processes, governance), (2) creation of a framework to ensure documentation and information security, and (3) establishment of global cybersecurity metrics and KPIs.

3.4.13.2. Development of innovative technologies

Overview

Innovation has long been a traditional investment priority for EDP, with EDP Inovação (EDPI) as the key promoter for innovation within the group. It was established in 2007 with the objective of creating an autonomous entity responsible for internal innovation activities as well as fostering stronger links with the entrepreneurial ecosystem.

EDP's innovation operating model is based on a fast adopter logic with a well-defined purpose of accelerating new businesses with impact and promoting the rapid adoption of innovative solutions to lead the energy transition. It seeks to solve the energy transition problems through the integration of new technologies, processes, and products, as well as innovative business models in EDP's business to enhance competitiveness and create value for stakeholders.

EDPI follows an Open Innovation philosophy that engages and promotes adoption through three innovation paths that act in parallel and complementary to one another, fed by a transversal sourcing process, namely: internal delivery (innovation portfolio developed internally), external partnerships through the open innovation ecosystem (start-ups, corporates, universities, among others), and external investments through EDP Ventures.

Innovation strategy to be delivered throughout three innovation avenues

These innovation avenues are supported by the right funding and investment, coordination, and expertise development to ensure EDP is at the forefront of market trends and innovation. EDPI also ensures the development and management of the infrastructure to disseminate innovation culture and best practices across the organization, fostering both entrepreneurship and intrapreneurship.

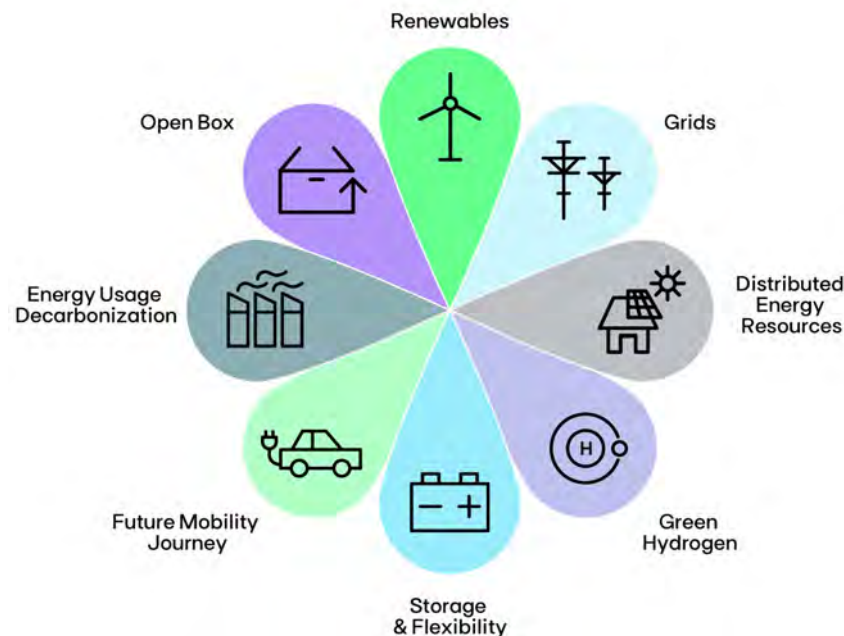
EDPI focuses on seven (+one) innovation domains aligned with corporate strategy and market trends, which positions EDP along the energy industry value chain.

- Renewable energies, their integration and flexibility, to help EDP achieve its renewable energy targets
- Networks, an enabler of the energy transition
- Distributed energy systems that support B2B and B2C customers in developing their distributed generation solutions



- Green hydrogen to support the energy transition in sectors whose activity is preponderantly dependent on carbon-emitting solutions
- Energy storage and flexibility, which tests new storage technologies, flexibility management
- Sustainable mobility, which supports EDP customers in their transition to electric mobility and provides associated services
- Decarbonisation of energy uses, which supports EDP customers' decarbonisation efforts by developing new solutions and speeding up their adoption

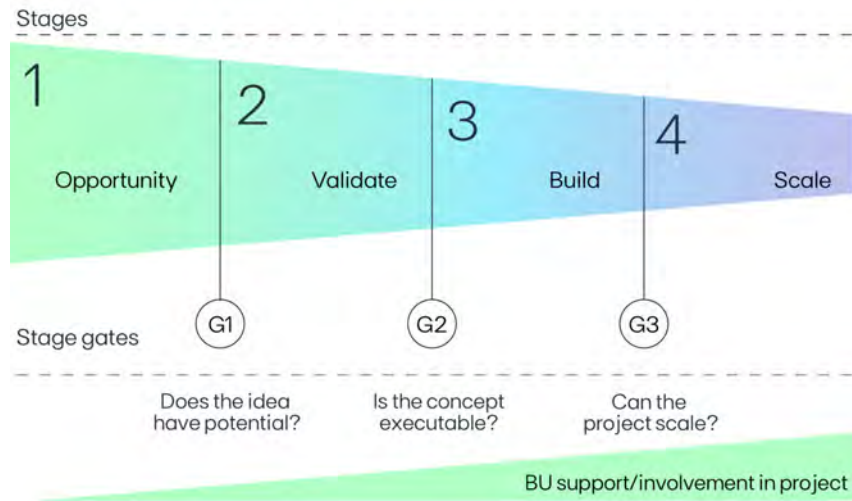
Moreover, EDPI continuously searches for new solutions. The “Open Box” domain creates space for ideas/projects to be developed that do not fit rigidly into any of the other domains.



2023 in summary

After defining the structure in 2021 and consolidating the innovation model in 2022, the year 2023 was marked by the execution of the defined strategy. EDP Innovation aligned and prioritized its areas of opportunity in their respective domains, focusing the team and reinforcing it to expand opportunities throughout the innovation funnel. In 2023, the editions of Free Electrons and Energy Starter in Dublin, Sydney, Mumbai, Houston, Lisbon, and Santander stood out, along with the significant presence of EDP teams at the Web Summit, bringing EDP's innovation and message to the largest global conference of Innovation and Technology in both Rio de Janeiro and Lisbon. In the investment scenario, the year was particularly exciting, with new companies in the portfolio totalling approximately €14 million in investment.

Internal delivery



This year marked the second year of the current internal incubation process, in which a portfolio was developed from internal sources (although it was explored both internally and externally). This method was supported by a funnel approach, aiming to mitigate the risk of opportunity to expand solutions and businesses, aligned with EDP's strategy and priorities.

In 2023, ten new emerging business opportunities were submitted to the global innovation decision committee for evaluation, totalling 30 since the implementation of the current Innovation model. Among these 30 opportunities, 21 were chosen based on their innovative merit and competition for resources among them. Of these, nine were discontinued in the Validation phase and four in the Construction phase, while the remaining seventeen impactful projects are currently in progress. We concluded the year 2023 with eight projects in the construction phase.

Below are some of the projects in the funnel:

- In the validate phase:

- The Scale up O&M project aims to automate the operation and maintenance processes of solar parks, particularly in activities such as aerial inspections, vegetation cutting, and panel cleaning. The main goal is to improve overall solar production and reduce the OPEX of solar plants.
- In the build phase:
 - The Going Net Zero project – with the objective to help C&I customers to decarbonize by a digital platform able to offer fully automatized one fits all emissions assessment and reporting with advisory-based service, able to prescribe detailed reduction plans.
 - The Automating PVs Installation project – with the objective to incorporate advanced solutions to automate critical construction tasks of utility-scale solar PV power plants. Relevant cost savings can be achieved by a mindset shift of the installation process from construction to manufacturing.

All these 21 EBOs involved nine different EDP business units and more than 100 people across geographies.

Open ecosystem

In 2023, we carried out Open Innovation programs, such as Free Electrons (founded by EDP, now in its seventh edition, with a total of over 4,000 startup applications and over 80 million dollars in investment) and Energy Starter programs, executed in multiple geographies, as well as conducting pilot projects with startups. Currently, we have a total of 19 pilots resulting from programs promoted by EDP Innovation and three commercial rollouts approved by EDP with startups from previous editions. Among the various programs in which EDP was involved in 2023, such as AWS Clean Energy Accelerator, DeepTech Alliance, SOL Energy Transition, and SOL Mobility, over 1,200 startups were evaluated, and over 100 meetings were held to explore opportunities with startups.

- In 2023, three in-person events of the Free Electrons program were held in Dublin, Sydney, and Mumbai. In this edition, we had the participation of over 60 EDP employees and received over 750 startup applications, with the selection of a group of 15 startups.
- Throughout the year, the Energy Starter program was restructured in line with the recent innovation model and business strategy of EDPI, comprising three verticals: Networks, Renewables, Green Hydrogen, and Customer Solutions. The program featured in-person events in Houston, Lisbon, and Santander, with 28 startups selected for the three tracks of the program. The program also included an Open Day in Lisbon, involving over 170 participants from the local innovation ecosystem and over 600 who attended online.



- Regarding the pilot projects, the following stand out: the one with Rondo Energy, a thermal storage solution; the second highlighted pilot project is with Granular Energy, winner of Free Electrons, for managing 24/7 energy matching origin guarantees; and the third highlighted project is with IND.T for sensorisation of power lines and preventive fault detection in the network.

Ventures

Increasingly focused on strategic investments to meet the renewable energy generation goals of the EDP group. In 2022, EDP Ventures altered its investment strategy, shifting from a minimum ticket size of 250,000 euros to 1 million euros to a higher range of 1 million euros to 10 million euros.

- In 2023, we invested 14 million euros, reaching a total accumulated investment of 70 million euros.
- We added four new companies to our portfolio:
 - **Terabase:** developed Terafab, the world's first automated field factory for large-scale solar construction
 - **Mixergy:** developed an intelligent water heater that uses artificial intelligence to significantly improve efficiency and costs, acting as a residential battery
 - **Captura:** developed a carbon dioxide removal (CDR) system based on the natural capacity of ocean CO₂ absorption
 - **Splight:** a platform that implements AI solutions to optimize the integration of Renewable Energy Sources (RES) into any type of grid
- We successfully completed the divestment of four companies from our portfolio, achieving a total of nine successful divestments. The Total Contract Value between EDP and portfolio companies in 2023 was 20 million euros, with a total accumulated value of over 115 million euros and 39 active companies in the portfolio.
- We had new additions to the team, and currently, over 30% of our team is composed of female professionals.

The work of EDP Ventures did not go unnoticed; it was recognized as Corporate Startup Stars by Mind the Bridge/ICC, due to its strategically impactful investments in the EDP group. Additionally, we were ranked as the 8th largest global investor in Renewable Energies in the Pitchbook ranking from 2018–2022, and our managing partner, Luis Manuel, was included in the "Top 100 Powerlist" of the Global Corporate Venturing ranking.

Innovation enablement and expertise

In 2022, there was a significant dissemination of the culture of innovation throughout the organization: EDPI initiatives reached 830 FTE of internal audience (with 15% participation in more than one initiative) and over 1,482 colleagues from 29 business areas and 22 different countries through our online Global Innovation Community.

Below are some of the highlights for 2023:

- The 2023 Innovation Immersion Program in Singapore had 17 participants from 13 business areas and five geographies, representing our most diverse group to date. The program included 22 networking sessions, generated 305 learning opportunities, and 81 qualified business leads. It stood out for its emphasis on communication, with the team dedicating resources to its promotion. For 2024, the team is considering a new innovation hub, possibly in the APAC region or the United States.
- The Global Innovation Community, with its over 900 subscribers from 15 countries and 22 business areas. In 2023, it hosted 26 live sessions. Since its launch in February 2022, we have had the participation of over 1,500 attendees.
- Participation in the Web Summit conference (Rio de Janeiro and Lisbon) driving the culture of innovation throughout the organization. At Web Summit Rio 2023, EDP had a delegation of 49 colleagues from EDP Brazil and 9 business areas. At Web Summit Lisbon 2023, we brought over 134 colleagues, and EDP focused on seeking promising startups and showcased six major projects at its booth. We identified 522 opportunities in 65 technologies, representing a 160% increase since 2022. Our showcased projects gained significant visibility, reaching over 3,500 participants, and generating approximately 1,500 qualified leads. Additionally, we held two talks on the Web Summit stages. We now look forward to the next edition in Rio, Latin America.
- The Groundbreakers team brought together 110 colleagues from 13 business areas and the five EDP innovation hubs at the second in-person meeting of the Global Innovation Team.
- The first edition of the "The Spiral" program, a tool to strengthen the culture of innovation and internal entrepreneurship. In this edition, we received over 60 registrations, selected ten finalists, and saw a high level of engagement from the organization.
- The "Somos Play" program, an intrapreneurship program that takes place in Brazil, had seven projects implemented by the organization.
- Innovation Learning Experience (ILE), a global learning program in collaboration with EDPU that provides a distinct experience, valuing participants who effectively apply their learning in innovation projects at EDP. In 2023, ILE held 15 sessions for five different

time zones, covering seven distinct topics and methodologies of innovation. We had the participation of over 291 people from 43 different companies within the group and from 13 different geographies. ILE managed to hold in-person workshops in all five EDP Innovation geographies in 2023. Additionally, EDPI was particularly active this year in developing skills related to the Energy Transition, providing significant added value to Business Units and top management decisions.

Final remarks

Overall, 2023 stood out for the effective implementation of the model, which reinforced the importance of innovation at EDP, and of EDPI in catalysing EDP's business and providing options for potential future group businesses.

3.4.13.3. Research and development

EDP NEW - Centre for NEW Energy Technologies is EDP's Research and Development (R&D) Centre, fully dedicated to the development and implementation of innovative R&D projects in different areas of the energy sector.




NEW adopts a collaborative approach to innovation, partnering with EDP's business units and multiple European institutions, companies, and universities to develop large R&D projects leveraged by public competitive funding for Research and Innovation – like the European Commission's Horizon 2020 and Horizon Europe programs. EDP NEW's current project portfolio comprises around 40 ongoing projects covering all seven (+one) domains of EDP's innovation model. These projects focus on developing, testing, validating, and exploiting innovative concepts, technologies and business models that contribute to EDP's objectives and to the global decarbonization targets. Organized in five technical areas covering the aforementioned innovation domains, NEW currently boasts around 60 researchers with very diverse and increasingly diversified profiles and academic backgrounds and complementary skillsets. due to the nature of its collaborative R&D activity, NEW maintains a strong relationship with EDP Innovation, and is in constant contact to share initiatives and explore opportunities of interest to both areas.

Since its establishment in 2015, NEW has secured close to €36 million in funding for R&D and innovation for EDP, which have supported NEW's growing and sustainable operation based on an agile, project-based structure complemented by a technical consultancy activity via international partnerships.

NEW is also continuously scouting for emerging solutions and technologies in the energy sector, crucially supported by its wide network of 700+ top tier partners across Europe, to continue to create knowledge and help shape the energy future through applied R&D.



3.4.14. Sustainable finance

Alignment with the SDGs	Objectives	KPIs 2023	Target 2026
 	Profits in line with the EU's Taxonomy	43%	>70*
	Sustainable financing	58%	60%

*2025

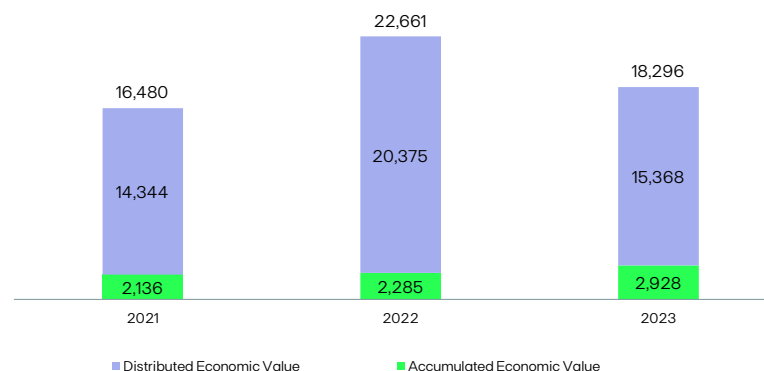
3.4.14.1. Creation of a long-term value

We address the path of sustainability by facilitating the long-term investment in companies. This means to channel the capital into sustainable assets.

Since 2004, with the join to the UN Global Compact (UNGC) and the approval of EDP group's Principles of sustainable Development, EDP has announced publicly the commitment to carry on its business while seeking a balance between the economic, environmental, and social aspects of the company's activity and pursuing an approach that incorporates the priorities of their stakeholders.

In 2023, the economic value generated by EDP was 18,296 million euros, compared to 22,661 million euros in 2022. This value includes turnover and other income. In 2023, 84% of the Generated Economic Value (GEV) was distributed in a total amount of 15,368 million euros. The aggregated economic value (AEV), the difference between the GEV and the Distributed Economic Value (DEV) corresponds to the remaining 16% and includes retained earnings and non-payable costs.

Economic value generated (€M)



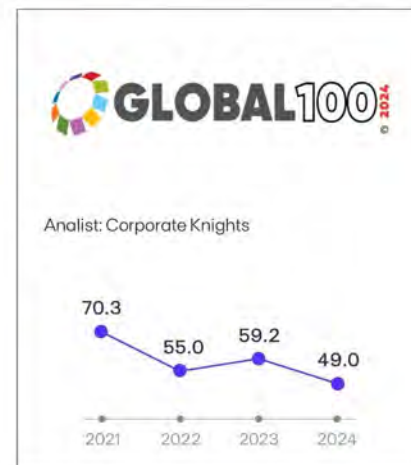
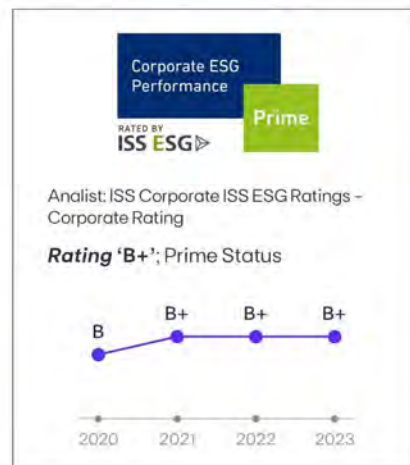
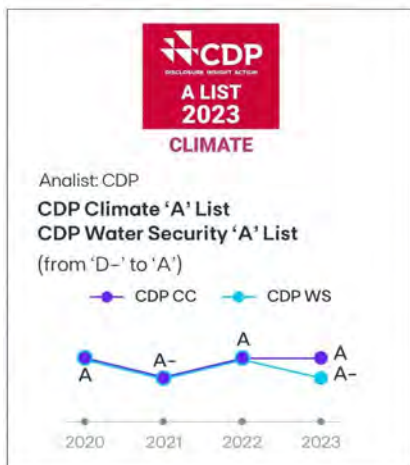
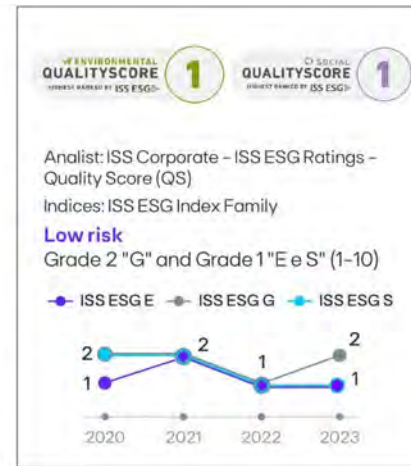
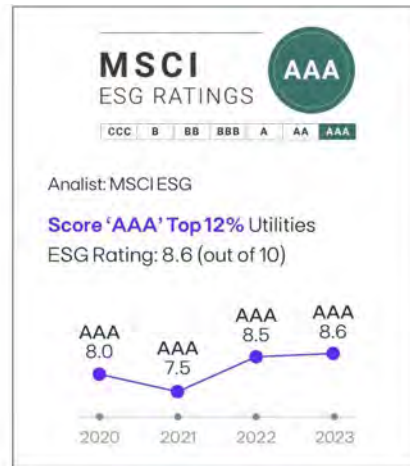
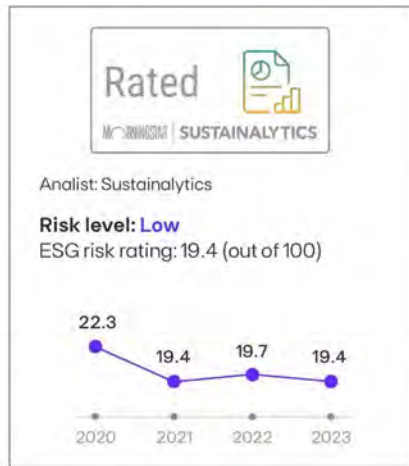
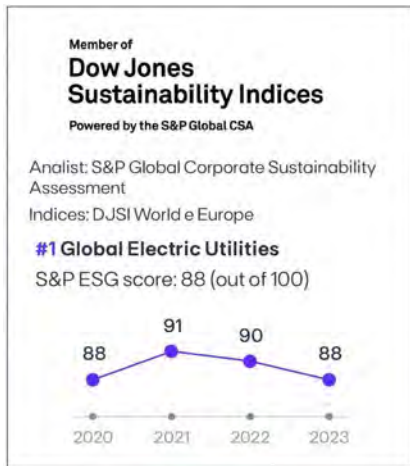
3.4.14.2. EDP ESG performance assessment

During 2023, EDP has carried on the efforts of providing ESG data (qualitative and quantitative) to several ESG analysts as a tool for managing risk because the company's long-term success depends on its sustainability performance. The company's commitment to sustainable practices continues to be revisited by analysts (climate change, policy commitments, worker safety, diversity, governance and other ESG factors), based on each in-house methodology. This explains why scores, ratings and/or level of risk obtained based on different ESG performance indicators, such as GHG emissions or violations against the UN Global Compact (UNGC) used by the different analysts are not comparable with each other.

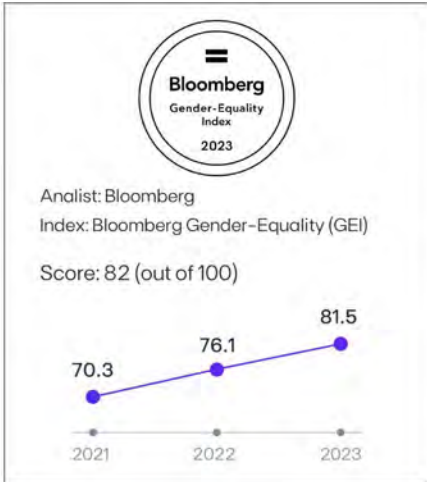
It should also be noted that the group has responded to questionnaires that grant recognition in the areas of climate change and water management (CDP Climate Change and CDP Water Security), in sustainability (S&P Global CSA) and in ethics (Ethisphere Institute). Additionally, some of the group's subsidiaries provided answers to particular assessment surveys: ECOVADIS - EDP Renováveis, EDP Comercial e EDP Espanha.



ESG corporate scores, ratings and rankings



For additional information, click on the logos



ETHISPHERE®
WORLD'S MOST ETHICAL COMPANIES®
2012 - 2023

Analyst: Ethisphere

EDP recognized as one of the "World Most Ethical Companies since 2012"

S&P Global Clean Energy Index

Analyst: S&P Global
 Index: S&P Global Clean Energy Index

Top 10

Other recognitions subsidaires companies

Analyst: ECOVADIS

EDP España

EDP Comercial

EDP Renováveis

Analyst: GRESB

Infrastructure Asset Sector Leader
E - Redes España

Analyst: Corporate Knights

Global 100
 Listed among the global 100 most sustainable corporations for the first time
 Overall rank on 2024 Global 100: #39
 Rank within Industry (Power Generation): #4

EDP Renováveis

Analyst: S&P Global

Sustainability Yearbook Member
 S&P Global Corporate Sustainability Assessment (CSA) Score 2023

EDP Renováveis

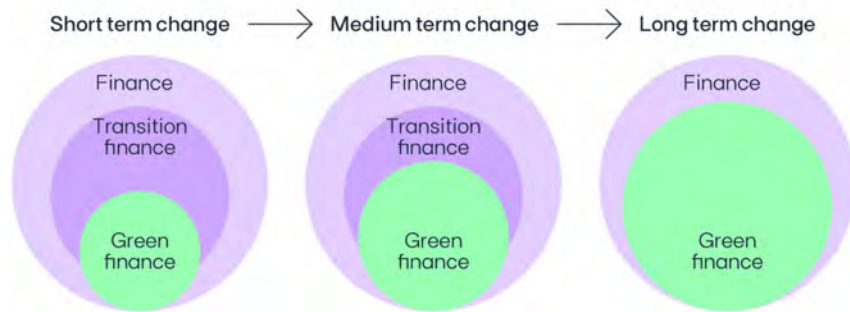
For additional information, click on the logos

3.4.14.3. Facts & figures of sustainable finance

Since the 2030 Agenda for Sustainable Development and the historic signature of the Paris Agreement, there have been made important progress in the battle against climate change and towards a greener, more resilient, more inclusive global economy. Sustainable finance has the potential redirect the funds to climate action, transition to a climate-neutral economy and towards an environmentally sustainable economy, namely a circular, zero pollution, nature-positive economy and sustainable use of water and marine resources.

The European Commission's regulatory framework supports this path through three main instruments: the taxonomy regulation (available at the [link](#)), the regulation of EU benchmarks for the climate transition and EU benchmarks aligned with the Paris Agreement (available at the [link](#)) and the regulation of the issuance of green bonds (available at the [link](#)).

Figure Financing the transition to a sustainable economy ([Adapted from the recommendations from European Union](#))



According the last report of the Global Sustainable Investment Alliance – GSIA Report 2022 (available through the [link](#)) the global sustainable investment reached USD30.3 trillion in six major markets (Europe; United States; Canada; Australia; Japan and New Zealand)-. That amount, which excludes the US owing to methodological adjustments, corresponds to a 20% increase in sustainable investments (from 18 trillion US dollars in 2020 to 22 trillion US dollars). In Europe, there are 38% (or 42% in 2020) sustainable investments out of the total global assets under management. The decrease is a result of increased scrutiny brought about by European regulations, including the SFDR (available

at the [link](#)) on the disclosure of sustainability-related information in the financial services sector.

Investors

The “[Glasgow Financial alliance for Net Zero \(GFANZ\)](#)” established in November 2021, which assembled a few of the world’s most powerful financial institutions to fight global warming, by pledging to bring loan and investment portfolios to net-zero by 2050 and currently made up of 675 members from more than 50 countries, has continued to develop its work in 8 main sectors: Net-Zero Asset Owner Alliance (NZAOA); Net-Zero Asset Managers Initiative (NZAM); Paris Aligned Asset Owners (PAAO); Net-Zero Banking Alliance (NZBA); Net-Zero Insurance Alliance (NZIA); Net Zero Financial Service Providers Alliance (NZFSPA); Net Zero Investment Consultants Initiative (NZICI); The Venture Climate Alliance (VCA).

However, as the year unfolded, sustainable finance had to stave off a backlash against ESG policies. At the end of 2022, Vanguard group, the world’s second-largest asset manager and a major index investor, pulled out the GFANZ, saying it aims “provide the clarity our investors desire about the role of index funds and about how we think about material risks, including climate-related risks.”

Regulators

The first report of financial disclosures about the corporate sector’s shareholding climate for monetary policy purposes, following the measures announced in 2022 (the purchase of corporate bonds and the pandemic emergency purchase programme according to a climate score based on three factors: backward-looking emissions (issuers’ past emissions), forward-looking targets (issuer’s ambitious decarbonization targets) and climate disclosures (issuers’ reporting of greenhouse gas emissions: scope one, two and three), was released by the European Central Bank (ECB) in 2023 and may be accessed via this [link](#).

Within the European regulatory framework, the following facts are critical for sustainable financing in 2023:

January 2023 – coming into force of the sustainability reporting directive (CSRD available on the [link](#)). This regulation replaces the Directive 2014/95/EU on reporting non-financial information. Large listed companies are required to report under the new ESRS (European Sustainability Reporting Standards, available on the [link](#)). They are part of the first group of



users of the CSRD. They will have reporting requirements for the 2024 fiscal year starting in 2025. June 2023 – amendments to the 2020 Taxonomy regulation (available at the [link](#)): a) the introduction of technical assessment criteria to determine under which conditions an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to the prevention and control of pollution or to the protection and restoration of biodiversity and ecosystems, and to establish whether that economic activity does not significantly undermine the fulfilment of any of the other environmental objectives; b) amendments to regulation 2021/2078 on compliance with Article 8 of the Treaty on the Functioning of the European Union.

June 2023 – changes to the environmental taxonomy's regulation as a result of establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation ([link](#)).

November 2023 – publication of the EU Green Bond Standard Regulation in the Official Journal of the European Union (available on the following [link](#))

December 2023 – publication in the Official Journal of the European Union the sustainability European reporting standards (available [here](#))

EDP

Impact of ESG performance measurement

EDP has demonstrated its expertise in ESG matters and its knowledge to reply to investors who follow active and passive investment approaches. Additionally, regarding the financing component, the group has responded to requests from investors, who are increasingly demanding in terms of mitigating the risks inherent in ESG factors.

EDP Sustainable Finance

Considering that EDP must comply with the sustainability reporting mandate and report sustainability in 2025 for the fiscal year 2024, the company feels the significant pressure in terms of set up an Internal Control System for Sustainability Reporting (SCIRS). While it is not currently required, there are advantages to it, such as: a) ensuring the validity, completeness, and accuracy of the sustainability information reported; and b) ensuring the transparency and confidence of the processes used to produce, process, and

communicate the information for reporting. EDP therefore concluded the year with the development of a project that would ensure that it has the key elements of the Internal Control System on Sustainability Information (SCIRS) in place by 2024 in order to better anticipate and prepare for the implementation of the regulation.

Within the framework of the taxonomy regulation, EDP has been disclosing the key performance indicators since 2019. There is an individual report available on the following [link](#) which provides the 2023 turnover, capital expenditure, and operating costs of its economic activities that are aligned with the EU taxonomy.

In March 2023, EDP updated its 2022 Green Finance Framework to reflect the changed scope and the new decarbonisation strategy. Apart from EDP, EDP Finance BV, EDP – Servicios Financieros España, S.A.U. was also a part of the 2023 framework. You can find the new framework on the following [here](#). The framework is aligned with the Green Bond Principles 2021 (GBP), as administered by ICMA, and Green Loan Principles 2023 (GLP), as administered by Loan Market Association (LMA), Asia Pacific Loan Association (APLMA) and Loan Syndications and Trading Association (LSTA). In addition, it is also aligned with the EU taxonomy. The framework is supported by a second-party review from Sustainalytics which you can find [here](#).

The proceeds of the issued green finance instruments are used to finance and/or refinance new and/or existing wind and solar assets of EDP Renováveis (EDPR). Eligible assets include wind and solar assets available on the EDP R's balance sheet, as well as the acquisitions of companies and equity participations in entities on the sector of wind and solar energy production.

As of 31 December 2023, EDP sustainable finance instruments (the first was in 2018) represent 58% of our total nominal debt. The objective of EDP is to maintain its sustainable finance model.

The Reports on the allocation and impact of Green Finance and sustainability-linked loan include information about the use of resources, projects selection and impacts, and also about the sustainability-linked loans. The information about the green finance is audited by an external party. More details consult the [Annex 9 of the Integrated Report 2023](#).

We will be Net Zero by 2040

Hydrid Park, Portugal

Because
We Choose
Earth

04 Indicators

Operational and ESG indicators
GRI indicators

176
207



4.1. Operational and ESG indicators

CLIMATE CHANGE	UN	2023	2022	2021	2020
RENEWABLE ENERGIES					
TOTAL INSTALLED CAPACITY	MW	26,565	26,187	24,495	23,524
Renewable installed capacity	%	86	79	80	79
Renewable installed capacity	MW	22,746	20,739	19,617	18,626
Wind	MW	12,432	12,136	11,845	11,155
Portugal	MW	1,177	1,156	1,138	1,224
Spain	MW	1,967	2,158	2,194	2,137
South America	MW	832	910	591	436
North America	MW	6,671	6,175	6,079	6,005
Rest of the Europe	MW	1,786	1,737	1,843	1,353
APAC	MW	0	0	0	0
Hydro	MW	6,864	6,872	7,070	7,069
Portugal	MW	5,019	5,019	5,019	5,019
Spain	MW	444	451	451	451
South America	MW	1,401	1,401	1,599	1,599
North America	MW	0	0	0	0
Rest of the Europe	MW	0	0	0	0
APAC	MW	0	0	0	0
Mini-hydro	MW	57	57	57	57
Portugal	MW	57	57	57	57
Spain	MW	0	0	0	0
South America	MW	0	0	0	0
North America	MW	0	0	0	0
Rest of the Europe	MW	0	0	0	0
APAC	MW	0	0	0	0
Solar	MW	3,393	1,674	645	345
Portugal	MW	409	116	5	5
Spain	MW	97	20	0	0
South America	MW	520	260	204	0
North America	MW	1,142	475	358	290
Rest of the Europe	MW	335	92	50	50
APAC	MW	890	711	28	0



CLIMATE CHANGE	UN	2023	2022	2021	2020
Non-renewable installed capacity	MW	3,819	5,449	4,879	4,898
CCGT	MW	2,886	2,886	2,886	2,886
Portugal	MW	2,031	2,031	2,031	2,031
Spain	MW	854	854	854	854
South America	MW	0	0	0	0
North America	MW	0	0	0	0
Rest of the Europe	MW	0	0	0	0
APAC	MW	0	0	0	0
Coal	MW	916	2,540	1,970	1,970
Portugal	MW	0	0	0	0
Spain	MW	916	1,820	1,250	1,250
South America	MW	0	720	720	720
North America	MW	0	0	0	0
Rest of the Europe	MW	0	0	0	0
APAC	MW	0	0	0	0
Cogeneration and waste	MW	17	23	23	42
Portugal	MW	17	17	17	17
Spain	MW	0	5	5	25
South America	MW	0	0	0	0
North America	MW	0	0	0	0
Rest of the Europe	MW	0	0	0	0
APAC	MW	0	0	0	0
Capacity under construction	MW	3,719	3,552	1,824	2,051
Portugal	MW	0	192	0	135
Spain	MW	160	132	141	85
South America	MW	1,087	504	1,084	359
North America	MW	2,074	2,075	320	970
Rest of the Europe	MW	334	523	280	502
APAC	MW	64	126	0	0
Installed capacity MEP	MW	1,070	1,665	1,651	1,229
Portugal	MW	31	31	31	30
Spain	MW	120	165	165	177
South America	MW	0	551	551	551
North America	MW	592	592	592	471
Rest of the Europe	MW	311	311	311	0
APAC	MW	16	15	0	0



CLIMATE CHANGE	UN	2023	2022	2021	2020
Capacity under construction MEP	MW	729	431	78	389
Portugal	MW	0	0	0	0
Spain	MW	0	0	0	0
South America	MW	0	0	78	78
North America	MW	0	0	0	0
Rest of the Europe	MW	728	431	0	311
APAC	MW	1	0	0	0
TOTAL NET GENERATION	GWh	56,395	61,351	59,784	63,122
Generation from renewable sources	%	87	74	76	75
Generation from renewable sources	GWh	48,969	45,329	45,608	47,330
Wind	GWh	31,669	31,772	29,592	28,272
Portugal	GWh	2,649	2,707	3,041	2,616
Spain	GWh	4,473	4,885	4,979	4,346
South America	GWh	4,029	2,189	1,843	1,093
North America	GWh	16,245	17,883	16,468	17,231
Rest of the Europe	GWh	4,273	4,107	3,262	2,987
APAC	GWh	0	0	0	0
Hydro	GWh	13,947	11,677	15,152	18,656
Portugal	GWh	8,942	5,487	8,901	12,435
Spain	GWh	711	459	772	677
South America	GWh	4,294	5,731	5,478	5,543
North America	GWh	0	0	0	0
Rest of the Europe	GWh	0	0	0	0
APAC	GWh	0	0	0	0
Mini-hydro	GWh	152	98	131	137
Portugal	GWh	152	98	131	137
Spain	GWh	0	0	0	0
South America	GWh	0	0	0	0
North America	GWh	0	0	0	0
Rest of the Europe	GWh	0	0	0	0
APAC	GWh	0	0	0	0



CLIMATE CHANGE	UN	2023	2022	2021	2020
Solar	GWh	3,201	1,782	733	265
Portugal	GWh	199	91	9	8
Spain	GWh	33	5	0	0
South America	GWh	562	500	45	0
North America	GWh	1,061	479	589	190
Rest of the Europe	GWh	161	72	67	67
APAC	GWh	1,184	636	23	0
Generation from non-renewable sources	GWh	7,426	16,021	14,176	15,792
CCGT	GWh	4,047	9,033	6,435	9,759
Portugal	GWh	1,508	5,161	3,836	5,653
Spain	GWh	2,539	3,872	2,599	4,107
South America	GWh	0	0	0	0
North America	GWh	0	0	0	0
Rest of the Europe	GWh	0	0	0	0
APAC	GWh	0	0	0	0
Coal	GWh	3,249	6,830	7,569	5,821
Portugal	GWh	0	0	0	1,832
Spain	GWh	3,188	6,826	4,152	2,403
South America	GWh	61	4	3,417	1,586
North America	GWh	0	0	0	0
Rest of the Europe	GWh	0	0	0	0
APAC	GWh	0	0	0	0
Cogeneration and Waste	GWh	130	158	173	211
Portugal	GWh	130	141	125	138
Spain	GWh	0	17	48	73
South America	GWh	0	0	0	0
North America	GWh	0	0	0	0
Rest of the Europe	GWh	0	0	0	0
APAC	GWh	0	0	0	0
Heat	GWh	234	279	382	556
Portugal	GWh	234	247	249	254
Spain	GWh	0	33	133	302
South America	GWh	0	0	0	0
North America	GWh	0	0	0	0
Rest of the Europe	GWh	0	0	0	0
APAC	GWh	0	0	0	0



CLIMATE CHANGE	UN	2023	2022	2021	2020
Hydroelectric Productivity Index					
Portugal	#	1	1	1	1
Spain	#	1	1	1	1
TECHNICAL AVAILABILITY					
Wind and Solar					
Portugal	%	94	95	97	97
Spain	%	98	99	98	98
South America	%	94	96	96	95
North America	%	96	97	98	98
Rest of the Europe	%	93	93	96	96
APAC	%	97	96	98	98
APAC	%	96	n.a.	0	0
Hydro					
Portugal	%	88	89	91	93
Spain	%	97	99	100	100
Brazil	%	98	97	98	95
Thermal					
Portugal	%	75	74	81	95
CCGT	%	75	73	81	94
Coal	%	0	0	0	96
Cogeneration	%	97	97	91	94
Spain	%	83	74	79	93
CCGT	%	95	91	89	94
Coal	%	75	64	72	91
Nuclear	%	75	90	86	91
Cogeneration	%	92	83	99	99
Waste	%	n.d.	n.d.	n.d.	94
Brazil	%	99	97	94	92
Coal	%	99	97	94	92
EMISSIONS					
Specific CO ₂ emissions ¹					
Global	g/kWh	75	152	164	146
Thermal	g/kWh	555	575	673	567



CLIMATE CHANGE	UN	2023	2022	2021	2020
CO ₂ equivalent emissions					
Scope 1	ktCO₂eq	4,276	9,405	9,819	9,304
Stationary combustion	ktCO ₂ eq	4,249	9,381	9,794	9,273
SF ₆ Emissions	ktCO ₂ eq	11	9	11	17
Company fleet	ktCO ₂ eq	15	15	14	13
Natural gas consumption	ktCO ₂ eq	0	0	0	0
Scope 2 (location-based²)³	ktCO₂eq	288	469	791	594
Electricity consumption in office buildings	ktCO ₂ eq	2	1	2	1
Electricity losses in distribution	ktCO ₂ eq	262	443	766	568
Renewable plants self-consumption	ktCO ₂ eq	25	25	23	25
Scope 2 (market-based⁴)³	ktCO₂eq	262	443	773	574
Electricity consumption in office buildings	ktCO ₂ eq	0	0	0	0
Electricity losses in distribution	ktCO ₂ eq	262	443	766	568
Renewable plants self-consumption	ktCO ₂ eq	0	0	7	6
Scope 3⁵	ktCO₂eq	8,063	9,279	10,304	9,595
Purchased goods and services (C01)	ktCO ₂ eq	602	713	721	1,116
Capital goods (C02)	ktCO ₂ eq	2,618	2,935	2,610	1,878
Fuel and energy related activities (C03)	ktCO ₂ eq	3,761	4,159	5,185	4,131
Upstream transportation and distribution (C04)	ktCO ₂ eq	19	6	66	39
Waste generated in operations (C05)	ktCO ₂ eq	5	10	18	11
Business travels (C06)	ktCO ₂ eq	15	9	3	3
Commuting (C07)	ktCO ₂ eq	11	11	12	11
Use of sold products (C11)	ktCO ₂ eq	1,032	1,437	1,688	2,405
Investments (C15)	ktCO ₂ eq	0	0	0	1
Avoided CO₂ emissions⁶	ktCO₂	25,841	22,749	23,752	25,167
SF₆	kg	470	389	459	724
Portugal	kg	261	220	240	206
Spain	kg	130	62	53	298
South America	kg	79	104	166	217
North America	kg	0	0	0	0
Rest of the Europe	kg	0	2	0	3
APAC	kg	0	0	0	0



CLIMATE CHANGE	UN	2023	2022	2021	2020
SUSTAINABLE MOBILITY					
Fleet electrification	%	29	15	13,2	11
Fleet electric vehicles	#	1,311	516	501	393
Electric charging points	#	8,510	6,010	3,804	1,811
Customers with electric mobility solutions	#	106,991	76,455	43,500	18,747
ENERGY EFFICIENCY					
Internal Energy Efficiency					
Thermal Efficiency	%	43	47	46	46
Coal plants	%	30	35	34	34
Natural gas combined cycle plant	%	51	54	54	54
Energy Intensity	MJ/€	4.6	7.0	9.2	11.4
Electricity Distribution Grid Losses					
Technical losses	%	5.39	5.29	5.42	5.75
Total losses	%	8	8.19	8.21	9.33
Portugal ⁷	%	8	8	8	4
Spain	%	5	5	4	4
Brazil	%	9	10	10	10
External Energy Efficiency					
Savings in energy efficiency services ⁸	TWh	6	6	5	5
CO ₂ avoided emissions in the final customer ⁸	ktCO ₂	12,967	11,901	8,950	8,531
Energy consumed outside the organization ⁹	TJ	267,262	262,414	244,462	350,433
NEW ENERGY SERVICES					
Energy efficiency services revenues	000€	571,162	491,013	261,415	244,573

¹ The stationary emissions do not include those produced by the burning of ArcelorMittal steel gases in EDP's power plant in Spain. Includes only stationary emissions.

² Based on global emission factors of each geography.

³ From 2023 onwards, CO₂e emissions associated with distribution grid losses will be calculated on the basis of technical losses, as recommended by the GHG Protocol.

⁴ Based in the suppliers' emission factors.

⁵ Methodological review conducted in 2021. The 2020 figures were adjusted based on the new methodology, but the calculations were not audited for that year. The 2020 figure includes 1.4 ktCO₂e from category 15 (investments).

⁶ Emissions that would have occurred if the electricity generated by renewable energy sources were produced by thermal power plants. For each country, it is obtained by multiplying the net renewable production by the emission factor of that country's thermal power plant mix.

⁷ In 2021, the loss indicator was changed to consider the energy input in the grid, and not the output (as until 2020), according to the expectation that the regulator will incorporate this change in the next regulatory period, to align with common practice in other countries (namely Spain and Brazil).

⁸ Reviewed and harmonized methodology for all geographies, applied since 2015. Excludes Consumption Efficiency Promotion Plan (PPEC) projects. The 2017 values have been revised for consistency with the harmonized savings calculation method.

⁹ Consider only the category "Use of sold products" of GHG Protocol Corporate Value Chain (Scope 3).



POLLUTION	UN	2023	2022	2021	2020
ISO 14001 CERTIFICATION					
ISO 14001 certification ¹	%	89	87	90	94
PREVENTION OF POLLUTION					
Total NO_x emissions					
Portugal	kt	0.27	0.69	0.55	1.71
Spain	kt	2.22	4.10	3.67	2.96
Brazil	kt	0.00	0.00	4.67	1.50
Total SO₂ emissions					
Portugal	kt	0.00	0.00	0.00	0.79
Spain	kt	1.04	2.35	1.62	1.48
Brazil	kt	0.00	0.00	10.52	5.95
Total particulate matter emissions					
Portugal	kt	0.00	0.01	0.01	0.03
Spain	kt	0.09	0.22	0.15	0.08
Brazil	kt	0.00	0.00	1.10	0.81
Environmental fines	000€	63	2	15	0
Indemnities to third parties	000€	98	97	26	11

¹ Aggregated certification indicator due to assets with potential environmental impacts.

WATER AND MARINE RESOURCES	UN	2023	2022	2021	2020
WATER					
Total water withdrawal					
	10 ³ xm ³	543,304	675,668	358,480	602,909
Freshwater					
	10 ³ xm ³	5,659	11,275	14,527	11,944
Salt and estuarine water					
	10 ³ xm ³	537,645	664,393	343,953	590,965
In water-stressed regions¹					
	10 ³ xm ³	324	213	9,042	6,294
Pecém	10 ³ xm ³	324	213	9,042	4,260
Castejón	10 ³ xm ³	0	0	0	2,035
Total water discharge					
	10 ³ xm ³	538,244	661,362	343,836	589,375
Discharge into inland water					
	10 ³ xm ³	1,403	1,215	1,554	1,891
Discharge into estuary water and sea					
	10 ³ xm ³	536,841	660,147	342,282	587,484
Municipal treatment					
	10 ³ xm ³	3	3	4	4
In water-stressed regions¹					
	10 ³ xm ³	164	176	1,065	867
Pecém	10 ³ xm ³	164	176	1,065	418
Castejón	10 ³ xm ³	n.a.	n.a.	n.a.	449



WATER AND MARINE RESOURCES	UN	2023	2022	2021	2020
Total water consumption	10 ³ xm ³	5,430	14,797	16,248	14,967
Total freshwater consumption	10 ³ xm ³	4,091	9,964	13,045	10,252
In water-stressed regions¹	10³xm³	324	213	9,042	5,847
Pecém	10 ³ xm ³	324	213	9,042	4,260
Castejón	10 ³ xm ³	0	0	0	1,594
Specific fresh water consumption	m ³ /GWh	72	162	217	161

¹≤1,000 mg / L of total dissolved solids.

CIRCULAR ECONOMY	UN	2023	2022	2021	2020
WASTE MATERIALS	t	266,138	383,633	216,164	309,451
Waste	t	238,591	335,155	173,769	174,594
Hazard waste	t	6,921	5,019	6,728	5,810
Non-hazard waste	t	231,670	330,137	167,042	168,784
Recovered waste	t	229,142	314,371	136,025	150,406
Hazardous waste	t	4,972	3,842	4,334	3,564
Recycled waste	t	2,636	3,002	2,099	1,443
On site	t	0	0	0	n.d.
Off site	t	2,636	3,002	2,099	n.d.
Other	t	2,336	840	2,235	2,122
On site	t	0	0	17	n.d.
Off site	t	2,336	840	2,218	n.d.
Non-hazardous	t	224,170	310,529	131,690	146,841
Recycled waste	t	108,404	196,790	34,147	113,965
On site	t	0	0	0	n.d.
Off site	t	108,404	196,790	34,147	n.d.
Other	t	115,765	113,694	97,543	32,876
On site	t	1,163	0	10	n.d.
Off site	t	114,602	113,694	97,533	n.d.
Non-recovered waste	t	9,449	20,786	37,744	24,188
Hazardous waste	t	1,949	1,177	2,393	2,245
Landfilling	t	147	172	562	398
On site	t	0	0	0	n.d.
Off site	t	147	172	562	n.d.
Other disposal operations	t	1,802	1,004	1,831	1,848
On site	t	0	0	0	n.d.
Off site	t	1,802	1,004	1,831	n.d.
Incineration	t	0	1	n.d.	n.d.
On site	t	0	0	n.d.	n.d.
Off site	t	0	1	n.d.	n.d.



CIRCULAR ECONOMY		UN	2023	2022	2021	2020
Non-hazardous		t	7,500	19,608	35,351	21,943
Landfilling	t	6,532	18,537	33,682	21,231	
On site	t	2,916	10,618	28,843	n.d.	
Off site	t	3,617	7,918	4,839	n.d.	
Other disposal operations	t	968	1,071	1,669	711	
On site	t	0	0	0	n.d.	
Off site	t	968	1,071	1,669	n.d.	
Incineration	t	0	0	n.d.	n.d.	
On site	t	0	0	n.d.	n.d.	
Off site	t	0	0	n.d.	n.d.	
Main waste categories						
Fly ash	%	91	82	88	83	
Slag	%	3	8	10	10	
Gypsum	%	2	9	0	4	
Used oils	%	0	0	0	0	
PCB	%	0	0	0	0	
Metals	%	4	1	2	2	
By-products	t	27,547	48,478	42,395	134,858	
Gypsum	t	27,547	48,478	39,053	45,049	
Fly ash	t	0	0	3,071	86,929	
Slag	t	0	0	271	2,880	
Specific production of waste materials	t/GWh	5	6	4	5	
Recovered waste materials	%	96	95	83	92	
NATURAL RESOURCES						
Fuel						
Coal	TJ	27,192	62,435	71,109	55,515	
Natural gas	TJ	29,718	61,961	45,334	67,447	
Diesel	TJ	116	217	69	127	
Fuel oil	TJ	11	20	21	220	
Waste gas	TJ	7,837	7,965	11,158	7,046	
Chemicals consumption						
Sodium hydroxyde	t	284	464	462	608	
Hydrochloric acid	t	422	875	710	1,236	
Sodium hypochlorite	t	1,930	1,957	2,094	3,087	
Ammonia	t	2,216	8,848	2,368	6,063	
Calcareous	t	16,910	42,694	24,327	27,254	
Acquired oils	t	84	185	155	140	



OWN WORKFORCE	UN	2023	2022	2021	2020
EMPLOYEES					
Data including EDP Comercial Internacional companies acquired in 2023¹					
Employees	#	13,041	13,211	12,236	12,180
Female	%	28.8	27.5	26.7	25.2
Male	%	70.8	72.1	73.3	74.8
Not declared	%	0.4	0.4	n.d.	n.d.
Data excluding EDP Comercial Internacional companies acquired in 2023					
Employees	#	12,907	13,211	12,236	12,180
Female	%	28.7	27.5	26.7	25.2
Male	%	70.9	72.1	73.3	74.8
Not declared	%	0.4	0.4	n.d.	n.d.
EMPLOYEES DISTRIBUTION BY PROFESSIONAL CATEGORY					
EBD	#	5	5	5	9
Female	#	2	2	2	2
Male	#	3	3	3	7
Not declared	#	0	0	n.d.	n.d.
Senior Management	#	391	386	962	861
Female	#	104	104	265	215
Male	#	287	281	697	646
Not declared	#	0	1	n.d.	n.d.
Supervisors	#	1,198	1,323	865	777
Female	#	360	380	218	188
Male	#	835	939	647	589
Not declared	#	3	4	n.d.	n.d.
Specialists	#	6,573	6,469	5,276	4,717
Female	#	2,570	2,417	2,010	1,773
Male	#	3,981	4,027	3,266	2,944
Not declared	#	22	25	n.d.	n.d.
Technicians	#	4,740	5,028	5,128	5,246
Female	#	674	728	767	790
Male	#	4,040	4,277	4,361	4,456
Not declared	#	26	23	n.d.	n.d.



OWN WORKFORCE	UN	2023	2022	2021	2020
EMPLOYEES DISTRIBUTION BY AGE GROUP					
≥ 50	#	2,994	2,910	2,971	3,117
Female	#	727	646	649	652
Male	#	2,264	2,261	2,322	2,465
Not declared	#	3	3	n.d.	n.d.
[30-50[	#	8,019	7,973	7,213	6,556
Female	#	2,350	2,239	1,973	1,750
Male	#	5,635	5,712	5,240	4,806
Not declared	#	34	22	n.d.	n.d.
< 30	#	1,894	2,328	2,052	1,937
Female	#	633	746	640	566
Male	#	1,247	1,554	1,412	1,371
Not declared	#	14	28	n.d.	n.d.
PERCENTUAL DISTRIBUTION OF EMPLOYEES					
Age Group					
≥50	%	23	22	24	27
[30-50[	%	62	60	59	56
<30	%	15	18	17	17
Geography					
Portugal	%	43	43	47	50
Spain	%	16	16	17	13
South America	%	26	25	26	28
North America	%	8	8	7	7
Rest of the Europe	%	4	4	3	2
APAC	%	3	4	0	0
Employees with disabilities	%	2	1	1	1
FEMALE EMPLOYEES IN MANAGEMENT POSITIONS					
In the total workforce	%	29	28	26	25
In EBD and Senior Management positions	%	27	27	28	23
In Supervisory positions	%	30	29	25	24
In revenue-generating positions	%	44	17	16	14
In STEM positions ²	%	32	33	31	33



OWN WORKFORCE	UN	2023	2022	2021	2020
ELIGIBLE EMPLOYEES FOR RETIREMENT					
EBD					
next to 5 years	#	0	0	0	3
next to 10 years	#	0	0	0	5
Senior Management					
next to 5 years	#	31	32	85	88
next to 10 years	#	70	47	146	162
Supervisors					
next to 5 years	#	71	84	39	42
next to 10 years	#	139	114	90	84
Specialists					
next to 5 years	#	304	298	292	326
next to 10 years	#	589	478	476	518
Technicians					
next to 5 years	#	478	812	967	1,188
next to 10 years	#	950	992	1,258	1,450
RATIO EDP MINIMUM WAGE/NATIONAL MINIMUM WAGE					
Portugal	x	1.43	1.47	1.79	1.84
Spain	x	1.43	1.55	1.17	1.19
South America	x	1.47	1.49	1.09	1.15
North America	x	2.25	1.39	2.21	2.21
Rest of the Europe	x	1.44	1.37	0.00	0.00
APAC	x	1.08	1.01	n.a.	n.a.
RATIO OF THE ANNUAL TOTAL COMPENSATION FOR THE ORGANIZATION'S HIGHEST-PAID INDIVIDUAL TO THE AVERAGE ANNUAL TOTAL COMPENSATION FOR ALL EMPLOYEES (EXCLUDING THE HIGHEST-PAID INDIVIDUAL)					
	x	0.20	2.16	1.00	1.07
TYPES OF ENTRIES					
New entries	#	1,425	2,064	1,599	1,282
Gender					
Male	#	818	1,216	1,047	885
Female	#	451	642	552	397
Not declared	#	156	206	n.d.	n.d.
Age Group					
<30	#	633	854	749	598
[30-50[	#	740	1,069	777	633
≥50	#	52	141	73	51



OWN WORKFORCE	UN	2023	2022	2021	2020
Professional category					
Technicians	#	368	596	443	403
Specialists	#	963	1,327	1,104	809
Supervisors	#	80	91	18	30
Senior Management	#	14	50	34	40
Geography					
Portugal	#	398	521	471	432
Spain	#	188	272	229	185
South America	#	345	595	434	366
North America	#	247	381	316	229
Rest of the Europe	#	165	161	137	84
APAC	#	82	134	12	0
Employees with disabilities (new entries)	#	21	18	25	0
Vacancies filled by internal candidates	#	864	809	947	1,186
Gender					
Male	#	519	555	690	850
Female	#	345	254	257	336
Not declared	#	0	0	n.d.	n.d.
Age Group					
<30	#	240	286	130	159
[30-50 [	#	537	444	564	625
≥50	#	87	79	253	402
Professional category					
Technicians	#	94	123	341	413
Specialists	#	622	566	381	472
Supervisors	#	117	65	115	149
Senior Management	#	31	55	110	152
Geography					
Portugal	#	394	382	280	973
Spain	#	91	74	329	77
South America	#	245	281	168	100
North America	#	84	52	168	30
Rest of the Europe	#	21	6	2	6
APAC	#	29	14	0	0
Employees with disabilities	#	4	9	0	0



OWN WORKFORCE	UN	2023	2022	2021	2020
REASONS FOR LEAVING					
End of fixed-term contracts	%	4	3	2	2
Terminated by mutual agreement	%	2	1	9	4
Terminated by employee	%	44	48	34	20
Dismissals	%	16	20	24	14
Early retirements	%	5	7	21	21
Age/invalidity retirement	%	7	8	7	5
Other reasons for leaving	%	23	14	4	35
SALARY RATIO F/M BY PROFESSIONAL CATEGORY					
Technicians					
Portugal	x	1.32	1.29	1.29	1.25
Spain	x	0.91	0.92	0.87	0.83
South America	x	0.69	0.93	0.97	0.96
North America	x	0.99	0.88	1.00	1.04
Rest of the Europe	x	0.75	0.98	0.00	1.70
APAC	x	0.71	0.97	0.00	0.00
Specialists					
Portugal	x	0.90	0.89	0.93	0.92
Spain	x	0.90	0.88	0.91	0.92
South America	x	0.79	0.86	0.81	0.82
North America	x	0.93	0.96	0.97	0.93
Rest of the Europe	x	0.82	0.85	0.89	0.91
APAC	x	0.90	0.93	0.75	0.00
Supervisors					
Portugal	x	0.97	0.95	0.98	0.99
Spain	x	0.91	0.89	0.86	0.87
South America	x	0.98	0.97	1.05	1.05
North America	x	0.93	0.92	0.97	1.06
Rest of the Europe	x	0.87	0.92	0.88	1.26
APAC	x	1.00	0.96	0.00	0.00
Senior Management					
Portugal	x	0.99	1.00	0.94	0.92
Spain	x	0.89	0.91	0.82	0.85
South America	x	1.18	1.32	0.89	0.93
North America	x	1.16	1.18	0.99	0.95
Rest of the Europe	x	0.00	0.00	0.79	0.75
APAC	x	1.16	1.05	0.00	0.00



OWN WORKFORCE	UN	2023	2022	2021	2020
EMPLOYEES SATISFACTION					
Engagement	%	80	84	76	80
Gender					
Female	%	84	86	78	83
Male	%	78	83	76	79
Not declared	%	100	94	n.d.	n.d.
Age Group					
<30	%	76	82	76	79
[30-50 [	%	79	83	76	81
≥50	%	84	87	76	78
Professional category					
Technicians	%	75	82	75	78
Specialists	%	81	84	74	79
Supervisors	%	88	88	81	86
Senior Management	%	91	92	88	90
Geography					
Portugal	%	75	80	73	76
Spain	%	79	81	71	78
South America	%	87	91	84	86
North America	%	86	86	79	84
Rest of the Europe	%	78	84	73	76
APAC	%	85	81	90	0
Employees with disabilities	%	n.d.	n.d.	n.d.	74
Empowerment ³	%	75	72	76	80
Gender					
Female	%	77	73	71	75
Male	%	74	72	71	73
Not declared	%	79	87	n.d.	n.d.
TURNOVER					
Gender					
Female	%	14	12	13	11
Male	%	11	11	11	12
Not declared	%	14	25	n.d.	n.d.



OWN WORKFORCE	UN	2023	2022	2021	2020
Age group					
< 30	%	15	14	13	10
[30-50[	%	12	10	8	9
≥ 50	%	14	15	24	18
Professional category					
		0			
Technicians	%	15	11	13	11
Specialists	%	13	13	12	12
Supervisors	%	9	8	6	11
Senior management	%	6	21	7	10
Geography					
		0			
Portugal	%	7	8	10	8
Spain	%	11	6	15	25
South America	%	17	15	14	9
North America	%	21	24	20	15
Rest of the Europe	%	21	10	10	37
APAC	%	54	30	0	0
Employees with disabilities	%	13	9	14	24
VOLUNTARY EMPLOYEE TURNOVER	%	6	6	4	2
Gender					
Male	%	6	6	4	3
Female	%	6	6	5	2
Not declared	%	6	23	n.d.	n.d.
Age group					
< 30	%	9	10	9	4
[30-50[	%	7	6	4	3
≥ 50	%	2	1	1	0
Professional category					
		0			
Technicians	%	4	3	2	1
Specialists	%	8	8	7	4
Supervisors	%	5	5	3	1
Senior management	%	3	9	2	1



OWN WORKFORCE	UN	2023	2022	2021	2020
Geography					
Portugal	%	3	3	2	1
Spain	%	3	3	2	1
South America	%	5	5	6	3
North America	%	16	18	19	11
Rest of the Europe	%	14	9	5	4
APAC	%		19	n.d.	n.a.
Employees with disabilities	%	4	3	0	0
HC ROI	€	7	7	6	6
TRAINING VOLUME					
Volume of mandatory training per employee	h	301,127	206,310	245,716	176,196
Gender					
Male	h	244,699	167,019	201,172	133,234
Female	h	56,428	39,292	44,544	42,962
Age group					
< 30	h	60,661	44,339	47,126	n.d.
[30-50[	h	197,909	119,604	152,358	n.d.
≥ 50	h	42,556	42,367	46,232	n.d.
Professional category					
Technicians	h	153,072	98,160	124,967	77,486
Specialists	h	109,028	71,222	78,194	69,560
Supervisors	h	32,482	27,229	23,556	15,417
Senior Management	h	6,544	9,700	18,999	13,732
Geography					
Portugal	h	119,454	119,264	120,518	117,444
Spain	h	24,615	47,979	36,056	20,415
South America	h	101,922	25,072	79,648	27,981
North America	h	19,831	9,216	5,401	7,848
Rest of the Europe	h	27,898	3,661	3,998	2,508
APAC	h	7,407	1,120	95	n.a.
Volume of non-mandatory training per employee	h	75,590	103,626	91,580	97,677
Gender					
Male	h	53,841	74,742	64,749	73,782
Female	h	21,750	28,884	26,831	23,896



OWN WORKFORCE	UN	2023	2022	2021	2020
Age group					
< 30	h	12,707	14,934	10,395	n.d.
[30-50[	h	51,503	70,996	64,642	n.d.
≥ 50	h	11,381	17,696	16,543	n.d.
Professional category					
Technicians	h	22,970	23,900	20,110	33,842
Specialists	h	38,813	46,687	44,496	40,625
Supervisors	h	10,672	19,318	11,314	11,383
Senior Management	h	3,136	13,721	15,660	11,828
Geography					
Portugal	h	22,729	21,645	28,064	27,386
Spain	h	12,646	38,168	30,994	23,374
South America	h	12,605	24,119	12,590	31,549
North America	h	16,859	13,235	15,107	11,434
Rest of the Europe	h	10,724	6,170	4,821	3,935
APAC	h	29	288	4	n.a.
DIRECT INVESTMENT WITH TRAINING BY EMPLOYEES	€/p	402	287	303	280
Investment in mandatory training per employee	€/p	3,547,301	1,949,792	1,635,444	1,325,491
Gender					
Male	€/p	2,664,111	1,490,993	1,213,787	983,598
Female	€/p	883,190	458,799	421,657	341,892
Age group					
< 30	€/p	614,779	295,464	174,975	n.d.
[30-50[	€/p	2,383,752	1,246,565	1,134,684	n.d.
≥ 50	€/p	548,769	407,763	325,785	n.d.
Professional category					
Technicians	€/p	1,091,590	585,649	308,374	275,175
Specialists	€/p	1,736,511	719,732	650,960	493,354
Supervisors	€/p	520,072	488,517	336,156	214,700
Senior Management	€/p	199,128	155,894	339,954	342,261
Geography					
Portugal	€/p	945,919	835,207	737,557	593,235
Spain	€/p	461,172	699,026	595,895	430,401
South America	€/p	523,000	81,110	113,752	52,692
North America	€/p	493,010	258,554	125,667	230,805
Rest of the Europe	€/p	1,074,819	36,407	62,573	18,357
APAC	€/p	19,381	39,488	n.d.	n.d.



OWN WORKFORCE	UN	2023	2022	2021	2020
Investment in non-mandatory training per employee	€/p	1,597,747	1,887,386	2,068,303	1,924,421
Gender					
Male	€/p	1,111,575	1,289,407	1,383,758	1,340,749
Female	€/p	486,172	597,978	684,545	583,672
Age group					
< 30	€/p	280,856	275,834	231,019	n.d.
[30-50[	€/p	1,072,976	1,293,843	1,519,167	n.d.
≥ 50	€/p	243,915	317,709	318,117	n.d.
Professional category					
Technicians	€/p	383,727	244,982	356,821	292,106
Specialists	€/p	903,104	886,667	977,110	964,897
Supervisors	€/p	224,837	453,859	359,099	295,390
Senior Management	€/p	86,080	301,877	375,273	372,027
Geography					
Portugal	€/p	460,079	413,999	593,859	709,309
Spain	€/p	236,929	881,228	862,803	570,044
South America	€/p	68,389	149,300	184,642	279,986
North America	€/p	419,125	371,333	351,541	336,283
Rest of the Europe	€/p	413,150	61,371	75,458	28,800
APAC	€/p	75	10,154	n.d.	n.a.

¹Data includes companies acquired in 2023 and which, in the purchase process, negotiated that, for GDPR (General Data Protection Regulation) reasons, human resources data would only be made available in 2024.

¹STEM Positions (Science, Technology, Engineering e Mathematics).

²As part of the Organisational Climate, the Empowerment dimension was assessed in 2022 to replace the Enablement dimension previously assessed, as part of the evolution of the employee consultation model at EDP.

SUPPLY CHAIN	UN	2023	2022	2021	2020
SUPPLIERS					
Number of Suppliers by purchase region ¹	#	16,810	4,199	13,385	13,185
Portugal	#	4,671	1,052	3,649	3,923
Spain	#	2,940	549	1,421	2,552
South America	#	5,617	1,053	3,749	4,720
North America	#	794	357	654	594
Rest of the Europe	#	2,736	1,381	3,916	1,559
APAC	#	552	0	1	0



SUPPLY CHAIN	UN	2023	2022	2021	2020
Purchase volume by purchase region	M€	7,613	10,074	5,724	4,738
Portugal	M€	1,703	3,003	1,395	965
Spain	M€	1,104	1,500	722	615
South America	M€	1,833	596	887	617
North America	M€	2,286	3,010	1,268	1,376
Rest of the Europe	M€	552	1,965	1,429	1,165
APAC	M€	135	0	23	0
Local Suppliers volume of purchases					
Portugal	%	61	27	58	76
Spain	%	59	40	51	58
South America	%	89	99	99	99
North America	%	99	99	100	100
Rest of the Europe	%	82	82	100	45
APAC	%	66	0	0	0
Critical Suppliers²					
ISO 14001 or equivalent	%	47	81	25	69
OHSAS 18001 or equivalent	%	42	80	36	55
Assessed by ESG criteria	%	85	97	100	100
Service providers with audited ESG risks	%	82	63	45	53
ORIGIN OF FUEL					
Coal Origin					
Colombia	%	74	58	100	100
USA	%	0	2	0	0
South Africa	%	8	0	0	0
Russia	%	0	10	0	0
Australia	%	0	3	0	0
Kazakhstan	%	18	27	0	0
Ucrain	%	0	0	0	0
Gas Origin					
USA	%	76	57	81	n.d.
Russia	%	0	0	12	n.d.
Equatorial Guinea	%	0	6	5	n.d.
Nigeria	%	0	0	2	n.d.
Trinidad and Tobago	%	24	37	0	n.d.



SUPPLY CHAIN	UN	2023	2022	2021	2020
PURCHASE CATEGORY					
Materials and Equipment	%	26	13	22	24
Corporate Services and IT	%	18	16	18	14
Construction and technical services	%	45	41	40	53
Fuels	%	11	31	20	9

¹The number of total suppliers considers the count of single suppliers in all EDP geographies. Therefore, it does not correspond to the sum of the geography's suppliers, once it discards the double counts of the ones that may supply different EDP geographies.

²Critical Suppliers exposed to environmental or health and safety risks.

HEALTH, SAFETY AND CRISIS MANAGEMENT	UN	2023	2022	2021	2020
EMPLOYEES					
Accidents at work ¹	#	37	28	21	17
Fatalities	#	0	0	0	0
Frequency rate ²	Fr	1.47	1.13	0.92	0.77
Severity rate ³	Sr	78	65	69	60
CONTRACTORS					
Accidents at work ¹	#	140	105	132	115
Fatalities	#	5	5	7	3
Frequency rate ²	Fr	2.32	2.18	2.09	2.12
Severity rate ³	Sr	106	144	109	100
INFORMATION SECURITY / CYBER SECURITY					
Information security incidents ⁴	#	3,574	3,172	4,043	3,397

¹Accidents occurred at the place and working time or on a journey, with one or more days of absence and fatal accidents.

²Number of accidents at work in service with absence/fatalities, per million hours worked.

³Number of calendar days lost due to work accident per million hours worked, in the reference period.

⁴The evolution is explained by the greater robustness in the detection capacity of this indicator and the larger number of cyberattacks.

AFFECTED COMMUNITIES ¹	UN	2023	2022	2021	2020
Category	000€	26,211	19,857	21,275	20,654
Nonstrategic investment	000€	2,138	544	1,735	980
Strategic investment	000€	24,038	18,636	19,531	19,674
Commercial initiative	000€	35	677	9	0



AFFECTED COMMUNITIES ¹	UN	2023	2022	2021	2020
Nature	000€	26,211	19,857	21,275	20,654
Education	000€	1,916	2,478	1,679	1,574
Health	000€	70	107	535	1
Economic development	000€	1,909	1,033	686	756
Environment	000€	3,017	2,414	1,125	787
Art and culture	000€	10,961	5,625	8,474	7,647
Social welfare	000€	5,569	6,104	6,271	2,432
Emergency response	000€	123	787	304	6,144
Other	000€	2,646	1,310	2,201	1,313
Type	000€	26,211	19,857	21,275	20,654
Cash contributions	000€	16,940	17,751	19,299	17,486
Kind contributions	000€	8,700	1,845	1,764	2,858
Working time contributions	000€	570	261	211	310
Management costs	000€	6,850	11,376	1,283	554
Total value of contributions (including management costs)	000€	33,060	31,233	22,558	21,208
Beneficiary entities	#	604	634	994	1,051
CORPORATE VOLUNTEERING					
EDP Volunteers	#	4,426	3,626	3,681	2,482
EDP time used in volunteering	h	21,591	10,551	11,307	14,457

¹Determined according to the LBG methodology. Not yet validated by Corporate Citizenship.

HUMAN RIGHTS	UN	2023	2022	2021	2020
HUMAN AND EMPLOYMENT RIGHTS					
Human Rights due diligence process	y/n	y	y	y	y

ENERGY CONSUMERS AND END-USERS	UN	2023	2022	2021	2020
CUSTOMERS					
Number of electricity customers	000	8,580	8,495	8,654	8,615
Regulated market	000	4,807	4,558	4,609	4,565
Portugal	000	927	973	930	965
Spain	000	0	0	0	0
South America	000	3,881	3,586	3,679	3,600



ENERGY CONSUMERS AND END-USERS	UN	2023	2022	2021	2020
Liberalised market	000	3,773	3,936	4,045	4,050
Portugal	000	3,753	3,916	4,022	4,033
Market Share EDP - Liberalised Market	%	0	n.d.	74	76
Spain	000	19	20	22	22
South America	000	1	1	1	0
Gas	000	591	631	686	691
Regulated market	000	108	77	32	34
Portugal	000	108	77	32	34
Spain	000	0	0	0	0
Liberalised market	000	483	554	654	657
Portugal	000	480	551	650	652
Spain	000	3	4	4	6
Overall customers satisfaction	%	85	80	77	79
Portugal	%	90	86	81	79
Spain	%	n.a.	n.a.	n.a.	n.a.
South America	%	77	74	64	80
Customers by type of use					
Electricity customers					
Domestic	%	86	88	86	88
Industrial	%	1	1	1	1
Commercial	%	8	9	8	8
Agriculture	%	3	1	3	3
Other	%	2	2	1	1
Gas customers					
Domestic	%	95	94	95	97
Industrial	%	0	0	1	0
Commercial	%	1	1	2	1
Agriculture	%	0	0	0	0
Other	%	3	4	3	1
Customers with social tariff	#	1,143,755	1,011,628	935,772	763,831
Electricity	#	1,125,080	992,662	913,609	749,413
Portugal	#	500,474	528,985	553,304	555,361
Spain	#	n.a.	n.a.	n.a.	n.a.
South America	#	624,606	463,677	360,305	194,052
Gas	#	18,675	18,966	22,163	14,418
Portugal	#	18,675	18,966	22,163	14,418



ENERGY CONSUMERS AND END-USERS	UN	2023	2022	2021	2020
Priority customers ¹	#	8,700	3,865	3,022	3,711
Electricity	#	8,700	3,865	3,022	3,711
Portugal	#	4,668	2,979	2,527	3,329
Spain	#	n.a.	n.a.	n.a.	n.a.
South America	#	4,032	886	495	382
Special needs customers ²	#	1,487	1,288	772	1,049
Electricity	#	1,487	1,288	772	1,049
Portugal	#	526	404	287	257
Spain	#	n.a.	n.a.	n.a.	n.a.
South America	#	961	884	485	792
Green tariff	#	0			
Electricity	#	968	4,691	6,115	4,760
Portugal	#	958	1,994	1,101	799
Spain	#	10	2,697	5,014	3,962
South America	#	n.d.	n.d.	n.d.	n.d.
Customer Ombudsperson		0			
Ombudsman's answer orientation		0			
Concordant	%	35	42	46	47
Discordant	%	49	32	29	18
Partial concordant	%	3	6	5	15
Resolved issues	%	13	20	20	20
E-voicing					
Portugal	%	49	48	47	44
Spain	%	87	77	48	21
South America	%	39	27	27	26
Fines payed for failure in supply and use of products and services	000C	10,597	7,912	5,365	4,113
Information privacy					
Fines for breach of privacy and loss of customer data	#	0	0	0	4
Fines for breach of privacy and loss of customer data	000C	0	0	0	51
ELECTRICITY SUPPLIED	GWh	69,215	65,895	59,750	69,478
Portugal	GWh	20,112	20,641	19,999	19,508
Last Resort	GWh	3,015	2,817	2,343	2,413
Liberalised Market	GWh	17,097	17,824	17,656	17,095
Market Share EDP - Liberalised Market	%	n.d.	n.d.	43	41



ENERGY CONSUMERS AND END-USERS	UN	2023	2022	2021	2020
Spain	GWh	9,485	12,244	10,959	10,702
Last Resort	GWh	0	0	0	350
Liberalised Market	GWh	9,485	12,244	10,959	10,352
Market Share EDP - Liberalised Market	%	5	6	4	6
Brazil	GWh	39,618	33,010	28,792	39,269
Last Resort	GWh	14,217	13,754	13,587	13,429
Liberalized Market	GWh	25,402	19,256	15,205	25,840
Social Tariff	GWh	1,309	938	1,415	545
Portugal	GWh	134	132	150	159
Spain	GWh	0	0	0	90
South America	GWh	1,175	807	1,264	296
Green Tariff	GWh	5,190	4,691	6,115	4,760
Portugal	GWh	850	1,994	1,101	799
Spain	GWh	4,340	2,697	5,014	3,962
South America	GWh	n.d.	n.d.	n.d.	n.d.
GAS SUPPLIED	GWh	5,025	10,364	14,309	17,070
Portugal	GWh	2,564	3,713	4,390	4,294
Last Resort	GWh	392	195	155	167
Liberalised Market	GWh	2,172	3,518	4,235	4,127
Market Share EDP - Liberalised Market	%	n.d.	n.d.	11	11
Spain	GWh	2,460	6,651	9,920	12,776
Last Resort	GWh	0	0	0	195
Liberalised Market	GWh	2,460	6,651	9,920	12,581
Market Share EDP - Liberalised Market	%	3	3	6	3
DISTRIBUTION					
Electricity distributed		86,438	85,272	84,885	76,360
Portugal	GWh	45,978	45,494	44,752	44,143
Spain	GWh	12,682	13,286	14,117	7,559
South America	GWh	27,778	26,491	26,016	24,658
Electricity supply points		11,758	11,583	11,427	11,274
Portugal	GWh	6,484	6,425	6,370	6,302
Spain	GWh	1,391	1,383	1,376	1,371
South America	GWh	3,883	3,775	3,680	3,601

ENERGY CONSUMERS AND END-USERS	UN	2023	2022	2021	2020
Grid extension	km	384,516	380,788	378,155	375,777
Portugal	km	234,668	232,089	230,676	229,168
Overhead lines	km	183,900	181,907	180,951	179,867
Underground lines	km	50,768	50,182	49,725	49,301
Spain	km	52,848	52,644	52,493	52,492
Overhead lines	km	39,623	39,571	39,553	39,670
Underground lines	km	13,225	13,073	12,940	12,822
South America	km	96,999	96,055	94,986	94,118
Overhead lines	km	96,688	95,771	94,708	93,850
Underground lines	km	312	283	277	268
Service Quality					
Portugal					
Installed capacity equivalent interruption time ³	min	48	54	50	60
Spain					
Installed capacity equivalent interruption time ⁶	min	19	18	20	15
South America					
Average interruption duration per consumer					
EDP São Paulo	h	6	6	6	7
EDP Espírito Santo	h	7	7	8	8
Frequency of interruptions per consumer					
EDP São Paulo	#	3	3	4	5
EDP Espírito Santo	#	3	3	4	4
SERVICE RECONNECTION					
Electricity supply reconnection after payment of debt by customer					
Portugal ⁴	#	152,573	168,496	62,935	186,139
< 4h (urgent)	#	26,854	34,215	16,281	47,806
< 8h (other clients)	#	625	617	476	630
< 12h (clients NVL)	#	125,094	133,664	46,178	137,703
Spain ⁵	#	10,585	3,308	16,674	3,533
≤ 24 hours	#	10,498	3,127	16,561	3,509
> 24 hours	#	87	181	113	24
South America	#	223,700	273,975	175,463	180,257
< 24h	#	148,710	244,707	114,129	157,022
< 1 week	#	44,464	28,270	37,585	21,507
> 1 week	#	30,526	998	23,749	1,728



ENERGY CONSUMERS AND END-USERS	UN	2023	2022	2021	2020
TRANSMISSION					
Grid extension		2,535	2,535	1,414	1,441
Grid extension in operation	GWh	2,185	2,185	162	316
Grid extension under construction	GWh	350	350	1,252	1,125

¹Customers whose survival depends on equipment or customers that provide essential health or safety services to the community (in accordance with Article 103 of the Regulation on Service Quality in the Electricity and Natural Gas sector).

²Customers with limitations in the field of vision (total blindness or hypovision), in the field of hearing (total deafness or hearing loss) and in the field of oral communication (in accordance with Article 100 of the Regulation on Service Quality in the Electric and Natural Gas sector).

³TIEPI in the MT network, excludes extraordinary events.

⁴The values consider service reconnections within the deadlines defined by the regulator, representing 99% of the total reestablishments.

⁵The time intervals considered are related to the time that elapses from the interruption of the service due to non-payment by the customer, until the restoration of the same. The values consider service reconnections within the deadlines defined by the regulator.

BUSINESS CONDUCT	UN	2023	2022	2021	2020
CORPORATE GOVERNANCE					
Number of members					
EBD	#	5	5	5	7
GSB	#	16	16	16	21
Number of independent members					
GSB	#	9	9	9	11
Number of women					
EBD	#	2	2	2	2
GSB	#	6	6	6	5
ETHICS AND COMPLIANCE					
Claims					
Total queries ¹	#	689	427	344	464
Claims before the Ethics Commission ²	#	382	321	146	147
Client	#	58	22	10	8
Citizen	#	22	15	20	22
Employee	#	223	153	33	27
Supplier	#	30	26	9	8
Anonymous	#	49	105	74	82
Claims by category					
Fairness of solutions	#	n.a.	n.a.	n.a.	19
Neglect or disrespect	#	n.a.	n.a.	n.a.	103
Transparency	#	n.a.	n.a.	n.a.	0
Use of information or assets	#	n.a.	n.a.	n.a.	8
Environment and responsibility towards society	#	n.a.	n.a.	n.a.	0



BUSINESS CONDUCT	UN	2023	2022	2021	2020
Fraud, corruption and bribery	#	n.a.	n.a.	n.a.	17
Employee well-being	#	123	140	46	n.a.
Health and Safety	#	16	19	6	n.a.
Company representation	#	0	0	0	n.a.
Diversity and inclusion	#	3	7	4	n.a.
Harassment ³	#	64	47	24	n.a.
Human Rights	#	0	0	2	n.a.
Relationship with shareholders	#	0	0	0	n.a.
Relationship with customers	#	1	2	4	n.a.
Relationship with suppliers	#	4	3	3	n.a.
Relationship with communities	#	0	1	3	n.a.
Competition	#	0	0	1	n.a.
Environment	#	2	0	1	n.a.
Energy transition	#	0	0	0	n.a.
Digital revolution	#	0	0	0	n.a.
Entrepreneurship and cooperation	#	0	0	0	n.a.
Personal data protection and privacy ³	#	6	5	0	n.a.
Use of company information	#	37	34	18	n.a.
Conflict of interests	#	35	32	17	n.a.
Corruption and bribery	#	69	20	12	n.a.
Money laundering and countering the financing of terrorism	#	0	0	1	n.a.
Use of assets	#	20	8	4	n.a.
Gifts and entertainment	#	0	0	0	n.a.
Manipulation in financial statements and/or management reports	#	1	3	0	n.a.
Other	#	1	1	0	n.a.
Actions deliberated/determined by the Ethics Commission	#	120	38	52	39
Revisions/improvements of procedures	#	38	16	26	14
Compensation of damages	#	0	0	1	0
Disciplinary action	#	25	21	13	25
Training	#	42	17	12	0
Other	#	15	4	0	0
RESPONSIBLE POLITICAL INVOLVEMENT					
Costs related to lobbying	000€	6,797	6,359	4,856	4,239



BUSINESS CONDUCT	UN	2023	2022	2021	2020
TAX TRANSPARENCY					
Current tax	000€	232,239	374,432	191,433	139,751
Support from public authorities	000€	102,238	58,389	63,211	42,767

¹ Entries registered in the complaint channels Ethics of EDP Group.

² The remaining complaints were dealt with expeditiously with the Business Units involved.

³ One of the complaints has two inherent categories, "harassment" and "personal data protection and privacy", which justifies the fact that there is one more category (322) when compared to the total of complaints entered (321).

DIGITAL TRANSFORMATION AND INNOVATION	UN	2023	2022	2021	2020
INNOVATION AND RESEARCH					
Investment in RDI	000€	222,321	186,004	102,794	110,936
Investment in RDI/Turnover	%	1	1	1	1
Number of employees in RDI	#	563	591	321	212
DIGITAL TRANSFORMATION					
Smart meters¹					
Portugal	#	5,620,188	4,593,940	3,983,104	3,208,209
Spain	#	1,379,786	1,373,145	1,372,720	1,368,843
South America	#	576,266	462,261	332,980	25,745
Clients with RE:DY	#	27,303	56,974	27,350	n.d.
Robotisation					
Number of robotised activities	#	2,436	1,610	1,686	1,132
Robotised hours/year	h/year	993,703	647,913	1,310,813	927,568
Minimum viable products ²	#	187	129	n.d.	n.d.

¹ The presented amounts are accumulated.

² KPI methodology changed to better reflect Digital Products' complexity level; "mVP equivalent" (mVP eq) is now based on the total Capex of each Digital Product, with a ratio translating that cost in a number of mVP equivalents.

SUSTAINABLE FINANCE	UN	2023	2022	2021	2020
CREATION OF A LONG-TERM VALUE					
Economic Value Generated	000€	18,296,209	22,660,644	16,479,886	13,755,853
Turnover	000€	16,202,308	20,650,764	14,982,909	12,448,205
Other income	000€	2,093,901	2,009,880	1,496,976	1,307,648



SUSTAINABLE FINANCE	UN	2023	2022	2021	2020
Economic Value Distributed	000€	15,368,261	20,375,387	14,344,023	11,307,190
Employees	000€	819,259	770,800	666,459	667,313
Suppliers	000€	10,381,262	15,633,382	11,036,972	8,213,006
Shareholders	000€	949,642	953,629	884,821	690,924
Financial sector	000€	1,889,694	1,753,220	875,816	897,326
Community	000€	33,060	31,233	22,544	21,208
State	000€	928,681	1,036,365	700,696	630,723
Other	000€	366,663	196,758	156,715	186,690
Economic Value Accumulated	000€	2,927,948	2,285,257	2,135,863	2,448,663
Gross Value Added per Employee	000€/ #	446	383	350	397
CAPEX	000€	5,850,459	4,558,287	3,492,673	2,909,191
EBITDA	000€	5,020,026	4,523,539	3,723,050	3,949,963
Net Debt/EBITDA	x	3.1	2.9	3.1	3.1
Net Profit Attributable to EDP Shareholders	000€	952,348	679,001	656,717	800,692

4.2. GRI Indicators

Environmental indicators

2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
ENVIRONMENTAL CERTIFICATION								
ISO 14001 Certification ¹	%	89	95	100	89	83	86	27
TOTAL ENERGY CONSUMPTION								
PRIMARY ENERGY CONSUMPTION	TJ	65,098	12,495	51,799	772	22	8	2
Coal	TJ	27,192	0	26,522	669	n.a.	n.a.	n.a.
Fuel oil	TJ	11	0	11	n.a.	n.a.	n.a.	n.a.
Natural gas	TJ	29,718	12,397	17,317	0	3	0	0
Blast furnace gas	TJ	7,837	n.a.	7,837	n.a.	n.a.	n.a.	n.a.
Coke gas	TJ	0	n.a.	0	n.a.	n.a.	n.a.	n.a.
Diesel oil	TJ	116	2	96	18	n.a.	n.a.	n.a.
Iron and steel industry gas	TJ	0	n.a.	0	n.a.	n.a.	n.a.	n.a.
Fuel for fleet	TJ	224	96	16	84	19	8	2
ENERGY INTENSITY²								
THERMAL POWER PLANT EFFICIENCY (capacity based)	MJ/EUR	4.6	2.5	16.9	0.2	0.3	0.1	0.0
ELECTRICITY CONSUMPTION								
Generation self-consumption	MWh	2,601,814	2,150,219	366,757	15,571	50,281	18,986	0
Administrative service	MWh	30,689	20,737	1,940	5,674	1,703	465	170
Grid losses	%	7.8	7.9	4.8	9.2	n.a.	n.a.	n.a.
GHG EMISSION								
Direct emissions (scope 1)	ktCO ₂ eq	4,275.8	699.5	3,494.0	80.1	1.5	0.6	0.2
Stationary combustion ³	ktCO ₂ eq	4,249.3	686.3	3,489.8	73.3	0.0	0.0	0.0
SF ₆ Emissions	ktCO ₂ eq	11.0	6.1	3.0	1.9	0.0	0.0	0.0
Company fleet	ktCO ₂ eq	15.3	7.1	1.2	4.9	1.4	0.6	0.2
Natural gas consumption	ktCO ₂ eq	0.2	0.0	0.0	0.0	0.1	0.0	0.0
Indirect emissions (scope 2) ⁴	ktCO ₂ eq	287.7	215.0	5.0	41.6	18.7	7.3	0.1
Electricity consumption in office buildings	ktCO ₂ eq	1.6	0.0	0.0	0.0	1.5	0.1	0.1
Electricity losses	ktCO ₂ eq	261.5	215.0	5.0	41.6	0.0	0.0	0.0
Renewable plants self-consumption	ktCO ₂ eq	24.5	0.0	0.0	0.0	17.2	7.3	0.0



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Other indirect emissions (scope 3)	ktCO ₂ eq	8,062.7	2,434.1	1,275.3	2,722.9	1,292.2	249.4	88.7
Purchased goods and services (C01)	ktCO ₂ eq	602.1	254.2	217.4	78.9	37.4	9.9	4.3
Capital Goods (C02)	ktCO ₂ eq	2,617.7	297.5	163.7	598.3	1,245.6	235.4	77.1
Fuel and energy related activities (C03)	ktCO ₂ eq	3,761.3	1,345.0	379.2	2,037.1	0.0	0.0	0.0
Upstream transportation and distribution (C04)	ktCO ₂ eq	19.1	1.6	0.6	0.7	7.0	3.3	5.9
Waste generated in operations (C05)	ktCO ₂ eq	4.9	0.2	3.1	1.4	0.2	0.0	0.0
Business Travels (C06)	ktCO ₂ eq	14.9	4.9	3.5	3.8	1.2	0.4	1.1
Commuting (C07)	ktCO ₂ eq	10.7	4.0	2.5	2.7	0.9	0.3	0.3
Use of sold products (C11)	ktCO ₂ eq	1,032.0	526.7	505.3	0.0	0.0	0.0	0.0
GHG EMISSIONS INTENSITY ⁵	kgCO ₂ /EUR	0.3	0.1	1.1	0.0	0.0	0.0	0.0
CO ₂ AVOIDED EMISSIONS ⁶	ktCO ₂	25,840.5	5,015.0	2,068.8	3,026.2	11,516.5	3,249.0	965.0
TOTAL EMISSIONS								
CO ₂ ³⁷	kt	4,249.3	686.3	3,489.8	73.3	n.a.	n.a.	n.a.
NO _x	kt	2.5	0.3	2.2	0.0	n.a.	n.a.	n.a.
SO ₂	kt	1.0	0.0	1.0	0.0	n.a.	n.a.	n.a.
Particulate matter	kt	0.1	0.0	0.1	0.0	n.a.	n.a.	n.a.
Mercury	kg	31.7	0.0	31.7	0.0	n.a.	n.a.	n.a.
SF ₆	kg	469.7	260.5	129.7	79.4	0.0	0.1	0.0
SPECIFIC OVERALL EMISSIONS								
CO ₂ ³⁷	g/kWh	75.0	50.5	318.9	8.2	n.a.	n.a.	n.a.
NO _x	g/kWh	0.0	0.0	0.2	0.0	n.a.	n.a.	n.a.
SO ₂	g/kWh	0.0	0.0	0.1	0.0	n.a.	n.a.	n.a.
Particulate matter	g/kWh	0.0	0.0	0.0	0.0	n.a.	n.a.	n.a.
SPECIFIC THERMAL EMISSIONS								
CO ₂ ³⁷	g/kWh	554.7	418.9	609.3	1,211.4	n.a.	n.a.	n.a.
NO _x	g/kWh	0.3	0.2	0.4	0.0	n.a.	n.a.	n.a.
SO ₂	g/kWh	0.1	0.0	0.2	0.0	n.a.	n.a.	n.a.
Particulate matter	g/kWh	0.0	0.0	0.0	0.0	n.a.	n.a.	n.a.
TOTAL WATER WITHDRAWAL BY SOURCE								
Ocean ⁹	10 ³ x m ³	533,056.4	0.0	533,056.4	n.a.	n.a.	n.a.	n.a.
Surface	10 ³ x m ³	8,653.7	4,588.3	4,056.7	8.7	n.a.	n.a.	n.a.
Fresh water	10 ³ x m ³	4,065.4	n.a.	4,056.7	8.7	n.a.	n.a.	n.d.
Other water	10 ³ x m ³	4,588.3	4,588.3	n.a.	n.a.	n.a.	n.a.	n.d.
Water hole ⁹	10 ³ x m ³	107.2	105.6	0.0	1.6	n.a.	n.a.	n.a.
Well ⁹	10 ³ x m ³	0.7	0.0	0.0	0.0	0.0	0.6	0.0
Municipal water supplies ⁹	10 ³ x m ³	1,173.5	72.4	726.7	370.4	0.0	0.6	3.5
Other private entity ⁹	10 ³ x m ³	312.4	311.8	0.1	0.4	0.0	0.1	0.0

2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
MAIN USE OF WATER								
Cooling water	10 ³ x m ³	541,772.3	4,615.4	536,865.7	291.2	n.a.	n.a.	n.a.
Row water	10 ³ x m ³	1,342.4	379.1	931.0	32.4	n.a.	n.a.	n.a.
Potable water	10 ³ x m ³	159.9	68.5	21.0	55.6	10.3	1.0	3.5
WASTEWATER								
Wastewater from generation with treatment	10 ³ x m ³	704.5	56.9	628.7	18.9	n.a.	n.a.	n.a.
Discharge into estuarine water and sea ⁸	10 ³ x m ³	536,840.7	3,271.9	533,404.3	164.4	n.a.	n.a.	n.a.
Discharge into inland water ⁹	10 ³ x m ³	1,402.9	5.2	1,397.8	n.a.	n.a.	n.a.	n.a.
WASTE MATERIALS								
Waste	t	266,137.7	2,270.5	136,186.8	126,621.2	938.2	121.1	0.0
Hazard waste	t	6,921.2	1,493.6	2,813.2	2,251.9	303.3	59.2	0.0
Non-hazard waste	t	231,669.6	776.9	105,826.6	124,369.3	634.9	61.8	0.0
Recovered waste	t	229,141.8	1,924.3	102,659.1	123,891.6	565.1	101.6	0.0
Hazardous waste	t	4,972.2	1,258.9	1,931.3	1,455.6	270.6	55.8	0.0
Recycled waste	t	2,636.3	0.0	1,099.2	1,405.9	129.3	1.8	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	2,636.3	0.0	1,099.2	1,405.9	129.3	1.8	0.0
Other	t	2,336.1	1,258.9	832.3	49.7	141.3	54.0	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	2,336.1	1,258.9	832.3	49.7	141.3	54.0	0.0
Non-hazardous	t	224,169.6	665.4	100,727.9	122,436.0	294.5	45.8	0.0
Recycled waste	t	108,404.5	198.6	84,563.9	23,321.8	285.1	35.0	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	108,404.2	198.6	84,563.9	23,321.8	285.1	34.8	0.0
Other	t	115,765.2	466.8	16,164.0	99,114.2	9.4	10.8	0.0
On site	t	1,163.0	0.0	1,163.0	0.0	0.0	0.0	0.0
Off site	t	114,602.2	466.8	15,001.0	99,114.2	9.4	10.8	0.0
Non-recovered waste	t	9,448.9	346.1	5,980.6	2,729.5	373.1	19.4	0.0
Hazardous waste	t	1,949.0	234.7	881.9	796.2	32.7	3.4	0.0
Landfilling	t	147.3	82.2	29.6	2.9	32.7	0.0	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	147.3	82.2	29.6	2.9	32.7	0.0	0.0
Other disposal operations	t	1,801.7	152.5	852.4	793.4	0.0	3.4	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	1,801.7	152.5	852.4	793.4	0.0	3.4	0.0



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Non-hazardous	t	7,499.9	111.5	5,098.7	1,933.3	340.4	16.0	0.0
Landfilling	t	6,532.2	90.4	4,157.7	1,933.3	340.4	10.5	0.0
On site	t	2,915.7	90.4	1,447.4	1,378.0	0.0	0.0	0.0
Off site	t	3,616.9	0.0	2,710.7	555.3	340.4	10.5	0.0
Other disposal operations	t	967.7	21.1	941.0	0.0	0.0	5.5	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	967.7	21.1	941.0	0.0	0.0	5.5	0.0
By-products	t	27,547.0	0.0	27,547.0	n.a.	n.a.	n.a.	n.a.
Gypsum	t	27,547.0	0.0	27,547.0	n.a.	n.a.	n.a.	n.a.
Fly ash	t	0.0	0.0	n.a.	n.a.	n.a.	n.a.	n.a.
Slag	t	0.0	0.0	n.a.	n.a.	n.a.	n.a.	n.a.
Recovered waste materials	%	96.4	84.8	95.6	97.8	60.2	83.9	n.a.
DISTRIBUTION IN PROTECTED AREAS								
High voltage distribution grid in protected areas	km	1,582.4	960.5	207.7	414.2	n.a.	n.a.	n.a.
Overhead	km	1,566.3	944.4	207.7	414.2	n.a.	n.a.	n.a.
Underground	km	16.1	16.1	0.0	0.0	n.a.	n.a.	n.a.
Medium voltage distribution grid in protected areas	km	17,885.9	9,417.4	1,795.0	6,673.5	n.a.	n.a.	n.a.
Overhead	km	16,673.5	8,379.4	1,629.5	6,664.5	n.a.	n.a.	n.a.
Underground	km	1,212.4	1,038.0	165.5	8.9	n.a.	n.a.	n.a.
Substations in protected areas	#	71.0	29.0	28.0	14.0	n.a.	n.a.	n.a.
TRANSMISSION IN PROTECTED AREAS								
High voltage transmission grid in protected areas	km	83.8	n.a.	n.a.	83.8	n.a.	n.a.	n.a.
Overhead	km	83.8	n.a.	n.a.	83.8	n.a.	n.a.	n.a.
Underground	km	0.0	n.a.	n.a.	0.0	n.a.	n.a.	n.a.
Substations in protected areas	#	0.0	n.a.	n.a.	0.0	n.a.	n.a.	n.a.
Sites located in WDPA¹⁰								
Wind	#	62	27	21	1	0	13	0
Solar	#	1	0	0	0	0	1	0
Sites located in KBA¹¹								
Wind	#	71	11	48	0	1	11	0
Solar	#	2	0	0	0	0	2	0
Sites located in WDPA¹⁰								
Wind	ha	3,517	1,613	1,212	99	0	593	0
Solar	ha	23	0	0	0	0	23	0



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Sites located in KBA¹¹								
Wind	ha	7,862	924	5,846	0	672	421	0
Solar	ha	40	0	0	0	0	40	0
FLOODED AREAS BY RESERVOIRS IN PROTECTED AREAS	ha	2,916.0	2,584.7	331.3	0.0	n.a.	n.a.	n.a.
ENVIRONMENTAL COMPLAINTS	#	157.0	21	38	87	5	6	0

¹ Aggregated certification indicator due to assets with potential environmental impacts.

² Primary energy consumption by turnover.

³ The stationary emissions do not include those produced by the burning of ArcelorMittal steel gases in EDP's power plants in Spain.

⁴ Calculation according with GHG Protocol based location methodology. From 2023 onwards, CO₂e emissions associated with distribution grid losses will be calculated on the basis of technical losses, as recommended by the GHG Protocol

⁵ Scope 1 and Scope 2 emissions by turnover.

⁶ CO₂ emissions that would have occurred if the electricity generated by renewable energy sources were produced by thermal power plants. For each country, it is obtained by multiplying the net renewable energy production by the emission factor of the thermoelectric mix of that country.

⁷ Includes only stationary combustion emissions.

⁸ Other water: > 1,000 mg/L of total dissolved solids.

⁹ Fresh water: ≤1,000 mg/L of total dissolved solids.

¹⁰ WDPA - World Database on Protected Areas: IBAT Dataset. Includes 150m buffer. For solar, excludes solar DG.

¹¹ KBA - Key Biodiversity Areas: IBAT Dataset. Includes 150m buffer. For solar, excludes solar DG.

2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
ENVIRONMENTAL CERTIFICATION								
ISO 14001 Certification ¹	%	87	98	41	95	96	93	n.d.
TOTAL ENERGY CONSUMPTION	TJ	143,724	44,657	98,556	251	185	76	0
PRIMARY ENERGY CONSUMPTION	TJ	132,818	36,284	96,349	169	10	6	0
Coal	TJ	62,435	0	62,359	76	n.a.	n.a.	n.a.
Fuel oil	TJ	20	0	20	n.a.	n.a.	n.a.	n.a.
Natural gas	TJ	61,961	36,182	25,777	0	2	1	0
Blast furnace gas	TJ	7,965	n.a.	7,965	n.a.	n.a.	n.a.	n.a.
Coke gas	TJ	0	n.a.	0	n.a.	n.a.	n.a.	n.a.
Diesel oil	TJ	217	1	204	13	n.a.	n.a.	n.a.
Iron and steel industry gas	TJ	0	n.a.	0	n.a.	n.a.	n.a.	n.a.
Fuel for fleet	TJ	219	101	24	80	7	5	0
ENERGY INTENSITY²	MJ/EUR	7.0	5.1	14.6	0.1	0.2	0.1	0.0
THERMAL POWER PLANT EFFICIENCY (capacity based)	%	46.7	53.9	41.1	n.a.	n.a.	n.a.	n.a.
ELECTRICITY CONSUMPTION								
Generation self-consumption	MWh	2,998,125.9	2,304,172.4	609,888.4	17,805.9	47,126.2	19,132.8	0.0
Administrative service	MWh	33,274.9	21,837.3	3,158.7	6,511.6	1,654.3	113.0	0.0
Grid losses	%	8.2	8.3	4.8	9.5	n.a.	n.a.	n.a.



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
GHG EMISSION								
Direct emissions (scope 1)	ktCO ₂ eq	9,405.0	2,020.1	7,368.2	15.6	0.6	0.5	0.0
Stationary combustion ³	ktCO ₂ eq	9,380.8	2,007.4	7,364.9	8.5	0.0	0.0	0.0
SF ₆ Emissions	ktCO ₂ eq	9.1	5.2	1.5	2.4	0.0	0.0	0.0
Company fleet	ktCO ₂ eq	14.9	7.5	1.8	4.6	0.5	0.4	0.0
Natural gas consumption	ktCO ₂ eq	0.2	0.0	0.0	0.0	0.1	0.0	0.0
Indirect emissions (scope 2) ⁴	ktCO ₂ eq	469.2	358.1	0.0	84.7	18.6	7.9	0.0
Electricity consumption in office buildings	ktCO ₂ eq	1.4	0.0	0.0	0.0	1.3	0.0	0.0
Electricity losses	ktCO ₂ eq	442.8	358.1	0.0	84.7	0.0	0.0	0.0
Renewable plants self-consumption	ktCO ₂ eq	25.0	0.0	0.0	0.0	17.2	7.8	0.0
Other indirect emissions (scope 3)	ktCO ₂ eq	9,279.4	2,907.7	1,924.9	2,957.3	550.9	242.7	695.8
Purchased goods and services (C01)	ktCO ₂ eq	712.6	302.4	267.6	70.5	52.2	14.3	5.6
Capital Goods (C02)	ktCO ₂ eq	2,935.1	170.9	203.3	1,152.1	496.8	222.2	689.9
Fuel and energy related activities (C03)	ktCO ₂ eq	4,159.0	1,664.7	765.4	1,728.9	0.0	0.0	0.0
Upstream transportation and distribution (C04)	ktCO ₂ eq	5.7	0.0	0.0	0.0	0.0	5.7	0.0
Waste generated in operations (C05)	ktCO ₂ eq	9.7	0.2	8.7	0.7	0.1	0.0	0.0
Business Travels (C06)	ktCO ₂ eq	9.1	3.1	2.4	2.3	1.0	0.3	0.0
Commuting (C07)	ktCO ₂ eq	11.0	3.9	2.8	2.9	0.7	0.3	0.4
Use of sold products (C11)	ktCO ₂ eq	1,437.2	762.6	674.6	0.0	0.0	0.0	0.0
GHG EMISSIONS INTENSITY ⁵	kgCO ₂ /EUR	0.5	0.3	1.1	0.0	0.0	0.0	0.0
CO ₂ AVOIDED EMISSIONS ⁶	ktCO ₂	22,748.9	2,553.8	2,232.1	1,808.1	12,657.8	3,034.6	462.4
TOTAL EMISSIONS								
CO ₂ ^{3,7}	kt	9,380.8	2,007.4	7,364.9	8.5	n.a.	n.a.	n.a.
NOx	kt	4.8	0.7	4.1	0.0	n.a.	n.a.	n.a.
SO ₂	kt	2.3	0.0	2.3	0.0	n.a.	n.a.	n.a.
Particulate matter	kt	0.2	0.0	0.2	0.0	n.a.	n.a.	n.a.
Mercury	kg	36.8	0.0	36.8	0.0	n.a.	n.a.	n.a.
SF ₆	kg	388.8	220.4	62.2	104.2	0.0	2.1	0.0
SPECIFIC OVERALL EMISSIONS								
CO ₂ ^{3,7}	g/kWh	152.2	146.7	458.5	1.0	n.a.	n.a.	n.a.
NOx	g/kWh	0.1	0.1	0.3	0.0	n.a.	n.a.	n.a.
SO ₂	g/kWh	0.0	0.0	0.1	0.0	n.a.	n.a.	n.a.
Particulate matter	g/kWh	0.0	0.0	0.0	0.0	n.a.	n.a.	n.a.



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
SPECIFIC THERMAL EMISSIONS								
CO ₂ ²⁷	g/kWh	575.5	27.7	687.3	2,237.8	n.a.	n.a.	n.a.
NO _x	g/kWh	0.3	0.1	0.4	0.0	n.a.	n.a.	n.a.
SO ₂	g/kWh	0.1	0.0	0.2	0.0	n.a.	n.a.	n.a.
Particulate matter	g/kWh	0.0	0.0	0.0	0.0	n.a.	n.a.	n.a.
TOTAL WATER WITHDRAWAL BY SOURCE								
Ocean ⁸	10 ³ x m ³	652,950.6	0.0	652,950.6	n.a.	n.a.	n.a.	n.a.
Surface	10 ³ x m ³	20,848.9	11,442.3	9,381.9	24.6	n.a.	n.a.	n.a.
Fresh water	10 ³ x m ³	9,406.5	n.a.	9,381.9	24.6	n.a.	n.a.	n.d.
Other water	10 ³ x m ³	11,442.3	11,442.3	n.a.	n.a.	n.a.	n.a.	n.d.
Water hole ⁹	10 ³ x m ³	165.8	165.8	0.0	0.0	n.a.	n.a.	n.a.
Well ⁹	10 ³ x m ³	3.5	0.0	0.0	1.6	1.1	0.7	0.0
Municipal water supplies ⁹	10 ³ x m ³	1,555.2	93.0	1,197.8	257.7	6.4	0.2	0.0
Other private entity ⁹	10 ³ x m ³	143.8	106.4	37.1	0.3	0.0	0.1	0.0
MAIN USE OF WATER								
Cooling water	10 ³ x m ³	673,385.8	11,460.2	661,733.5	192.1	n.a.	n.a.	n.a.
Row water	10 ³ x m ³	2,249.3	445.3	1,782.6	21.3	n.a.	n.a.	n.a.
Potable water	10 ³ x m ³	175.2	75.4	22.9	68.9	7.5	0.5	0.0
WASTEWATER								
Wastewater from generation with treatment	10 ³ x m ³	812.1	102.2	692.3	17.6	n.a.	n.a.	n.a.
Discharge into estuarine water and sea ⁸	10 ³ x m ³	660,147.0	6,662.2	653,308.7	176.1	n.a.	n.a.	n.a.
Discharge into inland water ⁹	10 ³ x m ³	1,215.2	2.9	1,212.3	n.a.	n.a.	n.a.	n.a.
WASTE MATERIALS								
	t	383,634.4	2,048.3	270,003.6	110,791.6	711.5	79.5	0.0
Waste								
Hazard waste	t	5,018.7	671.7	1,282.0	2,771.3	254.9	38.8	0.0
Non-hazard waste	t	330,136.7	1,376.6	220,242.5	108,020.3	456.6	40.7	0.0
Recovered waste	t	314,370.6	1,717.1	202,801.5	109,325.3	455.6	71.2	0.0
Hazardous waste	t	3,841.7	452.5	839.0	2,287.1	226.2	36.9	0.0
Recycled waste	t	3,002.4	0.2	639.1	2,244.8	117.9	0.4	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	3,002.4	0.2	639.1	2,244.8	117.9	0.4	0.0
Other	t	840.1	452.3	200.8	42.3	108.3	36.6	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	840.1	452.3	200.8	42.3	108.3	36.6	0.0



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Non-hazardous	t	310,528.9	1,264.6	201,962.5	107,038.1	229.4	34.3	0.0
Recycled waste	t	196,790.1	198.0	177,788.7	18,577.5	218.9	7.0	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	196,790.1	198.0	177,788.7	18,577.5	218.9	7.0	0.0
Other	t	113,693.9	1,066.6	24,128.9	88,460.6	10.4	27.3	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	113,693.9	1,066.6	24,128.9	88,460.6	10.4	27.3	0.0
Non-recovered waste	t	20,786.1	331.2	18,724.3	1,466.4	256.0	8.3	0.0
Hazardous waste	t	1,177.0	219.2	443.0	484.2	28.7	1.8	0.0
Landfilling	t	172.1	32.1	86.2	25.0	28.7	0.0	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	172.1	32.1	86.2	25.0	28.7	0.0	0.0
Other disposal operations	t	1,004.0	186.8	356.8	458.5	0.0	1.8	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	1,004.0	186.8	356.8	458.5	0.0	1.8	0.0
Non-hazardous	t	19,607.8	112.0	18,280.0	982.2	227.2	6.4	0.0
Landfilling	t	18,536.6	0.0	17,325.0	982.2	227.2	2.2	0.0
On site	t	10,618.3	0.0	10,618.3	0.0	0.0	0.0	0.0
Off site	t	7,918.2	0.0	6,706.7	982.2	227.2	2.2	0.0
Other disposal operations	t	1,071.2	112.0	955.0	0.0	0.0	4.2	0.0
On site	t	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Off site	t	1,071.2	112.0	955.0	0.0	0.0	4.2	0.0
By-products	t	48,477.7	0.0	48,477.7	n.a.	n.a.	n.a.	n.a.
Gypsum	t	48,477.7	0.0	48,477.7	n.a.	n.a.	n.a.	n.a.
Fly ash	t	0.0	0.0	n.a.	n.a.	n.a.	n.a.	n.a.
Slag	t	0.0	0.0	n.a.	n.a.	n.a.	n.a.	n.a.
Recovered waste materials	%	94.6	83.8	93.1	98.7	64.0	89.6	n.a.
DISTRIBUTION IN PROTECTED AREAS								
High voltage distribution grid in protected areas	km	1,521.0	915.4	209.0	396.6	n.a.	n.a.	n.a.
Overhead	km	1,504.9	899.3	209.0	396.6	n.a.	n.a.	n.a.
Underground	km	16.1	16.1	0.0	0.0	n.a.	n.a.	n.a.
Medium voltage distribution grid in protected areas	km	17,870.4	9,216.2	1,777.0	6,877.2	n.a.	n.a.	n.a.
Overhead	km	16,712.8	8,212.1	1,632.0	6,868.7	n.a.	n.a.	n.a.
Underground	km	1,157.6	1,004.1	145.0	8.5	n.a.	n.a.	n.a.
Substations in protected areas	#	72.0	29.0	28.0	15.0	n.a.	n.a.	n.a.



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
TRANSMISSION IN PROTECTED AREAS								
High voltage trasmission grid in protected areas	km	83.8	n.a.	n.a.	83.8	n.a.	n.a.	n.a.
Overhead	km	83.8	n.a.	n.a.	83.8	n.a.	n.a.	n.a.
Underground	km	0.0	n.a.	n.a.	0.0	n.a.	n.a.	n.a.
Substations in protected areas	#	0.0	n.a.	n.a.	0.0	n.a.	n.a.	n.a.
Sites located in WDPA¹⁰								
Wind	#	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solar	#	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sites located in KBA¹¹								
Wind	#	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solar	#	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sites located in WDPA¹⁰								
Wind	ha	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solar	ha	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sites located in KBA¹¹								
Wind	ha	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solar	ha	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FLOODED AREAS BY RESERVOIRS IN PROTECTED AREAS	ha	2,919.3	2,584.7	329.3	5.2	n.a.	n.a.	n.a.
ENVIRONMENTAL COMPLAINTS	#	222.0	30	66	100	20	6	0

¹Aggregated certification indicator due to assets with potential environmental impacts.

² Primary energy consumption by turnover.

³The stationary emissions do not include those produced by the burning of ArcelorMittal steel gases in EDP's power plants in Spain.

⁴ Calculation according with GHG Protocol based location methodology.

⁵ Scope 1 and Scope 2 emissions by turnover.

⁶ CO₂ emissions that would have occurred if the electricity generated by renewable energy sources were produced by thermal power plants. For each country, it is obtained by multiplying the net renewable energy production by the emission factor of the thermoelectric mix of that country.

⁷Includes only stationary combustion emissions.

⁸ Other water: > 1,000 mg/L of total dissolved solids.

⁹ Fresh water: ≤1,000 mg/L of total dissolved solids.

¹⁰ WDPA - World Database on Protected Areas: IBAT Dataset. Includes 150m buffer. For solar, excludes solar DG.

¹¹ KBA - Key Biodiversity Areas: IBAT Dataset. Includes 150m buffer. For solar, excludes solar DG.

Social indicators

2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
EMPLOYMENT								
Data including EDP Comercial Internacional companies acquired in 2023¹								
Employees	#	13,041	5,682	2,140	3,133	1,073	613	400
Male employees	%	70.8	71.6	68.9	74.5	66.1	63.9	64.8
Female employees	%	28.8	28.4	31.1	25.5	29.2	36.1	35.3
Not declared employees	%	0.4	0.0	0.0	0.0	4.8	0.0	0.0
Data excluding EDP Comercial Internacional companies acquired in 2023								
Employees	#	12,907	5,682	2,090	3,133	1,073	529	400
Executive Board of Directors	#	5	5	0	0	0	0	0
Senior Management	#	391	184	90	32	49	8	28
Supervisors	#	1,198	524	242	168	137	80	47
Specialists	#	6,573	2,806	1,250	1,271	613	408	225
Technicians	#	4,740	2,163	508	1,662	274	33	100
Male employees	%	70.9	71.6	68.4	74.5	66.1	65.0	64.8
Female employees	%	28.7	28.4	31.6	25.5	29.2	35.0	35.3
Not declared employees	%	0.4	0.0	0.0	0.0	4.8	0.0	0.0
Females in management position	%	29	32	30	21	27	26	29
Senior management hired from the local community	%	87	98	81	88	69	100	61
Employees by types of contract	#	12,907	5,682	2,090	3,133	1,073	529	400
Executive bodies	#	54	32	0	22	0	0	0
Male	#	40	21	0	19	0	0	0
Female	#	14	11	0	3	0	0	0
Not declared	#	0	0	0	0	0	0	0
Permanent workforce	#	12,735	5,599	2,090	3,111	1,014	522	399
Male	#	9,039	4,025	1,430	2,316	669	341	258
Female	#	3,645	1,574	660	795	294	181	141
Not declared	#	51	0	0	0	51	0	0
Fixed-term contracts	#	118	51	0	0	59	7	1
Male	#	67	23	0	0	40	3	1
Female	#	51	28	0	0	19	4	0
Not declared	#	0	0	0	0	0	0	0



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Employees by occupational contract	#	12,907	5,682	2,090	3,133	1,073	529	400
Full-Time	#	12,903	5,679	2,090	3,133	1,073	528	400
Male	#	9,144	4,068	1,430	2,335	709	343	259
Female	#	3,708	1,611	660	798	313	185	141
Not declared	#	51	0	0	0	51	0	0
Part-time	#	4	3	0	0	0	1	0
Male	#	2	1	0	0	0	1	0
Female	#	2	2	0	0	0	0	0
Not declared	#	0	0	0	0	0	0	0
Employees with disabilities	#	194	75	17	65	37	0	0
Male	#	107	42	10	31	24	0	0
Female	#	87	33	7	34	13	0	0
Not declared	#	0	0	0	0	0	0	0
Foreign employees	#	501	99	137	15	67	54	129
New employees ²	#	1,425	398	188	345	247	165	82
Direct admissions to permanent workforce	#	1,332	326	187	339	244	156	80
Admissions with fixed-term contracts	#	57	56	0	0	0	0	1
Other admissions	#	36	16	1	6	3	9	1
Male	#	818	228	109	254	76	105	46
Female	#	451	170	79	91	15	60	36
Not declared	#	156	0	0	0	156	0	0
<30 years	#	633	231	85	129	102	65	21
[30-50 years[	#	740	160	99	209	130	84	58
≥50 years	#	52	7	4	7	15	16	3
F/M new admissions rate	x	0.55	0.75	0.72	0.36	0.20	0.57	0.78
Employees leaving	#	1,729	424	221	535	224	111	214
Male	#	1,306	285	179	427	165	70	180
Female	#	416	139	42	108	52	41	34
Not declared	#	7	0	0	0	7	0	0
<30 years	#	331	83	26	68	70	35	49
[30-50 years[	#	1,009	170	96	392	134	67	150
≥50 years	#	389	171	99	75	20	9	15



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Turnover	%	13.40	7.46	10.57	17.08	20.88	20.98	53.50
Male	%	14.28	7.00	12.52	18.29	23.27	20.35	69.50
Female	%	11.21	8.62	6.36	13.53	16.61	22.16	24.11
Not declared	%	13.73	0.00	0.00	0.00	13.73	0.00	0.00
<30 years	%	15.43	9.27	11.26	12.73	25.83	28.23	54.44
[30-50 years]	%	12.46	5.42	7.80	16.06	20.68	18.87	52.45
≥50 years	%	13.55	10.35	15.74	20.72	12.99	18.00	62.50
Average age of workforce	y	41	42	43	38	38	37	36
Average age of new admissions	y	32	30	32	32	33	35	35
Average age of leaving	y	40	45	47	39	36	35	35
Average seniority of employees	y	11	15	13	9	4	3	3
Average seniority of leaving	y	10	19	17	8	3	3	2
Absenteeism rate	%	3.33	3.24	4.12	1.03	3.19	8.35	11.28
Employees entitled to parental leave	#	535	212	63	140	78	22	20
Male	#	369	152	32	109	52	13	11
Female	#	166	60	31	31	26	9	9
Not declared	#	0	0	0	0	0	0	0
Employees that took parental leave ³	#	529	211	84	128	64	22	20
Male ³	#	368	151	52	n.a.	43	13	11
Female	#	161	60	32	30	21	9	9
Not declared	#	0	0	0	0	0	0	0
Retention rate of employees who took parental leave	%	96	100	100	94	98	86	60
Male ³	%	96	100	100	n.a.	98	77	27
Female	%	97	100	100	83	100	100	100
Not declared	%	0	0	0	0	0	0	0
Annualized average base salary								
Male	€	3,717	3,400	4,861	1,947	8,195	4,742	4,405
Female	€	3,857	3,772	4,303	1,918	7,943	3,735	4,433
Not declared	€	5,004	0	0	0	5,004	0	0
Pay ratio by gender (F/M)	x	1.04	1.11	0.89	0.98	0.97	0.79	1.01
Ratio of the annual total compensation for the organization's highest-paid individual to the average annual total compensation for all employees (excluding the highest-paid individual)	x	12.72	6.45	7.44	10.16	6.01	4.60	8.34



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
TRAINING								
Total hours of training	h	376,717	142,183	37,261	118,528	36,690	34,620	7,436
Sustainability								
Environment	h	1,999	633	89	265	534	478	0
Social and Economic	h	2,759	638	579	97	867	445	134
Ethics	h	6,692	2,977	465	921	470	1,825	34
Quality	h	2,217	1,546	95	96	111	283	88
Languages	h	11,925	6,593	0	774	0	4,557	0
Information systems	h	22,300	11,879	3,407	1,155	1,349	3,385	1,126
Other	h	328,825	117,918	32,626	115,221	33,358	23,646	6,055
Average total training	h/p	29	25	18	38	34	64	19
Executive Board of Directors	h/p	5	5	n.a.	n.a.	n.a.	n.a.	n.a.
Male	h/p	5	5	n.a.	n.a.	n.a.	n.a.	n.a.
Female	h/p	4	4	n.a.	n.a.	n.a.	n.a.	n.a.
Senior Management	h/p	23	31	11	13	12	126	10
Male	h/p	26	34	11	12	14	126	25
Female	h/p	20	26	11	18	8	n.a.	15
Supervisors	h/p	36	35	21	69	19	55	25
Male	h/p	37	36	24	73	18	53	26
Female	h/p	31	33	14	56	22	60	21
Specialists	h/p	22	20	15	22	22	64	20
Male	h/p	24	20	17	30	24	65	23
Female	h/p	19	21	11	12	21	63	17
Technicians	h/p	37	28	25	47	72	74	15
Male	h/p	40	30	27	50	98	98	15
Female	h/p	20	17	16	26	23	19	14
Employees with training	%	100	100	67	100	45	100	100
LABOUR RELATIONS								
Collective employment agreements	%	78	99	58	97	0	31	0
Trade union membership	%	27	31	18	42	0	1	0
Union Structures	#	32	15	5	11	0	1	0
Hours lost due to strikes	h	1,460	1,382	29	0	0	49	0
Staff engaged in further study	#	69	69	0	0	0	0	0
Professional internships	#	471	290	0	114	50	4	13
Academic internships	#	123	0	89	0	1	23	10



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
HEALTH AND SAFETY (H&S)								
Certification (installed capacity)	MW	25,102	8,410	4,380	2,436	7,814	1,819	243
Certification (installed capacity)	%	92	97	100	91	72	86	77
Employees								
Covered by certification	#	10,255	5,924	1,708	1,150	1,036	342	95
Covered by certification	%	78	100	100	32	100	100	20
Work-related injuries⁴								
Recordable work-related injuries ⁵	#	60	23	7	14	14	0	2
High-consequence work-related injuries ⁶	#	3	2	1	0	0	0	0
Fatal work-related injuries	#	0	0	0	0	0	0	0
Work-related ill health								
Recordable ill health	#	0	0	0	0	0	0	0
Fatalities as a result of ill health	#	0	0	0	0	0	0	0
Accidents with lost workdays⁷								
Male	#	32	17	2	9	2	0	2
Female	#	5	4	0	1	0	0	0
Total lost days due to accidents ⁸	#	1,978	1,111	402	297	156	0	12
Hours worked	h	25,226,403	10,128,132	3,770,780	7,302,639	2,056,217	619,046	1,349,589
Rates								
Frequency rate⁹	Fr	1.47	2.07	0.53	1.37	0.97	0.00	1.48
Male	Fr	1.70	2.34	0.76	1.67	0.97	0.00	1.88
Female	Fr	0.78	1.40	0.00	0.52	0.00	0.00	0.00
Severity rate¹⁰	Sr	78	110	107	41	76	0	9
Male	Sr	85	102	152	55	76	0	11
Female	Sr	58	129	0	1	0	0	0
Overall severity rate¹¹	oSr	81	117	107	41	76	0	9
Male	oSr	87	107	152	55	76	0	11
Female	oSr	63	141	0	1	0	0	0
Work-related injuries⁴								
Recordable frequency rate	RFr	2.38	2.27	1.86	1.92	6.81	0.00	1.48
High-consequence frequency rate (excluding fatalities)	HFr	0.12	0.20	0.27	0.00	0.00	0.00	0.00
Fatal frequency rate	FFr	0.00	0.00	0.00	0.00	0.00	0.00	0.00



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Contractors								
Covered by certification	#	19,079	8,536	3,196	4,856	1,526	806	159
Covered by certification	%	78	100	100	32	100	100	20
Work-related injuries⁴								
Recordable work-related injuries	#	213	57	38	92	18	5	3
High-consequence work-related injuries (excluding fatalities)	#	11	5	4	2	0	0	0
Fatal work-related injuries	#	5	0	0	5	0	0	0
Work-related ill health								
Recordable ill health	#	0	0	0	0	0	0	0
Fatalities as a result of ill health	#	0	0	0	0	0	0	0
Accidents with lost workdays ⁷	#	140	56	23	53	0	5	3
Hours worked	h	62,546,729	16,867,239	6,314,939	29,987,258	6,218,093	1,592,711	1,566,489
Rates								
Frequency rate ⁹	Fr	2.32	3.32	3.64	1.93	0.00	3.14	1.92
Severity rate ¹⁰	Sr	106	214	192	46	0	92	183
Overall severity rate ¹¹	oSr	592	236	192	1,047	0	92	183
Work-related injuries⁵								
Recordable Frequency Rate	RFr	3.41	3.38	6.02	3.07	2.89	3.14	1.92
High-Consequence Frequency Rate	HFr	0.18	0.30	0.63	0.07	0.00	0.00	0.00
Fatal Frequency Rate	FFr	0.08	0.00	0.00	0.17	0.00	0.00	0.00
EDP employees and contractors								
Rates								
Frequency rate ⁹	Fr	2.07	2.85	2.48	1.82	0.24	2.26	1.71
Severity rate ¹⁰	Sr	98	175	160	45	19	66	103
Overall severity rate ¹¹	oSr	445	191	160	850	19	66	103
Near accidents	#	537	169	108	120	112	27	1
People outside the activity								
Electrical accidents involving third parties¹²								
Fatal electrical accidents involving third parties	#	15	2	0	13	0	0	0
Representatives elected in H&S Commissions								
EDP employees represented ¹³	%	69	84	81	67	0	72	0
Employees representative	#	247	47	20	148	14	18	0



2023	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
H&S TRAINING								
Employees								
Awareness actions	#	2,602	410	538	908	534	199	13
Employees	#	33,338	9,587	5,915	5,910	9,311	2,545	70
Training hours	h	141,290	23,653	20,106	69,867	17,715	8,585	1,364
Contractors								
Awareness actions	#	7,086	5,199	168	1,480	0	226	13
Employees	#	24,141	11,264	1,050	10,509	0	763	555
Training hours	h	250,921	3,404	325	246,935	0	203	54

¹ Data includes companies acquired in 2023 and which, in the purchase process, negotiated that, for GDPR (General Data Protection Regulation) reasons, human resources data would only be made available in 2024.

² Net values of the employees transfer from fixed-term contracts to permanent workforce.

³ These values do not include information about male employees that took parental leave at South America.

⁴ Accidents at the workplace in worktime and accidents on the way to or from work, with an absence of one more calendar days and fatal accidents.

⁵ Includes accidents: fatal, absence from work (TTI - Temporary Total Incapacity), with TPI (Temporary Partial Incapacity) or PPI (Permanent Partial Incapacity); Without absence, with use of non-prescription medication at prescription strength; without absence, with use of wound closing treatment, such as suture, staples; without absence, administering immunization vaccines; without absence, with use of devices with rigid stays/others designed to immobilization; without absence, with physical therapy treatment; without absence, with loss of consciousness.

⁶ An accident at work in which a serious injury has resulted and from which the worker does not recover, or may not fully recover, or from which it is not expected to recover in less than 6 months. Excludes fatal accidents.

⁷ Accidents occurred at the place and working time or on a journey, with 1 or more days of absence and fatal accidents.

⁸ Sum of the number of absence calendar days resulting of work accidents occurred in the reference period, plus the number of days lost by accidents in the previous period, which lasted until the reference period without interruption. The lost time is measured from the day following the accident to the day right before the return to work.

⁹ Number of accidents at work in service with absence/fatalities, per million hours worked.

¹⁰ Number of calendar days lost due to work accident per million hours worked, in the reference period.

¹¹ Number of calendar days lost due to work accidents per million hours worked, in the reference period, including days for permanent disability and a portion of 6,000 days for each fatal accident.

¹² Accidents involving persons outside EDP's activity, including fatal accidents.

¹³ Numbers of EDP employees represented by the total number of EDP employees.

2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
EMPLOYMENT								
Employees								
Executive Board of Directors	#	5	5	0	0	0	0	0
Senior Management	#	386	182	88	30	52	7	27
Supervisors	#	1,323	520	291	189	192	62	69
Specialists	#	6,469	2,733	1,180	1,475	477	391	213
Technicians	#	5,028	2,276	560	1,634	320	16	222
Male employees	%	72.1	72.3	70.6	75.5	66.0	64.9	73.8
Female employees	%	27.5	27.7	29.4	24.5	28.9	35.1	26.2
Not declared employees	%	0.4	0.0	0.0	0.0	5.1	0.0	0.0
Females in management position	%	28	32	27	21	23	23	34
Senior management hired from the local community	%	88	99	81	90	75	86	67



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Employees by types of contract	#	13,211	5,716	2,119	3,328	1,041	476	531
Executive bodies	#	53	32	0	21	0	0	0
Male	#	37	21	0	16	0	0	0
Female	#	16	11	0	5	0	0	0
Not declared	#	0	0	0	0	0	0	0
Permanent workforce	#	13,024	5,628	2,116	3,307	972	470	531
Male	#	9,416	4,084	1,495	2,495	643	307	392
Female	#	3,555	1,544	621	812	276	163	139
Not declared	#	53	0	0	0	53	0	0
Fixed-term contracts	#	134	56	3	0	69	6	0
Male	#	74	26	2	0	44	2	0
Female	#	60	30	1	0	25	4	0
Not declared	#	0	0	0	0	0	0	0
Employees by occupational contract	#	13,211	5,716	2,119	3,328	1,041	476	531
Full-Time	#	13,205	5,711	2,119	3,328	1,041	475	531
Male	#	9,526	4,131	1,497	2,511	687	308	392
Female	#	3,626	1,580	622	817	301	167	139
Not declared	#	53	0	0	0	53	0	0
Part-time	#	6	5	0	0	0	1	0
Male	#	1	0	0	0	0	1	0
Female	#	5	5	0	0	0	0	0
Not declared	#	0	0	0	0	0	0	0
Employees with with disabilities	#	191	72	18	70	31	0	0
Male	#	110	44	11	36	19	0	0
Female	#	81	28	7	34	12	0	0
Not declared	#	0	0	0	0	0	0	0
Foreign employees	#	480	91	114	18	56	84	117
New employees ¹	#	2,064	521	272	595	381	161	134
Direct admissions to permanent workforce	#	1,831	443	271	588	311	102	116
Admissions with fixed-term contracts	#	71	70	1	0	0	0	0
Other admissions	#	162	8	0	7	70	59	18
Male	#	1,216	302	175	437	118	113	71
Female	#	642	219	97	158	57	48	63
Not declared	#	206	0	0	0	206	0	0



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
<30 years	#	854	275	123	186	161	68	41
[30-50 years[	#	1,069	236	140	357	170	84	82
≥50 years	#	141	10	9	52	50	9	11
F/M new admissions rate	x	0.53	0.73	0.55	0.36	0.48	0.42	0.89
Employees leaving	#	1,553	474	135	487	251	49	157
Male	#	1,140	336	102	370	177	31	124
Female	#	400	138	33	117	61	18	33
Not declared	#	13	0	0	0	13	0	0
<30 years	#	333	76	29	90	70	7	61
[30-50 years[	#	779	144	70	290	149	40	86
≥50 years	#	441	254	36	107	32	2	10
Turnover	%	11.76	8.29	6.37	14.63	24.11	10.29	29.57
Male	%	11.97	8.13	6.81	14.74	25.76	10.03	31.63
Female	%	11.02	8.71	5.31	14.32	20.27	10.78	23.74
Not declared	%	24.53	n.a.	n.a.	n.a.	24.53	n.a.	n.a.
<30 years	%	14.40	8.00	12.83	15.33	25.27	6.14	38.36
[30-50 years[	%	9.80	4.70	5.63	12.09	25.82	12.23	25.22
≥50 years	%	15.31	14.91	5.54	31.20	27.12	5.71	32.26
Average age of workforce	y	41	43	44	38	37	37	35
Average age of new admissions	y	34	31	33	36	35	34	36
Average age of leaving	y	42	49	42	41	37	38	33
Average seniority of employees	y	12	16	14	9	4	3	2
Average seniority of leaving	y	12	23	12	10	3	4	1
Absenteeism rate	%	3.00	3.49	3.87	1.38	3.46	8.14	2.26
Employees entitled to parental leave	#	625	234	118	197	40	23	13
Male	#	397	153	79	118	24	12	11
Female	#	228	81	39	79	16	11	2
Not declared	#	0	0	0	0	0	0	0
Employees that took parental leave ²	#	459	165	118	106	37	20	13
Male ²	#	236	84	79	29	24	9	11
Female	#	223	81	39	77	13	11	2
Not declared	#	0	0	0	0	0	0	0



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Retention rate of employees who took parental leave	%	98.1	100.0	94.2	99.1	97.5	95.7	100.0
Male ²	%	98	100	96	100	96	100	100
Female	%	99	100	97	99	100	91	100
Not declared	%	0	0	0	0	0	0	0
Annualized average base salary								
Male	€	3,631	3,227	4,467	1,877	10,623	4,206	3,265
Female	€	3,825	3,542	3,923	2,023	10,162	3,282	4,147
Not declared	€	4,232	0	0	0	4,232	0	0
Pay ratio by gender (F/M)	x	1.1	1.1	0.9	1.1	1.0	0.8	1.3
Ratio of the annual total compensation for the organization's highest-paid individual to the average annual total compensation for all employees (excluding the highest-paid individual)	x	13.0	6.3	7.9	11.8	4.7	5.2	9.8
TRAINNING								
Total hours of training	h	309,935	140,908	86,147	49,191	22,451	9,831	1,407
Sustainability								
Environment	h	1,648	886	483	94	19	165	1
Social and Economic	h	225	194	5	1	0	24	1
Ethics	h	5,714	1,037	582	3,620	349	32	93
Quality	h	1,721	904	195	17	149	455	0
Languages	h	20,212	3,356	14,050	1,285	299	1,221	0
Information systems	h	28,900	6,927	16,888	2,002	1,428	1,467	186
Other	h	251,515	127,604	53,942	42,172	20,206	6,466	1,126
Average total training	h/p	23.6	24.7	40.7	14.8	22.7	20.7	2.7
Executive Board of Directors	h/p	5.0	5.0	n.a.	n.a.	n.a.	n.a.	n.a.
Male	h/p	5.3	5.3	n.a.	n.a.	n.a.	n.a.	n.a.
Female	h/p	4.7	4.7	n.a.	n.a.	n.a.	n.a.	n.a.
Senior Management	h/p	60.1	49.6	117.7	19.8	39.3	136.5	7.0
Male	h/p	61.0	51.0	111.7	21.4	41.6	136.5	6.4
Female	h/p	57.6	46.7	139.6	14.8	32.6	n.a.	9.1
Supervisors	h/p	35.6	40.9	62.8	22.9	8.4	18.5	4.3
Male	h/p	36.0	39.4	72.9	21.2	7.8	12.4	4.0
Female	h/p	33.8	43.9	38.3	29.1	10.1	36.2	4.8
Specialists	h/p	18.3	18.5	32.8	9.6	13.8	19.4	3.3
Male	h/p	19.5	19.4	35.1	10.3	15.8	19.8	3.3
Female	h/p	16.1	17.1	28.5	8.3	10.9	18.7	3.3



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Technicians	h/p	24.4	26.4	33.5	18.5	42.5	8.1	1.0
Male	h/p	26.1	28.7	34.7	19.7	50.1	4.0	0.9
Female	h/p	13.8	11.3	28.5	11.3	14.5	9.5	2.0
Employees with training	%	99.5	90.8	100.0	100.0	100.0	87.4	100.0
LABOUR RELATIONS								
Collective employment agreements	%	79	99	61	98	0	36	0
Trade union membership	%	27	31	20	40	0	1	0
Union Structures	#	29	15	5	9	0	0	0
Hours lost due to strikes	h	964	964	0	0	0	0	0
Staff engaged in further study	#	83	83	0	0	0	0	0
Professional internships	#	476	280	0	137	47	0	12
Academic internships	#	199	9	190	0	0	0	0
HEALTH AND SAFETY (H&S)								
Certification (installed capacity)	MW	24,754	8,244	5,325	3,115	6,370	1,700	0
Certification (installed capacity)	%	96	98	100	95	96	95	0
Employees								
Covered by certification	#	10,604	6,049	2,092	1,767	380	316	0
Covered by certification	%	81	100	100	49	37	99	0
Work-related injuries³								
Recordable work-related injuries ⁴	#	51	12	11	13	7	1	7
High-consequence work-related injuries ⁵	#	0	0	0	0	0	0	0
Fatal work-related injuries	#	0	0	0	0	0	0	0
Work-related ill health								
Recordable ill health	#	2	2	0	0	0	0	0
Fatalities as a result of ill health	#	0	0	0	0	0	0	0
Accidents with lost workdays⁶								
Male	#	25	9	2	6	0	1	7
Female	#	3	1	0	2	0	0	0
Total lost days due to accidents ⁷	#	1,594	971	188	155	210	1	69
Hours worked	h	24,673,057	9,966,930	3,667,344	7,262,008	1,744,415	576,374	1,455,986
Rates								
Frequency rate⁸	Fr	1.13	1.00	0.55	1.10	0.00	1.73	4.81
Male	Fr	1.34	1.24	0.76	1.11	0.00	2.66	5.57
Female	Fr	0.50	0.37	0.00	1.07	0.00	0.00	0.00



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
Severity rate⁹	Sr	65	97	51	21	120	2	47
Male	Sr	84	132	71	27	120	3	55
Female	Sr	4	5	0	5	0	0	0
Overall severity rate¹⁰	oSr	69	109	51	21	120	2	47
Male	oSr	90	146	71	27	120	3	55
Female	oSr	6	9	0	5	0	0	0
Work-related injuries³								
Recordable frequency rate	RFr	2.07	1.20	3.00	1.79	4.01	1.73	4.81
High-consequence frequency rate (excluding fatalities)	HFr	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fatal frequency rate	FFr	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractors								
Covered by certification	#	20,689	7,699	2,839	6,215	549	517	0
Covered by certification	%	81	100	100	49	37	99	0
Work-related injuries³								
Recordable work-related injuries	#	161	55	33	64	9	0	0
High-consequence work-related injuries (excluding fatalities)	#	10	5	3	2	0	0	0
Fatal work-related injuries	#	5	3	0	2	0	0	0
Work-related ill health								
Recordable ill health	#	0	0	0	0	0	0	0
Fatalities as a result of ill health	#	0	0	0	0	0	0	0
Accidents with lost workdays ⁶	#	105	50	23	32	0	0	0
Hours worked	h	50,470,660	15,213,865	5,609,617	25,063,733	2,933,039	1,030,850	619,556
Rates								
Frequency rate ⁸	Fr	2.18	3.48	4.10	1.36	0.00	0.00	0.00
Severity rate ⁹	Sr	144	208	361	79	0	91	0
Overall severity rate ¹⁰	oSr	749	1,412	361	566	0	91	0
Work-related injuries⁴								
Recordable Frequency Rate	RFr	3.19	3.62	5.88	2.55	3.07	0.00	0.00
High-Consequence Frequency Rate	HFr	0.20	0.33	0.53	0.08	0.00	0.00	0.00
Fatal Frequency Rate	FFr	0.10	0.20	0.00	0.06	0.00	0.00	0.00



2022	UN	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
EDP employees and contractors								
Rates								
Frequency rate ⁸	Fr	1.84	2.50	2.69	1.30	0.00	0.62	3.37
Severity rate ⁹	Sr	118	164	239	66	45	59	33
Overall severity rate ¹⁰	oSr	526	896	239	443	45	59	33
Near accidents	#	471	135	85	107	125	19	0
People outside the activity								
Electrical accidents involving third parties ¹¹	#	41	12	0	29	0	0	0
Fatal electrical accidents involving third parties ¹²	#	14	2	0	12	0	0	0
Representatives elected in H&S Comissions								
EDP employees represented ¹³	%	75	87	56	77	44	66	16
Employees representative	#	280	53	20	141	55	11	3
H&S TRAINNING								
Employees								
Awareness actions	#	5,398	405	724	3,328	784	145	12
Employees	#	36,152	8,423	6,335	13,101	7,549	673	71
Training hours	h	176,500	28,112	21,239	115,553	8,888	2,457	251
Contractors								
Awareness actions	#	9,388	5,880	109	3,194	0	198	7
Employees	#	35,432	24,817	1,171	8,674	0	610	160
Training hours	h	173,241	50,903	153	120,377	0	180	1,628

¹Net values of the employees transfer from fixed-term contracts to permanent workforce.

²These values do not include information about male employees that took parental leave at South America.

³Accidents at the workplace in worktime and accidents on the way to or from work, with an absence of one more calendar days and fatal accidents.

⁴Includes accidents: fatal, absence from work (TTI - Temporary Total Incapacity), with TPI (Temporary Partial Incapacity) or PPI (Permanent Partial Incapacity); Without absence, with use of non-prescription medication at prescription strength; without absence, with use of wound closing treatment, such as suture, staples; without absence, administering immunization vaccines; without absence, with use of devices with rigid stays/others designed to immobilization; without absence, with physical therapy treatment; without absence, with loss of consciousness.

⁵An accident at work in which a serious injury has resulted and from which the worker does not recover, or may not fully recover, or from which it is not expected to recover in less than 6 months. Excludes fatal accidents.

⁶Accidents occurred at the place and working time or on a journey, with 1 or more days of absence and fatal accidents.

⁷Sum of the number of absence calendar days resulting of work accidents occurred in the reference period, plus the number of days lost by accidents in the previous period, which lasted until the reference period without interruption. The lost time is measured from the day following the accident to the day right before the return to work.

⁸Number of accidents at work in service with absence/fatalities, per million hours worked.

⁹Number of calendar days lost due to work accident per million hours worked, in the reference period.

¹⁰Number of calendar days lost due to work accidents per million hours worked, in the reference period, including days for permanent disability and a portion of 6,000 days for each fatal accident.

¹¹Accidents involving persons outside EDP's activity, including fatal accidents.

¹²Accidents involving persons outside EDP's activity. It should be noted that in 2022, there were 14 fatal accidents, two of which had two victims.

¹³Numbers of EDP employees represented by the total number of EDP employees.

Economic indicators

EDP GROUP	UN	2023	2022
Economic value generated	000€	18,296,209	22,660,644
Economic value distributed	000€	15,368,261	20,375,387
Economic value accumulated	000€	2,927,948	2,285,257
RDI	000€	222,321	186,004
Energy efficiency and supplementary energy services revenues ¹	000€	1,978,530	2,035,806
Energy efficiency services revenues	000€	571,162	491,013
Supplementary energy services revenues ²	000€	1,407,368	1,544,793
Support from public authorities ³	000€	102,238	58,389
Fines and penalties	000€	11,761	11,301
Environmental matters ⁴	000€	522,359	1,111,545
Investments	000€	107,069	105,490
Expenses	000€	415,290	1,006,055
Social matters			
Personnal costs	000€	730,710	684,355
Employee benefits	000€	88,549	86,445
Direct training investment	000€	5,190	3,788
Direct training investment per employee	€/p	402	287
HC ROI	€/p	7.11	6.51

¹Energy Efficiency and Supplementary Energy Services: services provided under energy supply, installation of more efficient and/or building retrofit, and sustainable mobility, which generate revenues for the company.

²Supplementary energy services revenues include the following categories: Energy Management, Maintenance and Operation, Property/Facility Management, Energy and/or Equipment Supply, Provision of Service (example: steam) and other.

³Support from public authorities both recognised and not recognised in the income statement.

⁴More information available on the Note 49 in Part II - Financial Statements of this report.

Part II Financial Statements and Notes



Part II

Financial Statements and Notes

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Financial Statements
31 December 2023

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Consolidated Income Statements
for the periods ended at 31 December 2023 and 2022

Thousand Euros	Notes	2023	2022
Revenues from energy sales and services and other	7	16,202,308	20,650,764
Cost of energy sales and other	7	-9,205,348	-14,529,713
		6,996,960	6,121,051
Other income	8	1,036,691	927,450
Supplies and services	9	-1,175,914	-1,103,668
Personnel costs and employee benefits	10	-819,259	-770,800
Other expenses	11	-1,031,434	-829,724
Impairment losses on trade receivables and debtors	27	-64,730	-60,199
		-2,054,646	-1,836,941
Joint ventures and associates	22	77,712	239,429
		5,020,026	4,523,539
Provisions	37	-31,272	-14,539
Depreciation, amortisation and impairment	12	-2,190,584	-1,979,007
		2,798,170	2,529,993
Financial income	14	979,498	843,000
Financial expenses	14	-1,889,694	-1,753,220
Profit before income tax and CESE		1,887,974	1,619,773
Income tax expense	15	-507,219	-398,490
Extraordinary contribution to the energy sector (CESE)	16	-49,365	-51,534
		-556,584	-450,024
Net profit for the period		1,331,390	1,169,749
Attributable to:			
Equity holders of EDP	31	952,348	679,001
Non-controlling interests	34	379,042	490,748
Net profit for the period		1,331,390	1,169,749
Earnings per share (Basic and Diluted) – Euros	31	0.23	0.17

LISBON, 29 FEBRUARY 2024

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Consolidated Statements of Comprehensive Income
for the periods ended at 31 December 2023 and 2022

Thousand Euros	2023		2022	
	Equity holders of EDP	Non-controlling Interests	Equity holders of EDP	Non-controlling Interests
Net profit for the period	952,348	379,042	679,001	490,748
Items that will never be reclassified to profit or loss (i)				
Actuarial gains/(losses) (iii)	122,425	-3,328	277,479	8,065
Tax effect from the actuarial gains/(losses)	-36,958	1,414	-86,303	-2,525
Fair value reserve of assets measured at fair value through other comprehensive income with no recycling (ii)	-16,886	-4,275	-5,558	3,413
Tax effect from the Fair value reserve of assets measured at fair value through other comprehensive income with no recycling (ii)	-1,410	-470	3,856	-
	67,171	-6,659	189,474	8,953
Items that may be reclassified to profit or loss (i)				
Currency translation reserve	91,068	45,159	103,549	166,830
Fair value reserve (cash flow hedge) (ii)	1,549,256	241,116	-941,411	-124,424
Tax effect from the fair value reserve (cash flow hedge) (ii)	-343,914	-60,423	201,971	31,965
Fair value reserve (cash flow hedge) - Joint ventures and associates (ii)	-78,371	-32,101	41,931	15,252
Tax effect from the fair value reserve (cash flow hedge) - Joint ventures and associates (ii)	24,108	9,102	-16,733	-5,549
Fair value reserve of assets measured at fair value through comprehensive income with recycling (ii)	-1,224	-	-	-
Tax effect from fair value reserve of assets measured at FV through other comprehensive income with recycling (ii)	312	-	-	-
Other changes, net taxes	344	-	8,844	4,917
	1,241,579	202,853	-601,849	88,991
Other comprehensive income for period (net of income tax)	1,308,750	196,194	-412,375	97,944
Total comprehensive income for the period	2,261,098	575,236	266,626	588,692

(i) See Consolidated Statement of Changes in Equity

(ii) See Note 33

(iii) See Note 36

LISBON, 29 FEBRUARY 2024

THE CERTIFIED ACCOUNTANT
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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Consolidated Statements of Financial Position
as at 31 December 2023 and 2022

Thousand Euros	Notes	2023	2022
Assets			
Property, plant and equipment	17	26,078,762	24,216,807
Right-of-use assets	18	1,225,430	1,320,270
Intangible assets	19	4,824,773	4,984,002
Goodwill	20	3,378,803	3,469,228
Investments in joint ventures and associates	22	1,558,117	1,605,743
Equity instruments at fair value	23	204,752	216,418
Investment property	24	25,344	27,294
Deferred tax assets	25	1,409,332	1,784,292
Debtors and other assets from commercial activities	27	3,915,942	3,772,126
Other debtors and other assets	28	1,783,967	1,924,510
Non-Current tax assets	29	122,749	109,902
Collateral deposits associated to financial debt	35	35,512	23,765
Total Non-Current Assets		44,563,483	43,454,357
Inventories	26	805,448	1,256,300
Debtors and other assets from commercial activities	27	4,627,654	4,888,220
Other debtors and other assets	28	1,291,742	3,371,795
Current tax assets	29	830,168	814,298
Collateral deposits associated to financial debt	35	35,219	29,336
Cash and cash equivalents	30	3,372,432	4,900,205
Non-Current Assets held for sale	42	1,170,528	101,900
Total Current Assets		12,133,191	15,362,054
Total Assets		56,696,674	58,816,411
Equity			
Share capital	31	4,184,022	3,965,681
Treasury stock	32	-69,607	-51,288
Share premium	31	1,970,996	1,196,522
Reserves and retained earnings	33	4,514,880	3,093,533
Consolidated net profit attributable to equity holders of EDP		952,348	679,001
Total Equity attributable to equity holders of EDP		11,552,639	8,883,449
Non-controlling Interests	34	5,104,164	4,951,159
Total Equity		16,656,803	13,834,608
Liabilities			
Financial debt	35	16,728,111	15,782,604
Employee benefits	36	540,159	644,299
Provisions	37	871,019	922,059
Deferred tax liabilities	25	1,479,223	1,244,593
Institutional partnerships in North America	38	2,188,245	2,212,162
Trade payables and other liabilities from commercial activities	39	1,410,757	1,412,454
Other liabilities and other payables	40	3,299,935	5,159,496
Non-current tax liabilities	41	138,834	179,250
Total Non-Current Liabilities		26,656,283	27,556,917
Financial debt	35	3,904,580	4,239,869
Employee benefits	36	124,710	126,767
Provisions	37	51,708	51,285
Trade payables and other liabilities from commercial activities	39	6,504,812	8,404,970
Other liabilities and other payables	40	1,370,807	3,600,893
Current tax liabilities	41	733,823	1,001,102
Non-Current Liabilities held for sale	42	693,148	-
Total Current Liabilities		13,383,588	17,424,886
Total Liabilities		40,039,871	44,981,803
Total Equity and Liabilities		56,696,674	58,816,411

LISBON, 29 FEBRUARY 2024

THE CERTIFIED ACCOUNTANT
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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Consolidated Statements of Changes in Equity
for the periods ended at 31 December 2023 and 2022

Thousand Euros	Reserves and retained earnings (ii)										
	Total Equity	Share capital (i)	Share premium (i)	Legal reserve	Other reserves and retained earnings	Fair value reserve (cash flow hedge)	Fair value reserve (financial assets)	Currency translation reserve	Treasury stock (iv)	Equity attributable to equity holders of EDP	Non-controlling interests (iii)
Balance as at 31 December 2021	13,977,565	3,965,681	1,196,522	782,932	5,223,309	-780,860	17,362	-1,029,477	-52,660	9,322,809	4,654,756
Comprehensive income:											
Net profit for the period	1,169,749	-	-	-	679,001	-	-	-	-	679,001	490,748
Changes in the fair value reserve (cash flow hedge) net of taxes	-831,899	-	-	-	-	-739,440	-	-	-	-739,440	-92,459
Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes	-6,050	-	-	-	-	-	-9,463	-	-	-9,463	3,413
Share of other comprehensive income of joint ventures and associates net of taxes	56,423	-	-	-	6,666	25,198	7,761	2,178	-	41,803	14,620
Actuarial gains/(losses) net of taxes	196,716	-	-	-	191,176	-	-	-	-	191,176	5,540
Exchange differences arising on consolidation	270,379	-	-	-	-	-	-	103,549	-	103,549	166,830
Total comprehensive income for the period	855,318	-	-	-	876,843	-714,242	-1,702	105,727	-	266,626	588,692
Transfer to legal reserve	-	-	-	10,204	-10,204	-	-	-	-	-	-
Dividends paid	-749,802	-	-	-	-749,802	-	-	-	-	-749,802	-
Dividends attributable to non-controlling interests	-202,044	-	-	-	-	-	-	-	-	-	-202,044
Purchase and sale of treasury stock	-982	-	-	-	-	-	-	-	-982	-982	-
Share-based payments	3,273	-	-	-	919	-	-	-	2,354	3,273	-
Acquisition of partnership in Sunseap	44,366	-	-	-	-	-	-	-	-	-	44,366
Sale of partnership in Energest	60,034	-	-	-	-	-	-	34,824	-	34,824	25,210
Changes resulting from acquisitions/sales, equity increases/decreases and other	-153,120	-	-	-	6,701	-	-	-	-	6,701	-159,821
Balance as at 31 December 2022	13,834,608	3,965,681	1,196,522	793,136	5,347,766	-1,495,102	15,660	-888,926	-51,288	8,883,449	4,951,159
Comprehensive income:											
Net profit for the period	1,331,390	-	-	-	952,348	-	-	-	-	952,348	379,042
Changes in the fair value reserve (cash flow hedge) net of taxes	1,386,035	-	-	-	-	1,205,342	-	-	-	1,205,342	180,693
Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes	-13,563	-	-	-	-	-	-8,818	-	-	-8,818	-4,745
Share of other comprehensive income of joint ventures and associates net of taxes	-87,308	-	-	-	1,993	-54,263	-10,390	-1,649	-	-64,309	-22,999
Actuarial gains/(losses) net of taxes	83,553	-	-	-	85,467	-	-	-	-	85,467	-1,914
Exchange differences arising on consolidation	136,227	-	-	-	-	-	-	91,068	-	91,068	45,159
Total comprehensive income for the period	2,836,334	-	-	-	1,039,808	1,151,079	-19,208	89,419	-	2,261,098	575,236
Transfer to legal reserve	-	-	-	42,428	-42,428	-	-	-	-	-	-
Dividends paid	-791,427	-	-	-	-791,427	-	-	-	-	-791,427	-
Dividends attributable to non-controlling interests	-188,503	-	-	-	-	-	-	-	-	-	-188,503
Share Capital increase	992,815	218,341	774,474	-	-	-	-	-	-	992,815	-
Purchase and sale of treasury stock	-20,862	-	-	-	-	-	-	-	-20,862	-20,862	-
Share-based payments	4,176	-	-	-	1,633	-	-	-	2,543	4,176	-
Dilution in the financial interest by capital increase and scrip dividend EDP R.S.A.	988,492	-	-	-	387,067	32,112	-739	-36,861	-	381,579	606,913
Acquisition of the remaining partnership in EDP Brasil	-1,082,728	-	-	-	163,715	-1,234	55	-369,596	-	-207,060	-875,668
Sale of 80% of the partnership in Pecém	61,742	-	-	-	-	-	-	61,742	-	61,742	-
Changes resulting from acquisitions/sales, equity increases/decreases and other	22,156	-	-	-	-12,871	-	-	-	-	-12,871	35,027
Balance as at 31 December 2023	16,656,803	4,184,022	1,970,996	835,564	6,093,263	-313,145	-4,232	-1,144,222	-69,607	11,552,639	5,104,164

(i) See note 31

(ii) See note 33

(iii) See note 34

(iv) See note 32

LISBON, 29 FEBRUARY 2024

THE CERTIFIED ACCOUNTANT
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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Consolidated and Company Statements of Cash Flows
for the periods ended at 31 December 2023 and 2022

Thousand Euros	Notes	Group		Company	
		2023	2022	2023	2022
Operating activities					
Profit before income tax and CESE		1,887,974	1,619,773	803,349	790,895
Adjustments for:					
Amortisation and impairment	12	2,190,584	1,979,007	39,540	34,959
Provisions	37	31,272	14,539	982	1,238
Joint ventures and associates		-88,130	-208,684	-	-
Financial (income)/expenses	14	910,196	910,220	-764,727	-791,703
Other non recurring income and expenses	13	-	-	-940,653	-
(Gains) / Losses on disposal and scope effects except Asset Rotations		-19,729	-4,377	-	-
Changes in working capital:					
Trade and other receivables		589,548	405,817	-70,634	-189,404
Trade and other payables		-882,729	766,260	178,475	69,546
Personnel		-108,822	-142,137	5,754	8,319
Regulatory assets		-1,184,150	502,859	-	-
Other changes in assets/liabilities related with operating activities i)		-305,643	-1,384,104	116,808	-131,745
Income tax and CESE		-383,886	-258,849	-33,705	37,121
Net cash flows from operations		2,636,485	4,200,324	-664,811	-170,774
Net (gains) / losses with Asset Rotations		-450,772	-422,539	-	-
Net cash flows from operating activities		2,185,713	3,777,785	-664,811	-170,774
Investing activities					
Cash receipts relating to:					
Sale of business/assets/subsidiaries with loss of control ii)		1,281,685	1,552,131	1,169,510	-
Other financial assets and investments iii)		247,767	82,950	3,534,379	49
Other financial assets at amortised cost		-	-	257,092	273,701
Changes in cash resulting from consolidation perimeter variations		10,957	223,391	-	-
Property, plant and equipment and intangible assets		44,377	46,055	3,187	771
Other receipts relating to tangible fixed assets		19,538	20,198	-	-
Interest and similar income		160,672	101,841	105,555	38,416
Dividends		70,671	81,394	714,362	1,003,733
Loans to related parties		559,545	739,957	2,497,860	1,339,000
		2,395,212	2,847,917	8,281,945	2,655,670
Cash payments relating to:					
Acquisition of assets/subsidiaries iv)		-1,092,838	-1,543,329	-	-2,378
Other financial assets and investments v)		-334,666	-137,970	-4,723,974	-4,24,923
Changes in cash resulting from consolidation perimeter variations		-121,510	-116,281	-	-
Property, plant and equipment and intangible assets		-5,405,616	-3,499,996	-38,566	-48,587
Loans to related parties		-449,291	-782,206	-3,726,847	-366,748
		-7,403,921	-6,079,782	-8,489,387	-842,636
Net cash flows from investing activities		-5,008,709	-3,231,865	-207,442	1,813,034
Financing activities					
Receipts relating to financial debt (include Collateral Deposits)		5,321,535	4,448,815	3,990,000	2,634,236
(Payments) relating to financial debt (include Collateral Deposits)		-4,209,588	-1,583,281	-5,864,456	-1,594,679
Interest and similar costs of financial debt including hedge derivatives		-849,621	-716,454	-297,183	-229,046
Receipts/(payments) relating to loans from non-controlling interests		-9,355	205,145	-	-
Interest and similar costs relating to loans from non-controlling interests		-15,176	-12,885	-	-
Receipts/(payments) relating to loans from related parties		-	-5,982	-316,161	-156,509
Interest and similar costs of loans from related parties including hedge derivatives		-	-111	-	-
Share capital increases/(decreases) (includes subscribed by non-control. interests) vi)		1,946,067	-91,015	990,905	-
Receipts/(payments) relating to derivative financial instruments		-170,244	21,017	36,820	121,013
Dividends paid to equity holders of EDP		-791,427	-749,802	-791,427	-749,802
Dividends paid to non-controlling interests		-158,215	-203,827	-	-
Treasury stock sold/(purchased)		-20,862	-982	-20,862	-982
Lease (payments) vii)		-141,864	-133,696	-12,842	-12,625
Receipts/(payments) from institutional partnerships in North America viii)		370,866	-77,385	-	-
Net cash flows from financing activities		1,272,116	1,099,557	-2,285,206	11,606
Changes in cash and cash equivalents		-1,550,880	1,645,477	-3,157,459	1,653,866
Effect of exchange rate fluctuations on cash held		45,593	32,319	-1,310	755
Cash and cash equivalents reclassified as held for sale		-22,486	-	-	-
Cash and cash equivalents at the beginning of the period		4,900,205	3,222,409	4,145,074	2,490,453
Cash and cash equivalents at the end of the period ix)		3,372,432	4,900,205	886,305	4,145,074

- i) Relates, essentially, to payments/receipts related to commodity derivatives and constitution of collaterals to operate in energy markets;
- ii) On a consolidated basis, relates essentially to the receivements regarding the following sales: i) 11 companies fully owned by EDP Renováveis Brasil S.A. (see note 28); ii) 2 companies fully owned by EDP Renewables Europe S.L.U.; iii) 9 companies fully owned by EDP Renováveis Brasil, S.A.; iv) 3 companies owned by EDP Renewables Polska, Sp. z o.o. and v) Porto Pecém S.A. owned by EDP Brasil S.A. (see note 6). On an individual basis, relates to the receivement for the sale of the energy management business unit (see note 13);
- iii) Relates essentially to the impact with the sale of the stake in Principle Power, Inc. (see note 22) and receivements related to the scope of transactions in North America;
- iv) Relates, essentially, to the acquisition by EDP of the remaining stake in EDP - Energias do Brasil S.A. (see note 6 and 34);
- v) Relates essentially to a capital increase in OW Offshore S.L. (see note 22) and payments made within the scope of transactions in North America;
- vi) Relates to the capital increase in Grupo EDP and the capital increase in EDP Renováveis S.A. not accompanied by EDP S.A. (see notes 31 and 33);
- vii) Includes capital and interest;
- viii) On a consolidated basis, refers to the receipts and payments net of transaction costs (transactions included in note 38);
- ix) See details of Cash and cash equivalents in note 30 and the Consolidated and Company Reconciliation of Changes in the responsibilities of Financing activities in note 52 of the Financial Statements.

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THE CERTIFIED ACCOUNTANT
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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Company Income Statements
for the periods ended at 31 December 2023 and 2022

Thousand Euros	Notes	2023	2022
Revenues from energy sales and services and other	7	2,899,510	9,084,227
Cost of energy sales and other	7	-2,451,022	-8,766,247
		448,488	317,980
Other income		19,969	15,073
Supplies and services	9	-215,744	-195,329
Personnel costs and employee benefits	10	-88,335	-88,096
Other expenses		-11,663	-14,254
Impairment losses on trade receivables and debtors		-5	15
Other non recurring income and expenses	13	-73,566	-
		-369,344	-282,591
		79,144	35,389
Provisions		-982	-1,238
Depreciation, amortisation and impairment	12	-39,540	-34,959
		38,622	-808
Financial income	14	1,814,409	1,650,428
Financial expenses	14	-1,049,682	-858,725
		803,349	790,895
Income tax expense	15	20,287	57,670
		823,636	848,565
Net profit for the period		823,636	848,565
Earnings per share (Basic and Diluted) – Euros	31	0.20	0.21

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THE CERTIFIED ACCOUNTANT
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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Company Statements of Comprehensive Income
for the periods ended at 31 December 2023 and 2022

Thousand Euros	2023	2022
Net profit for the period	823,636	848,565
Items that will never be reclassified to profit or loss (i)		
Actuarial gains/(losses)	1,340	2,636
Tax effect from the actuarial gains/(losses)	-303	-616
	1,037	2,020
Items that may be reclassified to profit or loss (i)		
Fair value reserve (cash flow hedge) (ii)	788,526	-1,317,921
Tax effect from the fair value reserve (cash flow hedge) (ii)	-165,590	285,062
	622,936	-1,032,859
Other comprehensive income for the period (net of income tax)	623,973	-1,030,839
Total comprehensive income for the period	1,447,609	-182,274

(i) See Company Statement of Changes in Equity

(ii) See note 33

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THE CERTIFIED ACCOUNTANT
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THE MANAGEMENT THE EXECUTIVE BOARD OF DIRECTORS

Company Statements of Financial Position
as at 31 December 2023 and 2022

Thousand Euros	Notes	2023	2022
Assets			
Property, plant and equipment	17	43,041	43,548
Right-of-use assets	18	93,579	96,845
Intangible assets	19	145,870	150,695
Investments in subsidiaries	21	16,769,732	15,427,399
Investments in joint ventures and associates		2	2,229
Equity instruments at fair value		1,299	1,328
Investment property	24	152,183	117,277
Deferred tax assets	25	47,781	314,760
Debtors and other assets from commercial activities		1,554	1,515
Other debtors and other assets	28	3,668,573	3,080,145
Total Non-Current Assets		20,923,614	19,235,741
Inventories	26	-	30,875
Debtors and other assets from commercial activities	27	255,296	2,113,792
Other debtors and other assets	28	2,274,132	4,202,640
Current tax assets	29	150,512	194,240
Cash and cash equivalents	30	986,305	4,145,074
Total Current Assets		3,666,245	10,686,621
Total Assets		24,589,859	29,922,362
Equity			
Share capital	31	4,184,022	3,965,681
Treasury stock	32	-69,607	-51,288
Share premium	31	1,970,996	1,196,522
Reserves and retained earnings	33	3,006,583	2,323,839
Net profit for the period		823,636	848,565
Total Equity		9,915,630	8,283,319
Liabilities			
Financial debt	35	7,902,452	5,754,070
Employee benefits		4,261	7,399
Provisions		6,100	5,142
Trade payables and other liabilities from commercial activities		20	20
Other liabilities and other payables	40	869,795	2,183,162
Total Non-Current Liabilities		8,782,628	7,949,793
Financial debt	35	3,860,065	8,189,632
Employee benefits		775	221
Provisions		919	895
Trade payables and other liabilities from commercial activities	39	386,104	2,070,498
Other liabilities and other payables	40	1,500,113	3,393,302
Current tax liabilities	41	143,625	34,702
Total Current Liabilities		5,891,601	13,689,250
Total Liabilities		14,674,229	21,639,043
Total Equity and Liabilities		24,589,859	29,922,362

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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Company Statements of Changes in Equity
for the periods ended at 31 December 2023 and 2022

Thousand Euros	Reserves and retained earnings (ii)						
	Total Equity	Share capital (i)	Share premium (i)	Legal reserve	Other Reserves and retained earnings	Fair value reserve (cash flow hedge)	Treasury stock (iii)
Balance as at 31 December 2021	9,213,104	3,965,681	1,196,522	782,932	2,891,903	428,726	-52,660
Comprehensive income:							
Net profit for the period	848,565	-	-	-	848,565	-	-
Changes in the fair value reserve (cash flow hedge) net of taxes	-1,032,859	-	-	-	-	-1,032,859	-
Actuarial gains / (losses) net of taxes	2,020	-	-	-	2,020	-	-
Total comprehensive income for the period	-182,274	-	-	-	850,585	-1,032,859	-
Transfer to legal reserve	-	-	-	10,204	-10,204	-	-
Dividends paid	-749,802	-	-	-	-749,802	-	-
Purchase and sale of treasury stock	-982	-	-	-	-	-	-982
Share-based payments	3,273	-	-	-	919	-	2,354
Balance as at 31 December 2022	8,283,319	3,965,681	1,196,522	793,136	2,983,401	-604,133	-51,288
Comprehensive income:							
Net profit for the period	823,636	-	-	-	823,636	-	-
Changes in the fair value reserve (cash flow hedge) net of taxes	622,936	-	-	-	-	622,936	-
Actuarial gains / (losses) net of taxes	1,037	-	-	-	1,037	-	-
Total comprehensive income for the period	1,447,609	-	-	-	824,673	622,936	-
Transfer to legal reserve	-	-	-	42,428	-42,428	-	-
Share Capital increase	992,815	218,341	774,474	-	-	-	-
Dividends paid	-791,427	-	-	-	-791,427	-	-
Purchase and sale of treasury stock	-20,862	-	-	-	-	-	-20,862
Share-based payments	4,176	-	-	-	1,633	-	2,543
Balance as at 31 December 2023	9,915,630	4,184,022	1,970,996	835,564	2,975,852	18,803	-69,607

(i) See note 31

(ii) See note 33

(iii) See note 32

LISBON, 29 FEBRUARY 2024

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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

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1. Economic activity of EDP Group

EDP – Energias de Portugal, S.A. (hereinafter referred to as EDP), currently with head office in Lisbon, Avenida 24 de Julho 12 and with its shares listed on the Euronext Lisbon stock exchange, results from the transformation of Electricidade de Portugal, E.P., incorporated in 1976 following the nationalization and consequent merger of the main companies in the electricity sector in Portugal. During 1994, as established by Decree-laws 7/91 and 131/94, the EDP Group (EDP Group or Group) was set up following the split of EDP, which led to a number of directly or indirectly wholly owned subsidiaries of EDP.

The Group's businesses are currently focused on the generation, transmission, distribution and supply of electricity and supply of gas. Additionally, the Group also operates in related areas such as engineering, laboratory tests, professional training, energy services and property management.

EDP Group operates essentially in the European (Portugal, Spain, France, Poland, Romania, Italy, Belgium, United Kingdom, Greece, Germany and Netherlands), American (Brazil, Colombia and North America) and Southeast Asia energy sectors.

2. Accounting policies

a) Basis of presentation

The accompanying consolidated and company financial statements of EDP – Energias de Portugal, S.A. reflect the results of the company's operations and its subsidiaries (EDP Group or Group) and the Group's interest in its joint ventures and associated companies, for the periods ended on 31 December 2023 and 2022 and EDP S.A.'s Executive Board of Directors approved them on 29 February 2024. The financial statements are presented in thousand Euros, rounded to the nearest thousand.

In accordance with Regulation (EC) 1606/2002 of the European Council and Parliament, of 19 July 2002, as transposed into Portuguese legislation through Decree-law 35/2005 of 17 February 2005, with changes updated by the Decree-law 158/2009 of 13 July and Decree-law 98/2015 of 2 June, the company's financial statements and the Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union (E.U). IFRS comprise accounting standards issued by the International Accounting Standards Board (IASB) as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and their predecessor bodies. The EDP Group's consolidated and company financial statements for the years ended 31 December 2023 and 2022 were prepared in accordance with IFRS as adopted by the E.U. and effective since 1 January 2023.

Taking into account the amendments to IAS 1, effective on 1 January 2023, regarding the disclosure of accounting policies, the Group reviewed the information disclosed in this note and made the changes deemed relevant.

The accounting policies described in this note have been applied consistently by all the Group companies and in all periods presented in the consolidated and company financial statements. The new standards and interpretations recently issued but not yet effective and that the Group has not yet applied on its consolidated financial statements, are detailed in note 3.

The financial statements have been prepared on a going concern basis and under the historical cost convention, modified by the application of the fair value accounting to derivative financial instruments, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. Assets and liabilities that are hedged under hedge accounting are stated at fair value in respect of the hedged risk. Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell. Liabilities for defined benefit plans are recognised at the present value of the obligation net of plan assets fair value.

The preparation of financial statements in accordance with IFRS requires the Board of Directors to make judgments, estimates and assumptions that affect the application of the accounting policies and of the reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and other factors considered reasonable in accordance with the circumstances, the results of which form the basis for making judgments regarding the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The areas involving the highest degree of judgment or complexity, or for which the assumptions and estimates are considered significant, are disclosed in note 4 – Critical accounting estimates and judgments in preparing the financial statements.

As at 31 December 2023, following the Strategic Plan Update 2023–2026, the Executive Board of Directors reorganized the business segments in order to be aligned with this new view, with effect from 1 January 2023. Despite of this change in the composition of the segments, EDP Group has not identified any significant changes in key assumptions used in impairment tests performed in the end of 2022, which could indicate that an asset may be impaired.

b) Basis of consolidation

The accompanying consolidated financial statements reflect the assets, liabilities and results of EDP, S.A. and its subsidiaries (Group or EDP Group) and the equity and results attributable to the Group, through the investments in associates and jointly controlled entities.

Accumulated losses in entities where the Group exercises control are attributed to non-controlling interests in the corresponding proportions held, implying that the Group can recognise negative non-controlling interests.

On a step acquisition process resulting in the acquisition of control the revaluation of any interest previously held is booked against the income statement when goodwill is calculated. On a partial disposal resulting in loss of control over a subsidiary, any participation retained is revalued at market value on the sale date and the gain or loss resulting from this revaluation is booked against the income statement, as well as any gain or loss resulting from the disposal.

The consolidated financial statements include the Group's attributable share of total reserves and profits or losses of entities where the Group exercises joint control with other partners (joint ventures) and entities where the Group exercises significant influence (associates), included under the equity method. When the Group's share of losses exceeds its interest in a joint venture, its carrying amount is reduced to zero and recognition of further losses is discontinued, except to the extent that the Group has a legal or contractual obligation to cover such losses on behalf of that entity.

Investments in subsidiaries, joint ventures and associates (company level)

Investments in subsidiaries, joint ventures and associates not classified as held for sale or not included in a disposal group which is classified as held for sale are accounted for at cost in the company's financial statements, and are subject to periodic impairment tests, whenever indication exists that certain financial investment may be impaired.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity, obtaining benefits and being exposed to the risks from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs directly attributable to the acquisition of a business, other than those associated with the issue of debt or equity securities, are booked directly in the consolidated income statement.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

In accordance with IFRS 3 – Business Combinations, if the initial purchase price allocation of assets and liabilities acquired is identified as provisional, in the subsequent 12 months after the business combination transaction, the legal acquirer should make the final allocation of the purchase price related to the fair value of the assets and liabilities acquired. These adjustments with impact on the amount of goodwill determined and booked in previous periods, originate a restatement of the comparative information, which is reflected on the statement of financial position, with effect from the date of the business combination transaction.

The entire positive goodwill resulting from acquisitions is recognised as an asset and recorded at acquisition cost, and is not subject to amortisation.

Negative goodwill arising on an acquisition is recognised directly in the income statement in the period when the business combination occurs.

The recoverable amount of the goodwill is assessed annually, regardless of the existence of any impairment triggers. Impairment losses are recognised in the income statement.

Goodwill is not adjustable due to changes in the initial estimate of the contingent considerations and the difference is booked in the income statement.

The EDP Group recognises the non-controlling interests at fair value including the portion of goodwill attributable to the non-controlling interests.

Business combinations achieved in stages

In a business combination achieved in stages, on the date of obtaining control, the excess of the aggregate of (i) the consideration transferred; (ii) the amount of any non-controlling interest recognised in the acquiree; and (iii) the fair value of the previously held equity interest in the acquired business; over the net of amounts of the identifiable assets acquired and liabilities assumed, is recognised as goodwill.

On the other hand, if the difference is negative, after evaluating the consideration transferred, of the amount of any non-controlling interest recognised in the acquiree and the fair value of the previously held equity interest in the acquired business, over the net value of the identifiable assets acquired and liabilities assumed, it is recognised in the income statement in the caption Other income. Additionally, the Group reclassifies the deferred amounts in other comprehensive income relating to the previously held equity interest to the income statement or consolidated reserves, according to their nature.

Purchases of non-controlling interests and dilution

In acquisitions (dilutions not resulting in a loss of control) of non-controlling interests, the difference between the fair value of the non-controlling interests acquired and the consideration paid, is accounted against reserves. The acquisitions of non-controlling interests through written put options related with investments in subsidiaries held by non-controlling interests, are recorded as a liability for the fair value of the amount payable, against non-controlling interests. The fair value of the liability is determined based on the contractual price which may be fixed or variable. In case of a variable price, the changes in the liability are recognised against the income statement as well as the effect of the financial discount of the liability (unwinding).

Acquisition of assets out of the scope of IFRS 3

In order to assess whether an acquisition of an asset or a group of assets is a business, EDP identifies the elements in the acquired entity (inputs, processes and outputs), assesses the capability to create outputs (it should have at a minimum, an input and a substantive process to be assessed as a business) and, finally, assesses the capability of market participants to continuing to create outputs (conducting the activities as a business).

In the case of an integrated set of activities that is in an early-stage of development and has not started to generate outputs, EDP considers other factors to determine whether it constitutes a business, such as if: (i) planned principal activities have begun; (ii) employees, intellectual property, and other inputs and processes are present; (iii) a plan to produce outputs is being pursued; and/or (iv) access to customers who will purchase the outputs can be obtained. Generally, an early-stage entity that has employees capable of developing an output will be considered a business.

Therefore, in application of the above, EDP concludes that IFRS 3 is not applicable when there are no outputs at the acquisition date due to an early-stage of development, and the acquired process(es) cannot be considered substantive. Thus, the acquisition of an asset or a group of assets that does not fulfil the conditions to be considered a business is classified as an acquisition of a company out of scope of IFRS 3.

Investments in foreign operations

The financial statements of the foreign subsidiaries, joint ventures and associates of the Group are prepared using their functional currency, defined as the currency of the primary economic environment in which they operate. In the consolidation process, the assets and liabilities of foreign subsidiaries are translated into Euros at the official exchange rate at the balance sheet date.

Regarding the investments in foreign operations that are consolidated using the full consolidation method and equity method, the exchange differences between the amount of equity expressed in Euros at the beginning of the period and the amount translated at the official exchange rates at the end of the period, on a consolidated basis, are booked against reserves.

Foreign currency goodwill arising on the acquisition of these investments is remeasured at the official exchange rate at the balance sheet date directly against reserves.

The income and expenses of foreign subsidiaries are translated into Euros at the approximate exchange rates at the dates of the transactions. Exchange differences from the translation into Euros of the net profit for the period, arising from the differences between the rates used in the income statement and those prevailing at the balance sheet date are recognised in reserves.

On disposal of a foreign subsidiary, the related exchange differences previously recognised in reserves, are accounted for in the income statement.

Balances and transactions eliminated on consolidation

Inter-company balances and transactions, including any unrealised gains and losses on transactions between Group companies, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising on transactions with joint ventures and associates are eliminated to the extent of the Group's interest in those entities.

c) Foreign currency transactions

Foreign currency transactions are translated at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are translated into Euros at the exchange rates at the balance sheet date. These exchange differences arising on translation are recognised in the income statement as financial results.

Foreign currency non-monetary assets and liabilities accounted for at historical cost are translated using the exchange rates at the dates of the transactions. Foreign currency non-monetary assets and liabilities stated at fair value are translated into Euros at the exchange rates at the dates the fair value was determined.

d) Derivative financial instruments and hedge accounting

Derivative financial instruments are recognised on the trade date at fair value. Subsequently, the fair value of derivative financial instruments is remeasured on a regular basis, being the gains or losses on re-measurement recognised directly in the income statement, except for derivatives designated as cash flow hedging instruments. Recognition, in the income statement, of the resulting gains and losses on re-measurement of hedging derivatives depends on the hedge model used.

The fair value of derivative financial instruments corresponds to their market value, if available, or to quotes indicated by external entities through the use of valuation techniques accepted by the market, which are compared in each date of report to fair values available in common financial information platforms, namely Bloomberg and Reuters.

Hedge accounting

The Group uses financial instruments to hedge interest rate risk, exchange rate risk and price risk resulting from its operational and financing activities. Derivatives not qualified for hedge accounting under IFRS 9 are accounted for as trading instruments.

Hedging derivatives are recorded at fair value, being the gains and losses recognised in accordance with the hedge accounting model applied by the Group.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged assets and liabilities or group of hedged assets and liabilities that are attributable to the hedged risk. For cross currency interest rate swaps, the currency basis spread is excluded from the hedge designation, but considered as a hedging cost in other comprehensive income, in cost of hedging reserve. When the hedging relationship ceases to comply with the requirements for hedge accounting, the accumulated gains or losses concerning the fair value of the risk being hedged are amortised over the residual period to maturity of the hedged item.

Cash flow hedge

Changes in the fair value of derivatives qualified as cash flow hedges are recognised in reserves.

The cumulative gains or losses recognised in reserves are reclassified to the income statement when the hedged item affects the income statement.

When a hedging relation of a future transaction is discontinued, if the transaction is still expected to take place, the changes in the fair value of derivative recognised in reserves remain recognised in reserves until the future hedged transaction occurs. When the future transaction is no longer expected to occur, the cumulative gains or losses recognised in reserves are recorded immediately in the income statement.

Net investment hedge

The net investment hedge model is applied on a consolidated basis to investments in subsidiaries in foreign currencies. This model allows that the exchange differences recognised in the currency translation reserve to be offset by the foreign exchange differences in foreign currency loans or currency derivatives contracted, recognised in Currency translation reserve – Net investment hedge. For cross currency interest rate swaps, the cross currency basis spread and forward points are not designated into the hedge relationship, but deferred as a hedging cost in other comprehensive income, in Currency translation reserve – Net investment hedge – Cost of hedging, and recognized in profit or loss over the period of the hedge. The ineffective portion of the hedging relationship is recognised in the income statement.

The accumulated foreign exchange gains and losses regarding the net investment and the related hedging instrument recognised in equity are transferred to the income statement when the foreign currency subsidiary is sold, as part of the gain or loss resulting from the disposal.

Effectiveness

The Group performs prospective tests at the inception date and at each balance sheet date, in order to demonstrate its effectiveness, showing that any adjustments to the fair value of the hedged item attributable to the risk being hedged are offset by adjustments to the fair value of the hedging instrument. Any ineffectiveness is recognised in the income statement when it occurs.

e) Debtors and Other assets

Financial assets

EDP Group classifies its financial assets, at the initial recognition, based on the business model for managing the financial assets ("business model test") and their contractual cash flow characteristics ("SPPI test").

Financial assets are not reclassified subsequent to their initial recognition. However, if the Company changes its business model for managing financial assets, it will classify newly originated or newly purchased financial assets under the new business model, but will keep the classification of existing assets under the previous business model.

Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group commits to purchase or sell these financial assets.

Financial assets are derecognised when: (i) the Group contractual rights to receive their future cash flows have expired, (ii) the Group has transferred substantially the risks and rewards of ownership, or (iii) although retaining some, but not substantially all the risks and rewards of ownership, the Group has transferred control over the assets.

If a factoring transaction results in the transfer of substantially all risks and benefits associated with the assets, the Group proceeds to derecognize the transferred financial assets and recognizes the difference between the carrying amount and the amount received in the income statement (non-recourse factoring).

Financial assets at amortised cost

Financial assets included within this category are initially recognised at fair value and subsequently measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Loans and trade receivables are generally held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest, thus they meet the criteria for amortised cost measurement.

Financial assets measured at fair value through other comprehensive income (FVOCI)

Financial assets included within this category are initially recognised and subsequently measured at fair value, with the changes in the carrying amount booked in other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria to be classified under the previously referred categories, are classified at fair value through profit or loss.

Regardless of the business model assessment, EDP Group can elect to classify a financial asset at fair value through profit or loss if doing so reduces or eliminates a measurement or recognition inconsistency ("accounting mismatch").

Impairment losses

EDP Group recognises an impairment loss based on the Expected Credit Loss (ECL) model, before the objective evidence of a loss event from past actions. This model is the basis for the recognition of impairment losses on held financial assets that are measured at amortised cost or at fair value through other comprehensive income (which includes cash and cash equivalents, trade receivables, loans and debt securities).

The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If the credit risk on a financial asset does not increase significantly since its initial recognition, EDP Group measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. If the credit risk increases significantly since its initial recognition, EDP Group measures the loss allowance for that financial asset at an amount equal to lifetime expected credit losses.

Regardless of the above, a significant increase in credit risk is presumed if there is an objective evidence that the financial asset is impaired, including if there is observable data that comes to the attention of the holder of the asset about the following loss events, among others: significant financial difficulty of the issuer or obligor; restructuring of an amount due to the Group in terms that it would not consider otherwise; a breach of contract, such as a default or delinquency in interest or principal payments; or it becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

As soon as the loss event occurs, the impairment allowance would be allocated directly to financial asset affected, that is, the asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases, the previously recognised impairment loss is reversed in profit or loss, if the decrease can be related objectively to an event occurring after the impairment loss was recognised.

Trade receivables and contract assets

EDP Group applies the simplified approach and records lifetime expected credit losses on all trade receivables and contract assets, including those with a significant financing component. The estimated ECL are calculated based on actual credit loss experience over a period that, per business and type of customers, is considered statistically relevant and representative of the specific characteristics of the underlying credit risk. When applicable, EDP Group estimated the ECL rates separately for corporates and individuals.

Considering the particularities of each business, exposures are segmented based on common credit risk characteristics such as credit risk grade, geographic region and/or industry – for corporates; and type of product purchased – for individuals, as applicable. Actual credit loss experience is adjusted by scalar factors to reflect differences between economic conditions during the period over which historical data was collect, current conditions and EDP Group's view of economic conditions over the expected lives of the receivables.

Other receivables

For receivable assets related to regulatory assets, loans, financial entities and State carried at amortised cost and FVOCI, EDP Group performs an analysis based on the general approach. On making its assessment, the company has to make assumptions about risk of default and expected loss rates, which requires judgement. The inputs used for risk assessment and for calculation of the loss allowances for financial assets includes: (i) credit ratings (as far as available) from external credit rating companies such as Standard and Poors, Moody's and Fitch; (ii) significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower; (iii) public market data, namely on probabilities of default and loss given default expectations; and (iv) macroeconomic information (such as market interest rates or growth rates).

Leases – Lessor perspective

At the commencement date, EDP Group, as a lessor, classifies each of its lease as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, the lease is classified as an operating lease. Therefore, at the commencement date, the Group recognises:

- (i) assets held under a **finance lease** in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease.
- (ii) lease payments from **operating leases** as income on either a straight-line basis or another systematic basis (if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished). The assets subject to operating leases are presented in its statement of financial position according to the nature of the underlying asset.

f) Trade payables and other liabilities

Financial liabilities

The Group recognises financial liabilities at the issuance date (trade date): (i) initially at fair value less transaction costs; and (ii) subsequently at amortised cost, using the effective interest method. All financial liabilities are booked at amortised cost, with the exception of the financial liabilities hedged at fair value hedge, which are stated at fair value on risk component that is being hedged.

EDP Group derecognises a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, the obligation specified in the contract is discharged, cancelled or expired. An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability, or a part of it, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Lease liabilities

Lease liabilities on the commencement date are measured by the Group based on the present value of the future payments of that lease contracts, discounted using EDP Group's incremental borrowing rate for each portfolio of leases identified. The variable lease payments that do not depend in an index or a rate are not included in the measurement of the lease liabilities, nor the right-of-use asset being recognised as cost in the period when they occur.

EDP Group determines the lease term as the non-cancellable period of a lease, together with both: (i) periods covered by an option to extend the lease, if the lessee is reasonably certain to exercise that option; and (ii) periods covered by an option to terminate the lease, if the lessee is reasonably certain not to exercise that option.

EDP Group applies the recognition exemption provided by IFRS 16 for the leases which lease term is 12 months or less, or that are for a low-value asset.

After the commencement date, the lease liabilities are increased to reflect interest on the liability and reduced to reflect the lease payments made.

EDP Group remeasures the lease liabilities, and adjusts the corresponding right-of-use assets, by discounting the revised lease payments, using an unchanged discount rate, if either: i) there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments; or ii) there is a change in the amounts expected to be payable under a residual value guarantee.

If there is a lease modification that do not qualifies to be accounted as a separate lease, EDP Group remeasures the lease liabilities and adjusts the corresponding right-of-use assets, by discounting the revised lease payments, using a revised discount rate at the effective date of the modification.

g) Equity instruments

Equity instruments issued

Costs directly attributable to the issuance of equity instruments are recognised in equity, as a deduction to the amount issued. Amounts paid or received relating to sales or acquisitions of equity instruments are recognised in equity, net of transaction costs.

Distributions related to equity instruments are deducted from equity, as dividends, when declared.

Preference shares issued by the Group are considered as an equity instrument when there is no contractual obligation to redeem the shares and dividends are paid at the discretion of the Group. Preference shares issued by subsidiaries, classified as equity instruments and held by third parties, are recognised as non-controlling interests.

Equity instruments held

EDP Group classifies the equity instruments that are held for trading at fair value to profit or loss.

For all other equity instruments, management has the ability to make an irrevocable election on initial recognition, on an instrument-by-instrument basis, to present changes in fair value in other comprehensive income. If this election is made, all fair value changes, excluding dividends that are a return on investment, will be included in other comprehensive income. There is no recycling of amounts from other comprehensive income to profit and loss (for example, on sale of an equity investment) being, at that time, transferred to retained earnings.

h) Property, plant and equipment

Property, plant and equipment is stated at acquisition cost less accumulated depreciation and impairment losses.

Subsequent costs are recognised as Property, plant and equipment only when it is probable that future economic benefits associated with the item will flow to the Group. Repair and maintenance costs are charged in the income statement as incurred, according to the accrual principle.

The Group carries out impairment tests whenever events or circumstances may indicate that the book value of an asset exceeds its recoverable amount, being any impairment recognised in the income statement.

Land is not depreciated. Depreciation of tangible assets is calculated on a straight-line basis over their estimated useful lives, as follows:

	Number of years
Buildings and other constructions	8 to 50
Plant and machinery:	
- Hydroelectric generation	30 to 75
- Thermoelectric generation	25 to 45
- Renewable generation	20 to 35
- Electricity distribution	10 to 40
- Other plant and machinery	4 to 25
Transport equipment	4 to 25
Office equipment and tools	2 to 16
Other property, plant and equipment	3 to 50

The Group reviews the estimate of the useful life of assets whenever a change in the expected economic benefits flowing from the assets occurs as well as when the technical use planned for the assets differs from previous estimates. Changes occurring in the depreciation charge for the year are accounted prospectively.

Capitalisation of borrowing costs and other directly attributable costs

Borrowing costs that are directly attributable to the acquisition or construction of assets are capitalised as part of the cost of these assets. The amount of interest costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on those assets. The capitalisation rate corresponds to the weighted average of the borrowing costs applicable to the outstanding borrowings during the period. The capitalisation of borrowing costs begins when expenditure for the assets is being incurred, borrowing costs have been incurred and activities necessary to prepare all or part of the assets for their intended use or sale are in progress. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use or sale are completed. Other expenses directly attributable to the acquisition and construction of the assets, such as cost of consumed materials and personnel costs, are also capitalised as part of the cost of the assets.

Investment government grants

Investment government grants are initially booked as Trade payables and other liabilities from commercial activities – Non-Current only when there is reasonable certainty that the grant will be received and that the Group will fulfil the grant term conditions. Grants that compensate the Group for expenses incurred are booked in the income statement on a linear basis, on the same period in which the expenses are incurred. Grants that compensate the Group for the acquisition of assets are recognised in the income statement over the related assets useful life.

Transfers of assets from customers

Transfers of assets from customers concession arrangement and out of the scope of IFRIC 12 are related to payments of performance obligations fulfilled over the useful life of the underlying asset. Accordingly, when they are received from the customers, they are booked as liabilities instead of revenue. The assets are recognised by the estimated construction cost and are depreciated over their useful lives. The liabilities are recognised as revenue based on the corresponding useful life of the underlying asset.

i) Intangible assets

The Group's intangible assets are booked at acquisition cost less accumulated amortisation and impairment losses.

The Group performs impairment tests whenever events or circumstances may indicate that the book value of the asset exceeds its recoverable amount, being any impairment recognised in the income statement.

Acquisition and development of software

The costs of purchasing software and the costs incurred by the Group to implement it are capitalised and amortised on a straight-line basis over the expected useful life of the asset.

Costs incurred by the Group directly related to the development of software, that are expected to generate economic benefits beyond one year, are recognised as intangible assets. Such costs include employee costs directly associated to the project and are amortised on a straight-line basis over its estimated useful life.

Software maintenance costs are charged to the income statement when incurred.

Concession rights on distribution of electricity

The concession rights on distribution of electricity in Brazil are recorded as intangible assets and amortised on a straight-line basis over the concessions period, not exceeding 30 years.

Concession rights to use the public hydric domain

Portuguese concession rights to use the public hydric domain are booked as intangible assets and depreciated on a straight-line basis over the concession period, which does not exceed 74 years. EDP Group records as concession rights the financial compensations for the use of public domain assets, whenever these compensations are paid and for all the Group subsidiaries.

The accounting policy related to intangible assets assigned to concessions in the scope of IFRIC 12 is described in z), Group concession activities.

Concession rights on generation of electricity

The concession rights on generation of electricity in Brazil are recorded as intangible assets and amortised on a straight-line basis over the concession period.

Industrial property and other rights

Industrial property and other rights are amortised on a straight-line basis over the estimated useful life of the assets, not exceeding 6 years.

j) Right-of-use assets

EDP Group presents the information related to lease contracts in the caption Right-of-use assets, in a separate line in the Statement of Financial Position. These assets are accounted for at cost less accumulated depreciation and impairment losses. The cost of these assets comprises the initial costs and the initial measurement of the lease liabilities, deducted from the prepaid amounts and any incentives received.

Depreciation of right-of-use assets is calculated on a straight-line basis over their estimated useful lives, considering the lease contract terms.

If EDP Group remeasures the lease liability (see f)), the corresponding right-of-use assets are adjusted accordingly.

k) Investment property

The Group classifies as investment property, property held for capital appreciation and/or for rental purposes.

Investment property is recognised initially at acquisition or production cost, including directly attributable transaction costs, and is subsequently measured at cost less accumulated depreciation and any impairment losses.

Subsequent expenditures on investment property are only added to the cost of the asset when it is probable that additional future economic benefits will arise when compared to initial recognition.

Investment property is depreciated on a straight-line basis over the estimated useful life of the assets (between 8 and 50 years).

l) Inventories

Inventories are measured at the lower of acquisition cost and net realisable value. The cost of inventories includes purchases, conversion and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated selling costs.

The cost of inventories is determined by using the weighted average cost method.

CO2 Licenses held by the Group for trade purposes are booked as inventories and measured at fair value, at each balance sheet date, against the income statement.

The Group holds Guarantees of Origin (GOs) as part of its generation and commercialization activities, which are recognised as Inventories and valued at the weighted average cost.

The green certificates are considered government support in accordance with IAS 20 and are accounted for under the caption "Revenues and cost of Energy Sales and Services and Other". The unsold certificates are recognised as Inventories in accordance with IAS 2.

m) Employee benefits

Pensions

Some EDP Group companies grant post-employment benefits to employees under defined benefit and defined contribution plans, namely pension plans that grant complementary retirement benefits for age and early retirement pensions.

Defined benefit plans

In Portugal, the defined benefit plan is assured by (i) a closed pension fund managed by an external entity, covering responsibilities with benefits that are complementary to those provided under the Social Security System (namely retirement and early retirement pensions); and (ii) by a complementary specific provision, recognised in the statement of financial position. Benefits are generally determined and assigned through the combination of one or more factors, such as age, years of service and the relevant base retribution (pensionable salary). The responsibilities for early retirement are not covered by the fund's assets, being adequately provisioned through a specific provision.

In Spain, the defined benefit plan is partially covered by insurance policies, and complemented by a specific provision, recognised at the balance sheet. Benefits are generally determined and assigned through the combination of one or more factors, such as age, years of service and the relevant base retribution (pensionable salary).

In Brazil, EDP São Paulo and EDP Espírito Santo have defined benefit plans managed by a closed complementary welfare entity, external to EDP Group, covering responsibilities associated with retirement and early retirement pensions, according to factors such as age, years of service and the relevant base retribution.

In the pension plans in Brazil, the surplus amount of the assets fund generally can not be reimbursed to the company, since there are very strict rules on the amount that can be recovered, therefore the asset amount to be recognised is greatly reduced.

The Group's pension liability for each plan is calculated by independent experts annually, for each plan, at the balance sheet date, using the projected unit credit method. The discount rate used in the calculation is determined based on market interest rates of high quality corporate bonds denominated in the currency in which the benefits will be paid and that have similar maturity to the related pension liability.

Actuarial gains and losses presented in consolidated statement of comprehensive income comprise: (i) the actuarial gains and losses resulting from increases or decreases in the present value of the defined benefit obligation because of changes in actuarial assumptions and experience adjustments; (ii) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

The increase in past service costs arising from early retirements (retirements before the normal retirement age) or plan amendments is recognised in the income statement when incurred.

The Group recognises as operational results, in the income statement, current and past service costs. Net interest on the net defined benefit liability (asset) is recognised in financial results.

The assets of the plan comply with the recognition criteria established by IFRIC 14 - IAS 19 and the minimum funding requirements established by law or by contract.

Defined contribution plans

Some Group companies in Portugal, Spain and Brazil have defined contribution social benefit plans that complement those granted by the Social Security System, under which they pay an annual contribution to the plans, calculated in accordance with the rules established in each plan. These contributions represent a percentage of the fixed and variable remuneration of the employees included in this plan and are accounted for as cost for the period in which they are due.

Other benefits granted – Defined Benefit Type

Some EDP Group companies provide medical benefits under which employees and immediate eligible family members have favourable conditions in medical assistance and health care services, namely:

- Concerning EDP Group companies in Portugal, through the provision of medical assistance that is complementary to the one provided under the National Health System, provided using infrastructures owned and managed internally;
- Concerning EDP Group companies in Spain and Brazil, through the share of costs in eligible medical and health expenses, in an external agreed network.

In Portugal, the medical benefit and death benefits plan is assured by (i) a closed fund managed by an external entity, created in December 2016, and (ii) a complementary specific provision, recognised in EDP Group company's statement of financial position.

In Spain, the medical care and death subsidy benefits plan is partially covered by insurance policies, and complemented by a specific provision, booked in EDP Group company's statement of financial position.

In Brazil, the liability is being covered by provisions booked in EDP Group company's statement of financial position.

Measurement and recognition of the medical benefits liabilities are similar to the defined benefit pension plans liabilities, explained above.

In addition, EDP Group grants other benefits, supporting charges arising from responsibilities for disability benefit's complements, survival benefits, life insurance, antiquity and retirement benefits, power tariff discounts, among others. These responsibilities are fully covered by a provision.

Benefits included in each Plan for Portugal and Brazil are detailed in EDP's Collective Labor Agreement, published in the Labor Bulletin of 8 October 2014 and in the website of the Plan management entity Enerprev (www.enerprev.com.br), respectively.

n) Provisions

Provisions are recognised when: (i) the Group has a present legal, contractual or constructive obligation; (ii) it is probable that settlement will be required in the future; and (iii) a reliable estimate of the obligation can be made.

Provisions for dismantling and decommissioning in electric power plants

The Group accounts for provisions for dismantling and decommissioning of assets at the end of the assets' useful life when there is a legal, contractual or constructive obligation. Therefore, such provisions have been booked for the electric power plants to cover the cost of restoring the location and land to their original condition. The provisions are calculated at the present amount of the expected future liability and are accounted for as part of the cost of the related property, plant and equipment being depreciated on a straight-line basis over the useful life of those assets.

Decommissioning and dismantling provisions are remeasured on an annual basis based on the best estimate of the settlement amount. The unwinding of the discount at each balance sheet date is charged to the income statement.

o) Recognition of revenue from contracts with customers

EDP Group recognises revenue to depict the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods or services, as provided in the 5 steps methodology introduced by IFRS 15, namely: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to performance obligations; and (v) recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue in EDP Group arises from sales of Energy and accesses, Revenue from assets assigned to concessions and Other.

Energy and accesses

Revenue in EDP Group arises essentially from electricity generation, distribution and transmission of electricity and supply of energy (electricity and gas). Additionally, it should be noted that, in energy distribution and supply activities, there is a tariff adjustment mechanism through which gains or losses of a certain year are recognised in the period to which they relate and recovered in the future year's tariffs – Tariff Adjustments (see w)).

Revenue related to the sale of energy and access tariffs to energy distribution network is measured at fair value of the consideration received or receivable, net of value added tax, rebates and discounts and after elimination of intra-group sales, being recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the energy.

The energy distribution is a regulated activity, which is remunerated through tariffs set by each country Regulatory Body (Entidade Reguladora dos Serviços Energéticos (ERSE) in Portugal, Comisión Nacional de Energía (CNE) in Spain and Agência Nacional de Energia Elétrica (ANEEL) in Brazil). In Portugal and Spain, revenue arises mainly from the sale of access tariffs, as well as from the recovery, from the commercialisation entities, of the costs related to the global management activity of the system. In Brazil, revenue results from the electricity sales to final consumers, in the regulated market, based on the tariffs determined by ANEEL, which are included the use of the distribution and transport system tariff, among other components.

The energy supply is carried out in regulated and non-regulated markets. In non-regulated market, revenue is recognised based on commercial agreements. In regulated market, revenue is recognised according to the tariffs determined by each country Regulatory Body.

Revenue recognition includes two components: (i) energy sales already invoiced, based on actual consumption readings and/or in estimated consumption based on the historical data of each consumer; and (ii) estimates of energy supplied and not yet invoiced (energy into energy meter). Differences between estimated and actual amounts are recorded in subsequent periods.

For pluriannual contracts with customers for energy sales including a termination clause determined based on the estimated consumption and contractual set prices, revenue is recognised based on the "Input Method". Under this method, revenue is recognised according to the percentage of the contract execution and the corresponding contractual margin. The margin is reviewed annually, on a contract-by-contract basis, based on the updating of estimated energy supply volumes until the end of the contract.

EDP Group also sells products and services as a part of an integrated commercial offer ("bundled"). In a bundled sale arrangement, the Group accounts the sale of each product and/or service separately if they are distinct, that is, if the product or service is separately identifiable in the context of the integrated offer and the customer benefits from it. The consideration paid is allocated between the goods or services separately identifiable based on their relative stand-alone selling prices. The stand-alone selling price is determined based on EDP Group price lists on goods or services sold separately or, if they are not listed, based on the market valuation approach. EDP Group recognises the revenue related with services rendered over time given that the customer simultaneously receives and consumes the benefits provided.

In what concerns variable transaction prices, EDP Group only recognises revenue when it is highly probable that there will not be any significant reversal of the recognised revenue, when it becomes certain.

EDP Group considers the facts and circumstances when analysing the terms of each contract with customers, applying the requirements that determine the recognition and measurement of revenue in a harmonized manner, when considering contracts with the same characteristics and in similar circumstances.

Revenue from assets assigned to concessions

In Portugal and Brazil, the distribution and transmission activities are subject to public service concession arrangements, as detailed in z).

Contract assets and liabilities

EDP Group presents a contract liability if the Group has an obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

EDP Group presents a contract asset if the Group has a right to consideration that is conditional on something other than the passage of time. This is common when the Group has transferred goods or services to a customer usually before invoicing and the payment is due, excluding any amounts presented as a Trade receivables (unconditional rights to consideration).

Incremental costs of obtaining a contract

EDP Group establishes certain contracts with third parties for the promotion (sale) of energy and related services. These third parties act as sales agents and are paid through sales commissions. The Group recognises incremental costs of obtaining contracts with customers as an asset if the entity expects to recover these costs over the respective contracts. The costs incurred by an entity to obtain a contract with a customer are considered as incremental costs whenever it is clear that the entity would not incur these costs if the contract had not been obtained (for example, a sales commission).

Therefore, EDP Group understands that the incremental costs to obtain a contract are eligible for capitalisation, accounting for a contract asset under the caption Debtors and other assets of commercial activities – Non-current. This asset shall be recognised in the income statement as amortisation, on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Considering the analysis carried out on the set of goods and services provided by the EDP Group to which these commissions relate, the useful life allocated to them varies between 6 and 8 years.

p) Financial results

Financial results include interest costs on borrowings; interest income on funds invested; the financial expenses (unwinding) related to the discount of the employee benefits liabilities, provisions, institutional partnership in North America and lease liabilities; dividend income; foreign exchange gains and losses; realised gains and losses; changes in fair value of derivative financial instruments related to financing activity classified by the Group, within IFRS 9, as held for trading and consequently measured at fair value through profit or loss; and changes in the fair value of hedged risks, when applicable.

Interest is recognised in the income statement on an accrual basis. Dividend income is recognised on the date the right to receive is established.

q) Income tax

Income tax recognised in the income statement includes current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is also recognised in equity.

Deferred taxes arising from the revaluation of assets (debt instruments) measured at fair value through other comprehensive income and cash flow hedge derivatives recognised in equity are recognised in the income statement in the period the results that originated the deferred taxes are recognised.

Current tax is the tax expected to be paid on the taxable income for the period, using tax rates enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred taxes are calculated in accordance with the balance sheet liability method, considering temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax basis, using the tax rates enacted or substantively enacted at the balance sheet date for each jurisdiction and that are expected to be applied when the temporary differences are reversed.

Deferred tax liabilities are recognised for all taxable temporary differences except for: goodwill not deductible for tax purposes; differences arising on initial recognition of assets and liabilities that affect neither accounting nor taxable profit; and differences relating to investments in subsidiaries, to the extent that these will probably not be reversed in the future. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available to absorb deductible temporary differences for taxation purposes.

Following the amendments made to IAS 12 – Deferred tax related to assets and liabilities arising from a Single Transaction, effective on 1 January 2023, the EDP Group proceeded with the breakdown of deferred tax assets and deferred tax liabilities related with: i) assets under right of use and lease liabilities; and ii) provisions for dismantling and decommissioning and corresponding tangible fixed assets; where and whenever these amounts are not deductible until the payment date.

The compensation between deferred tax assets and liabilities is performed at each subsidiary, and therefore the consolidated financial statements reflect in its assets the total of the deferred tax of subsidiaries that have deferred tax assets and in its liabilities the total of the deferred tax of subsidiaries that have deferred tax liabilities.

The Group offsets the deferred tax assets and liabilities if, and only if:

- (i) the entity has a legally enforceable right to offset current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in future periods in which deferred tax liabilities or assets are expected to be settled or recovered.

When accounting for interest and penalties related to income taxes, EDP Group considers whether a particular amount payable or receivable is, in its nature, a taxable income and, if so, applies IAS 12 to this amount. Otherwise, IAS 37 is applied.

Regarding the IFRIC 23 related to IAS 12 – Income tax, when there is uncertainty over income tax treatments, EDP Group measures its current or deferred tax asset or liability applying the requirements in IAS 12. Additionally, the Group analyses all the pending litigations or disputes with tax authorities regarding income tax and records the best estimation related to contingencies and litigations whenever necessary.

r) Earnings per share

Basic earnings per share are calculated by dividing the consolidated and the company net profit attributable to the equity holders of EDP, S.A. by the weighted average number of ordinary shares outstanding during the period, excluding the average number of shares held by the Group and by EDP, S.A., respectively.

For the diluted earnings per share calculation, the weighted average number of ordinary shares outstanding is adjusted to consider conversion of all dilutive potential ordinary shares, such as convertible debt and stock options granted to employees. The dilution effect corresponds to a decrease in earnings per share resulting from the assumption that the convertible instruments are converted or the options granted are exercised.

s) Share based payments

Stock options remuneration programs enable the Group's employees to acquire parent company shares. The exercise price of the options is calculated based on the listed price of the shares at the grant date.

The fair value of the options granted, determined at the grant date, is recognised in the income statement against equity during the vesting period, based on their market value calculated at the grant date.

In case the option is exercised, the Group acquires shares in the market to grant them to employees.

Shareholders of EDP Brasil structured and implemented a Share based Compensation Policy, which began in June 2016. The referred policy comprises two types of programs to be granted to certain employees (incentive and retention programs), being the eligible beneficiaries and assignment requirements subject to the conditions established. Following the successful completion of the Public Tender Offer auction to EDP Brasil in the third quarter of 2023, the stock options remuneration program has been terminated.

t) Non-current assets held for sale and discontinued operations

Non-current assets or groups of non-current assets held for sale (groups of assets and related liabilities that include at least one non-current asset) are classified as held for sale when their carrying amounts will be recovered mainly through sale, the assets or groups of assets are available for immediate sale and its sale is highly probable.

Prior to their classification as held for sale, the measurement of all non-current assets and all assets and liabilities included in a disposal group, is adjusted in accordance with the applicable IFRS standards. Subsequently, these assets or disposal groups are measured at the lowest between their carrying amount and fair value less costs to sell.

u) Cash and cash equivalents

Cash and cash equivalents include balances with maturity of less than three months from the contract date, including cash and deposits in banks. This caption also includes other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and specific demand deposits in relation to institutional partnerships that are funds required to be held in escrow sufficient to pay the remaining construction related costs of projects in institutional equity partnerships.

On a company basis, EDP S.A. classifies as Cash and cash equivalents the current account balances with Group companies formalized through Cash Pooling Agreements (Group's financial system).

v) Operating segments

The Group presents the operating segments based on internal management information (see note 51).

w) Tariff adjustments

Classification and measurement of regulatory assets, which qualify as financial assets in EDP Group's financial statements, is analysed based on the business model used in the management of the assets and the characteristics of the contractual cash flows (see e)).

In this sense, deviations and tariff deficits exclusively recovered or returned through electricity and gas tariffs, applicable to customers in subsequent periods, are recognised at amortised cost.

On the other hand, deviations or deficits that can be recovered, either through electricity rates (receipt of capital and interest) or through sales with recourse to third parties (bilateral contracts or securitization operations) are recognised at fair value through comprehensive income. This classification results from the existing history of sales to third parties and from the management's perspective regarding the existing assets. The sale to third parties results from the Decree-Law 165/2008 of 21 August, which allows regulated companies in Portugal to transfer, in whole or in part, the right to receive tariff deviations or deficits through electricity tariffs.

In regulated activities, the regulator establishes, through the tariff adjustment mechanism, the criteria to recognise gains or losses of one period in future periods. The tariff adjustments and deficits accounted for in the EDP Group financial statements represent the difference between the amounts invoiced by the regulated companies (based on the applicable tariffs published by the respective Regulator) and the regulated revenue calculated based on actual costs. The assets or liabilities resulting from the tariff adjustments and deficits are recovered or returned through the electricity and gas tariffs charged to customers in subsequent periods.

Following the existing regulatory legislation, the regulated operators of the electric and gas sectors have the unconditional right to recover the tariff adjustments and deficits, therefore EDP Group recognizes under the income statement caption Revenues from energy sales and services and other – Energy and access, the effects resulting from the recognition of tariff adjustments and deficits, against the captions Debtors and other assets from commercial activities and Trade payables and other liabilities from commercial activities.

x) CO2 Licenses and greenhouse gas emissions

The Group holds CO2 Licenses in order to deal with gas emissions resulting from its operational activity and Licenses for trading. The CO2 and gas emissions Licenses held for its own use are booked as intangible assets at the acquisition cost. CO2 licenses consumption is recorded in accordance with the weighted average price of the CO2 and gas emissions Licenses held for consumption in that year.

The Licenses held by the Group for trading purposes are booked under Inventories (see I)).

y) Statement of Cash Flow

The Statement of Cash Flow is presented under the indirect method, by which gross cash flows from operating, financing and investing activities are disclosed. The Group classifies cash flows related to interest and dividends paid as financing activities and interest and dividends received as investing activities.

z) Group concession activities in the scope of IFRIC 12

EDP Group applies IFRIC 12 to the public-private concession contracts in which the public entity controls or regulates the services rendered through the utilisation of certain infrastructure as well as the price for such services and also controls any significant residual interest in the infrastructure. The infrastructures allocated to concessions are not recognised by the operator as property, plant and equipment or as financial leases, as the operator does not control the assets. These infrastructures are recognised according to one of the following accounting models, depending on the type of remuneration commitment of the operator assumed by the grantor within the terms of the contract:

Financial Asset Model

This model is applicable when the operator has an unconditional right to receive certain monetary amounts regardless of the level of use of the infrastructure within the concession and results in a financial asset recognition, booked at amortised cost.

Intangible Asset Model

This model is applicable when the operator, within the concession, is remunerated on the basis of the level of use of the infrastructure (demand risk) and results in an intangible asset recognition.

Mixed Model

This model is applicable when the concession includes simultaneously guaranteed remuneration and remuneration based on the level of use of the infrastructure within the concession.

Intangible assets within concessions are amortised over their respective useful lives during the concession period. The Group carries out impairment tests to the intangible assets within concessions whenever events or circumstances may indicate that the book value of an asset exceeds its recoverable amount, being any impairment recognised in the income statement. Grants received from customers related to assets within concessions are delivered to the Group on a definitive basis, and, therefore, are not reimbursable. These grants are deducted from the value of the assets allocated to each concession.

The concession contracts that currently exist in EDP Group are mainly based in the Intangible Asset Model, namely in the electricity special regime production concessions (PRE) in Portugal and in the Mixed Model, namely in the electricity distribution concessions in Portugal and in Brazil.

aa) Institutional partnerships in North America

The Group has entered in several partnerships with institutional investors in North America (EDPR NA), through operating agreements with limited liability companies that apportion the cash flows generated by the wind farms between the investors and the Company and allocates the tax benefits, which include Production Tax Credits (PTCs), Investment Tax Credits (ITC) and accelerated depreciation, largely to the investor.

The institutional investors purchase their minority partnership interests for an upfront cash payment with an agreed targeted internal rate of return over the period that the tax credits are generated. This anticipated return is computed based on the total anticipated benefit that the institutional investors will receive and includes the value of PTC's / ITC's, allocated taxable income or loss and cash distributions received.

The control and management of these wind farms are a responsibility of EDP Group and they are fully consolidated in these financial statements.

The financial instruments held by the institutional investors issued by the partnerships represent compound financial instruments as they contain characteristics of both financial liabilities and equity. The Group has determined that at the funding dates, the fair values of the original proceeds is equal to the fair values of the liabilities at that time and no value was assigned to the equity component. Subsequently, these liabilities are measured at amortized cost.

This liability is reduced by the value of tax benefits provided and cash distributions made to the institutional investors during the contracted period. The value of the tax benefits delivered, primarily accelerated depreciation and ITC are recognised as Income from institutional partnerships on a pro-rata basis over the 5-year recapture period. The value of the PTC's delivered are recorded as generated. This liability is increased by an interest accrual that is based on the outstanding liability balance and the targeted internal rate of return agreed.

After the flip date, the institutional investor retains a non-significant interest for the duration of the structure. This non-controlling interest is entitled to distributions ranging from 2.5% to 10% and taxable income allocations ranging from 5% to 10%. EDPR NA has an option to purchase the institutional investor's residual interest at fair market value during a defined period following the flip date. Post flip non-controlling interests is the portion of equity that is ascribed to the institutional investor in the institutional equity partnership at flip date. This amount is reclassified from the total equity attributable to the Parent to non-controlling interests caption in the period in which the flip date takes place.

ab) Disposal of assets under Asset Rotation strategy

The Asset rotation strategy allows EDP Group to crystallize the value of a project by selling with loss of control, and reinvesting the proceeds in another projects, targeting greater growth. Typically, the developer retain the role of O&M supplier. The gains on disposals under this strategy are recognised in the caption Other income.

3. Recent accounting standards and interpretations issued

Standards, amendments and interpretations issued effective for the Group

The amendments to standards already issued and effective that the Group applied in the preparation of its financial statements, can be analysed as follows:

- IAS 12 (Amended) – Deferred tax related to assets and liabilities arising from a Single Transaction

The IASB amended IAS 12, "Income taxes", in order to clarify the recognition of deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The amendments target the recognition of deferred tax in respect of:

- Right-of-use assets and lease liabilities; and
- Provision for dismantling, decommissioning and the corresponding tangible fixed assets.

As part of the adoption of these amendments, effective on 1 January 2023, the EDP Group proceeded with the breakdown of deferred tax assets and deferred tax liabilities related with: i) assets under right of use and lease liabilities; and ii) provisions for dismantling and decommissioning and corresponding tangible fixed assets, where and whenever these amounts are not deductible until the payment date. Thus, on 31 December 2023, the impacts of this amendment are disclosed in note 25.

- IFRS 17 – Insurance Contracts (and amendments related to initial application and comparative information)

In preparation of the adoption of IFRS 17, effective as of 1 January 2023, the EDP Group carried out an analysis of the contracts of the subsidiary Energia RE – Sociedade Cativa de Resseguro. From the analysis performed, it was concluded that all contracts are eligible, and thus classified, within the Premium Allocation Approach (simplified model) measurement method provided for in IFRS 17. Thus, no material accounting impacts were determined for the EDP Group resulting from the adoption of IFRS 17, in replacement of IFRS 4.

The amendments that have been issued and that are already effective and that the Group has applied on its financial statements, with no significant impacts, are the following:

- IAS 1 (Amended) – Disclosure of Accounting Policies;
- IAS 8 (Amended) – Definition of Accounting Estimates; and
- IAS 12 (Amended) – International Tax Reform: Pillar 2 Model Rules (see note 15).

Standards, amendments and interpretations issued but not yet effective for the Group

The standards, amendments and interpretations issued but not yet effective for the Group (whose effective application date has not yet occurred or, despite their effective dates of application, they have not yet been endorsed by the EU), for which no significant impact is expected, are the following:

- IAS 1 (Amended) – Classification of Liabilities as Current or Non-current;
- IAS 1 (Amended) – Non-current Liabilities with Covenants;
- IFRS 16 (Amended) – Lease liability in a sale and leaseback;
- IAS 21 (Amended) – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability; and
- IAS 7 and IFRS 7 (Amended) – Supplier Finance Arrangements.

4. Critical accounting estimates and judgements in preparing the financial statements

IFRS requires the use of judgement and the making of estimates in the decision process regarding certain accounting treatments, with impact in total assets, liabilities, equity, costs and income. The actual effects may differ from these estimates and judgements, namely in relation to the effect of actual costs and income.

The main accounting estimates and judgements used in applying the accounting policies are discussed in this note in order to improve the understanding of how its application affects the Group's reported results and disclosures. A broader description of the accounting policies employed by the Group is disclosed in note 2 – Accounting policies.

Considering that in many cases there are alternatives to the accounting treatment adopted by EDP Group, the reported results could differ if a different treatment was chosen. The Executive Board of Directors believes that the choices made are appropriate and that the financial statements present fairly the Group operations in all material respects.

Financial asset related with infrastructure concession contracts in Portugal

The caption "Amounts receivable from concessions – IFRIC 12", refers to the financial assets receivable by EDP Group companies that operate infrastructures under concession contracts, and arises from the unconditional right to receive this amount regardless of the utilisation level of the infrastructures covered by the concession. In these companies is included E-Redes – Distribuição de Eletricidade, S.A. as the National Distribution Network (RND) concessionaire, which comprises the medium and high voltage network (MT and HT), and low voltage distribution networks (LT), being these concessions exercised exclusively through public service concession contracts.

The RND's operation, which is part of the HT and MT, is carried out through a public service concessions' attribution, by the Portuguese State. On the other hand, the right to distribute low voltage electricity is attributed to the Portuguese mainland municipalities. The legislation that establishes the basis of each concession sets up that the ownership or possession of the goods assigned to these concessions revert to the concessionaires at the end of their respective concessions. They also establish that in return for the assets returned to grantors, whether State or municipalities, compensation corresponding to the assets' book value assigned to the concession, net of amortisations, financial contributions and non-refundable subsidies will be paid. Therefore, the assets' estimated residual value at the end of each concession constitutes a financial asset, and the remaining fair value component of the concession assets is an intangible asset to be amortised over its useful life. Hence, the end date of each concession is one of the main assumptions to determine the amount of the financial and intangible assets.

In May 2017 Law 31/2017 was approved, which lays down the principles and general rules concerning the organisation of public tendering procedures for the awarding, by contract, of the municipal LT concessions' operation in the Portuguese mainland. This Law foresees the simultaneous launch, in 2019, of public tender procedures for all municipalities that do not opt for direct management of the electricity distribution activity.

However, the new Decree-Law 15/22, of January 2022, determined the automatic extension, without the need for further terms, of the current concession contracts for electricity distribution networks in BT, including those that had already reached their term, until the effective entry into operation of a new contractor, following the tenders for the attribution of BT concessions that will be held in the future.

Decree 397/2023, of 28 November 2023, defined the standard pieces of the public tender procedure for the allocation of low-voltage electricity distribution concessions, namely the procedure program, the standard terms of reference, and the standard concession contract. The initiative to initiate the tender processes is transferred to the municipalities, and there is no date provided in the legislation for their execution or additional involvement by the Government.

Although the published Decree does not provide information regarding the delimitation of areas for the tenders, the Government issued a statement on 29 November 2023, indicating that in April 2023, the National Association of Portuguese Municipalities expressed a preference for a territorial area covering the entire mainland territory, "having this option been integrated into the procedure", according with the aforementioned statement.

In this context, at this date it is not yet possible to predict the end date of the low voltage concession contracts currently in force, so an annual extension of contracts that have already reached the originally planned end date is assumed. Thus, with reference to 31 December 2023, the financial asset and the intangible asset related to the concessions whose contracts have not yet ended were determined based on the respective expiry dates and, for the remaining concessions, the financial asset and the intangible asset are determined assuming the validity of the contracts until 31 December of the year following the year in question.

Measurement criteria of the concession financial receivables under IFRIC 12 in Brazil

In 2012, the Provisional Measure 579/12 was published in Brazil, meanwhile converted into Law 12.783/13, which determines that the amount of the indemnisation payable to the distribution companies regarding the assets not amortised or depreciated at the end of each concession, should be determined based in the methodology of the Value of Replacement as New (VNR). The indemnisation amount variation is booked against Revenues from energy sales and services and other. This amount corresponds to the difference between the residual value determined based on the value of replacement as new and the residual value determined based on the historical cost.

ANEEL reviews the VNR, through the valuation report of the Regulatory Remuneration Base, every three years for EDP Espírito Santo and every four years for EDP São Paulo, as established in the concession contracts. Within these periods the distribution companies use their best estimate for the VNR. The use of different assumptions could result in different values of financial assets, with the consequent impact in the Statement of Financial Position (see note 27).

Impairment of long term assets and Goodwill

Impairment tests are performed whenever there is a trigger that the recoverable amount of property, plant and equipment and intangible assets is less than the corresponding net book value of the assets.

On an annual basis, the Group reviews the assumptions used to assess the existence of impairment in goodwill resulting from acquisitions of shares in subsidiaries. The assumptions used are sensitive to changes in macroeconomic indicators and business assumptions used by management. The investments in subsidiaries, on a company basis, and in associates are reviewed when circumstances indicate the existence of impairment.

Considering the uncertainties regarding the recoverable amount of property, plant and equipment, intangible assets and goodwill as they are based on the best information available, changes in the assumptions could result in changes on the determination of the amount of impairment and, consequently, in results (see notes 12 and 20).

Measurement of the fair value of financial instruments

Fair values are based on listed market prices, if available. Otherwise, fair value is determined either by the price of similar recent transactions under market conditions, or determined by external entities, or based on valuation methodologies, supported by discounting future cash flows techniques, considering market conditions, time value, yield curves and volatility factors. These methodologies may require the use of assumptions or judgements in determining fair values.

Consequently, the use of different methodologies and different assumptions or judgements in applying a particular model, could generate different financial results from those reported.

Classification of financial instruments

Financial instruments' classification as debt or equity requires judgement in the interpretation of contractual clauses and in the evaluation of the existence of a contractual obligation to deliver cash or other financial assets.

Review of the useful life of the assets

The Group reviews annually the reasonability of the useful lives attributed to the assets, that are the base to the corresponding depreciation rates. When applicable, the Group changes, prospectively, the asset's useful life and, subsequently, the depreciation rates of the period based on such review.

Useful lives of generation assets – Hydro independent generator in Brazil

The hydro generation assets in Brazil for independent generators are amortised during their estimated useful lives, considering the existing facts and circumstances at the date of preparation of the financial statements. This includes, among other issues, EDP's best expectations of the useful lives of such assets, which are consistent with the useful lives defined by ANEEL, the respective contractual residual indemnification values at the end of each concession period, as well as related technical and legal opinions. The remaining period of amortisation and the indemnification values at the end of the concessions may be influenced by changes in the regulatory legal framework in Brazil (see note 17).

Lease contracts

The Group recognises right-of-use assets and lease liabilities, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: i) the contract involves the use of an identified asset; ii) it has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and iii) it has the right to direct the use of the asset. EDP Group uses judgement on its assessment, namely concerning the termination and extension contract options and the determination of the incremental borrowing rate to be applied for each portfolio of leases identified (see notes 18 and 40).

Tariff adjustments

Portugal

Tariff adjustments in Portugal represent the difference between costs and income of the National Electricity, estimated at the beginning of each period for purposes of calculating the tariff, and the actual costs and income of the System established at the end of each period. The tariff adjustments assets or liabilities are recovered or returned through electricity and gas tariffs to customers in subsequent periods.

Decree-Law 237-B/2006 of 19 December, and Decree-Law 165/2008 of 21 August, recognised an unconditional right of the operators of the electricity sector to recover the tariff adjustments and related interest expenses, notwithstanding the form of the future payment or situations of insolvency and cessation of operations. Additionally, the legislation allows the transfer to third parties of the right to receive tariff adjustments. Therefore, under this legislation, regulated companies may provide to third parties, in whole or in part, the right to receive the tariff adjustments through the electricity tariffs. In accordance with the accounting policy in force, the EDP Group books under the caption Revenues from energy sales and services and other – Electricity and network access, the effects of the recognition of tariff adjustments in the electricity sector, against Debtors and other assets from commercial activities and Trade payables and other liabilities from commercial activities.

Brazil

On 25 November 2014, ANEEL made addendums to the concession contracts with electric distribution companies to reduce significant uncertainties regarding to the recognition and realization of regulatory assets/liabilities that existed since 2010, when the IFRS were adopted in Brazil. As a consequence, the CPC ("Comitê de Pronunciamentos Contábeis") issued on 28 November 2014, the OCPC 08 (Recognition of Certain Assets and Liabilities in Accounting and Financial Reports of Electric Distribution) which determines how to treat these regulatory assets/liabilities in the financial statements.

Therefore, on 10 December 2014, EDP Brasil signed the Fourth and Fifth Addendum to the Concession Agreement, where it was established that, in the case of concession termination, the outstanding balances of any failure of payment or reimbursement by the tariff (assets and liabilities), will be considered on the indemnity calculation, based on the regulator pre-established regulations.

EDP Group considers, based on the issued legislation (Portugal and Brazil), that the requirements for the recognition of tariff deficits as receivables and payables against the income statement of the period have been satisfied (see notes 7, 27 and 39).

Revenue recognition

Energy sales revenue is recognised when the monthly energy invoices are issued, based on actual meter readings or estimated consumption based on the historical data of each consumer. Revenue relating to energy to be invoiced, regarding consumption up to the balance sheet date but not measured, is booked based on estimates that take into consideration factors such as consumption in prior periods and analysis relating to the energy balance of the operations.

The use of different estimates and assumptions could affect the Group's revenue and, consequently, its reported results (see note 7).

Income taxes

The Group is subject to income taxes in several jurisdictions. Certain interpretations and assumptions are required in determining the global amount of income tax.

There are several transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. It is the Group's understanding that, in general, the tax treatment follows the accounting treatment, and therefore, no significant tax adjustments have been made to the accounting records arising from the implementation of the new standards. Different interpretations and assumptions could result in a different level of income taxes, current and deferred, recognised in the period (see note 15).

Pensions and other employee benefits

Determining pension and other employee benefits liabilities requires the use of assumptions, including actuarial projections, estimated rates of return on investments, discount rates and pension and salary growth and other factors that can impact the cost and liability of pension plans, medical plans and other benefits. Changes in the assumptions could materially affect the amounts determined (see note 36).

Provisions for dismantling and decommissioning of power generation units

EDP considers to exist legal, contractual or constructive obligations to dismantle and decommission property, plant and equipment assets allocated to electricity generation operations. The Group records provisions in accordance with existing obligations to cover the present value of the estimated cost to restore the locations and land where the electricity generation units are located. EDP Group provisions include the calculation of the present value of the expected future liabilities.

The use of different assumptions and judgement from those referred could lead to different financial results and depreciations than those considered (see note 37).

Entities included in the consolidation perimeter

In order to determine which entities must be included in the consolidation perimeter, EDP Group evaluates whether it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee ("de facto" control). This evaluation requires the use of judgement and assumptions.

Other assumptions and judgements could lead to a different consolidation perimeter of the Group, with direct impact on the consolidated financial statements (see note 6).

Business combination

Under IFRS 3 (Business Combination) in a business combination, the acquirer shall recognise and measure in the consolidated financial statements the assets acquired and liabilities assumed at fair value at the acquisition date. The difference between the purchase price and the fair value of the assets and liabilities acquired leads to the recognition of goodwill or a gain from a purchase at a low price (bargain purchase).

The fair value determination of the assets acquired and liabilities assumed is carried out internally or by independent external evaluators, using the discounted cash flows method, using the replacement cost or other fair value determination techniques, which rely on the use of assumptions including macroeconomic indicators such as inflation rates, interest rates, exchange rates, discount rates, sale and purchase prices of energy, cost of raw materials, production estimates and business projections. The determination of the fair value and, consequently, of goodwill or gain from a bargain purchase is subject to numerous assumptions and judgments and therefore changes could result in different impacts on results.

Fair value measurement of contingent consideration

Contingent consideration from a business combination or a sale of a financial investment is measured at fair value at the acquisition date as part of the business combination or at the date of the sale in the event of a sale of a financial investment. This contingent consideration is subsequently remeasured at fair value at each report date. Fair value is based on discounted cash flows. The main assumptions consider the probability of achieving each objective and the discount factor, corresponding to the best estimates of management at each report date. Changes in assumptions could have significant impact on the values of contingent assets and liabilities recognised in the financial statements (see notes 28 and 40).

Acquisition of assets out of the scope of IFRS 3

In order to assess whether an acquisition of an asset or a group of assets is a business, the Group identifies the elements in the acquired entity (inputs, processes and outputs), assesses the capability to create outputs and, finally, assesses the capability of market participants to continuing to create outputs.

The Group concludes that IFRS 3 is not applicable when there are no outputs at the acquisition date due to an early-stage of development, and the acquired process(es) cannot be considered substantive. Thus, the acquisition of an asset or a group of assets that does not fulfill the conditions to be considered a business is classified as an acquisition of a company out of scope of IFRS 3.

Contractual stability compensation – CMEC

The approval in 2004 of the Decree-Law 240/2004, of 27 December, determined the early Power Purchase Agreements (PPA) extinction, and the adoption of a contractual stability compensation (CMEC), which EDP Produção entered into after signing the Contractual stability on 27 January 2005, approved by the competent Government member (Order 4672/2005, of 4 March).

This mechanism includes three types of compensation: initial compensation, annual adjustment (or revisibility) and final adjustment. The last two types of compensation are relevant for this purpose.

i) Contractual stability compensation – Annual revisibility mechanism

During period I (2007/2017) of the contractual stability compensation mechanism, there was a correction on an annual basis, resulting from positive or negative deviations between the estimates made for the initial stability compensation calculation and actual amounts arising from an efficient performance, using the "Valorágua" model, as established in the Decree-Law 240/2004. In 2014, Dispatch 4694/2014 of 1 April 2014, amended the procedures to be followed in the calculation of the annual revisibility regarding the consideration of revenues obtained in the system services market (secondary regulation band) by the power plants covered by the CMEC mechanism.

Revisibility amounts for the years 2007 to 2014 were determined and approved by the Member of the Government responsible for the energy sector, and were contested by EDP Produção:

- a) As regards the approval of the 2011 and 2012 revisibilities, the fact that it did not consider the costs incurred with the social tariff in the calculation of the revisibilities; and
- b) As regards the approval of the 2014 revisibility, the fact that it did not take into account in the calculation of the revisibility the costs incurred with the social tariff and CESE.

Regarding the revisibility to the years 2011 and 2012, the Administrative Court dismissed, in different occasions, the special administrative actions brought by EDP Produção, not recognizing these costs with the financing of the Social Tariff for the determination of the amount of the annual adjustment of CMEC relating to 2011 and 2012. EDP Produção, not agreeing with these decisions, filed an Appeal for both years.

The annual revisibility of 2015 was approved by the Government member responsible for the energy sector in 20 October 2020 in the amount of 62.7 million Euros, after deducting an amount of 72.9 million Euros related to the alleged overcompensation of CMEC, due to their participation in the ancillary services market, in the period between 2009 and the first quarter of 2014 (see section Ancillary Services). EDP Produção challenged the order for ratifying the annual revisibility for the year 2015 on 19 January 2021, as it did not agree with the assumption of overcompensation within the scope of its performance in the system services market, between 2009 and 2014 and, consequently, do not agree with the deduction of the underlying value (72.9 million Euros) in that revisibility. It should also be noted that EDP Produção has already contested the imposition of a fine by the Competition Authority on matters of the same scope. The challenge also covered the non-consideration of the Social Tariff and CESE amounts paid by the centrals operating under the CMEC regime and also the non-approval of the annual revisibilities from 2016 to 2017, which still await the respective approval by the Government member responsible for the area of energy.

ii) Contractual stability compensation – Final Adjustment

The CMEC's Final Adjustment is calculated in accordance with number 7 of article 3rd and Annex IV of Decree-Law 240/2004, of 27 December. The State budget for 2017 (Law 42/2016 of 28 December) determined, in its article 170, that the final adjustment amount is determined and based on a study prepared and presented by ERSE. This entity had the technical support of EDP Produção and REN (Work Team), legally enforced.

Accordingly, the technical group EDP/REN has presented to ERSE its report on the CMEC final adjustment calculation, which was achieved by strictly following the calculation methodology described in Decree-Law 240/2004, of 27 December. This calculation, performed by the technical group EDP/REN was presented to ERSE and comes to a range of amounts between 256.5 and 271 million Euros.

At the end of September 2017, ERSE has also presented to the Government its report on the calculation of the CMEC final adjustment, reaching an amount of 154 million Euros, which was provisionally considered in the document of Tariffs and Prices for 2018.

In the Financial statements as at 31 December 2017, EDP Group has included its best estimate of the CMEC final adjustment, by recognising an asset in the amount of 256.5 million Euros against deferred income, based on the methodology established for this purpose in Decree-Law 240/2004, of 27 December, and in the legal opinions obtained in the meantime on this understanding.

On 3 May 2018, EDP was notified (through a DGEG's letter from 25 April 2018) that the CMEC final adjustment had been officially approved, according to ERSE's proposal, in the amount of 154 million Euros. EDP reflected this reality in its financial statements as of 31 December 2018, recognising a provision by the difference in the final adjustment amounts already recognised in the Group's revenues. On 31 December 2023 EDP maintains the provision in its accounts (see note 37).

Considering that the administrative act contained in the Dispatch of approval of the SSE of 25 April 2018 lacks technical, economic and legal basis, and that, in particular, it does not apply the calculation methodology contained in Decree-Law 240/2004, of 27 December, and which would lead to the determination of an amount close to the one determined by the technical group, on 3 September 2018, EDP Produção has legally contested it.

"Clawback" – Portuguese regulatory mechanism to ensure the competitive balance in the wholesale electricity market, in particular Iberian

Following some tax changes occurred in Spain, which affected electricity generators operating in this country, Decree-Law 74/2013, of 4 June, was approved in Portugal, which aimed to rebalance the competition between electricity generators operating in Portugal and other players operating in Europe.

Pursuant to relate diploma and its regulations, in order to restore such balance, the power plants operating on a market regime situated in Portugal, which were not covered by the PPA or CMEC regime, should pay to the System an amount per MWh produced.

The amount payable should consider, on one hand, an estimate of the impact that the off-market events in the European Union (such as the above-mentioned tax changes in Spain) would have in pool prices, and on the other hand, the existence of national extra-market events that affect the competitiveness of electricity generators operating in Portuguese territory. Consequently, a net competition advantage would allegedly arise to generators operating in Portugal.

Under this mechanism regulation – commonly known as clawback – Social tariff and CESE were determined by Dispatch 11566-A/2015, of 3 October, as off-market events that should be considered as competitive disadvantages of generators operating in Portugal.

Dispatch 7557-A/2017, of 25 August, superseded Dispatch 11566-A/2015 (which defined the variables for the computation formula of the amount to be paid by each of the power-generating plants under Decree-Law 74/2013, of 4 June, for each injected MWh). It states that ERSE, after consulting DGEG, should present proposals for a new definition of the variables, as well as reference terms for the new study.

Subsequently, the Dispatch 9371/2017, of 24 October, partially nulled the Dispatch 11566-A/2015, in relation to the decisions presented under its numbers 11 and 12 (the deduction of social tariff and CESE costs in the unit price). ERSE was asked to consider in 2018 UGS tariff, the recovery, in benefit of the consumers, of the amounts allegedly improperly included in previous years' tariffs (2016 and 2017). Dispatch 9955/2017, of 17 November, defines a new amount for the estimate of the off-market events' impact in EU, which is -4.75 €/MWh, with retroactive effects as at August 24. Following these Dispatches, the document of prices and tariffs for 2018 has included a clawback amount of around 90 million Euros to be returned to tariffs, which includes power plants operating under CMEC and estimated generation.

Based on its interpretation of the Law, as well as on legal opinions obtained, EDP Produção considers that the Decree-Law 74/2013, of 4 of June, aims to re-establish a situation of competition balance between generators operating in Portugal and their peers operating in other European countries, which means to consider as off-market events all the taxes and contributions that fall only over generators located outside of Portugal (particularly in Spain), as well as all the taxes and contributions that fall only over generators located in Portugal. Consequently, in the EDP Produção's understanding, supported by legal opinions, Dispatch 9371/2017 and 9955/2017 have completely distorted the clawback mechanism, having filed its legal action in January 2018.

In the Financial statements as at 31 December 2018, EDP Group has included the clawback amount as calculated by EDP Produção, regarding the legislation in place in each period, namely Decree-Law 74/2013, of 4 of June, Order 225/2015, Ordinance 9371/2017 and Dispatch 9955/2017. It is important to notice that this mechanism is not applicable to power plants in 2018 still operating under CMEC regime. However, this situation was subsequently changed and disputed by EDP Produção, as mentioned below.

On 5 October 2018, the Spanish legislature, by the sixth and seventh additional lines on Article 21 of Royal Decree-Law 15/2018, suspended the 7% tax on electricity generation approved in 2012 for a period of six months, from the beginning of October 2018 to the end of March 2019. This tax suspension corresponds to the suspension of the off-market event verified within the European Union, which is considered in the clawback calculation.

Following the temporary suspension of the tax on electricity generation in Spain:

- Order 895/2019 of 23 January, establishing the suspension of the "Clawback" was approved for a period of 6 months as from 1 October 2018;
- The Tariff and Price Document for 2019, published on 17 December 2018, estimates a Clawback value of € 4.18/MWh, to be applied after the end of the suspension period (more specifically from 6 April 2019);
- ERSE informed EDP Produção that any clawback invoicing relating to the referred suspension period should be deleted or cancelled; and
- The State Budget Law for 2019 provided that "the Government shall, until the end of the first quarter of 2019, review the regulatory mechanism designed to ensure the balance of competition in the wholesale electricity market in Portugal, provided for under DL 74/2013, of 4 June, adapting it to the new rules of the Iberian Electricity Market, with the aim of creating harmonized regulatory mechanisms that reinforce competition and protect consumers".

On 1 April 2019, the suspension of the tax on the generation of electric energy in Spain was terminated, and it became effective again. From that moment, the "clawback" invoiced to EDP Produção was resumed, based on a value of 4.75€/MWh.

On 9 August 2019, Decree-Law 104/2019 was published, which makes the first amendment to Decree-Law 74/2013, of 4 June, by changing the scope of the clawback mechanism. Previously, "electricity producers under the ordinary regime and other producers not covered by the guaranteed remuneration regime" were subject to clawback. With the publication of this diploma, the CMEC centrals are now included in the scope of the clawback. Considering that this scope contradicts the Decree Law 240/2004, of 27 of December, EDP Produção proceeded to its challenge.

The same Decree-Law introduced the possibility to define CIT (corporate income tax) – advanced payment, and on 26 September 2019 was published the Order 8521/2019, which set the amounts of advanced payment related to the clawback mechanism at 2.71€/MWh for coal-fired power plants and 4.18€/MWh for other power plants.

In the Tariff and Price Document for 2020, published on 16 December 2019, ERSE considered the unit values defined in Dispatch 8521/2019, correcting only the value applicable to coal to 1.23 €/MWh, due to the increase in the ISP tax percentage and CO2 addition planned for 2020. EDP Produção presented on 10 March of 2020 an action seeking a declaration of nullity or annulment of that administrative act by ERSE.

On 27 December 2019, Dispatch 12424-A/2019 was published, which identifies as national extra-market events to be considered in the Study to be prepared by ERSE until April 2020 (with reference to 2019) under the Clawback mechanism, the taxation of petroleum and energy products used in the generation of electricity (ISP), CESE and the Social Electricity Tariff.

On 30 June 2020, Dispatch 6740/2020 was published by the Secretary State of Energy (SEAE) which establishes the CIT (corporate income tax) – advanced payment to be applied in 2020 to electric power producers covered by the "Clawback" mechanism. The value of CIT – advanced payment for the year 2020 is set at € 2.24/MWh for plants that are not subject to extra market internal events, that is, only to some renewable energy producers in the market with the exception of the power generation centers included in the scope of internal extra-market events identified.

On 22 October 2020, Dispatch 10177/2020, issued by the SEAE Office, was published, which determines the final compensation of the "Clawback" for the year 2019, considering the ISP regime as the only internal off-market event within the National Electrical System (SEN), thus determining a value of € 2.24/MWh for hydro, gas and PRE on the market and 0.68€/MWh for coal power plants. This determination is not consistent with that contained in Dispatch 12424-A/2019, of 27 December, which identifies ISP, CESE and Social Tariff as internal off-market events for 2019. EDP Produção challenged Order 10177/2020 on 22 January 2021.

On 25 June 2021, the Spanish legislator, within the scope for the adoption of urgent measures regarding energy taxation due to the high prices verified in the MIBEL, published the Royal Decree-Law 12/2021, which, among others, proceeds the suspension of the 7% tax on the generation of electricity, approved in 2012, for a period between 1 July and 30 September 2021 (3 months), and with effects on the determination of the "Clawback". Following Royal Decree-Law 17/2021, the Spanish legislator has once again suspended the 7% tax on electricity generation for another 3 months, between 1 October and 31 December 2021.

Following the temporary suspension of the tax on the generation of electricity in Spain, Dispatch 6398-A/2021, of 29 June, was published, which established the suspension of the "Clawback" in the period between 1 July 2021 and 30 September 2021, and Order 9975/2021, of 14 October, which determines the suspension of this mechanism between 1 October and 31 December 2021.

On 14 October 2021, Order 9974/2021, of the SEAE Office, was published, which determines the final compensation of the "Clawback" for the year 2020, considering as the only extra-market event within the National Electric System the regime of ISP (noting that it is consistent with the Dispatch that approved the final value for the year 2019), resulting in the following "Clawback" values: 3.64€/MWh for hydro plants and Special Regime generation (PRE) in the market; 3.42€/MWh for CCGTs; and 2.16€/MWh for coal plants. This determination is not coherent with the goals and rationale underlying the "Clawback" mechanism, as it does not admit the Social Tariff and CESE as internal extramarket events. EDP Produção challenged Order 9974/2021 on 14 January 2022.

The Spanish legislator suspended again the 7% tax on electricity generation for another 6 months, through Royal Decree-Ley 29/2021, of 21 December (for the period between 1 January and 31 March 2022) and Royal Decree-Ley 6/2022, of 29 March (for the period between 1 April and 30 June 2022). Following this temporary suspension of the tax on electricity generation in Spain, Order 1322/2022 of 1 February was published, which established the suspension of the "Clawback" between 1 January and 31 March 2022, and Order 6287/2022, of 19 May, which extended this suspension until 30 June 2022.

More recently, the Spanish legislator, due to the maintenance of high prices in the MIBEL resulting, above all, from the Russia-Ukraine conflict, resumed the suspension of the 7% tax on electricity generation until the end of 2022, through the Royal Decree-Ley 11/2022, of 25 June, and Order 9838/2022, of 9 August, determined the suspension of the "Clawback" for the period between 1 July and 31 December 2022 in Portugal.

In the year 2023 the tax on generation in Spain is suspended, in accordance with Royal Decree-Ley 20/2022 of 27 December. In Portugal, Order 5748/2023, of 22 May, of the Secretary of State for Energy and Climate, also suspended the "Clawback" during the year 2023.

On 25 January 2024, Dispatch 976/2024 determined the final compensation for the "Clawback" related to the year 2021, based on scenario A of the ERSE study from April 2022. This scenario considers the ISP regime as the only internal off-market event to the National Electricity System (SEN), thus establishing a value of 7.10 €/MWh for hydroelectric, wind, and solar power plants in the market, and a null value for CCGT, as they did not exceed the exemption threshold of 2000 hours of use of their installed capacity. However, in addition to this value not considering all internal off-market events (CESE, Social Tariff, and G-Charge), the Dispatch is not in line with the advance payments applied in 2021, resulting from Dispatch 6740/2020, which set a null value for power plants that support the Social Tariff and CESE. The cost for the EDP Group associated with the publication of Dispatch 976/2024 has already been recorded in the accounts in 2021 and 2022.

Social Tariff Scheme

EDP Group filed a request to the European Commission whether the compliance of the Social Tariff funding mechanism, which is fully supported by ordinary regime generators, complies with the rules and principles of European Union law.

The European Commission has recognized the discriminatory nature of the social tariff funding mechanism in Portugal and has informed that it will maintain surveillance over its evolution, particularly in the context of tariff revisions for 2023.

On 17 November 2023, Decree-Law 104/2023 was published in the Official Gazette, amending the financing model of the social tariff established in Decree-Law 15/2022. The amendment includes, in addition to the producers, the suppliers and other agents in the consumption function as the financing entities for the costs of the social tariff. The allocation of the associated costs is carried out in two phases, with the allocation being made first by activity, followed by the agents within each activity.

On 9 January 2024, Directive 1/2024 approved the allocation of costs for the social tariff from 1 January to 17 November 2023, as well as the adjustments from 2018 to 2022. Regarding the allocation of costs from 18 November to 31 December 2023, and for the year 2024, ERSE published a public consultation on 23 January 2024, which also considers the operational procedures of the new social tariff financing mechanism.

From 2011 to 2022, EDP has incurred a cost of over 530 million Euros due to the social tariff. Regarding 2023, the EDP Group will have to pay around 77 million Euros.

Ancillary Services

i) Secondary regulation band service

On 3 September 2018 the Autoridade da Concorrência (AdC) adopted a Note of Illegality, under which it intended to attribute to EDP Produção a behaviour of abuse of a dominant position in the secondary regulation band service. AdC claimed that EDP Produção restricted the offer of a segment of the Electricity System (the secondary regulation band or teleregulation service) between January 2009 and December 2013, limiting the capacity offer of its plants under CMEC regime to benefit market power plants, in order to benefit twice, to the detriment of consumers. On 28 November 2018, EDP Produção exercised its right to be heard and to defend itself in relation to the wrongful act that was imputed and the sanctions it could incur, that is, it responded to the Note of Illegality.

On 18 September 2019, AdC informed EDP Produção of its decision to condemn, imposing a fine of 48 million Euros, for alleged abuse of dominant position in the secondary regulation band market in mainland Portugal between January 2009 and December 2013.

According to AdC, EDP Produção would have manipulated its offer of tele-regulation service or secondary regulation band, limiting the capacity offer of its CMEC power plants to offer it through its market power plants, benefiting in two ways:

- Highest compensation paid to CMEC plants (annual revisability), as their lower participation in the provision of secondary regulation band service would be below what would be expected (according to competitive market criteria); and
- The increase of the market price of the secondary bandwidth service, as a result of the limited supply by CMEC plants, favouring market-based power plants.

On 30 October 2019, EDP Produção filed an appeal against this decision before the Competition, Regulation and Supervision Court (TCRS), awaiting the AdC's counter-allegations. On 20 May 2020, EDP Produção was notified of an order from TCRS, which, among other things, admitted its Appeal of Judicial Contestation, establishing a purely return effect and determining the payment of the fine imposed within 20 days. In this context, EDP Produção submitted requests, invoking supervening facts to demonstrate the considerable damage associated with a putative payment of the fine, and arguing defects in the decision that determined the attribution of a merely devolutive effect to the Judicial Challenge Appeal. However, despite EDP Produção's well-founded convictions about the possibility of providing a bank guarantee or bond, instead of paying the fine, the TCRS ended up determining the payment of the fine, which occurred on 20 October 2021. The trial started in September 2021 and on 10 August 2022, the TCRS confirmed the AdC's decision, maintaining the fine of 48 million Euros to EDP Produção for alleged abuse of dominant position. EDP Produção filed an appeal against the aforementioned decision to the Lisbon Court of Appeal (TRL) on 30 September 2022. On 30 June 2023, an oral hearing was held at the aforementioned Court, which dealt only with legal aspects.

By judgment rendered on 25 September 2023, TRL partially rejected the appeal filed by EDP Produção, confirming the sentence of TCRS that had convicted it, and also judged the appeal to be valid regarding the reduction of the fine amount. Consequently, TRL decided to reduce the fine imposed on EDP Produção from 48 million Euros to 40 million Euros. Given this decision, on 2 October 2023, EDP Produção filed a request with TRL to argue various issues in the ruling issued by the said court. On 9 October 2023, a request for an appeal to the Constitutional Court was filed, raising the unconstitutionality issues that had been raised by EDP Produção throughout the process and fulfilling the legal requirements necessary for the case to be sent to that jurisdiction.

By judgment of 6 December 2023, the TRL dismissed the invalidities invoked by EDP Produção, and on 14 December 2023, EDP Produção submitted a request for clarification of part of the mentioned judgment. On 22 January 2024, the TRL deemed the request for correction of the judgment issued on 6 December 2023, as unfounded. On 5 February 2024, EDP Produção lodged an appeal to the Constitutional Court against the aforementioned TRL judgment that dismissed the request for clarification of part of the judgment of 6 December 2023.

The decisions of the Constitutional Court regarding the admissibility of the appeals filed by EDP Produção and notification for the submission of written arguments are awaited. Nevertheless, in the context of this process, EDP Produção has already been judicially obliged to pay the fine to which it was sentenced by the AdC, even before the trial and the final decision of the TCRS.

The EDP Group still considers that EDP Produção did not abuse any dominant position, having acted strictly in accordance with the legal framework in force.

In the context of this process, on 29 September 2021, EDP Produção was cited in a class action filed by Associação IUS Omnibus based on the alleged abuse of dominant position in the secondary regulation band market between the beginning of 2009 and the end of 2013, requesting, in representation of consumers allegedly harmed, a compensation in the amount of 94.8 million euros, as estimated by AdC in the scope of process PRC/2016/05. EDP Produção has already presented its defense within the legal deadline established for that purpose.

A ruling was issued in which the court decided, among other things, to suspend the proceedings until a final decision is made in the administrative offense case 309/19.0YUSTR. By ruling on 23 March 2023, adopted following an appeal filed by EDP Produção, TRL confirmed the decision to suspend the proceedings. EDP Produção filed a common appeal and, alternatively, an exceptional review appeal with the Supreme Court of Justice, and this court dismissed the appeals by ruling on 15 September 2023.

ii) CMEC's revisibility overcompensation

On 20 October 2020, EDP Produção became aware, by letter sent by DGEG, of the dispatch of the SEAE regarding the approval of the revisibility for the year 2015, which is deducted in the amount of 72.9 million Euros, relating to the alleged overcompensation. In this respect, the EDP Group has registered a provision in the amount of 72.9 million Euros, and carried out a judicial appeal against the order of SEAE at the Administrative Court of the Lisbon Circle at 19 January 2021.

Innovative Features

On 9 July 2018, EDP has been notified, within the scope of a stakeholder hearing promoted by the DGEG, to present its opinion on the possibility of DGEG proposing to the Secretary of State for Energy an amount associated with the alleged "innovative features" introduced in CMEC regime regarding PPA, to a maximum amount of 357.9 million Euros. According to DGEG, this amount shall be associated with the lack of legal scope for tests on the availability of the CMEC plants (285 million Euros) and the ancillary services, mentioned above (72.9 million Euros).

On 26 September 2018, EDP Produção was notified of the Order of the SEE of 29 August, which considers as an "innovative features" the topic "procedures for calculating the verified availability coefficient", quantified at 285 million Euros. This Order refers to the alleged lack of legal forecast of availability tests of CMEC plants. Considering that the Order in question lacks technical, economic and legal basis, on 8 October 2018 EDP Produção has submitted an administrative appeal.

Subsequently, EDP Produção received a letter from ERSE dated 12 November 2018 and became aware of the Order of the SEE of 4 October, which, following the Order of 29 August, declared the annulment of the annual adjustments in the part in which they considered the alleged "innovative features" concerning the procedures for calculating the coefficient of availability. In the Tariff and Price Document for 2019, ERSE considered the refund of an amount of 90 million Euros for a portion of the 285 million Euros referred to, expecting that the remaining portion will be paid for a number of years that allow the CMEC to have zero tariff impact by including the 86.5 million Euros in the tariffs of 2020, 86.5 million Euros in tariffs of 2021 and 21.9 million Euros in 2022.

Without having received any response to the gracious complaint filed on 1 February 2019, EDP Produção challenged in court the Orders of 29 August and 4 October and the Tariff and Price Document for 2019.

Although the EDP Group considers that there were no innovative features weighted in CMEC adjustments, this aspect was reflected in these financial statements as of 31 December 2018, by recognising a provision of 285 million Euros. In between 2019 and 2022, EDP made several payments, thus using the entire provision by 31 December 2022.

Hydro power plants of Fridão and Alvito

On 17 December 2008, EDP Produção and the Portuguese State signed the Contract for the Implementation of the National Program for High Hydroelectric Potential Power Plants (PNBEPH) regarding the Hydro Power Plants of Fridão (AHF) and Alvito (AHA), with the payment, by EDP Produção of 231,700 thousand Euros. Of this amount, 217,798 thousand Euros relates to the exclusive right to explore the AHF during the concession period.

EDP Produção followed up on the procedures for the implementation of these projects, having, in the case of the AHF, obtained a Favourable Environmental Impact Declaration and an Environmental Compliance Report of the Execution Project (RECAPE).

On 22 October 2013, EDP Produção requested to the Minister of the Environment, Land Management and Energy, based on a change of circumstances, to postpone the signing of the concession contract for the AHF. This request was formally rejected on 2 May 2014, and the terms of the concession contract, were subsequently negotiated between EDP Produção and the Portuguese Environmental Agency (APA) and a specific date for the respective signature for 30 September 2015, which was revoked by the Government without rescheduling a new date.

In 2016, following the beginning of the XXI Constitutional Government, the Government Program provided the reassessment of the PNBEPH. In this context, it was suspended, for three years, the execution of the Contract for the implementation of the AHF, as well as was agreed the annulment of the implementation Contract regarding AHA, through a Memorandum of Understanding signed on 5 December 2016, concluded by an agreement between the Portuguese State and EDP Produção on 11 April 2017.

On 16 April 2019 EDP Produção received, by email, an official letter from the Ministry of the Environment and Energy Transition, dated 11 April 2019, informing the State's conclusion that there is no need for implementation of AHF to meet national targets for energy production from renewable sources and for reducing the emission of Greenhouse Gases, as well as "that the State does not find any reason to inhibit the construction of the Fridão Hydro Power Plant".

Simultaneously, the Minister of the Environment and Energy Transition announced at the National Assembly, in a hearing at the Environment, Land-use Planning, Decentralization, Local Power and Housing Committee, that the State's decision was not to build the AHF and that "the State will always comply with the contract but believes there are no reasons for any repayment of the amount that was given to the State ten years ago". It acknowledged, however, that there was no agreement with EDP on this matter.

EDP Produção notified the Portuguese State to clarify that at no time did EDP express its intention to not proceed with the construction of power plants and to return all the investment already made, including the consideration paid on the provisional award, and, as well, to compensate it for other losses and damages resulting from the non-compliance, to be settled in a timely manner. The Group reclassified these Assets under construction to Other debtors and other assets and valued them in accordance with the principles defined in IFRS 9 (see note 28).

On 24 January 2020, EDP Produção initiated an arbitration process against the State in which it claimed its rights. The arbitration hearing sessions took place during the month of April 2021 and in July 2021 the closing arguments were presented. In July 2022, the competent Arbitration Decision was handed down, obliging the State to refund to EDP Produção the aforementioned amount of 217,798 thousand Euros, which concerns the exclusive right to explore the AHF during the concession period. The other requests by EDP Produção and the State were dismissed.

On 7 October 2022, the Portuguese State filed an appeal against the aforementioned Arbitration decision and EDP Produção presented its counter-claims on the 11 November 2022. On the 15 December 2022, the Supreme Administrative Court delivered the Judgment admitting the review appeal filed by the Portuguese State.

In view of the decision of the Supreme Administrative Court to admit the State's appeal, EDP Produção filed an appeal with the Constitutional Court, that was admitted, and EDP Produção presented the respective allegations in March 2023 and the State the respective counter-allegations. Recognizing the impact of the decision that the Constitutional Court will adopt, on 5 May 2023, the Supreme Administrative Court issued an order suspending the instance until the result of that appeal is known. By judgment issued on 10 October 2023, the Constitutional Court did not deem unconstitutional the provision of article 185-A, paragraph 3, subparagraph b) of the CPTA, and consequently, dismissed the appeal of EDP Produção mentioned above, confirming the decision of the Supreme Administrative Court to admit the appeal for review.

On 7 December 2023, EDP Produção was notified of the judgment issued by the Supreme Administrative Court, which dismissed the appeal and upheld the arbitral decision condemning the State to reimburse EDP Produção the amount of 217,798 thousand Euros.

In parallel, on 13 December 2022, EDP Produção submitted an application for the execution of the aforementioned Arbitral Decision, demanding the payment of the amount for which the Portuguese State was condemned. The said application was admitted, and on 13 February 2023, the Ministry of Environment and Climate Action opposed the execution, specifically requesting the citation of the Public Prosecutor, as the representative of the Portuguese State. After being cited, the Public Prosecutor presented its opposition on 24 April 2023. EDP Produção submitted its Reply on 4 May 2023. By order of 24 July 2023, the Lisbon Administrative Court determined the suspension of the enforcement proceedings until a decision was made in the appeal filed before the Supreme Administrative Court. On 27 September 2023, EDP Produção lodged an appeal to the Central Administrative Court of the aforementioned order. In light of the aforementioned judgment issued by the Supreme Administrative Court, which dismissed the appeal and upheld the arbitral decision condemning the State to reimburse EDP Produção the amount of 217,798 thousand Euros, EDP Produção requested, on 13 December 2023, the continuation of the proceedings within the enforcement process, and on 7 February 2024, the Lisbon Administrative Court ordered the notification of the executed entities to come and inform the court, within 20 days, whether the decision issued on 14 July 2022, by the Arbitration Court has already been executed.

Sale of the portfolio of Hydroelectric Projects

The project for the sale of the portfolio of Hydroelectric Projects located in the Douro basin falls within the scope of EDP's strategic plan for 2019-2022, as presented to the market in March 2019 and reinforced with EDP's Strategic Plan for 2021-2025 presented in February 2021, in particular within the scope of the strategy of portfolio balancing and capital reallocation, as a way to finance new investments, particularly in renewable energy, including in Portugal.

The transaction was concluded on 16 December 2020, through the sale of the entire share capital of the company Camirengia Hidroelétricos S.A. ("Camirengia"), by its sole shareholder, EDP – Energias de Portugal, S.A. ("EDP"), to the company Movhera – Hidroelétricas do Norte, S.A. (previously known as Águas profundas, S.A., company incorporated in Portugal and therefore resident for tax purposes in Portugal, owned by the consortium formed by GDF International SAS, from ENGIE Group, by 40%, Mirova S.A. by 35% and Predica Prevoyance Dialogue du Credit Agricole, S.A. in 25%). The company Camirengia was incorporated under the simple demerger of EDP – Gestão da Produção de Energia, S.A. ("EDP Produção"), under which a complex set of items was carved-out from this company, comprising not only the titles of use of the hydric resources related to the portfolio mentioned above, but also by a multiplicity of assets, liabilities, resources and contractual positions associated and necessary for the development of the exploration activity.

From a strictly operational, regulatory, technical and legal point of view, the demerger was the only viable and feasible option to proceed with the detachment of the portfolio, considering its size and complexity. In this sense, EDP followed the only model, the demerger and the subsequent sale of shares, that guaranteed the continuity of operations and the maintenance of all the commitments (including environmental nature and towards the municipalities) necessary for the portfolio normal operation and also to respond to the need of the buyer of acquiring a functional and autonomous company that would ensure the operation of all activity, without disruption, immediately after the sale – which was also required by the regulator. On the other hand, the contractual model used in the implementation of the transaction is fully in line with market standards.

After its conclusion, the transaction was subject to media attention, based on the assumption that it constitutes a transfer of concessions and that, therefore, would be subject to Stamp Duty (under paragraph 27.2 of the Stamp Duty General Table). In EDP's view, that assumption is not at all applicable, and Stamp Duty is not due, as the transaction did not entail a transfer of concessions, but rather a demerger followed by the sale of the entire share capital of a company (Camirengia) holding the patrimonial assets assigned to the portfolio, operations that are not subject to Stamp Duty.

In this context, on 16 March 2021, the President of the EDP Executive Board of Directors was requested to attend the Environment, Energy and Spatial Planning Commission of the Portuguese Parliament, in order to address the abovementioned transaction, where EDP had the opportunity to clarify all questions addressed by the Members present. In addition, on 1 April 2021, that Commission sent EDP a request for information and questions about the transaction. On 15 April, EDP, committed to contribute to the swift, full and definitive clarification of the questions that were presented, sent to the Portuguese Parliament answers to all the questions raised, and made available all the requested documentation, despite its private and confidential nature, as a testament to the collaborative, transparent and good faith attitude with which EDP has been guiding its relationship with the State and its institutions.

In this spirit of collaboration, transparency and good faith in its relationship with the State and its institutions, EDP proactively contacted the Tax Authority, making itself available to clarify the tax aspects of the operation.

On 6 July 2021, EDP became aware that DCIAP is investigating the sale of the Douro portfolio, with searches carried out at the premises of EDP and EDP Produção. During the diligence, and basing its action on a cooperative posture, all cooperation and assistance was provided to the authorities.

EDP scrupulously fulfils all of its obligations, including tax obligations, adopting very strict practices in the technical framework of all issues, having made this transaction under the tax framework applicable, assessing the tax rules in force on the date of the transaction, a framework that was also subject to validation by Opinions requested from reputable tax experts.

5. Financial risk management policies

The military conflicts between Russia and Ukraine, which began on 24 February 2022, and between Israel and Hamas, which began on 7 October 2023, are having several impacts, namely in the financial markets, due to the volatility they entail, the uncertainty they carry, in a time when Central Banks are starting to announce the end of the tightening cycle and potential rate cuts, as a sign that inflation may now be controlled.

The Group regularly monitors the financial markets evolution and the market variables to which it has exposure, seeking to mitigate that exposure by maintaining a mix of interest rate with a high percentage of fixed rate, maintaining prudent levels of foreign exchange hedging, choosing carefully its main counterparties favoring high ratings and high levels of liquidity (cash and available credit lines). The Group has adjusted its Financial Risk Management Policies incorporating worst case scenarios sufficiently conservative, therefore adequate to the Group profile. However, given that the duration of the conflicts and their global impacts are still unknown, the Group continues to monitor the risks, seeking to anticipate and manage possible additional impacts not currently contemplated.

Exchange-rate and interest rate risk management

Financial risk management

The EDP Group's business is exposed to a variety of financial risks, including the effect of changes in market prices, foreign exchange and interest rates. The Group's exposure to financial risks arises essentially from its debt portfolio, its investments and from the volatility of commodity prices, resulting in interest and exchange rate exposures as well as commodity market price exposure. The status and evolution of the financial markets are analysed on an on-going basis in accordance with the Group's risk management policy.

The management of financial risks of EDP, S.A. and other EDP Group entities is undertaken centrally by EDP, S.A., in accordance with policies approved by the Executive Board of Directors. The Financial, the Energy Management and the Risk Management Departments identify, evaluate and submit to the Board, for approval, hedging mechanisms appropriate to each exposure. The Executive Board of Directors is responsible for the definition of general risk management principles and the establishment of exposure limits.

As for the subsidiaries of EDP Energias do Brasil, the management of the financial risks inherent to the variation of interest rates, exchange rates and commodities is carried out locally, according to the rules set by EDP Energias do Brasil's Management and aligned with the principles/policies set by EDP Group for this geographical area.

Exchange-rate risk management

EDP Group operates in different geographies, therefore becoming exposed to exchange rate risk in US Dollar (USD), Brazilian Real (BRL), Polish Zloty (PLN), Romanian Leu (RON), Canadian Dollar (CAD), Pound Sterling (GBP), Hungarian Forint (HUF), Colombian Pesos (COP), Singapore Dollar (SGD) and other asian currencies. Currently, these exposures result essentially from investments of EDP Group in wind parks (and solar) in the USA, Poland, Romania, Canada, United Kingdom, Hungary, Colombia and Singapore. The exposure to Brazilian Real results essentially from investments of EDP Group in EDP Energias do Brasil and EDP Renováveis Brasil. The majority of these investments were financed with debt contracted in the respective local currency which allows to mitigate the exchange rate risk related to these assets, and such financing is complemented, in certain cases, with derivative financial instruments to hedge exchange-rate risk on net investment.

The policy implemented by the EDP Group consists of undertaking derivative financial instruments to hedge exchange rate risk with similar terms to those of the hedged asset or liability. The operations are revalued and monitored throughout their useful lives and, periodically, their effectiveness in controlling and hedging the risk that gave rise to them is assessed.

Investments in the Brazilian subsidiaries of EDP Energias do Brasil, whose net assets expressed in Brazilian Real expose EDP Group to the exchange rate risk from its conversion to Euros, are monitored through analysis of the evolution of the BRL/EUR exchange rate.

In the hedge relationships, the main source of ineffectiveness is the effect of the counterparties' and the Group's own credit risk on the fair value of the forward foreign exchange contracts and cross currency interest rate swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates.

Sensitivity analysis - exchange rate

Regarding the financial instruments that result in an exchange rate risk exposure, a fluctuation of 10% in the EUR/USD exchange rate, as at 31 December 2023 and 2022, would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

Thousand Euros	Dec 2023				Dec 2022			
	Profit or loss		Equity		Profit or loss		Equity	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
USD	1,166	-1,425	-19,352	23,653	9,696	-11,851	-65,279	79,785

This analysis assumes that all other variables, namely interest rates, remain unchanged.

Interest rate risk management

The aim of the interest rate risk management policies is to manage the impact on financial charges, from contracted debt, related to the exposure to interest rate risk from market fluctuations.

In the floating rate financing context, the EDP Group enters, when considered appropriate, into interest rate derivative financial instruments to hedge the cash flows associated with future interest payments, which have the effect of converting floating interest rate loans into fixed interest rate loans.

Long-term debt engaged at fixed rates is, when appropriate, converted into floating rate debt through interest rate derivative financial instruments designed to level them to current and expected market conditions.

All the operations are undertaken on liabilities in the EDP Group's debt portfolio and mainly involve perfect hedges, resulting in a high level of correlation between changes in fair value of the hedging instrument and changes in fair value of the interest rate risk or future cash flows.

In the hedge relationships, the main source of ineffectiveness is the effect of the counterparty's and the Group's own credit risk on the fair value of the interest rate swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates.

The EDP Group has a portfolio of interest rate derivatives with maturities up to 17 years. The Group's Financial Department undertakes sensitivity analysis of the fair value of financial instruments to interest rate fluctuations. As at 31 December 2023, after the hedging effect of the derivatives 79% of the Group's liabilities are at fixed rate.

In 2022, the EDP Group also entered into forward-starting interest rate swaps, in EUR and USD, in order to pre-hedge its exposure to the risk of interest rates increasing until the expected refinancing date of its outstanding debt, for the following 2 years. Through 2023, the pre-hedges in EUR were fully executed and the pre-hedges in USD were settled due to the changes in the internal policy, regarding the net investment hedge ratios.

Sensitivity analysis – Interest rates (excluding the Brazilian operations)

Based on the Group's debt portfolio, except for Brazil, and the related derivative financial instruments used to hedge the related interest rate risk, a 100 basis points change in the reference interest rates at 31 December 2023 and 2022 would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

Thousand Euros	Dec 2023			
	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Cash flow effect:				
Hedged debt	-10,103	10,103	-	-
Unhedged debt	-3,814	3,814	-	-
Fair value effect:				
Cash flow hedging derivatives	-	-	28,164	-28,164
Trading derivatives (accounting perspective)	18	-18	-	-
	-13,899	13,899	28,164	-28,164

Thousand Euros	Dec 2022			
	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Cash flow effect:				
Hedged debt	-10,103	10,103	-	-
Unhedged debt	-8,844	8,844	-	-
Fair value effect:				
Cash flow hedging derivatives	-	-	11,268	-11,268
Trading derivatives (accounting perspective)	68	-68	-	-
	-18,879	18,879	11,268	-11,268

This analysis assumes that all other variables, namely exchange rates, remain unchanged.

Brazil – Exchange and interest rate risk management

Stress tests and sensitivity analysis are carried out for purposes of risk management in the Brazilian subsidiaries. Through these two tools, the financial impact in different market scenarios is monitored.

For sensitivity analysis, the exposure of portfolio of operations is evaluated through 25% and 50% changes in the main risk factors, currency and interest rates, and the scenario with the highest probability of occurrence is presented (25%). The stress test is performed on the fair value of the operations and uses as premise the interest rate curve projections of the Brazilian basic macroeconomic scenario.

Brazil – Sensitivity analysis – exchange rate

Two Brazilian subsidiaries are mainly exposed to the USD/BRL exchange rate, arising from USD debt for which the exposure is completely offset by cross currency interest rate swaps.

Brazil – Sensitivity analysis – Interest rates

Based on the portfolio of operations, a 25% change in the interest rates, to which the Brazilian subsidiaries are exposed to, would have an impact to EDP Energias do Brasil Group in the amount of:

Thousand Euros	Dec 2023		Dec 2022	
	+ 25%	- 25%	+ 25%	- 25%
Financial instruments – assets	10,032	-9,900	24,881	-24,499
Financial instruments – liabilities	-51,387	56,171	-105,539	117,991
Derivative financial instruments	-31,352	31,856	-2,686	9,352
	-72,707	78,127	-83,344	102,844

Counterparty credit risk management

EDP Group's policy in terms of counterparty risk on financial transactions (see note 2 e)) is managed through an analysis of the technical capacity, competitiveness, credit rating and exposure to each counterparty, avoiding significant concentrations of credit risk. Counterparties in derivative financial instruments are institutions with high credit rating so the risk of counterparty default is not considered to be significant. Therefore, guarantees and other collaterals are not typically required for these transactions.

EDP Group has documented its financial operations in accordance with international standards. Derivative financial instruments are mainly contracted under ISDA Master Agreements.

The amount receivable from customers is mainly generated by operations in Portugal, Spain and Brazil, with a diversified customer base, both geographically and in terms of segments (business clients, private and public sector) and size (Supply companies, Business to Business (B2B) and Business to Consumer (B2C)). EDP Group is present in several countries and continents, structured in 4 regional hubs: Europe, Asia-Pacific, North America and South America. It has more than 9.2 million customers in the electricity and gas sectors, and usually the contractual relationship with the counterparty tends to belong-lasting.

The maximum exposure to customer credit risk by counterparty type is detailed as follows:

Thousand Euros	Dec 2023	Dec 2022
Corporate and private sector:		
Supply companies	8,654	200
B2B	391,800	496,804
B2C	480,672	425,163
Other	562,336	556,939
	1,443,462	1,479,106
Public sector:		
Debt with payment agreement	418	1,375
Debt without payment agreement	53,799	160,197
	54,217	161,572
	1,497,679	1,640,678

Trade receivables by geographical market for the Group EDP, is as follows:

Thousand Euros	Dec 2023					
	Portugal	Spain	Brazil	USA	Other	Group
Corporate and private sector	644,426	269,146	401,556	27,902	100,432	1,443,462
Public sector	32,806	2,177	18,785	-	449	54,217
	677,232	271,323	420,341	27,902	100,881	1,497,679
Thousand Euros	Dec 2022					
	Portugal	Spain	Brazil	USA	Other	Group
Corporate and private sector	669,995	315,698	374,164	27,248	92,001	1,479,106
Public sector	34,223	112,988	13,909	-	452	161,572
	704,218	428,686	388,073	27,248	92,453	1,640,678

The amounts receivable from supply companies are concentrated mainly in Portugal, Brazil and EDP Renováveis Group, as follows:

– In Portugal, these counterparties present a significantly reduced days sales outstanding, about 20 days, and these entities are subject to the sector regulation that establishes collaterals to reduce credit risk. The collateral provided is updated based on the average of the last quarter monthly sales, which reinforces a low risk profile;

– In Brazil, it refers mainly to: (i) the amounts from sale of electricity to wholesale dealers and supply companies, (ii) accounts receivable relating to energy traded in the Electric Energy Trading Chamber – CCEE; and (iii) charges for the electricity network access;

– In EDPR EU (Europe) & Latin America platform, main customers are utilities and regulated entities in the different countries. Credit risk is not significant due to the limited average collection period for customer balances and the quality of its debtors. Additional counter-party risk comes from the countries with renewables incentives, which it is usually treated as regulatory risk;

– In EDPR NA (North America) platform, main customers are regulated utility companies and regional market agents in the US. As it occurs in Europe, credit risk is not significant due to the limited average collection period for customer balances and the quality of the debtors. However, the exposure due to the mark-to-market of long term contracts may be significant; and

– In EDPR APAC (Asia-Pacific) platform, the Group's main customers are Distributed Generation offtakers and regulated entities in the different markets, namely in Singapore and Vietnam. As it occurs in the other platforms, credit risk from trade receivables is not significant due to same reasons. However, counter-party risk comes from countries with renewables incentives through regulated tariffs, which it is usually treated as regulatory risk.

Exposure in all markets EDPR operates is managed by a detailed assessment of the counter-party before signing any long term agreement and by a requirement of collaterals when financial soundness of the counterparty deteriorates.

Regarding the remaining receivables from companies and individual customers, resulting from the current activity of EDP Group, the credit risk is essentially the result of customers defaults, whose exposure is limited to the supply made until the possible date of supply disruption. A very criterious credit risk analysis made for new costumers, the large number of customers and their diversity in terms of sectors of activity, as well as the realization of non-recourse factoring operations, are some of the main factors that mitigate the concentration of counterparty credit risk.

Amounts receivable from public sector customers include amounts receivable from renegotiated debt with payment agreements, which, as the counterparty is a public entity and has already recognised the debt through payment protocols, present a lower risk. These amounts also include debt without payment agreements arising from the normal power supply activity similar to that described for the corporate and individual sector.

In accordance with accounting policies – note 2 e), impairment losses are determined using the simplified approach precluded in IFRS 9, based on life time expected losses.

Regarding third-party receivables generated by the Group's day-to-day business, the credit risk arises essentially from customers default, whose exposure is limited to the Low Tension Electricity supplied with usual delays in payments. The very criterious credit risk analysis made for new costumers, as well as the large number of customers and their diversity in terms of sectors of activity are some of the main factors that mitigate the concentration of counterparty credit risk.

EDP Group believes that the amount that best represents the Group's exposure to credit risk corresponds to the carrying amount of customers and of Contract assets related to energy sales net of the impairment losses recognised. The Group believes that the credit quality of these receivables is adequate and that no significant impaired credits exist that have not been recognised as such and provided for.

As at 31 December 2023, in accordance with the methodology for determining impairment losses on amounts receivable from the electric sector, no impairment loss has been booked. The risk levels for amounts receivable from the electric sector have been considered to be the same as the country risk levels for Brazil, Portugal and Spain, which have high credit ratings.

The maximum exposure to credit risk of Contract assets related to energy sales and Amounts receivable from the electric sector is as follows:

Thousand Euros	Dec 2023	Dec 2022
Contract assets related to energy sales:		
Contract assets receivable from energy sales contracts	1,257,182	1,449,960
	1,257,182	1,449,960
Amounts receivable from the electric sector:		
Amounts receivable from tariff adjustments – Electricity (see note 27)	401,702	483,217
Amounts receivable relating to CMEC (see note 27)	576,511	603,475
Amounts receivable from concessions – IFRIC 12 (see note 27)	1,695,957	1,966,939
	2,674,170	3,053,631
	3,931,352	4,503,591

Liquidity risk management

The EDP Group undertakes management of liquidity risk through the engagement and maintenance of credit lines and financing facilities, with a firm underwriting commitment with international reliable financial institutions, as well as term deposits, allowing immediate access to funds. These credit lines are used to complement and backup national and international commercial paper programmes, allowing the EDP Group's short-term financing sources to be diversified (see note 35). Considering the military conflicts, the Group assessed the potential impacts on additional liquidity needs, having concluded that the current Liquidity Risk Management Policy remains adequate.

The table below shows the contractual undiscounted cash flows and the estimated interests due, computed using the rates available at 31 December 2023:

Thousand Euros	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Dec 2028	Following years	Total
Bank loans	705,037	416,489	77,670	81,738	841,667	581,765	2,704,366
Bond loans	2,990,624	1,985,637	2,168,520	1,484,670	1,691,403	3,101,141	13,421,995
Hybrid bond	74,355	-	-	-	-	4,077,200	4,151,555
Commercial paper	123,668	328,054	-	-	-	-	451,722
Other loans	5,967	-	352	-	-	16,732	23,051
Interest payments (i)	462,695	529,311	413,464	334,284	289,846	341,318	2,370,918
	4,362,346	3,259,491	2,660,006	1,900,692	2,822,916	8,118,156	23,123,607

The table below shows the contractual undiscounted cash flows and the estimated interests due, computed using the rates available at 31 December 2022:

Thousand Euros	Dec 2023	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Following years	Total
Bank loans	618,171	374,238	100,048	72,687	68,154	640,133	1,873,431
Bond loans	1,997,899	2,397,141	1,896,292	2,109,361	1,783,624	2,806,824	12,991,141
Hybrid bond	726,552	-	-	-	-	3,077,200	3,803,752
Commercial paper	870,413	104,685	391,345	51,480	42,784	-	1,460,707
Other loans	4,227	2,627	1,784	2,057	1,826	27,812	40,333
Interest payments (i)	657,305	663,953	482,327	367,345	281,449	602,725	3,055,104
	4,874,567	3,542,644	2,871,796	2,602,930	2,177,837	7,154,694	23,224,468

(i) The coupons of the hybrid bonds were included taking into consideration the earliest possible call date.

Energy market risk management

Energy market risk management (excluding the Brazilian operations)

Since 2022, following the strategic decision of implementing in the EDP Group a new platform management model, Energy market risk management is done through the Global Energy Management platform (GEM). GEM acts as an interface between the Generation and Renewable platforms and the Clientes platform, ensuring access to energy markets as a way of optimizing the group's risk positions across different geographies, being the preferred interlocutor in the energy markets.

Managing the merchant energy as single portfolio seeks to capture the benefits resulting from the integrated management of the diversified portfolio, achieving an aggregate view of market risk, maximizing knowledge and operation synergies in the market. GEM's main functions are to optimize and manage the risks associated with the Group's position, resulting from the equilibrium between the production of its traditional and renewable assets and the needs of clients, by using short and long term, physical and financial energy markets.

The portfolio is managed through the engagement of operations with financial and physical settlement on the forward/future energy markets. The objective of these operations is to reduce volatility of the financial impact resulting from the managed positions and to benefit from arbitrage or positioning within the trading limits approved by the Executive Board of Directors. The activity is therefore subject to a series of variables which are identified and classified based on their common uncertainty characteristics (or risk). Such risks include market price evolution, volume, and shape risk as well as credit risk of the counterparties.

The financial instruments traded mainly include energy commodities swaps and futures, for which, in the hedge relationships, the main source of ineffectiveness are: (i) the effect of the counterparty's and the Group's own credit risk on the fair value of the financial derivatives, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in market prices and (ii) the timing of the hedged transactions, that may differ from the settlement of the hedging instrument.

Monitoring the risks includes their quantification in terms of positions at risk which can be adjusted through market operations. This quantification is made by using specific models that value positions to determine the maximum loss that can be incurred, with a given probability and a determined time frame.

Risks are managed in accordance with the strategies defined by the Executive Board of Directors, which are subject to a periodic review based on the evolution of the operations, to change the profile of the positions and adjust them to the established management objectives.

Risks are monitored by means of a series of actions involving daily monitoring of different risk indicators, of the operations grouped in the systems and the prudence limits defined by management area and risk component, as well as regular backtesting and supplementary validation of the models and assumptions used. This monitoring not only ensures the effectiveness of the strategies implemented, but also provides elements to enable initiatives to be taken to correct them, if necessary.

As of September 2023, the most important risk indicator is the Margin@Risk metric, which is a parametric calculation of the Value@Risk that gives visibility on individual risk elements of the Portfolio and different timeframe granularities but at the same time it provides the aggregated overall metric that considers diversification effect. The distribution by business segments is as follows:

Thousand Euros		Margin@Risk distribution for next 24 months by business segment	
		Dec 2023	Dec 2022
Business	Portfolio		
Electricity	Trading	2,996	50,399
Electricity	Trading + Hedging	606,061	425,008
Gas	Hedging	101,693	622,867
Diversification effect		-121,245	-116,768
		589,505	981,506

Regarding credit risk, it is noteworthy that derivative financial instruments are traded both in market exchanges and through bilateral contracts (Over-the-counter – OTC).

As per futures, forward derivatives traded in centralized market exchanges, given the requirements for the trading entities, namely margin deposits as collateral, credit risk is mostly mitigated and therefore excluded from exposure detailed below.

As per derivative financial instruments contracted OTC, the quantification of exposure considers the amount and type of transaction (e.g. swap or forward), the rating of the counterparty risk that depends on the probability of default and the expected value of credit to recover, which varies depending on the guarantees received or the existence of netting agreements. The EDP Group's exposure to credit risk rating is as follows:

	Dec 2023	Dec 2022
Credit risk rating (S&P)		
A+ to A-	16.38%	25.09%
BBB+ to BBB-	56.74%	47.47%
No rating assigned	26.88%	27.44%
	100.00%	100.00%

Brazil – Energy market risk management

Arising from the energy trading activity in Brazil, EDP Trading Comercialização e Serviços de Energia, S.A. and EDP Smart Energia Lda. are exposed to market price risk associated with future commitments, resulting from bilateral contracts for the purchase and sale of energy.

At reporting date, the result of future commitment contracts is determined as the differential, for each maturity term, between the prices of the bilateral contracts for the purchase and sale of energy and their mark-to-market valuation using forward price curves. The result of future commitment contracts presents volatility associated with energy price fluctuation, generating market price risk.

The management of market price risk is carried out through the determination and daily monitoring of the risk respecting the limits approved by the Management of EDP Brazil, and framed within the Risk Management Policy of the EDP Group, for the purchase and sale of energy using a methodology established in the Energy Risk Policy. The methodology adopted is a VaR (Value@Risk) with 95% confidence that considers a forward curve of market prices, the exposure of the portfolio (difference between purchase and sell) and the volatility and liquidity observed in the free market for each period.

For sensitivity analysis, the exposure of portfolio of operations is evaluated through 25% and 50% changes in the forward curve of market energy prices. Below shows the scenario with the highest probability of occurrence (25%).

Thousand Euros	Dec 2023		Dec 2022	
	+ 25%	- 25%	+ 25%	- 25%
Differences Settlement Price – PLD	-14,014	12,644	-4,251	3,561

Capital management

EDP is not an entity subject to regulation in terms of capital or solvency ratios. Therefore, capital management is carried out within the financial risk management process of the entity.

Additionally, management describes this aspect of its strategic objectives, policies and processes to manage risks, including the financial risks, in the chapters of the Annual Report:

Part I – 02 Strategic Approach

2.3 Risk Management: Key Risks – Financial; Risk Appetite – Financial; and

2.4 Strategic Guidelines Compliance – Resilient Portfólio.

Part III – Report of Corporate Governance

53 The main types of economic, financial and legal risk – Financial risks.

The Group's goal in managing capital is to safeguard the Group's capacity to continue operating as a going concern, grow steadily to meet established objectives and maintain an optimum capital structure to reduce equity cost.

In conformity with other groups operating in this sector, the Group controls its financing structure based on several control mechanisms and ratios.

6. Consolidation perimeter

During the year of 2023, the following changes occurred in the EDP Group consolidation perimeter:

Companies acquired:

The following acquisitions were classified as asset purchases, out of scope of IFRS 3 – Business Combinations, due to the substance of these transactions, the type of assets acquired and the very early stage of the projects:

Acquiring company	Acquired company	Acquired %	Obs.
Sunseap China Energy (Shanghai) Ltd.	Chuzhou Huitai Photovoltaic Power Generation Co., Ltd.	100%	
	Fangxian Tianhang New Energy Co., Ltd.	100%	
	Siping Lvsheng Energy Technology Co., Ltd.	100%	
	Jingmen Zhongbei New Energy Co., Ltd.	100%	
	Tianjin Pengling Funeng New Energy Technology Co., Ltd.	100%	
	Jiaxing Luken Energy Technology Co., Ltd.	100%	
	Harbin Panshuo Energy Technology Co., Ltd.	100%	
	Anhui Jinyang New Energy Co., Ltd.	100%	
RE Capital Co., Ltd.	Godo Kaisha NW-3	100%	
EDP Renovables España, S.L.U.	Global Pracima, S.L. (including 3 subsidiaries)	100%	
	Energia Geoide VIII, S.L.	100%	
	ICE Tudela S.L.	67,7%	(1)
EDP Renewables Europe, S.L.U.	Harrington Franklin Limited	100%	
	Balnacraig Battery Storage Limited	100%	
EDPR PT - Promoção e Operação,	SPEE - Sociedade Produção Energia Eólica, S.A.	100%	
EDPR France Holding, S.A.S.	Saussignac Solaire, S.A.S.	100%	
	Oxavi 1, S.A.S.	100%	
	Oxavi 2, S.A.S.	100%	
EDP Renewables Italia Holding, S.R.L.	Solar Italy XXIII, S.r.l.	100%	
	Wind Energy Castelluccio, S.r.l.	100%	
	Windergh Valleverde, S.r.l.	60%	
EDP Renewables Polska, Sp. z o.o.	Wind Energy Monte Cavallo, S.r.l.	51%	
	Farma Fotowoltaiczna Iłża, Sp. z o.o.	100%	
	Farma Fotowoltaiczna Pakosław, Sp. z o.o.	100%	
	CSH III Renewables, Sp. z o.o.	100%	
	Maella, Sp. z o.o.	100%	
	Wind Farm Debrzno, Sp. z o.o.	100%	
	Wind Farm Gniewkowo, Sp. z o.o.	100%	
	EDPR Polska Wind, Sp. z o.o.	100%	
	EDPR Polska Solar 2, Sp. z o.o.	100%	
	EDPR Polska Storage, Sp. z o.o.	100%	
Edkoenergia Solar 3, Sp. z o.o.	100%		
EDPR Sunseap Korea Holdings Pte.	Angang Wind Power Corporation	100%	
Sunseap Commercial & Industrial	Millennium Energy Investment Co., Ltd. (including 4 subsidiaries)	100%	
	11 companies in North America	100%	

(1) EDP Renovables España, S.L.U. acquired a 67,7% stake in the company ICE Tudela S.L., in which it already held a 32,3% stake, increasing its participation to a 100% stake and obtaining control over the company.

Additionally, the following companies were acquired in the scope of IFRS 3 – Business Combinations:

- EDP Comercial – Comercialização de Energia, S.A. acquired 100% of Enerdeal Group S.A. and its subsidiaries (see note 20);
- EDP Renováveis, S.A., through a North American subsidiary, acquired the 100% stake in a distributed solar generation portfolio, which includes 44 MW solar operational projects, for an amount of 17,294 thousand Euros, and the assessment to determine its fair value allocation is still in progress (see note 20);
- EDP Renovables España, S.L.U. acquired a 52.99% stake in the company San Juan de Bargas Eólica S.L., in which it previously held a 47.01% stake, increasing its participation to a 100% stake and obtaining control over the company. The amount paid for this transaction has been 13,898 thousand Euros and the assets purchase price allocation exercise has been carried out in accordance with their fair value valuation, generating a gain ("bargain purchase") in the amount of 8,723 thousand Euros;
- EDP Solar España, S.A. acquired a 100% stake in the companies Azul y Verde Energía y Sostenibilidad S.L. and Leuk Soluciones Energéticas, S.L.;
- EDP Energias do Brasil, S.A. acquired all remaining shares of Blue Sol Participações S.A., in which it previously held a 40% stake, increasing its participation to a 100% stake and obtaining control over the company and its subsidiaries; and
- In the last quarter of 2023, Sunseap (Australia) Investments Pty. Ltd. acquired a 100% stake in ITP Development Pty. Ltd. and its subsidiaries, which own a 730 MW solar generation portfolio located in Australia. The participation was acquired for an amount of 13,648 thousand Euros and the assessment to determine its fair value allocation is still in progress (see note 20).

Sale of companies / investments:

Entity holding the stake	Company / investment sold	% sold	Previous %	Obs.
Sale of companies without loss of control				
EDP Renewables Canada Ltd.	Edgware BESS Project LP	50%	100%	
Sale of companies with loss of control				
EDP Energias do Brasil, S.A.	Porto do Pecém Geração de Energia, S.A.	80%	100%	(2)
Companies sold				
EDPR France Holding, S.A.S.	Eoles Montjean, S.A.S.	100%	100%	(3)
Sunseap Australia Investments Pty. Ltd.	Todae Solar Pty. Ltd.	49%	49%	(4)
	EDPR Investment Hungary, Kft.	100%	100%	(4)
	Viesgo Europa, S.L.U.	100%	100%	(5)
EDP Renewables Europe, S.L.U.	Viesgo Renovables, S.L.U.	100%	100%	
	Principle Power, Inc	25.41%	25.41%	(6)
EDP Ventures, S.A. / Fundo EDP CleanTech FCR	Zypho, S.A.	40.27%	40.27%	(7)
Viesgo Renovables, S.L.U.	Geólica Magallón, S.L.	36.23%	36.23%	(8)
Sunseap Group Pte. Ltd.	Charge+ Pte. Ltd.	26.25%	26.25%	(4)
Sunseap Taiwan Solar Holdings Ltd.	Sunseap Solutions Taiwan Ltd.	49%	49%	(4)
	EW Dobrzyca, Sp. z o.o.	100%	100%	
	Ujazd, Sp. z o.o.	100%	100%	(9)
EDP Renewables Polska, Sp. z o.o.	Wind Field Wielkopolska, Sp. z o.o.	100%	100%	
	Central Eólica Boqueirão I and II, S.A.	100%	100%	(10)
	Jerusalém Holding, S.A. (including 6 subsidiaries)	100%	100%	

(2) Sale of 80% of the stake held in Porto do Pecém Geração de Energia, S.A. and its subsidiaries for an amount of 84,046 thousand Euros (461,361 thousand Brazilian Reals), resulting in the loss of control of the company and generating a loss of 22,720 thousand Euros, which is recognised as (i) a gain in reserves, by allocation of exchange differences reserves, in the amount of 61,748 thousand Euros (see Consolidated Statements of Changes in Equity), and as (ii) a loss in Other costs in the amount of 84,469 thousand Euros (see note 11). This impact includes the effects of the sale of the 80% stake and the reassessment of the remaining stake, which is now accounted as an associated company using the equity method.

(3) Sale occurred in first quarter, for an amount of 1,126 thousand Euros.

(4) Sale with no significant impacts in the consolidated financial statements.

(5) In the third quarter, these shares were sold for 482,681 thousand Euros, generating a gain of 184,478 thousand Euros (see notes 8 and 20).

(6) Sale of direct stakes held in the associated company to OW Offshore, S.L., for a total amount of 25,816 thousand Euros (25,799 thousand US Dollars), generating a gain of 23,556 thousand Euros (see note 22).

(7) Sale of stakes held in the associated company for a total amount of 3,518 thousand Euros, generating a gain of 3,275 thousand Euros (see note 22).

(8) Sale of stake held in the associated company, generating a loss of 10,566 thousand Euros (see note 22).

(9) Sale occurred in the third quarter for an amount of 346,866 thousand Euros. The transaction generated a net gain, after the impact of associated derivative financial instruments, of 206,846 thousand Euros (see notes 7 and 8).

(10) Sale occurred in the fourth quarter, for an amount of 188,940 thousand Euros, generating a gain, net of transaction costs, of 67,805 thousand Euros (see note 8).

Companies liquidated:

Entity holding the stake	Liquidated company	Previous %	Obs.
Viesgo Renovables, S.L.U.	Viesgo Mantenimiento, S.L.U.	100%	
Sunseap China Energy (Shanghai)	Yuzhou Yixing Energy Technology Co., Ltd.	100%	
EDP Gestão Produção Energia, S.A.	Carriço Cogeração – Sociedade de Geração de Electricidade e Calor, S.A.	35%	Associated
Re Capital Co., Ltd.	Jinan Xingsheng Energy Co., Ltd.	100%	
EDP Renewables Canada Ltd.	EDP Renewables Sask SE GP Ltd	100%	
	EDP Renewables Sask SE Limited Partnership	100%	
	Kennedy Wind Farm GP Ltd	100%	
	Kennedy Wind Farm LP	100%	
	26 companies in North America	100%	
	1 company in North America	50%	Joint Venture

Companies merged:

Acquiring company	Merged company	Previous %	Obs.
EDPR PT – Promoção e Operação, S.A.	EDP Renewables SGPS, S.A.	100%	
	IE2 Portugal, SGPS, S.A.	100%	
Sunseap International Pte. Ltd.	Sunseap Vietnam Pte. Ltd.	100%	
	Sunseap Vietnam Beta Pte. Ltd.	100%	
	Sunseap Vietnam Gamma Pte. Ltd.	100%	
Sunseap Engineering Pte. Ltd.	Sunseap Philippines Solar Holdings Pte. Ltd.	100%	
	Uper Renewable Energy (Singapore) Pte. Ltd.	100%	
	Solar PV Exchange Pte. Ltd.	100%	
SolarNova Phase 1 Pte. Ltd.	Sunseap Leasing Alpha Pte. Ltd.	100%	
	Sunseap Solarnova Pte. Ltd.	100%	
Sunseap Commercial Assets Pte. Ltd.	Sunseap Leasing Beta Pte. Ltd.	100%	
	Sunseap Vpower Pte. Ltd.	100%	
Sunseap Energy Ventures Pte. Ltd.	Sunseap Commercial Holdings Pte. Ltd.	100%	
	Sunseap Solutions Pte. Ltd.	100%	
Sunseap Delta Holdings Pte. Ltd.	Sunseap Commercial & Industrial Assets (S.E.A.) Holdings Pte. Ltd.	100%	
SolarNova 4 Beta Assets Pte. Ltd.	SolarNova 4 Beta Holdings Pte. Ltd.	100%	
Solarland Alpha Assets Pte. Ltd.	Solarland Alpha Holdings Pte. Ltd.	100%	

Companies incorporated:

Company	Company
EDP Transmissão Norte 2 S.A.	Fengcheng Xingtai New Energy Technology Co., Ltd.
EDPR Sicilia Quattro, S.r.l.	Gumisan Wind Power Co., Ltd.
Desarrollos Renovables de Alfajarin, S.L.U.	KS SPV 81 a 85 Limited (5 companies)
Central Eólica Itaúnall, S.A.	Central Eólica São Domingos IV e V, S.A. (2 companies)
KSD 41UG a KSD 60 UG (20 companies)	Renewables Energy Colombia S.A.S.
EDP Group Brussels Representation	Fransol 51 a 70, S.A.S. (20 companies)
Putian Xingsheng New Energy Co., Ltd.	Jingmen Xingsheng New Energy Co., Ltd.
Jiangsu Xingsheng New Energy Technology Co., Ltd.	Changchun Xingsheng Jinhu Photovoltaic New Energy Co., Ltd.
Wuhu Xingsheng New Energy Co., Ltd.	KS SPV 00 Limited
Promotores Villarrubia Elevación, S.L. (owned by 32.9%)	Promotores Villarrubia Morata 200KV, S.L. (owned by 43.6%)
Vientos de Taltal, SpA	Serracapriola, S.r.l.
EDPR Terra, Kft.	EDPR Sirocco, Kft.
EDPR Silvanus, Kft.	EDPR Siesta, Kft.
EDPR Bora, Kft.	EDPR Pampero, Kft.
EDPR Mistral, Kft.	EDPR Zephyr, Kft.
South Branch BESS Project GP Ltd.	South Branch BESS Project Limited Partnership
EDP SMART SPE 1 a 13 LTDA. (13 companies)	Miyagi Motoyoshi Solar GK
48 companies in North America	

Other changes:

- On 3 March 2023, EDP Renováveis S.A. concluded a capital increase of 1,000,000,008 Euros through the issue of 50,968,400 new shares at a subscription price of 19.62 Euros per share. Following the capital increase, EDP kept the same 720,191,372 shares of EDP Renováveis that it previously held, and its stake in EDPR and its subsidiaries was diluted from 74.98% to 71.20%.

On 4 April 2023, the Annual General Shareholders's Meeting of EDP Renováveis S.A. approved for 2022 profits distribution through a scrip dividend to be executed as a share capital increase, through the issuance of new ordinary shares, with a par value of 5 Euros, without share premium.

On 25 May 2023, EDP Renováveis S.A. capital increase has been completed, through the incorporation of reserves, for a nominal amount of 62,257,695 Euros and through the issuance of 12,451,539 ordinary shares of the Company with a par value of 5 Euros each, having the scrip dividend been executed by 92.32% of the Shareholders.

EDP S.A., as per the intention communicated on 27 February 2023, opted to receive EDPR shares under this Programme, increasing its stake to 71.27% and holding 729,793,922 shares in EDP Renováveis.

This changes in EDPR's participation resulted in a global gain of 381,579 thousand Euros. As a current operation with non-controlling interests and therefore with no loss of control, this gain was recorded in equity (see Consolidated Statements of Changes in Equity, notes 33 and 34);

- In the second quarter, EDP Ventures, S.A. reduced its stake in the joint venture ARQUILED - Proj. Iluminação, S.A. in 32.1%, maintaining a 17.8% financial interest in the company, which is recognized as an Equity Instrument at Fair Value through Profit or Loss. This change generated a loss of 857 thousand Euros, which has been registered within the "Joint Ventures and Associates" caption of the consolidated income statement;
- In the third quarter, and as communicated to the market on 11 July 2023, EDP S.A., through its subsidiary EDP International Investments and Services, S.L., acquired 185,169,240 common shares issued by EDP - Energias do Brasil S.A. ("EDP Brasil"), representing 31.86% of its share capital, following the result of the Public Tender Offer ("Offer") auction, having reached the quorum for "Novo Mercado" Delisting. Therefore the necessary measures were taken for EDP Brasil's Registration Conversion and delisting of its shares from "Bolsa de Valores B3".

Additionally, on 25 July 2023, and as communicated to the market on 26 July 2023, as a result of the acquisitions carried out in the context of the EDP's obligation to extend the possibility of sale to those shareholders who did not sell on the Offer's auction during the subsequent three-month period, EDP's aggregate shareholding in EDP Brasil's share capital reached 538,259,059 common shares, representing approximately 92.62% of the total common shares issued by EDP Brasil.

Therefore, and considering the total number of treasury shares (2.51%), EDP Brasil's outstanding shares came to represent less than 5% of the total common shares issued, reaching the threshold that allowed for the compulsory acquisition of the remaining outstanding shares, under the terms of the Offer notice.

On 30 August 2023, as communicated to the market on the same date, the compulsory acquisition of all the remaining outstanding shares of EDP Brasil (21,494,341 shares, representing 3.70% of its total share capital) was approved at a General Shareholders' Meeting, with EDP now holding, in aggregate, 100% of EDP Brasil's share capital.

As a result of these changes in the context of the Offer for EDP Brasil, a loss of 207,060 thousand Euros has been recognised. Given that these operations occurred with non-controlling interests, and therefore without changes in control, this loss was recorded in equity (see Consolidated Statements of Changes in Equity, notes 33 and 34).

- In the last quarter, EDP Ventures, S.A. increased its stake in the company Energyworx International, B.V., previously classified as an Equity Instrument at Fair Value through Profit or Loss, to a 38.17% financial interest in the company, which is now recognised as an associated company.
- On 26 October 2023, EDP España, S.A.U. and Corporación Masaveu, S.A. established a partnership through which they agreed to the following:
 - (i) Establishment of the "joint venture" Hidrocantábrico JV, S.L., owned 50% by both parties; and
 - (ii) Sale of the 100% stake in the company Aboño Generaciones Eléctricas, S.L.U. to the "joint venture" established.
 During the fourth quarter, EDP España, S.A.U. carried out the split of Abono I and II, through the separation of assets and liabilities, rights and obligations, legal-labor relations, contractual positions, protocols and licenses associated with the power plants, resulting in the incorporation of the new company, Aboño Generaciones Eléctricas, S.L.U. Subsequently, EDP España, S.A.U. sold this company to the aforementioned "joint venture" for a total amount of 180 million Euros, generating a gain of 104,198 thousand Euros, recognised under the Other Income caption (see notes 8, 42, and 45); and
- In the last quarter, an additional 40% stake in the subsidiary Ningbo Jiangbei Baoyi Enterprise Management Consulting Partnership LP was acquired, whereby the investment in this company increased to 100%.

The companies included in the consolidation perimeter of EDP Group as at 31 December 2023 are disclosed in Annex I.

7. Revenues and cost of Energy Sales and Services and Other

Revenues from energy sales and services and other are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Energy and access	14,601,447	19,061,010	588,920	7,431,624
Revenue from assets assigned to concessions	962,988	813,943	-	-
Other	637,873	775,811	2,310,590	1,652,603
	16,202,308	20,650,764	2,899,510	9,084,227

Revenues from energy sales and services and other, by geographical market, for the Group, are as follows:

Thousand Euros	Dec 2023					
	Portugal	Spain	Brazil	USA	Other	Group
Energy and access	7,303,578	3,100,615	2,586,314	642,461	968,479	14,601,447
Revenue from assets assigned to concessions	321,215	-	641,773	-	-	962,988
Other	361,961	64,010	149,600	25,580	36,722	637,873
	7,986,754	3,164,625	3,377,687	668,041	1,005,201	16,202,308

Thousand Euros	Dec 2022					
	Portugal	Spain	Brazil	USA	Other	Group
Energy and access	8,030,223	6,694,555	2,435,584	658,314	1,242,334	19,061,010
Revenue from assets assigned to concessions	265,677	-	548,266	-	-	813,943
Other	514,566	44,146	165,388	34,773	16,938	775,811
	8,810,466	6,738,701	3,149,238	693,087	1,259,272	20,650,764

The caption Energy and access in Portugal, on a consolidated basis, includes a net revenue of 1,443,854 thousand Euros (cost in 31 December 2022: 396,869 thousand Euros) regarding tariff adjustments of the period (see note 27). This caption also includes, in Brazil, a net cost of 155,511 thousand Euros (31 December 2022: net cost of 112,420 thousand Euros) related to recognition of tariff adjustments for the period (see note 39).

Additionally, the caption Energy and access includes, on a consolidated basis, a positive amount of 37,763 thousand Euros (31 December 2022: positive amount of 45,271 thousand Euros) related to the contractual stability compensation (CMEC) as a result of the power purchase agreements (PPA) termination, including an income of 18,794 thousand Euros related to the CMEC final adjustment (31 December 2022: positive amount of 19,566 thousand Euros), net from the recognised provision due to the final adjustment official approval.

The caption Others includes, on a consolidated and individual basis, 322,112 thousand Euros (31 December 2022: 523,653 thousand Euros) and 2,044,467 thousand Euros (31 December 2022: 1,426,709 thousand Euros), respectively, related to the sale of CO2 licenses.

The caption Energy and access, on a company basis, includes 258,042 thousand Euros (31 December 2022: 2,152,785 thousand Euros) related with energy sales under the purchase and sale agreement of evolutive energy between EDP, S.A. and EDP Comercial S.A. This agreement was included in the transfer of the energy management business unit to EDP GEM Portugal S.A. (see note 13).

The breakdown of Revenues from energy sales and services and other by segment, are as follows (see note 51 – Operating Segments):

Thousand Euros	Dec 2023 Reported Operating Segments			Other Segments	Group
	Renewables, Clients & EM	Networks	Total		
Energy and access	13,881,961	719,587	14,601,548	-100	14,601,448
Revenue from assets assigned to concessions	526	962,462	962,988	-	962,988
Other	521,412	107,837	629,249	8,623	637,872
	14,403,899	1,789,886	16,193,785	8,523	16,202,308

Thousand Euros	Dec 2022* Reported Operating Segments			Other Segments	Group
	Renewables, Clients & EM	Networks	Total		
Energy and access	18,421,505	639,547	19,061,052	-42	19,061,010
Revenue from assets assigned to concessions	221	813,721	813,942	1	813,943
Other	661,296	101,920	763,216	12,595	775,811
	19,083,022	1,555,188	20,638,210	12,554	20,650,764

* Includes restatement originated by the reorganization of the business segments

The segment "Renewables, Clients & Energy Management" includes sales of renewable energy, hydro and wind, carried out by EDP S.A.'s energy management business unit, as part of its intermediation activity. This activity was transferred to EDP GEM Portugal, S.A. under the signed transfer agreement (see note 13).

Revenues from energy sales and services and other by segment are considered globally as "overtime" and not as "at a point in time".

Cost of energy sales and other are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Cost of energy	6,689,522	10,438,274	395,133	6,028,210
Expenditure with assets assigned to concessions	732,580	631,054	-	-
Changes in inventories and cost of raw materials and consumables used				
Fuel, steam and ashes	352,584	609,930	-	-
CO2 Licenses	683,462	1,203,024	2,037,223	1,424,142
Gas and other costs	747,200	1,647,431	18,666	1,313,895
	1,783,246	3,460,385	2,055,889	2,738,037
	9,205,348	14,529,713	2,451,022	8,766,247

Cost of electricity includes, on a company basis, the cost of 183,238 thousand Euros (31 December 2022: 2,203,812 thousand Euros) with the purchase of energy under the agreement for management, purchase and resale of energy signed between EDP, S.A. and EDP Gestão da Produção de Energia, S.A. This contract was revoked on 1 February 2023 and was replaced by the Mandate Contract for the placement (purchase and sale) of electricity on the market. EDP S.A.'s contractual position in this Agreement was also assigned to EDP GEM, with all associated rights and obligations, in the context of the transfer of energy management activity (see note 13).

Under the terms of concession contracts of EDP Group to which IFRIC 12 is applicable, the construction activities are outsourced to external specialised entities. The revenue and the expenditure with the acquisition of these assets are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Revenue from assets assigned to concessions	962,988	813,943
Expenditure with assets assigned to concessions		
Subcontracts and other materials	-653,214	-550,833
Personnel costs capitalised (see note 10)	-73,011	-75,779
Capitalised borrowing costs (see note 14)	-6,355	-4,442
	-732,580	-631,054

Revenue from assets assigned to concessions include 628,476 thousand Euros (31 December 2022: 548,829 thousand Euros) relative to electricity distribution concessions in Portugal and in Brazil resulting from the application of the mixed model. Additionally, it also includes the revenue related to the asset to be received by EDP Group under the transmission concessions in Brazil (see note 27).

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

The main variations on the captions Revenues and cost of Energy Sales and Services and Other are described in the Chapter 3 – Performance mainly in 3.1 – Business area analysis and 3.2 – Financial analysis.

8. Other income

Other income, for the Group, are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Income arising from institutional partnerships (see note 38)	231,055	233,505
Gains on disposals – electricity business assets – Asset Rotation	511,107	411,372
Gains on disposals – electricity business assets	104,198	-
Gains from contractual indemnities and insurance companies	41,333	71,537
Other	148,998	211,036
	1,036,691	927,450

Income arising from institutional partnerships relates to income arising from production and investment tax credits (PTC/ITC) and accelerated tax depreciation, regarding wind farms and solar plants in North America (see note 38).

The caption Gains on disposals – electricity business assets – Asset Rotation corresponds to gains from asset rotation strategy. As at 31 December 2023, the caption includes essentially i) the gains resulting from the sale of three companies 100% owned by EDP Renewables Polska, Sp. z o.o.; ii) the gains from the sale of two companies fully owned by EDP Renewables Europe, S.L.U.; and iii) the gains resulting from the sale of nine companies 100% owned by EDP Renováveis Brasil, S.A. (see note 6).

The caption Gains on disposals – electricity business assets includes the gain from the sale of Aboño Generaciones Eléctricas, S.L.U. (see note 6).

The caption Other includes gains on: i) reinsurance activity; ii) on the sale of property, plant and equipment; and iii) changes in fair value of contingent prices of sales transactions. Additionally, on 31 December 2022, this caption included a gain of 23 million Euros resulting from a favorable decision by the Regional Economic-Administrative Court of the Principality of Asturias in favor of EDP España relating to the fee for the use of the public hydric domain called "Canon hidráulico".

9. Supplies and services

Supplies and services are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Consumables and communications	34.878	34.182	5.233	6.470
Rents and leases	48.607	53.034	4.437	4.969
Maintenance and repairs	460.074	424.092	35.868	27.434
Specialised works:				
- Commercial activity	188.592	179.800	157	21
- IT services, legal and advisory fees	175.335	165.547	92.073	78.861
- Other services	90.172	88.658	34.536	32.928
Provided personnel	-	-	11.329	8.573
Other supplies and services	178.256	158.355	32.111	36.073
	1.175.914	1.103.668	215.744	195.329

10. Personnel costs and employee benefits

Personnel costs and employee benefits are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Personnel costs				
Board of Directors remuneration	18,644	17,379	5,876	5,597
Employees' remuneration	634,224	573,279	50,669	50,617
Social charges on remuneration	147,930	133,603	13,004	12,774
Performance, assiduity and seniority bonus	126,468	131,077	19,482	19,063
Other costs	31,000	31,746	1,835	2,496
Own work capitalised:				
- Assigned to concessions (see note 7)	-73,011	-75,779	-	-
- Other (see note 17)	-154,545	-126,948	-8,675	-9,613
	730,710	684,357	82,191	80,934
Employee benefits				
Pension plans costs	24,499	24,175	1,782	1,656
Medical plans costs and other benefits (see note 36)	4,129	5,647	321	11
Pension plans past service cost (Curtailment/Plan amendments) (see note 36)	616	2,243	-	-
Other benefits plans past service cost (Curtailment/Plan amendments) (see note 36)	25	1,053	-	-
Other	59,280	53,325	4,041	5,495
	88,549	86,443	6,144	7,162
	819,259	770,800	88,335	88,096

Pension plans costs include 2,717 thousand Euros (31 December 2022: 3,891 thousand Euros) related to defined benefit plans (see note 36) and 21,782 thousand Euros (31 December 2022: 20,284 thousand Euros) related with defined contribution plans.

During the first semester of 2023, EDP Group distributed treasury stocks to employees (843,800 shares) totalling 4,176 thousand Euros.

The breakdown by management positions and category of professional staff is as follows:

	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Executive Board of Directors	5	5	5	5
Senior management	392	386	61	68
Managers	1,209	1,323	56	62
Specialists	6,610	6,469	461	524
Support, Operational and Administrative Technicians	4,825	5,028	49	60
	13,041	13,211	632	719

11. Other expenses

Other Expenses are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Concession rents paid to local authorities and others	307,029	286,968
Direct and indirect taxes	389,413	374,965
Donations	21,677	21,570
Write-off of tangible assets	54,704	40,591
Losses on disposals – electricity business assets – Pecém (see note 6)	84,469	-
Other	174,142	105,630
	1,031,434	829,724

The caption Concession rents paid to local authorities and others includes essentially the rents paid to the local authorities under the terms of the low tension electricity distribution concession contracts and rents paid to city councils where the power plants are located.

The caption Direct and indirect taxes includes the social tariff, the windfall taxes in Romania and Poland and the new tax of 1.2% on the turnover of companies in the energy sector in Spain.

The caption "Write-off" of tangible fixed assets includes, essentially, the write-off of tangible fixed assets resulting from project discontinuation and losses in materials and equipment in Brasil and the abandonment of the renewable projects in Europe and North America.

The caption Other includes, essentially: i) losses on the reinsurance activity; ii) losses on the sale of property, plant and equipment; iii) operational costs related to compensations and availability bonuses for O&M suppliers; and iv) the amount of 6,760 thousand Euros related to changes in the fair value of the contingent prices, related to operations carried out in previous years.

12. Amortisation and impairment

Amortisation and impairment are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Depreciation/impairment of Property, plant and equipment (see note 17)	1,376,625	1,371,272	6,158	6,156
Depreciation/impairment of Right of use asset (see note 18)	117,376	113,380	5,824	5,219
Amortisation/impairment of Intangible assets (see note 19)	564,685	514,968	23,840	19,359
Impairment of Non-Current assets held for sale (see note 42)	148,334	-	-	-
	2,207,020	1,999,620	35,822	30,734
Amortisation/impairment of Investment property (see note 24)	287	289	3,718	4,225
	2,207,307	1,999,909	39,540	34,959
Compensation of depreciation				
Partially-funded property, plant and equipment (see note 39)	-29,287	-28,579	-	-
Amortisation of Incremental costs of obtaining contracts with customers	7,966	7,677	-	-
Impairment of Goodwill (see note 20)	4,598	-	-	-
	2,190,584	1,979,007	39,540	34,959

During 2023, due to the revision of market assumptions (in mainly, commodity prices and energy sales prices), the discount rates as well as the entry of renewable energy capacity, the Group carried out a review of its future estimates of value by carrying out impairment tests for some of the production assets.

In the impairment tests carried out, EDP's energy transition strategy, namely the strategic goal of being "coal free" by 2025, was also considered, with a significant impact on the tests performed on the thermal generation assets (see note 49).

The above impairment tests carried out led to the recording of the following impairments on assets in Portugal: 35,291 thousand Euros in the Lares combined cycle thermoelectric power plant, 51,321 thousand Euros in the Ribatejo combined cycle thermoelectric power plant and 22,074 thousands Euros in Greenvouga. Additionally, were also impairments in Colombia in the assets under construction at the wind farms of Eolos Energia and Ventos de Norte due to the delay in the start of operations (178,329 thousand Euros) and impairments were reversed in Romania in the amount of 37,797 thousand Euros(see note 17).

The discount rates after taxes used reflect the best estimate of the specific risks of each cash generating unit, presenting the following variation bands:

	2023	2022
Europe (EUR)	4,4% - 8,2%	3,7% - 4,8%
North America (USD)	6,4% - 8,2%	5,7% - 7,1%
Brazil (BRL)	9,3% - 11,3%	7,9% - 9,6%
Colombia (COP)	11%	9,3%
APAC (SGD)	6,1% - 6,3%	n.a.

In the scope of impairment tests on these assets, sensitivity analyzes were performed on key variables, namely discount rates. An increase of +0.5% in the discount rate would determine an additional impairment of approximately: 5,485 thousand Euros in Lares, 6,712 thousand Euros in Ribatejo, 14,822 thousand Euros in Greenvouga and 46,425 thousand Euros in Eolos Energia wind farms and Ventos del Norte in Colombia.

Additionally, given the changes in market conditions, impairments amounting to 4,206 thousand in the coal-fired power plant in Spain in Los barrios and 28,982 thousand in the coal-fired power plant in Soto3 were performed (see note 17).

13. Other non recurring income and expenses (Company basis)

On 1 February 2023, EDP S.A. entered into a transfer ("trespasse") agreement with EDP GEM Portugal, S.A. (EDP GEM) with the aim of transferring its energy management business unit. This transfer of activity results from the global vision of energy management that the EDP Group has been developing which includes the transfer to EDP GEM of all assets, liabilities and contractual positions that make up that business unit, as well as its employees and associated means necessary to carry out its activity.

The total amount of the operation was 1,169,510 thousand Euros. On the transaction date, the book value of the net assets transferred under this contract was 228,858 thousand Euros and a gain of 940,653 thousand Euros was recorded.

As a result of this agreement, EDP S.A. transfers its energy management activity, so with reference to 1 February 2023, all existing cash flow hedges (related to foreign exchange, purchase and sale of electricity, gas and CO₂) have been discontinued, reclassifying the cash flow reserve in the negative amount of 1,014,219 thousand Euros to profit or loss, since the underlying transactions subject to hedging were transferred to EDP GEM under the terms of the transfer agreement, and as such will not occur at EDP S.A.

The operationalization of this transfer occurs through the assignment of EDP S.A.'s contractual positions in favor of EDP GEM, with a back-to-back mechanism also foreseen for contractual positions whose assignment requires the fulfillment of formalities by third parties unrelated to EDP S.A., until such formalities are fulfilled. During this period, EDP GEM undertakes to assume all the risks and benefits associated with those positions, assuming EDP S.A. as an agent in relation to the rights and obligations that emerge from them.

Since the transfer of the energy management business unit is a specific and unique transaction within the scope of the individual financial statements of EDP S.A., it was considered that the result generated should be presented separately in the operating results of EDP, S.A.

On the same day and pursuant to this agreement, EDP S.A., the sole shareholder of EDP GEM, approved the provision of supplementary pecuniary capital contributions under the applicable rules for additional contributions, in the global amount of 1,000,000 thousand Euros (see note 21).

14. Financial income and expenses

Financial income and expenses, for the Group, are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Financial income		
Interest income from bank deposits and other investments	133,522	80,689
Interest from derivative financial instruments	72,521	33,600
Interest income on tariff deficit:		
– Portugal – Electricity (see note 27)	37,166	111
– Brazil – Electricity (see note 39)	6,257	16,664
Other interest income	87,809	65,002
Derivative financial instruments	288,965	223,328
Foreign exchange gains	283,784	353,572
CMEC:		
– Interest on the initial CMEC	20,404	23,950
– Financial effect considered in the calculation	6,667	7,147
Other financial income	42,403	38,937
	979,498	843,000
Financial expenses		
Interest expense on financial debt	836,313	705,812
Bonds buyback	4,802	-
Capitalised borrowing costs:		
– Assigned to concessions (see note 7)	-6,355	-4,442
– Other (see note 17)	-131,176	-41,405
Interest from derivative financial instruments	211,419	134,765
Interest expense on tariff deficit:		
– Portugal – Electricity (see note 27)	2,306	4,484
– Brazil – Electricity (see note 39)	9,253	16,079
Other interest expense	38,182	40,063
Derivative financial instruments	465,797	259,167
Foreign exchange losses	161,920	356,958
CMEC	3,006	5,231
Unwinding of discounted liabilities	138,191	140,955
Unwinding of lease liabilities (see note 40)	47,718	46,146
Net interest on the net pensions plan liability (see note 36)	9,610	5,132
Net interest on the medical liabilities and other benefits (see note 36)	20,029	14,985
Other financial expenses	78,679	69,290
	1,889,694	1,753,220
Financial income/(expenses)	-910,196	-910,220

Capitalised borrowing costs includes the interest capitalised in assets under construction according to Group accounting policy (see note 2 h)). Regarding the rate applicable to borrowing costs related with tangible/intangible assets under construction that is used in the determination of the amount of borrowing costs eligible for capitalisation (see notes 17 and 19), it varies depending on business unit, the country and currency, since EDP Group incorporates in its scope of consolidation a significant number of subsidiaries in several geographies with different currencies. Therefore, for the most representative geographies, the funding rates, in use in 2023, ranged from 1.52% to 4.63% in Portugal, from 1.05% to 4.69% in Spain and from 2.28% to 8.22% in North America, depending on related assets under construction and related financing.

The costs related to the Unwinding of discounted liabilities refer essentially to: (i) the unwinding of the provision for dismantling and decommissioning of production assets in the amount of 16,804 thousand Euros (31 December 2022: 6,609 thousand Euros) (see note 37); (ii) the implied financial return in institutional partnerships of 81,058 thousand Euros (31 December 2022: 96,955 thousand Euros) (see note 38); and (iii) the financial expenses related to the discount of the liability associated to the concessions of Alqueva/Pedrógão, Investco and Enerpeixe of 12,230 thousand Euros (31 December 2022: 20,700 thousand Euros).

The Derivative financial instruments caption includes income and expenses related with financial assets and liabilities measured at fair value through profit and loss, while the remaining captions of financial income and expenses arise from financial instruments are registered at amortised cost, based on the effective interest rate method.

The caption Other financial income includes the sale of the electricity tariff deficit of 2024 that generated a gain, after deducting all transactional expenses, in the amount of 13,306 thousand Euros (see note 27).

Financial income and expenses, for the Company, are as follows:

Thousand Euros	Company	
	Dec 2023	Dec 2022
Financial income		
Interest income from loans to subsidiaries and related parties (see note 45)	130,328	36,156
Interest from derivative financial instruments	191,577	106,745
Derivative financial instruments	510,795	444,047
Income from equity investments (see note 45)	930,118	1,003,733
Reversal of impairments on equity investments and shareholders loans	26,630	-
Other financial income	24,961	59,747
	1,814,409	1,650,428
Financial expenses		
Interest expense on financial debt	297,618	194,411
Bonds Buyback	4,802	17,882
Interest from derivative financial instruments	199,873	119,570
Derivative financial instruments	487,327	425,300
Unwinding of lease liabilities	5,733	5,874
Impairment on equity investments and shareholders loans	5,888	26,630
Other financial expenses	48,441	69,058
	1,049,682	858,725
Financial income/(expenses)	764,727	791,703

On January 2023, EDP S.A. has repurchased an amount of 672,800 thousand Euros from the issue "EUR1.000.000.000 Fixed to Reset Rate Subordinated Notes due 2079", recognising a cost of 4,802 thousand Euros, on a consolidated and individual basis.

The caption Other financial income includes 5,397 thousand Euros related to nominal interests from bonds issued by EDP Finance B.V., repurchased by EDP S.A. (see notes 28 and 45). The effective interest of these instruments amounts to 1,291 thousand Euros (includes the recognition in profit or loss of premium and transaction costs associated with the buyback transaction by the effective interest rate method).

The fluctuation on Other financial income and expenses, on an individual basis, is mainly explained by the impact of the foreign exchange of the American Dollars.

15. Income tax

The following note includes an analysis on the reconciliation between the theoretical and the effective income tax rate applicable at an individual level and at the level of the EDP Group, on a consolidated basis. In general terms, this analysis aims to quantify the impact of the income tax, recognised in the income statement, which includes both current and deferred tax.

As the EDP Group prepares and discloses its financial statements in accordance with IFRS, an alignment between the accounting of income tax expense or income and the corresponding cash flow is not mandatory. Accordingly, this analysis does not represent the income tax paid or received by the EDP Group for the correspondent reporting period.

The overall tax contribution borne by EDP Group (which includes comments on the contributions paid to the respective states where the Group operates), as well as other relevant information (such as EDP Group's tax footprint, specific taxation over energy sector and procedures to control and manage adverse tax exposures), are disclosed on this annual Integrated Report.

The general principles concerning EDP Group's mission and tax policy are also addressed in the same report as well as on its website (www.edp.com). This document also describes the key principles with respect to the transfer pricing policy applicable to EDP Group, under which the Group's policy is to abide within the international rules, guidelines and best practices applicable in the various geographies where it operates.

It should be noted that, as a multinational group, EDP Group fully complies with the annual obligation of communication and report, which results from the transposition into the Portuguese domestic Law of the disposals of Action 13 of the Base Erosion and Profit Shifting (named Country-by-Country Reporting), as a part of a set of measures adopted by OECD and G20 countries to enhance transparency for tax administrations. Furthermore, this obligation is fulfilled in Portugal by the parent company, within the deadlines foreseen by law.

Main features of the tax systems of the countries in which EDP Group operates

The statutory corporate income tax rates applicable in the main countries in which EDP Group operates are as follows:

	Dec 2023	Dec 2022
Europe:		
Portugal	21% - 31.5%	21% - 31.5%
Spain	24% - 25%	24% - 25%
Netherlands	19% - 25.8%	15% - 25.8%
France	25%	25%
Italy	24% - 28.8%	24% - 28.8%
Poland	19%	19%
Romania	16%	16%
Greece	22%	22%
Asia		
Singapore	17%	17%
Vietnam	20%	20%
America:		
Brazil	34%	34%
Colombia	35%	35%
United States of America	24.91%	24.91%
Canada	23% - 26.5%	23% - 26.5%
Mexico	30%	30%

EDP Group companies are taxed, whenever possible, on a Group consolidated basis as allowed by the tax legislation of the respective countries.

As per the applicable legislation, in general terms, the corporate income tax for a fiscal year may be subject to review and reassessment by the tax authorities during a limited period of time. In Portugal, this period is 4 years, or, if tax losses or credits have been used, the number of years that such tax losses or credits may be carried forward. In Spain, the general period is 4 years, in the Netherlands and in Brazil it is 5 years and in the USA it is 3 years. In other key jurisdictions, the statute of limitation period ranges between 2 and 12 years.

Tax losses generated in each year are also subject to the tax authorities' review and reassessment and may be carried forward and set off against income over a time period and limits established in each jurisdiction. In Portugal, Spain, USA, Brazil and the Netherlands, tax losses may be carried forward indefinitely. Moreover, in the Netherlands the tax losses of a given year may be used to recover current tax of the previous year with limitations. However, the deduction of tax losses in Portugal, Spain, the Netherlands, USA and Brazil may be limited to a percentage of the taxable income of each period or is subject to other limitations.

EDP Group companies may, in accordance with the law, benefit from certain tax benefits or incentives in specific conditions, namely the Production Tax Credit in North America, which represent an extra source of revenue per unit of electricity, over the first 10 years of the asset's life. Wind and Solar facilities that achieve commercial operations by 2022 or later qualify for the application of the Production Tax Credits (\$2.75/KWh being adjusted for inflation in subsequent years).

Alternatively, EDP Group companies can, instead of the production tax credit, choose to benefit from the Investment Tax Credit which avails solar and wind projects to a credit based upon its capital expenditures. This credit amount equates to 30% for projects that achieve commercial operations by 2022 or later. Additionally, this credit can increase to 40% or 50% dependent on the i) the use of domestic made equipment and/or ii) locating a project in an economically depressed area or an area that once had a traditional energy facility.

Relevant events for EDP Group in 2023

On 22 December 2022, European Union adopted Directive 2022/2523 (Pillar 2), on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union. These rules aim to ensure that multinational enterprises that operate in EU pay an effective minimum rate of tax of 15% on their profits, regardless of the country in which those profits are generated. The directive should have been transposed by Member States by 31 December 2023.

Taking into account the preliminary analysis carried out and EDP Group's consolidated revenues, it is expected that the Group will be subject to this tax regulation. Portugal did not comply with the transposition deadlines, although it is expected that such transposition occurs during 2024. However, assuming that the transposition will strictly follow the Directive, no top-up tax is expected to be paid by EDP Group. In the countries where EDP Group carries out its activities and where the Pillar 2 rules were already enacted, we expect the safe harbours will apply and therefore no additional tax will be due.

Corporate income tax provision

Income tax expense provision is as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Current tax	-232,239	-374,432	99,701	22,068
Deferred tax	-274,980	-24,058	-79,414	35,602
	-507,219	-398,490	20,287	57,670

Reconciliation between the theoretical and the effective income tax expense

The effective income tax rate is as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Profit before tax and CESE	1,887,974	1,619,773	803,349	790,895
Income tax expense	-507,219	-398,490	20,287	57,670
Effective income tax rate	26.9%	24.6%	-2.5%	-7.3%

The difference between the theoretical and the effective income tax expense results from the application of the tax law provisions, in the various countries where EDP operates, in accordance with the accounting standards that are the basis for the preparation and disclosure of its financial statements, in the determination of the taxable base, as demonstrated below.

The reconciliation between the theoretical and the effective income tax expense for the Group, in December 2023 and 2022, is as follows:

Thousand Euros	Dec 2023	Dec 2022
Profit before income tax and CESE	1,887,974	1,619,773
Theoretical income tax rate *	29.5%	29.5%
Theoretical income tax expense	556,952	477,833
Different tax rates (includes state surcharge) and CIT rate changes	20,327	5,212
Tax losses, tax credits and benefits	-27,687	-113,884
Dividends	6,863	-22,179
Differences between accounting and fiscal provisions/depreciations	7,614	80,891
Accounting/fiscal differences on the recognition/derecognition of assets	-81,110	7,634
Taxable differences attributable to non-controlling interests	-15,178	-18,870
Other adjustments and changes in estimates	39,438	-18,147
Effective income tax expense as per the Consolidated Income Statement	507,219	398,490

* The average rate that best represents the distribution of the various applicable tax rates for EDP Group companies taking into account their activity.

In December 2022, the caption Differences between accounting and fiscal provisions/depreciations includes, essentially, 52,099 thousand Euros related to the permanent tax difference generated in the record of the impairment cost of Porto do Pecém Geração de Energia, S.A. and 35,732 thousand Euros related to Windfall taxes in Europe.

The caption Accounting/fiscal differences on the recognition/derecognition of assets mainly includes the impact related to the non-taxation of capital gains resulting from the sale of a set of wind farms in Europe (see note 6).

The caption Different tax rates (includes state surcharge) and CIT rate changes mainly refer to the difference between the tax rates applicable in the countries in which the EDP Group operates as compared to the tax rate used as reference for the theoretical income tax expense calculation.

The caption Taxable differences attributable to non-controlling interests (North America) include the effect inherent in the attribution of taxable income to non-controllable interests in EDPR Group in the USA, as determined by the tax legislation of that geography.

The reconciliation between the theoretical and the effective income tax expense for the Company, in December 2023 and 2022, is as follows:

Thousand Euros	Dec 2023	Dec 2022
Profit before income tax	803,349	790,895
Nominal income tax rate	21%	21%
Theoretical income tax expense	168,703	166,088
Tax losses, tax credits and benefits	7,813	-11,943
Dividends	-193,705	-209,151
Accounting/fiscal temporary differences on the recognition / derecognition of assets	-272	-9,780
Other adjustments and changes in estimates	-2,826	7,116
Effective income tax expense as per the Company Income Statement	-20,287	-57,670

16. Extraordinary contribution to the energy sector (CESE)

Law 83-C/2013, of the State Budget 2014 ("Lei do Orçamento de Estado 2014"), approved by the Portuguese Government on 31 December 2013, introduced CESE, with the objective of financing mechanisms that promote the energy sector systemic sustainability, through the establishment of a fund which aims to contribute for the reduction of tariff debt and to finance social and environmental policies in the energy sector. This contribution focuses generally on the economic operators that develop the following activities: (i) generation, transmission or distribution of electricity; (ii) transportation, distribution, storage or wholesale supply of natural gas; and (iii) refining, treatment, storage, transportation, distribution and wholesale supply of crude oil and oil products.

CESE is calculated based on the companies' net assets as at 1 January, which comply, cumulatively, to: (i) property, plant and equipment; (ii) intangible assets, except industrial property elements; and (iii) financial assets assigned to concessions or licensed activities. In the case of regulated activities, CESE focuses on the value of regulated assets if it is higher than the value of those assets.

The general rate is 0.85%. However, in case of natural gas combined cycle power plants with an annual utilization equivalent of installed capacity equal or higher to 1,500 hours and lower than 3,000 hours, is expected a reduced rate of 0.565%. Nevertheless, this rate could be 0.285% in case the annual utilization of installed capacity is lower than 1,500 hours.

The CESE system has been successively extended and is now valid for 2023 through Law nº 24-D/2022 of 30 December.

EDP has paid 558,205 thousand Euros relating to CESE so far.

As at 31 December 2023, the Group booked under the caption Extraordinary contribution to the energy sector (CESE) in the Consolidated Income Statement, the amount of 49,365 thousand Euros (31 December 2022: 51,534 thousand Euros), having chosen not to make the respective payment.

17. Property, plant and equipment

This caption is as follows, for the Group:

Thousand Euros	Land and natural resources	Buildings and other construct.	Plant and machinery	Other tangible assets	Assets under construct.	Total
Gross Amount	99,913	419,111	38,768,166	637,055	5,196,425	45,120,670
Accumulated depreciation and impairment losses	-	188,634	20,101,125	490,341	123,763	20,903,863
Carrying Amount at 31 December 2022	99,913	230,477	18,667,041	146,714	5,072,662	24,216,807
Gross Amount	110,026	366,002	38,542,979	676,932	6,698,684	46,394,623
Accumulated depreciation and impairment losses	-	184,321	19,259,620	531,520	340,400	20,315,861
Carrying Amount at 31 December 2023	110,026	181,681	19,283,359	145,412	6,358,284	26,078,762
Balance as at 1 January 2022	76,453	206,776	18,065,311	145,917	2,604,784	21,099,241
Additions	18,600	782	92,344	19,789	3,680,440	3,811,955
Depreciation and impairment (see note 12)	-	-9,825	-1,260,191	-47,168	-54,088	-1,371,272
Disposals/Write-offs	-113	-346	-4,208	-2,359	-36,154	-43,180
Transfers	581	15,136	982,055	26,260	-1,033,230	-9,198
Exchange Difference	4,387	13,362	608,658	984	5,103	632,494
Perimeter Variations and Other	5	4,592	183,072	3,291	-94,193	96,767
Balance as at 31 December 2022	99,913	230,477	18,667,041	146,714	5,072,662	24,216,807
Additions	3,308	1,169	217,718	21,149	4,748,725	4,992,069
Depreciation and impairment (see note 12)	-	-9,147	-1,132,060	-51,623	-183,795	-1,376,625
Disposals/Write-offs	-261	-372	-4,370	-1,463	-21,022	-27,488
Transfers (see note 42)	155	3,749	2,734,869	30,299	-3,255,183	-486,111
Exchange Differences	943	5,841	-196,840	-11	15,791	-174,276
Perimeter Variations and Other	5,968	-50,036	-1,002,999	347	-18,894	-1,065,614
Balance as at 31 December 2023	110,026	181,681	19,283,359	145,412	6,358,284	26,078,762

This caption is as follows, for the Company:

Thousand Euros	Land and natural resources	Buildings and other construct.	Plant and machinery	Other tangible assets	Assets under construct.	Total
Gross Amount	4,581	35,968	991	91,350	9,591	142,481
Accumulated depreciation and impairment losses	-	26,920	392	71,621	-	98,933
Carrying Amount at 31 December 2022	4,581	9,048	599	19,729	9,591	43,548
Gross Amount	1,618	25,546	737	96,650	18,482	143,033
Accumulated depreciation and impairment losses	-	23,398	308	76,286	-	99,992
Carrying Amount at 31 December 2023	1,618	2,148	429	20,364	18,482	43,041
Balance as at 1 January 2022	4,581	1,858	383	20,334	9,900	37,056
Additions	-	-	266	2,966	10,124	13,356
Depreciation and impairment (see note 12)	-	-192	-51	-5,913	-	-6,156
Disposals/Write-offs	-	-	-	-708	-	-708
Transfers	-	7,382	1	3,050	-10,433	-
Balance as at 31 December 2022	4,581	9,048	599	19,729	9,591	43,548
Additions	-	-	-	3,463	13,597	17,060
Depreciation and impairment (see note 12)	-	-97	-59	-6,002	-	-6,158
Disposals/Write-offs	-3	-	-	-146	-104	-253
Transfers	-	323	-	3,632	-3,955	-
Other	-2,960	-7,126	-111	-312	-647	-11,156
Balance as at 31 December 2023	1,618	2,148	429	20,364	18,482	43,041

Gross amount of Assets under construction are as follows:

Thousand Euros	Dec 2023	Dec 2022
Wind and solar farms in North America	3,675,125	2,589,575
Wind and solar farms in Europe	1,085,830	1,072,644
Wind and solar farms in South America	1,389,904	1,098,165
Wind and solar farms in Southeast Asia	78,085	108,299
Conventional generation, energy management and client solutions assets	244,802	174,707
Other assets under construction	224,938	153,035
	6,698,684	5,196,425

The capitalised costs for Property, plant and equipment for the period, except Land and natural resources, are as follows:

Thousand Euros	Dec 2023	Dec 2022
Subcontracts and other materials	4,570,818	3,540,948
Purchase price allocation	105,788	74,213
Dismantling and decommissioning costs (see note 37)	26,434	9,841
Personnel costs (see note 10)	154,545	126,948
Borrowing costs (see note 14)	131,176	41,405
	4,988,761	3,793,355

Additions mainly include the investment in wind and solar farms by EDP Renováveis.

Depreciation and impairment includes: i) impairment in combined cycle thermoelectric plants in Portugal, amounting to 35,291 thousand Euros in Lares and 51,321 thousand Euros in Ribatejo; ii) 22,074 thousand Euros related to Greenvouga hydroelectric plant; iii) 33,188 thousand Euros related to coal-fired power plants in Spain and; iv) 178,329 thousand Euros related to assets in Colombia. Additionally, it reflects the reversal of impairments in Romania in the amount of 37,797 thousand Euros (see note 12).

In the impairment tests carried out, EDP's energy transition strategy, namely the strategic goal of being "coal free" by 2025, was also considered, with a significant impact on the tests performed on the thermal generation assets (see note 49).

Transfers include the reclassification of some solar generation assets in North America to non-current assets held for sale (see note 42).

Perimeter Variations and Other include decreases in the amount of 708,626 thousand Euros, resulting from the sales of onshore wind portfolios in Spain, Poland and Brazil, and in the amount of 433,030 thousand Euros, resulting from the sales of the companies owning the coal-fired power plants in Spain and in Brazil. Additionally, it includes an increase of 98,311 thousand Euros from the acquisitions of Enerdeal Group S.A. and its subsidiaries, of the company San Juan de Bargas Eólica, S.L. and of a distributed solar generation portfolio in North America (see note 6).

18. Right-of-use assets

This caption is as follows, for the Group:

Thousand Euros	Land and natural resources	Buildings and other construct.	Plant and machinery	Other tangible assets	Total
Gross amount	1,100,839	281,251	216,509	13,698	1,612,297
Accumulated depreciation and impairment losses	116,678	88,379	79,114	7,856	292,027
Carrying Amount at 31 December 2022	984,161	192,872	137,395	5,842	1,320,270
Gross amount	1,062,510	281,433	195,001	16,351	1,555,295
Accumulated depreciation and impairment losses	150,164	84,585	84,883	10,233	329,865
Carrying Amount at 31 December 2023	912,346	196,848	110,118	6,118	1,225,430
Balance as at 1 January 2022	668,692	197,310	136,764	4,263	1,007,029
Additions	322,561	18,900	40,288	4,646	386,395
Depreciation and impairment (see note 12)	-36,683	-25,339	-48,552	-2,806	-113,380
Disposals/Write-offs	-1,250	-100	-	-184	-1,534
Exchange Difference	23,807	2,132	10,611	-2	36,548
Perimeter Variations and Other	7,034	-31	-1,716	-75	5,212
Balance as at 31 December 2022	984,161	192,872	137,395	5,842	1,320,270
Additions	80,680	22,739	27,295	3,790	134,504
Depreciation and impairment (see note 12)	-40,010	-27,117	-47,101	-3,148	-117,376
Disposals/Write-offs	-1,312	-2,090	-1,766	-280	-5,448
Transfers (see note 42)	-68,037	10,373	20	-57	-57,701
Exchange Differences	-18,641	-107	-3,168	110	-21,806
Perimeter Variations and Other	-24,495	178	-2,557	-139	-27,013
Balance as at 31 December 2023	912,346	196,848	110,118	6,118	1,225,430

This caption is as follows, for the Company:

Thousand Euros	Buildings and other construct.	Other tangible assets	Total
Gross amount	117,433	594	118,027
Accumulated depreciation and impairment losses	20,878	304	21,182
Carrying Amount at 31 December 2022	96,555	290	96,845
Gross amount	118,111	470	118,581
Accumulated depreciation and impairment losses	24,788	214	25,002
Carrying Amount at 31 December 2023	93,323	256	93,579
Balance as at 1 January 2022	101,341	289	101,630
Additions	311	223	534
Depreciation and impairment (see note 12)	-4,997	-222	-5,219
Disposals/Write-offs	-100	-	-100
Balance as at 31 December 2022	96,555	290	96,845
Additions	2,604	153	2,757
Depreciation and impairment (see note 12)	-5,637	-187	-5,824
Disposals/Write-offs	-199	-	-199
Balance as at 31 December 2023	93,323	256	93,579

Additions include, essentially, new lease contracts registered, under IFRS 16, in Europe, North America and Southeast Asia.

Transfers include the reclassification of some solar generation assets in North America and transmission and customer solutions assets in Brazil to non-current assets held for sale (see note 42).

Perimeter Variations and Other include the impact of the sales of onshore wind portfolios in Spain, Poland and Brazil in the amount of 22,213 thousand Euros, as well as of the sale of Porto do Pecém Geração de Energia, S.A., amounting to 2,682 thousand Euros (see note 6).

19. Intangible assets

This caption is as follows, for the Group:

Thousand Euros	Concession rights	CO2 Licenses	Other intangibles	Intangible assets in progress	Total
Gross amount	12,799,654	25,551	2,491,561	235,380	15,552,146
Accumulated amortisation and impairment losses	9,723,336	-	844,808	-	10,568,144
Carrying Amount at 31 December 2022	3,076,318	25,551	1,646,753	235,380	4,984,002
Gross amount	12,844,546	6,237	2,662,180	237,744	15,750,707
Accumulated amortisation and impairment losses	9,943,336	-	982,598	-	10,925,934
Carrying Amount at 31 December 2023	2,901,210	6,237	1,679,582	237,744	4,824,773
Balance as at 1 January 2022	2,930,179	213,938	1,409,380	203,996	4,757,493
Additions	2,555	467,690	6,456	147,119	623,820
Amortisation and impairment (see note 12)	-411,600	-	-103,368	-	-514,968
Disposals/Write-offs	-6,970	-656,077	-47	-1,316	-664,410
Transfers	313,069	-	133,062	-139,971	306,160
Exchange Difference	41,489	-	2,550	1,945	45,984
Perimeter Variations and Other	207,596	-	198,720	23,607	429,923
Balance as at 31 December 2022	3,076,318	25,551	1,646,753	235,380	4,984,002
Additions	1,126	1,086,622	4,193	167,683	1,259,624
Amortisation and impairment (see note 12)	-416,861	-	-147,824	-	-564,685
Disposals/Write-offs	-4,549	-1,105,936	-558	-1,885	-1,112,928
Transfers	211,921	-	145,807	-162,373	195,355
Exchange Differences	30,726	-	-10,192	91	20,625
Perimeter Variations and Other	2,529	-	41,403	-1,152	42,780
Balance as at 31 December 2023	2,901,210	6,237	1,679,582	237,744	4,824,773

This caption is as follows, for the Company:

Thousand Euros	Other intangibles	Intangible assets in progress	Total
Gross amount	244,000	65,598	309,598
Accumulated amortisation and impairment losses	158,903	-	158,903
Carrying Amount at 31 December 2022	85,097	65,598	150,695
Gross amount	257,050	70,987	328,037
Accumulated amortisation and impairment losses	182,167	-	182,167
Carrying Amount at 31 December 2023	74,883	70,987	145,870
Balance as at 1 January 2022	63,651	69,009	132,660
Additions	741	36,700	37,441
Amortisation and impairment (see note 12)	-19,359	-	-19,359
Disposals/Write-offs	-47	-	-47
Transfers	40,111	-40,111	-
Balance as at 31 December 2022	85,097	65,598	150,695
Additions	-	29,695	29,695
Amortisation and impairment (see note 12)	-23,840	-	-23,840
Transfers	13,626	-24,306	-10,680
Balance as at 31 December 2023	74,883	70,987	145,870

Additions of CO2 Licenses include CO2 Licenses granted free of charge to EDP Group power plants and licenses purchased in the market for own consumption. Disposals/Write-offs mainly include the delivery, in April 2023, of the licenses relating to 2022 consumption.

Additions of Intangible assets in progress essentially include the implementation and development of information systems projects.

Transfers essentially refer to the intangible assets assigned to concessions that became operational, in the amount of 196,172 thousand Euros (see note 27).

On an individual basis, Transfers include the impact of the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

Perimeter Variations and Other includes the impact of the acquisition of a distributed solar generation portfolio in North America (see notes 6).

The capitalised costs of the period related to construction of intangible assets are included in own work capitalised in notes 7, 10 and 14.

20. Goodwill

Goodwill for the Group, resulting from the difference between the acquisition price and the fair value of the net assets acquired, at the acquisition date, is organized by segment, and is as follows:

Thousand Euros	Networks	Renewables, Clients & EM	Total
Balance as at 1 January 2022	673,834	1,705,552	2,379,386
Increases	-	1,093,149	1,093,149
Decreases/Regularisations	-	-52,478	-52,478
Exchange differences	-	49,171	49,171
Balance as at 31 December 2022	673,834	2,795,394	3,469,228
Increases	-	49,083	49,083
Decreases/Regularisations	-	-101,818	-101,818
Impairment (see note 12)	-	- 4 598	- 4 598
Exchange differences	-	-33,092	-33,092
Balance as at 31 December 2023	673,834	2,704,969	3,378,803

Renewables, Clients & Energy Management

As at 31 December 2023, increases in goodwill include (i) 10,030 thousand Euros related with the acquisition of the company Enerdeal Group S.A. and its subsidiaries, (ii) 14,511 thousand Euros related with the acquisition of a distributed solar generation portfolio in North America, and (iii) 16,983 thousand Euros from the acquisition of the company ITP Development Pty. Ltd. and its subsidiaries (see note 6).

The Decreases/Regularisations include the impact of the sale of an onshore wind generation portfolio in Spain, in the amount of 53,888 thousand Euros (see note 6), as well as adjustments resulting from business combinations carried out over the last 12 months and whose assessment to determine the fair value of assets and liabilities is still ongoing. Additionally, include the amount of 2,830 thousand Euros referring to the reclassification of goodwill related to a solar portfolio in North America to non-current assets held for sale (see note 4.2).

Goodwill impairment test analysis – EDP Group

The recoverable amount of the goodwill in subsidiaries is assessed annually, as at 30 September, independently of the existence of any indicators of impairment. The recoverable amount of assets corresponds to the higher of their fair value less costs to sell and the value in use of the assets, calculated using valuation methodologies supported by discounted cash flow techniques, considering market conditions, the time value of money and the business risks. Any impairment losses are recognised in the income statement for the period.

Following the Strategic Plan Update 2023–2026, announced in the last 2 March 2023, the Executive Board of Directors reorganized the business segments in order to be aligned with this new view, with effect from 1 January 2023 (see note 51).

EDP Group segments based on which the Group monitors its activity are as follows:

- Renewables, Clients & Energy Management – corresponds to the activity of generation of electricity from renewable sources, mainly hydro, wind and solar. This segment also includes the following activities: generation of electricity from non-renewable sources, mainly coal and gas, electricity and gas supply, including last resort suppliers, and related energy solutions services to clients; and energy management businesses responsible for management of purchases and sales of energy in Iberian and Brazilian markets, and also for the related hedging transactions; and
- Networks – corresponds to the electricity distribution and transmission activity, including regulated energy retailers;

For the purposes of these tests, the EDP Group has defined a set of assumptions to determine the recoverable amount of the main investments by each cash generating unit, being presented by aggregation in each business units after the impairment tests carried out at each subgroup/cash generating unit.

Goodwill impairment test analysis – Renewables, Clients & Energy Management

The future cash flows are based on the useful life of wind farms, solar and hydro assets. This projection also considers long-term energy sales contracts and long-term energy price estimates, for assets with market exposure.

The main assumptions on which impairment tests are based are as follows:

- Regarding the production of wind and solar energy, the “net capacity factors” used for each cash-generating unit consider: (i) the installed capacity and the forecast resulting from the studies on the occurrence of wind in the long term; and (ii) that regulatory mechanisms in almost all geographies determine the production and priority of energy dispatch whenever weather conditions permit;

– Regarding hydro production, the “net capacity factors” used for each cash-generating unit consider: (i) the installed capacity and the forecast for hydraulic production; and (ii) that the regulatory mechanisms in each geography;

– Energy remuneration: the approved or contracted remunerations were considered in the event of long-term energy sales contracts for the total or partial useful life of the assets or remunerations determined by the regulatory framework in force in each geography. In the remaining cases, the long-term market price curves projected by the Group were used based on past experience and internal models built on the basis of external information sources;

– Operating costs: the land and maintenance contracts in force were used. The other operating costs were projected consistently based on the experience acquired, on the Budget approved for the next year and taking into account internal analysis models;

– Terminal value: considered as a 15% of the initial investment in each wind farm, considering inflation; and

– Discount rate: the discount rates used are post-tax and reflect EDP Group’s best estimate of the risks specific to each CGU (see note 12).

Impairment tests were performed taking into account the regulatory changes in each country known at the end 2023.

The impairment tests carried out on Goodwill did not lead to any impairment registration in 2023.

Goodwill impairment test analysis – Networks

The cash flow projection assumes the extent of the concessions related to the electricity distribution business in Brazil. In the case of the concession in Spain, it is perpetual. These cash flows are estimated considering the volume of production and expected consumption, installed capacity, the evolution forecast of the tariff and the energy purchase / sale agreements.

The discount rates after taxes used are disclosed in Note 12.

The main assumptions used to project cash flows are as follows:

– Investment costs: the best available estimates of the investments to be made were used to ensure regular use of current assets, as well as those resulting from legislative changes;

– Regarding operating costs, the projections made considered the current operating costs projected based on the historical experience acquired, in the Budget approved for the next year and taking into account internal models of analysis;

– The most recent remuneration rates proposed by ANEEL and CNMC (“Comisión Nacional de los Mercados y la Competencia”) were considered, applying the updating mechanisms as provided for in the regulation;

– The projections for the electricity distribution businesses are based on long-term estimates of the various assumptions considered in the analysis; and

– The terminal value of the distribution assets corresponds to the present value of the net assets at the end of the concession (“Net Regulatory Asset Base”).

Sensitivity analyzes were carried out on the results of the impairment tests carried out, namely at discount rates. The results of the sensitivity analyzes carried out conclude that an increase of 50 basis points in the different discount rates, does not determine the existence of signs of impairment in “goodwill” or concession rights.

21. Investments in subsidiaries (Company basis)

This caption is as follows:

Thousand Euros	Company	
	Dec 2023	Dec 2022
Acquisition cost	17,780,797	16,450,564
Effect of equity method (transition to IFRS)	-785,593	-785,593
Equity investments in subsidiaries	16,995,204	15,664,971
Impairment losses on equity investments in subsidiaries	-225,472	-237,572
	16,769,732	15,427,399

On the date of transition to IFRS, EDP, S.A. ceased to apply the equity method of accounting to its investments in its separate financial statements, having considered this method in the determination of the deemed cost at transition date.

Investments in subsidiaries are as follows:

Thousand Euros	Company	
	Dec 2023 Net amount	Dec 2022 Net amount
Equity investments in subsidiaries:		
EDP Renováveis, S.A. (see note 6)	4,345,187	4,154,431
EDP Gestão de Produção de Energia, S.A.	1,736,426	4,470,776
EDP España, S.A.U.	2,105,002	2,105,002
E-Redes – Distribuição de Eletricidade, S.A.	3,950,726	1,991,145
EDP International Investments and Services, S.L.	2,365,027	1,488,181
EDP GEM Portugal, S.A. (see note 13)	1,012,100	-
EDP Servicios Financieros España, S.A.U.	482,695	482,695
EDP Comercial – Comercialização de Energia, S.A.	344,444	344,444
SU Eletricidade, S.A.	259,818	259,818
Other	168,307	130,907
	16,769,732	15,427,399

The accumulated Impairment losses on equity investments in subsidiaries mainly includes 188,693 thousand Euros from EDP Global Solutions - Gestão Integrada de Serviços, S.A. and 35,550 thousand Euros from EDP Internacional S.A.

During the third quarter, EDP Gestão de Produção de Energia, S.A. carried out a capital reduction in the amount of 2,734,350 thousand Euros.

The remaining variation in the caption Investments in subsidiaries results from capital increases made in some investees, namely, in E-Redes - Distribuição de Eletricidade, S.A. (1,959,581 thousand Euros), EDP International Investments and Services, S.L. (876,846 thousand Euros), and EDP GEM Portugal, S.A. (1,000,000 thousand Euros), as well as from the reversal of impairment recorded in EDP GEM Portugal, S.A. (see note 14).

In the context of impairment tests carried out at EDP Group, the financial investments held by EDP, S.A. in subsidiaries are reviewed, based on the higher of the value in use and the fair value less costs related to the sale. The main assumptions considered in the valuation models of the main financial holdings in Portugal of EDP, S.A. are as follows:

- The discount rates used reflect the best estimate regarding the specific risks associated to each subsidiary activity within a range between 4.7% and 6.4% (2022: between 3.7% and 5.8%);
- For the activities subject to regulation, the remunerations currently in force and/or approved were considered, applying the updating mechanisms as provided for in the regulation, and incorporates the expectation of renewal of the concessions currently in force and the best estimate of CAPEX and the future regulatory framework;
- Fuel prices (brent, gas, coal and CO2 licenses) and electricity prices forecast were defined considering market expectations for future prices and the application of internal models for building price curves, taking into account the regulatory framework in force and the best expectation regarding its future evolution. Regarding fuel prices, the prices and clauses established in long-term supply contracts, including gas purchase contracts, were also considered. Production assets were valued from a portfolio management perspective, without prejudice to an individual analysis as to recoverability, based on the estimate of the evolution of the market share;
- The production estimates were based on an average hydrological year over the projection period for the hydroelectric plants, the estimated evolution of demand, market share projections and current installed and under construction capacity, as well as the best estimate of the plants to be decommission in the projection period;
- Additionally, other system costs are considered, such as: ISP and CO2 addition fee, CESE and other income; and
- The operating costs considered were based on extrapolations from current operating costs based on the knowledge acquired in each activity.

The impairment tests mentioned above did not result in the recording of any impairment in 2023.

The assumptions used in the valuation models of EDP S.A.'s financial holdings in other geographies, as well as the respective sensitivity analyses are described in note 20.

22. Investments in joint ventures and associates

This caption is as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Investments in joint ventures	1,269,906	1,333,871
Investments in associates	288,211	271,872
	1,558,117	1,605,743

As at 31 December 2023, for the Group, this caption includes goodwill in investments in joint ventures of 8,047 thousand Euros (31 December 2022: 8,047 thousand Euros) and goodwill in investments in associates of 19,273 thousand Euros (31 December 2022: 28,131 thousand Euros).

The movement in Investments in joint ventures and associates, for the Group, is as follows:

Thousand Euros	Group	Group
	Dec 2023	Dec 2022
Balance at the beginning of the period	1,605,743	1,350,445
Acquisitions/Entries	18,886	25,058
Increases/Decreases of share capital	55,908	-929
Disposals (see note 6)	-28,610	-49,276
Share of profit for the period	71,176	208,587
Dividends	-76,972	-74,311
Exchange differences	3,415	69,381
Cash flow hedging reserve	-87,652	47,579
Transfer to Assets held for sale (see note 42)	11,141	56,496
Other	-14,918	-27,287
Balance at the end of the period	1,558,117	1,605,743

The caption Increases/Decreases of share capital essentially refers to a capital increase of 73,428 thousand Euros of EDP Renováveis S.A. in OW Offshore, S.L. and a capital decrease of 18,515 thousand Euros of EDP Energias do Brasil, S.A. in Companhia Energética do JARI - CEJA.

The caption Joint ventures and associates in the Consolidated Income Statement includes: i) a positive amount of 71,176 thousand Euros from result of these investments; ii) gains of 23,556 thousand Euros and 3,275 thousand Euros, respectively, from the sale of Principle Power, Inc and Zypho, S.A. stake (see note 6); iii) a loss of 10,566 thousand Euros from the sale of Geólica Magallón, S.L. (see note 6); iv) Impairments in the amount of 12,206 thousand Euros related to these investments; and v) a gain of 2,477 thousand Euros resulting from the sale of smaller investments.

The following table resumes the companies' financial information of joint ventures whose investment is included under the equity method in the Group consolidated accounts, as at 31 December 2023:

Thousand Euros	Energética	Goldfinger	Energia	Energia	Flat Rock	Sol V
	JARI CEJA	Vento II	São Manoel	Cachoeira Caldeirão	Windpower	Riverstart
Companies' financial information of joint ventures						
Non-Current Assets	275,793	300,850	637,767	231,193	176,022	297,047
Current Assets	28,083	-59	59,811	26,087	9,339	8,686
Cash and cash equivalents	14,007	40	38,438	19,004	8,328	-
Total Equity	165,845	217,389	324,246	103,637	177,947	206,674
Long term Financial debt	63,682	-	332,342	126,533	-	-
Non-Current Liabilities	92,051	77,168	345,049	135,671	4,296	96,387
Short term Financial debt	10,125	-	18,613	12,488	-	39
Current Liabilities	45,980	6,234	28,283	17,972	3,118	2,672
Revenues	62,699	16,115	82,752	32,359	9,243	24,911
Property plant and equipment and intangibles amortization/impairment	-9,760	-9,708	-22,936	-8,489	-14,341	-8,867
Other financial expenses	-7,023	-3,202	-38,108	-15,252	-58	-2,317
Income tax expense	-1,151	-	2,728	386	-	-
Net profit for the period	35,046	18,046	-5,333	-744	-18,775	29,868
Amounts proportionally attributed to EDP Group						
Net assets	109,253	96,905	108,084	52,062	90,063	40,327
Goodwill	-	-	-	-	-	-
Dividends paid	12,717	2,530	-	-	14,940	3,313

Thousand Euros	Portfolio Vento XX	Goldfinger Vento	OW Offshore, S.L.	Portfolio Vento XVII	Portfolio Vento XIX	Other
Companies' financial information of joint ventures						
Non-Current Assets	594,753	193,094	3,582,387	502,088	451,808	650,212
Current Assets	9,257	949	575,929	11,599	13,871	154,413
Cash and cash equivalents	200	-	222,488	1	1	43,262
Total Equity	108,645	151,444	1,004,825	219,159	121,934	297,168
Long term Financial debt	-	-	1,534,036	-	-	6,024
Non-Current Liabilities	473,348	39,310	2,606,330	288,169	338,364	39,484
Short term Financial debt	536	23	6,323	146	152	2,016
Current Liabilities	22,017	3,289	547,161	6,359	5,382	467,973
Revenues	34,922	10,990	69,363	39,421	30,107	82,986
Property plant and equipment and intangibles amortization/impairment	-24,027	-10,180	-8,700	-22,014	-18,222	-20,582
Other financial expenses	-18,105	-1,623	-161,732	-13,390	-16,378	-1,764
Income tax expense	-	-	3,986	-	-	499
Net profit for the period	30,739	9,850	-20,760	37,554	24,879	-8,157
Amounts proportionally attributed to EDP Group						
Net assets	47,788	68,630	450,073	62,557	43,493	100,672
Goodwill	-	-	5,352	-	-	2,695
Dividends paid	4,005	3,332	-	4,448	4,200	8,565

The following table resumes the companies' financial information of joint ventures whose investment is included under the equity method in the Group consolidated accounts, as at 31 December 2022:

Thousand Euros	Energética JARI CEJA	Goldfinger Vento II	Energia São Manoel	Energia Cachoeira Caldeirão	Flat Rock Windpower	Sol V Riverstart
Companies' financial information of joint ventures						
Non-Current Assets	267,048	322,496	625,331	218,361	196,543	324,297
Current Assets	56,874	-2,069	50,799	29,420	12,882	4,415
Cash and cash equivalents	44,304	58	21,175	18,592	10,400	-
Total Equity	184,141	211,917	313,436	99,263	203,387	194,623
Long term Financial debt	69,213	-	321,694	125,407	-	-
Non-Current Liabilities	96,356	98,885	334,568	132,353	4,391	125,503
Short term Financial debt	9,594	47	17,483	13,114	-	58
Current Liabilities	43,425	9,625	28,126	16,165	1,647	8,586
Revenues	57,941	17,172	76,870	30,101	20,238	17,751
Property plant and equipment and intangibles amortization/impairment	-9,288	-10,039	-21,079	-8,041	-14,719	-9,473
Other financial expenses	-9,486	-3,432	-38,118	-15,842	-60	-3,630
Income tax expense	-822	-	4,125	419	-	-
Net profit for the period	31,244	20,039	-8,035	-1,421	-6,653	20,389
Amounts proportionally attributed to EDP Group						
Net assets	118,301	93,349	104,481	49,872	111,047	39,001
Goodwill	-	-	-	-	-	-
Dividends paid	10,412	5,858	-	-	1,012	1,217

Thousand Euros	Portfolio Vento XX	Goldfinger Vento	OW Offshore, S.L.	Portfolio Vento XVII	Portfolio Vento XIX	Other
Companies' financial information of joint ventures						
Non-Current Assets	632,136	211,527	2,635,181	539,395	489,003	295,583
Current Assets	7,830	221	457,761	11,673	18,917	50,820
Cash and cash equivalents	201	-	237,416	-	-	24,203
Total Equity	24,236	153,491	1,079,549	202,561	101,026	285,251
Long term Financial debt	-	-	493,044	-	-	16,211
Non-Current Liabilities	597,474	54,690	987,607	340,973	398,228	25,114
Short term Financial debt	517	448	4,918	219	38	319
Current Liabilities	18,256	3,567	1,025,786	7,534	8,666	36,038
Revenues	39,529	12,484	46,200	46,946	22,271	66,209
Property plant and equipment and intangibles amortization/impairment	-23,872	-10,556	-8,466	-25,529	-20,377	-9,346
Other financial expenses	-20,218	-1,724	-121,882	-17,905	-17,990	-1,169
Income tax expense	-	-	7,298	-	-	-5,345
Net profit for the period	27,652	11,192	257,040	33,995	16,866	35,192
Amounts proportionally attributed to EDP Group						
Net assets	34,035	68,989	490,929	62,510	40,986	120,371
Goodwill	-	-	5,352	-	-	2,695
Dividends paid	4,186	3,677	-	4,311	2,290	16,404

The following table resumes the companies' financial information of associates whose investment is included in the Group consolidated accounts under the equity method, as at 31 December 2023:

Thousand Euros	Celesc	Porto Pecém Geração de Energia, S.A.	Parque Eólico Madero	Eólica de São Julião, Lda.	Other
Companies' financial information of associates					
Non-Current Assets	595,037	338,199	39,330	4,942	49,540
Current Assets	60,802	136,915	36,301	25,984	40,146
Total Equity	608,380	173,874	54,369	14,928	29,101
Non-Current Liabilities	5,508	198,748	4,365	8,901	33,735
Current Liabilities	41,951	102,492	16,897	7,097	26,850
Revenues	-	166,362	12,195	11,827	61,558
Net profit for the period	119,602	68,930	2,995	5,522	-7,092
Amounts proportionally attributed to EDP Group					
Net assets	176,937	21,113	22,835	25,609	41,717
Goodwill	-	-	-	1,457	17,816
Dividends paid	13,877	-	-	-	5,045

Other include companies with Financial Statements as of 31 December 2023, with the exception of companies that have no activity or are in liquidation process. Additionally, Celesc is based on the Financial Statements disclosed to the market with reference to 30 September 2023.

The following table resumes the companies' financial information of associates whose investment is included in the Group consolidated accounts under the equity method, as at 31 December 2022:

Thousand Euros	Celesc	Parque Eólico Belmonte	Parque Eólico Madero	Principle Power Inc.	Other
Companies' financial information of associates					
Non-Current Assets	508,509	18,250	41,120	19,739	42,816
Current Assets	49,500	7,440	32,020	11,966	89,694
Total Equity	520,225	15,136	51,374	19,393	37,390
Non-Current Liabilities	4,128	1,934	3,852	6,805	40,811
Current Liabilities	33,656	8,620	17,914	5,507	54,309
Revenues	81,335	12,469	30,477	11,592	83,672
Net profit for the period	80,367	6,863	17,973	-6,813	37,890
Amounts proportionally attributed to EDP Group					
Net assets	152,758	6,251	21,577	7,148	84,139
Goodwill	-	1,726	-	5,144	21,261
Dividends paid	8,951	360	3,262	-	12,371

The column Other include companies with financial statements as of 31 December 2023, with the exception of companies that have no activity or are in liquidation process. Additionally, Celesc is based on the Financial Statements disclosed to the market with reference to 30 September 2023.

As at 31 December 2023, the significant companies' financial information of joint ventures and associates presents the following reconciliation of net assets proportionally attributed to EDP Group:

Thousand Euros	Equity	% EM	Fair Value Adjustments	Goodwill	Other	Net Assets
Empresa de Energia São Manoel S.A.	324,246	33.33%	-	-	-	108,084
Energética JARI - CEJA	165,845	50.00%	26,330	-	-	109,253
Flat Rock Windpower LLC	177,947	50.00%	-	-	1,090	90,063
Energia Cachoeira Caldeirão	103,637	50.00%	243	-	-	52,062
Goldfinger Vento	151,444	50.00%	-7,092	-	-	68,630
OW Offshore, S.L.	1,004,825	50.00%	-53,875	5,352	-3,816	450,073
Portfolio Vento XVII	219,159	20.00%	18,725	-	-	62,557
Portfolio Vento XIX	121,934	20.00%	19,106	-	-	43,493
Portfolio Vento XX	108,645	20.00%	26,059	-	-	47,788
Sol V - Riverstart	206,674	20.00%	-1,008	-	-	40,327
Goldfinger Vento II	217,389	50.00%	-11,790	-	-	96,905
Centrais eléctricas de Santa Catarina, S.A. - Celesc	608,380	29.90%	-	-	-4,948	176,937
Porto do Pecém Geração de Energia, S.A.	173,874	20.00%	-13,263	-	-398	21,113
Parque Eólico Sierra del Madero S.A.	54,369	42.00%	22,835	-	-	22,835
Eólica de São Julião, Lda.	14,928	45.00%	-	1,457	17,434	25,609

As at 31 December 2022, the significant companies' financial information of joint ventures and associates presents the following reconciliation of net assets proportionally attributed to EDP Group:

Thousand Euros	Equity	% EM	Fair Value Adjustments	Goodwill	Other	Net Assets
Empresa de Energia São Manoel S.A.	313,436	33.33%	-	-	-	104,481
Energética JARI - CEJA	184,141	50.00%	26,528	-	-298	118,301
Flat Rock Windpower LLC	203,387	50.00%	-	-	9,354	111,047
Energia Cachoeira Caldeirão	99,263	50.00%	241	-	-	49,872
Goldfinger Vento	153,491	50.00%	-7,756	-	-	68,989
OW Offshore, S.L.	1,079,549	50.00%	-49,265	5,352	-4,935	490,929
Portfolio Vento XVII	202,561	20.00%	21,998	-	-	62,510
Portfolio Vento XIX	101,026	20.00%	20,781	-	-	40,986
Portfolio Vento XX	24,236	20.00%	29,188	-	-	34,035
Sol V - Riverstart	194,623	20.00%	76	-	-	39,001
Goldfinger Vento II	211,917	50.00%	-12,610	-	-	93,349
Centrais eléctricas de Santa Catarina, S.A. - Celesc	520,225	29.90%	-	-	-2,772	152,758
Parque Eólico de Belmonte, S.A.	15,136	29.90%	-	1,726	-	6,251
Parque Eólico Sierra del Madero S.A.	51,374	42.00%	-	-	-	21,577
Principle Power, Inc.	19,393	25.41%	-	5,144	-2,924	7,148

As at 31 December 2023 and 2022, commitments and contingent liabilities assumed by the Group in respect of its joint ventures and associates, including its share of commitments assumed jointly with other investors, are disclosed by maturity as follows:

Thousand Euros	Capital outstanding by maturity	
	Dec 2023	Dec 2022
Less than 1 year	302,949	315,451
From 1 to 3 years	16,107	15,109
From 3 to 5 years	3,582	3,635
More than 5 years	55,350	55,228
	377,988	389,423

Commitments and contingent liabilities in respect of joint ventures and associates include EDPR commitments to provide funding to Offshore projects and to the construction of solar farms facilities in North America, and to commitments assumed by EDP Brasil related to its joint ventures operating obligations.

23. Equity instruments at fair value

As at 31 December 2023, the movements in Equity Instruments measured at Fair Value are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Equity Instruments at Fair Value through Other Comprehensive Income (OCI)	128,531	139,270
Equity Instruments at Fair Value through Profit or Loss (PL)	76,221	77,148
	204,752	216,418

Under IFRS 13 (see note 46), equity instruments at fair value are classified into three levels of fair value: level 1 includes essentially financial investments that are indexed to quoted market prices; level 2 includes the fund of stocks and bonds held by Energia RE; and level 3 covers all other equity instruments at fair value. As at 31 December 2023, the Group holds equity instruments at fair value within level 1, Lhyfe S.A.S. .

As at 31 December 2023, this caption is analysed as follows:

Thousand Euros	Lhyfe, S.A.S	Other Comprehensive Income		EDA Electricid. dos Açores, S.A.	Profit or Loss		Total
		Mercer and Dunas (Energ. RE portfolio)	Other		Feedzai – Consult. e Inov. Tecn., S.A.	Other	
Balance as at 1 January 2022	-	95,811	31,016	16,055	38,607	8,453	189,942
Acquisitions	25,000	-	591	-	-	6,903	32,494
Disposals	-	-	-3,747	-	-	-	-3,747
Change in fair value	-286	3,026	534	494	-	6,588	10,356
Other variations	-	-	3,100	-	-	48	3,148
Balance as at 31 December 2022	24,714	83,062	31,494	16,549	38,607	21,992	216,418
Acquisitions	-	-	1,313	-	-	6,849	8,162
Disposals	-	-	-285	-	-	-1,300	-1,585
Change in fair value (see note 33)	-10,314	8,548	-10,023	580	-	-7,096	-18,305
Other variations	-	-	22	-	-	40	62
Balance as at 31 December 2023	14,400	91,610	22,521	17,129	38,607	20,485	204,752

As at 31 December 2023, the fair value reserve of equity instruments measured at fair value through other comprehensive income attributable to the Group is as follows:

Thousand Euros	Dec 2023	Dec 2022
Mercer Funds and Dunas	4,695	-3,852
Defined Crowd Corporation	-1,193	5,001
Lhyfe, S.A.S	-7,555	-214
Other	3,520	6,797
	-533	7,732

In equity instruments measured at fair value through profit or loss stands out: i) Feedzai – Consultadoria e Inovação Tecnológica, S.A., whose the fair value of 38,607 thousand Euros was determined according to the last transaction on the market; 2) EDA, S.A., whose the fair value of 17,129 thousand Euros was determined according to the Dividend Discounted model. Regarding EDA, S.A., the sensitivity analysis, considering a reduction or increase of 50bp in the discounted rate, determines a fair value of 19,014 thousand Euros and 15,581 thousand Euros, respectively.

During 2023 a decrease in the fair value of the Equity Instruments through Profit and Losses, in the amount of 6,516 thousand Euros, was booked against Profit or Loss (see notes 14 and 46).

24. Investment property

The caption is detailed as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Cost	50,515	52,601	187,858	150,665
Accumulated depreciation and impairment losses	-25,171	-25,307	-35,675	-33,388
Carrying amount	25,344	27,294	152,183	117,277

The investment properties are mainly lands and buildings held to obtain rents or for capital appreciation and are not materially relevant.

On a consolidated basis, Accumulated depreciation and impairment losses, in 2023, includes 287 thousand Euros related to charges of the period (see note 12).

On an individual basis, Accumulated depreciation and impairment losses, in 2023, includes 3,718 thousand Euros related to charges of the period (see note 12). The variation in the caption Cost mainly relates to the increase in investment made during the period.

The impairment tests carried out of Investment Properties are based on assessments using current market practices: the comparative method, in cases where there is an active and comparable market, the income method, through discounted cash flows depending on the property income and the cost method, which considers the market value of the land and the construction costs.

25. Deferred tax assets and liabilities

EDP Group records the tax effect resulting from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis. As at 31 December 2023, on a consolidated basis, the movements by nature of Deferred Tax Assets and Liabilities are as follows:

Deferred Tax Assets					
	Balance at 1 January	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 31 December
Thousand Euros					
Tax losses and tax credits	1,360,575	-99,049	1,291	-117,124	1,145,693
Provisions for social benefits, bad debts, dismt. and other risks	603,822	-30,167	-35,088	1,477	540,044
Derivative financial instruments and Equity investments	796,860	-364,395	19,503	253,592	705,560
Property plant and equipment and intangible assets	265,413	-17,682	619	558	248,908
Allocation of fair value to assets and liabilities acquired	79,680	-13,933	-87,854	31,870	9,763
Fiscal revaluations	221,431	-50,112	-	-	171,319
Lease liabilities and other temporary differences	348,882	46,208	-1,146	1,184	395,128
Assets/liabilities compensation of deferred taxes	-1,892,371	-79,215	378	164,125	-1,807,083
	1,784,292	-608,345	-102,297	335,682	1,409,332

Deferred Tax Liabilities					
	Balance at 1 January	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 31 December
Thousand Euros					
Provisions for social benefits, bad debts, dismt. and other risks	16,644	601	2,043	-	19,288
Derivative financial instruments and Equity investments	307,270	-318,674	335,196	-4,907	318,885
Property plant and equip., intang. assets and right-of-use	758,981	82,081	-	-24,097	816,965
Allocation of fair value to assets and liabilities acquired	1,159,890	-51,265	1,841	98,152	1,208,618
Fiscal revaluations	52,718	-2,645	-	-	50,073
Deferred income relating to CMEC	183,959	-2,702	-	-	181,257
Gains from institutional partnerships in wind farms	440,264	6,325	90	-15,424	431,255
Fair value of financial assets (Brazil)	100,607	22,056	-	5,355	128,018
Other temporary differences	116,631	10,073	-3,707	8,950	131,947
Assets/liabilities compensation of deferred taxes	-1,892,371	-79,215	378	164,125	-1,807,083
	1,244,593	-333,365	335,841	232,154	1,479,223

Provisions for social benefits, bad debts, dismt. and other risks, Lease liabilities and other temporary differences and Property plant and equip., intang. assets and right-of-use include deferred tax assets and deferred tax liabilities related with the recognition of provisions for dismantling, as well as deferred tax assets and deferred tax liabilities relating to lease contracts, pursuant to the amendments to IAS 12 – Income taxes as mentioned in note 3.

As at a 31 December 2022, on a consolidated basis, the movement by nature of Net Deferred Tax Assets and Liabilities are as follows:

Net Deferred Tax Assets					
	Balance at 1 January	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 31 December
Thousand Euros					
Tax losses and tax credits	1,205,963	64,229	3,244	87,139	1,360,575
Provisions for social benefits, bad debts, dismt. and other risks	694,421	-54,095	-87,838	51,334	603,822
Derivative financial instruments and Equity investments	843,640	-23,260	80,863	-104,383	796,860
Property plant and equipment and intangible assets	320,510	-52,640	-	-2,457	265,413
Tariff adjustments and tariff deficit	14,370	-16,025	-	1,655	-
Allocation of fair value to assets and liabilities acquired	32,445	-36,552	84,915	-1,128	79,680
Fiscal revaluations	265,678	-44,410	-	163	221,431
Lease liabilities and other temporary differences	73,999	29,038	-387	246,232	348,882
Assets/liabilities compensation of deferred taxes	-1,942,215	-70,484	3,400	116,928	-1,892,371
	1,508,811	-204,199	84,197	395,483	1,784,292

Net Deferred Tax Liabilities					
	Balance at 1 January	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 31 December
Thousand Euros					
Provisions for social benefits, bad debts and other risks	19,598	-243	-3,179	468	16,644
Derivative financial instruments and Equity investments	617,094	-182,186	-64,741	-62,897	307,270
Property plant and equip., intang. assets and right-of-use	376,071	37,784	-	345,126	758,981
Reinvested gains	3,705	-30	-	-1	3,674
Tariff adjustments and tariff deficit	16,078	-15,518	-	-	560
Allocation of fair value to assets and liabilities acquired	1,112,469	-16,738	-	64,159	1,159,890
Fiscal revaluations	52,589	-2,903	-	3,032	52,718
Deferred income relating to CMEC	184,665	-706	-	-	183,959
Gains from institutional partnerships in wind farms	383,910	33,154	-92	23,292	440,264
Fair value of financial assets (Brazil)	69,235	23,971	-	7,401	100,607
Other temporary differences	95,879	13,758	-244	3,004	112,397
Assets/liabilities compensation of deferred taxes	-1,942,215	-70,484	3,400	116,928	-1,892,371
	989,078	-180,141	-64,856	500,512	1,244,593

On a Company basis, EDP, S.A. records the tax effect arising from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis. As at 31 December 2023, on a Company basis, the movements by nature of Deferred Tax Assets and Liabilities are as follows:

Deferred Tax Assets					
	Balance at 1 January	Mov. Results	Mov. Reserves	Others	Balance at 31 December
Thousand Euros					
Tax losses and tax credits	159,351	-83,716	-	-21,786	53,849
Provisions for social benefits, bad debts and other risks	7,558	130	-303	133	7,518
Derivative financial instruments	280,416	-	-280,401	-	15
Property plant and equipment	1,889	242	-	1	2,132
Other temporary differences	2,945	-9	-	-21	2,915
Assets/liabilities compensation of deferred taxes	-137,399	3,939	114,811	1	-18,648
	314,760	-79,414	-165,893	-21,672	47,781

Deferred Tax Liabilities					
	Balance at 1 January	Mov. Results	Mov. Reserves	Others	Balance at 31 December
Thousand Euros					
Derivative financial instruments	119,818	-	-114,811	-	5,007
Allocation of fair value to assets and liabilities acquired	5,941	-	-	-	5,941
Fiscal revaluations	163	-5	-	-	158
Other temporary differences	11,477	-3,934	-	-1	7,542
Assets/liabilities compensation of deferred taxes	-137,399	3,939	114,811	1	-18,648
	-	-	-	-	-

On an individual basis, the variations of these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

As at a 31 December 2022, on a Company basis, the movement by nature of Net Deferred Tax Assets and Liabilities are as follows:

Net Deferred Tax Assets					
Thousand Euros	Balance	Mov. Results	Mov. Reserves	Others	Balance at 31
	at 1 January				December
Tax losses and tax credits	163,078	39,563	-	-43,290	159,351
Provisions for social benefits, bad debts and other risks	8,125	-381	-616	430	7,558
Financial instruments	225,545	-	54,871	-	280,416
Property plant and equipment	2,025	-136	-	-	1,889
Other temporary differences	246	-50	-	2,749	2,945
Assets/liabilities compensation of deferred taxes	-361,801	-3,394	230,191	-2,395	-137,399
	37,218	35,602	284,446	-42,506	314,760

Net Deferred Tax Liabilities					
Thousand Euros	Balance	Mov. Results	Mov. Reserves	Others	Balance at 31
	at 1 January				December
Financial instruments	350,009	-	-230,191	-	119,818
Allocation of fair value to assets and liabilities acquired	3,546	-	-	2,395	5,941
Fiscal revaluations	179	-16	-	-	163
Other temporary differences	8,067	3,410	-	-	11,477
Assets/liabilities compensation of deferred taxes	-361,801	-3,394	230,191	-2,395	-137,399
	-	-	-	-	-

Taxes recorded against reserves are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Financial instruments and fair value	-390,719	233,936	-165,590	285,062
Actuarial gains and losses	-35,544	-88,828	-303	-616
Financial instruments and equity instruments at fair value OCI	-1,568	3,856	-	-
Others	3,311	89	-	-
	-424,520	149,053	-165,893	284,446

The Group tax losses carried forward are analysed as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Expiry date:		
2023	-	2,983
2024	10,271	3,245
2025	32,383	8,793
2026	54,002	19,640
2027	34,759	62,870
2028	35,613	4,985
2029 to 2040	2,391,428	2,340,336
Without expiry date	2,180,982	3,356,636
	4,739,440	5,799,488

Of the total of EDP Group's tax losses available to carry forward as at 31 December 2023, the amount of 705,235 thousand Euros does not have deferred tax asset, in accordance with the applicable accounting standards since, at the present date, there is still not sufficient visibility about the future period in which such tax losses will be used. In addition to the above, EDPR North America LLC has State tax losses and the associated deferred tax asset amounts to 70,642 thousand Euros as at 31 December 2023 (78,566 thousand Euros as at 31 December 2022).

26. Inventories

This caption is as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Merchandise	139,457	402,133
Finished, intermediate products and sub-products	79,706	37,284
Raw and subsidiary materials and consumables (coal, gas and other fuels)	61,904	260,952
Nuclear fuel	15,008	14,446
CO2 licenses	10,413	30,875
Guarantees of origin	4,177	-
Green certificates	171,668	172,658
Other	323,115	337,952
	805,448	1,256,300

The caption Other include materials for building energy distribution networks and photovoltaic solar panels.

The variation of the caption Inventories is essentially explained by the decrease in the value of gas and coal stocks.

The movements in the portfolio of CO2 Licenses held for trading and classified as inventories are as follows:

CO2 (Ton)	Group	
	Dec 2023	Dec 2022
CO2 Licenses held for trading on 1 January	382,212	1,000,000
Licenses negotiated in the market	8,824,000	832,010
Emission Licenses transferred from trading portfolio to intangibles	-9,071,421	-1,449,798
CO2 Licenses held for trading on 31 December	134,791	382,212
CO2 Licenses for trading on 31 December (in thousand Euros)	10,413	30,875

Fair value corresponds to the spot price (closing price) at the end of December in each period.

On an individual basis, the changes that occurred in this caption is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. and the consequent transfer of the CO2 trading portfolio from EDP S.A. to EDP GEM Portugal S.A. (see note 13).

27. Debtors and other assets from commercial activities

At Group level, Debtors and other assets from commercial activities are as follows:

Thousand Euros	Non-Current		Current	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Assets measured at amortised cost:				
Amounts receivable from tariff adjustments – Electricity – Portugal	234,903	441,035	4,929	13,825
Amounts receivable from tariff adjustments – Electricity – Brazil (see note 39)	41,284	12,883	6,578	14,310
Debtors for other goods and services	-	-	60,320	67,521
Amounts receivable relating to CMEC	312,088	353,619	264,423	249,856
Amounts receivable from concessions – IFRIC 12	499,531	846,875	1,196,426	1,120,064
Other assets measured at amortised cost	247,217	214,071	335,243	318,137
Impairment losses on other assets measured at amortised cost	-244	-82	-5,924	-3,024
	1,334,779	1,868,401	1,861,995	1,780,689
Trade receivables at amortised cost:				
Trade receivables	142,955	108,415	1,624,514	1,797,683
Impairment losses on trade receivables	-7,934	-8,810	-264,231	-259,025
	135,021	99,605	1,360,283	1,538,658
Assets measured at fair value through other comprehensive income:				
Amounts receivable from tariff adjustments – Electricity – Portugal	90,839	23	23,169	1,141
Assets measured at fair value through profit or loss:				
Amounts receivable from concessions – IFRIC 12	1,365,311	1,012,104	-	-
Contract assets:				
Contract assets receivable from energy sales contracts	3,070	4	1,256,487	1,452,371
Contract assets receivable from concessions – IFRIC 12	887,223	729,520	-	-
	890,293	729,524	1,256,487	1,452,371
Other assets:				
Incremental costs of obtaining contracts with customers	46,796	32,219	7,966	7,677
Other assets from commercial activities	52,903	30,250	117,754	107,684
	99,699	62,469	125,720	115,361
	3,915,942	3,772,126	4,627,654	4,888,220

At Company level, Debtors and other assets from commercial activities are as follows:

Thousand Euros	Current	
	Dec 2023	Dec 2022
Assets measured at amortised cost:		
Debtors for other goods and services	96,652	50,959
Other assets measured at amortised cost	97,618	1,119,557
	194,270	1,170,516
Trade receivables at amortised cost:		
Trade receivables	46,191	465,630
Impairment losses on trade receivables	-215	-210
	45,976	465,420
Contract assets:		
Contract assets receivable from energy sales contracts	-	461,937
Other assets:		
Other assets from commercial activities	15,050	15,919
	255,296	2,113,792

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

The captions Amounts receivable and Amounts payable for tariff adjustments – Electricity – Portugal refer to tariff adjustments recognised in E-Redes – Distribuição de Eletricidade, S.A. and in SU Eletricidade, S.A.

Thousand Euros	Non-current		Current	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Amounts payable for tariff adjustments – Electricity – Portugal	325,742	441,058	28,098	14,966
Amounts receivable from tariff adjustments – Electricity – Portugal (see note 39)	-9,466	-	-466,294	-958,357
	316,276	441,058	-438,196	-943,391

The movement for the period in Amounts receivable and Amounts payable from tariff adjustments – Electricity – Portugal (Non-current and Current) is as follows:

Thousand Euros	Dec 2023
Balance at the beginning of the period	-502,333
Tariff adjustment of the period (see note 7)	1,443,854
Receipts/payments through the electricity tariff	880,068
Securitization of tariff adjustment	-1,958,898
Fair value of the tariff deficit measured at fair value through other comprehensive income (see note 33)	-1,224
Interest income/expense (see note 14)	34,860
Adjustments related to previous years	-18,247
Balance at the end of the period	-121,920

During the last quarter of 2023, SU Eletricidade, S.A. agreed the securitization of 898 million Euros of the 2024 tariff deficit, by the amount of 930 million Euros. This tariff deficit resulted from the 5-year deferral of the recovery of the additional costs to be incurred by SU Eletricidade, S.A. in 2024, including the adjustments from the 2 previous years (2022 and 2023), related to the purchase of electricity from generators that benefit from guaranteed remuneration schemes or other subsidized regimes.

SU Eletricidade, S.A. also agreed, through 3 individual transactions, the fully and without recourse sale of 1,061 million Euros of the 2024 tariff deficit, for a total amount of 1,102 million Euros. This tariff deficit resulted from the 5-year deferral of the recovery of the additional cost to be incurred by SU Eletricidade, S.A. in 2024, including the adjustments from the 2 previous years (2022 and 2023), related to the purchase of electricity from generators that benefit from guaranteed remuneration schemes or other subsidized regimes.

The sale operations of the 2024 tariff deficit generated gains, net of transaction costs, of 13,306 thousand Euros (4,575 thousand Euros related to the securitization and 8,731 thousand Euros related to direct sales). The gain was calculated in accordance with article 3 of Ordinance No. 300/2023, of 4 October, and deducted by half of the amount calculated to be passed on to the UGS tariff (see note 14).

Additionally, SU Eletricidade, S.A. repurchased the full amount of the 2022 tariff adjustment sold on 28 September, related to the sale and purchase of electricity from generators that benefit from guaranteed remuneration schemes, for 300 million Euros.

The tariff adjustment at the end of period corresponds to an amount of 121,920 thousand Euros to be returned and includes 475,760 thousand Euros of Amounts payable from tariff adjustments – Electricity – Portugal (see note 39) and 353,840 thousand Euros of Amounts receivable from tariff adjustments – Electricity – Portugal.

The caption Assets measured at fair value through other comprehensive income includes the amount of the tariff deficit classified and measured at fair value through other comprehensive income. According to IFRS 13, the tariff deficit fair value is classified as level 2 (see note 46).

The following table provides details for the caption Amounts receivable and Amounts payable from tariff adjustments – Electricity – Portugal, by nature and year of establishment, as well as presents the amounts of tariff deficit that have been sold during the period ended 31 December 2023:

Thousand Euros	Deficit	Tariff adj.	Sales	Total
Year:				
2016	-	1,449	-	1,449
2020	23	1,333	-	1,356
2021	220	50,270	-	50,490
2022	-	-48,481	-	-48,481
2023	-	34,332	-	34,332
2024	1,797,832	-	-1,958,898	-161,066
	1,798,075	38,903	-1,958,898	-121,920

The 2023 tariff adjustment includes 1,376,247 thousand Euros of SU Eletricidade S.A. tariff adjustment of the period, which has been deducted from the provisional adjustment related with the purchase of electricity from generators that benefit from guaranteed remuneration schemes or other subsidised regimes, in the amount of 1,418,986 thousand Euros, since it is included in 2024 tariff deficit.

The 2024 tariff deficit includes 2,068,670 thousand Euros from SU Eletricidade, S.A., which has been deducted from the 2024 overcost accrual related with the purchase of electricity from generators that benefit from guaranteed remuneration schemes or other subsidised regimes in the amount of 266,100 thousand Euros.

The captions Amounts receivable relating to CMEC and Deferred income – CMEC are as follows:

Thousand Euros	Non-Current	Current
Amounts receivable relating to CMEC	312,088	264,423
Deferred income – CMEC (see note 39)	-17,091	-48,713
	294,997	215,710

Thousand Euros	Non-Current	Current
Initial CMEC	225,728	36,470
Final adjustment	69,269	77,174
Revisibility 2014 – 2017 *	-	102,066
	294,997	215,710

* The revisibility calculation for 2016 to 2017 is still waiting the official approval.

The movement of the period in the captions Amounts receivable from concessions – IFRIC 12 and Contract assets receivable from concessions – IFRIC 12 is as follows:

Thousand Euros	Amounts receivable	Contract assets
Balance as at 31 December 2022	2,979,043	729,520
Investments of the period	-	729,925
Transfer to intangible assets (see note 19)	-	-196,172
Transfer between Amounts receivable and Contract assets	386,966	-386,966
Exchange differences	92,548	34,105
Perimeter variations and others	-397,289	-23,189
Balance as at 31 December 2023	3,061,268	887,223

The Perimeter variations and others includes the impact of the reclassification of some transmission assets in Brazil to non-current assets held for sale, in the amount of 518,774 thousand Euros (see note 42).

The movements in Impairment losses on trade receivables and other assets measured at amortised cost are as follows:

Thousand Euros	Trade receivables		Other assets	
	Non-current	Current	Non-current	Current
Balance as at 1 January 2022	3,225	232,100	71	2,370
Charge of the period	5,391	92,779	5	1,965
Reversal of impairment losses	-	-38,853	-	-1,088
Charge-off	-	-21,505	-	-213
Exchange differences	194	11,001	8	-13
Perimeter variations/Other regularisations	-	-16,497	-2	3
Balance as at 31 December 2022	8,810	259,025	82	3,024
Charge of the period	103	118,226	156	3,350
Reversal of impairment losses	-1,424	-53,725	-	-1,956
Charge-off	-	-27,355	-	-2
Exchange differences	445	5,857	6	61
Perimeter variations/Other regularisations	-	-37,797	-	1,447
Balance as at 31 December 2023	7,934	264,231	244	5,924

The geographical market Trade receivables' breakdown and the credit risk analysis are disclosed in note 5, under the Counterparty credit risk management.

As at 31 December 2023 and 2022, on a company basis, trade receivables are from Portugal geographical market.

Contract assets receivable from energy sales contracts – Current include contract assets relating to energy delivered and not yet invoiced, amounts receivable from REN regarding the CMEC Revisibility of 2016 and 2017 which are awaiting approval, and accruals from energy management business. The impairment losses on Trade receivables includes impairment losses related to Contract assets receivable from energy sales contracts.

28. Other debtors and other assets

Other debtors and other assets are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Debtors and other assets – Non-Current				
Assets measured at amortised cost:				
Loans to subsidiaries	-	-	2,915,267	1,141,944
Loans to related parties	439,282	186,885	90	90
Guarantees rendered to third parties	154,439	133,931	-	-
Other financial assets at amortised cost (i)	44,724	1,751	19	256,650
Assets measured at fair value through profit or loss:				
Derivative financial instruments (see note 43)	568,373	1,035,814	662,405	1,590,973
Contingent price	62,100	50,873	-	-
Other assets:				
Excess of the pension fund financing (see note 36)	194,740	92,694	714	410
Other debtors and sundry operations	320,309	422,562	90,078	90,078
	1,783,967	1,924,510	3,668,573	3,080,145
Debtors and other assets – Current				
Assets measured at amortised cost:				
Loans to subsidiaries	-	-	50,671	538,550
Dividends attributed by subsidiaries	-	-	25,000	-
Loans to related parties	131,317	354,484	-	3,490
Guarantees rendered to third parties	229,741	992,370	79,037	720,465
Subsidiary companies	-	-	425,441	229,858
Other financial assets at amortised cost (i)	9,842	7,386	259,172	260,639
Assets measured at fair value through profit or loss:				
Derivative financial instruments (see note 43)	549,152	1,539,884	899,571	2,449,615
Other financial investments measured at fair value	778	346	-	-
Contingent price	121,165	108,636	-	-
Other assets:				
Other debtors and sundry operations	249,747	368,689	535,240	23
	1,291,742	3,371,795	2,274,132	4,202,640
	3,075,709	5,296,305	5,942,705	7,282,785

Loans to subsidiaries – Non-Current and Current, on an individual basis, mainly include 2,545,477 thousand Euros of loans granted to EDP Gestão Produção Energia, S.A. and 351,226 thousand Euros (31 December 2022: 1,579,546 thousand Euros) of loans granted to E-Redes – Distribuição de Eletricidade, S.A. (see note 45).

For the Loans to subsidiaries, EDP S.A. performs an analysis to evaluate impairment based on the general approach. The company uses several inputs on making its assessment of the credit risk related to these assets, such as the analysis of the historical possible delays and/or impairment losses indications, companies rating (when applicable) and market and macroeconomic data that may change the probability of default and the expectation of delays in the receivable amounts. According to the analysis performed, as per 31 December 2023, impairment was reversed on granted loans to EDP GEM Portugal, S.A. (see note 21).

The caption Loans to related parties, on a consolidated basis, is mainly due to loans granted to OW FS Offshore, S.A. in the amount of 429,098 thousand Euros in Non-Current (31 December 2022: 184,644 thousand Euros) and 105,537 thousand Euros in Current (31 December 2022: 326,730 thousand Euros).

The variation in the item Guarantees rendered to third parties is essentially explained by the significant decrease in electricity and gas prices.

(j) Other financial assets at amortised cost

On a consolidated basis, this caption mainly includes securities issued by Tagus – Sociedade de Titularização de Créditos, SA, in the context of the transmission of the right to receive tariff adjustments (adjustments and deficits) from the National Electric System for credit securitisation companies, acquired by SU Eletricidade, S.A. The detail of the balances arising from these operations is as follows:

Thousand Euros	Issue date	Class R Notes	Liquidity Notes	Senior Notes	Total
Overcost from special regime production 2019	Jun 2019	14	13	926	953
Overcost from special regime production 2022-2024	Dec 2023	416	7,087	45,240	52,743
		430	7,100	46,166	53,696

On a company basis, this caption includes the bonds issued by EDP Finance B.V. repurchased on market by EDP S.A.

During 2023, EDP Finance B.V. repaid, at maturity, in the first quarter, an issuance of 489 million Euros, of which EDP S.A. had already repurchased 111,168 thousand Euros and in the third quarter an issuance of 462 million Euros, of which EDP S.A. had already repurchased 137,535 thousand Euros.

The detail of these bonds is as follows:

Issuer	Maturity date	Currency	Interest rate	Nominal value in Currency	Acquired in Currency	Fair Value
				'000	'000	'000
EDP Finance B.V.	12 Feb 2024	EUR	1.13%	743,804	256,196	255,333

The variation of the caption Contingent prices mainly results from the recognition of the contingent prices of the sale by EDP Renewables Europe, S.L.U. of its stakes in Viesgo Europa S.L.U. and Viesgo Renovables S.L.U., the sale by EDP Renováveis Brasil, S.A. of its stakes in Central Eólica Boqueirao I S.A., Central Eólica Boqueirao II S.A., and Central Eólica Jerusalem Holding, S.A. and its subsidiaries (see note 6) and from the receipt of the contingent consideration in connection with the sales in 2018 and 2020 of a stake in the companies Éoliennes en Mer Dieppe – Le Tréport, S.A.S and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, SAS to Sumitomo Corporation and to OW Offshore S.L., respectively.

The variation of the caption Other debtors and sundry operations – Current is mainly from the recognition of the consideration to be received in the amount of 180,000 thousand Euros for the sale of 50% of stake in the company Aboño Generaciones Eléctricas, S.L.U. (see note 6) and from the receipts in the amounts of 184,778 thousand Euros and 91,318 thousand Euros related to the sale of several wind farms in Brasil and Indiana Crossroads Solar Park project in North America, respectively, both carried out in 2022.

On an individual basis, the variation of the caption Other debtors and sundry operations is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

29. Tax assets

Current tax assets are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Non-Current:				
Special taxes Brazil	122,749	109,902	-	-
Current:				
Income tax	316,446	188,981	142,134	44,305
Value added tax (VAT)	375,171	516,010	7,502	149,058
Special taxes Brazil	78,171	87,004	-	-
Other taxes	60,380	22,303	876	877
	830,168	814,298	150,512	194,240
	952,917	924,200	150,512	194,240

The Special taxes Brazil caption relates to the following taxes: CSLL (Social Contribution on net profits), PIS (Social integration programme) and COFINS (Social Security Financing Contribution).

On an individual basis, the variation of the caption Value added tax (VAT) is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

30. Cash and cash equivalents

Cash and cash equivalents are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Cash	828	636	35	38
Bank deposits				
Current deposits	2,080,812	3,553,609	391,572	1,445,638
Term deposits	1,300,189	1,331,823	355,000	450,000
Specific demand deposits in relation to institutional partnerships	2,947	1,633	-	-
	3,383,948	4,887,065	746,572	1,895,638
Operations pending cash settlement				
Current deposits	-	-	-	600,000
Other operations				
Other short term investments	10,142	12,504	-	-
Group Financial System (see note 44)	-	-	239,698	1,649,398
	3,394,918	4,900,205	986,305	4,145,074
Held for sale operations:				
Cash and cash equivalents reclassified as held for sale (see note 42)	-22,486	-	-	-
	3,372,432	4,900,205	986,305	4,145,074

The caption Captive deposits related to institutional partnerships corresponds to the escrow funds necessary to pay the remaining construction costs of projects in institutional equity partnerships, which are described in EDP Group accounting policies (see note 38).

As at 31 December 2022, on a company basis, the caption Operations pending cash settlement represented commercial paper issued by EDP S.A. in the amount of 600,000 thousand Euros, acquired by EDP Finance B.V., which settlement date occurred on 3 January 2023.

31. Share capital and share premium

EDP, S.A. was incorporated as a State-owned company and started its privatisation process in 1997. The second and third phases of the privatisation process were carried out in 1998, the fourth phase in 2000, the fifth phase consisting of a capital increase in 2004 and a sixth phase in 2005. In December 2007, the State issued bonds convertible into shares of EDP, S.A. under the seventh phase of the privatisation process.

On 11 May 2012, regarding EDP's eighth privatisation phase, the Portuguese State sold to China Three Gorges (Europe), S.A. (former - CWEI (Europe), S.A.), the ownership of 780,633,782 shares representing 21.35% of the share capital and the voting rights of EDP, S.A.

On 21 February 2013, Parpública – Participações Públicas (SGPS) S.A. (Parpública) notified EDP that, on 19 February 2013, it sold 151,517,000 shares, which correspond to 4.14% of EDP's share capital.

As a result of these last two transactions, Parpública no longer has a qualified shareholding position in EDP share capital.

On 29 September 2017, China Three Gorges (Europe), S.A. acquired 70,143,242 shares representing around 1.92% of EDP's share capital and voting rights. After this acquisition, an off-market transaction, CTG Europe became the holder of 850,777,024 shares.

On 11 August 2020, EDP made a capital increase by issuing 309,143,297 ordinary, book-entry and nominative shares, with a unit face value of 1 Euro, with a unit subscription price of 3.30 Euros, offered to subscription of its shareholders, in the exercise of the respective preemptive rights. The new ordinary shares will be fungible with existing ordinary shares and will entitle their holders to the same rights as those of pre-existing shares. As such, the current share capital of EDP is now of 3,965,681,012 Euros, represented by 3,965,681,012 ordinary, registered, book-entry shares with nominal value 1,00 Euro each.

On 3 March 2023, EDP carried out, through an accelerated bookbuilding process ("ABB") without pre-emption rights, in compliance with the authorization given to the Executive Board of Directors for the latter to increase the share capital in an amount of up to 10% of EDP's share capital, under Article 4(4) of EDP's by-laws, a capital increase by issuing 218,340,612 ordinary, book-entry and nominative shares, with a unit face value of 1 Euro, with a unit subscription price of 4.58 Euros, offered to subscription of its shareholders, in the exercise of the respective preemptive rights. The new ordinary shares will be fungible with existing ordinary shares and will entitle their holders to the same rights as those of pre-existing shares. As such, the current share capital of EDP is now of 4,184,021,624 Euros, represented by 4,184,021,624 ordinaries, registered, book-entry shares with nominal value 1,00 Euro each.

EDP – Energias de Portugal S.A. shareholder structure as at 31 December 2023 is as follows:

	No. of Shares	% Capital	% Voting
China Three Gorges Corporation	878,970,301	21.01%	21.01%
Oppidum Capital, S.L.	285,414,883	6.82%	6.82%
BlackRock, Inc.	264,886,769	6.33%	6.33%
Canada Pension Plan Investment Board	224,813,093	5.37%	5.37%
EDP (Treasury Stock)	22,448,920	0.54%	
Remaining Shareholders	2,507,487,658	59.93%	
	4,184,021,624	100.00%	

Share capital and Share premium are as follows:

Thousand Euros	Group and Company Share capital	Company Share premium
Balance as at 1 January	3,965,681	1,196,522
Movements during the period	218,341	774,474
Balance as at 31 December	4,184,022	1,970,996

The earnings per share (EPS) attributable to the equity holders of EDP are as follows:

	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Net profit attributable to the equity holders of EDP (in Euros)	952,347,808	679,000,835	823,636,271	848,564,985
Net profit from continuing operations attributable to the equity holders of EDP (in Euros)	952,347,808	679,000,835	823,636,271	848,564,985
Weighted average number of ordinary shares outstanding	4,128,985,676	3,946,840,015	4,128,985,676	3,946,840,015
Weighted average number of diluted ordinary shares outstanding	4,128,985,676	3,946,840,015	4,128,985,676	3,946,840,015
Basic earnings per share attributable to equity holders of EDP (in Euros)	0.23	0.17	0.20	0.21
Diluted earnings per share attributable to equity holders of EDP (in Euros)	0.23	0.17	0.20	0.21
Basic earnings per share from continuing operations (in Euros)	0.23	0.17	0.20	0.21
Diluted earnings per share from continuing operations (in Euros)	0.23	0.17	0.20	0.21

EDP Group calculates basic and diluted earnings per share attributable to equity holders of EDP using the weighted average number of ordinary shares outstanding during the period, net of changes in treasury stock during the period. Basic earnings per share and diluted earnings per share are equal because there are no dilution factors.

The average number of shares is determined as follows:

	Group and Company	
	Dec 2023	Dec 2022
Ordinary shares issued at the beginning of the period	3,965,681,012	3,965,681,012
Effect of shares issued during the period	181,950,510	-
Average number of realised shares	4,147,631,522	3,965,681,012
Effect of treasury stock	-18,645,846	-18,840,997
Average number and diluted average number of shares during the period	4,128,985,676	3,946,840,015

32. Treasury stock

This caption is as follows:

	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Book value of EDP, S.A.'s treasury stock (thousand Euros)	69,607	51,288	69,607	51,288
Number of shares	22,448,920	18,616,167	22,448,920	18,616,167
Market value per share (in Euros)	4.555	4.656	4.555	4.656
Market value of EDP, S.A.'s treasury stock (thousand Euros)	102,255	86,677	102,255	86,677

Shares' transactions occurred between 1 January and 31 December 2023:

	EDP, S.A.
Volume acquired (number of shares)	4,676,553
Average purchase price (in Euros)	4.461
Total purchases (thousand Euros)	20,862
Volume sold (number of shares) i)	-843,800
Average selling price (in Euros)	4.949
Total sales (thousand Euros) i)	4,176
Final position (number of shares)	22,448,920
Highest market price (in Euros)	4.949
Lowest market price (in Euros)	4.250
Average market price (in Euros)	4.536

i) Includes the distribution of treasury stocks to employees (see note 10).

The treasury stock held by EDP, S.A. is within the limits established by the Company's articles of association and by the "Código das Sociedades Comerciais" (Portuguese Commercial Companies Code). Treasury stock is recognised at acquisition cost.

33. Reserves and retained earnings

This caption is as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Legal reserve	835,564	793,136	835,564	793,136
Fair value reserve (cash flow hedge)	-450,940	-1,962,818	23,850	-764,676
Tax effect of fair value reserve (cash flow hedge)	137,795	467,716	-5,047	160,543
Fair value reserve of assets measured at fair value through other comprehensive income	-2,894	15,847	-	-
Tax effect of the fair value reserve of assets measured at fair value through other comprehensive income	-1,338	-187	-	-
Currency translation reserve – Exchange differences arising on consolidation	-426,827	33,795	-	-
Currency translation reserve – Net investment hedge	-700,750	-860,381	-	-
Currency translation reserve – Net investment hedge – Cost of hedging	-16,645	-62,340	-	-
Treasury stock reserve (EDP, S.A.)	69,607	51,288	69,607	51,288
Other reserves and retained earnings	5,071,308	4,617,477	2,082,609	2,083,548
	4,514,880	3,093,533	3,006,583	2,323,839

The movement in Other reserves and retained earnings reflects the dilution effect resulting from EDPR's capital increase, in March 2023 by issuing new shares, not accompanied by EDP and the scrip dividend and the Offer for EDP – Energias do Brasil S.A. (see Consolidated Statements of Changes in Equity and note 6).

Legal reserve

In accordance with article no. 295 of "Código das Sociedades Comerciais" (Portuguese Commercial Companies Code) and EDP, S.A.'s articles of association, the legal reserve must be increased by a minimum of 5% of the annual profit until it reaches 20% of the company's share capital. This reserve can only be used to cover losses or to increase share capital.

Fair value reserve (cash flow hedge)

This reserve includes the effective portion of the cumulative net change in the fair value of the cash flow hedging financial derivative instruments.

The variation in the caption Fair value reserve (cash flow hedge) reflects, essentially, the impact of the price decrease of the indexes associated with electricity and gas, which reflect the current evolution on the market.

The reconciliation of the fair value reserve is included in Note 43.

Fair value reserve (financial assets at fair value through other comprehensive income)

The changes in this consolidated caption for the period are as follows:

Milhares de Euros	Fair Value Reserve				
	Balance Dec 2022	Increases	Decreases	Perimeter variations	Balance Dec 2023
Defined Crowd Corporation (see note 23)	5,001	-	-6,194	-	-1,193
Mercer and Dunas Funds (Energia RE portfolio) (see note 23)	-3,852	8,547	-	-	4,695
Lhyfe S.A.S (see note 23)	-214	-	-7,341	-	-7,555
Other (see note 23)	6,797	487	-3,523	-241	3,520
SU Eletricidade, S.A. tariff deficit (see note 27)	352	-	-1,224	-	-872
Associate portfolios	7,761	-	-8,862	-388	-1,489
	15,845	9,034	-27,144	-629	-2,894

Currency translation reserve - Exchange differences arising on consolidation

Exchange differences arising on consolidation corresponds to the amounts resulting from changes in the value of net assets of subsidiaries, joint ventures and associated companies resulting from changes in exchange rates. The exchange rates used in the preparation of the financial statements are as follows:

Currency		Exchange rates			
		Dec 2023		Dez 2022	
		Close	Average	Close	Average
US Dollar	USD	1.105	1.081	1.067	1.053
Brazilian Real	BRL	5.362	5.401	5.639	5.440
Macao Pataca	MOP	8.890	8.719	8.566	8.492
Canadian Dollar	CAD	1.464	1.459	1.444	1.369
Singapore Dollar	SGD	1.459	1.452	1.430	1.451
Polish Zloty	PLN	4.348	4.544	4.690	4.688
Romanian Leu	RON	4.975	4.946	4.947	4.931
Pound Sterling	GBP	0.869	0.870	0.887	0.853
Mexican Peso	MXN	18.690	19.167	20.781	21.198
Colombian Peso	COP	4,222.028	4,677.062	5,133.686	4,470.960
Chinese Yuan	CNY	7.851	7.660	7.358	7.211
Korean Won	WON	1,433.660	1,412.880	1,344.090	1,358.073
Japanese Yen	JPY	156.330	151.990	140.660	138.027
Australian Dollar	AUD	1.626	1.629	1.579	1.516
Indonesian Rupiah	IDR	17,079.710	16,479.616	16,474.654	15,625.767
Malaysian Ringgit	MYR	5.078	4.932	4.692	4.629
Thai Bath	THB	37.973	37.631	36.648	36.869
Vietnamese Dong	VND	26,807.300	25,827.814	25,182.430	24,601.278
Hungarian Forint	HUF	382.800	381.853	400.870	391.286

The movement for the period in Exchange differences arising on consolidation is mainly due to the effect of the depreciation of the US Dollar and the appreciation of the Brazilian Real against the Euro.

Currency translation reserve - Net investment hedge and Cost of hedging

The changes in these captions, net of income tax, for the period are as follows:

Thousand Euros	Net investment hedge	Cost of Hedging
Balance as at 31 December 2022	-860,381	-62,340
Changes in fair value	162,607	45,695
Transfer to income statement resulting from the sale of a foreign currency subsidiary	-2,976	-
Balance as at 31 December 2023	-700,750	-16,645

The caption Net investment hedge corresponds to the amounts resulting from the application of hedge accounting to investments in subsidiaries in foreign currencies, mainly in EDPR North America subsidiaries, through financial derivative instruments (see note 4.3) and debt in foreign currency. The caption Cost of hedging corresponds to the amounts determined in accordance with accounting policies (see note 2.d)).

Treasury stock reserve (EDP, S.A.)

In accordance with the article 324º of "Código das Sociedades Comerciais" (Portuguese Commercial Companies Code), EDP, S.A. has created an unavailable reserve with an amount equal to the book value amount of treasury stock held in the company statements.

Dividends

On 12 April 2023, the Shareholders General Meeting of EDP, S.A. approved the dividends distribution to shareholders of the net profit for the year 2022 in the amount of 794,964 thousand Euros, corresponding to a dividend of 0.19 Euros per share (including the treasury stock dividend). This distribution occurred on 03 May 2023.

34. Non-controlling interests

This caption is as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Non-controlling interests in income statement	379,042	490,748
Non-controlling interests in equity and reserves	4,725,122	4,460,411
	5,104,164	4,951,159

The movement by subgroup of the non-controlling interests item is analysed as follows:

Thousand Euros	EDP	EDP	Other	Total
	Renováveis	Brasil		
	Group	Group		
Balance as at 31 December 2022	3,757,137	1,027,390	166,632	4,951,159
Results	295,140	57,123	26,779	379,042
Dividends	-136,500	-52,002	-1	-188,503
Currency Exchange differences	-18,557	63,707	9	45,159
Capital Increases/Decreases	33,969	-774	-	33,195
Changes in the fair value reserve	175,624	-	324	175,948
Perimeter variations and Others	584,851	-880,002	3,315	-291,836
Balance as at 31 December 2023	4,691,664	215,442	197,058	5,104,164

The movement in Perimeter variations and Others reflects, essentially, the dilution effect resulting from EDPR's capital increase, by issuing new shares, not accompanied by EDP, and the scrip dividend in the amount of 606,913 thousand Euros and the Offer for EDP - Energias do Brasil S.A. in the amount of 875,668 thousand Euros (see Consolidated Statements of Changes in Equity and note 6).

The summarised financial information for subsidiaries with material non-controlling interests, namely EDP Brasil and EDP Renováveis, as at 31 December 2023, is disclosed in the Annex I.

35. Financial debt

This caption is as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Debt and borrowings – Non-current				
Bank loans:				
– EDP, S.A.	1,667	3,333	1,667	3,333
– EDP Finance B.V. **	661,753	-13,566	-	-
– EDP Servicios Financieros España, S.A.U.	75,000	-	-	-
– EDP Brasil Group	320,340	284,657	-	-
– EDP Renováveis Group	900,043	936,595	-	-
– Others	3,868	370	-	-
	1,962,671	1,211,389	1,667	3,333
Non-convertible bond loans:				
– EDP S.A.	2,042,527	1,294,988	3,842,527	2,694,988
– EDP Finance B.V.	5,819,422	8,244,657	-	-
– EDP Servicios Financieros España, S.A.U.	1,335,395	-	-	-
– EDP Brasil Group	1,186,800	1,389,029	-	-
	10,384,144	10,928,674	3,842,527	2,694,988
Hybrid bonds:				
– EDP S.A.	4,043,243	3,044,554	4,043,243	3,044,554
	4,043,243	3,044,554	4,043,243	3,044,554
Commercial paper:				
– EDP Finance B.V.	328,054	339,865	-	-
– EDP Brasil Group	-	250,429	-	-
	328,054	590,294	-	-
Other loans	17,084	36,108	-	-
	16,735,196	15,811,019	7,887,437	5,742,875
Accrued interest	-	31,482	-	-
Other liabilities:				
– Fair value of the issued debt hedged risk	-7,085	-59,897	15,015	11,195
	16,728,111	15,782,604	7,902,452	5,754,070
Collateral Deposits – Non-current *	-35,512	-23,765	-	-
	16,692,599	15,758,839	7,902,452	5,754,070

* Deposits constituted as collateral for financial guarantee.

** Deferred discount of origination fees on celebrated RCF, which are currently not used.

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Debt and borrowings – Current				
Bank loans:				
- EDP, S.A.	1,667	1,667	1,667	1,667
- EDP Finance B.V.	-	216	-	-
- EDP Brasil Group	351,504	153,853	-	-
- EDP Renováveis Group	295,434	432,012	-	-
- Other	1,260	-	-	-
	649,865	587,748	1,667	1,667
Non-convertible bond loans:				
- EDP S.A.	-	500,000	1,399,056	3,500,000
- EDP Finance B.V.	2,351,761	1,100,288	-	-
- EDP Brasil Group	398,514	212,976	-	-
	2,750,275	1,813,264	1,399,056	3,500,000
Hybrid bonds:				
- EDP, S.A.	-	672,800	-	672,800
	-	672,800	-	672,800
Commercial paper:				
- EDP S.A.	-	-	440,000	1,690,000
- EDP Finance B.V.	65,000	750,475	-	-
- EDP Brasil Group	55,951	117,029	-	-
	120,951	867,504	440,000	1,690,000
Other loans				
- Group Financial System (see note 45)	-	-	1,879,565	2,195,726
- Other	4,160	3,804	-	-
	4,160	3,804	1,879,565	2,195,726
Accrued interest	367,473	258,232	129,755	97,380
Other liabilities:				
- Fair value of the issued debt hedged risk	11,856	36,517	10,022	32,059
	3,904,580	4,239,869	3,860,065	8,189,632
Collateral Deposits – Current *				
	-35,219	-29,336	-	-
	3,869,361	4,210,533	3,860,065	8,189,632

* Deposits constituted as collateral for financial guarantee.

Non-current Commercial Paper refers to two Commercial Paper programs with firm underwriting commitment for a period of over one year, in the total amount of 362,500 thousand US Dollars.

Main events of the period:

On 16 January 2023, EDP issued a subordinated hybrid green bond of 1,000 million Euros, which are non-callable up to 5.25 years respectively, and final maturity in April 2083.

In January 2023, EDP S.A. repurchased 672.800 thousand Euros of an issue called "EUR1,000,000,000 Fixed to Reset Rate Subordinated Notes due 2079" (see note 14).

On April 2023, EDP has signed a five-year loan facility, in the amount of 1,000 million Singapore Dollar (SGD), strengthening its commitment with the APAC region.

On 19 June 2023, under its "Debt Issuance Program (EMTN)", EDP issued a green bond of 750 million Euros maturing in June 2028.

On 28 July 2023, EDP signed a five-year revolving credit facility ('RCF'), with options to extend for 2 additional years (subject to Lenders' agreement), in the amount of 3.000 million, which can be drawn in Euros, US Dollars and Pound Sterling (up to 500 million GBP). The RCF is a sustainability-linked loan and includes two ESG KPIs: reduction of scope 1 and 2 greenhouse gas emissions and an increase in the percentage of installed capacity from renewable sources within EDP Group. This new RCF replaces the previous 2,240 million Euros RCF, which would reach maturity in March 2025.

On 1 October 2023, under its "Debt Issuance Program (EMTN)", EDP issued green bonds of 750 million Euros and 600 million Euros, maturing in April 2032 and April 2029, respectively.

The nominal value of outstanding Bond loans placed with external counterparties, as at 31 December 2023, is as follows:

Issuer	Issue date	Interest rate	Type of hedge	Conditions/ Redemp.	Nominal Value in Million Currency	Thousand Euros Group	Thousand Euros Company
Hybrids by EDP S.A.							
EDP S.A. (iii)	Jan-19	Fixed rate EUR 4.496% (iv)	n.a.	Apr-79	327 EUR	327,200	327,200
EDP S.A. (v)	Jan-20	Fixed rate EUR 1.7% (vi)	n.a.	Jul-80	750 EUR	750,000	750,000
EDP S.A. (vii)	Jan-21	Fixed Rate EUR 1.875% (iv)	n.a.	Aug-81	750 EUR	750,000	750,000
EDP S.A. (viii)	Sep-21	Fixed Rate EUR 1.5% (iv)	n.a.	Mar-82	750 EUR	750,000	750,000
EDP S.A. (ix)	Sep-21	Fixed Rate EUR 1.875% (x)	n.a.	Mar-82	500 EUR	500,000	500,000
EDP S.A. (i)	Jan-23	Fixed rate EUR 5.943% (ii)	n.a.	Apr-83	1,000 EUR	1,000,000	1,000,000
						4,077,200	4,077,200
Issued under a Standalone Prospectus							
EDP S.A.	Jun-16	Fixed rate EUR 2,875%	n.a.	Jun-26	400 EUR	400,000	400,000
EDP S.A.	Jul-16	Fixed rate EUR 2,875%	n.a.	Jun-26	150 EUR	150,000	150,000
						550,000	550,000
Issued under the Euro Medium Term Notes program (EMTN)							
EDP Finance B.V.	Nov-08	Fixed rate GBP 8.625%	Fair Value (i)	Jan-24	325 GBP	410,314	-
EDP Finance B.V.	Apr-15	Fixed rate EUR 2%	Fair Value (i)	Apr-25	750 EUR	750,000	-
EDP Finance B.V.(ii)	Aug-16	Fixed rate EUR 1.125%	Net Invest. (i)	Feb-24	744 EUR	743,804	-
EDP Finance B.V.	Jun-17	Fixed rate USD 3.625%	Net Invest.	Jul-24	1000 USD	937,559	-
EDP Finance B.V.	Nov-17	Fixed rate EUR 1.5%	Net Invest.(i)(xi)	Nov-27	500 EUR	500,000	-
EDP Finance B.V.	Jun-18	Fixed rate EUR 1.625%	n.a.	Jan-26	750 EUR	750,000	-
EDP Finance B.V.	Oct-18	Fixed rate EUR 1.875%	n.a.	Oct-25	600 EUR	600,000	-
EDP Finance B.V.	Sep-19	Fixed rate EUR 0.375%	Net Invest.(i)(xi)	Sep-26	600 EUR	600,000	-
EDP S.A.	Apr-20	Fixed rate EUR 1.625%	n.a.	Apr-27	750 EUR	750,000	750,000
EDP Finance B.V.	Sep-20	Fixed rate USD 1.71%	Net Invest.	Jan-28	850 USD	796,925	-
EDP Finance B.V.	Mar-22	Fixed rate EUR 1.875%	Net Invest.(i)(xi)	Sep-29	1,250 EUR	1,250,000	-
EDP Finance B.V.	Oct-22	Fixed rate EUR 3.875%	Net Invest. (i)	Mar-30	500 EUR	500,000	-
EDP Finance B.V.	Oct-22	Fixed rate USD 6.3%	Net Invest. (i)	Oct-27	500 USD	468,779	-
EDP S.A.	Jun-23	Fixed rate EUR 3.875%	n.a.	Jun-28	750 EUR	750,000	750,000
EDPP SFE	Oct-23	Fixed rate EUR 4.375%	n.a.	Apr-32	750 EUR	750,000	-
EDPP SFE	Oct-23	Fixed rate EUR 4.125%	n.a.	Apr-29	600 EUR	600,000	-
						11,157,381	1,500,000

- (i) These issues are associated with interest rate swaps and/or currency swaps;
- (ii) Consolidated nominal value after the repurchase of securities by EDP - Energias de Portugal, S.A.;
- (iii) There is a call option exercisable at par by EDP at January 2024 and subsequently, on each interest payment date. Part of this issue was repurchased in January 2023 (see note 47);
- (iv) Fixed rate in the first 5,25 years, subsequently updated every 5 years;
- (v) There is a call option exercisable at par by EDP at April 2025 and July 2025 and subsequently, on each interest payment date;
- (vi) Fixed rate in the first 5,5 years, subsequently updated every 5 years;
- (vii) There is a call option exercisable at par by EDP from May 2026 until August 2026 and subsequently, on each interest payment date;
- (viii) There is a call option exercisable at par by EDP from December 2026 until March 2027 and subsequently, on each interest payment date;
- (ix) There is a call option exercisable at par by EDP from June 2029 until September 2029 and subsequently, on each interest payment date;
- (x) Fixed rate in the first 7.75 years, subsequently updated every 5 years;
- (xi) These issues by EDP Finance B.V. are partially associated with interest rate and currency swaps.

Issuer	Issue date	Interest rate	Type of hedge	Conditions/Redemp.	Nominal Value in Million Currency	Thousand Euros Group	Thousand Euros Company
Issued by the EDP Energias do Brasil Group in the Brazilian domestic market							
Energias do Brasil	Sep-15	IPCA + 8.7608%	n.a.	Sep-24	22 BRL	4,152	-
EDP Espírito Santo	Aug-18	IPCA + 5.91%	n.a.	Jul-25	169 BRL	31,688	-
EDP São Paulo	Aug-18	IPCA + 5.91%	n.a.	Aug-25	231 BRL	43,146	-
EDP Transmissão	Oct-18	IPCA + 6.72%	n.a.	Oct-28	1,530 BRL	285,446	-
EDP Espírito Santo	Apr-19	106.9% CDI	n.a.	Mar-24	300 BRL	55,951	-
EDP São Paulo	Apr-19	107.5% CDI	n.a.	Mar-24	200 BRL	37,301	-
EDP São Paulo	Feb-21	IPCA + 3.91%	n.a.	Jan-26	834 BRL	155,572	-
EDP Espírito Santo	Feb-21	IPCA + 3.26%	n.a.	Jul-25	597 BRL	111,421	-
Enerpeixe	Mar-21	CDI + 1.75%	n.a.	Mar-26	275 BRL	51,289	-
Lajeado Energia	Jun-21	CDI + 1.05%	n.a.	Jun-24	150 BRL	27,976	-
EDP São Paulo	Aug-21	CDI + 1.25%	n.a.	Jul-26	350 BRL	65,277	-
EDP Espírito Santo	Aug-21	CDI + 1.25%	n.a.	Jul-25	400 BRL	74,602	-
EDP São Paulo	Dec-21	CDI + 1.38%	n.a.	Dec-26	450 BRL	83,927	-
PCH Leopoldina	Jan-22	CDI + 1.52%	n.a.	Jan-24	700 BRL	130,553	-
Lajeado Energia	May-22	CDI + 1.45%	n.a.	May-25	200 BRL	37,301	-
EDP São Paulo	Jun-22	CDI + 1.20%	n.a.	May-27	450 BRL	83,927	-
EDP Espírito Santo	Jun-22	CDI + 1.20%	n.a.	May-27	270 BRL	50,356	-
EDP São Paulo	Oct-23	CDI + 1.25%	n.a.	Set-28	600 BRL	111,903	-
CELG	Dec-23	CDI + 1.20%	n.a.	Dec-28	367 BRL	68,385	-
CELG	Dec-23	CDI + 1.40%	n.a.	Dec-30	183 BRL	34,193	-
						1,544,366	-
						17,328,947	6,127,200

Some of the loans contracted by the EDP Group, mainly debt issued under the EMTN, include some usual clauses in this type of operations, namely, "change-of-control", "negative pledge", "pari-passu" and "cross-default" clauses, each one only applicable under a restricted set of circumstances.

The Group has project finance funding that include the usual guarantees on this type of financings, namely the pledge or a promise of pledge of bank accounts and assets of the related projects. As of 31 December 2023, these financings amount to 1,034,866 thousand Euros (31 December 2022: 1,097,179 thousand Euros), within the financial debt caption. At 31 December 2023 the Group confirms the fulfilment of all the covenants of the Project Finance Portfolio under the Facilities Agreements.

As at 31 December 2023, the Group has the following credit facilities, all of which with underwriting commitments, which it uses for liquidity management:

Million Units	Maximum	Available	Maturity
	Amount	Amount	
Revolving Credit Facility	3.650 EUR	3.650 EUR	2028
Revolving Credit Facility	3.000 EUR	3.000 EUR	2,028
Credit Lines (spread conditions agreed in advance indexed to Euribor and Ester)	255 EUR	255 EUR	Renewable
Commercial Paper Programmes	363 USD	0 USD	2025
Commercial Paper Programmes	200 EUR	200 EUR	2025

EDP extended the maturity of the 3,650 million Euros RCF, signed in 2022, to August 2028.

As at 31 December 2023, future debt and interest payments and origination fees, by type of loan and currency, are as follows:

Thousand Euros	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Dec 2028	Following years	Total
Bank loans:							
Euro	131,434	13,507	68	26	75,006	3,683	223,724
Brazilian Real	296,759	34,098	23,840	23,691	22,946	218,512	619,846
US Dollar	216,158	313,311	30,654	39,237	33,858	188,881	822,099
Singapore Dollar	12,533	27,435	-	-	685,354	-	725,322
Other	48,153	28,138	23,108	18,784	24,503	170,689	313,375
	705,037	416,489	77,670	81,738	841,667	581,765	2,704,366
Bond loans:							
Euro	1,253,066	1,350,000	1,900,000	1,250,000	750,000	3,100,000	9,603,066
Brazilian Real	473,548	635,637	268,520	114,198	172,172	1,141	1,665,216
US Dollar	1,264,010	-	-	120,472	769,231	-	2,153,713
	2,990,624	1,985,637	2,168,520	1,484,670	1,691,403	3,101,141	13,421,995
Hybrid Bonds:							
Euro	74,355	-	-	-	-	4,077,200	4,151,555
	74,355	-	-	-	-	4,077,200	4,151,555
Commercial paper:							
Euro	65,000	-	-	-	-	-	65,000
Brazilian Real	55,951	-	-	-	-	-	55,951
US Dollar	2,717	328,054	-	-	-	-	330,771
	123,668	328,054	-	-	-	-	451,722
Other loans:							
Euro	1,788	-	352	-	-	6	2,146
Brazilian Real	1,347	-	-	-	-	11,272	12,619
Other	2,832	-	-	-	-	5,454	8,286
	5,967	-	352	-	-	16,732	23,051
Fair Value	11,856	-17,868	-	-	-	10,783	4,771
Origination Fees	-6,927	-2,455	-3,286	-4,402	-25,329	-82,370	-124,769
	3,904,580	2,709,857	2,243,256	1,562,006	2,507,741	7,705,251	20,632,691

As at 31 December 2022, future debt and interest payments and origination fees, by type of loan and currency, are as follows:

Thousand Euros	Dec 2023	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Following years	Total
Bank loans:							
Euro	304,500	26,891	13,422	-	-	370	345,183
Brazilian Real	168,190	82,457	26,388	17,296	19,698	200,924	514,953
US Dollar	55,812	220,377	21,825	22,727	23,410	219,554	563,705
Other	89,669	44,513	38,413	32,664	25,046	219,285	449,590
	618,171	374,238	100,048	72,687	68,154	640,133	1,873,431
Bond loans:							
Euro	1,717,074	1,121,289	1,350,000	1,900,000	1,250,000	1,750,000	9,088,363
Brazilian Real	252,648	338,293	546,292	209,361	64,845	259,899	1,671,338
US Dollar	28,177	937,559	-	-	468,779	796,925	2,231,440
	1,997,899	2,397,141	1,896,292	2,109,361	1,783,624	2,806,824	12,991,141
Hybrid Bonds:							
Euro	726,552	-	-	-	-	3,077,200	3,803,752
	726,552	-	-	-	-	3,077,200	3,803,752
Commercial paper:							
Euro	645,000	-	-	-	-	-	645,000
Brazilian Real	117,029	104,685	51,480	51,480	42,784	-	367,458
US Dollar	108,384	-	339,865	-	-	-	448,249
	870,413	104,685	391,345	51,480	42,784	-	1,460,707
Other loans:							
Euro	1,582	1,011	1,031	1,304	1,073	10,955	16,956
Brazilian Real	1,339	-	-	-	-	11,364	12,703
Other	1,306	1,616	753	753	753	5,493	10,674
	4,227	2,627	1,784	2,057	1,826	27,812	40,333
Fair Value:	36,517	-17,838	-36,045	-	-	-6,014	-23,380
Origination Fees:	-13,910	-16,833	-4,266	-4,642	-5,540	-78,320	-123,511
	4,239,869	2,844,020	2,349,158	2,230,943	1,890,848	6,467,635	20,022,473

As at 31 December 2023, future debt and interest payments and origination fees, by type of loan, fully denominated in Euros, on an individual basis, are as follows:

Thousand Euros	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Dec 2028	Following years	Total
Bank loans:	1,732	1,667	-	-	-	-	3,399
Bond loans:	1,455,129	800,000	550,000	1,750,000	750,000	-	5,305,129
Hybrid Bonds:	74,355	-	-	-	-	4,077,200	4,151,555
Commercial paper:	440,206	-	-	-	-	-	440,206
Other loans:	1,879,565	-	-	-	-	-	1,879,565
Fair Value:	10,022	-	-	-	-	15,015	25,037
Origination Fees:	-944	-	-	-	-	-41,430	-42,374
	3,860,065	801,667	550,000	1,750,000	750,000	4,050,785	11,762,517

As at 31 December 2022, future debt and interest payments and origination fees, by type of loan, fully denominated in Euros, on an individual basis, are as follows:

Thousand Euros	Dec 2023	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Following years	Total
Bank loans:	1,692	1,667	1,667	-	-	-	5,026
Bond loans:	3,542,763	-	400,000	550,000	1,750,000	-	6,242,763
Hybrid Bonds:	726,552	-	-	-	-	3,077,200	3,803,752
Commercial paper:	1,690,840	-	-	-	-	-	1,690,840
Other loans:	2,195,726	-	-	-	-	-	2,195,726
Fair Value:	32,059	-	-	-	-	11,195	43,254
Origination Fees:	-	-	-	-	-	-37,659	-37,659
	8,189,632	1,667	401,667	550,000	1,750,000	3,050,736	13,943,702

In accordance with the Group's accounting policies, the financial liabilities whose risks are being hedged by derivative financial instruments and that comply with hedge accounting requirements of IFRS 9, are accounted at fair value. The financial liabilities are booked at amortised cost.

The Group aims to promote greater alignment between its financial policy and its sustainability strategy, increasing market awareness for this topic. In this regard, since 2018, the year in which the first green debt issuance was made, the Group has been prioritising financing through green financial instruments for the development or acquisition of renewable generation assets. As of 31 December 2023, sustainable financing accounted for 58% of nominal debt, with the Group targeting 60% of its financing from sustainable sources by 2026 (see note 49).

36. Employee benefits

Employee benefits are as follows:

Thousand Euros	Non-Current		Current	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Provisions for pension liabilities	186,977	254,005	74,185	92,192
Provisions for medical liabilities and other benefits	353,182	390,294	50,525	34,575
	540,159	644,299	124,710	126,767

The movement in Provisions for employee benefits liabilities for EDP Group is as follows:

Thousand Euros	Pensions		Pensions Medical and Other	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Balance at the beginning of the period	346,197	486,901	424,869	632,899
Charge for the period	12,327	9,023	24,158	20,632
Past service cost (Curtailment/Plan amendments)	616	2,243	25	1,053
Actuarial (gains)/losses	-104,085	-114,692	-15,012	-170,852
Charge-off	-94,184	-112,802	-32,175	-38,595
Fund contributions (see note 45)	-9,580	-6,188	-5,585	-34,560
Surplus pension funding (see note 28)	98,229	76,082	3,817	3,344
Transfers, reclassifications and exchange differences	11,642	5,630	3,610	10,948
Balance at the end of the period	261,162	346,197	403,707	424,869

The breakdown of actuarial gains and losses is as follows:

Thousand Euros	Pensions		Pensions Medical and Other	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Actuarial gains and losses arising from:				
- changes in demographic assumptions	-41,186	935	-1,888	-
- changes in financial assumptions	35,699	-178,265	22,623	-220,306
- experience adjustments	-7,085	-6,152	13,289	7,259
Actuarial gains and losses arising from return on plan assets	-74,990	64,462	-49,036	42,195
Actuarial gains and losses of asset ceiling	-16,523	4,328	-	-
	-104,085	-114,692	-15,012	-170,852

The components of the consolidated net cost of the pension plans recognised during the period are as follows:

Thousand Euros	Dec 2023			
	Portugal	Spain	Brazil	Group
Current service cost (see note 10)	2,689	194	-166	2,717
Past service cost (Curtailment/Plan amendments) (see note 10)	635	-19	-	616
Operational component	3,324	175	-166	3,333
Net interest on the net pensions plan liability (see note 14)	6,031	27	3,552	9,610
Financial component	6,031	27	3,552	9,610
	9,355	202	3,386	12,943

Thousand Euros	Dec 2022			
	Portugal	Spain	Brazil	Group
Current service cost (see note 10)	3,870	181	-160	3,891
Past service cost (Curtailment/Plan amendments) (see note 10)	2,243	-	-	2,243
Operational component	6,113	181	-160	6,134
Net interest on the net pensions plan liability (see note 14)	869	59	4,204	5,132
Financial component	869	59	4,204	5,132
	6,982	240	4,044	11,266

The components of the consolidated net cost of the medical and other benefits plans recognised during the period are as follows:

Thousand Euros	Dec 2023			
	Portugal	Spain	Brazil	Group
Current service cost (see note 10)	2,892	986	251	4,129
Past service cost (Curtailment/Plan amendments) (see note 10)	14	11	-	25
Operational component	2,906	997	251	4,154
Net interest on the net medical liabilities and other benefits (see note 14)	5,601	4,412	10,016	20,029
Financial component	5,601	4,412	10,016	20,029
	8,507	5,409	10,267	24,183

Thousand Euros	Dec 2022			
	Portugal	Spain	Brazil	Group
Current service cost (see note 10)	2,964	2,363	320	5,647
Past service cost (Curtailment/Plan amendments) (see note 10)	65	988	-	1,053
Operational component	3,029	3,351	320	6,700
Net interest on the net medical liabilities and other benefits (see note 14)	2,748	2,985	9,252	14,985
Financial component	2,748	2,985	9,252	14,985
	5,777	6,336	9,572	21,685

In accordance with accounting policies - note 2 m), the EDP Group opted, upon transition to IFRS, to charge to reserves, the total amount of the deferred actuarial losses existing at that date, for the several employee benefits plans. The impact in reserves at 31 December 2004 amounted to 1,162,000 thousand Euros. In the following periods, actuarial gains and losses were recognised directly in reserves. As at 31 December 2023 gains of 119,097 thousand Euros (31 December 2022: gains of 285,544 thousand Euros).

The weighted average duration of the defined benefit liabilities in Portugal is 10 years.

Assumptions used to determine EDP Group liabilities related to employee benefits

The following financial and actuarial assumptions used in the calculation of the liability for employees defined benefit plans, were updated considering the evolutions occurred in the financial markets during 2023 and 2022:

Assumptions	Dec 2023			Dec 2022		
	Portugal	Spain	Brazil	Portugal	Spain	Brazil
Discount rate	3.33% – 3.89%	3.8%	9.54% – 10.48%	3.84% – 3.89%	3.3%	9.86% – 9.95%
Salary increase rate	5.20% (b)	2.00%	4.30%	5.35% (g)	2.00%	4.30%
Pension increase rate	4.27% (c)	not applicable	3.50%	4.30% (h)	not applicable	3.50%
Social Security salary appreciation	5.00% (d)	not applicable	not applicable	4.30% (c)	not applicable	not applicable
Inflation rate	2.30%	2.00%	3.50%	2.30%	2.00%	3.50%
Annual increase rate of medical service costs	2.30%	not applicable	9.71% (e)	2.30%	2.00%	9.71% (i)
Estimated administrative expenses per beneficiary per year (Euros)	353 €/year (f)	not applicable	not applicable	313€/year (j)	not applicable	not applicable
Mortality table	TV99/01	PERM/F-2000P	AT-2000 / RP-2000 Geracional	TV99/01	PERM/F-2000P	AT-2000 / RP-2000 Geracional
Disability table	50%EKV 80	not applicable	TASA 1927 / Wyatt 1985 Class 1	50%EKV 80	not applicable	TASA 1927 / Wyatt 1985 Class 1
Expected % of eligible employees accepting early retirement (a)	20%	not applicable	not applicable	35%	not applicable	not applicable

(a) Employees entitled to early retirement, as stated in the Collective Labour Agreement: 37 years of service with at least 61 years of age or 40 years of service at any age;

(b) 5.20% for 2024 and 2.55% for the remaining years;

(c) 4.27% for 2024 and 2.30% for the remaining years;

(d) 5.00% for 2024 and 2.30% for the remaining years;

(e) 9.71% in the first year, decreasing linearly to 5.57% in 2032;

(f) Increase according to the annual increase rate of medical service costs after 2024;

(g) 5.35% for 2023 and 2.55% for the remaining years;

(h) 4.30% for 2023 and 2.30% for the remaining years;

(i) 9.71% in the first year, decreasing linearly to 5.57% in 2031;

(j) Increase according to the annual increase rate of medical service costs after 2023.

The discount rates used for the EDP Group pension plan were selected based on an analysis of the rates of return available on the date for the high quality corporate bonds. Bonds with maturities and ratings considered appropriate were selected considering the amount and the periods that the benefits are expected to be paid.

As at 31 December 2023 the amount of future benefits expected to be paid, related to the activity in Portugal, Spain and Brazil, is as follows:

Thousand Euros Years	Pensions				Medical and Other Benefits			Total
	Portugal	Spain	Brazil	Total	Portugal	Spain	Brazil	
2024	115,754	242	21,158	137,154	36,448	15,049	8,336	59,833
2025	95,526	195	21,752	117,473	35,711	12,184	8,724	56,619
2026	81,158	133	22,356	103,647	35,982	9,980	9,139	55,101
2027	69,378	75	23,046	92,499	36,236	7,772	9,568	53,576
2028 and following	291,866	101	150,740	442,707	216,117	160,656	65,236	442,009

In 2023, the benefits paid by the funds in Portugal amounted 75,580 thousand Euros (31 December 2022: 76,654 thousand Euros) and in Brazil amounted to 19,664 thousand Euros (31 December 2022: 18,931 thousand Euros). The contributions made to the Pension funds in Brazil amounted to 9,580 thousand Euros (31 December 2022: 6,188 thousand Euros), which were fully paid in cash.

Following the decision and implementation of the autonomisation of the Medical Plan and Death Subsidy Plan in Portugal, EDP Group has made contributions of 5,585 thousand Euros in 2023 (31 December 2022: 34,560 thousand Euros). We noticed that as of 31 December 2022 and 2023, the liabilities for Death Subsidy Plan in Portugal were fully financed. Therefore, in the following years, until the end of 2027 and in the scenario where the liabilities associated with the Medical Plan are not 100% financed, the Group estimates to make additional contributions in the approximate total amount of 44,676 thousand Euros, in line with the financing plan approved by Insurance and Pension Funds Supervisory Authority (ASF) (see note 45).

The Pension Plans in Portugal, Spain and Brazil are subject to several risks, in which are included the risk of changes in market rates (which impacts the discount rate and the fixed rate of return rate on assets), the risk of changes on the expected lifetime of plan participants, the risk of changes on the pension increase rate and the risk of changes on the social security pension increase, to which are made the following sensitivity analysis for the liabilities at the end of the period:

Thousand Euros	Portugal		Spain		Brazil	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate(0.5% movement)	-26,477	28,473	-132	122	-11,441	12,419
Mortality (increase of 1 year in expected lifetime of plan participants)	30,970		-		4,724	

The solvency level of the fund for the financing of pension plan liabilities in Portugal may vary not only from the risks described above, but also from the performance of the different classes of assets that comprise it. Considering the nature of the defined benefit of the plan and despite the fund's low risk profile (mostly composed of fixed income assets), the joint materialization of adverse risks (including those above referred) may lead to the need for additional contributions to the fund.

The medical care and other benefits Plans in Portugal, Spain and Brazil are subject to several risks, in which are included the risk of changes in market rates (which impacts the discount rate and the fixed rate of return rate on assets), the risk of changes in the health care costs and the risk of changes on the expected lifetime of plan participants, to which are made the following sensitivity analysis for the liabilities at the end of the period:

Thousand Euros	Portugal		Spain		Brazil	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	-36,701	40,509	-2,935	9,491	-8,814	5,911
Health care cost trend (0.5% movement)	12,465	-11,527	-	-	-	-
Mortality (increase of 1 year in expected lifetime of plan participants)	12,851		-		4,521	

The level of solvency of the fund for the financing of post-employment medical care liabilities in Portugal may vary not only from the risks described above, but also from the performance of the different classes of assets that comprise it. Considering the nature of the defined benefit of the plan and despite the fund's low risk profile (mostly composed of fixed income assets), the joint materialization of adverse risks (including those above referred) may lead to changes in the financing plan approved by ASF.

Composition of the assets portfolio funds

The assets of the pension funds, medical care and death subsidy in Portugal are as follows:

Thousand Euros	Liquidity	Bonds	Fund assets by nature			Total
			Shares	Property	Other	
31 December 2023	17,563	612,803	359,223	188,453	83,212	1,261,254
31 December 2022	13,897	436,910	434,470	200,977	76,523	1,162,777

%	Liquidity	Bonds	Fund assets by nature			Total
			Shares	Property	Other	
31 December 2023	1.39%	48.59%	28.48%	14.94%	6.60%	100.00%
31 December 2022	1.20%	37.58%	37.36%	17.28%	6.58%	100.00%

The portfolio of shares and bonds have a quoted market price in an active market.

Properties included in the fund, that are being used by the Group amount to 186,488 thousand Euros as at 31 December 2023 (31 December 2022: 178,866 thousand Euros). Bonds includes 3,847 thousand Euros (31 December 2022: 3,534 thousand Euros) relating to bonds issued by EDP Finance B.V. and EDP, S.A.

The real return rate on assets of the pension Fund in 2023 was positive in 14.96% (2022: negative in 7.84%).

The assets of the pension fund in Brazil are as follows:

Thousand Euros	Liquidity	Bonds	Fund assets Shares	by nature Property	Other	Total
31 December 2023	-	243,046	6,406	-	2,413	251,865
31 December 2022	-	225,706	10,098	394	999	237,197
%	Liquidity	Bonds	Fund assets Shares	by nature Property	Other	Total
31 December 2023	-	96.50%	2.54%	-	0.96%	100.00%
31 December 2022	-	95.16%	4.25%	0.18%	0.41%	100.00%

The portfolio of shares and bonds have a quoted market price in an active market.

The number of participants covered by the pension plans and similar obligations is as follows:

	Portugal	2023 Spain	Brazil	Portugal	2022 Spain	Brazil
Retirees and pensioners	16,806	618	1,517	17,379	660	1,509
Active workers	1,915	50	369	2,080	51	413
	18,721	668	1,886	19,459	711	1,922

The liability for retirement pensions and related coverage for the Group is as follows:

Thousand Euros	Dec 2023			
	Portugal	Spain	Brazil	Group
Liability at the end of the period	794,729	1,831	261,579	1,058,139
Plan assets at the end of the period	-765,363	-	-251,865	-1,017,228
Surplus pension funding (see note 28)	187,578	-	-	187,578
Asset ceiling	-	-	32,673	32,673
Provision at the end of the period	216,944	1,831	42,387	261,162

Thousand Euros	Dec 2022			
	Portugal	Spain	Brazil	Group
Liability at the end of the period	933,961	2,198	232,048	1,168,207
Plan assets at the end of the period	-716,587	-	-237,197	-953,784
Surplus pension funding (see note 28)	89,349	-	-	89,349
Asset ceiling	-	-	42,425	42,425
Provision at the end of the period	306,723	2,198	37,276	346,197

The evolution of the present value of the plan liability and fair value of the plan assets of the related Funds is as follows:

Thousand Euros	2023	2022	2021	2020	2019
Liability at the end of the period	1,058,139	1,168,207	1,477,989	1,588,058	1,719,435
Plan assets at the end of the period	-1,017,228	-953,784	-1,036,108	-1,016,216	-1,195,046
Surplus pension funding	187,578	89,349	13,267	29,610	55,506
Asset ceiling	32,673	42,425	31,753	28,156	50,895
Provision at the end of the period	261,162	346,197	486,901	629,608	630,790

The experience adjustments (effects of the differences between the previous actuarial assumptions and what has really occurred) for the Pension Funds in Portugal and Brazil are as follows:

Thousand Euros	2023	2022	2021	2020	2019
Portugal					
Experience adjustments for the Plan liabilities	-11,419	-22,796	55,794	61,193	-46,993
Experience adjustments for the Plan assets	-77,595	71,073	-79,211	-6,662	60,914
Brazil					
Experience adjustments for the Plan liabilities	3,693	16,644	20,759	34,478	-4,974
Experience adjustments for the Plan assets	2,605	-7,471	9,339	13,554	41,036

The past service liability of the pension plans for the Group is as follows:

Thousand Euros	Dec 2023			
	Portugal	Spain	Brazil	Group
Liability at the beginning of the period	933,961	2,198	232,048	1,168,207
Current service cost	2,689	194	-166	2,717
Net interest on the pensions plan liability	31,450	27	27,489	58,966
Benefits paid	-146,472	-1,324	-20,290	-168,086
Past service cost (Curtailment/Plan amendments) (see note 10)	635	-19	-	616
Actuarial (gains)/losses	-27,534	641	14,321	-12,572
Transfers, reclassifications and exchange differences	-	114	8,177	8,291
Liability at the end of the period	794,729	1,831	261,579	1,058,139

Thousand Euros	Dec 2022			
	Portugal	Spain	Brazil	Group
Liability at the beginning of the period	1,266,282	3,814	207,893	1,477,989
Current service cost	3,870	181	-160	3,891
Net interest on the pensions plan liability	6,083	59	23,659	29,801
Benefits paid	-165,959	-2,716	-19,367	-188,042
Past service cost (Curtailment/Plan amendments)	2,243	-	-	2,243
Actuarial (gains)/losses	-178,507	860	-5,835	-183,482
Transfers, reclassifications and exchange differences	-51	-	25,858	25,807
Liability at the end of the period	933,961	2,198	232,048	1,168,207

The evolution of the consolidated assets of the Pension Funds is as follows:

Thousand Euros	Dec 2023		
	Portugal	Brazil	Group
Assets value at the beginning of the period	716,587	237,197	953,784
Group contribution	-	9,580	9,580
Plan participants contributions	-	241	241
Benefits paid	-54,238	-19,664	-73,902
Interest on the pensions plan assets	25,419	23,937	49,356
Actuarial gains/(losses)	77,595	-2,605	74,990
Transfers, reclassifications and exchange differences	-	3,179	3,179
Assets value at the end of the period	765,363	251,865	1,017,228

Thousand Euros	Dec 2022		
	Portugal	Brazil	Group
Assets value at the beginning of the period	838,755	197,353	1,036,108
Group contribution	-	6,188	6,188
Plan participants contributions	-	239	239
Benefits paid	-56,309	-18,931	-75,240
Interest on the pensions plan assets	5,214	19,455	24,669
Actuarial gains/(losses)	-71,073	6,611	-64,462
Transfers, reclassifications and exchange differences	-	26,282	26,282
Assets value at the end of the period	716,587	237,197	953,784

The caption Asset ceiling refers to the unrecognised assets in the respective accounting periods. The reconciliation between the opening balance and the closing balance is as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Asset ceiling at the beginning of the period	42,425	31,753
Effect of changes in restricted net assets of benefits to the asset ceiling	-16,523	4,328
Exchange differences	6,771	6,344
Asset ceiling at the end of the period	32,673	42,425

The number of participants covered by the medical and other benefits plans is as follows:

	2023			2022		
	Portugal	Spain	Brazil	Portugal	Spain	Brazil
Retirees and pensioners	17,045	2,844	2,667	17,379	2,887	2,755
Active workers	5,764	1,151	957	5,733	1,102	845
	22,809	3,995	3,624	23,112	3,989	3,600

The provision for medical liabilities and other benefits and related coverage for the Group is as follows:

Thousand Euros	Dec 2023			
	Portugal	Spain	Brazil	Group
Liability at the end of the period	643,960	135,267	113,210	892,437
Plan assets at the end of the period	-495,891	-	-	-495,891
Surplus pension funding	7,161	-	-	7,161
Provision at the end of the period	155,230	135,267	113,210	403,707

Thousand Euros	Dec 2022			
	Portugal	Spain	Brazil	Group
Liability at the end of the period	597,628	169,226	100,861	867,715
Plan assets at the end of the period	-446,190	-	-	-446,190
Surplus pension funding	3,344	-	-	3,344
Provision at the end of the period	154,782	169,226	100,861	424,869

The evolution of the present value of the liability for Medical care and other benefits for the Group is as follows:

Thousand Euros	2023	2022	2021	2020	2019
Liability at the end of the period	892,437	867,715	1,103,051	1,149,769	1,107,444
Plan assets at the end of the period	-495,891	-446,190	-470,152	-437,073	-426,565
Surplus pension funding	7,161	3,344	-	-	-
Provision at the end of the period	403,707	424,869	632,899	712,696	680,879

The experience adjustments (effects of the differences between the previous actuarial assumptions and what really occurred) for the medical and other benefits Liabilities in Portugal and Brazil and for the Plan Assets in Portugal are as follows:

Thousand Euros	2023	2022	2021	2020	2019
Portugal					
Experience adjustments for the Plan liabilities	13,509	3,622	-5,051	11,979	3,214
Experience adjustments for the Plan assets	-49,036	42,195	-38,649	-4,723	22,187
Brazil					
Experience adjustments for the Medical Plan liabilities	-220	3,637	32	-20,086	-1,937

The past service liability of medical and other benefits plans for the Group is as follows:

Thousand Euros	Dec 2023			
	Portugal	Spain	Brazil	Group
Liability at the beginning of the period	597,628	169,226	100,861	867,715
Current service cost	2,892	986	251	4,129
Net interest on the net medical liabilities and other benefits	22,023	4,412	10,016	36,451
Benefits paid	-32,757	-12,114	-8,646	-53,517
Past service cost (Curtailment/Plan amendments) (see note 10)	14	11	-	25
Actuarial (gains)/losses	54,160	-25,604	5,468	34,024
Transfers, reclassifications and exchange differences	-	-1,650	5,260	3,610
Liability at the end of the period	643,960	135,267	113,210	892,437

Thousand Euros	Dec 2022			
	Portugal	Spain	Brazil	Group
Liability at the beginning of the period	806,641	203,978	92,432	1,103,051
Current service cost	2,964	2,363	320	5,647
Net interest on the net medical liabilities and other benefits	6,766	2,985	9,252	19,003
Benefits paid	-31,954	-18,659	-8,327	-58,940
Past service cost (Curtailment/Plan amendments) (see note 10)	65	988	-	1,053
Actuarial (gains)/losses	-186,844	-22,212	-3,991	-213,047
Transfers, reclassifications and exchange differences	-10	-217	11,175	10,948
Liability at the end of the period	597,628	169,226	100,861	867,715

The evolution of the consolidated assets of the Medical care and Other subsidiaries in Portugal is as follows:

Thousand Euros	Dec 2023	Dec 2022
Assets value at the beginning of the period	446,190	470,152
Group contribution	5,585	34,560
Benefits paid	-21,342	-20,345
Interest on the pensions plan assets	16,422	4,018
Actuarial gains/(losses)	49,036	-42,195
Assets value at the end of the period	495,891	446,190

37. Provisions

Provisions are as follows:

Thousand Euros	Non-Current		Current	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Provision for legal and labour matters and other contingencies	149,532	123,230	2,506	2,510
Provision for customer guarantees under current operation	-	-	2,478	2,092
Provision for dismantling and decommissioning	481,458	498,694	26,351	8,500
Provision for other liabilities and charges	240,029	300,135	20,373	38,183
	871,019	922,059	51,708	51,285

With reference to 31 December 2023, the movement by nature of the Provisions item at the EDP Group level is presented as follows:

Thousand Euros	Legal, labour and other matters	Guarantees customers in the context of current activity	Dismantling and Decommissioning	Other risks and charges	Total
Balance as at 1 January 2022	101,418	57,233	568,622	359,634	1,086,907
Perimeter variations	-154	-	13,581	1,859	15,286
Charge for the period	18,993	1,247	-	23,672	43,912
Reversals	-12,919	-3	-	-16,451	-29,373
Charge-off for the period	-14,576	-309	-11,132	-14,262	-40,279
Unwinding	16,455	-	6,609	1,581	24,645
Increase of the responsibility	-	-	9,841	-	9,841
Assumptions update	-	-	-94,026	-	-94,026
Onerous contracts	-	-56,147	-	-	-56,147
Innovative Features Charge-off	-	-	-	-12,205	-12,205
"Lesividad" Charge-off	-	-	-	-45,695	-45,695
CMEC	-	-	-	14,823	14,823
Exchange differences and other	16,523	71	13,699	25,362	55,655
Balance as at 31 December 2022	125,740	2,092	507,194	338,318	973,344
Perimeter variations (see note 6)	-520	-	-27,973	-1,672	-30,165
Charge for the period	39,295	1,089	-	9,437	49,821
Reversals	-14,515	-169	-	-3,865	-18,549
Charge-off for the period	-24,301	-581	-4,732	-7,555	-37,169
Unwinding (see note 14)	27,154	-	16,804	1,893	45,851
Increase of the responsibility (see note 17)	-	-	26,434	-	26,434
CMEC	-	-	-	14,195	14,195
Hydro power plants of Fridão (see note 4)	-	-	-	-86,189	-86,189
Exchange differences and other	9,443	47	-7,471	-2,130	-111
Reclassification to Liabilities Held for Sale (see note 42)	-10,258	-	-2,447	-2,030	-14,735
Balance as at 31 December 2023	152,038	2,478	507,809	260,402	922,727

EDP and its subsidiaries' Board of Directors, based on the information provided by its legal advisors and on the analysis of pending lawsuits, have recognised provisions to cover the losses estimated as probable, related with litigations in progress.

Provision for legal and labour matters and other contingencies includes provisions for litigation in progress and other labour contingencies, which are related essentially with:

i) Requests for the refund of tariff increases paid by industrial consumers of the brazilian subsidiaries EDP São Paulo and EDP Espírito Santo in the amount of 20,773 thousand Euros (31 December 2022: 17,181 thousand Euros). These requests result from the application of Administrative Orders DNAEE no. 38 of 27 February 1986 and no. 45 of 4 March 1986 - Plano Cruzado, effective from March to November 1986;

ii) The remaining legal litigations correspond mainly to indemnities for damages allegedly suffered in consequence of interruption of electricity supply, power accidents and fires.

Provisions for customer guarantees under current operations include essentially provisions for commercial losses.

Provisions for dismantling and decommissioning includes : (i) 40,161 thousand Euros of the dismantling Trillo nuclear power plant; (ii) 294,730 thousand Euros of the dismantling of wind and solar farms (replacement of sites and land in its original state), mainly, in Europe (116,758 thousand Euros), North America (133,033 thousand Euros), Asia-Pacific (40,330 thousand Euros) and Brazil (4,609 thousand Euros); and (iii) 172,918 thousand Euros of the dismantling and environmental requalification of thermal electro-producing centers in Spain (101,620 thousand Euros) and Portugal (71,298 thousand Euros).

As part of its energy transition strategy, the Group has been progressing in the dismantling and reconversion of its coal-fired power plants. This commitment is evidenced by the ongoing process at the Sines coal-fired power plant in Portugal, which is already being dismantled and has plans to convert into hydrogen. In this regard, a request was also made during the year 2023 for authorisation from the Spanish electricity system operator (Red Eléctrica) to close the Aboño I coal-fired power plant, as well as the remaining EDP coal-fired power plants in Spain (Soto 3 and Los Barrios). EDP has been investing in the adaptation of these facilities in Spain (Abono, Soto, and Los Barrios) to new technologies, specifically in the creation of Hydrogen and Storage Hubs (see note 49).

These provisions were calculated based on the present value of future liabilities and recorded against an increase in the respective tangible fixed assets, which are amortized over the average useful life of these assets. The calculation of these provisions was based on the following discount and inflation rates:

	Europe	North America	Brazil	Asia-Pacific
Discount Rate	[2.74% - 7.09%]	[3.85% - 11.34%]	[11.73% - 11.83%]	[1.43% - 5.12%]
Inflation Rate	[1.96% - 6.07%]	[2.01% - 3.95%]	[3.62% - 4.50%]	[1.31% - 3.68%]

Provision for other liabilities and charges

The BOE 223/2017 published during the third quarter of 2017 opened the hearing process of the Order of the Minister of Energy, Tourism and Digital Agenda of 13 September, introducing "lesividad" declaration procedure for the public interest Order IET/980/2016, of 10 June, which established the remuneration of electricity distribution companies until 2016. Thus, the remuneration that has been determined has allegedly been higher than that due for the year 2016. Until the "lesividad" procedure is finitely resolved, the remuneration of the distribution activity for the years 2016, 2017, 2018 and 2019 is considered provisional. With reference to 31 December 2020, EDP España recorded an accumulated provision of 93,105 thousand Euros corresponding to the potential effect of "lesividad" for the financial years 2016, 2017, 2018, 2019 and 2020. Since 2016, EDP España, like other companies in the sector, have been in place with legal proceedings to resolve the "lesividad" procedure. At the same time, companies initiated processes to determine the real value of assets subject to remuneration and proceeded with the reformulation and deposit of their annual accounts from 2014 to 2020, ending this process during 2021.

Although no new liquidation or a new regulation has been issued, the companies consider that, in accordance with the order 481/2020 of the Supreme Court, the reformulated and deposited annual accounts must be considered for the calculation of the remuneration.

Thus, in 2021, EDP España updated the provision for the "lesividad" procedure for the years 2016 to 2020, reversing it by approximately 47 million Euros.

On 1 June 2022, order TED/490/2022, of 31 May, was published in BOE 130/2022, which executes the judgment of the Federal Supreme Court in relation to the declaration of "lesividad" to the public interest of the Order IET/980/2016, of 10 June.

The remuneration approved by the Ministry of Ecological Transition and the Demographic Challenge in the referred Order did not take into account the accounts reformulated by the distribution companies, resulting in a notable decrease in their remuneration compared to the expected and accounted values corresponding to a correct execution of the sentence.

Subsequently, the "Comisión Nacional de los Mercados y la Competencia" (CNMC) settled the payment obligations arising from the "lesividad" referring to the years 2016, 2017, 2018, 2019, 2020 and 2022 in the Provisional Agreement 5/2022 (partially corresponding to the year 2022) approved by the CNMC on 14 July 2022 and those corresponding to the 2021 financial year in the "2021 Definitive Settlement of regulated activities in the electricity sector", approved by the CNMC on 4 November 2022. The distribution companies of the EDP Group filed lawsuits against order TED/490/2022 and against the Final Settlement of 2021, in order to obtain the collection of amounts due from a correct execution of the judgment.

Before the publication of order TED/490/2022, the provisions corresponding to the expected impact of the execution of the sentence amounted to approximately 47 million Euros. After its publication, the existing provisions were used for this purpose, with the Group recording a receivable in assets, awaiting the decision of the respective lawsuits filed against order TED/490/2022.

During 2023, the legal proceedings opened against the order TED/490/2022 by the EDP Group continued to evolve as expected, with a favourable decision being received for Viesgo Distribución Eléctrica on 17 January 2024. In the case of Hidrocantábrico Distribución Eléctrica, the vote and judgment are scheduled for 9 April 2024. The amount expected to be received for the period 2016-2022 amounts to 72 million Euros, with an additional amount of about 9 million Euros for the financial year 2023.

On 3 May 2018, it has come to EDP's knowledge (through a DGEG's letter) that the CMEC final adjustment had been officially approved, according to ERSE's proposal, in the amount of 154 million Euros. EDP reflected this reality in its financial statements as of 31 December 2018, recognising a provision by the difference in the final adjustment amounts already recognised in the Group's revenues. On 31 December 2023 EDP maintains the provision in its accounts (see note 4).

On 26 September 2018, DGEG notified EDP about a dispatch issued by the Secretary of State for Energy (SSE) on 29 August 2018, which quantifies at 285 million Euros the alleged overcompensation of EDP related to the calculation of the real availability factor of the plants under the CMEC regime. EDP reflected this in the financial statements as at 31 December 2018, through a provision of the same amount. As at 31 December 2023 this provision has been fully utilized (see note 4).

In their ordinary course of business, EDP Group subsidiaries are involved in several litigations and contingencies (of possible risk) of administrative, civil, tax, labour and other natures. These legal, arbitration or other actions, involve customers, suppliers, employees and administrative authorities. In EDP Group and its legal advisors' opinion, the risk of a loss in these actions is not probable, and the outcome will not affect on a material way its consolidated financial position.

The processes whose losses were considered as possible, do not require the recognition of provisions and are periodically reassessed. The detail of possible contingencies is analysed as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Administrative and Civil	396,009	325,437	330	336
Fiscal	862,930	773,643	10,732	13,321
Other	115,572	125,107	2,791	2,791
	1,374,511	1,224,187	13,853	16,448

The events and possible contingencies more relevant in Portugal, are as follows:

i) On 29 July 2016, the Portuguese Competition Authority (AdC) has notified EDP S.A. and EDP Comercial, S.A. with a notice for alleged violation of competition laws, regarding the process of the commercial campaign done in partnership with Modelo Continente, designated as "Plano EDP Continente". This was an occasional campaign, limited to two years, which was one of several campaigns usually performed by several other market agents. On 5 May 2017, EDP S.A. and EDP Comercial, S.A. received AdC final decision which applied a fee of 2,900 thousand Euros to EDP S.A. and 25,800 thousand Euros to EDP Comercial. EDP Group is convinced that this campaign has brought real benefits to consumers and competition in markets and that no transgression has been committed. The companies filed their appeal on 19 June 2017 to TCRS. By this court was determined a court hearing that EDP and EDP Comercial would provide security in the amount of 50% of the fine imposed on them by the AdC, and on 19 June 2020, EDP and EDP Comercial provided surety bond and surety in the amounts of 1,450 thousand Euros and 12,900 thousand Euros, respectively. On 30 September 2020, a judgment was issued by the TCRS, which maintained the conviction of the two companies of the EDP Group, as well as Sonae Group's Companies, having also reduced fines by 10%. Fines were determined at 2,610 thousand Euros and 23,220 thousand Euros for EDP and EDP Comercial, respectively. On 30 October 2020, EDP and EDP Comercial appealed the condemnatory sentence handed down by the TCRS, to the Lisbon Court of Appeal.

On 6 April 2021, the parties were notified of the judgment handed down by the Court of Appeal of Lisbon, through which it decreed the suspension of the proceedings and the preliminary referral of the case to the Court of Justice of the European Union, under the foreseen mechanism Article 267(b) of the Treaty on the Functioning of the European Union. The case was filed at the Registry of the Court of Justice on 26 May 2021, with written observations having been submitted by the parties on the questions referred by the Lisbon Court of Appeal. Following the oral trial hearing at the Court of Justice of the European Union held on 9 November 2022, EDP and EDP Comercial were notified on 2 March 2023 of the Advocate General's conclusions. The judgment of the Court of Justice of the European Union was delivered on 26 October 2023, following the referral questions raised by the Lisbon Court of Appeal, referring the decision on some of the questions to the latter. On 19 February, the Lisbon Court of Appeal issued a judgment confirming the TCRS's sentence. EDP and EDP Comercial are currently analyzing the aforementioned judgment and the possible forms of reaction;

ii) On 3 September 2018, the Portuguese Competition Authority (AdC) notified EDP Produção with a Statement of Objections, under which EDP Produção is accused of abuse of a dominant position in the secondary regulation band market (a part of the ancillary services market). AdC claims that EDP Produção has deliberately limited the participation of CMEC plants in the secondary regulation market between 2009 and 2014, benefitting its non-CMEC power plants. The alleged benefit, to the detriment of consumers, would be twofold: receiving higher compensation under CMEC annual adjustment regime; profiting from higher market prices in said market. AdC has estimated that the alleged practice of EDP Produção has generated damages to the national electricity system and to consumers of around 140 million Euros. AdC pointed out that the adoption of a Statement of Objections did not determine the result of the investigation, which began in September 2016 and is still in course. On 28 November 2018, EDP Produção presented to AdC its facts about the accusation.

On 18 September 2019, AdC has notified EDP Produção of an alleged infraction to competition rules. This contingency was estimated with a value of 48 million Euros and its graduation was assessed as possible (see note 4). On 30 October 2019, EDP Produção presented an appeal against this decision to the TCRS. On 20 May 2020, EDP Produção was notified of a decision by the TCRS, which, among other things, admitted its Judicial Challenge Appeal, establishing a purely return effect and determining the payment of the fine imposed within 20 days. In this regard, EDP Produção submitted requests, invoking supervening facts for the demonstration of considerable damage, and arguing defects in the decision that determined the attribution of a mere devolution effect to the Judicial Challenge Appeal. On 16 July 2020, EDP was notified of an order which implied the existence of substantial losses if the fine was paid in advance. Thus, the payment order was therefore suspended.

However, on 12 October 2020, EDP Produção was notified of the appeal filed by the Public Prosecutor's Office, at the Lisbon Court of Appeal, against the TCRS order of 16 July 2020, and considered the existence of considerable damage in the early payment of the fine and suspended the payment order. On 18 November 2020, EDP Produção was notified of a decision by the Lisbon Court of Appeal, granting the appeal presented by the Public Prosecutor and, consequently, revoking the order of TCRS of 16 July 2020. EDP Produção appealed this judgment to the Constitutional Court on 30 November 2020. On 22 February 2021, EDP Produção was notified of the decision of the Constitutional Court in the sense of not knowing the object of the appeal. The case was returned to the TCRS to establish the effect of the appeal filed, to determine whether EDP Produção must pay a fine or provide a guarantee. By order of the same day, the TCRS has scheduled the trial hearing for 27 September, 7, 11 and 25 October, 4, 8, 18, 22 November and 2 and 6 December 2021. On 16 September 2021, the TCRS issued an order that demanded the payment of the fine. Despite having lodged an appeal against this order, on 20 October 2021 EDP Produção paid the amount under appeal, and is waiting for a decision on the appeals submitted. The trial hearing, which began in October 2021, continued with several inquiries until the end of March 2022, with closing arguments taking place on 6 July 2022. On 10 August 2022, the TCRS delivered a judgement, through which it confirmed the conviction of EDP Produção and the imposition of a fine of 48 million Euros, which had already been paid. On 30 September 2022, EDP Produção filed an appeal against the aforementioned decision to the Lisbon Court of Appeal. This was followed by the filing of counter-claims by the AdC and the Public Prosecutor's Office. On 30 June 2023, the trial hearing was held before the Lisbon Court of Appeal.

On 25 September 2023, the Lisbon Court of Appeal partially rejected the appeal filed by EDP Produção, confirming the conviction of the TCRS, and also ruled in favor of reducing the fine amount from 48 million Euros to 40 million Euros. On 2 October 2023, EDP Produção filed a request with the Lisbon Court of Appeal to challenge the flaws in the ruling. On 9 October 2023, a request for an appeal was submitted to the Constitutional Court, raising the unconstitutionality alleged by EDP Produção throughout the process. A decision from the Constitutional Court is awaited on the admissibility of the appeal and notification to present written arguments against the decision of the Lisbon Court of Appeal. By a judgment of 6 December 2023, the Lisbon Court of Appeal rejected the invalidities invoked by EDP Produção and the latter, as a result, on 14 December 2023, submitted a request for clarification of part of the judgment delivered by the Lisbon Court of Appeal. On 22 January 2024, the Lisbon Court of Appeal dismissed EDP Produção's request for correction of the aforementioned judgment delivered on 6 December 2023. On 5 February 2024, EDP Produção filed an appeal with the Constitutional Court against this judgment of the Lisbon Court of Appeal, which dismissed the aforementioned request for clarification of part of the judgment of 6 December 2023.

The decisions of the Constitutional Court on the admissibility of the two appeals and the notification to submit written arguments are awaited. Nevertheless, as previously mentioned, in the context of this Proceeding, EDP Produção has already been judicially obliged to pay the fine to which it was sentenced by the AdC even before the judgment and the final decision of the TCRS.

Still in the context of this process, on 29 September 2021, EDP Produção was cited in the class action filed by the IUS Omnibus Association based on the alleged abusive behavior of dominant market position in the secondary regulation band market between the beginning of 2009 and the end of 2013, requesting, on behalf of the allegedly harmed consumers, compensation in the amount of 94.8 million Euros, according to one of the estimates of the AdC within the scope of the PRC/2016/05 process. EDP Produção submitted its respective response within the established legal deadline.

An order was issued in which the court decided, among other things, to suspend the proceedings until a final decision is made in the administrative offense case no. 309/19.OYUSTR. By judgment of 23 March 2023, adopted following an appeal by EDP Produção, the Lisbon Court of Appeal confirmed the decision to suspend the proceedings. EDP Produção filed a common appeal and an exceptional appeal to the Supreme Court of Justice, which dismissed the appeals by judgment of 15 September 2023.

iii) On 19 July 2021, Celulose Beira Industrial, SA (CELBI), submitted to SU Eletricidade, SA a constitutional request of an Arbitral Tribunal, regarding a conviction of a payment of the energy produced by it under special production in cogeneration, and its interest, since April 2020 (date on which, in accordance with the law and the understanding of DGEG and followed by SU Eletricidade, CELBI has moved to the transitional remuneration scheme provided for in DL No. 23/2010 and Ordinance No. 140/2012), and throughout the term of operation of its Cogeneration Center (which it estimates to be at least 25 years), i.e. at least until 24 March 2035 (supporting this understanding in the fact that the 2002 Remuneration Scheme does not establish any period); or, in the alternative, until 24 March 2030 (claiming that you are entitled to be remunerated under the 2002 Remuneration Scheme for a further 120 months (10 years) from March 2020); or, in the alternative, until November 2020 (claiming that the transition to the 2012 Remuneration Scheme should only take place six months after the effective knowledge of the communication sent by the SRB); or, in the alternative, until August 2020 (in the alternative claiming that the transition from CELBI's remuneration scheme would operate from the beginning of the month following the date of the audit report certifying primary energy savings, which means the transition would operate from August 2020 because the audit report is from July 2020). The overall value of the application amounts to 6,839 thousand Euros and has been classified as possible risk. In October 2021, SU Eletricidade filed a challenge. In February 2022, Procedural Decision No. 1 was issued, by which the Arbitral Tribunal considered itself competent to adjudicate the dispute between the parties, which was challenged by SU Eletricidade through annulment action filed in March 2022, currently pending at the Central Administrative Court, the pleadings phase having elapsed. In April 2022, the preparatory hearing was held, which was intended in particular to discuss previous questions raised as well as to the fixing of the list of the facts not at issue and the themes of the evidence. In June 2022, the parties filed a joint application alleging supervening facts. The trial hearing took place on 13, 14 and 15 September 2022 and, on 5 of December 2022, the parties presented the respective final written arguments. On 30 January 2023, the parties were notified of the arbitral award, which partially upheld one of the claims filed by CELBI (corresponding to 11.75% of them). On 31 March 2023, SU Eletricidade filed an action to annul the arbitral award at the South Administrative Central Court.

The possible contingencies more relevant in Brazil, are as follows:

i) Investco is involved in a legal action of a civil nature mostly related with indemnity claims resulting from the filling of the hydroelectric reservoir, in the amount of 15,895 thousand Euros (31 December 2022: 23,365 thousand Euros);

ii) There is a public civil action filed against EDP São Paulo and EDP Espírito Santo by ADIC – Associação de Defesa dos Interesses Colectivos, claiming a compensation arising from a tariff readjustment on part A from 43 concessionaires. The estimated value attributable to EDP São Paulo and EDP Espírito Santo amounts to 91,618 thousand Euros (31 December 2022: 74,402 thousand Euros);

iii) EDP São Paulo is a party to a lawsuit related to the COFINS (Contribution for social security financing) from 1993 to 1995 in joinder with AES Eletropaulo, where is discussed the application of the tax amnesty introduced by the Provisional Measures paragraphs 1858-6 and 1858-8, granted to taxpayers who did not collect COFINS, considering it improper. In the trial of 2nd Instance, was partially confirmed the right to amnesty, and applied the Decree-Law 1,025/69, which established the payment of procedural costs in favour of the National Treasury. From this decision, an appeal was presented, which holds trial. The updated amount as at 31 December 2023 is 15,165 thousand Euros (31 December 2022: 14,058 thousand Euros);

iv) EDP São Paulo and EDP Espírito Santo have administrative and judicial actions regarding tax compensations not ratified by the Brazilian Federal Revenue Bureau, which: (i) are protected by judicially recognised credits (IRPJ – Corporate tax income and CSLL – Social Contribution on net profits) and (ii) that result from tax contributions in 2001 of IRPJ, CSLL, PIS (Social integration programme) and COFINS considered to be excessive as a consequence of the application of "Parecer COSIT 26/2002" (Extraordinary Tariff Adjustment – RTE) published by the Brazilian Tax Authorities. According to this opinion, the amounts resulting from tariffs updated under RTE should be recognised and taxed only as of 2002. During 2021 there was a reduction in the amount due to the success obtained in one of the administrative proceedings, cancelling the debt collection. As at 31 December 2023, the updated values amount to 23,158 thousand Euros (31 December 2022: 19,736 thousand Euros);

v) Lajeado has a judicial tax action initiated by the Brazilian Tax Authorities in 2014 aimed at collecting tax contributions (IRPJ and CSLL) resulting from the disallowance of expenses regarding goodwill arising from a business combination (acquisition). As at 31 December 2023, this contingency amounts to 12,951 thousand Euros (31 December 2022: 27,388 thousand Euros). In 2023, there was a reduction in the contingency amount, due to a favorable decision that canceled the fine and closed the discussion at the administrative level, in addition to the exclusion of the statutory fine with the related interest and charges, related to the judicial discussion. Currently, the judgment in the judicial sphere is awaited for the remaining amounts.

Finally, even if EDP Group classifies its risk as remote, it is important to identify the following litigation:

i) On 27 October 2009 and 5 January 2010, the EDP Group received two tax settlements regarding 2005 and 2006 taxable income for the EDP tax Group, which included an adjustment of 591 million Euros regarding its subsidiary, EDP Internacional SGPS, related to the tax treatment considered by the EDP Group in relation to a capital loss generated with the liquidation of a subsidiary, whose main assets consisted of investments in operating subsidiaries in Brazil, namely EDP Espírito Santo and Enersul. As at 31 December 2023, the amount of this tax contingency amounts to 326 million Euros (31 December 2022: 315 million Euros).

Considering the analysis made, the technical advice received and a favourable binding opinion obtained from the tax authorities in relation to the nature of the transaction occurred in the year of the assessment, the EDP Group considers as remote the risk associated with this matter. Under this analysis, the capital loss is tax deductible for income tax purposes as established in article 75 no. 2 of the Corporate Income Tax Code ("Código do IRC") based on the wording of the law in force at that date (existing article 81).

Given the above, and considering that the EDP Group's tax procedures comply with applicable Portuguese tax legislation at the date of the events, the Group is currently using all available legal means to contest these additional settlements. Thus, following the implied rejection of the hierarchical appeal, EDP presented a judicial claim, on 6 June 2012. In November 2018, EDP Group was notified with a decision in favour. The Treasury filed an appeal on that decision.

38. Institutional partnerships in North America

The caption Institutional partnerships in North America is as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Deferred income related to benefits provided	769,191	798,363
Liabilities arising from institutional partnerships	1,419,054	1,413,799
	2,188,245	2,212,162

Subsidiaries in North America recognises under this caption the receipts of institutional investors associated with wind and solar projects. This liability is reduced by the amount of tax benefits provided and payments made to the institutional investors during the period. The amount of tax benefits provided is booked as a non-current deferred income, and recognised over a five year period (see note 8). Additionally, this liability is increased by the estimated interest based on the liability outstanding and the expected rate of return of the institutional investors (see note 14).

The movements in Institutional partnerships in North America are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Balance at the beginning of the period	2,212,162	2,259,741
Proceeds received from institutional investors	505,922	53,714
Cash paid for deferred transaction costs	-4,311	-2,172
Cash paid to institutional investors	-130,745	-128,927
Other Income (see note 8)	-231,055	-233,505
Unwinding (see note 14)	81,058	96,955
Perimeter variations (see note 6)	45,581	24,892
Transfer to Liabilities held for sale (see note 42)	-207,452	-
Exchange differences	-78,038	144,123
Other	-4,877	-2,659
Balance at the end of the period	2,188,245	2,212,162

During 2023, EDPR NA, has secured and received proceeds amounting to 505,922 thousand Euros related to institutional equity financing in exchange for an interest in onshore wind projects.

Under these partnerships, EDP Group provides operating guarantees to institutional investors in wind and solar projects, which are typical of this type of structure. As at 31 December 2023, the liabilities associated with these guarantees are not expected to exceed the amounts already recognized under the caption Liabilities arising from institutional partnerships.

39. Trade payables and other liabilities from commercial activities

At Group level, Trade payables and other liabilities from commercial activities are as follows:

Thousand Euros	Non-Current		Current	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Contract liabilities:				
Energy sales contracts – North America	3,301	4,238	-	-
Deferred income – CMEC (see note 27)	17,091	24,950	48,713	55,616
Amounts received from the Fund for systemic sustainability of the energy sector	-	-	-	630,053
	20,392	29,188	48,713	685,669
Other liabilities:				
Investment government grants	301,524	327,118	-	-
Customer contract obligations	437,845	443,517	-	-
Amounts payable for tariff adjustments – Electricity – Portugal (see note 27)	9,466	-	466,294	958,357
Amounts payable for tariff adjustments – Electricity – Brazil	63,174	20,767	128,690	184,381
Amounts payable – securitisations	-	-	70,246	89,027
Amounts payable – CMEC	-	-	296,406	228,247
Amounts payable for concessions	205,981	211,056	-	-
Property, plant and equipment suppliers	196,215	202,861	2,832,163	2,549,047
Suppliers	-	-	1,029,189	1,256,420
Accrued costs related with commercial activities	-	-	910,347	984,040
Holiday pay, bonus and other charges with employees	-	-	235,807	225,599
CO2 emission Licenses	-	-	156,638	707,920
Other creditors and sundry operations	176,160	177,947	330,319	536,263
	1,390,365	1,383,266	6,456,099	7,719,301
	1,410,757	1,412,454	6,504,812	8,404,970

At Company level, Trade payables and other liabilities from commercial activities are as follows:

Thousand Euros	Current	
	Dec 2023	Dec 2022
Other liabilities:		
Suppliers	220,051	1,291,273
Accrued costs related with commercial activities	31,499	503,498
Property, plant and equipment suppliers	10,838	2,701
Holiday pay, bonus and other charges with employees	39,076	39,298
Other creditors and sundry operations	84,640	233,728
	386,104	2,070,498

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

As at 31 December 2022, the Amounts received from the Fund for Systemic Sustainability of the Energy Sector referred to amounts transferred to SU Eletricidade, S.A. related mainly to amounts from the Environmental Fund and to CESE amounts and were intended to reduce 2023 networks access tariffs.

Investment government grants are amortised through the recognition of a revenue in the income statement over the useful life of the related assets, which amounts to 29,287 thousand Euros as at 31 December 2023 (see note 12).

The captions Amounts payable and Amounts Receivable for tariff adjustments – Electricity – Brazil, refer to tariff adjustments recognised in EDP São Paulo – Distribuição de Energia S.A. and EDP Espírito Santo – Distribuição de Energia S.A.

Thousand Euros	Non-current		Current	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Amounts payable for tariff adjustments – Electricity – Brazil	63,174	20,767	128,690	184,381
Amounts receivable from tariff adjustments – Electricity – Brazil (see note 27)	-41,284	-12,883	-6,578	-14,310
	21,890	7,884	122,112	170,071

The tariff adjustment – Electricity – Brazil at the end of period corresponds to an amount payable of 144,002 thousand Euros and includes 47,862 thousand Euros of Amounts receivable from tariff adjustments – Electricity – Brazil (see note 27) and 191,864 thousand Euros of Amounts payable from tariff adjustments – Electricity – Brazil.

The movement for the period in Amounts payable and Amounts Receivable for tariff adjustments – Electricity – Brazil (Non-current and Current) is as follows:

Thousand Euros	Dec 2023
Balance at the beginning of the period	177,955
Tariff adjustment of the period (see note 7)	155,511
Payment/Receipt through the electricity tariff	-201,335
Interest expense/income (see note 14)	2,996
Effect of exchange differences of the Brazilian Real against the Euro	8,875
Balance at the end of the period	144,002

The movement includes the recognition of 179,158 thousand Euros (960,612 thousand Brazilian Real) of the refund and a negative amount of 109 thousand Euros (582 thousand Brazilian Real) of unwinding over the amount resulting from the non-inclusion, in 2019, of the amounts of VAT borne in the basis of calculation of PIS and COFINS (1,756,597 thousand Brazilian Real as at 31 December 2019, of which 1,894,980 thousand Brazilian Real were returned, between 2020 and December 2023, through the electricity tariff, with a negative unwinding of 148,374 thousand Brazilian Real).

In the energy distribution activity, the subsidiaries of EDP Group in Portugal and Spain recover the deficits and tariff adjustment assets through the tariffs charged to their customers. The caption Amounts payable – securitizations includes the amounts payable to entities that have acquired the right to receive these assets in securitisation or direct sales operations in Portugal.

The caption Amounts payable – CMEC refers to amounts received by E-Redes – Distribuição de Eletricidade, S.A., through the tariff, regarding the CMEC Revisibility of 2016 and 2017, which delivery to REN is awaiting approval (see note 27).

The caption Amounts payable for concessions includes the concession rights for the operation of the hydric domain of Alqueva and Pedrógão transferred by EDIA in the amount of 121,624 thousand Euros (31 December 2022: 125,154 thousand Euros) and the financial compensation for the use of the public domain related to concession agreements of Investco, S.A. and Enerpeixe, S.A. in Brazil in the amount of 84,357 thousand Euros (31 December 2022: 85,903 thousand Euros).

The caption Property, plant and equipment suppliers – Current and Non-current includes amounts payable arising from assets and projects acquisitions in the amount of 316,339 thousand Euros (31 December 2022: 332,727 thousand Euros) and the amounts due related with the construction of windfarms and solar parks in North America in the amount of 1,993,372 thousand Euros (31 December 2022: 1,409,674 thousand Euros), in Europe in the amount of 325,029 thousand Euros (31 December 2022: 466,270 thousand Euros) and in South America in the amount of 195,340 thousand Euros (31 December 2022: 375,583 thousand Euros).

The caption CO2 emission licenses includes the licenses corresponding to CO2 emissions made during 2023 in Portugal and Spain, in the amount of 53,181 thousand Euros and 103,457 thousand Euros, respectively (31 December 2022: 149,733 thousand Euros and 558,187 thousand Euros). The variation that occurred includes the consumption of 2023 and return, in 2023, of the licenses related to 2022 consumptions, which are delivered by September of the year following their consumption to the regulatory authorities.

The caption Other creditors and sundry operations – Current and Non-current includes, essentially, the amount payable to MIBEL for daily energy transactions, amounts referring to the adjustments of the pool's price estimate in accordance with the regulatory mechanism for the renewable generation sector in Spain and amounts payable related to the reinsurance activity.

40. Other liabilities and other payables

Other liabilities and other payables are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Other liabilities and other payables – Non-Current				
Liabilities measured at amortised cost:				
Loans from non-controlling interests	637,221	659,367	-	-
Lease Liabilities	1,176,456	1,252,000	136,162	139,728
Liabilities measured at fair value through profit or loss:				
Derivative financial instruments (see note 43)	984,989	2,701,116	700,437	2,013,300
Amounts payable and contingent prices for acquisitions/sales	148,317	152,614	33,196	30,134
Other Liabilities:				
Other creditors and sundry operations	352,952	394,399	-	-
	3,299,935	5,159,496	869,795	2,183,162
Other liabilities and other payables – Current				
Liabilities measured at amortised cost:				
Loans from non-controlling interests	57,828	17,582	-	-
Dividends attributed to related companies	54,089	77,182	-	-
Group companies	-	-	10,890	3,857
Lease Liabilities	136,274	135,792	12,146	12,603
Liabilities measured at fair value through profit or loss:				
Derivative financial instruments (see note 43)	886,978	3,052,590	898,181	3,192,332
Amounts payable and contingent prices for acquisitions/sales	190,296	274,974	30,511	32,325
Other Liabilities:				
Other creditors and sundry operations	45,342	42,773	548,385	152,185
	1,370,807	3,600,893	1,500,113	3,393,302
	4,670,742	8,760,389	2,369,908	5,576,464

The caption Loans from non-controlling interests Non-Current and Current mainly includes:

Thousand Euros		Dec 2023	Dec 2022
ACE Portugal (CTG Group)	Fixed rate of 3.75%	15,382	20,713
ACE Poland (CTG Group)	Fixed rate of a range between 2.95% / 7.23%	35,390	41,026
ACE Italy (CTG Group)	Fixed rate of 4.5%	30,527	31,954
Macquarie Super Core Infrastructure Fund SD Holdings S.À.R.L.	Fixed rate of a range between 0.40% / 2.73%	568,149	572,124
		649,448	665,817

The variation of the caption Amounts payable and contingent prices for acquisitions/sales results essentially from the recognition of the costs actually incurred in the construction of the respective wind farms, as provided for in the context of the operation to sell projects in North America in 2021 and 2022.

The movements in Lease Liabilities – Non Current and Current are as follows:

Thousand Euros	Dec 2023	Dec 2022
Balance at the beginning of the period	1,387,792	1,049,448
Charge for the period	134,453	386,378
Unwinding of lease liabilities (see note 14)	47,718	46,146
Lease payments (principal and interests)	-141,864	-133,696
Exchange differences	-22,211	38,978
Perimeter variations and other regularisations	-93,158	538
Balance at the end of the period	1,312,730	1,387,792

The nominal value of Lease Liabilities, by maturity, is as follows:

Thousand Euros	Total	Dec 2023 Capital outstanding by maturity			
		Less than 5 year	From 5 to 10 years	From 10 to 15 years	More than 15 years
Lease Liabilities	2,282,472	602,266	450,960	427,579	801,667

On an individual basis, the changes that occurred in the caption Other creditors and sundry operations is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

The caption Lease Liabilities, on a Company basis, includes lease contracts with EDP Pension and Medical and Death Subsidy Funds regarding the building units of Porto headquarters acquired by EDP Pension Fund in December 2015 and the Lisbon headquarters building given as an in-kind contribution to EDP Medical and Death Subsidy Fund in September 2017. These contracts were celebrated for a period of 25 years (see note 45).

41. Tax liabilities

Tax liabilities are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Non Current				
Special tax Brazil	138,834	179,250	-	-
Current				
Income tax	223,894	163,784	140,751	28,913
Withholding tax	68,224	85,207	1,137	1,322
Value Added Tax (VAT)	196,314	558,718	390	3,097
Special taxes Brazil	88,948	50,510	-	-
Other taxes	156,443	142,883	1,347	1,370
	733,823	1,001,102	143,625	34,702
	872,657	1,180,352	143,625	34,702

The Special taxes Brazil caption relates to the following taxes: CSLL (Social Contribution on net profits), PIS (Social integration programme) and COFINS (Social Security Financing Contribution).

On an individual basis, the variation of the caption Income Tax is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

42. Non-Current assets and liabilities held for sale

The criteria for classifying assets and liabilities as held for sale, as well as their presentation in EDP Group's consolidated financial statements, are described in the Group's accounting policies (see note 2 t)).

These captions are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Assets held for sale		
Electricity transmission	556,400	-
Clients - Brazil	15,965	-
Electricity generation - Solar - North America	509,908	-
Electricity generation - Joint Ventures	81,561	92,702
Electricity generation - Onshore wind - Other	6,694	9,198
	Total Assets held for sale	1,170,528
Liabilities held for sale		
Electricity transmission	414,691	-
Clients - Brazil	4,642	-
Electricity generation - Solar - North America	273,815	-
	Total Liabilities held for sale	693,148
	Net amount of held for sale	477,380

During the fourth quarter of 2022, EDP Group started the process of selling its electricity production joint venture Energia Ásia Consultoria, Lda. On 29 December 2023, EDP entered into a contract with China Three Gorges for the sale of its 50% stake in this company. The asset associated with this investment was presented in non-current assets held for sale.

During the second quarter of 2023, the EDP Brasil Group, as part of its decarbonisation plan, started the process of selling Porto do Pecém Geração de Energia, S.A., which owns its coal power plant in Brazil. In September 2023, the EDP Brasil Group entered into an agreement with a group of Brazilian investors coordinated by Mercurio Asset for the sale of 80% of the stake in this company and, under certain conditions, a put option for the sale of the remaining 20% up to the end of the PPA (in 2027). Assets and liabilities associated with this company were presented in non-current assets and liabilities held for sale. The classification of assets and liabilities of Porto do Pecém Geração de Energia, S.A. as held for sale resulted in an impairment loss of 106,868 thousand Euros (577,195 thousand Reais) (see note 12), since the fair value less costs to sell is lower than its book value. During the fourth quarter of 2023, EDP Brasil Group announced the closing of this transaction (see note 6).

During the second quarter of 2023, EDPR Group, as part of its asset rotation program, started the process of selling an onshore wind portfolio in Spain. Assets and liabilities associated with this portfolio were presented in non-current assets and liabilities held for sale. During the third quarter of 2023, EDPR Group announced the closing of this transaction (see note 6).

During the third quarter of 2023, EDPR Group, as part of its asset rotation program, started the process of selling an onshore wind portfolio in Brazil. Assets and liabilities associated with this portfolio were presented in non-current assets and liabilities held for sale. During the fourth quarter of 2023, EDPR Group announced the closing of this transaction (see note 6).

During the third quarter of 2023, the EDP Brasil Group started the asset rotation process of two transmission lines with a total length of 857 kilometers: EDP Transmissão SP-MG, S.A. e Mata Grande Transmissora de Energia LTDA. Assets and liabilities associated with this portfolio was presented in non-current assets and liabilities held for sale.

During the third quarter of 2023, the EDP España Group, as part of its decarbonisation plan, started the process of selling a company, which owns its Aboño coal power plant in Spain. Assets and liabilities associated with this company were presented in non-current assets and liabilities held for sale. On 31 December 2023, once the precedent conditions for the transaction were verified, the sale of this company was concluded (see notes 6 and 47).

The divestments that occurred in 2023 in the coal generation assets Pecém and Aboño, as well as the requests for authorization to the power system operator to close the coal-fired plants Aboño I, Soto 3, and Los Barrios in Spain, are important milestones within EDP's strategic goal of being "coal free" by 2025 (see note 49).

During the fourth quarter of 2023, EDPR Group, as part of its asset rotation program, started the process of selling an solar portfolio in North America. Assets and liabilities associated with this portfolio were presented in non-current assets and liabilities held for sale.

During the fourth quarter of 2023, EDP Brasil Group started the process of selling EDP Smart Soluções, S.A. Assets and liabilities associated with this portfolio were presented in non-current assets and liabilities held for sale.

As at 31 December 2023 the following reclassifications were made to held for sale:

Thousand Euros	Networks	Renewables, Clients & EM		Other	Total
	Transmission	Solar	Clients	Segments Joint Ventures	
Assets					
Property, plant and equipment (see note 17)	-	-486,111	-	-	-486,111
Right-of-use assets (see note 16)	-127	-57,478	-96	-	-57,701
Investments in joint ventures and associates (see note 22)	-	-	-	11,141	11,141
Amounts receivable from concessions – IFRIC 12 (see note 27)	-518,774	-	-	-	-518,774
Other assets	-19,108	-6,194	-13,365	-	-38,667
Cash and cash equivalents (see note 30)	-18,391	9	-4,104	-	-22,486
Assets Held for Sale	556,400	549,774	17,565	-11,141	1,112,598
Liabilities					
Financial debt	-296,536	-469	-	-	-297,005
Institutional partnerships in NA wind farms	-	-207,452	-	-	-207,452
Provisions (see note 37)	-12,195	-2,447	-93	-	-14,735
Deferred tax liabilities	-46,181	-	-1,855	-	-48,036
Other liabilities	-59,779	-63,447	-2,694	-	-125,920
Liabilities Held for Sale	414,691	273,815	4,642	-	693,148

The classification of assets and liabilities of EDP Smart Soluções, S.A. and the North America solar portfolio as held for sale resulted in an impairment losses of 1,600 thousand Euros and 39,866 thousand Euros, respectively, since the fair value (level 3) less costs to sell is lower than its net book value. The remaining reclassifications were made only for financial statement presentation purposes, without impact on the measurement of these assets and liabilities.

43. Derivative financial instruments

In accordance with IFRS 9, the Group classifies derivative financial instruments as fair value hedge of a recognised asset or liability (Fair value hedge), as cash flow hedge of recognised liabilities and highly probable future transactions (Cash flow hedge), as net investment hedge in foreign operations (Net investment hedge), or as held for trading, if or when they are not eligible for hedge accounting.

The fair value of the derivative financial instruments in EDP Group is as follows:

Thousand Euros	Dec 2023		Dec 2022	
	Assets	Liabilities	Assets	Liabilities
Net investment hedge				
Cross-currency interest rate swaps	80,590	-101,183	36,986	-211,081
Currency forwards	555	-10,321	25,726	-84,063
Fair value hedge				
Interest rate swaps	-	-21,232	479	-34,407
Cross-currency interest rate swaps	24,325	-40,833	26,007	-47,711
Cash flow hedge				
Interest rate swaps	16,013	-17,306	114,670	-1,611
Swaps related to gas commodity	181,525	-402,369	557,885	-2,279,446
Electricity swaps	229,578	-634,238	306,998	-1,262,063
Currency forwards (includes commodities and capex forwards)	29,771	-18,993	71,295	-37,437
CO2 forwards	2,082	-8,261	-	-
Trading				
Interest rate swaps	37,766	-12,876	14,474	-10,625
Cross-currency interest rate swaps	317	-29,793	11,382	-48,289
Commodity swaps and forwards	482,056	-507,746	1,277,258	-1,680,641
Currency forwards	11,239	-60,969	81,990	-33,173
CO2 forwards	2,545	-3,721	2,196	-12,116
Currency forwards associated to commodities	19,163	-2,126	48,352	-11,043
	1,117,525	-1,871,967	2,575,698	-5,753,706

As at 31 December 2023, EDP Group holds contracts for the purchase and sale of commodities traded on futures exchange market, namely Chicago Mercantile Exchange, Intercontinental Exchange, European Energy Exchange and OMIP, whose fair value of the contracted operations is settled on a daily basis, and therefore it is not included in the Statement of Financial Position. The notional of these futures contracts amounts to 3,666,585 thousand Euros with maturities ranged between 2024 and 2033 (31 December 2022: 4,246,301 thousand Euros), and the fair value held in EDP Group results and cash flow hedge reserves related to these operations are a negative amount of 34,388 thousand Euros and a positive amount of 50,263 thousand Euros, respectively (31 December 2022: negative amount of 102,517 thousand Euros and positive amount of 280,621 thousand Euros).

The financial risk management of EDP S.A. and other entities of the Group is centrally carried out by EDP S.A., and in terms of commodity price risk management by EDP GEM (notes 5 and 12). On this basis, EDP S.A. and EDP GEM contract derivative financial instruments to hedge individual business risks and those of the EDP Group companies, performing intermediation for these entities in the negotiation and contracting.

The fair value of the derivative financial instruments at Company level is as follows:

Thousand Euros	Dec 2023		Dec 2022	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Interest rate swaps	-	-	92,527	-57,498
Swaps related to gas commodity	-	-	-187,698	-1,260,430
Electricity swaps	-	-	438,952	-142,417
Currency forwards (includes commodities forwards)	-	-	60,352	8,382
Trading				
Interest rate swaps	31,371	-30,472	36,637	-35,203
Cross-currency interest rate swaps	124,439	-161,995	165,562	-217,572
Commodity swaps	1,257,441	-1,257,441	3,143,029	-3,186,752
Currency forwards	85,132	-85,117	189,713	-189,713
Commodity forwards	12,888	-12,888	33,618	-92,557
Currency forwards associated to commodities	50,705	-50,705	67,896	-31,872
	1,561,976	-1,598,618	4,040,588	-5,205,632

On an individual basis, the changes that occurred are essentially justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 13).

During the application of hedge accounting with pre-existing derivatives, the value of the Currency forwards associated to commodities has a positive value that corresponds to the variation in the fair value of the instruments since the date of designation, while the contracts as a whole they represent a liability; The asset value of Swaps related to gas commodities has a negative value that corresponds to the change in the fair value of the instruments since the designation date, while the contracts as a whole represent an asset.

The fair value of derivative financial instruments is booked in Other debtors and other assets (see note 28) and Other liabilities and other payables (see note 40), according to its nature.

Fair value of derivative financial instruments is based on listed market prices, whenever available, or on valuations determined through valuation models that use variables observable on the market. Therefore, according to IFRS 13 requirements, the fair value of the derivative financial instruments is classified as of level 2 (see note 46) and no changes of level were made during this period. These valuation models are based on generally accepted discounted cash flow techniques and option valuation models, using market data obtained through financial information platforms.

Derivative financial instruments classified as trading are financial hedging instruments contracted for economic hedging at EDP Group level (see note 5), however such instruments are not eligible for hedge accounting under IFRS.

In 2023, the notional amounts per measurement unit of the derivative financial instruments in EDP Group, are as follows:

Thousand Units	Unit	2024	2025	2026	2027	Following years	Total
Net investment hedge							
Cross-currency interest rate swaps	Euros	1,170,939	-	47,252	150,000	1,810,599	3,178,790
Currency forwards	Euros	257,184	25,118	-	-	-	282,302
Fair value hedge							
Interest rate swaps	Euros	-	600,000	-	-	-	600,000
Cross-currency interest rate swaps	Euros	410,314	-	-	-	-	410,314
Cash flow hedge							
Interest rate swaps	Euros	89,064	87,481	53,071	29,544	696,042	955,202
Cross-currency interest rate swaps	Euros	82,912	-	-	-	82,912	165,824
Swaps related to gas commodity	MWh	32,340	-47,696	-99,998	-124,227	-	-239,581
Electricity swaps	MWh	167,947	190,145	157,465	152,282	982,585	1,650,424
CO2 forwards	MT	54,797	17,290	18,199	-	-	90,286
Currency forwards (includes commodities and capex forwards)	Euros	418,385	82,878	-	-	-	501,263
Trading							
Interest rate swaps	Euros	-	499,648	130,553	-	173,345	803,546
Cross-currency interest rate swaps	Euros	353,331	288,149	35,889	-	-	677,369
Swaps related to gas commodity	MWh	4,517	5,375	-3,986	-4,423	-	1,483
Electricity swaps and forwards	MWh	384,349	271,830	83,146	51,470	25,676.0	816,471
Currency forwards	Euros	1,808,793	67,254	4,000	-	-	1,880,047
CO2 forwards	MT	-85,789	-	1	-	-	-85,788
Currency forwards for commodities	Euros	149,580	-	-	-	-	149,580

In 2022, the notional amounts per measurement unit of the derivative financial instruments in EDP Group, were as follows:

Thousand Units	Unit	2023	2024	2025	2026	Following years	Total
Net investment hedge							
Cross-currency interest rate swaps	Euros	91,158	878,454	-	436,740	1,638,223	3,044,575
Currency forwards	Euros	2,095,122	133,660	-	-	-	2,228,782
Fair value hedge							
Interest rate swaps	Euros	-	-	600,000	-	-	600,000
Cross-currency interest rate swaps	Euros	-	410,314	-	-	82,971	493,285
Cash flow hedge							
Interest rate swaps	Euros	157,487	53,280	50,522	52,268	2,166,472	2,480,029
Cross-currency interest rate swaps	Euros	-	-	-	-	2,926	2,926
Swaps related to gas commodity	MWh	47,400	33,375	13,989	1,044	87	95,895
Electricity swaps	MWh	127,711	119,474	106,614	68,044	570,945	992,788
Currency forwards for commodities	Euros	1,270,210	137,503	82,878	-	-	1,490,591
Trading							
Interest rate swaps	Euros	700	726	300,753	190,628	133,707	626,514
Cross-currency interest rate swaps	Euros	200,319	245,149	-	-	-	445,468
Swaps related to gas commodity	MWh	27,354	5,670	-	-	-	33,024
Electricity swaps and forwards	MWh	29,014	24,389	19,475	12,347	40,556	125,781
Currency forwards	Euros	1,675,816	29,497	4,000	4,000	-	1,713,313
CO2 forwards	MT	469	-	-	-	-	469
Currency forwards for commodities	Euros	353,858	149,580	-	-	-	503,438

In 2023, the notional amounts per measurement unit of the derivative financial instruments at Company level, are as follows:

Thousand Units	Unit	2024	2025	2026	2027	Following years	Total
Trading							
Interest rate swaps	Euros	-	1,500,000	-	-	959,496	2,459,496
Cross-currency interest rate swaps	Euros	2,505,527	-	166,282	318,182	2,784,242	5,774,233
Swaps related to gas commodity	MWh	-2	1	-	-	-	-1
Electricity swaps	MWh	-	1	-1	-	1	1
Currency forwards	Euros	4,371,464	184,744	8,000	-	-	4,564,208
Currency forwards for commodities	Euros	510,697	165,756	-	-	-	676,453

In 2022, the notional amounts per measurement unit of the derivative financial instruments at Company level, were as follows:

Thousand Units	Unit	2023	2024	2025	2026	Following years	Total
Cash flow hedge							
Interest rate swaps	Euros	-	-	-	-	3,321,992	3,321,992
Swaps related to gas commodity	MWh	29,096	22,589	13,836	1,044	87	66,652
Electricity swaps	MWh	3,682	1,747	1,774	1,803	14,452	23,458
Currency forwards (includes commodities forwards)	Euros	93,236	105,768	82,878	-	-	281,882
"Forwards" de CO2	MT	425	175	175	175	-	950
Trading							
Interest rate swaps	Euros	-	-	1,500,000	-	-	1,500,000
Cross-currency interest rate swaps	Euros	540,392	1,838,068	-	875,516	2,226,730	5,480,706
Swaps related to gas commodity	MWh	70,332	30,497	307	-	-	101,136
Coal swaps	MT	1,722	-	-	-	-	1,722
Electricity swaps	MWh	4,633	2,346	2,296	2,245	11,809	23,329
Currency forwards	Euros	6,286,550	362,690	8,000	8,000	-	6,665,240
CO2 forwards	MT	14,205	-	-	-	-	14,205
Currency forwards for commodities	Euros	1,086,421	149,580	-	-	-	1,236,001

In 2023, the future undiscounted cash flows of the derivative financial instruments in EDP Group, are as follows:

Thousand Euros	2024	2025	2026	2027	Following years	Total
Net investment hedge						
Cross-currency interest rate swaps	-64,136	-31,338	-31,918	-48,843	-69,044	-245,279
Currency forwards	-9,172	-432	-	-	-	-9,604
	-73,308	-31,770	-31,918	-48,843	-69,044	-254,883
Fair value hedge						
Interest rate swaps	-20,179	-7,575	-	-	-	-27,754
Cross-currency interest rate swaps	-12,960	-	-	-	-3,202	-16,162
	-33,139	-7,575	-	-	-3,202	-43,916
Cash flow hedge						
Interest rate swaps	7,313	5,994	5,697	5,223	49,425	73,652
Swaps related to gas commodity	-217,365	-105,814	-2,874	5,275	-	-320,778
Electricity swaps	-66,789	-76,811	-35,773	-37,257	-254,143	-470,773
CO2 forwards	-547	-2,788	-3,271	-	-	-6,606
Currency forwards (includes commodities and capex forwards)	6,919	4,430	-	-	-	11,349
	-270,469	-174,989	-36,221	-26,759	-204,718	-713,156
Trading						
Interest rate swaps	629	21,979	15,199	-	-71	37,736
Cross-currency interest rate swaps	-2,743	-12,274	-1,620	-	-	-16,637
Commodity swaps and forwards	35,415	6,384	18,317	13,257	-2,563	70,810
CO2 forwards	-1,206	-	-	-	-	-1,206
Currency forwards	-47,793	-1,603	-1,041	-	-	-50,437
Currency forwards for commodities	17,053	-	-	-	-	17,053
	1,355	14,486	30,855	13,257	-2,634	57,319
	-375,561	-199,848	-37,284	-62,345	-279,598	-954,636

In 2022, the future undiscounted cash flows of the derivative financial instruments in EDP Group, are as follows:

Thousand Euros	2023	2024	2025	2026	Following years	Total
Net investment hedge						
Cross-currency interest rate swaps	-65,243	-88,562	-35,086	-51,774	-117,093	-357,758
Currency forwards	-59,868	1,531	-	-	-	-58,337
	-125,111	-87,031	-35,086	-51,774	-117,093	-416,095
Fair value hedge						
Interest rate swaps	-10,364	-12,262	-4,032	-	-	-26,658
Cross-currency interest rate swaps	6,728	-18,800	-1	-6	1	-12,078
	-3,636	-31,062	-4,033	-6	1	-38,736
Cash flow hedge						
Interest rate swaps	8,191	-8,182	-34,742	-35,099	-64,055	-133,887
Swaps related to gas commodity	-1,266,828	-720,531	-210,941	-5,441	-879	-2,204,620
Electricity swaps	-207,331	-117,583	-136,435	-38,685	-430,713	-930,747
Currency forwards (includes commodities forwards)	-166	25,453	6,437	-	-	31,724
	-1,466,134	-820,843	-375,681	-79,225	-495,647	-3,237,530
Trading						
Interest rate swaps	725	722	401	6,956	5,324	14,128
Cross-currency interest rate swaps	4,134	-24,123	-	-	-	-19,989
Commodity swaps and forwards	-67,636	63,166	18,453	5,878	-43,805	-23,944
CO2 forwards	-10,236	-	-	-	-	-10,236
Currency forwards	51,309	272	-274	-321	-	50,986
Currency forwards for commodities	18,731	18,578	-	-	-	37,309
	-2,973	58,615	18,580	12,513	-38,481	48,254
	-1,597,854	-880,321	-396,220	-118,492	-651,220	-3,644,107

In 2023, the future undiscounted cash flows of the derivative financial instruments at Company level, are as follows:

Thousand Euros	2024	2025	2026	2027	Following years	Total
Trading						
Interest rate swaps	628	313	-	-	-	941
Cross-currency interest rate swaps	3,615	170	1,985	-25,666	-68,814	-88,710
Commodity forwards	15	-	-	-	-	15
	4,258	483	1,985	-25,666	-68,814	-87,754
	4,258	483	1,985	-25,666	-68,814	-87,754

In 2022, the future undiscounted cash flows of the derivative financial instruments at Company level, are as follows:

Thousand Euros	2023	2024	2025	2026	Following Years	Total
Cash flow hedge						
Swaps related to gas commodity	723	-7,772	-7,706	-7,716	-16,172	-38,643
Gas swaps	-778,018	-433,267	-208,431	-5,441	-879	-1,426,036
Electricity swaps	45,437	138,742	54,225	29,102	54,147	321,653
Commodity forwards	3,529	-1,347	-1,077	-1,040	-	65
Currency forwards (includes commodities forwards)	23,578	26,860	6,437	-	-	56,875
	-704,751	-276,784	-156,552	14,905	37,096	-1,086,086
Trading						
Interest rate swaps	627	629	313	-	-	1,569
Cross-currency interest rate swaps	-9,988	30	-2,382	-1,452	-31,702	-45,494
Commodity swaps	-11,308	-56,806	-18,052	-10,245	-17,799	-114,210
Commodity forwards	-47,585	-	-	-	-	-47,585
Currency forwards for commodities	17,446	18,578	-	-	-	36,024
	-50,808	-37,569	-20,121	-11,697	-49,501	-169,696
	-755,559	-314,353	-176,673	3,208	-12,405	-1,255,782

The changes in the fair value, including accrued interest, of hedging instruments and risks being hedged are as follows:

Thousand Euros	Hedging instrument	Hedged risk	2023		2022	
			Changes in fair value Instrument	Risk	Changes in fair value Instrument	Risk
Net investment (i)	Cross-curr. int. rate swaps	Subsidiaries in BRL, GBP, USD, CAD, SGD, COP, CNY, TWD and PLN	202,073	-172,678	-154,482	104,984
Fair value	Interest rate swap	Interest rate	12,696	-12,696	-72,950	72,950
Fair value	Cross-curr. int. rate swaps	Exchange and interest rate	5,196	9,956	-62,138	58,123
Cash flow	Interest rate swap	Interest rate	-114,352	114,352	121,453	-121,453
Cash flow	CO2 forwards	Commodity prices	-6,179	6,179	-	-
Cash flow	Currency forwards	Exchange rate	-23,080	23,080	-48,699	48,699
Cash flow (ii)	Commodity swaps	Commodity prices	2,051,122	-2,059,602	-1,156,059	1,125,021
			2,127,476	-2,091,409	-1,372,875	1,288,324

- (i) Fair value variation of the hedging instrument on Cross currency interest rate swaps for Net investment includes a negative amount of 58,893 thousand Euros related to the cost of hedging (45,695 thousand Euros net of tax effect), recorded in reserves (see note 33), and ineffectiveness of a negative amount of 29,498 thousand Euros.
- (ii) Relating to December 2023, fair value variation of the hedging instrument on Commodity swaps for Cash flow includes a negative amount of 8,480 thousand Euros related to ineffectiveness.

Considering that hedging derivative financial instruments are contracted with a high correlation of critical terms, namely in the same currency and at the same indexes, the hedge ratio between the hedging instruments and the hedged instruments is 1:1.

As at 31 December 2023 and 2022, the following market inputs were considered for the fair value calculation:

Instrument	Fair value indexed to the following market inputs
Cross-curr. int. rate swaps	Interest rates: Euribor 3M, Euribor 6M, Libor 3M, Libor 6M, Daily CDI, Wibor 3M, Wibor 6M, CAD Libor 3M e Robor 3M; and exchange rates: EUR/GBP, EUR/BRL, EUR/CAD, EUR/COP, EUR/USD, USD/EUR, EUR/SGD and EUR/PLN.
Interest rate swaps	Interest rates: Euribor 3M, Euribor 6M, Wibor 6M, US Libor 3M e CAD Libor 3M, COOVIBR, Daily CDI, IPCA, SOFR and SORA.
Currency forwards	Exchange rates: EUR/USD, EUR/PLN, EUR/BRL, EUR/HUF, EUR/COP, EUR/JPY, EUR/KRW, EUR/CAD, EUR/TWD, GBP/EUR, SGD/EUR, USD/CAD, USD/HUF, USD/PLN, VND/USD, EUR/AUD, PLN/USD, SGD/CNY, SGD/TWD, SGD/USD, USD/COP, USD/JPY and VND/USD.
Commodity swaps	Market quotes of commodities: Brent, Electricity, Henry Hub, TTF, Coal, CO2, JKM, NBP, and Mibgas.

The changes in the fair value reserve related to cash flow hedges in 2023 and 2022 by nature of derivative financial instruments in EDP Group, were as follows:

Thousand Euros	Interest rate swaps	Commodity swaps	Currency forwards for capex and commod.	Gross Amount	Deferred Tax	Total
Balance as at 1 January 2022	-24,034	-1,101,258	61,955	-1,063,337	282,477	-780,860
Fair value changes	-25,922	1,008,064	-49,067	933,075	-237,152	695,923
Transfer to results from hedging	-243	-1,884,486	37,179	-1,847,550	431,581	-1,415,969
Comprehensive Income changes in associates	14,995	-	-	14,995	-9,189	5,806
Balance as at 31 December 2022	-35,204	-1,977,680	50,067	-1,962,817	467,717	-1,495,100
Fair value changes	62,872	3,117,980	-54,591	3,126,261	-836,093	2,290,168
Transfer to results from hedging	-2,959	-1,569,363	22,056	-1,550,266	490,770	-1,059,496
Comprehensive Income changes in associates	-64,116	-	-	-64,116	15,399	-48,717
Balance as at 31 December 2023	-39,407	-429,063	17,532	-450,938	137,793	-313,145

The changes in the fair value reserve related to cash flow hedges in 2023 and 2022 by nature of derivative financial instruments at Company level, were as follows:

Thousand Euros	Interest rate swaps	Commodity swaps	Currency forwards for capex and commod.	Gross Amount	Deferred Tax	Total
Balance as at 1 January 2022		492,024	61,220	553,244	-124,518	428,726
Fair value changes	35,029	-662,315	44,692	-582,594	130,644	-451,950
Transfer to results from hedging	-	-698,148	-37,179	-735,327	154,418	-580,909
Balance as at 31 December 2022	35,029	-868,439	68,733	-764,677	160,544	-604,133
Fair value changes	-8,386	-274,434	2,327	-253,495	58,904	-194,591
Transfer to results from hedging	-2,795	1,142,873	-71,060	1,042,021	-224,494	817,527
Balance as at 31 December 2023	23,848	-	-	23,849	-5,046	18,803

Changes in fair value for the period, on consolidated and individual basis, in the fair value reserve include: (i) future contracts for the purchase and sale of commodities traded on futures exchange market whose fair values are settled on a daily basis, and therefore are not in the statement of financial position; and (ii) fair value variation of derivative financial instruments contracted and settled within the same period.

The gains and losses on the financial instruments portfolio, excluding accrued interest, booked in the Income Statement in 2023 and 2022 are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Commodity derivatives held for trading	621,379	323,710	-866,346	640,786
Debt derivatives held for trading	-121,160	-23,659	23,468	18,747
Net investment hedge - ineffectiveness	-29,498	-24,048	-	-
Fair value hedges:				
-Derivatives	26,419	-96,760	-	-
-Hedged liabilities	-49,634	108,871	-	-
Cash flow hedges:				
-Transfer to results from hedging of financial liabilities	-2,959	-243	-	-
-Transfer to results from hedging of commodity prices	-1,612,624	-1,728,411	-64,406	735,327
	-1,168,077	-1,440,540	-907,284	1,394,860

The amount transferred to the Income Statement related to the hedging of commodity derivatives and the amount related to the portfolio of derivatives associated with commodities is included in the caption of Revenues and cost of Energy Sales and Services and Other. The remaining amounts presented in the table above are included in the items of financial expenses and income.

The effective interest rates of the derivative financial instruments relating to financing operations in EDP Group at 31 December 2023 are as follows:

	Notional Euro'000	Currency	EDP Pays	EDP Receives
Interest rate contracts:				
Interest rate swaps (i)	902,256	EUR	[4.13% - 0.00%]	[3.95% - 0.18%]
Interest rate swaps	251,751	USD	[1.86% - 1.23%]	[5.65% - 0.13%]
Interest rate swaps	43,991	PLN	[2.78%]	[5.82%]
Interest rate swaps	330,201	BRL	[14.29% - 13.16%]	[10.87% - 8.09%]
Interest rate swaps	112,253	CAD	[2.75% - 2.59%]	[5.44%]
Interest rate swaps	512,085	SGD	[3.11% - 2.94%]	[0.01%]
Interest rate swaps	173,345	TWD	[1.74% - 1.47%]	[1.49%]
Interest rate swaps	32,866	VND	[4.45%]	[5.58%]
Currency and interest rate contracts:				
CIRS (currency interest rate swaps) (i)	451,106	EUR/GBP	[8.04% - 0.00%]	[8.63% - 0.00%]
CIRS (currency interest rate swaps)	148,300	EUR/PLN	[8.72% - 6.65%]	[5.78% - 3.93%]
CIRS (currency interest rate swaps)	231,339	EUR/BRL	[10.72% - 0.04%]	[3.93%]
CIRS (currency interest rate swaps)	54,647	EUR/CAD	[5.67% - 5.15%]	[3.97% - 3.93%]
CIRS (currency interest rate swaps) (i)	733,705	USD/BRL	[14.46% - 10.71%]	[6.79% - 2.89%]
CIRS (currency interest rate swaps) (i)	2,813,198	USD/EUR	[5.30% - 1.83%]	[3.88% - 0.38%]

(i) EDP pays floating rate and receives fixed rate;

The effective interest rates of the derivative financial instruments relating to financing operations in EDP Group at 31 December 2022 were as follows:

	Notional Euro'000	Currency	EDP Pays	EDP Receives
Interest rate contracts:				
Interest rate swaps (i)	917,089	EUR	[3.67% - 0.00%]	[1.05% - -2.70%]
Interest rate swaps (ii)	1,000,000	EUR	n.a.	n.a.
Interest rate swaps (ii)	938,496	USD	n.a.	n.a.
Interest rate swaps	321,382	USD	[14.95% - 1.23%]	[2.27% - -4.63%]
Interest rate swaps	28,322	PLN	[2.48%]	[-7.46%]
Interest rate swaps	311,065	BRL	[14.02% - 13.62%]	[10.04% - 9.29%]
Interest rate swaps	26,354	CAD	[2.75% - 2.59%]	[-4.20% - -4.88%]
Interest rate swaps	163,837	SGD	[4.45% - 1.81%]	[5.15% - 3.10%]
Currency and interest rate contracts:				
CIRS (currency interest rate swaps)	451,306	EUR/GBP	[5.26% - 1.35%]	[8.63% - 0.00%]
CIRS (currency interest rate swaps)	170,398	EUR/PLN	[10.05% - 7.16%]	[5.12% - 1.58%]
CIRS (currency interest rate swaps)	15,990	EUR/BRL	[5.95%]	[-0.44%]
CIRS (currency interest rate swaps)	5,645	EUR/COP	[4.15%]	[2.13%]
CIRS (currency interest rate swaps)	95,378	EUR/CAD	[5.16% - 4.41%]	[2.20% - 1.56%]
CIRS (currency interest rate swaps)	319,975	USD/BRL	[14.95% - 13.22%]	[3.73% - 0.62%]
CIRS (currency interest rate swaps)	2,927,563	USD/EUR	[5.30% - 2.30%]	[3.88% - 0.38%]

(i) EDP pays floating rate and receives fixed rate;

(ii) Pre-hedging strategy. The contracts start at a future date.

The contracted prices of the derivative financial instruments relating to commodities at 31 December 2023 were as follows:

	Unit	2024	2025	2026	2027	Following Years
Electricity swaps	Euros/ MWh	[33.20 - 144.89]	[33.20 - 159.37]	[33.20 - 67.00]	[33.20 - 67.00]	[33.20 - 67.00]
Swaps related to gas commodity	Euros/ MWh	[8.70 - 159.90]	[7.71 - 159.90]	[12.19 - 57.02]	[12.12 - 46.95]	n.a.
CO2 forwards	Euros/MT	[76.10 - 97.05]	[97.32 - 100.18]	[102.40 - 107.00]	n.a.	n.a.

The contracted prices of the derivative financial instruments relating to commodities at 31 December 2022 were as follows:

	Unit	2023	2024	2025	2026	Following Years
Electricity swaps	Euros/ MWh	[33.20 - 67.00]	[33.20 - 67.00]	[33.20 - 67.00]	[33.20 - 67.00]	[33.20 - 67.00]
Swaps related to gas commodity	Euros/ MWh	[8.02 - 265.00]	[9.01 - 159.90]	[7.99 - 159.90]	[43.25 - 46.95]	[43.25 - 46.95]
CO2 forwards	Euros/MT	[43.19 - 100.31]	[94.50 - 97.05]	[97.32 - 100.18]	[102.40 - 107.00]	n.a.

44. Commitments

Operating guarantees granted by EDP Group, not included in the consolidated statement of financial position nor in the Notes, are as follows:

Thousand Euros	Group		Company	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Operating guarantees				
EDP S.A.	938,811	966,223	938,811	966,223
EDP España Group	57,378	56,894	-	-
EDP Brasil Group	196,756	158,503	-	-
EDP Renováveis Group	4,554,985	3,717,511	-	-
	5,747,930	4,899,131	938,811	966,223

The operating guarantees which are not included in the consolidated statement of financial position or in the Notes, as at 31 December 2023 and 2022, mainly refer to Power Purchase Agreements (PPA), interconnection, permits and market participation guarantees.

In 2023, in addition to the above warranties, the amount of 10,268 thousand Euros refers to guarantees of an operating nature related to Spanish and Polish entities sold in 2023, but for which EDP assumes the responsibility temporarily until they are effectively replaced (see note 6).

In 2022, in addition to the above warranties, the amount of 30,450 thousand Euros refers to guarantees of an operating nature related to Spanish, Polish, Italian and Brazilian entities sold in 2022, but for which EDP assumes the responsibility temporarily until they are effectively replaced. The amount of 152,770 thousand Euros refers to guarantees of a financial nature also related to Brazilian companies sold in 2022, but for which EDP assumes the responsibility until 30 January 2023, when this has been effectively replaced.

Additionally there are guarantees of an operational nature in the amount of 112,865 thousand Euros, associated with the portfolio of EDP Renewables of companies that were classified as held for sale on 31 December 2023 (see note 42).

In addition to the guarantees identified above, EDP Group provides financial and operating guarantees related to liabilities assumed by joint ventures and associates in the amount of 1,026,688 thousand Euros and 655,322 thousand Euros, respectively (31 December 2022: 595,766 thousand Euros and 475,044 thousand Euros).

The remaining financial and operating guarantees granted by EDP Group have underlying liabilities that are already reflected in its consolidated statement of financial position and/or disclosed in the Notes.

In the Group, the commitments relating to future cash outflows not reflected in the measurement of the lease liabilities and purchase obligations are disclosed, by maturity, as follows:

Thousand Euros	Total	Dec 2023			
		Capital outstanding by maturity			
		Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 Years
Lease Liabilities	221,777	24,557	30,434	17,842	148,944
Purchase obligations	25,026,126	6,471,282	4,836,559	2,876,536	10,841,749
	25,247,903	6,495,839	4,866,993	2,894,378	10,990,693

Thousand Euros	Total	Dec 2022			
		Capital outstanding by maturity			
		Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
Lease Liabilities	72,957	14,036	20,992	7,946	29,983
Purchase obligations	30,758,869	8,279,232	4,910,939	3,151,817	14,416,881
	30,831,826	8,293,268	4,931,931	3,159,763	14,446,864

The Group's contractual commitments shown above relate essentially to agreements and commitments required for current business activities. Specifically, the majority of the commitments are established to guarantee adequate supply of energy to the customers in Europe, North America and Brazil and to comply with medium and long term investment objectives of the Group.

As at 31 December 2023, there are commitments from lease liabilities which refer to future rents of lease contracts already signed but not yet commenced.

The commitments related to the joint ventures are disclosed in note 22.

Purchase obligations of 10,775,090 thousand Euros essentially related with very long-term contracts for energy acquisition in the Brazilian market (by regulatory imposition) which are updated with the respective projected rates and discounted at present value by a rate that represents the weighted average cost of capital (WACC) of the EDP Brasil Group, as follows:

Thousand Euros	Dec 2023	Dec 2022
Purchase obligation - Present value	10,775,090	11,288,241
Purchase obligation - Nominal amount	13,743,387	14,970,460

Purchase obligations also include obligations of long term contracts relating to the supply of products and services under the Group's ordinary course of business. Prices defined under forward contracts are used in estimating the amount of contractual commitments.

The nature of purchase obligations breaks down as follows:

Thousand Euros	Dec 2023	Dec 2022
Fuel acquisition	4,225,850	8,242,498
Electricity acquisition	12,859,935	13,965,208
O&M contracts	1,162,718	1,104,328
Fixed assets, equipment and miscellaneous materials acquisition	2,553,046	3,835,686
Supply and assembly contract	2,535,691	2,099,320
Other supplies and services	1,688,886	1,511,829
	25,026,126	30,758,869

The commitments for fuel and electricity acquisition are disclosed, by maturity, as follows:

		Dec 2023			
		Capital outstanding by maturity			
Thousand Euros	Total	Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
Fuel acquisition	4,225,850	320,725	502,092	557,062	2,845,971
Electricity acquisition	12,859,935	1,249,865	2,169,602	2,050,160	7,390,308
	17,085,785	1,570,590	2,671,694	2,607,222	10,236,279

		Dec 2022			
		Capital outstanding by maturity			
Thousand Euros	Total	Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
Fuel acquisition	8,242,498	1,182,197	881,539	833,253	5,345,509
Electricity acquisition	13,965,208	1,180,135	2,239,989	2,052,073	8,493,011
	22,207,706	2,362,332	3,121,528	2,885,326	13,838,520

The caption Fuel Purchases corresponds, essentially, to gas acquisition commitments assumed by the Group through long term contracts for liquefied natural gas (LNG) in international terminals (Trinidad and Tobago until 2024 and United States of America until 2040).

Some of the transactions related to the disposal of non-controlling interests while retaining control, carried out in previous years, incorporate contingent assets and liabilities according to the terms of the corresponding agreements. Additionally, some of the assets acquisition transactions foresee contingent liabilities which depend on certain milestones and, although EDP Group has recognized the fair value of these liabilities in the consolidated financial statements, changes in the assumptions could change these liabilities.

At Company level, the commitments relating to future cash outflows not reflected in the measurement of the lease liabilities and purchase obligations are disclosed, by maturity, as follows:

		Dec 2023			
		Capital outstanding by maturity			
Thousand Euros	Total	Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
Lease Liabilities	89	89	-	-	-
Purchase obligations	288,324	128,647	123,270	36,407	-
	288,413	128,736	123,270	36,407	-

		Dec 2022			
		Capital outstanding by maturity			
Thousand Euros	Total	Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
Lease Liabilities	1,876,639	897,558	979,081	-	-
Purchase obligations	7,553,971	515,554	867,485	831,341	5,339,591
	9,430,610	1,413,112	1,846,566	831,341	5,339,591

At Company level, the variation on these captions is justified by the transfer of the energy management business unit to EDP GEM Portugal, S.A. on 1 February 2023 (see note 13).

45. Related parties

Shares held by company officers

The number of shares of EDP S.A. held or attributable to company officers as at 31 December 2023 and 2022 are as follows:

	2023	2022
	Nr. of shares	Nr. of shares
General and Supervisory Board		
China Three Gorges Corporation (represented by Dingming Zhang)	878,970,301	835,980,316
China Three Gorges International Corp. (represented by Shengliang Wu)	878,970,301	835,980,316
China Three Gorges (Europe), S.A. (represented by Ignacio Herrero Ruiz)	878,970,301	835,980,316
Draursa, S.A. (represented by Felipe Fernández Fernández)	1,350	1,350
Fernando Maria Masaveu Herrero	285,709,976	285,709,976
João Carvalho das Neves	16,000	8,060
Luís Maria Viana Palhada Silva	5,479	5,479
Laurie Lee Fitch	40,000	40,000
Executive Board of Directors		
Miguel Stilwell de Andrade	250,000	205,000
Miguel Nuno Simões Nunes Ferreira Setas	-	8,104
Rui Manuel Rodrigues Lopes Teixeira	44,543	42,043
Vera de Moraes Pinto Pereira Carneiro	20,000	20,000

EDP S.A bonds and the number of shares of other EDP group companies held or attributable to company officers are disclosed in part I section A Ownership structure of Part III – Corporate Governance Report.

Remuneration of company officers

In accordance with the Company's by-laws, the remuneration of company officers is set by a Remunerations Committee appointed by the Shareholders' General Meeting, except for the remuneration of the members of the Executive Board of Directors (EBD), which is set by a Remunerations Committee appointed by the General and Supervisory Board (GSB).

Short-term employee benefits

During 2023, the annual fixed and variable remuneration cost accounted for the members of the EBD and the fixed remuneration of the GSB, was as follows:

Thousand Euros	EBD	GSB
President	1,459	515
Members	4,164	1,483
	5,623	1,998

The remuneration costs accounted with the EBD includes the amount of 1,702 thousand Euros related to the annual variable remuneration. This amount was calculated considering the best estimation of the variable remuneration for the year of 2023, in accordance with Remunerations Committee policy of the GSB, deducted from the correction of the accrual from the previous year compared with the amount paid.

Additionally, the Remunerations Committee policy of the GSB foresees, in certain circumstances, a variable multi-annual remuneration to the EBD members, corresponding to the mandates 2019–2021 and 2021–2024. On this basis, an estimated amount of 13,585 thousand Euros was accrued (31 December 2022: 14,215 thousand Euros).

During 2023, the remuneration costs of the members of the Remunerations Committee of the General Assembly and the Sustainability Committee mounted to 50,000 Euros and 21,000 Euros respectively.

Post-employment benefits

EDP has not created a supplementary pension fund or pension plan for directors by making, instead, contributions/or co-contributions with the administrator to a Savings Plan (PPR) in a net amount at 10% (ten percent) of their remuneration base. The PPR is subscribed by EDP to the insurer of your choice, indicating the administrator as a insured person, and the defined contribution of EDP is paid in twelve monthly installments. As the characteristics of the PPR corresponds to the usual characteristics on the market for this type of product, be reimbursable before the expiry of the term, in the terms legally applicable to these financial products. The PPR currently available to the members of the Executive Board of Directors may, upon the assent of the Remuneration Committee of the General and Supervisory Board, be replaced by capitalizing insurance linked unit or equivalent vehicle, depending on the offer and market practices each time.

Audit and non audit fees

In 2023, PwC fees relating to external audit and statutory audit of all subsidiaries of EDP Group amounted to 9,463,541 Euros. Additionally, the total fees charged by PwC for other assurance services, which include quarterly reviews, and other non audit services amounted to 2,115,304 Euros and 11,501 Euros, respectively.

In 2023, PwC Portugal fees relating to external audit and statutory audit of all subsidiaries of EDP Group in Portugal, amounted to 2,839,403 Euros. The total fees charged by PwC Portugal for other assurance of reliability services, which include quarterly reviews and other non audit services to subsidiaries of EDP Group in Portugal amounted to 1,354,719 Euros and 9,975 Euros, respectively.

Business operations between the Company and the members of the Executive Board of Directors and General and Supervisory Board with qualifying holdings and companies in the group or control relationship with EDP

In the course of its activity and regardless of their relevance, EDP concludes businesses and operations under normal market conditions for similar transactions with different entities, namely financial institutions, including holders of qualified shareholdings in EDP's share capital and those related parties.

On 11 May 2012, after the Strategic Partnership Agreement concluded with China Three Gorges Corporation (CTG) came into effect in December 2011, this company (and three other group companies) became part of EDP's General and Supervisory Board.

Under the Strategic Partnership Agreement with China Three Gorges Corporation, on 28 June 2013, EDP Renováveis, S.A. sold for a total final price of 368 million Euros to a CTG Group company (CITIC CWEI Renewables S.C.A.) a 49% shareholding in EDP Renováveis Portugal and 25% of the shareholder loans capital and supplementary capital contributions under the applicable rules for additional contributions granted to this company.

Also under this partnership, on 6 December 2013, EDP Brasil signed a Memorandum of Understanding with CWE Investment Corporation (CWEI), currently designated as China Three Gorges Corporation, a wholly owned subsidiary of CTG, setting out the main guidelines for a future partnership in joint investments between EDP Brasil and CWEI and that governs parties' participation in joint projects in Brazil. These investments by CWEI Brasil were considered for purposes of fulfilment of the Strategic Partnership Agreement in relation to the total investment of 2 billion Euros made by CTG up to 2015 (including co-funding of operating investments) in ready-to-build and operational renewable energy generation projects.

On 19 May 2015, EDP Renováveis, S.A. completed the sale to CTG, of a 49% equity shareholding in selected wind farms in Brazil. This transaction was recognised as a sale without loss of control, having the Group recognised non-controlling interests of 50,943 thousand Euros and an impact in reserves attributable to the Group of 10,337 thousand Euros.

On 27 October 2016, the transaction relating with the sale of the minority interest in the wind generation assets of EDP Renováveis, S.A. in Italy and Poland to CTG, which purchase and sale agreement was signed on 28 December 2015 was concluded. CTG, through ACE Poland S.A.R.L. and ACE Italy S.A.R.L., both owned in 100% by ACE Investment Fund LP, an entity owned by China Three Gorges Hong Kong Ltd, subsidiary of CTG, formalised the payment of approximately 363 million Euros corresponding to the final price agreed between the parties.

On 30 June 2017, EDP Renewables, SGPS, S.A. completed the sale to ACE Portugal S.A.R.L. (CTG Group), of a 49% equity shareholding in EDPR PT-PE. This transaction was recognised as a sale without loss of control, having the Group recognised non-controlling interests of 135,679 thousand Euros and an impact in reserves attributable to the Group of 74,419 thousand Euros in 2017.

On 28 December 2018, EDP Renováveis, S.A. completed the sale to CTG, of a 10% equity stake and respective shareholder loans on Moray Offshore Windfarm (East) Limited, for the total amount of 37.6 million Pounds.

On 10 December 2021, following the acquisition of Sunseap by EDP Renováveis S.A. and consequent entry into the Asian Market, EDP and CTG updated the Strategic Partnership Agreement (concluded in December 2011). This update aims to make the growth strategies of both companies more flexible, ensuring the application of the most demanding corporate governance standards in their future relationships.

On 27 June 2022, EDP Renováveis S.A. concluded a sales agreement with CTG for a 100% stake in an operational wind portfolio in Spain for a total amount of 328 million Euros (see note 6).

On 23 December 2022, EDP S.A. concluded the sale of its 50% stake in Hydro Global Investment Limited ("Hydro Global") to China International Water & Electric Corporation ("CWE"), a company that belongs to China Three Gorges ("CTG") group, for a total amount of 68 million US dollars (see note 6).

On 29 December 2023, EDP S.A. through its 71.27% owned subsidiary EDP Renováveis S.A. (“EDPR”), has agreed with two entities sponsored by China Three Gorges – ACE Investment Fund I LP and ACE Investment Fund II LP (“ACE Funds”) – the buy-back of their 49% stakes in EDPR’s wind portfolios in Portugal, Poland and Italy, for a total price consideration of 570 milhões de Euros.

On 29 December 2023, EDP S.A. has entered into an agreement for the sale of EDP’s 50% stake in Energia Ásia Consultoria, Lda. (“Energia Ásia”), to China Three Gorges, for a total consideration of c. 100 million Euros, subject to customary adjustments until completion.

On 27 October 2023, EDP announced important steps to ensure the delivery of its coal free commitment by the end of 2025 through the following decisions:

- i) Conversion of the Aboño II thermal plant, in Spain, from coal into gas fired, expected to occur by middle of 2025 and representing an investment of mid double-digit million Euros, while continuing to co-fire blast furnace gases, a case study of circular economy in Europe through the valorization of this by-product, avoiding the emission of 1 million tons of CO₂/year;
- ii) Establishment of a new partnership with the Asturian based industrial Group Corporación Masaveu, S.A. (“CM”), through the sale of a 50% stake in Aboño, for an Enterprise Value of c. 350 million Euros and an Equity Value of 60 million Euros for 100% of the asset; and
- iii) Authorization requested from the electricity system operator (Red Eléctrica) to close Aboño I coal plant, as well as EDP’s last remaining coal plants in Spain (Soto 3 and Los Barrios).

Aboño consists of two thermal groups (Aboño I and II) with a combined capacity of 904 MW, near Gijón and the port of Musel, which plays a key role supporting the security of electricity supply to the Asturias region. The new EDP/CM industrial partnership, consolidated by EDP through equity method, foresees joint-control in the management of Aboño and transfer of liabilities related to the power plant. EDP will retain full ownership and development of the Just Transition projects in Aboño, such as hydrogen and renewables projects.

On 31 December 2023, once the conditions precedent to the transaction were met, the sale process was completed (see note 6 and 42).

Balances and transactions with companies of China Three Gorges Group

In accordance with the EDP/CTG strategic partnership, EDPR Group completed the sale of 49% of EDPR Portugal, EDPR Brasil, EDPR PT-PE, EDPR Italia and EDPR Polska to CTG Group.

Following these transactions, CTG Group granted shareholders loans to the EDPR Group in the amount of 81,299 thousand Euros including accrued interests (31 December 2022: 93,731 thousand Euros) (see note 40).

During 2023, EDPR Portugal distributed dividends to CTG in the amount of 17,150 thousand Euros.

Balances with EDP Pension and Medical and Death Subsidy Funds

In December 2015, EDP, S.A. signed a lease contract related with the building units of the Porto headquarters (sold to the EDP Pension Fund in December 2015) for a period of 25 years. As at 31 December 2023, the present value of the lease liability amounts to 42,984 thousand Euros (31 December 2022: 43,872 thousand Euros).

In September 2017, EDP, S.A. signed a lease contract related with the building of the Lisbon headquarters (given as an in-kind contribution to the EDP Medical and Death Subsidy Funds) for a period of 25 years. As at 31 December 2023, the present value of the lease liability amounts to 82,074 thousand Euros (31 December 2022: 83,300 thousand Euros).

Following the decision and implementation of the autonomisation of the Medical Plan and Death Subsidy Plan in Portugal, EDP Group has made contributions of 5,585 thousand Euros in 2022 (31 December 2022: 34,560 thousand Euros). We note that as of 31 December 2023, Death Subsidy Funds were fully financed. Therefore, until the end of 2027 and in the scenario where the liabilities associated with the mentioned plans are not 100% financed, the Group estimates to make additional contributions in the approximate total amount of 44,476 thousand Euros, in line with the financing plan approved by Insurance and Pension Funds Supervisory Authority (ASF) (see note 36).

Balances and transactions with subsidiaries, joint ventures and associates

In their ordinary course of business, EDP Group companies establish commercial transactions and operations with other Group companies, whose terms reflect current market conditions.

The credits and debits over subsidiaries, joint ventures and associates, at Company level, are as follows:

Credits held

Thousand Euros	31 December 2023			Total
	Intra-Group Financial Mov.	Loans and Interests receivable	Other Credits	
EDP Comercial, S.A.	17,494	66,643	183,456	267,593
E-Redes – Distribuição de Eletricidade, S.A	-	351,226	55,435	406,661
EDP Finance B.V.	-	258,739	21,232	279,971
EDP Produção, S.A.	-	2,545,477	165,335	2,710,812
EDP Renováveis, S.A.	-	-	46,042	46,042
EDP Servicios Financieros España, S.A.U.	212,034	-	4,072	216,106
EDP GEM Portugal, S.A.	-	-	1,368,229	1,368,229
EDP Renováveis Servicios Financieros, S.A.	-	-	102,764	102,764
Others	10,170	2,682	211,212	224,064
	239,698	3,224,767	2,157,777	5,622,242

The amount of 258,739 thousand Euros refers to one private placement by EDP S.A. of a bond issued by EDP Finance B.V.

Thousand Euros	31 December 2022			Total
	Intra-Group Financial Mov.	Loans and Interests receivable	Other Credits	
EDP Comercial, S.A.	141,560	66,643	138,021	346,224
E-Redes – Distribuição de Eletricidade, S.A	60,325	1,579,546	41,688	1,681,559
EDP Finance B.V.	-	510,146	36,155	546,301
EDP Produção, S.A.	-	-	1,108,926	1,108,926
EDP Renováveis, S.A.	-	-	182,961	182,961
EDP Servicios Financieros España, S.A.U.	1,057,010	-	11,689	1,068,699
EDP Renewables Europe, S.L.U.	-	-	332,187	332,187
EDP Clientes, S.A.	-	2,592	1,141,910	1,144,502
EDP España, S.A.U.	-	-	220,800	220,800
EDP GEM Portugal, S.A.	377,945	10,037	297,411	685,393
EDP Renováveis Servicios Financieros, S.A.	-	-	90,709	90,709
Others	12,558	39,786	197,647	249,991
	1,649,398	2,208,750	3,800,104	7,658,252

Debits held

Thousand Euros	31 December 2023			Total
	Intra-Group Financial Mov.	Loans and Interests payable	Other Debits	
EDP Finance B.V.	6,200	3,673,074	58,620	3,737,894
EDP Produção, S.A.	472,346	-	17,763	490,109
EDP España, S.A.U.	-	-	48,041	48,041
EDP GEM Portugal, S.A.	568,305	-	787,328	1,355,633
SU Eletricidade, S.A.	288,757	-	50,922	339,679
E-Redes – Distribuição de Eletricidade, S.A	426,310	-	40,028	466,338
EDP Global Solutions – Gestão Integrada de Serviços, S.A.	67,015	-	4,109	71,124
Others	50,632	-	145,436	196,068
	1,879,565	3,673,074	1,152,247	6,704,886

At 31 December 2023, the amount of 3,673,074 thousand Euros includes four intragroup bonds issued by EDP Finance BV and acquired by EDP S.A., in the total amount of 3,222,184 thousand Euros, with fixed and variable rate and a term to maturity up to 10 years.

Thousand Euros	31 December 2022			Total
	Intra-Group Financial Mov.	Loans and Interests payable	Other Debits	
EDP Finance B.V.	-	6,117,495	84,501	6,201,996
EDP Produção, S.A.	658,826	-	1,087,772	1,746,598
SU Eletricidade, S.A.	1,404,673	-	28,133	1,432,806
EDP España, S.A.U.	-	-	689,932	689,932
EDP Clientes, S.A.	-	-	278,014	278,014
EDP GEM Portugal, S.A.	-	-	109,915	109,915
EDP Renewables Europe, S.L.U.	-	-	24,146	24,146
EDP Renováveis, S.A.	-	-	27,936	27,936
EDP Renováveis Servicios Financieros, S.A.	-	-	63,209	63,209
Others	132,227	-	84,278	216,505
	2,195,726	6,117,495	2,477,836	10,791,057

Expenses and income related to Subsidiaries, Joint Ventures and Associates, at Company level, are as follows:

Expenses

Thousand Euros	31 December 2023			Total
	Interest on Intra-Group Financial Mov.	Interest on Loans Obtained	Other Losses	
EDP Finance B.V.	33,670	68,480	109,574	211,724
EDP Produção, S.A.	12,407	-	471,069	483,476
EDP España, S.A.U.	-	-	1,907,905	1,907,905
EDP Clientes, S.A.	-	-	238,144	238,144
EDP Comercial, S.A.	3,883	-	152,904	156,787
EDP Renováveis S.A.	-	-	167,110	167,110
EDP GEM Portugal, S.A.	10,601	-	360,046	370,647
EDP Renováveis Servicios Financieros, S.A.	-	-	93,873	93,873
Others	5,021	-	82,029	87,050
	65,582	68,480	3,582,654	3,716,716

Thousand Euros	31 December 2022			Total
	Interest on Intra-Group Financial Mov.	Interest on Loans Obtained	Other Losses	
EDP Finance B.V.	-	71,870	63,292	135,162
EDP Produção, S.A.	-	-	2,656,425	2,656,425
EDP España, S.A.U.	-	-	1,010,282	1,010,282
EDP Clientes, S.A.	-	-	211,794	211,794
EDP Comercial, S.A.	-	-	1,411,188	1,411,188
EDP Renováveis S.A.	-	-	40,628	40,628
EDP GEM Portugal, S.A.	-	-	86,980	86,980
EDP Renováveis Servicios Financieros, S.A.	-	-	58,014	58,014
FISIGEN - Empresa de Cogeração, S.A.	-	-	56,146	56,146
Others	1,936	-	98,638	100,574
	1,936	71,870	5,693,387	5,767,193

Income

Thousand Euros	31 December 2023			
	Interest on Intra-Group Financial Mov.	Interest on Loans Granted	Other Gains	Total
EDP Comercial, S.A.	779	1,478	518,034	520,291
E-Redes – Distribuição de Eletricidade, S.A.	9,922	22,114	173,607	205,643
EDP Produção, S.A.	68	45,477	674,459	720,004
EDP Finance B.V.	455	5,397	39,702	45,554
SU Eletricidade, S.A.	20,175	-	84,464	104,639
EDP Renováveis, S.A.	-	-	297,652	297,652
EDP España, S.A.U.	-	-	1,826,992	1,826,992
EDP GEM Portugal, S.A.	3,002	70	348,301	351,373
EDP Clientes, S.A.	-	38	144,876	144,914
EDP Renewables Europe, S.L.U.	-	-	43,911	43,911
EDP Renováveis Servicios Financieros, S.A.	-	-	150,820	150,820
Other	13,466	13,284	155,450	182,200
	47,867	87,858	4,458,268	4,593,993

Other gains include income from equity investments of 930,118 thousand Euros (see note 14).

Thousand Euros	31 December 2022			
	Interest on Intra-Group Financial Mov.	Interest on Loans Granted	Other Gains	Total
EDP Comercial, S.A.	2,268	647	2,348,735	2,351,650
E-Redes – Distribuição de Eletricidade, S.A.	163	20,279	461,435	481,877
EDP Produção, S.A.	52	3,695	570,534	574,281
EDP Finance B.V.	-	14,911	59,379	74,290
EDP Renewables Europe, S.L.U.	-	-	125,872	125,872
EDP Renováveis, S.A.	-	-	334,248	334,248
EDP España, S.A.U.	-	-	927,970	927,970
EDP GEM Portugal, S.A.	3,439	220	1,230,982	1,234,641
EDP Clientes, S.A.	-	11	1,531,646	1,531,657
EDP Renováveis Servicios Financieros, S.A.	-	-	91,905	91,905
EDP Servicios Financieros España, S.A.U.	-	-	75,002	75,002
Others	153	4,946	106,352	111,451
	6,075	44,709	7,864,060	7,914,844

Assets, liabilities and transactions with related companies, for the Group, are as follows:

Assets and Liabilities

Thousand Euros	31 December 2023		
	Assets	Liabilities	Net Value
Joint Ventures			
Hidrocantábrico JV, S.L.	180,010	-	180,010
Aboño Generaciones Eléctricas, S.L.U.	-	37,358	-37,358
Companhia Energética do JARI – CEJA	5,606	443	5,163
Empresa de Energia São Manoel, S.A.	249	10,860	-10,611
OW FS Offshore, S.A.	535,686	-	535,686
OW Offshore, S.L.	77,464	292	77,172
Other	10,967	12,925	-1,958
	809,982	61,878	748,104
Associates			
Parque Eólico Sierra del Madero, S.A.	5,644	-	5,644
Centrais Elétricas de Santa Catarina, S.A. – Celesc	10,850	655	10,195
Eólica de São Julião, Lda.	5,591	431	5,160
Other	3,024	1,094	1,930
	25,109	2,180	22,929
	835,091	64,058	771,033

Thousand Euros	31 December 2022		
	Assets	Liabilities	Net Value
Joint Ventures			
Companhia Energética do JARI - CEJA	4,962	382	4,580
Empresa de Energia São Manoel, S.A.	1,675	8,036	-6,361
OW FS Offshore, S.A.	513,963	-	513,963
Other	4,829	522	4,307
	525,429	8,940	516,489
Associates			
Parque Eólico Sierra del Madero, S.A.	5,634	-	5,634
Centrais Elétricas de Santa Catarina, S.A. - Celesc	7,680	826	6,854
Solar Works! B.V.	3,490	-	3,490
Eólica de São Julião, Lda.	23,257	555	22,702
HC Tudela Cogeneración, S.L.	1,687	15	1,672
SCNET - Sino-Portuguese Centre	-	1,080	-1,080
Other	3,124	50	3,074
	44,872	2,526	42,346
	570,301	11,466	558,835

Transactions

Thousand Euros	Operating Income	31 December 2023		
		Financial Income	Operating Expenses	Financial Expenses
Joint Ventures				
Companhia Energética do JARI - CEJA	233	-	3,315	-
Empresa de Energia São Manoel S.A.	3,682	-	14,196	-
OW FS Offshore, S.A.	17,166	26,559	-	-
Meadow Lake Wind Farm VI LLC	1,498	-	4,467	-
Riverstart Solar Park LLC	728	-	9,328	-
Lexington Chenoa Wind Farm LLC	1,500	-	7,369	-
Outras	16,126	315	2,284	8
	40,933	26,874	40,959	8
Associates				
Eólica de São Julião, Lda	3,670	-	20,735	-
HC Tudela Cogeneración, S.L.	1,419	38	3,692	-
Other	1,033	461	130	233
	6,122	499	24,557	233
	47,055	27,373	65,516	241

Thousand Euros	Operating Income	31 December 2022		
		Financial Income	Operating Expenses	Financial Expenses
Joint Ventures				
Companhia Energética do JARI - CEJA	450	-	3,048	-
Empresa de Energia São Manoel, S.A.	7,276	-	24,171	-
OW FS Offshore, S.A.	3,471	15,885	-	-
Other	2,588	50	1,067	-
	13,785	15,935	28,286	-
Associates				
Eos Pax Ila, S.L.	46	-	5,031	-
Eólica de São Julião, Lda	11,170	-	6,571	-
HC Tudela Cogeneración, S.L.	14,644	12	11,355	-
Other	1,247	770	111	2,761
	27,107	782	23,068	2,761
	40,892	16,717	51,354	2,761

During 2023, EDP Group contributed with 12,700 thousand Euros of donations to Fundação EDP (see note 11).

Additionally, management describes other transactions with related parties in the part I section A – Ownership structure of Part III – Corporate Governance Report. The aforementioned chapter includes transactions with holders of qualified shareholding positions as required by the Securities Code which are out of scope of IAS 24.

46. Fair value of financial assets and liabilities

Fair value of financial instruments is based, whenever available, on listed market prices. Otherwise, fair value is determined through quotations supplied by third parties or through the use of generally accepted valuation models, which are based on cash flow discounting techniques and option valuation models. These models use market data which impacts the financial instruments, namely yield curves, exchange rates and volatility indicators, including credit risk.

Market data is available on stock exchanges and/or financial information platforms such as Bloomberg and Reuters.

The fair value of financial assets and liabilities is as follows:

Thousand Euros	Dec 2023			Dec 2022		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Assets						
Equity instruments at fair value	204,752	204,752	-	216,418	216,418	-
Investment property	25,344	25,344	-	27,294	27,294	-
Debtors/other assets from commercial activities	8,543,596	8,543,596	-	8,660,346	8,660,346	-
Other debtors and other assets						
Derivative financial instruments	1,117,525	1,117,525	-	2,575,698	2,575,698	-
Loans to related parties – OW FS	429,098	323,143	-105,955	184,644	138,864	-45,780
Other	1,529,086	1,529,086	-	2,535,963	2,535,963	-
Collateral deposits/financial debt	70,731	70,731	-	53,101	53,101	-
Cash and cash equivalents	3,372,432	3,372,432	-	4,900,205	4,900,205	-
	15,292,564	15,186,609	-105,955	19,153,669	19,107,889	-45,780
Liabilities						
Financial debt	20,632,691	20,291,137	-341,554	20,022,473	18,938,885	-1,083,588
Trade payables/other liabilities from commercial activities						
Suppliers and accruals	3,861,352	3,861,352	-	3,805,467	3,805,467	-
Other	4,054,217	4,054,217	-	6,011,957	6,011,957	-
Institutional partnerships	2,188,245	2,188,245	-	2,212,162	2,212,162	-
Other liabilities and other payables						
Derivative financial instruments	1,871,967	1,871,967	-	5,753,706	5,753,706	-
Other	2,798,775	2,798,775	-	3,006,683	3,006,683	-
	35,407,247	35,065,693	-341,554	40,812,448	39,728,860	-1,083,588

Given that EDP Group's financial assets and liabilities, recognised at amortised cost, are predominantly short-term, changes in fair value were not considered. Fair value of EDP Group's financial debt was determined considering current market, namely listed price (level 1).

The market value of financial debt, when no listed market prices are available, is calculated based on the discounted cash flows at market interest rates at the balance sheet date, increased by the best estimate, at the same date, of market conditions applicable to Group's debt.

Loans to related parties – OW FS regards long-term maturity loans granted to OW FS Offshore, S.A. (see note 28). These loans bear interest at market rates, which are fixed or with reference rate indexed, such as Euribor and SOFR, plus a market spread. Given the long-term maturity, for fixed rate loans fair value has been calculated based on the discounted cash flows at market interest rates at the balance sheet date.

According to IFRS 13 requirements, EDP Group established the way it obtains the fair value of its financial assets and liabilities. The levels used are defined as follows:

Thousand Euros	Level 1	Dec 2023 Level 2	Level 3	Level 1	Dec 2022 Level 2	Level 3
Financial assets						
Equity instruments at fair value through Other comprehensive income (note 23)	14,400	91,610	22,521	24,714	83,062	31,494
Profit or loss (note 23)	-	-	76,221	-	-	77,148
Tariff deficit at fair value through other comprehensive income (note 27)	-	114,008	-	-	1,164	-
Amounts receivable from concessions-IFRIC 12 at fair value through profit or loss (note 27)	-	1,365,311	-	-	1,012,104	-
Investment property (note 24)	-	25,344	-	-	27,294	-
Derivative financial instruments (note 43)	-	1,117,525	-	-	2,575,698	-
	14,400	2,713,798	98,742	24,714	3,699,322	108,642
Financial liabilities						
Derivative financial instruments (note 43)	-	1,871,967	-	-	5,753,706	-
	-	1,871,967	-	-	5,753,706	-

The market value of the amounts of tariff deficit at fair value through other comprehensive income is calculated based on the cash flows associated with these assets, discounted at rates which, at the balance sheet date, better reflect the assets risk considering the average term of the assets.

The amounts receivable from concessions - IFRIC 12 at fair value through profit or loss are valued based in the methodology of the Value of Replacement as New (VNR). This method requires that each asset is valued, at current prices, for all the expenses needed for its replacement by equivalent asset that performs the same services and has the same capacity as the existing asset. The valuation for each asset is based on (i) Data Bank of Referential Prices - which is defined in the Tariff Adjustment Procedures - PRORET; or (ii) Data Bank of Prices from the Distribution company - which is formed based on the company's own information; or (iii) Referential Budget - that corresponds to the calculation by comparison of market data, relating to other assets with similar characteristics. ANEEL reviews the VNR, through the valuation report of the Regulatory Remuneration Base, every three years for EDP Espírito Santo and every four years for EDP São Paulo, as established in the concession contracts.

The market value of investment properties is based on assessments using current market practices: the comparative method, in cases where there is an active and comparable market, the income method, through discounted cash flows and the cost method, which considers the market value of the land and the construction costs.

The movement in financial assets and liabilities included in Level 3 is as follows:

Thousand Euros	At fair value through other comprehen- sive income profit or loss	
Balance at beginning of period	31,494	77,148
Change in fair value (see note 23)	-10,023	-6,516
Acquisitions	1,313	6,849
Disposals	-285	-1,300
Other changes	22	40
Balance at the end of the period	22,521	76,221

The assumptions used in the determination of Equity Instruments at Fair Value are described in note 23, as required by IFRS 13.

47. Relevant or subsequent events

Chairman of EDP's General and Supervisory Board informs that he will not integrate EDP's Corporate Bodies in the next term-of-office

On 4 January 2024, EDP received a letter from the Chairman of the General and Supervisory Board, João Talone, informing of its unavailability to integrate the supervisory board of EDP for the upcoming term-of-office (2024-2026).

EDP signs Asset Rotation deal for a 340MWac solar portfolio in US

On 4 January 2024, EDP, through its subsidiary EDPR, signed a Sale and Purchase Agreement with a global energy player to sell an 80% equity stake in a portfolio of 340 MWac from two operating solar projects in Ohio and one operating solar project in Texas.

On 15 February 2024, EDP, has completed the aforementioned agreement for an Enterprise Value of 400 million Euros.

Green hybrid issuance of 750 million Euros

On 9 January 2024, EDP, through its subsidiary EDP Servicios Financieros España, S.A.U., priced today an issuance of senior green debt instruments in the amount of 750 million Euros, maturing in July 2030 and with a coupon of 3.5%.

Cash tender offer for outstanding 500,000,000 USD 6.300 PER CENT. NOTES DUE 2027

On 12 January 2024, EDP, through its subsidiary EDP Servicios Financieros España, S.A.U., launched an invitation for cash tender offer for the debt securities issued by EDP Finance BV "\$500,000,000 6.3%. Notes due 2027".

On 29 January 2024, as a result of that cash tender offer, EDP Servicios Financieros España, S.A.U. acquired 366,878 thousand American Dollars.

EDP celebrates its first PPA in Germany

On 24 January 2024, EDP, through Kronos Solar EDPR, has secured a 15-year Power Purchase Agreement with Lhyfe S.A., a European producer and supplier of green and renewable hydrogen with whom EDPR has a partnership agreement to create value and leverage upon complementary skills and synergies in the promotion of renewable H2 projects, the solar project in Germany with a capacity of 39 MWac (55 MWdc) is expected to come into operation in 2025.

EDP celebrates a PPA in Spain

On 7 February 2024, EDP, through its subsidiary EDPR, has secured a 15-year Power Purchase Agreement with a global corporate client to sell the green energy produced by a 250 MW portfolio in Spain, consists of 4 solar projects amounting to 205MWdc (168MWac) and 1 wind project with 45 MW of capacity, all of them expected to enter in operation in 2025.

EDP awarded with 20-year CfD for 100 MW in Italy

On 12 February 2024, EDP, through its subsidiary EDPR, at the latest renewable auction in Italy promoted by the Gestore Servizi Energetici has been awarded with 20-year contracts for difference for 100 MW of wind renewable capacity. These CfDs were attributed to 3 onshore wind projects located in the south of Italy, which are expected to enter in operation by 2026.

EDP signs Asset Rotation deal for a 297MW wind project in Canada

On 14 February 2024, EDP, through its subsidiary EDPR, signed a Sale and Purchase Agreement with Connor, Clark & Lunn Infrastructure to sell an 80% equity stake in a 297 MW operating wind project located in Alberta, Canada, for an estimated Enterprise Value of 600 million Euros.

EDP concludes Asset Rotation deal related to transmission line in Brazil

On 20 February 2024, EDP, through its subsidiary EDP Energias do Brasil, has completed the disposal to Edify Empreendimentos e Participações S.A, a society managed by Actis, of a transmission line named EDP Transmissão SP-MG, with a total length of 743 Kilometers and 288.5 million Brazilian Real in Annual Allowed Revenue. The total consideration for the transaction corresponds to an enterprise value of 2,602 million Brazilian Real (482 million Euros).

48. EDP Branch in Spain

The aim of EDP - Energias de Portugal - Sociedade Anónima, Sucursal en España is to manage and coordinate the energy interests of subsidiaries depending from EDP Group in Spain, organised through managing and monitoring structures, in order to ensure the maximum synergy and value creation in the operations and activities in Spain, also assuming itself as an organizational platform to lead the Iberian integration of shared and support services (back and middle offices). On this basis, interests in EDP Servicios Financieros (España), S.A.U., EDP International Investments and Services, S.L. and EDP España, S.A.U. are directly allocated to the assets of EDP Sucursal, as well as the majority interest in EDP Renováveis, S.A.

The Spanish branch of EDP has offices in Madrid and Oviedo. From a formal and legal point of view, the representation of the Spanish branch of EDP before third parties is ensured through the permanent representatives, which are members of the Executive Board of Directors of EDP, mandated for that purpose.

The structure of direction, coordination, management and representation of the Spanish branch of EDP is composed by an Executive Committee, a Management Committee and by direct representation on Iberian scope EDP Management Committees.

The Executive Committee is composed essentially by five permanent representatives, a Corporate General Director (Group Controller for the activities in Spain) and by first line directors of the business units in Spain, which constitute the main direction and coordination body of the Branch, being responsible for the coordination of the activities of the permanent representatives and of the Management Committee. The Management Committee is chaired by the Corporate General Director and is composed by the natural extension of the Departments of the Corporate Centre of EDP in Spain, namely the Department of M&A ("Direção de Projectos e Novos Negócios"), Department of Legal Affairs ("Direção de Assessoria Jurídica"), Department of Internal Audit ("Direção de Auditoria Interna"), Department of Administration and Finance ("Direção de Administração e Finanças"), Department of Human Resources ("Direção de Recursos Humanos"), Department of EDP Spain Foundation ("Direção da Fundação EDP Espanha"), Department of Regulation ("Direção de Regulação"), IT Department ("Direção de Tecnologias de Informação") and Department of Environment, Sustainability, Innovation and Climate Change ("Direção de Ambiente, Sustentabilidade, Inovação e Alteração Climática") ensuring in a homogeneous way the functions of these departments transversally to the Spanish territory, being provided with 225 human resources as at 31 December 2023, including 144 in its own payroll.

The Statement of Financial Position of the Branch is as follows:

Thousand Euros	EDP Branch	
	Dec 2023	Dec 2022
Investments in subsidiaries:		
- EDP Renováveis, S.A.	4,345,187	4,154,431
- EDP España, S.A.U.	2,105,002	2,105,002
- EDP Servicios Financieros (España), S.A.U.	482,695	482,695
- EDP International Investments and Services, S.L.	2,365,027	1,488,181
Deferred tax assets	-	8,087
Other debtors and other assets	12,659	15,014
Total Non-Current Assets	9,310,570	8,253,410
Other debtors and others assets	163,503	164,229
Tax receivable	133,833	16,812
Cash and cash equivalents	212,060	1,057,047
Total Current Assets	509,396	1,238,088
Total Assets	9,819,966	9,491,498
Equity	9,626,614	9,335,045
Financial debt	1,667	3,333
Employee benefits	1,220	1,865
Deferred tax liabilities	13,311	-
Other liabilities and other payables	4,691	3,092
Total Non-Current Liabilities	20,889	8,290
Financial debt	1,732	3,667
Employee benefits	137	137
Other liabilities and other payables	169,543	140,582
Tax payable	1,051	3,777
Total Current Liabilities	172,463	148,163
Total Liabilities	193,352	156,453
Total Equity and Liabilities	9,819,966	9,491,498

49. Environmental matters

Expenses of an environmental nature are those identified and incurred to avoid, reduce or repair damage of an environmental nature resulting from the company's normal activity.

Expenses of an environmental nature are booked as expenses for the period, except if they qualify to be recognised as an asset according with IAS 16.

Investments of an environmental nature booked as Property, plant and equipment and intangible assets during 2023 and 2022, in the Group, are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Air and climate protection	3,581	5,431
Water management	1,189	481
Waste management	1,380	1,671
Soil, subterranean and surface water protection	27,840	26,974
Noise and vibration reduction	483	224
Biodiversity protection	29,232	24,644
Landscape protection	8,200	5,933
Energetic efficiency	17,301	27,389
Radiations management	-	6
Other environmental management and protection activities	17,864	12,735
	107,070	105,488

During 2023 and 2022, the Group recognised expenses that are as follows:

Thousand Euros	Group	
	Dec 2023	Dec 2022
Air and climate protection	355,386	957,400
Water management	8,896	15,977
Waste management	16,800	6,348
Soil, subterranean and surface water protection	1,593	2,471
Noise and vibration reduction	317	245
Biodiversity protection	11,616	8,987
Landscape protection	30	181
Energetic efficiency	7,748	4,233
Radiations management	35	11
Research and development in the environmental area	589	289
Other environmental management and protection activities	12,280	9,913
	415,290	1,006,055

Under current and future socioeconomic trends and practices followed by the EDP Group regarding to environmental sustainability, the group accounts for provisions to cover the costs of dismantling, decommissioning, restoring and decontaminating land where electric power plants are located, of 71,298 thousand Euros and 101,620 thousand Euros for thermoelectric power plants located in Portugal and Spain, respectively. Regarding the liability to dismantle and restore the land where solar and wind farms are located to its original condition, as at 31 December 2023, the provisions amount to 294,730 thousand Euros. Additionally, the provision to dismantle the Trillo nuclear power plant amounts to 40,161 thousand Euros (see notes 2 n) and 37).

Environmental income recognised in 2023 relates to the sale of environmental waste of 3,158 thousand Euros (31 December 2022: 7,015 thousand Euros) and the sale of by-products of 2,829 thousand Euros (31 December 2022: 1,101 thousand Euros).

EDP's prioritization of investment in renewable generation started in 2006, through the anticipation of major trends in the energy market and the support to the vision of a society capable of reducing CO2 emissions, by replacing thermal with renewable energy, decentralizing generation, promoting smart grids and energy storage, and encouraging the demand for renewable electricity.

More recently, under the recent Updated Strategic Plan 2023-2026, EDP reinforced its ambition even further to reach Net Zero by 2040 by including our Scope 3 emissions in our targets. With a new baseline year set for 2020, EDP aims to reach net-zero greenhouse emissions across the value chain by 2040, with ambitious mid-term targets by 2030. These targets have been approved by SBTi under the Net Zero Standard.

Considering the risks related to climate change and the commitments established under the Paris Agreement, EDP Group has decided, since 2019, to achieve science-based targets. The last updated occurred in 2022, with a baseline year set for 2020, EDP aims to reach net-zero emissions across the value chain by 2040, with ambitious mid-term targets by 2030. The overall goal is to reduce 90% of scope 1, 2 and 3 emissions by 2040 vs. 2020 with near term targets by 2030. These targets have been approved by SBTi under the Net Zero Standard, in early 2023. The reflect of these commitments in terms of its impact on assets, liabilities and profit and loss are explicit in the notes to the EDP consolidated and company financial statements.

These climate commitments were recorded in EDP's Climate Transition Plan, which was approved by a majority of votes (99,73%) in the last General Meetings of shareholders held in April 2023. The proceeds of green bonds, green loans, and sustainability-linked loans contribute substantially to the implementation of EDP's Climate Transition Plan and to reach our objectives of becoming To be coal-free by 2025, carbon neutral by 2030, and net zero by 2040. In the end of 2023, sustainable finance amounted to €18.5 billion: (1) €11.1 billion in green bonds; (2) €6.7 billion in sustainability-linked loans and (3) 0.7 billions in green loans, which represented 58% of the nominal debt.

Additionally, the EBD remuneration policy establishes a fixed component and a variable component, the latest including Climate KPI in alignment with the company's Business Plan in place (CO2 intensity reduction target, aligned with public commitments: Reduction of total scope 1 and 2 GHG emissions per electricity produced by the Group, compared with 2015 baseline and renewables installed capacity).

Finally, in the table below we mapped how the several notes to the EDP consolidated and company financial statements, are addressing the climate change matters:

Topic	Note	Content
Estimates and judgements in preparing the financial statements	Note 4. Critical accounting estimates and judgements in preparing the financial statements	Focus on the useful life of the EDP's assets
Amortisation and impairment	Note 12. Amortisation and impairment	Review of future estimates of value by carrying out impairment tests for some of the production assets
	Note 20. Goodwill	
Sustainable investment	Note 17. Property, plant and equipment	Focus on renewable assets
Sustainable finance	Note 35. Financial debt	Foco nas emissões de obrigações verdes; empréstimos verdes e empréstimos ligados à sustentabilidade
Provisions	Nota 37. Provisions	Focus on issues of green bonds; green loans and sustainability-linked loans
Divestment policy	Note 42. Non-Current assets and liabilities held for sale	Focus on the divestment policy of coal generation assets
Environmental finance	Note 49. Environmental matters	Focus on expenses and investments related with climate change

50. Investigation process about CMEC and DPH

Following the enactment of an EU legislation package regarding the construction of the Internal Energy Market, aimed at, among others, promoting the liberalization of the electricity sector, the existence of long-term Power Purchase Agreements ("Contratos de Produção de Energia" – CAE), and the Portuguese legal framework involving a "single buyer", ceased to be compatible with EU law.

Accordingly, Decree-Law no. 240/2004, of 27 December, was enacted in the context of the liberalization of the Portuguese energy sector, establishing the early termination of the CAEs entered into in 1996 and, at the same time, approving the methodology to be used in accomplishing said termination, as well as the compensation due to energy producers in that respect.

This methodology was subjected to the European Commission's (EC) prior approval, expressed in the Decision concerning State aid N161/2004, which deemed it effective and strictly necessary. Additionally, the enactment of the aforementioned Decree-Law by the Portuguese Government was object of a legislative authorization, granted by the Portuguese Parliament.

In that context, and according to the approved methodology, EDP and REN – Rede Eléctrica Nacional, S.A. (REN) signed the CAE early termination agreements in 2005, their entry into force having taken place on 1 July 2007, after being amended earlier that same year. Both termination agreements were ratified by the member of the Portuguese Government responsible for the energy sector.

Pursuant to the provisions of the 2005 CAE termination agreements, on 8 March 2008 the Portuguese Government, REN and EDP Produção entered into a number of concession agreements formalizing EDP's right of use over the Public Hydro Domain ("Domínio Público Hídrico" – DPH) until the end of the operational life of the hydroelectric plants subject to the so-called Costs for the Maintenance of the Contractual Balance mechanism ("Custos de Manutenção do Equilíbrio Contratual" – CMEC). Decree-Law 226-A/2007, of 31 May, introduced a new obligation to EDP, unforeseen in the 2004 legislation or in the 2005 termination agreements, which consisted in the payment by EDP of an amount concerning the "economic and financial balance" of each power plant. Pursuant to this legal framework, and following assessments carried out by two independent financial institutions appointed by the Government, EDP Produção was ordered to pay EUR 759 million, as consideration for the extension of its right of use over the DPH. This included approximately EUR 55 million due for the Hydro Resources Tax.

In 2012, the EC and Portuguese authorities (the Central Department of Criminal Investigation and Prosecution, a part of the Public Prosecutor's Office – "Departamento Central de Investigação e Ação Penal", DCIAP) received complaints regarding (i) the methodology adopted for the early termination of the CAEs and the implementation of the CMEC mechanism and; (ii) EDP's right of use over the DPH.

So far as the complaint received by the EC is concerned, this institution addressed a clarification request to the Portuguese Government over the early termination of the CAEs, and its replacement by the CMEC framework.

The EC decided, in September 2013, that the compensation attributed to EDP Produção in the context of the early termination of the CAEs did not exceed the amount required to reimburse the investment costs meant to be recovered throughout the operational life of the assets in question. Furthermore, it certified that the execution of the CMEC framework respected the terms that were notified to the EC, and approved, in 2004. Accordingly, the EC has at this stage concluded its investigation regarding the early termination of the CAEs. Having found no evidence of non-compliance with the framework in force in Portugal (approved by the EC itself in 2004) or at the EU level, it decided not to pursue an in-depth investigation on the matter.

Simultaneously, in September 2013, the EC decided to undertake an in-depth investigation exclusively in respect of the right of use over the DPH matter.

These in-depth investigation proceedings over EDP's right of use over the DPH were formally concluded in May 2017, with the EC having decided that the consideration paid by EDP was in line with market conditions. It further concluded that the financial methodology followed to determine the price to be paid by EDP for the right of use over the DPH was appropriate and resulted in a fair market price, expressly adding that the accusations that such price (759 million euros) had been underappreciated were baseless, and resulted from an inaccurate financial calculation methodology.

In 2 June 2017, EDP was made aware of the investigation being carried out by the DCIAP since 2012 regarding the amounts due to EDP for the early termination of the CAEs and the right of use over the DPH. On that date, the authorities carried out a search in EDP's offices, as well as REN's (as network operator) and a consultant. At that time, DCIAP informed, by way of a public press release, that investigations were ongoing, and the alleged facts could amount to active and passive corruption, and economic participation in business deals. The DCIAP further informed, in said press release, that some members of EDP's Executive Board of Directors, as well as former directors who executed the relevant agreements, were suspects in that investigation.

On 6 July 2020, a measure of constraint to suspend the exercise of functions in EDP's Executive Board of Directors was proposed by the Public Prosecutor's Office, and applied by the court, to António Mexia and João Manso Neto (then Chairman and member of the board, respectively), while the investigation remained in the inquiry stage. On the same day, the General and Supervisory Board and the Executive Board of Directors resolved to appoint then Chief Financial Officer Miguel Stilwell de Andrade as interim Chairman, for the duration of the impediment of the current Chairman of the Executive Board of Directors, in addition to his functions at the time.

On 13 July 2020, and as in due course disclosed to the market (https://www.edp.com/sites/default/files/2020-07/20200713_Notifica%C3%A7%C3%A3o%20do%20DCIAP_EN_0.pdf), EDP was notified by the Portuguese Authorities to appoint a legal representative to appear at the DCIAP for questioning and constitution of EDP as defendant, for the facts related to the hiring by EDP Group of the father of the then Secretary of State Artur Trindade. Such diligence has already occurred and EDP was named as a defendant in the context of such judicial procedure and is now waiting for further developments of the procedure.

On 30 November 2020, and as communicated to the market on that same date, EDP received formal notices of both suspended members of the Executive Board of Directors, informing of their unavailability to be re-appointed to serve in EDP's corporate bodies for the 2021-2023 term of office.

On 19 January 2021, an Extraordinary General Shareholders' Meeting was held, and a new management team was appointed to the Executive Board of Directors, for the 2021-2023 triennium.

EDP reaffirms that no irregularities exist regarding the matters at hand and believes the amounts due by the early termination of the CAEs and the proceedings regarding the DPH, in particular the amounts paid, were fair and according to market conditions.

EDP remains determined in the pursuit of its corporate purpose and in the fulfilment of its clients, shareholders, employees, and remaining stakeholders' highest expectations. EDP is committed to the accomplishment of its strategic goals, and no impact to its consolidated financial statements is expected to arise as a consequence of the above.

Regarding the judicial procedure, it is still under investigation and till the present date there are no relevant developments regarding the reason that uphold EDP as a defendant.

51. Operating segments

The Group develops a set of regulated and liberalised activities in the energy sector, with special emphasis in generation, distribution and supply of electricity.

The Executive Board of Directors regularly reviews segmental reports, using Operating Information to assess and release each business operating performance, as well as to allocate resources.

Following the Strategic Plan Update 2023–2026, announced in the last 2 March 2023, the Executive Board of Directors reorganized the business segments in order to be aligned with this new view, with effect from 1 January 2023.

For comparability purposes and regarding the changes occurred in the segments' composition, a corresponding restatement of the previous year information was made.

The new segments defined by the Group are the following:

- Renewables, Clients & Energy Management, and
- Networks

The Renewables, Clients & Energy Management segment corresponds to the activity of generation of electricity from renewable sources, mainly hydro, wind and solar. This segment also includes the following activities: generation of electricity from non-renewable sources, mainly coal and gas; electricity and gas supply, including last resort suppliers, and related energy solutions services to clients; and energy management businesses responsible for management of purchases and sales of energy in Iberian and Brazilian markets, and also for the related hedging transactions. This segment includes, but not limited to, the following companies:

- EDP – Gestão da Produção de Energia, S.A.;
- EDP España, S.A.U.;
- EDP Renováveis, S.A. and all EDPR Group subsidiaries;
- Enerpeixe, S.A.;
- Investco, S.A.;
- Lajeado Energia, S.A.;
- EDP Comercial – Comercialização de Energia, S.A.;
- EDP Trading Comercialização e Serviços de Energia, S.A.;
- SU Eletricidade, S.A.;
- EDP Gás Serviço Universal, S.A.;
- EDP GEM Portugal, S.A.

The Networks segment corresponds to the activities of electricity distribution and transmission. This segment includes, but not limited to, the following companies:

- E-Redes – Distribuição de Eletricidade, S.A.;
- Electra de Llobregat Energía, S.L.;
- Hidrocantábrico Distribucion Eléctrica, S.A.U.;
- Viesgo Distribución Eléctrica, S.L.;
- Barras Eléctricas Galaico-Asturianas, S.A.;
- EDP Espírito Santo Distribuição de Energia S.A.;
- EDP São Paulo Distribuição de Energia S.A.;
- EDP Transmissão Goiás S.A.;
- EDP Transmissão Aliança SC, S.A.;
- EDP Transmissão SP-MG, S.A.

Segment Definition

The amounts reported in each operating segment result from the aggregation of the subsidiaries and business units defined in each segment perimeter and the elimination of transactions between companies of the same segment.

The statement of financial position captions, as well as income statement captions for each operating segment, are determined based on the amounts booked directly in the companies that compose the segment, including the elimination of balances between companies of the same segment, and excluding the allocation in the segments of the adjustments between segments.



In each business segment, Assets include the Property, Plant and Equipment, Right-of-use Assets, Intangible Assets and Goodwill. The remaining assets are presented in the "Reconciliation of information between Operating Segments and Financial Statements".

Under IFRS 8, the EDP Group discloses as Operating investment, additions in non-current assets, except for financial instruments, deferred tax assets and post-employment benefit assets. Therefore, in each segment, Operational Investment includes the increases of the year in Property, Plant and Equipment; Intangibles and Amounts receivable under the concession under the financial asset model, excluding CO2 Licenses and Green Certificates, net of increases of the year of Investment Subsidies for Fixed Assets, customer contributions, and property disposals in the current year. The disclosures of "goodwill" are presented in note 20.

In consolidated financial statements, Joint Ventures and associated companies are accounted under the equity method, in accordance with the Group accounting policy disclose in note 2. These equity accounted investees are disclosed by business segment under IFRS 8 and presented in the business segment correspondent to its operating activity.

EDP Group Operating Segments Information as at 31 December 2023

Thousand Euros	Renewables, Clients & EM	Networks	Total Segments
Revenues from energy sales and services and other	14,302,715	4,315,639	18,618,354
Revenues inter-segments	-101,184	2,525,753	2,424,569
Revenues from third parties	14,403,899	1,789,886	16,193,785
Gross Profit	4,544,101	2,454,406	6,998,507
Other income	972,059	64,778	1,036,837
Supplies and services	-894,896	-393,598	-1,288,494
Personnel costs and employee benefits	-444,829	-223,926	-668,755
Other costs	-613,706	-373,756	-987,462
Impairment losses on trade receivables and debtors	-37,343	-27,374	-64,717
Joint ventures and associates	26,435	96	26,531
Gross Operating Profit	3,551,821	1,500,626	5,052,447
Provisions	-18,238	-10,281	-28,519
Amortisation and impairment	-1,598,113	-547,486	-2,145,599
Operating Profit	1,935,470	942,859	2,878,329
Assets	30,093,475	6,311,999	36,405,474
Financial assets - Investments in joint ventures and associates	1,376,894	129	1,377,023
Operating Investment	4,771,328	979,155	5,750,483

Reconciliation of information between Operating Segments and Financial Statements for 31 December 2023

Thousand Euros	
Total Revenues from energy sales and services and other of Reported Segments	18,618,354
Revenues from energy sales and services and others from Other Segments	329,478
Adjustments and Inter-segments eliminations*	-2,745,524
Total Revenues from energy sales and services and other of EDP Group	16,202,308
Total Gross Profit of Reported Segments	6,998,507
Gross Profit from Other Segments	329,444
Adjustments and Inter-segments eliminations*	-330,991
Total Gross Profit of EDP Group	6,996,960
Total Gross Operating Profit of Reported Segments	5,052,447
Gross Operating Profit from Other Segments	-13,936
Adjustments and Inter-segments eliminations*	-18,485
Total Gross Operating Profit of EDP Group	5,020,026
Total Operating Profit of Reported Segments	2,878,329
Operating Profit from Other Segments	-71,593
Adjustments and Inter-segments eliminations*	-8,566
Total Operating Profit of EDP Group	2,798,170
Total Assets of Reported Segments	36,405,474
Assets Not Allocated	19,630,789
Financial Assets	4,818,443
Trade Receivables and Other Debtors	8,543,596
Inventories	805,448
Deferred Tax Assets and Tax Assets	2,362,249
Other Assets	3,101,053
Assets from Other Segments	697,073
Inter-segments assets eliminations*	-36,662
Total Assets of EDP Group	56,696,674
Total Equity accounted Investments in joint ventures and associates of Reported Segments	1,377,023
Equity accounted Investments in joint ventures and associates from Other Segments	181,094
Total Equity accounted Investments in joint ventures and associates of EDP Group	1,558,117
Total Operating Investment of Reported Segments	5,750,483
Operating Investment from Other Segments	99,976
Total Operating Investment of EDP Group	5,850,459
Dismantling/decommissioning of PP&E	26,434
CO2 Emission Licenses	1,086,622
Concession Rights - IFRIC 12 **	-729,925
Investment Grants	-1,918
Other Investments	20,021
Total Fixed Assets additions of EDP Group (Notes 17 and 19)	6,251,693

	Total of Reported		Adjustments and eliminations*	Total of EDP
Other income	1,036,837	17,045	-17,191	1,036,691
Supplies and services	-1,288,494	-205,239	317,819	-1,175,914
Personnel costs and employee benefits	-668,755	-154,633	4,129	-819,259
Other costs	-987,462	-46,002	2,030	-1,031,434
Impairment losses on trade receivables and debtors	-64,717	-13	-	-64,730
Joint ventures and associates	26,531	45,462	5,719	77,712
Provisions	-28,519	-1,132	-1,621	-31,272
Amortisation and impairment	-2,145,599	-56,526	11,541	-2,190,584

* Mainly related with intragroup balances and transactions eliminations.

** See Note 27 - Debtors and Other Assets from Commercial Activities

EDP Group Operating Segments Information as at 31 December 2022 *

Thousand Euros	Renewables, Clients & EM	Networks	Total Segments
Revenues from energy sales and services and other	19,256,632	4,054,001	23,310,633
Revenues inter-segments	173,610	2,498,813	2,672,423
Revenues from third parties	19,083,022	1,555,188	20,638,210
Gross Profit	3,775,497	2,348,777	6,124,274
Other income	814,274	75,354	889,628
Supplies and services	-816,846	-364,496	-1,181,342
Personnel costs and employee benefits	-436,981	-202,921	-639,902
Other costs	-475,162	-323,523	-798,685
Impairment losses on trade receivables and debtors	-32,426	-27,810	-60,236
Joint ventures and associates	186,123	318	186,441
Gross Operating Profit	3,014,479	1,505,699	4,520,178
Provisions	-10,638	-2,038	-12,676
Amortisation and impairment	-1,419,334	-519,270	-1,938,604
Operating Profit	1,584,507	984,391	2,568,898
Assets (31 December 2022)	28,616,881	6,374,655	34,991,536
Financial assets - Investments in joint ventures and associates Assets (31 December 2022)	1,441,056	248	1,441,304
Operating Investment	3,650,365	837,889	4,488,254

* Includes restatement originated by the reorganization of the business segments

Reconciliation of information between Operating Segments and Financial Statements for 31 December 2022

Thousand Euros	
Total Revenues from energy sales and services and others of Reported Segments	23,310,633
Revenues from energy sales and services and others from Other Segments	262,292
Adjustments and Inter-segments eliminations*	-2,922,161
Total Revenues from energy sales and services and others of EDP Group	20,650,764
Total Gross Profit of Reported Segments	6,124,274
Gross Profit from Other Segments	260,865
Adjustments and Inter-segments eliminations*	-264,088
Total Gross Profit of EDP Group	6,121,051
Total Gross Operating Profit of Reported Segments	4,520,178
Gross Operating Profit from Other Segments *	25,870
Adjustments and Inter-segments eliminations*	-22,509
Total Gross Operating Profit of EDP Group	4,523,539
Total Operating Profit of Reported Segments	2,568,898
Operating Profit from Other Segments	-26,656
Adjustments and Inter-segments eliminations*	-12,249
Total Operating Profit of EDP Group	2,529,993
Total Assets of Reported Segments (31 December 2022)	34,991,536
Assets Not Allocated	23,220,360
Financial Assets	5,271,624
Trade Receivables and Other Debtors	8,660,346
Inventories	1,256,300
Deferred Tax Assets and Tax Assets	2,708,492
Other Assets	5,323,598
Assets from Other Segments	649,050
Inter-segments assets eliminations*	-44,535
Total Assets of EDP Group (31 December 2022)	58,816,411
Total Equity accounted Investments in joint ventures and associates of Reported Segments (31 December 2022)	1,441,304
Equity accounted Investments in joint ventures and associates from Other Segments	164,439
Total Equity accounted Investments in joint ventures and associates of EDP Group (31 December 2022)	1,605,743
Total Operating Investment of Reported Segments	4,488,254
Operating Investment from Other Segments	70,033
Total Operating Investment of EDP Group	4,558,287
Dismantling/decommissioning of PP&E	9,841
CO2 Emission Licenses	467,690
Concession Rights - IFRIC 12 **	-624,732
Investment Grants	-5,877
Other Investments	30,566
Total Fixed Assets additions of EDP Group	4,435,775

	Total of Reported	Other Segments	Adjustments and Inter-segments eliminations*	Total of EDP
Other income	889,628	59,339	-21,517	927,450
Supplies and services	-1,181,342	-180,940	258,614	-1,103,668
Personnel costs and employee benefits	-639,902	-133,244	2,346	-770,800
Other costs	-798,685	-32,735	1,696	-829,724
Impairment losses on trade receivables and debtors	-60,236	37	-	-60,199
Joint ventures and associates	186,441	52,548	440	239,429
Provisions	-12,676	-1,863	-	-14,539
Amortisation and impairment	-1,938,604	-50,663	10,260	-1,979,007

* Mainly related with intragroup balances and transactions eliminations

** See note 27 - Debtors and other assets from commercial activities

52. Reconciliation of Changes in the responsibilities of Financing activities

Thousand Euros	Group					
	Financial debt and Derivative financial instruments (including Collateral Deposits)					
	Loans obtained (Note 35)	Collateral Deposits (Note 35)	Derivative financial instruments (Note 43)*	Institutional partnerships in North America (Note 38)	Lease Liabilities (Note 40)	Loans from non-controlling interests (Note 40)
Balance as at 31 de December 2021	16.817.936	-50.075	2.403	2.259.741	1.049.448	472.755
Cash flows:						
Receipts relating to financial debt (including Collateral Deposits)	4.449.800	-985	-	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-1.583.281	-	-	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-679.413	-	-37.041	-	-	-
Receipts/(payments) relating to loans from non-controlling interests	-	-	-	-	-	205.145
Interest and similar costs relating to loans from non-controlling interests	-	-	-	-	-	-12.885
Receipts/(payments) relating to derivative financial instruments	-	-	21.017	-	-	-
Receipts/(payments) from institutional partnerships	-	-	-	-77.385	-	-
Lease (payments)	-	-	-	-	-133.696	-
Perimeter variations	88.952	2.252	-49.060	24.892	538	-25
Exchange differences	357.553	-4.293	72.089	144.123	38.978	-1.717
Fair value changes	-89.546	-	48.673	-	-	-
Interests and accrued and deferred costs	660.472	-	101.165	-2.659	-	13.676
Unwinding	-	-	-	96.955	46.146	-
ITC/PTC recognition	-	-	-	-233.505	-	-
New lease contracts/Increments in rent values	-	-	-	-	386.378	-
Balance as at 31 de December 2022	20.022.473	-53.101	159.246	2.212.162	1.387.792	676.949
Cash flows:						
Receipts relating to financial debt (including Collateral Deposits)	5.321.535	-	-	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-4.189.812	-19.776	-	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-694.013	-	-155.608	-	-	-
Receipts/(payments) relating to loans from non-controlling interests	-	-	-	-	-	-9.355
Interest and similar costs relating to loans from non-controlling interests	-	-	-	-	-	-15.176
Receipts/(payments) relating to derivative financial instruments	-	-	-170.244	-	-	-
Receipts/(payments) from institutional partnerships	-	-	-	370.866	-	-
Lease (payments)	-	-	-	-	-141.864	-
Perimeter variations	-379.776	4.319	-	45.581	-34.046	23.384
Exchange differences	103.916	-2.173	13.935	-78.038	-22.211	2.772
Fair value changes	41.830	-	137.481	-	-	-
Interests and accrued and deferred costs	703.542	-	138.898	-4.877	-	16.475
Unwinding	-	-	-	81.058	47.718	-
ITC/PTC recognition	-	-	-	-231.055	-	-
New lease contracts/Increments in rent values	-	-	-	-	134.453	-
Reclassification to Liabilities held for sale	-297.004	-	-	-207.452	-59.112	-
Balance as at 31 December 2023	20.632.691	-70.731	123.708	2.188.245	1.312.730	695.049

* The Group considers as financing activities all derivative financial instruments excluding derivatives related with commodities.

Thousand Euros	Company			
	Financial debt and Derivative financial instruments			
	Loans obtained (Note 35)	Derivative financial instruments (Note 43)*	Lease Liabilities (Note 40)	Group companies (Note 40)
Balance as at 31 de December 2021	13.034.299	-19.360	156.354	3.630
Cash flows:				
Receipts relating to financial debt (including Collateral Deposits)	2.634.236	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-1.594.679	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-209.000	-20.046	-	-
Receipts/(payments) relating to loans from related parties	-152.879	-	-	-3.630
Receipts/(payments) relating to derivative financial instruments	-	121.013	-	-
Lease (payments)	-	-	-12.625	-
Exchange differences	23.289	-	-	-
Fair value changes	-	-78.886	-	-
Unwinding	-	-	5.876	-
Interests and accrued and deferred costs	208.436	12.826	-	3.857
New lease contracts/Increments in rent values	-	-	2.726	-
Balance as at 31 December 2022	13.943.702	15.547	152.331	3.857
Cash flows:				
Receipts relating to financial debt (including Collateral Deposits)	3.990.000	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-5.864.456	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-288.245	-8.938	-	-
Receipts/(payments) relating to loans from related parties	-316.161	-	-	-
Receipts/(payments) relating to derivative financial instruments	-	36.820	-	-
Lease (payments)	-	-	-12.842	-
Fair value changes	-	-15.083	-	-
Unwinding	-	-	5.732	-
Interests and accrued and deferred costs	297.677	8.296	-	7.033
New lease contracts/increments in rent values	-	-	3.087	-
Balance as at 31 December 2023	11.762.517	36.642	148.308	10.890

* The Group considers as financing activities all derivative financial instruments excluding derivatives related with commodities.



53. Explanation Added for Translation

These financial statements are a free translation of the financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as adopted by the European Union. In the event of discrepancies, the Portuguese language version prevails.

Annex I. Companies in the Consolidation Perimeter

The subsidiary companies where the Group exercises control as at 31 December 2022 are as follows:

Subsidiaries	HeadOffice	Share capital / Currency	Assets 31-Dec-23 Euro'000	Liabilities 31-Dec-23 Euro'000	Equity 31-Dec-23 Euro'000	Revenues 31-Dec-23 Euro'000	Net Profit/(Loss) 31-Dec-23 Euro'000	% Group	% Company
Group's parent holding company and Related Activities:									
Portugal:									
EDP – Energias de Portugal, S.A. (EDP Group parent holding company)	Lisbon	4,184,021,624 EUR	24,589,859	14,674,229	9,915,630	2,899,510	823,636		
CNET – Centre for New Energy Technologies, S.A.	Sacavém	300,000 EUR	8,230	7,820	410	765	10	60.00%	
EDP Estudos e Consultoria, S.A.	Lisbon	50,000 EUR	2,931	108	2,822	59	-223	100.00%	100.00%
EDP Global Solutions – Gestão Integrada de Serviços S.A.	Lisbon	15,000,000 EUR	140,035	52,467	87,568	58,863	-467	100.00%	100.00%
EDP Inovação, S.A.	Lisbon	36,446,960 EUR	63,100	23,498	39,603	12,220	1,805	100.00%	100.00%
EDP Internacional, S.A.	Lisbon	12,500,000 EUR	25,168	456	24,712	698	308	100.00%	100.00%
EDP IS – Investimentos e Serviços, Sociedade Unipessoal, Lda	Lisbon	140,309,500 EUR	438,116	88,074	350,042	-	19,085	100.00%	
EDP Ventures – Sociedade de capital de risco, S.A.	Lisbon	125,000 EUR	1,042	32	1,010	98	2	100.00%	
EDP Ventures, S.A.	Lisbon	50,000 EUR	68,841	36,516	32,326	234	3,638	100.00%	
Fundo EDP CleanTech FCR	Lisbon	19,895,723 EUR	17,617	413	17,204	-	-6,246	60.00%	
LABELEC – Estudos, Desenvolvimento e Actividades Laboratoriais, S.A.	Sacavém	2,200,000 EUR	38,786	27,891	10,895	18,910	1,213	100.00%	100.00%
Sávida – Medicina Apoiada, S.A.	Lisbon	450,000 EUR	19,847	10,009	9,837	23,379	1,244	100.00%	100.00%
Other Countries:									
EDP – Ásia Soluções Energéticas Limitada	Macao	1,500,000 MOP	1,034	23	1,012	-	-540	100.00%	5.00%
EDP Finance BV	Amsterdam	2,000,000 EUR	9,977,689	9,855,034	122,654	-	2,237	100.00%	100.00%
EDP Group Brussels Representation	Brussels	1,000,000 EUR	827	53	774	-	-226	100.00%	100.00%
EDP International Investments and Services, S.L.	Oviedo	43,851,442 EUR	2,208,752	76,782	2,131,969	-	42,154	100.00%	100.00%
EDP Servicios Financieros España, S.A.U.	Oviedo	10,300,058 EUR	3,871,918	3,352,265	519,653	-	16,391	100.00%	100.00%
Energia RE – Sociedade Cativa de Resseguro	Luxembourg	3,000,000 EUR	182,596	108,061	74,536	3	-1,026	100.00%	100.00%
Electricity and Gas Activity – Portugal:									
Electricity Generation:									
EDP Gestão Produção Energia, S.A.	Lisbon	449,343,195 EUR	4,821,816	3,705,861	1,115,954	1,249,107	400,680	100.00%	100.00%
Empresa Hidroeléctrica do Guadiana, S.A.	Lisbon	113,763,680 EUR	375,239	195,459	179,780	80,316	29,551	100.00%	
FISIGEN – Empresa de Cogeração, S.A.	Lisbon	50,000 EUR	30,136	21,889	8,247	39,390	-822	51.00%	
Greenovuga – Sociedade Gestora do Aproveitamento Hidroeléctrico de Ribeiradio–	Lisbon	115,370,603 EUR	228,172	66,100	162,072	19,762	-6,898	100.00%	
TERGEN – Operação e Manutenção de Centrais Termoeléctricas, S.A.	Carregado	250,000 EUR	4,848	3,058	1,790	7,482	262	100.00%	
Electricity Distribution:									
E-Redes – Distribuição de Eletricidade, S.A.	Lisbon	2,259,580,950 EUR	4,610,751	1,411,955	3,198,796	1,440,201	129,314	100.00%	100.00%
Electricity Supply:									
EDP Comercial – Comercialização de Energia, S.A.	Lisbon	64,500,005 EUR	1,383,071	1,131,694	251,378	3,189,962	166,981	100.00%	100.00%
EDP Mediadora, S.A.	Lisbon	50,000 EUR	6,663	924	5,740	1,223	-126	100.00%	
Effizency, S.A.	Lisbon	128,132 EUR	3,668	1,065	2,603	1,866	127	96.88%	
SU Eletricidade, S.A.	Lisbon	10,110,110 EUR	1,016,560	970,602	45,959	4,339,817	21,968	100.00%	100.00%
Gas Supply:									
EDP Gas Serviço Universal, S.A.	Oporto	1,050,996 EUR	14,262	5,049	9,212	26,609	479	100.00%	100.00%
Other activities:									
EDP GEM Portugal, S.A.	Lisbon	800,050,000 EUR	4,235,190	3,198,207	1,036,984	5,021,812	260,648	100.00%	100.00%
Electricity and Gas Activity – Spain:									
Electricity Generation:									
EDP España, S.A.U. (HC Energia Subgroup Parent Company)	Oviedo	421,739,790 EUR	3,176,893	767,278	2,409,615	2,252,715	27,571	100.00%	100.00%
Biomasa Puente Nuevo S.L.U.	Oviedo	3,000 EUR	31	124	-93	-	-91	100.00%	
Central Termica Ciclo Combinado Grupo 4, S.L.	Oviedo	2,117,000 EUR	329,735	112,735	217,000	386,393	26,451	100.00%	
Ceprastur, A.I.E.	Oviedo	360,607 EUR	294	4	290	-	2	100.00%	
Generaciones Eléctricas Andalucía, S.L.U.	Oviedo	25,000,000 EUR	218,504	124,850	93,654	166,280	716	100.00%	
H2 Aboño, S.A.U.	Oviedo	1,000,000 EUR	1,009	20	989	-	-11	100.00%	
H2 Los Barrios, S.A.U.	Oviedo	1,000,000 EUR	963	3	960	-	-29	100.00%	
H2 Soto, S.A.U.	Oviedo	1,000,000 EUR	920	-	920	-	-80	100.00%	
IBERENERGIA, SAU	Oviedo	60,200 EUR	172,853	91,399	81,454	74,708	14,313	100.00%	
Electricity Distribution:									
Barras Eléctricas Galaico-Asturias, S.A.	Lugo	15,689,797 EUR	400,687	244,990	155,697	57,976	15,585	75.05%	
EDP Redes España, S.L.U.	Oviedo	10,000,000 EUR	2,490,072	2,400,246	89,826	-	-21,045	75.10%	
Electra Llobregat Energia, S.L.	Barcelona	90,000 EUR	4,932	3,047	1,886	335	-50	56.32%	
Hidrocentabárico Distribucion Eléctrica, S.A.U.	Oviedo	44,002,000 EUR	1,212,493	823,990	388,503	211,754	67,292	75.10%	
Viesgo Distribución Eléctrica, S.L.	Santander	77,792,000 EUR	1,209,180	829,444	379,737	178,741	49,511	75.10%	
Electricity Supply:									
Azul y Verde Energía y Sostenibilidad, S.L.	Cordoba	3,000 EUR	59	53	6	159	-60	100.00%	
Comercializadora Energética Sostenible, S.A.	Bilbao	60,000 EUR	192	65	127	326	52	100.00%	
EDP Clientes, S.A.	Oviedo	1,000,000 EUR	859,741	921,981	-62,240	1,061,592	-113,382	100.00%	
EDP Energia Ibérica, S.A.	Oviedo	60,200 EUR	52	12,979	-12,927	-	-1	100.00%	
EDP Solar España, S.A.	Oviedo	1,000,000 EUR	76,235	58,268	17,969	87,640	-10,900	100.00%	
Leuk Soluciones Energéticas, S.L.	Cordoba	3,000 EUR	1,416	1,234	182	1,445	-291	100.00%	
Other activities:									
EDP GEM España, S.A.	Oviedo	1,000,000 EUR	1,250	49	1,202	333	39	100.00%	
EDP Iberia, S.L.	Bilbao	130,260,000 EUR	1,339,058	164,375	1,174,683	-	-43,593	100.00%	
EDP Ventures España, S.A.	Oviedo	60,000 EUR	242	206	36	-	-13	100.00%	
Transporte GNL, S.A.	Bilbao	1,000,000 EUR	137,731	111,980	25,751	82,105	16,204	100.00%	
Viesgo Infraestructuras Energéticas, S.L.	Santander	147,195,418 EUR	574,110	148,107	426,003	51,208	9,308	75.10%	
Electricity and Gas Activity – Other Countries:									
Electricity Supply:									
EDP Energie Deutschland GmbH	Frankfurt am Main	25,000 EUR	2,941	3,072	-130	-	-145	100.00%	
EDP Energia Italia S.R.L.	Milan	3,610,000 EUR	134,303	131,753	2,549	69,713	-3,625	100.00%	
EDP Energia Polska	Warsaw	8,505,000 PLN	95,205	99,487	-4,282	29,707	-2,562	100.00%	
EDP Energie France	Paris	80,000 EUR	1,107	1,329	-223	-	-286	100.00%	
Enerdeal Group S.A.	Ixelles	100,000 EUR	4,257	3,569	688	-	-14	100.00%	
Enerdeal Luxembourg Sarl	Windhof	12,000 EUR	4,946	4,571	375	9,081	114	100.00%	
Enerdeal NV	Zaventem	161,500 EUR	14,261	10,031	4,230	19,559	1,239	100.00%	
Enerdeal Solar Invest SA	Ixelles	250,000 EUR	1,737	1,550	187	364	13	100.00%	
Enerdeal Solar Invest II SA	Ixelles	61,500 EUR	3,184	3,160	24	62	-38	100.00%	
Enerdeal Solar Luxembourg Sarl	Windhof	100,000 EUR	100	4	96	-	-4	100.00%	
Enertel Group S.r.l.	Verona	200,000 EUR	32,334	31,129	1,205	37,660	-431	100.00%	
Neopark SA	Charleroi	100,000 EUR	99	-	99	-	-2	51.00%	
Smart Energy Invest II SA	Mont-Saint-Guibert	90,000 EUR	1,317	1,264	53	220	11	60.00%	
SOON Energy Polska sp z o.o.	Warsaw	100,000 PLN	23,354	21,527	1,827	15,397	-607	100.00%	
Zielona-Energia.com	Czestochowa	2,170,000 PLN	14,395	12,929	1,466	8,721	-2,498	100.00%	
Electricity Activity – Brazil:									
Parent company and Related Activities:									
EDP Energias do Brasil, S.A. (EDP Brasil Subgroup Parent Company)	São Paulo	6,002,715,947 BRL	2,300,597	261,657	2,038,940	1,049	216,235	100.00%	

Subsidiaries	HeadOffice	Share capital / Currency	Assets 31-Dec-23 Euro'000	Liabilities 31-Dec-23 Euro'000	Equity 31-Dec-23 Euro'000	Revenues 31-Dec-23 Euro'000	Net Profit/(Loss) 31-Dec-23 Euro'000	% Group Company	%
Electricity Generation:									
Enerpeixe, S.A.	São Paulo	219,735,967 BRL	320,161	197,237	122,923	44,281	1,706	60.00%	
Investco, S.A.	Toçantins	804,458,843 BRL	234,544	53,552	180,992	36,341	16,888	40.78%	
Lajeado Energia, S.A.	São Paulo	6,867,541 BRL	270,477	145,275	125,202	138,472	65,473	55.86%	
PCH Santa Leopoldina S.A.	Espírito Santo	341,210,000 BRL	459,389	415,176	44,214	-	-8,559	100.00%	
Resende Engenharia e Assessoria, Ltda.	São Paulo	21,573,318 BRL	3,954	10	3,944	-	-3	100.00%	
Electricity Distribution:									
EDP Espírito Santo Distribuição de Energia S.A.	Espírito Santo	893,995,761 BRL	1,305,303	997,895	307,409	957,385	69,281	100.00%	
EDP São Paulo Distribuição de Energia S.A.	São Paulo	596,669,107 BRL	1,373,243	1,164,984	208,259	1,115,755	88,115	100.00%	
Electricity Supply:									
Blue Sol Energia Solar	São Paulo	21,261,996 BRL	4,838	10,463	-5,625	-	-	100.00%	
Blue Sol Franquia	São Paulo	1,000 BRL	919	1,023	-104	-	-	100.00%	
Blue Sol Participações S.A.	São Paulo	24,483,565 BRL	1,269	5,900	-4,631	-	-	100.00%	
Contrata Sol	São Paulo	2,977,497 BRL	211	378	-167	-	-	100.00%	
EDP Smart SPE Ltda.	São Paulo	143,091,252 BRL	29,511	2,639	26,872	2,346	129	100.00%	
EDP Smart Energia, Ltda	São Paulo	23,704,068 BRL	162,964	150,319	12,645	99,813	5,866	100.00%	
EDP Smart Serviços, S.A.	Espírito Santo	766,536,011 BRL	262,468	143,784	118,684	67,216	-4,327	100.00%	
EDP Smart Soluções, S.A.	Rio Grande do Sul	124,072,773 BRL	19,929	4,642	15,287	10,445	579	100.00%	
EDP Smart SPE V Ltda.	São Paulo	55,541,089 BRL	53,848	43,185	10,663	584	96	100.00%	
EDP SMART SPE 1 LTDA.	São Paulo	85,495,443 BRL	18,494	2,549	15,945	-	-	100.00%	
EDP SMART SPE 2 LTDA.	São Paulo	23,544,947 BRL	4,425	34	4,391	-	-	100.00%	
EDP SMART SPE 3 LTDA.	São Paulo	17,901,206 BRL	4,334	995	3,339	-	-	100.00%	
EDP SMART SPE 4 LTDA.	São Paulo	43,325,288 BRL	14,423	6,342	8,080	-	-	100.00%	
EDP SMART SPE 5 LTDA.	São Paulo	1,000 BRL	1,103	1,103	-	-	-	100.00%	
EDP SMART SPE 6 LTDA.	São Paulo	2,806,690 BRL	6,105	5,582	523	-	-	100.00%	
EDP SMART SPE 7 LTDA.	São Paulo	17,979,697 BRL	5,206	1,853	3,353	-	-	100.00%	
EDP SMART SPE 8 LTDA.	São Paulo	5,099,410 BRL	1,283	332	951	-	-	100.00%	
EDP SMART SPE 9 LTDA.	São Paulo	39,801,799 BRL	11,714	4,291	7,423	-	-	100.00%	
EDP SMART SPE 10 LTDA.	São Paulo	1,000 BRL	322	-	-	-	-	100.00%	
EDP SMART SPE 11 LTDA.	São Paulo	1,000 BRL	-	-	-	-	-	100.00%	
EDP SMART SPE 12 LTDA.	São Paulo	1,000 BRL	-	-	-	-	-	100.00%	
EDP SMART SPE 13 LTDA.	São Paulo	- BRL	1,480	1,480	-	-	-	100.00%	
EDP Trading Comercialização e Serviços de Energia, S.A.	São Paulo	221,679,595 BRL	620,759	527,722	93,037	564,137	27,580	100.00%	
ENERGIA I SPE S.A.	Espírito Santo	1,000 BRL	-	5,122	-5,122	-	-5,085	100.00%	
Energia Solar I SPE LTDA.	Espírito Santo	1,203,819 BRL	391	410	-19	-	-32	100.00%	
Energia Solar II SPE LTDA.	Espírito Santo	- BRL	-	-	-	-	-	100.00%	
Nova Geração Solar LTDA.	São Paulo	2,538,124 BRL	537	553	-17	-	-43	100.00%	
Transmission of Electricity:									
EDP Transmissão Aliança SC, S.A.	Espírito Santo	340,500,999 BRL	475,648	373,178	102,469	65,545	12,444	90.00%	
EDP Transmissão Goiás S.A.	Goiás	328,750,229 BRL	475,763	325,529	150,234	100,337	42,305	100.00%	
EDP Transmissão Litoral Sul S.A.	São Paulo	342,755,430 BRL	82,659	6,528	76,130	19,721	17,161	100.00%	
EDP Transmissão Norte S.A.	Espírito Santo	232,157,000 BRL	93,572	51,083	42,489	61,476	1,537	100.00%	
EDP Transmissão Norte 2 S.A.	São Paulo	3,501,000 BRL	12,517	11,664	853	10,179	260	100.00%	
EDP Transmissão SP-MG, S.A.	Espírito Santo	33,000,999 BRL	531,324	445,578	85,746	76,271	16,417	100.00%	
ENERGIA SPE II S.A.	Espírito Santo	- BRL	-	-	-	-	-	100.00%	
Mota Grande Transmissora de Energia LTDA.	Paraná	60,329,870 BRL	24,989	14,405	10,584	3,144	582	100.00%	
Other Activities:									
EDP Ventures Brasil S.A.	São Paulo	52,156,475 BRL	5,569	1,306	4,263	-	-4,225	100.00%	
Renewable Energy Activity:									
Parent company and Related Activities:									
EDP Renováveis, S.A. (EDP Renováveis Subgroup Parent Company)	Asturias	5,119,890,505 EUR	13,155,067	4,744,468	8,410,599	88,022	-248,843	71.27%	71.27%
EDP Renováveis Servicios Financieros, S.A.	Asturias	84,691,368 EUR	8,104,977	7,443,025	661,952	50,603	20,454	71.27%	
Europe Geography / Platform:									
Spain:									
EDP Renewables Europe, S.L.U. (EDPR EU Subgroup Parent Company)	Asturias	249,498,800 EUR	3,895,306	1,517,884	2,377,422	116,158	915,710	71.27%	
Acampo Aérias, S.L.	Zaragoza	3,314,300 EUR	39,699	24,888	14,811	10,498	5,333	67.71%	
Agos Fotovoltaicas, S.L.	Asturias	3,000 EUR	785	223	562	-	-	71.27%	
Aplicaciones Industriales de Energías Limpias, S.L.	Zaragoza	131,288 EUR	2,026	8	2,018	-	1,851	43.83%	
Canerdo, S.L.	Madrid	4,000 EUR	244	244	-	-	-	57.02%	
Compañía Eólica Aragonesa, S.A.U.	Zaragoza	6,701,165 EUR	174,727	215,440	153,187	23,374	8,798	71.27%	
Corona Fotovoltaicas, S.L.	Asturias	3,000 EUR	1,334	350	984	-	-	71.27%	
Desarrollos Eólicos de Teruel, S.L.	Teruel	18,890,100 EUR	64,040	37,195	26,845	10,570	4,655	36.35%	
Desarrollos Renovables de Alfajarín, S.L.U.	Zaragoza	6,000 EUR	4	1	3	-	-	71.27%	
Desarrollos Renovables de Allande, S.L.U.	Asturias	6,000 EUR	3	-	3	-	-	71.27%	
Desarrollos Renovables de la Frontera, S.L.U.	Cádiz	6,000 EUR	3	-	3	-	-1	71.27%	
Desarrollos Renovables de Teruel, S.L.	Cádiz	3,000 EUR	3	3	-	-	-2	36.35%	
EDP Renovables España, S.L.U.	Asturias	46,128,100 EUR	1,735,508	343,429	1,392,079	239,037	255,568	71.27%	
EDPR México, S.L.U.	Asturias	7,000 EUR	5	1	4	-	-	71.27%	
EDPR Terral S.L.U.	Madrid	3,000 EUR	627	629	-2	-	-	71.27%	
EDPR Yield, S.A.U.	Asturias	99,405,403 EUR	274,328	5,405	268,922	-	26,300	71.27%	
Energia Geoidé VIII, S.L.	Asturias	3,000 EUR	2	-	2	-	-	71.27%	
Eólica Arlanzón, S.A.	Madrid	4,508,980 EUR	12,878	3,130	9,748	5,296	1,912	60.58%	
Eólica Campollano, S.A.	Madrid	6,559,994 EUR	50,228	9,356	40,871	17,177	4,818	53.45%	
Eólica Fontesilva, S.L.U.	La Coruña	6,860,000 EUR	35,781	5,313	30,469	6,501	2,140	71.27%	
Eólica La Brújula, S.A.U.	Madrid	3,294,000 EUR	46,984	6,029	40,955	9,845	2,777	71.27%	
Global Pracima, S.L.	Asturias	3,600 EUR	5,325	64	5,261	-	-24	71.27%	
IAM Coecius, S.L.	Madrid	6,000 EUR	4	1	4	-	-	71.27%	
Iberia Aprovechamientos Eólicos, S.A.	Zaragoza	1,918,728 EUR	16,722	3,046	13,676	5,288	2,219	66.99%	
ICE Tudela S.L.	Madrid	3,002 EUR	3	-	3	-	-	71.27%	
Jul Solar, S.L.	Asturias	3,000 EUR	795	216	579	-	-	71.27%	
Palma Hive, S.L.	Madrid	3,000 EUR	5,311	4,924	387	-	-	71.27%	
Parque Eólico Altos del Voltoya, S.A.	Madrid	6,434,349 EUR	47,150	15,137	32,014	8,851	1,681	65.93%	
Parque Eólico de Abrazadilla, S.L.U.	Madrid	7,000 EUR	4	1	3	-	-	71.27%	
Parque Eólico La Sotenera, S.L.	Zaragoza	2,000,000 EUR	11,892	1,960	9,933	4,035	1,864	49.77%	
Parque Eólico Los Cantales, S.L.U.	Zaragoza	1,963,050 EUR	15,786	2,457	13,329	3,620	1,256	71.27%	
Parque Eólico Santa Quiteria, S.L.	Zaragoza	63,006 EUR	15,219	4,474	10,745	5,491	2,095	59.84%	
Pedregal Hive, S.L.	Madrid	3,000 EUR	1,943	1,525	418	-	-	71.27%	
Renovables Castilla La Mancha, S.A.	Madrid	60,102 EUR	20,407	10,220	10,186	5,396	1,604	64.14%	
Rocio Hive, S.L.	Madrid	3,000 EUR	23,116	22,803	313	-	-125	71.27%	
San Juan de Bargas Eólica, S.L.	Zaragoza	2,000,000 EUR	10,754	4,413	6,341	1,554	491	71.27%	
Site Sunwind Energy, S.L.	Madrid	6,000 EUR	4	1	4	-	-	71.27%	
Tébar Eólica, S.A.U.	Madrid	4,720,400 EUR	35,984	8,258	27,726	6,541	2,611	71.27%	
Portugal:									
EDP Renováveis Portugal, S.A.	Oporto	7,500,000 EUR	417,166	215,015	202,150	134,217	50,413	36.35%	
EDPR Cross Solutions, S.A.	Oporto	50,000 EUR	665	529	136	1,397	125	71.27%	
EDPR PT - Parques Eólicos, S.A.	Oporto	50,000 EUR	83,120	32,739	50,382	-	-12,729	36.35%	
EDPR PT - Promoção e Operação, S.A.	Oporto	57,500 EUR	448,442	92,422	356,020	15,160	1,797	71.27%	
Eólica da Coutada, S.A.	Soutelo de Aguiar	50,000 EUR	134,477	56,448	78,029	29,558	11,631	36.35%	
Eólica da Coutada II, S.A.	Oporto	50,000 EUR	24,466	20,775	3,691	1,633	675	71.27%	
Eólica da Serra das Alturas, S.A.	Boticos	50,000 EUR	11,607	1,749	9,858	3,661	1,920	18.21%	
Eólica da Terra do Mato, S.A.	Oporto	50,000 EUR	38,079	21,360	16,719	8,212	2,689	36.35%	
Eólica das Serras das Beiras, S.A.	Pródão - Arganil	50,000 EUR	81,750	25,533	56,217	19,477	7,263	36.35%	

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Eólica de Alagoa, S.A.	Arcos de Valdevez	50,000 EUR	6,434	1,205	5,229	3,090	1,590	21.81%	
Eólica de Montenegro, S.A.	Vila Pouca de Aguiar	50,000 EUR	16,915	2,271	14,643	6,254	2,851	18.21%	
Eólica do Alto da Lagoa, S.A.	Oporto	50,000 EUR	18,904	4,139	14,765	5,726	2,647	36.35%	
Eólica do Alto da Teixosa, S.A.	Alhões	50,000 EUR	22,292	7,415	14,877	5,940	2,422	36.35%	
Eólica do Alto do Mourisco, S.A.	Cerdado	50,000 EUR	20,496	7,566	12,930	5,532	2,485	36.35%	
Eólica do Espiçô, S.A.	Vila Nova CMV	50,000 EUR	23,139	5,040	18,099	6,784	2,946	36.35%	
Eólica das Altas de Salgueiros-Guilhado, S.A.	Vila Pouca de Aguiar	50,000 EUR	9,709	3,606	6,103	2,580	1,088	36.35%	
Fotovoltaica Flutuante do Grande Lago, S.A.	Oporto	50,000 EUR	2,200	4,130	-1,930	-	-481	71.27%	
Fotovoltaica Lote A, S.A.	Oporto	50,000 EUR	162,977	142,846	20,131	1,718	5,659	71.27%	
Malhodizes - Energia Eólica, S.A.	Oporto	50,000 EUR	30,245	16,228	14,017	4,474	1,680	36.35%	
Parque Eólico do Barlavento, S.A.	Oporto	60,000 EUR	49,378	8,426	40,952	16,611	8,893	64.13%	
S.E.E. - Sul Energia Eólica, S.A.	Oporto	150,000 EUR	9,185	1,077	8,108	2,561	1,251	71.27%	
SPEE - Sociedade Produção de Energia Eólica, S.A.	Oporto	350,000 EUR	598	186	412	-	62	71.27%	
France:									
EDPR France Holding, S.A.S.	Paris	79,900,000 EUR	388,551	283,593	104,958	47,501	-151	71.27%	
EDPR Energies France, S.A.S.	Paris	215,000 EUR	24,857	24,977	-119	469	394	71.27%	
Fransol 11, S.A.S.	Boulogne-Billancourt	1 EUR	79	109	-30	-	-18	60.58%	
Fransol 12, S.A.S.	Boulogne-Billancourt	1 EUR	23	139	-116	-	-86	60.58%	
Fransol 13, S.A.S.	Boulogne-Billancourt	1 EUR	75	114	-39	-	-19	60.58%	
Fransol 14, S.A.S.	Paris	1,013,701 EUR	1,313	310	1,003	-	-5	71.27%	
Fransol 15, S.A.S.	Boulogne-Billancourt	1 EUR	21	133	-112	-	-77	60.58%	
Fransol 16, S.A.S.	Boulogne-Billancourt	1 EUR	89	160	-72	-	-20	60.58%	
Fransol 17, S.A.S.	Boulogne-Billancourt	1 EUR	18	106	-89	-	-73	60.58%	
Fransol 18, S.A.S.	Boulogne-Billancourt	1 EUR	106	153	-47	-	-23	60.58%	
Fransol 19, S.A.S.	Boulogne-Billancourt	1 EUR	17	104	-87	-	-73	60.58%	
Fransol 20, S.A.S.	Boulogne-Billancourt	1 EUR	31	196	-165	-	-106	60.58%	
Fransol 21, S.A.S.	Boulogne-Billancourt	11,805 EUR	242	187	56	-	-20	71.27%	
Fransol 22, S.A.S.	Boulogne-Billancourt	1 EUR	15	91	-76	-	-72	60.58%	
Fransol 23, S.A.S.	Boulogne-Billancourt	1 EUR	16	96	-80	-	-69	60.58%	
Fransol 24, S.A.S.	Boulogne-Billancourt	1 EUR	87	144	-57	-	-24	60.58%	
Fransol 25, S.A.S.	Boulogne-Billancourt	1 EUR	25	154	-128	-	-108	60.58%	
Fransol 26, S.A.S.	Boulogne-Billancourt	1 EUR	17	105	-87	-	-74	60.58%	
Fransol 27, S.A.S.	Boulogne-Billancourt	13,969 EUR	232	188	44	-	-21	71.27%	
Fransol 28, S.A.S.	Boulogne-Billancourt	1 EUR	111	190	-78	-	-31	60.58%	
Fransol 29, S.A.S.	Boulogne-Billancourt	1 EUR	17	102	-85	-	-72	60.58%	
Fransol 30, S.A.S.	Boulogne-Billancourt	1 EUR	87	130	-43	-	-20	60.58%	
Fransol 31, S.A.S.	Boulogne-Billancourt	1 EUR	21	126	-105	-	-88	60.58%	
Fransol 32, S.A.S.	Boulogne-Billancourt	1 EUR	47	86	-39	-	-21	60.58%	
Fransol 33, S.A.S.	Boulogne-Billancourt	1 EUR	10	60	-50	-	-40	60.58%	
Fransol 34, S.A.S.	Boulogne-Billancourt	1 EUR	15	91	-76	-	-53	60.58%	
Fransol 35, S.A.S.	Boulogne-Billancourt	1 EUR	54	83	-29	-	-20	60.58%	
Fransol 36, S.A.S.	Boulogne-Billancourt	1 EUR	62	100	-37	-	-25	60.58%	
Fransol 37, S.A.S.	Boulogne-Billancourt	1 EUR	62	114	-52	-	-26	60.58%	
Fransol 38, S.A.S.	Boulogne-Billancourt	1 EUR	11	69	-57	-	-50	60.58%	
Fransol 39, S.A.S.	Boulogne-Billancourt	1 EUR	12	75	-62	-	-49	60.58%	
Fransol 40, S.A.S.	Boulogne-Billancourt	1 EUR	11	66	-56	-	-46	60.58%	
Fransol 41, S.A.S.	Boulogne-Billancourt	1 EUR	15	88	-73	-	-73	60.58%	
Fransol 42, S.A.S.	Boulogne-Billancourt	1 EUR	9	57	-47	-	-47	60.58%	
Fransol 43, S.A.S.	Boulogne-Billancourt	1 EUR	10	59	-49	-	-49	60.58%	
Fransol 44, S.A.S.	Boulogne-Billancourt	1 EUR	18	109	-91	-	-91	60.58%	
Fransol 45, S.A.S.	Boulogne-Billancourt	1 EUR	11	67	-56	-	-56	60.58%	
Fransol 46, S.A.S.	Boulogne-Billancourt	1 EUR	87	523	-436	-	-436	60.58%	
Fransol 47, S.A.S.	Boulogne-Billancourt	1 EUR	29	173	-144	-	-144	60.58%	
Fransol 48, S.A.S.	Boulogne-Billancourt	1 EUR	9	57	-48	-	-48	60.58%	
Fransol 49, S.A.S.	Boulogne-Billancourt	1 EUR	10	59	-49	-	-49	60.58%	
Fransol 50, S.A.S.	Boulogne-Billancourt	1 EUR	9	52	-43	-	-43	60.58%	
Fransol 51, S.A.S.	Boulogne-Billancourt	1 EUR	10	61	-51	-	-51	60.58%	
Fransol 52, S.A.S.	Boulogne-Billancourt	1 EUR	6	36	-30	-	-30	60.58%	
Fransol 53, S.A.S.	Boulogne-Billancourt	1 EUR	10	63	-52	-	-52	60.58%	
Fransol 54, S.A.S.	Boulogne-Billancourt	1 EUR	13	78	-65	-	-65	60.58%	
Fransol 55, S.A.S.	Boulogne-Billancourt	1 EUR	7	40	-34	-	-34	60.58%	
Fransol 56, S.A.S.	Boulogne-Billancourt	1 EUR	5	31	-26	-	-26	60.58%	
Fransol 57, S.A.S.	Boulogne-Billancourt	1 EUR	10	62	-52	-	-52	60.58%	
Fransol 58, S.A.S.	Boulogne-Billancourt	1 EUR	7	40	-34	-	-34	60.58%	
Fransol 59, S.A.S.	Boulogne-Billancourt	1 EUR	7	41	-34	-	-34	60.58%	
Fransol 60, S.A.S.	Boulogne-Billancourt	1 EUR	9	56	-47	-	-47	60.58%	
Fransol 61, S.A.S.	Boulogne-Billancourt	1 EUR	6	34	-28	-	-28	60.58%	
Fransol 62, S.A.S.	Boulogne-Billancourt	1 EUR	6	39	-32	-	-32	60.58%	
Fransol 63, S.A.S.	Boulogne-Billancourt	1 EUR	10	63	-52	-	-52	60.58%	
Fransol 64, S.A.S.	Boulogne-Billancourt	1 EUR	11	69	-58	-	-58	60.58%	
Fransol 65, S.A.S.	Boulogne-Billancourt	1 EUR	9	54	-45	-	-45	60.58%	
Fransol 66, S.A.S.	Boulogne-Billancourt	1 EUR	12	70	-58	-	-58	60.58%	
Fransol 67, S.A.S.	Boulogne-Billancourt	1 EUR	13	74	-62	-	-62	60.58%	
Fransol 68, S.A.S.	Boulogne-Billancourt	1 EUR	11	64	-53	-	-53	60.58%	
Fransol 69, S.A.S.	Boulogne-Billancourt	1 EUR	13	69	-57	-	-57	60.58%	
Fransol 70, S.A.S.	Boulogne-Billancourt	1 EUR	5	30	-25	-	-25	60.58%	
Kronos IB Vogt 15, S.A.S.	Saint-Louis	1 EUR	216	248	-32	-	-24	60.58%	
Kronos IB Vogt 16, S.A.S.	Saint-Louis	1 EUR	68	96	-28	-	-20	60.58%	
Kronos 18 Fain, S.A.S.	Saint-Louis	160,307 EUR	368	226	142	-	-4	71.27%	
Kronos IB Vogt 19, S.A.S.	Saint-Louis	1 EUR	23	88	-65	-	-57	60.58%	
Kronos IB Vogt 20, S.A.S.	Saint-Louis	1 EUR	61	149	-87	-	-78	60.58%	
Kronos IB Vogt 22, S.A.S.	Saint-Louis	1 EUR	117	150	-33	-	-25	60.58%	
Kronos IB Vogt 25, S.A.S.	Saint-Louis	1 EUR	101	132	-31	-	-23	60.58%	
Kronos Solar France, S.A.S.	Boulogne-Billancourt	20,000 EUR	5,275	4,283	993	3,963	901	71.27%	
Kronosol 11, S.A.R.L.	Saint-Louis	1 EUR	23	83	-60	53	-1	60.58%	
Kronosol 12, S.A.R.L.	Saint-Louis	59,656 EUR	333	288	45	-	-10	71.27%	
Kronosol 13, S.A.R.L.	Paris	189,112 EUR	6,346	6,209	137	10	-42	71.27%	
Kronosol 14, S.A.R.L.	Paris	898,216 EUR	10,991	10,129	862	-	-16	71.27%	
Kronosol 15, S.A.R.L.	Saint-Louis	236,721 EUR	731	527	203	-	-9	71.27%	
Monts de la Madeleine Energie, S.A.S.	Paris	88,000 EUR	1,426	1,404	21	-	-4	71.27%	
Monts du Forez Energie, S.A.S.	Paris	200,000 EUR	1,731	1,642	89	-	-6	71.27%	
Oxavi 1, S.A.S.	Paris	3,000 EUR	2	-	1	-	-	71.27%	
Oxavi 2, S.A.S.	Paris	3,000 EUR	2	-	1	-	-	71.27%	
Parc Eolien d'Entrains-sur-Nohain, S.A.S.	Paris	266,000 EUR	179	-	179	-	-3	64.14%	
Parc Eolien de Dionay, S.A.S.	Paris	215,000 EUR	2,182	2,107	74	-	-9	71.27%	
Saussignac Solaire, S.A.S.	Paris	5,000 EUR	3	7	-3	-	-	71.27%	
Transition Euroise Roman II, S.A.S.	Paris	603,000 EUR	12,160	11,055	1,105	1,383	146	60.58%	
Vanosc Energie, S.A.S.	Paris	1,000 EUR	874	892	-18	-	-4	71.27%	
Poland:									
Budzyn, Sp. z o.o.	Warsaw	5,000 PLN	7	68	-61	-	-21	36.35%	
CSH III Renewables, Sp. z o.o.	Warsaw	5,000 PLN	690	737	-47	-	-46	71.27%	
EDP Renewables Polska HoldCo, S.A.	Warsaw	100,100 PLN	276,123	39,309	236,814	-	-43	36.35%	
EDP Renewables Polska Solar, Sp. z o.o.	Warsaw	5,000 PLN	38,467	40,663	-2,196	1,032	-468	71.27%	
EDP Renewables Polska, Sp. z o.o.	Warsaw	435,045,000 PLN	677,673	138,317	539,356	9,613	268,280	71.27%	
EDPR Polska Wind, Sp. z o.o.	Warsaw	5,000 PLN	-	-1	1	-	-	71.27%	
EDPR Polska Solar 2, Sp. z o.o.	Warsaw	5,000 PLN	-	-1	1	-	-	71.27%	
EDPR Polska Storage, Sp. z o.o.	Warsaw	5,000 PLN	-	-1	1	-	-	71.27%	

Subsidiaries	HeadOffice	Share capital / Currency	Assets 31-Dec-23 Euro'000	Liabilities 31-Dec-23 Euro'000	Equity 31-Dec-23 Euro'000	Revenues 31-Dec-23 Euro'000	Net Profit/(Loss) 31-Dec-23 Euro'000	% Group	% Company
Ekoenergia Solar 3, Sp. z o.o.	Warsaw	6,000 PLN	99	118	-19	-	-9	71.27%	
Elektrownia Kamienica, Sp. z o.o.	Warsaw	5,000 PLN	1,671	1,726	-56	-	-20	71.27%	
Elektrownia Wiatrowa Kresy I, Sp. z o.o.	Warsaw	70,210 PLN	130,517	17,399	113,117	29,748	12,162	36.35%	
Farma Fotowoltaiczna Budzyn, Sp. z o.o.	Warsaw	5,000 PLN	5,466	5,505	-39	-	-11	71.27%	
Farma Fotowoltaiczna Dobrzyca, Sp. z o.o.	Warsaw	5,000 PLN	138	153	-15	-	-13	71.27%	
Farma Fotowoltaiczna Hża, Sp. z o.o.	Warsaw	5,000 PLN	1	-	1	-	-1	71.27%	
Farma Fotowoltaiczna Koden, Sp. z o.o.	Warsaw	5,000 PLN	1,443	1,529	-86	-	-58	71.27%	
Farma Fotowoltaiczna Pakosław, Sp. z o.o.	Warsaw	5,000 PLN	4	8	-4	-	-5	71.27%	
Farma Fotowoltaiczna Paturzyn, Sp. z o.o.	Warsaw	5,000 PLN	7	14	-7	-	-8	71.27%	
Farma Fotowoltaiczna Radziejów, Sp. z o.o.	Warsaw	5,000 PLN	14	37	-23	-	-15	71.27%	
Farma Fotowoltaiczna Tomaszów, Sp. z o.o.	Warsaw	5,000 PLN	10	31	-22	-	-17	71.27%	
Farma Fotowoltaiczna Ujazd, Sp. z o.o.	Warsaw	5,000 PLN	59	75	-16	-	-13	71.27%	
Farma Fotowoltaiczna Warta, Sp. z o.o.	Warsaw	5,000 PLN	37	92	-55	-	-47	71.27%	
Farma Fotowoltaiczna Wielkopolska, Sp. z o.o.	Warsaw	5,000 PLN	102	86	16	-	17	71.27%	
Farma Wiatrowa Starozreby, Sp. z o.o.	Warsaw	466,000 PLN	267	2	265	-	-18	71.27%	
FW Warta, Sp. z o.o.	Poznań	10,000 PLN	56,238	55,677	561	9,584	-1,024	71.27%	
Gudziki Wind Farm, Sp. z o.o.	Warsaw	35,715,400 PLN	56,349	39,095	17,254	13,949	1,431	36.35%	
Korsze Wind Farm, Sp. z o.o.	Warsaw	35,754,000 PLN	79,208	29,900	49,308	26,260	11,112	36.35%	
Masovia Wind Farm I, Sp. z o.o.	Warsaw	1,258,000 PLN	191	296	-105	-	-25	71.27%	
Miramit Investments, Sp. z o.o.	Warsaw	55,000 PLN	482	381	100	-	-39	71.27%	
Molen Wind II, Sp. z o.o.	Warsaw	14,600 PLN	65,258	29,668	35,590	16,496	5,864	36.35%	
Neo Solar Chotków, Sp. z o.o.	Warsaw	5,000 PLN	43,341	44,157	-816	163	-551	71.27%	
Neo Solar Farm, Sp. z o.o.	Warsaw	5,000 PLN	155,817	153,318	2,500	7,378	3,671	71.27%	
Neo Solar Przykona II, Sp. z o.o.	Warsaw	5,000 PLN	1,863	1,959	-96	-	-34	71.27%	
R.Wind, Sp. z o.o.	Warsaw	6,000 PLN	713	895	-182	-	-25	71.27%	
Radziejów Wind Farm, Sp. z o.o.	Warsaw	27,605,000 PLN	29,458	22,597	6,860	6,292	245	36.35%	
Rampton, Sp. z o.o.	Warsaw	11,005,000 PLN	3,685	1,329	2,356	1,881	-69	71.27%	
Relax Wind Park I, Sp. z o.o.	Warsaw	46,540,000 PLN	116,365	45,660	70,705	34,818	12,166	36.35%	
Relax Wind Park III, Sp. z o.o.	Warsaw	59,603,000 PLN	273,605	228,854	44,751	40,865	3,658	36.35%	
Rowy-Karpacka Mała Energetyka, Sp. z o.o.	Warsaw	50,000 PLN	99	651	-552	-	-61	71.27%	
WF Energy III, Sp. z o.o.	Warsaw	5,000 PLN	423	437	-14	-	-7	71.27%	
Wind Farm Debrzno, Sp. z o.o.	Warsaw	5,000 PLN	-	-1	1	-	-	71.27%	
Wind Farm Gniewkowo, Sp. z o.o.	Warsaw	5,000 PLN	-	-1	1	-	-	71.27%	
Romania									
Beta Wind, S.R.L.	Bucharest	207,470 RON	5,758	1,062	4,696	-	-206	71.27%	
EDPR România, S.R.L.	Bucharest	1,491,259,750 RON	637,342	152,247	485,095	157,921	61,726	71.27%	
Energopark, S.R.L.	Bucharest	133,720 RON	2,008	2,334	-326	-	-220	71.27%	
Frezzeac, S.R.L.	Bucharest	5,815,810 RON	2,001	1,588	413	-	-127	71.27%	
International Solar Energy, S.R.L.	Bucharest	200 RON	1,282	2,668	-1,387	-	-1,147	71.27%	
Solar Phoenix, S.R.L.	Bucharest	79,300 RON	548	958	-410	-	-142	71.27%	
Great Britain									
EDP Renewables UK Limited	Edinburgh	8,000 GBP	6,626	13,306	-6,680	993	-3,221	71.27%	
Altnabreac Wind Farm Limited	Edinburgh	100 GBP	172	3,128	-2,956	-	-1,022	71.27%	
Balmacach Wind Farm Limited	Edinburgh	100 GBP	2,318	3,663	-1,344	-	-689	71.27%	
Balnacraig Battery Storage Limited	Edinburgh	- GBP	-	-	-	-	-	71.27%	
Ben Sea Wind Farm Limited	Edinburgh	100 GBP	3,472	5,049	-1,577	-	-695	71.27%	
Drummarock Wind Farm Limited	Edinburgh	100 GBP	1,951	3,297	-1,346	-	-666	71.27%	
Harrington Franklin Limited	Leeds	- GBP	-	-	-	-	-	71.27%	
Kronos Solar Projects Limited	Newmarket	1 GBP	2,431	1,701	731	2,011	708	71.27%	
KS SPV 00 Limited	Newmarket	1 GBP	37	225	-188	-	-188	71.27%	
KS SPV 46 Limited	Newmarket	1 GBP	82	518	-436	-	-408	71.27%	
KS SPV 62 Limited	Newmarket	1 GBP	20	335	-315	-	-36	71.27%	
KS SPV 64 Limited	Newmarket	1 GBP	8	64	-55	-	-44	71.27%	
KS SPV 65 Limited	Newmarket	1 GBP	22	153	-131	-	-107	71.27%	
KS SPV 67 Limited	Newmarket	1 GBP	19	126	-107	-	-97	71.27%	
KS SPV 68 Limited	Newmarket	1 GBP	-	69	-69	-	-59	71.27%	
KS SPV 69 Limited	Newmarket	1 GBP	-	149	-149	-	-140	71.27%	
KS SPV 70 Limited	Newmarket	1 GBP	239	315	-76	-	-50	71.27%	
KS SPV 71 Limited	Newmarket	1 GBP	126	184	-58	-	-42	71.27%	
KS SPV 72 Limited	Newmarket	1 GBP	16	107	-90	-	-81	71.27%	
KS SPV 73 Limited	Newmarket	1 GBP	19	124	-105	-	-97	71.27%	
KS SPV 74 Limited	Newmarket	1 GBP	-	169	-169	-	-162	71.27%	
KS SPV 75 Limited	Newmarket	1 GBP	80	502	-422	-	-411	71.27%	
KS SPV 76 Limited	Newmarket	1 GBP	-	88	-88	-	-81	71.27%	
KS SPV 77 Limited	Newmarket	1 GBP	27	170	-143	-	-137	71.27%	
KS SPV 78 Limited	Newmarket	1 GBP	9	63	-53	-	-47	71.27%	
KS SPV 79 Limited	Newmarket	1 GBP	17	108	-91	-	-84	71.27%	
KS SPV 80 Limited	Newmarket	1 GBP	-	129	-129	-	-122	71.27%	
KS SPV 81 Limited	Newmarket	1 GBP	-	54	-54	-	-54	71.27%	
KS SPV 82 Limited	Newmarket	1 GBP	28	178	-149	-	-149	71.27%	
KS SPV 83 Limited	Newmarket	1 GBP	21	131	-110	-	-110	71.27%	
KS SPV 84 Limited	Newmarket	1 GBP	-	77	-77	-	-77	71.27%	
KS SPV 85 Limited	Newmarket	1 GBP	-	52	-52	-	-52	71.27%	
Lurg Hill Wind Farm Ltd	Edinburgh	100 GBP	822	1,892	-1,070	-	-313	71.27%	
Moorshield Wind Farm Limited	Edinburgh	100 GBP	1,988	3,254	-1,266	-	-612	71.27%	
Muirake Wind Farm Ltd	Edinburgh	100 GBP	4,878	1,791	3,088	2,672	1,500	56.30%	
Italy									
AW 2, S.r.l.	Milan	100,000 EUR	20,571	18,071	2,500	5,198	2,428	53.45%	
C & C Tre Energy S.r.l.	Milan	100,000 EUR	41,049	38,685	2,365	4,018	1,520	71.27%	
Custolito, S.R.L.	Milan	10,000 EUR	306	290	16	-	-6	71.27%	
EDP Renewables Italia Holding, S.R.L.	Milan	347,000 EUR	394,994	99,727	295,267	23,672	14,603	71.27%	
EDP Renewables Italia, S.R.L.	Milan	34,439,343 EUR	184,695	110,579	74,116	19,851	19,478	36.35%	
EDPR Basilicata, S.r.l.	Milan	10,000 EUR	318	244	74	-	-23	71.27%	
EDPR Centro Italia PV, S.r.l.	Milan	10,000 EUR	2,129	1,855	274	-	-10	71.27%	
EDPR Puglia Due, S.r.l.	Milan	10,000 EUR	411	472	-61	-	-71	71.27%	
EDPR Sicilia Tre, S.r.l.	Milan	10,000 EUR	7	13	-6	-	-15	71.27%	
EDPR Sardegna, S.r.l.	Milan	10,000 EUR	928	933	-4	-	-11	71.27%	
EDPR Sicilia Due, S.r.l.	Milan	10,000 EUR	138	44	94	-	-9	71.27%	
EDPR Sicilia PV, S.R.L.	Milan	10,000 EUR	9,335	9,154	181	-	-37	71.27%	
EDPR Sicilia Quattro, S.r.l.	Milan	10,000 EUR	277	276	1	-	-9	71.27%	
EDPR Sicilia Uno, S.r.l.	Milan	10,000 EUR	724	638	86	-	-8	71.27%	
EDPR Sicilia Wind, S.r.l.	Milan	10,000 EUR	51,808	52,603	-795	-	-1,058	71.27%	
EDPR Sud Italia, S.r.l.	Milan	10,000 EUR	1,740	1,694	45	-	-17	71.27%	
EDPR Villa Gallia, S.R.L.	Milan	9,000,000 EUR	98,758	24,767	71,992	20,185	10,059	36.35%	
Energia Emissioni Zero 4, S.r.l.	Naples	10,000 EUR	38,492	30,787	7,704	9,243	4,754	42.78%	
Giglio, S.r.l.	Milan	20,000 EUR	41,981	38,732	3,248	2,721	1,084	42.78%	
Re Plus, S.R.L.	Milan	100,000 EUR	722	616	106	-	-9	71.27%	
Sarve, S.r.l.	Milan	10,000 EUR	54,226	50,834	3,392	8,364	2,419	71.27%	
Serracapriola, S.r.l.	Milan	10,000 EUR	37,602	37,088	513	490	232	71.27%	
Solar Italy I, S.r.l.	Milan	10,000 EUR	47,512	44,343	3,169	-	-495	71.27%	
Solar Italy II, S.r.l.	Milan	10,000 EUR	25,996	25,384	612	-	-174	71.27%	
Solar Italy IV, S.r.l.	Milan	10,000 EUR	36,719	33,897	2,822	-	-370	71.27%	
Solar Italy XXIII, S.r.l.	Milan	10,000 EUR	3,236	2,943	293	-	-198	71.27%	
T Power, S.p.A.	Cesena	1,000,000 EUR	1,343	20	1,322	-	-29	71.27%	
Tivano, S.R.L.	Milan	100,000 EUR	20,407	18,500	1,907	3,524	1,653	53.45%	
VRG Wind 153, S.r.l.	Milan	10,000 EUR	46,200	40,918	5,282	7,089	2,297	71.27%	

Subsidiaries	HeadOffice	Share capital / Currency	Assets 31-Dec-23 Euro'000	Liabilities 31-Dec-23 Euro'000	Equity 31-Dec-23 Euro'000	Revenues 31-Dec-23 Euro'000	Net Profit/(Loss) 31-Dec-23 Euro'000	% Group	% Company
Wind Energy Castelluccio, S.r.l.	Milan	10,000 EUR	10,380	10,198	182	-	-99	71.27%	
Wind Energy Monte Cavallo, S.r.l.	Pescara	10,000 EUR	51	46	5	-	-	36.35%	
Wind Energy San Giorgio, S.r.l.	Milan	20,000 EUR	52,265	48,994	3,271	3,953	1,256	42.76%	
Winderg Valleverde, S.r.l.	Milan	180,000 EUR	9,401	9,098	303	-	-3	42.76%	
Greece:									
Aeolos Evias Energiaki, M.A.E.	Athens	4,125,000 EUR	4,756	1,702	3,054	-	-387	71.27%	
Aioliki Oitis Energiaki A.E.	Athens	1,993,050 EUR	2,064	88	1,977	-	-238	71.27%	
Aioliki Parko Fthiotidos Erimia A.E.	Athens	880,080 EUR	32,052	32,243	-191	-	-1,655	71.27%	
EDPR Hellas 1 M.A.E.	Athens	2,855,000 EUR	38,760	37,686	1,074	-	-926	71.27%	
EDPR Hellas 2 M.A.E.	Athens	670,000 EUR	37,481	36,922	559	-	-897	71.27%	
Energiaki Arvanikou E.P.E.	Athens	1,312,380 EUR	57,191	41,949	15,242	5,823	-1,097	71.27%	
Kadmeios Anemos Energiaki, A.E.	Athens	2,825,000 EUR	4,719	3,685	1,034	-	-405	71.27%	
Vaiotikos Anemos Energy, A.E.	Athens	1,225,000 EUR	8,420	8,245	174	-	-481	71.27%	
Wind Park Aerorachi M.A.E.	Athens	496,020 EUR	3,927	6,714	-2,788	-	-172	71.27%	
Wind Shape A.E.	Athens	549,850 EUR	4,580	4,160	420	-	-359	71.27%	
Germany:									
EDP Renewables Germany GmbH	Munich	25,000 EUR	727	4,535	-3,808	-	-3,807	71.27%	
Kronos Projektgesellschaft mbH	Munich	25,000 EUR	13,199	14,467	-1,268	1,290	-1,287	71.27%	
Kronos Solar Projects France UG	Munich	1,000 EUR	2,403	386	2,017	-	6,385	60.58%	
Kronos Solar Projects GmbH	Munich	27,689 EUR	73,666	3,839	69,827	6,749	6,271	71.27%	
KSD 11 UG	Bütow	1,000 EUR	282	332	-50	-	-27	71.27%	
KSD 12 UG	Munich	1,000 EUR	571	623	-52	-	-40	71.27%	
KSD 13 UG	Munich	1,000 EUR	284	325	-41	-	-28	71.27%	
KSD 14 UG	Munich	1,000 EUR	2,429	2,528	-100	-	-87	71.27%	
KSD 15 UG	Munich	1,000 EUR	38	136	-97	-	-89	71.27%	
KSD 16 UG	Munich	1,000 EUR	62	230	-168	-	-162	71.27%	
KSD 17 GmbH	Munich	25,000 EUR	2,743	2,791	-48	-	-64	71.27%	
KSD 18 UG	Munich	1,000 EUR	143	173	-29	-	-24	71.27%	
KSD 19 UG	Munich	1,000 EUR	171	202	-31	-	-25	71.27%	
KSD 21 UG	Munich	1,000 EUR	50	181	-131	-	-125	71.27%	
KSD 22 UG	Munich	1,000 EUR	40	146	-106	-	-100	71.27%	
KSD 23 UG	Munich	1,000 EUR	268	301	-33	-	-24	71.27%	
KSD 24 UG	Munich	1,000 EUR	48	175	-127	-	-121	71.27%	
KSD 25 UG	Munich	1,000 EUR	301	332	-31	-	-24	71.27%	
KSD 26 UG	Munich	1,000 EUR	81	270	-189	-	-186	71.27%	
KSD 27 UG	Munich	1,000 EUR	84	342	-259	-	-256	71.27%	
KSD 28 UG	Munich	1,000 EUR	50	156	-107	-	-103	71.27%	
KSD 29 UG	Munich	1,000 EUR	51	164	-112	-	-109	71.27%	
KSD 30 UG	Munich	1,000 EUR	57	184	-127	-	-124	71.27%	
KSD 31 UG	Munich	1,000 EUR	72	240	-168	-	-165	71.27%	
KSD 32 UG	Munich	1,000 EUR	150	183	-33	-	-30	71.27%	
KSD 33 UG	Munich	1,000 EUR	34	100	-65	-	-62	71.27%	
KSD 34 UG	Munich	1,000 EUR	50	156	-107	-	-104	71.27%	
KSD 35 UG	Munich	1,000 EUR	127	218	-91	-	-88	71.27%	
KSD 36 UG	Munich	1,000 EUR	107	203	-96	-	-93	71.27%	
KSD 37 UG	Munich	1,000 EUR	65	213	-148	-	-145	71.27%	
KSD 38 UG	Munich	1,000 EUR	72	237	-165	-	-162	71.27%	
KSD 39 UG	Munich	1,000 EUR	87	184	-97	-	-94	71.27%	
KSD 40 UG	Munich	1,000 EUR	63	205	-142	-	-139	71.27%	
KSD 41 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 42 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 43 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 44 UG	Munich	1,000 EUR	5	11	-6	-	-7	71.27%	
KSD 45 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 46 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 47 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 48 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 49 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 50 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 51 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 52 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 53 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 54 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 55 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 56 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 57 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 58 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 59 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
KSD 60 UG	Munich	1,000 EUR	5	8	-4	-	-5	71.27%	
The Netherlands:									
EDPR International Investments, B.V.	Amsterdam	20,000 EUR	134,078	123,748	10,330	-	-5,015	71.27%	
Kronos Solar Projects NL, B.V.	Arnhem	5,000 EUR	1,367	1,238	129	1,248	87	71.27%	
KS NL10, B.V.	Arnhem	0 EUR	43	69	-26	-	-18	71.27%	
KS NL12, B.V.	Arnhem	0 EUR	2	44	-42	-	-35	71.27%	
KS NL13, B.V.	Arnhem	0 EUR	403	504	-101	-	-64	71.27%	
KS NL14, B.V.	Arnhem	0 EUR	8,932	9,126	-195	-	-147	71.27%	
KS NL16, B.V.	Arnhem	0 EUR	2	43	-42	-	-37	71.27%	
KS NL17, B.V.	Arnhem	0 EUR	36	101	-65	-	-24	71.27%	
KS NL20, B.V.	Arnhem	0 EUR	173	223	-50	-	-42	71.27%	
KS NL23, B.V.	Arnhem	0 EUR	398	531	-133	-	-96	71.27%	
KS NL24, B.V.	Arnhem	0 EUR	4	41	-37	-	-33	71.27%	
KS NL25, B.V.	Arnhem	0 EUR	36	59	-24	-	-17	71.27%	
KS NL27, B.V.	Arnhem	0 EUR	131	219	-88	-	-31	71.27%	
KS NL28, B.V.	Arnhem	0 EUR	10,321	10,558	-237	-	-200	71.27%	
KS NL29, B.V.	Arnhem	0 EUR	17	46	-29	-	-16	71.27%	
KS NL3, B.V.	Arnhem	0 EUR	1,370	1,469	-98	-	-55	71.27%	
KS NL30, B.V.	Arnhem	0 EUR	15	37	-22	-	-12	71.27%	
KS NL31, B.V.	Arnhem	0 EUR	3	48	-45	-	-32	71.27%	
KS NL32, B.V.	Arnhem	0 EUR	1,447	1,629	-181	-	-116	71.27%	
KS NL33, B.V.	Arnhem	0 EUR	26	66	-40	-	-13	71.27%	
KS NL34, B.V.	Arnhem	0 EUR	1,335	1,476	-141	-	-76	71.27%	
KS NL35, B.V.	Arnhem	1 EUR	24	53	-29	-	-14	71.27%	
KS NL36, B.V.	Arnhem	1 EUR	2	40	-38	-	-27	71.27%	
KS NL37, B.V.	Arnhem	1 EUR	4	53	-50	-	-33	71.27%	
KS NL38, B.V.	Arnhem	1 EUR	19	41	-22	-	-15	71.27%	
KS NL39, B.V.	Arnhem	1 EUR	2	31	-29	-	-20	71.27%	
KS NL40, B.V.	Arnhem	1 EUR	15	35	-19	-	-13	71.27%	
KS NL41, B.V.	Arnhem	1 EUR	110	160	-50	-	-40	71.27%	
KS NL42, B.V.	Arnhem	1 EUR	15	36	-20	-	-16	71.27%	
KS NL43, B.V.	Arnhem	1 EUR	4	74	-69	-	-57	71.27%	
KS NL44, B.V.	Arnhem	1 EUR	2	39	-37	-	-29	71.27%	
KS NL45, B.V.	Arnhem	1 EUR	10	49	-40	-	-24	71.27%	
KS NL46, B.V.	Arnhem	1 EUR	14	34	-20	-	-12	71.27%	
KS NL47, B.V.	Arnhem	1 EUR	11	38	-27	-	-21	71.27%	
KS NL48, B.V.	Arnhem	1 EUR	1	41	-40	-	-34	71.27%	
KS NL49, B.V.	Arnhem	1 EUR	1	26	-25	-	-20	71.27%	
KS NL50, B.V.	Arnhem	1 EUR	25	55	-29	-	-14	71.27%	

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KS NL6, B.V.	Arnhem	0 EUR	4	46	-42	-	-27	71.27%	
KS NL8, B.V.	Arnhem	0 EUR	9,662	9,949	-287	-	-258	71.27%	
Other Countries:									
EDP Renewables Belgium, S.A.	Brussels	286,500 EUR	19,681	16,409	3,272	2,967	995	71.27%	
EDP Renewables Hungary	Budapest	30,200,000 HUF	3,239	3,133	106	1,632	-777	71.27%	
EDPR Bara, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
EDPR Mistral, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
EDPR Pampera, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
EDPR Sesta, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
EDPR Silvanus, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
EDPR Sirocco, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
EDPR Terra, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
EDPR Zephyr, Kft.	Budapest	3,000,000 HUF	8	2	6	-	-2	71.27%	
Napenergia, Kft.	Budapest	3,000,000 HUF	9,381	11,496	-2,115	-	-1,470	71.27%	
Nyírség Watt, Kft.	Budapest	313,000,000 HUF	5,074	4,702	372	-	-479	71.27%	
Sunglare Capture, Kft.	Budapest	3,100,000 HUF	1,289	1,974	-685	-	-386	71.27%	
Sunglare Expert, Kft.	Budapest	3,100,000 HUF	1,293	1,965	-672	-	-359	71.27%	
Sunlight Solar, Kft.	Budapest	5,100,000 HUF	1,340	2,560	-1,220	-	478	60.58%	
Szabadsolar, Kft.	Budapest	3,100,000 HUF	553	1,924	-1,371	-	-979	71.27%	
North America Geography / Platform:									
United States of America:									
EDP Renewables North America LLC (USA Subgroup Parent Company)	Delaware	7,424,416,019 USD	6,993,401	1,041,581	5,951,820	150,541	-33,722	71.27%	
10 Point Solar Park LLC	Delaware	598 USD	352	352	-	-	-1	71.27%	
17th Star Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
2007 Vento I LLC	Delaware	476,593,283 USD	494,951	9,490	485,461	7,824	641	71.27%	
2007 Vento II LLC	Delaware	174,362,141 USD	152,679	335	152,344	-	-195	36.35%	
2008 Vento III LLC	Delaware	277,598,196 USD	245,334	493	244,841	-	-84	36.35%	
2009 Vento V LLC	Delaware	-11,594,159 USD	-11,693	32	-11,725	-	-27	36.35%	
2011 Vento IX LLC	Delaware	31,730,766 USD	27,408	116	27,292	-	-133	36.35%	
2014 Sol I LLC	Delaware	53,206,066 USD	47,428	43	47,384	-	-108	35.64%	
2014 Vento XI LLC	Delaware	170,341,605 USD	155,507	1,515	153,992	-	-63	36.35%	
2014 Vento XII LLC	Delaware	80,513,337 USD	72,739	42	72,697	-	-47	36.35%	
2015 Vento XIII LLC	Delaware	234,192,975 USD	211,584	810	210,774	-	-184	36.35%	
2015 Vento XIV LLC	Delaware	202,580,084 USD	182,491	53	182,438	-	-141	36.35%	
2016 Vento XV LLC	Delaware	442,402,498 USD	413,130	13,781	399,349	-	-314	71.27%	
2016 Vento XVI LLC	Delaware	132,490,809 USD	119,104	64	119,070	-	-161	71.27%	
2017 Sol II LLC	Delaware	102,663,400 USD	93,056	376	92,680	-	-54	71.27%	
2018 Vento XVIII LLC	Delaware	406,755,980 USD	367,639	225	367,414	-	-161	71.27%	
2019 Vento XXI LLC	Delaware	266,979,241 USD	248,298	7,362	240,936	-	-446	71.27%	
2020 Vento XXII LLC	Delaware	996,595,061 USD	898,420	3,893	894,527	-	-2,769	71.27%	
2021 DG Agora Holdings LLC	Delaware	16,344,219 USD	14,786	-	14,786	-	-5	60.58%	
2021 DG Agora Ventures I LLC	Delaware	16,338,961 USD	77,637	61,257	16,380	-	1,361	60.58%	
2021 DG Apollo Sol II LLC	Delaware	8,228 USD	6	-	6	-	-1	60.58%	
2021 DG Apollo Ventures II LLC	Delaware	1,189 USD	-	-	-	-	-1	60.58%	
2021 DG CA Agora Ventures I LLC	Delaware	45,069 USD	33	-	33	-	-1	60.58%	
2021 DG CA Apollo Sol II LLC	Delaware	1,159 USD	-	-	-	-	-1	60.58%	
2021 DG CA Apollo Ventures II LLC	Delaware	1,159 USD	-	-	-	-	-1	60.58%	
2021 Vento XXIII LLC	Delaware	268,099,086 USD	261,472	18,993	242,479	-	-39	71.27%	
2022 SOL V I LLC	Delaware	257,855,073 USD	233,354	1	233,353	-	1	71.27%	
2022 SOL VII LLC	Delaware	94,107,018 USD	85,208	29	85,179	-	17	71.27%	
2023 SOL IX LLC	Delaware	155,848,313 USD	141,057	9	141,048	-	9	71.27%	
2023 SOL VIII LLC	Delaware	280,759,203 USD	254,081	-	254,081	-	-	71.27%	
2023 Vento XXIV LLC	Delaware	89,296,411 USD	80,811	-	80,811	-	-	71.27%	
Alabama Ledge Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Alabama Solar Park LLC	Delaware	3,996,530 USD	3,856	245	3,611	-	-6	71.27%	
Antelope Ridge Wind Power Project LLC	Delaware	12,828,809 USD	-	-	-	-	-	71.27%	
Arbuckle Mountain Wind Farm LLC	Delaware	136,987,859 USD	126,444	9,753	116,691	8,122	2,564	36.35%	
Arkwright Summit Wind Farm LLC	Delaware	165,347,648 USD	177,270	16,752	160,518	11,671	-280	71.27%	
Arlington Wind Power Project LLC	Delaware	41,238,914 USD	88,235	6,571	81,664	12,925	3,773	36.35%	
Aroostook Wind Energy LLC	Delaware	48,102,146 USD	38,853	294	38,559	-	-44	71.27%	
Ashford Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Athena-Weston Wind Power Project II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Athena-Weston Wind Power Project LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Avondale Solar Park LLC	Delaware	2,365,843 USD	2,724	582	2,141	-	3	71.27%	
AZ Solar LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Azalea Springs Solar Park LLC	Delaware	22,320,144 USD	46,549	27,084	19,465	-	-5	71.27%	
Bar Harbor Community Solar LLC	Delaware	7,917,235 USD	7,169	12	7,157	-	-3	60.58%	
Bayou Bend Solar Park LLC	Delaware	991,342 USD	898	1	897	-	-	71.27%	
BC2 Maple Ridge Holdings LLC	Delaware	- USD	-	-	-	-	-	71.27%	
BC2 Maple Ridge Wind LLC	Delaware	268,810,946 USD	98,549	4,936	93,613	-	-9,387	71.27%	
Bear Peak Beccaria LLC	Delaware	157,433 USD	-	5	-5	-	-151	60.58%	
Bear Peak Brady LLC	Delaware	- USD	-	5	-5	-	-5	60.58%	
Bear Peak East Carroll LLC	Delaware	216,677 USD	210	15	195	-	-1	60.58%	
Bear Peak Glen Hope LLC	Delaware	233,880 USD	219	11	208	-	-3	60.58%	
Bear Peak Jennerstown LLC	Delaware	146,220 USD	141	9	131	-	-1	60.58%	
Bear Peak Juniata LLC	Delaware	- USD	-	-	-	-	-	60.58%	
Bear Peak Point II LLC	Delaware	143,607 USD	137	8	129	-	-1	60.58%	
Bear Peak Richmond LLC	Delaware	162,535 USD	154	8	146	-	-1	60.58%	
Big River Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Big River Wind Power Project LLC	Delaware	953 USD	-	-	-	-	-1	71.27%	
Black Prairie Solar Park II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Black Prairie Solar Park LLC	Delaware	1,672,434 USD	1,618	105	1,514	-	-	71.27%	
Black Prairie Storage II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Black Prairie Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Black Prairie Wind Farm II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Black Prairie Wind Farm III LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Black Prairie Wind Farm LLC	Delaware	1,183,528 USD	1,069	1	1,069	-	-	71.27%	
Black River Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blackford County Solar Park LLC	Delaware	1,142 USD	-	1	-1	-	-3	71.27%	
Blackford County Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blackstone Wind Farm II LLC	Delaware	180,921,587 USD	252,559	87,544	165,014	19,609	149	71.27%	
Blackstone Wind Farm III LLC	Delaware	6,275,439 USD	-	-	-	-	-	71.27%	
Blackstone Wind Farm IV LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blackstone Wind Farm LLC	Delaware	70,720,559 USD	113,360	39,948	73,412	11,883	840	71.27%	
Blackstone Wind Farm V LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blissville Road LLC	Delaware	2,146,051 USD	2,022	126	1,896	129	-19	60.58%	
Blue Canyon Windpower II LLC	Texas	279,027,357 USD	210,396	19,576	190,820	15,021	-7,532	71.27%	
Blue Canyon Windpower III LLC	Texas	- USD	-	-	-	-	-	71.27%	
Blue Canyon Windpower IV LLC	Texas	- USD	-	-	-	-	-	71.27%	
Blue Canyon Windpower V LLC	Texas	-12,922,119 USD	98,967	7,358	91,609	18,830	5,043	36.35%	
Blue Canyon Windpower VI LLC	Delaware	89,648,552 USD	91,191	7,565	83,626	998	-9,915	71.27%	
Blue Canyon Windpower VII LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Harvest Solar Park LLC	Delaware	46,604,622 USD	86,305	41,722	44,583	855	170	71.27%	
Blue Marmot I LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Marmot II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Marmot IV LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Marmot IX LLC	Delaware	4,095,342 USD	3,705	3	3,702	-	-	71.27%	
Blue Marmot Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	

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Blue Marmot V LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Marmot VI LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Marmot VII LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Marmot VIII LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Blue Marmot XI LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Bluebird Prairie Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Bright Stalk Solar Park LLC	Delaware	1,142 USD	-	2	-2	-	-3	71.27%	
Broadlands Wind Farm II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Broadlands Wind Farm III LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Buffalo Bluff Wind Farm LLC	Delaware	5,297,080 USD	4,865	72	4,793	-	-	71.27%	
Buffalo Lick Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
C2 Alpha Holdings LLC	Delaware	77,453 USD	-	-	-	-	-1	60.58%	
C2 Bristol I LLC	Delaware	8,223,488 USD	7,685	346	7,339	-	-85	60.58%	
C2 Bristol II LLC	Delaware	1,840,882 USD	1,822	7	1,814	-	-30	60.58%	
C2 CB 2017 Holdings LLC	Delaware	19,752,927 USD	16,618	-999	17,618	-	-255	60.58%	
C2 Centrica MT LLC	Delaware	3,395,441 USD	15,599	1,058	14,541	-	-85	60.58%	
C2 CI Holdings 2 LLC	Delaware	2,278 USD	-	-	-	-	-1	60.58%	
C2 CT Fund 1 Holding LLC	Delaware	33,378,300 USD	43,299	-140	43,439	-	281	60.58%	
C2 Energy Development LLC	Delaware	191,477,066 USD	171,164	18	171,146	-	-520	60.58%	
C2 MA Adams II LLC	Delaware	1,324,889 USD	3,781	2,477	1,304	570	-221	60.58%	
C2 MA DEPCOM 2017 LLC	Delaware	3,680,848 USD	3,596	-355	3,951	-	137	60.58%	
C2 MA Dudley II LLC	Delaware	1,182,083 USD	2,725	1,808	917	-	-1	60.58%	
C2 MA FKW Holdings LLC	Delaware	2,955,575 USD	2,560	302	2,258	-	-102	60.58%	
C2 MA Kelly Way Solar LLC	Delaware	1,155,882 USD	1,193	155	1,039	161	-103	60.58%	
C2 MA Lakeville Holdings LLC	Delaware	8,411,816 USD	7,505	-156	7,661	-	-103	60.58%	
C2 MA Lakeville LLC	Delaware	8,218,439 USD	7,614	272	7,342	741	-575	60.58%	
C2 MA Managing Member II LLC	Delaware	2,957,098 USD	2,675	-	2,675	-	-1	60.58%	
C2 MA New Salem LLC	Delaware	1,111,088 USD	2,771	1,587	1,174	375	-69	60.58%	
C2 MN Hopkins LLC	Delaware	3,080,349 USD	2,741	121	2,619	124	-57	60.58%	
C2 NC Kitty Hawk LLC	Delaware	- USD	-	-	-	-	-	60.58%	
C2 NJ Andover I LLC	Delaware	-237,975 USD	2,149	1,231	917	298	-129	60.58%	
C2 NY Brookhaven LLC	Delaware	8,739,833 USD	8,184	923	7,261	108	-73	60.58%	
C2 NY Sentinel Heights Solar LLC	Delaware	9,474,372 USD	9,061	605	8,456	89	-100	60.58%	
C2 OH New Lebanon LLC	Delaware	346 USD	-	-	-	-	-	60.58%	
C2 OH Otsego II LLC	Delaware	-53,594 USD	2,622	1,484	1,139	285	-142	60.58%	
C2 Omega Holding Company LLC	Delaware	20,168 USD	-	-	-	-	-3	60.58%	
C2 RI Hopkinton LLC	Delaware	3,021,065 USD	3,092	484	2,607	181	-73	60.58%	
C2 Scripps 3 LLC	Delaware	1,004,070 USD	1,297	546	752	56	-63	60.58%	
C2 Scripps 4 LLC	Delaware	1,439,988 USD	1,963	814	1,149	90	-58	60.58%	
C2 SH 2019 LLC	Delaware	2,397,188 USD	2,167	-	2,167	-	-1	60.58%	
C2 Starratt Solar LLC	Delaware	13,690,506 USD	12,118	573	11,545	692	-282	60.58%	
C2 WM 2020 Holdings LLC	Delaware	2,732 USD	-	-	-	-	-1	60.58%	
C2 WM Arizona 1 LLC	Delaware	978,342 USD	907	45	862	53	-12	60.58%	
C2 WM Arizona 10 LLC	Delaware	756,045 USD	689	30	659	42	-14	60.58%	
C2 WM Arizona 1512 LLC	Delaware	1,153,213 USD	1,041	2	1,039	-	-3	60.58%	
C2 WM Arizona 1549 LLC	Delaware	1,085,774 USD	1,233	98	1,136	140	56	60.58%	
C2 WM Arizona 2 LLC	Delaware	1,586,693 USD	1,446	61	1,384	86	-15	60.58%	
C2 WM Arizona 2112 LLC	Delaware	786,386 USD	856	61	795	92	27	60.58%	
C2 WM Arizona 3 LLC	Delaware	2,321,781 USD	2,087	87	2,009	128	-33	60.58%	
C2 WM Arizona 3360 LLC	Delaware	821,139 USD	884	70	814	94	23	60.58%	
C2 WM Arizona 3465 LLC	Delaware	761,604 USD	929	80	849	114	49	60.58%	
C2 WM Arizona 3799 LLC	Delaware	1,205,915 USD	1,293	95	1,199	127	34	60.58%	
C2 WM Arizona 3833 LLC	Delaware	1,209,082 USD	1,295	95	1,200	128	39	60.58%	
C2 WM Arizona 3861 LLC	Delaware	1,197,043 USD	1,272	94	1,178	125	35	60.58%	
C2 WM Arizona 4 LLC	Delaware	1,872,666 USD	1,677	74	1,604	99	-50	60.58%	
C2 WM Arizona 4451 LLC	Delaware	959,125 USD	1,083	95	987	122	47	60.58%	
C2 WM Arizona 5 LLC	Delaware	1,564,891 USD	1,404	58	1,346	78	-22	60.58%	
C2 WM Arizona 5768 LLC	Delaware	- USD	-	-	-	-	-	60.58%	
C2 WM Arizona 6 LLC	Delaware	1,984,753 USD	1,780	75	1,705	107	-41	60.58%	
C2 WM Arizona 7 LLC	Delaware	2,766,374 USD	2,075	94	1,981	127	-19	60.58%	
C2 WM Arizona 8 LLC	Delaware	2,173,367 USD	1,972	87	1,885	116	-24	60.58%	
C2 WM Arizona 9 LLC	Delaware	2,051,000 USD	1,863	82	1,781	109	-29	60.58%	
C2 WM Arizona Holdings LLC	Delaware	3,033 USD	-	-	-	-	-1	60.58%	
C2 WM California 1789 LLC	Delaware	612,293 USD	712	54	658	90	35	60.58%	
C2 WM California 1988 LLC	Delaware	431,555 USD	487	37	449	53	18	60.58%	
C2 WM California 4202 LLC	Delaware	322,890 USD	318	20	298	27	-2	60.58%	
C2 WM California 4317 LLC	Delaware	1,125,974 USD	1,071	65	1,007	-	-9	60.58%	
C2 WM California 5890 LLC	Delaware	641,387 USD	629	38	591	46	-4	60.58%	
C2 WM California Holdings LLC	Delaware	6,586 USD	-	-	-	-	-5	60.58%	
C2 WM DSA Holdings LLC	Delaware	-447,080 USD	15,218	15,601	-383	-	-115	60.58%	
C2 WM Greenwood Leasing LLC	Delaware	540,143 USD	620	118	501	50	41	60.58%	
C2 WM Holdings LLC	Delaware	76,582 USD	65	-	65	-	-3	60.58%	
C2 WM Illinois 1404 LLC	Delaware	680,802 USD	1,028	77	951	179	113	60.58%	
C2 WM Illinois 1489 LLC	Delaware	563,308 USD	779	58	722	143	66	60.58%	
C2 WM Illinois 1548 LLC	Delaware	550,545 USD	617	51	566	103	57	60.58%	
C2 WM Illinois 1553 LLC	Delaware	503,230 USD	798	61	737	174	94	60.58%	
C2 WM Illinois 1761 LLC	Delaware	643,770 USD	833	68	766	145	70	60.58%	
C2 WM Illinois 1848 LLC	Delaware	401,103 USD	761	56	705	194	115	60.58%	
C2 WM Illinois 1933 LLC	Delaware	497,786 USD	819	61	758	183	103	60.58%	
C2 WM Illinois 2215 LLC	Delaware	549,881 USD	902	71	831	204	117	60.58%	
C2 WM Illinois 2491 LLC	Delaware	745,184 USD	1,199	101	1,098	225	151	60.58%	
C2 WM Illinois 253 LLC	Delaware	765,793 USD	1,184	96	1,088	212	136	60.58%	
C2 WM Illinois 5442 LLC	Delaware	460,004 USD	655	47	608	126	63	60.58%	
C2 WM Illinois 612 LLC	Delaware	532,640 USD	686	56	629	130	83	60.58%	
C2 WM Illinois 891 LLC	Delaware	576,649 USD	1,002	77	925	237	137	60.58%	
C2 WM Illinois Holdings LLC	Delaware	39,417 USD	-	-	-	-	-1	60.58%	
C2 WM Laurens Leasing LLC	Delaware	2,366,938 USD	3,004	1,000	2,003	82	-20	60.58%	
C2 WM Louisiana 309 LLC	Delaware	- USD	-	-	-	-	-	60.58%	
C2 WM Louisiana 539 LLC	Delaware	732,694 USD	740	85	655	-	-5	60.58%	
C2 WM Louisiana 87 LLC	Delaware	514,725 USD	527	35	492	49	13	60.58%	
C2 WM Louisiana Holdings LLC	Delaware	- USD	-	-	-	-	-	60.58%	
C2 WM Maryland 1715 LLC	Delaware	846,025 USD	819	47	772	76	50	60.58%	
C2 WM Maryland 2436 LLC	Delaware	1,125,356 USD	1,093	69	1,025	96	46	60.58%	
C2 WM Maryland Holdings LLC	Delaware	2,857 USD	-	-	-	-	-1	60.58%	
C2 WM New Jersey 1 LLC	Delaware	4,975,006 USD	5,033	161	4,873	539	18	60.58%	
C2 WM New Jersey 1807 LLC	Delaware	845,953 USD	765	3	762	-	-3	60.58%	
C2 WM New Jersey 1844 LLC	Delaware	176,122 USD	-	1	-1	-	-163	60.58%	
C2 WM New Jersey 1869 LLC	Delaware	171,337 USD	-	1	-1	-	-159	60.58%	
C2 WM New Jersey 1977 LLC	Delaware	- USD	-	-	-	-	-	60.58%	
C2 WM New Jersey 2195 LLC	Delaware	863,115 USD	1,022	69	953	235	166	60.58%	
C2 WM New Jersey 3795 LLC	Delaware	1,175,488 USD	1,255	70	1,184	151	98	60.58%	
C2 WM New Jersey Holdings LLC	Delaware	20,428 USD	-	-	-	-	-18	60.58%	
C2 WM Phase 3 Holdings LLC	Delaware	2,156 USD	-	-	-	-	-1	60.58%	
C2 WM Phase 3 Sponsor LLC	Delaware	4,315 USD	2	-	2	-	-1	60.58%	
C2 WM Powdersville Leasing LLC	Delaware	730,680 USD	690	83	607	34	16	60.58%	
C2 WM Regent Dev Holdings 2020 LLC	Delaware	2,002 USD	-	-	-	-	-1	60.58%	
C2 WM Simpsonville Leasing LLC	Delaware	935,029 USD	1,013	179	834	72	66	60.58%	
C2 Woodbury Solar LLC	Delaware	9,871,538 USD	8,912	-	8,912	-	-6	60.58%	
CA Gettysburg Solar Farm LLC	Delaware	9,761,842 USD	8,926	152	8,774	-	-40	60.58%	



Subsidiaries	HeadOffice	Share capital / Currency	Assets			Liabilities			Equity			Revenues			Net Profit/(Loss)		% Group	% Company
			31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	Euro'000			Euro'000
CA Marinwood Solar LLC	Delaware	695,186 USD	622	-	622	-	-	-	-	-	-	-	-	-3	60.58%			
CA Olde Thompson Solar LLC	Delaware	-359,812 USD	920	1,263	-343	64	10	60.58%										
CA Syracuse Solar LLC	Delaware	- USD	-	-	-	-	-	60.58%										
CA Tours Solar LLC	Delaware	- USD	-	-	-	-	-	60.58%										
Camden PV PSEG Solar LLC	Delaware	117,159 USD	-	-	-	-	-	60.58%					-45	60.58%				
Camden PV Solar LLC	Delaware	6,995,645 USD	6,085	221	5,845	789	-58	60.58%										
Cameron Solar LLC	South Carolina	33,209,498 USD	33,142	2,831	30,310	1,974	-87	71.27%										
Carpenter Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Casa Grande Carmel Solar LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Castle Valley Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Cattlemen Solar Park II LLC	Delaware	41,704,039 USD	81,353	46,223	35,130	-	-11	71.27%										
Cattlemen Solar Park LLC	Delaware	155,859,825 USD	307,505	174,362	133,143	322	-3,742	71.27%										
CF OH Solar County Hwy 58, Upper Sandusky LLC	Delaware	568,359 USD	529	15	514	-	-	60.58%										
CF OH Solar Lincoln Hwy, Bucyrus LLC	Delaware	328,938 USD	306	8	298	-	-	60.58%										
CF OH Solar N Dixie Hwy Lima LLC	Delaware	299,013 USD	271	-	271	-	-	60.58%										
CF OH Solar Rd N, Pandora LLC	Delaware	269,802 USD	261	17	244	-	-	60.58%										
CF OH Solar SR 309, Kenton LLC	Delaware	179,469 USD	195	33	162	-	-	60.58%										
CF OH Solar SR 81 Ada LLC	Delaware	569,712 USD	532	17	515	-	-	60.58%										
CF OH Solar STRT 118, Ansonia LLC	Delaware	115,001 USD	120	16	104	-	-	60.58%										
CF OH Solar STRT 118, Rosburg LLC	Delaware	257,799 USD	275	42	233	-	-	60.58%										
Chateaugay River Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Cheboygan Solar Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Cielo Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Citizens Dickerson Solar LLC	Delaware	3,066,424 USD	3,349	576	2,773	-	-2	60.58%										
Citizens Westmoreland Solar LLC	Delaware	10,160,201 USD	9,915	725	9,190	-	-5	60.58%										
Clinton County Wind Farm LLC	Delaware	182,741,057 USD	165,370	-	165,370	-	-	71.27%										
Cloud County Wind Farm LLC	Delaware	103,768,962 USD	162,591	12,378	150,213	20,854	3,963	36.35%										
Clover Creek Solar Project III LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Clover Creek Solar Project LLC	Delaware	33,233,337 USD	30,273	242	30,032	-	-20	71.27%										
Coldwater Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Coos Curry Wind Power Project LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Cortland-Virgil Road Solar LLC	Delaware	6,694,654 USD	6,238	872	5,366	146	-84	60.58%										
Creed Road Solar I LLC	Delaware	- USD	-	-	-	-	-	60.58%										
Crescent Bar Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Crooked Lake Solar II LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Crooked Lake Solar III LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Crooked Lake Solar LLC	Delaware	236,594,130 USD	263,556	33,969	229,587	-	1,512	71.27%										
Cropsey Ridge Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Crossing Trails Wind Power Project III LLC	Delaware	48,757 USD	72	119	-47	-	-90	71.27%										
Crossing Trails Wind Power Project LLC	Delaware	152,457,502 USD	146,005	16,589	129,416	3,628	-5,058	71.27%										
Cypress Knee Solar Park LLC	Delaware	1,142 USD	-	3	-3	-	-4	71.27%										
Daffodil Grove Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Dairy Hills Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%										
DC Michigan Solar LLC	Delaware	- USD	-	-	-	-	-	60.58%										
Diamond Power Partners LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Drake Peak Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Dry Creek Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Duff Solar Park II LLC	Delaware	- USD	-	2	-2	-	-2	71.27%										
Duff Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Duff Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%										
Eagle Creek Solar Park LLC	Delaware	3,370,484 USD	3,937	888	3,048	-	-1	71.27%										
East Klickitat Wind Power Project LLC	Delaware	- USD	-	-	-	-	-	71.27%										
East River Solar LLC	Delaware	5,762,907 USD	5,885	840	5,045	187	-44	60.58%										
Eastmill Solar Park LLC	Delaware	1,142 USD	-	-	-	-	-1	71.27%										
EDPR Aurora Holdings LLC	Delaware	2,648 USD	1	1	-	-	-	71.27%										
EDPR CA Solar Park II LLC	Delaware	112,312,592 USD	105,302	9,809	95,493	-	-5,554	71.27%										
EDPR CA Solar Park III LLC	Delaware	11,915,006 USD	11,882	1,139	10,743	-	-1	71.27%										
EDPR CA Solar Park IV LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR CA Solar Park LLC	Delaware	213,800,560 USD	208,311	15,839	192,472	34	-337	71.27%										
EDPR CA Solar Park V LLC	Delaware	953 USD	-	9	-9	-	-10	71.27%										
EDPR CA Solar Park VI LLC	Delaware	13,868,452 USD	15,164	2,902	12,262	-	-4	71.27%										
EDPR Dahlia DevCo LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Dahlia Holdings LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Magnolia DevCo LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Magnolia Holdings LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR NA DG Holding LLC	Delaware	226,907,766 USD	205,304	26	205,278	-	-17	71.27%										
EDPR NA DGMN SLP LLC	Delaware	2,127 USD	-	-	-	-	-1	60.58%										
EDPR NA DGMN YMCA LLC	Delaware	1,847,133 USD	1,676	37	1,639	26	-21	60.58%										
EDPR NA Distributed Generation LLC	Delaware	215,503,773 USD	446,273	232,468	213,805	83	-15,923	60.58%										
EDPR NA Greenfield Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR NA Shelby Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Northeast Allen Solar Park III LLC	Delaware	598 USD	-	2	-2	-	-2	71.27%										
EDPR Northeast Allen Solar Park II LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Northeast Allen Solar Park LLC	Delaware	1,540,341 USD	1,444	51	1,393	-	-1	71.27%										
EDPR RS LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Scarlet I LLC	Delaware	1,000 USD	1	50	-49	-	-51	71.27%										
EDPR Scarlet II BESS LLC	Delaware	30,098 USD	-	11,757	-11,757	-	-12,043	71.27%										
EDPR Scarlet III LLC	Delaware	57,735,740 USD	245,195	268,803	-23,608	-	-12,888	71.27%										
EDPR Scarlet III LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Solar Ventures I LLC	Delaware	26,018,380 USD	48,150	3,692	44,458	-	135	35.64%										
EDPR Solar Ventures II LLC	Delaware	51,353,422 USD	92,908	14,814	78,094	-	116	71.27%										
EDPR Solar Ventures III LLC	Delaware	70,771,042 USD	82,861	158	82,703	-	4,828	71.27%										
EDPR Solar Ventures IV LLC	Delaware	82,932,357 USD	108,974	139	108,835	-	8,913	71.27%										
EDPR Solar Ventures IX LLC	Delaware	-7,525,193 USD	141,039	147,849	-6,810	-	-	71.27%										
EDPR Solar Ventures V LLC	Delaware	40,017,687 USD	51,969	-	51,969	-	1,578	71.27%										
EDPR Solar Ventures VI LLC	Delaware	260,342 USD	233,352	233,102	251	-	15	71.27%										
EDPR Solar Ventures VII LLC	Delaware	31,342,292 USD	85,165	55,634	29,531	-	1,202	71.27%										
EDPR Solar Ventures VIII LLC	Delaware	224,885,798 USD	254,081	50,564	203,517	-	-	71.27%										
EDPR South Table LLC	Nebraska	- USD	-	-	-	-	-	71.27%										
EDPR Vento I Holding LLC	Delaware	234,177,080 USD	211,925	-	211,925	-	-	71.27%										
EDPR Vento II Holding LLC	Delaware	- USD	-	-	-	-	-	71.27%										
EDPR Vento III Holding LLC	Delaware	- USD	-	-	-	-	-											

Subsidiaries	HeadOffice	Share capital / Currency	Assets 31-Dec-23 Euro'000	Liabilities 31-Dec-23 Euro'000	Equity 31-Dec-23 Euro'000	Revenues 31-Dec-23 Euro'000	Net Profit/(Loss) Euro'000	% Group	% Company
Horizon Wind Chocolate Bayou I LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Midwest IX LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Northwest I LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Northwest IV LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Northwest VII LLC	Delaware	253,177 USD	-	146	-146	-	-246	71.27%	
Horizon Wind Energy Northwest X LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Northwest XI LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Panhandle I LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Southwest I LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Southwest II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Southwest III LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Southwest IV LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Energy Valley I LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind Freepart Windpower I LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horizon Wind MREC Iowa Partners LLC	Delaware	- USD	-	-	-	-	-	53.45%	
Horizon Wind Ventures I LLC	Delaware	-240,989,722 USD	872,818	316,517	556,301	-	4,838	71.27%	
Horizon Wind Ventures III LLC	Delaware	-66,209,587 USD	-10,492	2,864	-13,357	-	454	36.35%	
Horizon Wind Ventures IX LLC	Delaware	-6,548,888 USD	28,716	32,836	-4,121	-	1,729	36.35%	
Horizon Wyoming Transmission LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Horse Mountain Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Indiana Crossroads Solar Park II LLC	Delaware	- USD	-	5	-5	-	-5	71.27%	
Indiana Crossroads Wind Farm II LLC	Delaware	85,768,411 USD	334,965	256,738	78,227	689	663	71.27%	
Indiana Crossroads Wind Ventures LLC	Delaware	- USD	-	12	-12	-	-13	71.27%	
Iron Valley Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Jericho Rise Wind Farm LLC	Delaware	110,437,893 USD	123,471	8,250	115,220	1,579	2,024	71.27%	
Jericho Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Juniper Wind Power Partners LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Leprechaun Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Lexington Chenoa Wind Farm II LLC	Delaware	2,576,411 USD	2,208	421	1,787	-	-	71.27%	
Lexington Chenoa Wind Farm III LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Lime Hollow Solar LLC	Delaware	6,786,962 USD	6,311	881	5,429	206	-121	60.58%	
Little Brook Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Loblolly Hill Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Loki Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Loma de la Gloria Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Lone Valley Solar Park I LLC	Delaware	20,280,953 USD	22,672	1,709	20,963	2,049	500	35.64%	
Lone Valley Solar Park II LLC	Delaware	32,126,648 USD	42,325	3,365	38,960	4,372	1,645	35.64%	
Long Hollow Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Longleaf Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Longroad ASD I LLC	Delaware	65,897 USD	69	4	65	10	6	60.58%	
Longroad CPA CDC I LLC	Delaware	1,007,145 USD	1,144	87	1,057	198	148	60.58%	
Longroad CPA CSU3 LLC	Delaware	102,178 USD	180	46	135	58	43	60.58%	
Longroad CPA CSU4 LLC	Delaware	559,044 USD	556	24	532	39	27	60.58%	
Longroad DG Portfolio I LLC	Delaware	753,548 USD	2,927	2,209	718	2	37	60.58%	
Longroad Fund III Holdings LLC	Delaware	19,886,395 USD	17,918	82	17,836	-	20	60.58%	
Longroad SD LLC	Delaware	327,045 USD	619	150	469	172	177	60.58%	
Longroad SITI Hoboken LLC	Delaware	98,628 USD	122	16	106	23	17	60.58%	
Longroad Solar Fund III LLC	Delaware	19,369,318 USD	17,577	2	17,575	-	47	60.58%	
Longroad Solar Portfolio III LLC	Delaware	2,685,126 USD	2,430	-	2,430	-	-	60.58%	
Longroad ST6 Stockton LLC	Delaware	542,276 USD	547	68	479	9	-12	60.58%	
Longroad WF7 Cheshire LLC	Delaware	128,176 USD	136	22	114	8	-2	60.58%	
Longroad WGNJ1 LLC	Delaware	205,311 USD	235	31	204	40	19	60.58%	
Longroad WGNJ2 LLC	Delaware	43,328 USD	66	21	45	24	6	60.58%	
Lost Lakes Wind Farm LLC	Delaware	112,082,181 USD	104,055	12,575	91,479	13,259	-1,531	71.27%	
Lotus Blocker LLC	Delaware	161 USD	-	-	-	-	-	71.27%	
Lotus DevCo II LLC	Delaware	3,027 USD	-	-	-	-	-	71.27%	
Lowland Solar Park LLC	Delaware	16,530 USD	-	4	-4	-	-10	71.27%	
Loyal Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Lumberjack Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Machias Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Madison Windpower LLC	Delaware	19,905,225 USD	2,782	388	2,394	693	-869	71.27%	
Marathon Wind Farm LLC	Delaware	3,891,464 USD	3,813	316	3,498	-	-	71.27%	
Marble River LLC	Delaware	182,733,302 USD	291,860	91,143	200,717	18,301	-4,780	71.27%	
Martinsdale Wind Farm LLC	Delaware	5,272,577 USD	4,608	306	4,302	-	-1	71.27%	
Mastamho Holdings LLC	Delaware	48,344 USD	41	-	41	-	-1	60.58%	
McLean Solar 2 LLC	Delaware	6,181,205 USD	6,044	923	5,121	255	-41	60.58%	
ME Dover Foxcroft Solar LLC	Delaware	1,390,625 USD	1,240	3	1,237	-	-19	60.58%	
ME Ellsworth Solar LLC	Delaware	934,963 USD	843	-	843	-	-1	60.58%	
ME New Vineyard Solar LLC	Delaware	287,825 USD	-	10	-10	-	-271	60.58%	
ME Rocky Hill Solar LLC	Delaware	523,483 USD	479	7	471	-	-2	60.58%	
ME Sandy Hill Solar LLC	Delaware	244,078 USD	224	6	218	-	-2	60.58%	
Meadow Lake Wind Farm III LLC	Delaware	136,940,704 USD	111,778	12,817	98,961	10,483	-4,046	71.27%	
Meadow Lake Wind Farm III LLC	Delaware	78,678,464 USD	124,828	42,124	82,704	11,375	1,554	71.27%	
Meadow Lake Wind Farm IV LLC	Delaware	81,684,602 USD	100,913	33,981	66,932	8,264	-279	71.27%	
Meadow Lake Wind Farm LLC	Delaware	171,743,789 USD	207,876	71,330	136,546	15,239	-2,349	71.27%	
Meadow Lake Wind Farm VIII LLC	Delaware	-203 USD	-	29	-29	-	-29	71.27%	
Mesquite Wind LLC	Delaware	94,327,707 USD	147,208	7,064	140,143	8,820	-11,030	71.27%	
MidCoast C2 Solar LLC	Delaware	- USD	-	-	-	-	-	60.58%	
Mineral Springs Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Misenheimer Solar LLC	Delaware	44,165,072 USD	139,448	99,486	39,962	-	-7	71.27%	
MMA Belmar Power LP	Delaware	219,943 USD	759	240	519	484	304	60.58%	
MMA BWS Power LP	Delaware	88,449 USD	308	84	225	195	123	60.58%	
MMA CCC Power LP	Delaware	98,701 USD	149	37	112	52	19	60.58%	
MMA DAS Power LP	Delaware	596,966 USD	1,183	130	1,054	587	506	60.58%	
MMA Fresno Power LP	Delaware	398,453 USD	585	153	432	221	39	60.58%	
MMA GDC Power LP	Delaware	450,434 USD	695	73	623	267	188	60.58%	
MMA Happy Valley Power LP	Delaware	52,314 USD	157	19	138	85	75	60.58%	
MMA LHW Power LP	Delaware	172,142 USD	214	66	148	42	-15	60.58%	
MMA MDS Power I LP	Delaware	519,548 USD	520	125	394	66	-83	60.58%	
MMA MDS Power II LP	Delaware	1,700,546 USD	1,573	336	1,237	93	-323	60.58%	
MMA MDS Power IV LP	Delaware	286,511 USD	446	139	307	134	22	60.58%	
MMA Mission Bay Power LP	Delaware	48,723 USD	138	32	107	101	47	60.58%	
MMA Renewable Ventures Solar Fund III LLC	Delaware	6,503,429 USD	6,005	135	5,870	-	-18	60.58%	
MMA Rita Power LLC	Delaware	-29,114 USD	396	177	219	258	230	60.58%	
MMA RMS Power LP	Delaware	535,403 USD	366	118	248	41	-265	60.58%	
MMA Solar Fund III GP Sub	Delaware	- USD	-	-	-	-	-	60.58%	
MMA SROSA Power LP	Delaware	-115,782 USD	369	102	268	36	370	60.58%	
MMA WBF Power LP	Delaware	1,202,035 USD	1,187	177	1,010	7	-105	60.58%	
MN CSG 2 LLC	Delaware	9,848,120 USD	9,008	592	8,416	462	-196	60.58%	
Mohave Power Holdings LLC	Delaware	16,097,546 USD	14,567	-	14,567	-	-1	60.58%	
Mohave Power LLC	Delaware	16,096,950 USD	12,780	60,445	12,335	47	-1,788	60.58%	
Moonshine Solar Park LLC	Delaware	1,798,265 USD	1,708	82	1,626	-	-	71.27%	
Morgan Road Solar East LLC	Delaware	9,300,828 USD	9,138	730	8,409	-	-1	60.58%	
Morgan Road Solar West LLC	Delaware	7,353,255 USD	7,700	1,053	6,646	-	-1	60.58%	
MT Plentywood Solar I LLC	Delaware	- USD	-	-	-	-	-	60.58%	
MT Plentywood Solar II LLC	Delaware	- USD	-	-	-	-	-	60.58%	
NC Loy Farm Solar LLC	Delaware	- USD	-	-	-	-	-	60.58%	
ND Crystal Solar I LLC	Delaware	- USD	-	-	-	-	-	60.58%	
NDIW California RE LLC	Delaware	- USD	-	-	-	-	-	71.27%	

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New Road Power LLC	Delaware	- USD	-	56	-56	-	-58	71.27%	
New Trail Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
NH Hinsdale Solar LLC	Delaware	- USD	-	-	-	-	-	60.58%	
North Coast Highway Solar 1 LLC	Delaware	383,806 USD	316	4	312	-	-36	60.58%	
North Coast Highway Solar 2 LLC	Delaware	303,132 USD	243	3	240	-	-35	60.58%	
North Slope Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Norton Solar I LLC	Delaware	1,367,863 USD	1,705	54	1,651	321	20	60.58%	
Norton Solar II LLC	Delaware	1,474,514 USD	1,681	54	1,628	319	14	60.58%	
Number Nine Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
NV Solar Sparks LLC	Delaware	- USD	-	-	-	-	-	60.58%	
NY CSG 2 Holdings LLC	Delaware	27,150,409 USD	29,639	58	29,581	-	-221	60.58%	
NY CSG 2 Sponsor LLC	Delaware	27,158,992 USD	24,571	-	24,571	-	-1	60.58%	
NY Hemlock Hills Solar LLC	Delaware	3,195,155 USD	3,549	737	2,812	-	-80	60.58%	
NY Mines Press Solar LLC	Delaware	3,541,571 USD	7,228	4,223	3,005	322	-105	60.58%	
NY Morgan Solar LLC	Delaware	16,637,678 USD	15,072	-	15,072	-	-1	60.58%	
NY OG 1 Solar LLC	Delaware	2,306 USD	-	-	-	-	-1	60.58%	
OHFP COMMERCE CENTER LLC	Delaware	94 USD	-	-	-	-	-	60.58%	
Old Trail Wind Farm LLC	Delaware	63,072,078 USD	197,444	14,696	182,748	33,549	10,447	36.35%	
Omega CSG 1 LLC	Delaware	-2,170,656 USD	11	-	11	-	157	60.58%	
OPQ Property LLC	Delaware	-203,019 USD	-	-	-	-	-	71.27%	
Pacific Southwest Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Paulding Wind Farm II LLC	Delaware	30,283,190 USD	121,671	18,576	103,095	19,516	7,715	36.35%	
Paulding Wind Farm III LLC	Delaware	131,391,636 USD	162,077	17,266	144,811	11,346	3,641	71.27%	
Paulding Wind Farm IV LLC	Delaware	205,967,245 USD	200,511	69,292	131,219	9,816	-278	71.27%	
Paulding Wind Farm LLC	Delaware	36,645 USD	-	2	-2	-	-3	71.27%	
Paulding Wind Farm V LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Paulding Wind Farm VI LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Pearl River Solar Park LLC	Delaware	75,762,528 USD	229,726	151,911	77,815	-	1,479	71.27%	
Penn Yan Solar I LLC	Delaware	7,780,479 USD	9,628	2,435	7,193	803	217	60.58%	
Peterson Power Partners LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Pioneer Prairie Wind Farm LLC	Delaware	126,085,318 USD	299,299	31,127	268,173	49,587	12,033	36.35%	
Piscataquis Valley Solar LLC	Delaware	1,370,005 USD	1,239	9	1,230	-	-9	60.58%	
Pleasantville Solar Park LLC	Delaware	2,549,633 USD	3,355	1,050	2,305	-	-	71.27%	
Plum Nellie Wind Farm LLC	Delaware	4,529,744 USD	4,817	771	4,046	-	4	71.27%	
Poplar Camp Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Poplarville Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Post Oak Wind LLC	Delaware	101,518,327 USD	160,861	6,466	154,396	9,258	-13,637	36.35%	
Potsdam Community Solar LLC	Delaware	6,706,926 USD	8,016	1,763	6,253	516	188	60.58%	
Prospector Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Pueblo Norte Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Quilt Block Wind Farm II LLC	Delaware	845 USD	-	-	-	-	-1	71.27%	
Ragsdale Solar II LLC	Delaware	1,619 USD	3,648	3,648	-	-	-1	71.27%	
Ragsdale Solar LLC	Delaware	31,322,450 USD	69,730	34,558	35,172	-	899	71.27%	
Rail Splitter Wind Farm II LLC	Delaware	2,109,420 USD	1,951	43	1,909	-	-	71.27%	
Rail Splitter Wind Farm LLC	Delaware	186,629,152 USD	121,329	14,471	106,858	8,518	-4,770	71.27%	
Randolph Solar Park LLC	Delaware	73,432,102 USD	220,534	154,294	66,241	-	-84	71.27%	
RE Scarlet LLC	Delaware	117,752,681 USD	105,814	31,193	74,621	8	-18,216	71.27%	
REA-EDPRNA DG 2016 Lessee LLC	Delaware	8,121,223 USD	6,331	16	6,315	-	-592	60.58%	
Rejo del Sol Wind Farm LLC	Delaware	312,554,226 USD	288,014	35,946	252,067	2,464	-2,291	71.27%	
Renewable Ventures Solar Fund V GP LLC	Delaware	18,224,931 USD	16,493	-	16,493	-	-1	60.58%	
Renewable Ventures Solar Fund V LLC	Delaware	18,016,959 USD	16,307	14	16,293	-	-12	60.58%	
Renewable Ventures V Equity Holdings LLC	Delaware	17,951,167 USD	16,114	-	16,114	-	-104	60.58%	
Renewable Ventures V GP Holdings LLC	Delaware	- USD	-	-	-	-	-	60.58%	
Renville County Wind Farm LLC	Delaware	1,965,004 USD	1,832	54	1,777	-	-1	71.27%	
RevEnergy C2 Franklin LLC	Delaware	1,666,535 USD	1,825	208	1,618	262	-32	60.58%	
Ri Abrava Solar LLC	Delaware	7,585,567 USD	8,119	1,347	6,773	435	85	60.58%	
Ri- Moo Cow	Delaware	4,524,181 USD	4,104	11	4,093	-	-2	60.58%	
Ri Quarry Solar LLC	Delaware	327,506 USD	299	6	293	-	-1	60.58%	
Ri Sposato Solar LLC	Delaware	281,836 USD	1,637	1,349	288	127	45	60.58%	
Rio Blanco Wind Farm LLC	Delaware	3,108,784 USD	2,815	2	2,813	-	-	71.27%	
Rising Tree Wind Farm II LLC	Delaware	19,268,399 USD	26,954	2,057	24,897	2,762	531	36.35%	
Rising Tree Wind Farm III LLC	Delaware	96,812,598 USD	147,704	2,570	145,134	19,415	6,290	36.35%	
Rising Tree Wind Farm LLC	Delaware	61,107,869 USD	117,455	2,123	115,333	17,950	7,902	36.35%	
Riverstart Solar Park III LLC	Delaware	396 USD	-	2	-2	-	-2	71.27%	
Riverstart Solar Park III LLC	Delaware	56,765,484 USD	161,322	110,121	51,201	-	-3,775	71.27%	
Riverstart Solar Park IV LLC	Delaware	7,471,048 USD	12,367	1,822	10,546	-	997	71.27%	
Riverstart Solar Park V LLC	Delaware	598 USD	-	29	-29	-	-31	71.27%	
Riverstart Solar Park VI LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Rock Dane Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Rolling Upland Wind Farm LLC	Delaware	1,142 USD	-	-	-	-	-1	71.27%	
Rose Run Solar Park LLC	Delaware	516 USD	-	-	-	-	-	71.27%	
Rosewater Ventures LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Route 13 Solar LLC	Delaware	7,021,280 USD	6,461	937	5,524	141	-138	60.58%	
Route 149 LLC	Delaware	2,471,272 USD	2,366	208	2,158	148	-28	60.58%	
RS Holyoke 3 LLC	Delaware	1,767,341 USD	1,671	152	1,519	188	-101	60.58%	
RSBF Jeffco II LLC	Delaware	2,129,277 USD	1,943	83	1,860	222	-56	60.58%	
RTSW Solar Park II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
RTSW Solar Park III LLC	Delaware	- USD	-	-	-	-	-	71.27%	
RTSW Solar Park IV LLC	Delaware	- USD	-	-	-	-	-	71.27%	
RTSW Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
RTSW Solar Park V LLC	Delaware	- USD	-	-	-	-	-	71.27%	
RTSW Solar Park VI LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Rush County Wind Farm LLC	Delaware	2,920,496 USD	2,662	19	2,643	-	-	71.27%	
RV CSU Power LLC	Delaware	4,204,822 USD	4,736	198	4,539	664	381	60.58%	
Rye Patch Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Saddleback Wind Power Project LLC	Delaware	1,354,487 USD	11	7	4	-	-	71.27%	
Sagebrush Power Partners LLC	Delaware	134,939,688 USD	125,414	8,331	117,083	12,838	-38	71.27%	
Sailor Springs Solar Park LLC	Delaware	520 USD	7	401	-394	-	-403	71.27%	
Salt Lick Solar Park LLC	Delaware	1,142 USD	-	-	-	-	-1	71.27%	
San Clemente Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Sandrini BESS Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Sandrini LandCo LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Sardinia Windpower LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Sawmill Junction Solar Park LLC	Delaware	3,584,685 USD	3,688	445	3,244	-	-	71.27%	
SC Beaufort Jasper Solar LLC	Delaware	196,377 USD	9	5	4	-	-167	60.58%	
SC Southern Wesleyan Solar LLC	Delaware	- USD	-	-	-	-	-	60.58%	
Sedge Meadow Solar Park LLC	Delaware	- USD	-	26	-26	-	-26	71.27%	
Shields Drive LLC	Delaware	2,401,451 USD	2,201	116	2,084	132	-38	60.58%	
Shullsburg Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Shy Place Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Signal Hill Wind Power Project LLC	Delaware	4,502 USD	-	-	-	-	-	71.27%	
Simpson Ridge Wind Farm II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Simpson Ridge Wind Farm III LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Simpson Ridge Wind Farm IV LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Simpson Ridge Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Simpson Ridge Wind Farm V LLC	Delaware	- USD	-	-	-	-	-	71.27%	
SLX Project 1080 LLC	Delaware	1,555,984 USD	1,631	167	1,464	229	-74	60.58%	
Smart Sunscribe LLC	Delaware	2,196 USD	-	-	-	-	-1	60.58%	
Solar Ventures Purchasing LLC	Delaware	-25,067,457 USD	1,572	2,339	-767	-	-1	71.27%	



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Soteria Solar Services LLC	Delaware	5,703,348 USD	4,584	8	4,575	-	-170	60.58%	
Spruce Ridge Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Stinson Mills Wind Farm LLC	Delaware	4,704,419 USD	4,200	32	4,167	-	-	71.27%	
Stone North Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Strawberry Solar Farm LLC	Delaware	3,645,700 USD	3,735	391	3,344	238	92	60.58%	
Sugar Plum Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
SunE Bristol MS LLC	Delaware	58,345 USD	72	11	61	20	8	60.58%	
SunE CPA CDC2 LLC	Delaware	799,604 USD	926	80	846	227	125	60.58%	
SunE CPA CSU5 LLC	Delaware	16,980 USD	119	40	79	73	47	60.58%	
SunE CPA CTS1 LLC	Delaware	135,587 USD	219	32	186	78	85	60.58%	
SunE D14 ATC-A Holdings LLC	Delaware	1,168,981 USD	1,393	163	1,230	101	176	60.58%	
SunE D14 DGS-A Holdings LLC	Delaware	5,828,096 USD	6,056	392	5,664	550	398	60.58%	
SunE D14 KHL-A Holdings LLC	Delaware	2,313,674 USD	2,609	283	2,326	357	237	60.58%	
SunE D14 MISC-A Holdings LLC	Delaware	9,317,492 USD	9,435	976	8,459	661	28	60.58%	
SunE D14 MISC-B Holdings LLC	Delaware	2,496,235 USD	2,622	297	2,325	269	67	60.58%	
SunE D14 SPLS-A Holdings LLC	Delaware	2,385,930 USD	2,757	376	2,381	378	226	60.58%	
SunE D14 WMT-A Holdings LLC	Delaware	630,610 USD	905	211	694	219	126	60.58%	
SunE Fairfield SSD LLC	Delaware	834,354 USD	919	73	846	184	92	60.58%	
SunE H3 Holdings LLC	Delaware	1,238,310 USD	3,973	1,003	2,971	1,798	1,450	60.58%	
SunE Lakeland Center LLC	Delaware	174,813 USD	222	33	188	53	31	60.58%	
SunE M5 Holdings LLC	Delaware	-3,739,375 USD	6,476	10,044	-3,568	666	-188	60.58%	
SunE M5B Holdings LLC	Delaware	3,888,524 USD	8,239	4,726	3,513	335	-6	60.58%	
SunE M5C Holdings LLC	Delaware	-935,893 USD	6,347	7,179	-832	516	16	60.58%	
SunE MCPS Clarksburg LLC	Delaware	181,761 USD	231	34	197	39	33	60.58%	
SunE MCPS FSK LLC	Delaware	60,123 USD	78	11	67	15	13	60.58%	
SunE MCPS Gardens LLC	Delaware	54,367 USD	64	9	55	8	5	60.58%	
SunE MCPS Lakelands LLC	Delaware	71,042 USD	91	14	78	16	14	60.58%	
SunE MCPS Montgomery LLC	Delaware	71,452 USD	93	13	80	17	16	60.58%	
SunE MCPS Parkland LLC	Delaware	95,149 USD	126	18	108	24	22	60.58%	
SunE MCPS Quince Orchard LLC	Delaware	151,838 USD	203	28	175	40	38	60.58%	
SunE MCPS Shriver LLC	Delaware	62,738 USD	78	11	67	13	10	60.58%	
SunE Multnomah JBY LLC	Delaware	169,951 USD	191	30	162	21	8	60.58%	
SunE Multnomah JJC LLC	Delaware	199,595 USD	223	33	190	23	9	60.58%	
SunE NC Progress1 LLC	Delaware	734,977 USD	977	76	901	313	241	60.58%	
SunE NLB-2 LLC	Delaware	677,679 USD	806	78	729	171	118	60.58%	
SunE PD Oak LLC	Delaware	236,977 USD	351	61	289	149	77	60.58%	
SunE PD Sycamore LLC	Delaware	146,617 USD	184	30	154	48	22	60.58%	
SunE PD Willow LLC	Delaware	73,249 USD	112	20	92	38	26	60.58%	
SunE PNMC Roof LLC	Delaware	-6,000 USD	13	12	-	8	6	60.58%	
SunE Solar IV LLC	Delaware	-1,055,275 USD	1,965	2,892	-927	-	32	60.58%	
SunE Solar V LLC	Delaware	3,321,785 USD	-129	-2,738	2,609	18	-406	60.58%	
SunE Solar VI LLC	Delaware	2,033,703 USD	1,829	-	1,829	-	-11	60.58%	
SunE Solar XII LLC	Delaware	26,609,483 USD	24,346	281	24,065	-	-16	60.58%	
SunE Solar XIV LLC	Delaware	2,669,307 USD	23,640	21,248	2,392	-	-24	60.58%	
SunE SRT1 Arvado5 LLC	Delaware	468,973 USD	513	41	473	87	51	60.58%	
SunE SRT1 NREL LLC	Delaware	389,022 USD	590	49	541	245	193	60.58%	
SunE SRT1 Rifle PS LLC	Delaware	-40,875 USD	321	39	282	238	225	60.58%	
SunE U6 Holdings LLC	Delaware	1,880,161 USD	10,013	8,155	1,857	737	177	60.58%	
SunE W12DG-A LLC	Delaware	8,406,088 USD	8,427	791	7,636	1,014	-77	60.58%	
SunE W12DG-B LLC	Delaware	5,841,946 USD	6,413	644	5,769	754	411	60.58%	
SunE W12DG-C LLC	Delaware	8,952,983 USD	10,114	1,288	8,825	1,757	499	60.58%	
SunE W12DG-D LLC	Delaware	2,227,026 USD	2,610	325	2,286	491	192	60.58%	
SunE WF3 KHL A Holdings LLC	Delaware	4,089,203 USD	5,125	816	4,309	1,043	622	60.58%	
SunE WF3 KHL B Holdings LLC	Delaware	3,197,308 USD	4,667	875	3,792	1,268	918	60.58%	
SunE WF3-BART Holdings LLC	Delaware	193,113 USD	265	51	214	71	41	60.58%	
SunE WF3-Broomfield Holdings LLC	Delaware	111,753 USD	198	42	156	77	56	60.58%	
SunE WF3-ST Holdings LLC	Delaware	3,031,143 USD	3,924	598	3,327	761	596	60.58%	
SunE WF3-WG Holdings LLC	Delaware	2,877,064 USD	3,751	674	3,077	812	484	60.58%	
SunE WMT PR2 LLC	Delaware	1,472,758 USD	1,452	124	1,328	147	-2	60.58%	
SunE H4 Holdings LLC	Delaware	2,171,497 USD	1,656	-160	1,816	385	-26	60.58%	
SunE Solar III LLC	Delaware	-11,195,728 USD	1,386	11,537	-10,151	-	-18	60.58%	
Sustaining Power Solutions LLC	Delaware	184,755,078 USD	39,937	17,410	22,527	23,253	-5,418	71.27%	
Sweet Acres Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Sweet Stream Wind Farm LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Telocaset Wind Power Partners LLC	Delaware	-32,058,163 USD	84,288	7,740	76,548	21,073	8,208	36.35%	
Three Lakes Solar LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Tillman Solar Park II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Tillman Solar Park LLC	Delaware	396 USD	-	2	-2	-	-2	71.27%	
Tillman Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Timber Road II Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Timber Road III Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Timber Road Solar Park II LLC	Delaware	92 USD	266	266	-	-	-	71.27%	
Timber Road Solar Park III LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Timber Road Solar Park LLC	Delaware	47,542,355 USD	87,968	42,615	45,353	868	154	71.27%	
Top Crop I Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Top Crop II Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Trailing Springs Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Trolley Barn Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Tug Hill Windpower LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Tumbleweed Wind Power Project LLC	Delaware	4,003 USD	-	-	-	-	-	71.27%	
Turtle Creek Wind Farm LLC	Delaware	240,892,465 USD	264,115	22,105	242,010	17,137	3,839	71.27%	
Twenty North Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Twin Groves I Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Twin Groves II Storage LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Upper Road LLC	Delaware	2,265,780 USD	2,244	189	2,055	137	-24	60.58%	
VT Stone Valley LLC	Delaware	2,294 USD	-	-	-	-	-1	60.58%	
Waverly Wind Farm II LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Waverly Wind Farm LLC	Delaware	201,650,518 USD	232,822	13,405	219,416	20,791	3,761	36.35%	
Western Trail Wind Project I LLC	Delaware	4,574,547 USD	-	5	-5	-	-4,236	71.27%	
Wheat field Holding LLC	Delaware	-42,174,601 USD	-38,303	26	-38,329	-	-38	36.35%	
Wheat field Wind Power Project LLC	Delaware	-42,325,200 USD	76,994	23,786	53,208	13,081	5,343	36.35%	
Whiskey Ridge Power Partners LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Whistling Wind WI Energy Center LLC	Delaware	- USD	-	-	-	-	-	71.27%	
White Stone Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Whitestone Wind Purchasing LLC	Delaware	137,732,545 USD	563,052	413,475	149,577	-	-4,789	71.27%	
Wildcat Creek Wind Farm LLC	Delaware	263,914,334 USD	253,968	19,365	234,603	19,257	-2,242	71.27%	
Wilson Creek Power Project LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Wind Turbine Prometheus LP	Delaware	5,990 USD	-	-	-	-	-	71.27%	
Winding Canyon Wind LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Wolf Run Solar LLC	Delaware	96,904 USD	190,456	154,238	36,218	-	-1,087	71.27%	
Wrangler Solar Park LLC	Delaware	- USD	-	-	-	-	-	71.27%	
WTP Management Company LLC	Delaware	- USD	-	-	-	-	-	71.27%	
Canada:									
Blue Bridge Solar Park GPLtd	British Columbia	- CAD	4	4	-	-	-	71.27%	
Blue Bridge Solar Park LP	Alberta	- CAD	83	357	-274	-	-21	71.27%	
Bromhead Solar Park GP Ltd	British Columbia	- CAD	-	-	-	-	-	71.27%	
Bromhead Solar Park LP	Saskatchewan	- CAD	82	337	-254	-	-1	71.27%	
Edgeware BESS Project GPLtd.	British Columbia	- CAD	-	-	-	-	-	71.27%	

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Central Solar Zebu VI, S.A.	São Paulo	50 BRL	-	-	-	-	-	71.27%	
Central Solar Zebu VII, S.A.	São Paulo	50 BRL	-	1	-1	-	-1	71.27%	
Central Eólica Barra I, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra II, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra III, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra IV, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra V, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra VI, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra VII, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra VIII, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Eólica Barra IX, S.A.	Lagoa Nova	10,000 BRL	2	1	1	-	-1	71.27%	
Central Eólica Barra X, S.A.	Lagoa Nova	10,000 BRL	2	1	1	-	-1	71.27%	
Central Eólica Barra XI, S.A.	Lagoa Nova	10,000 BRL	2	1	1	-	-1	71.27%	
Central Solar Barra I, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Solar Barra II, S.A.	Lagoa Nova	10,000 BRL	1	1	1	-	-1	71.27%	
Central Solar Barra III, S.A.	Lagoa Nova	10,000 BRL	2	1	1	-	-1	71.27%	
Central Solar Barra IV, S.A.	Lagoa Nova	10,000 BRL	2	1	1	-	-1	71.27%	
Elebrás Projetos, S.A.	São Paulo	103,779,268 BRL	48,843	18,083	30,760	25,838	12,908	36.35%	
Monte Verde Holding, S.A.	São Paulo	377,879,100 BRL	135,576	66,417	69,159	-	3,294	71.27%	
Colombia:									
Elipse Energía, S.A.S. E.S.P.	Bogotá	709,567,000 COP	41	516	-475	-	-512	71.27%	
Eolos Energía, S.A.S. E.S.P.	Bogotá	63,037,706,700 COP	290,430	280,783	9,647	67,667	-76,488	71.27%	
Kappa Energía, S.A.S. E.S.P.	Bogotá	707,971,000 COP	103	369	-266	-	-341	71.27%	
Omega Energía, S.A.S. E.S.P.	Bogotá	707,951,000 COP	39	260	-221	-	-313	71.27%	
Parque Solar Fotovoltaico El Copey, S.A.S. E.S.P.	Bogotá	1,270,000,000 COP	1,735	2,877	-1,142	-	-800	71.27%	
Renewables Energy Colombia S.A.S.	Bogotá	- COP	-	826	-826	-	-746	71.27%	
Solar Power Solutions, S.A.S. E.S.P.	Bogotá	2,697,093,500 COP	5,206	769	4,437	-	-382	71.27%	
Vientos del Norte, S.A.S. E.S.P.	Bogotá	46,204,115,100 COP	230,401	291,343	-60,941	47,611	-110,815	71.27%	
Chile:									
EDP Renewables Chile, SpA	Santiago	11,961,123 USD	73,586	66,973	6,613	4,353	-2,614	71.27%	
Los Llanos Solar, SpA	Santiago	592 USD	1,557	3,114	-1,557	-	-588	71.27%	
Parque Eólico Punta de Talca, SpA	Santiago	358,550 USD	99,689	103,993	-4,304	-	-2,357	71.27%	
Parque Eólico San Andrés, SpA	Santiago	438,894 USD	5,005	10,275	-5,270	-	-4,663	71.27%	
Parque Eólico Victoria, SpA	Santiago	1,311,374 USD	471	1,572	-1,101	-	-521	71.27%	
Vientos de Talal, SpA	Santiago	581 USD	2,074	2,074	1	-	-	71.27%	
Asia-Pacific Geography / Platform:									
Australia:									
Energy Democracy Management Pty. Ltd.	Canberra	- AUD	-	-	-	-	-	71.27%	
ITP Development Pty. Ltd.	Canberra	2,200 AUD	5,874	7,148	-1,274	-	-157	71.27%	
ITP-NHT Devco Pty. Ltd.	Canberra	1,200 AUD	1,130	534	595	-	-4	71.27%	
Merino Solar Farm Pty. Ltd.	Canberra	100 AUD	26	34	-8	-	-	71.27%	
Merino Solar Farm Trust	Canberra	- AUD	-	-	-	-	-	71.27%	
Orange Community Renewable Energy Park Pty. Ltd.	Canberra	- AUD	509	495	14	-	-	71.27%	
Orange Community Renewable Energy Park Trust	Canberra	- AUD	-	-	-	-	-	71.27%	
Sunseap Assets (Australia) Pty. Ltd.	Balwyn, Victoria	20,000 AUD	13	13	-	-	-1	71.27%	
Sunseap (Australia) Investments Pty. Ltd.	Balwyn, Victoria	3,000,000 AUD	15,565	19,009	-3,444	-	-2,106	71.27%	
Sunseap (Australia) Pty. Ltd.	Balwyn, Victoria	1 AUD	14	721	-707	-	-12	71.27%	
Yooqoli Solar Farm Pty. Ltd.	Canberra	- AUD	-	-	-	-	-	71.27%	
China:									
Anhui Jinyang New Energy Co., Ltd.	Anhui City	4,293,000 CNY	2,877	2,336	541	-	-6	71.27%	
Changchun Xingsheng Jintu Photovoltaic New Energy Co., Ltd.	Changzhou City	- CNY	7	7	-	-	-	71.27%	
Changzhou Xingyi New Energy Technology Co., Ltd.	Changzhou City	5,000,000 CNY	3,612	2,207	1,405	244	-31	64.30%	
Chongqing Xingzhi New Energy Technology Co., Ltd.	Chongqing City	14,570,018 CNY	8,145	6,215	1,930	243	76	71.27%	
Chuzhou Huitai Photovoltaic Power Generation Co., Ltd.	Chuzhou City	19,540,724 CNY	13,856	10,691	3,165	1,450	692	71.27%	
Dongguan Jiehuang New Energy Technology Co., Ltd.	Dongguan City	14,970,238 CNY	7,467	5,311	2,156	593	258	71.27%	
Dongying Daoli New Energy Co., Ltd.	Dongying City	3,793,000 CNY	1,991	1,498	493	181	14	71.27%	
Fangxian Tianhang New Energy Co., Ltd.	Fangxian City	14,911,509 CNY	1,264	175	1,089	-	-830	71.27%	
Fengcheng Xingtai New Energy Technology Co., Ltd.	Fengcheng City	50,000 CNY	43	41	2	-	-5	71.27%	
Foshan Yingyuan New Energy Technology Co., Ltd.	Foshan City	100,000 CNY	787	537	250	105	21	64.30%	
Harbin Panshuo Energy Technology Co., Ltd.	Harbin City	100,000 CNY	214	205	9	-	-4	71.27%	
Hefei Yiman New Energy Technology Co., Ltd.	Hefei City	1,333,000 CNY	540	299	241	76	28	64.30%	
Heze Dechen New Energy Co., Ltd.	Heze City	3,076,843 CNY	1,713	1,325	388	80	-2	71.27%	
Hubei Jianghui New Energy Co., Ltd.	Jingzhou City	13,600,238 CNY	7,746	6,119	1,627	227	-105	71.27%	
Jiangsu Xingsheng New Energy Technology Co., Ltd.	Jiangsu City	1,314,400 CNY	868	704	164	7	-4	71.27%	
Jiaxing Luken Energy Technology Co., Ltd.	Jiaxing City	1,974,117 CNY	835	586	249	5	-3	71.27%	
Jingmen Xingsheng New Energy Co., Ltd.	Jingmen City	300,000 CNY	36	1	35	-	-3	71.27%	
Jingmen Zhongbei New Energy Co., Ltd.	Jingmen City	19,750,000 CNY	7,307	4,743	2,564	113	49	71.27%	
Jining Yihang New Energy Technology Co., Ltd.	Jining City	17,618,000 CNY	10,442	7,930	2,512	942	107	64.30%	
Liyang Yushun Power New Energy Co., Ltd.	Liyang City	2,000,000 CNY	3,160	1,923	1,237	267	12	64.30%	
Nantong Eaton Guoyun Photovoltaic New Energy Co., Ltd.	Nantong City	4,740,000 CNY	2,050	1,319	731	211	92	61.09%	
Ningbo Jiangbei Baoyi Enterprise Management Consulting Partnership LP	Ningbo City	1,095,945 CNY	210	39	171	55	-170	71.27%	
Putian Xingsheng New Energy Co., Ltd.	Putian City	52,000 CNY	15	10	5	-	-1	71.27%	
Qingdao Xingji Energy Co., Ltd.	Qingdao	1,187,444 CNY	730	561	169	90	20	71.27%	
Qinghe County Xinou Funeng New Energy Technology Co., Ltd.	Xingtai City	3,346,308 CNY	2,068	1,588	480	236	57	71.27%	
Rongcheng Xingyi New Energy Technology Co., Ltd.	Weihai City	19,783,764 CNY	2,490	17	2,463	-	-35	71.27%	
Shanghai Jingwen Equity Investment Center LP	Shanghai	72,200,000 CNY	8,347	321	8,026	-	-228	64.30%	
Shanghai Yihuang New Energy Technology Co., Ltd.	Shanghai	8,913,000 CNY	1,137	2	1,135	-	-0	64.30%	
Shanghai Yikuang New Energy Technology Co., Ltd.	Shanghai	30,000,000 CNY	4,808	27	4,781	-	24	64.30%	
Siping Lvsheng Energy Technology Co., Ltd.	Sipiangu City	3,000,000 CNY	399	23	376	-	-6	71.27%	
State Cloud Sunseap Equity Investment Partnership LP	Jinan City	4,024,281 CNY	512	6	506	-	-5	57.25%	
Sunseap China Energy (Qingdao) Co., Ltd.	Qingdao	35,389 CNY	1	-	1	-	-3	71.27%	
Sunseap China Energy (Shanghai) Ltd.	Shanghai	200,877,970 CNY	27,080	4,457	22,623	6,227	-3,807	71.27%	
Suzhou Haoruitan Power New Energy Co., Ltd.	Kunshan City	1,720,000 CNY	147	383	-236	34	-521	64.30%	
Suzhou Liansong New Energy Technology Co., Ltd.	Suzhou City	5,871,882 CNY	2,706	1,956	749	26	2	71.27%	
Suzhou Xingdao New Energy Technology Co., Ltd.	Suzhou City	2,172,571 CNY	1,018	735	283	58	9	71.27%	
Suzhou Xingyi Energy Engineering Co., Ltd.	Suzhou City	2,318,256 CNY	1,397	1,089	308	103	15	71.27%	
Tianjin Baoyi New Energy Technology Co., Ltd.	Tianjin City	5,000,000 CNY	1,426	599	827	111	27	64.30%	
Tianjin Pengling Funeng New Energy Technology Co., Ltd.	Tianjin City	3,038,000 CNY	971	586	385	-	-2	71.27%	
Tianjin Xingrun Energy Development Co., Ltd.	Tianjin City	- CNY	-	-	-	-	-	71.27%	
Tianjin Xingsheng Energy Development Co., Ltd.	Tianjin City	8,472,000 CNY	3,794	2,729	1,065	-	-12	71.27%	
Tianjin Yuntong New Energy Technology Co., Ltd.	Tianjin City	15,000,000 CNY	2,246	3	2,243	-	-1	64.30%	
Weihai Deao New Energy Technology Co., Ltd.	Weihai City	3,688,686 CNY	2,046	1,544	502	149	34	71.27%	
Wenzhou Xingyi New Energy Technology Co., Ltd.	Wenzhou City	4,487,000 CNY	3,429	2,619	810	308	152	64.30%	
Wuhan Panshuo Energy Technology Co., Ltd.	Wuhan City	8,000,000 CNY	3,426	2,367	1,059	145	43	71.27%	
Wuxi Lingzhong New Energy Technology Co., Ltd.	Wuxi City	9,998,864 CNY	5,551	4,192	1,359	171	88	71.27%	
Wuhu Xingsheng New Energy Co., Ltd.	Wuhu City	2,341,141 CNY	618	323	295	-	-4	71.27%	
Yancheng Baoyi New Energy Technology Co., Ltd.	Yancheng City	7,734,000 CNY	1,279	260	1,019	88	15	64.30%	
Yancheng Qingheng Power Technology Co., Ltd.	Yancheng City	6,987,997 CNY	2,274	1,785	489	178	-410	71.27%	
Zhenjiang Ruichengda New Energy Co., Ltd.	Zhenjiang City	784,296 CNY	445	344	102	50	2	71.27%	
Indonesia:									
PT Green Corridor Indonesia	Kota Batam	10,000,000,000 IDR	4,335	4,843	-508	663	-772	70.56%	
PT Right People Renewable Energy	Jakarta	10,100,017,500 IDR	224	257	-33	-	-25	71.27%	
PT Sunseap Commercial Industrial Indonesia Asset	Jakarta	10,000,000,000 IDR	1,227	814	413	-	-137	70.56%	

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Singapore:									
Data4Eco Holdings Pte. Ltd.	Singapore	50,000 SGD	11	103	-92	-	-49	42.76%	
EDPR Sunseap Korea Holdings Pte. Ltd.	Singapore	4,903,633 SGD	3,357	266	3,091	-	-252	71.27%	
LYS Energy Investment Pte. Ltd.	Singapore	10,674,707 USD	9,613	2,247	7,367	-	-260	71.27%	
Solarland Alpha Assets Pte. Ltd.	Singapore	1 SGD	80,996	115,780	-34,783	1,175	-1,227	71.27%	
SolarNova 4 Beta Assets Pte. Ltd.	Singapore	57,694,278 SGD	112,916	100,829	12,088	6,119	-2,888	71.27%	
SolarNova Phase 1 Pte. Ltd.	Singapore	1 SGD	64,593	51,666	12,928	9,595	2,745	71.27%	
Sunseap Australia Holdings Pte. Ltd.	Singapore	1 SGD	409	3,953	-3,544	-	-141	71.27%	
Sunseap Batam Pte. Ltd.	Singapore	1 SGD	1,331	1,487	-156	-	32	71.27%	
Sunseap China Pte. Ltd.	Singapore	39,295,389 SGD	35,701	9,074	26,627	-	-133	71.27%	
Sunseap CMX RE Solar Holdings Pte. Ltd.	Singapore	10 SGD	54,174	39,161	15,013	-	1,531	71.27%	
Sunseap Commercial Assets Pte. Ltd.	Singapore	3,807,355 SGD	86,102	74,506	11,596	6,230	928	71.27%	
Sunseap Delta Holdings Pte. Ltd.	Singapore	1 SGD	5,021	5,255	-235	-	-33	71.27%	
Sunseap Energy Pte. Ltd.	Singapore	68,953,673 SGD	5,079	1,579	3,500	6,565	-485	71.27%	
Sunseap Energy Ventures Pte. Ltd.	Singapore	1 SGD	8,260	5,693	2,566	387	221	71.27%	
Sunseap Engineering Pte. Ltd.	Singapore	2,100,001 SGD	70,280	75,612	-5,332	62,075	-2,847	71.27%	
Sunseap Gamma Assets Pte. Ltd.	Singapore	1 SGD	-	-	-	-	68	71.27%	
Sunseap Gamma Holdings Pte. Ltd.	Singapore	1 SGD	-	55	-55	-	-36	71.27%	
Sunseap Group Pte. Ltd.	Singapore	685,478,529 SGD	501,955	67,003	434,953	22,516	2,924	71.27%	
Sunseap Indonesia Pte. Ltd.	Singapore	1 SGD	992	1,061	-69	-	54	71.27%	
Sunseap International Pte. Ltd.	Singapore	55,405,387 SGD	120,998	100,193	20,805	53	372	71.27%	
Sunseap Japan Pte. Ltd.	Singapore	1 SGD	6,295	6,696	-401	-	-29	71.27%	
Sunseap Leasing Pte. Ltd.	Singapore	11,854,175 SGD	172,777	99,678	73,099	14,360	-1,727	71.27%	
Sunseap Links Daklong Pte. Ltd.	Singapore	40 SGD	605	6,972	-6,366	-	-32	67.71%	
Sunseap Links Pte. Ltd.	Singapore	10 SGD	6,390	11,796	-5,406	-	-51	57.02%	
Sunseap Taiwan Pte. Ltd.	Singapore	1 SGD	14,476	14,839	-363	-	-113	71.27%	
Trung Song SG Pte. Ltd.	Singapore	10,674,707 USD	9,693	838	8,855	-	-171	71.27%	
Thailand:									
Sunseap Energy (Thailand) Co., Ltd.	Bangkok	45,000,000 THB	1,380	1,074	306	-	-34	68.06%	
Thai-Sunseap Asset Co. Ltd.	Bangkok	68,000,000 THB	7,086	4,965	2,121	144	15	47.75%	
Thai-Sunseap Co., Ltd.	Bangkok	225,823,000 THB	5,364	4	5,361	15	11	47.75%	
Thai-Sunseap Energy Solutions Co. Ltd.	Bangkok	250,000 THB	20	50	-31	10	-2	47.75%	
Vietnam:									
Bien Dong Energy Investment Co., Ltd.	Long An Province	9,000,000,000 VND	706	489	217	79	-22	71.27%	
CMX RE Sunseap Vietnam Solar Power Co., Ltd.	Ninh Thuan Province	1,065,557,560,000 VND	133,171	81,339	51,832	20,386	4,531	39.20%	
Dai Linh Phat Co., Ltd.	Ho Chi Minh City	14,500,000,000 VND	1,102	570	532	161	-50	71.27%	
DKT Energy Investment Co., Ltd.	Ho Chi Minh City	103,900,000,000 VND	3,852	10	3,842	-	-9	71.27%	
EDP Renewables Vietnam Company Limited	Ho Chi Minh City	7,200,000,000 VND	5,269	7,720	-2,452	200	-115	71.27%	
H2A Co., Ltd.	Long An Province	9,000,000,000 VND	713	449	264	96	-50	71.27%	
H2HA Co., Ltd.	Long An Province	9,000,000,000 VND	692	469	223	71	-67	71.27%	
H2HD Co., Ltd.	Long An Province	9,000,000,000 VND	689	479	210	69	-69	71.27%	
H2HO Co., Ltd.	Long An Province	9,000,000,000 VND	700	461	239	80	-60	71.27%	
H2HU Co., Ltd.	Long An Province	9,000,000,000 VND	711	434	277	92	-49	71.27%	
H2K Co., Ltd.	Long An Province	9,000,000,000 VND	695	446	249	75	-46	71.27%	
H2ML Co., Ltd.	Long An Province	9,000,000,000 VND	707	423	284	89	-32	71.27%	
H2O Ben Luc Investment Co., Ltd.	Long An Province	6,800,000,000 VND	664	457	206	85	-47	71.27%	
H2S Co., Ltd.	Long An Province	9,000,000,000 VND	703	449	254	85	-55	71.27%	
H2T Co., Ltd.	Long An Province	9,000,000,000 VND	694	474	220	75	-64	71.27%	
H2TR Solar Co., Ltd.	Long An Province	9,000,000,000 VND	711	434	277	93	-49	71.27%	
H2VP Co., Ltd.	Long An Province	9,000,000,000 VND	709	462	247	92	-51	71.27%	
Hao Thanh Dat Investment Co., Ltd.	Long An Province	9,000,000,000 VND	701	488	213	77	-23	71.27%	
HTD Vietnam Investment Development Co., Ltd.	Ho Chi Minh City	9,000,000,000 VND	1,016	675	341	161	-50	71.27%	
HTT Binh Duong Investment Development Co., Ltd.	Ho Chi Minh City	30,000,000,000 VND	1,766	633	1,133	239	-55	71.27%	
Incom International Investment and Development Co., Ltd.	Long An Province	14,100,000,000 VND	1,413	950	463	173	-67	71.27%	
Kim Cuong Energy Investment Co., Ltd.	Long An Province	9,000,000,000 VND	707	501	206	88	-35	71.27%	
Lam Gia Luat Co., Ltd.	Ho Chi Minh City	14,500,000,000 VND	1,016	564	451	134	-65	71.27%	
Long Dai Phat Investment Co., Ltd.	Ho Chi Minh City	71,539,000,000 VND	2,669	11	2,658	-	-2	71.27%	
Millennium Energy Investment Co., Ltd.	Ho Chi Minh City	70,000,000,000 VND	2,636	1	2,635	-	25	71.27%	
Phu An Energy Investment Co., Ltd.	Long An Province	9,000,000,000 VND	702	503	198	84	-38	71.27%	
Quang Lam Printing Import Export Co., Ltd.	Long An Province	12,360,000,000 VND	1,403	952	450	188	-57	71.27%	
SSKT Beta Energy Co., Ltd.	Ho Chi Minh City	5,484,000,000 VND	781	493	288	114	12	42.05%	
STP5 Energy Production Trading Co., Ltd.	Ho Chi Minh City	13,031,646,000 VND	1,841	1,287	554	292	-18	64.07%	
STP6 Energy Trading Technical Co., Ltd.	Ho Chi Minh City	14,609,528,000 VND	2,046	1,467	579	320	-46	64.07%	
STP7 Energy Development Co., Ltd.	Ho Chi Minh City	4,511,677,000 VND	605	444	161	95	-14	64.07%	
STP8 Energy Investment Co., Ltd.	Ho Chi Minh City	9,235,861,000 VND	1,335	970	364	216	-22	64.07%	
Sun Times 1 Energy Co., Ltd.	Ho Chi Minh City	4,851,036,000 VND	649	469	180	104	-12	64.07%	
Sun Times 3 Energy Co., Ltd.	Ho Chi Minh City	14,347,796,000 VND	2,138	1,548	591	310	-30	64.07%	
Sun Times 4 Energy Co., Ltd.	Ho Chi Minh City	4,851,036,000 VND	646	477	169	99	-16	64.07%	
Sun Times 5 Energy Co., Ltd.	Ho Chi Minh City	14,008,437,000 VND	1,964	1,418	546	294	-42	64.07%	
Sun Times 6 Energy Co., Ltd.	Ho Chi Minh City	14,135,538,000 VND	1,987	1,453	534	303	-49	64.07%	
Sun Times 7 Energy Co., Ltd.	Ho Chi Minh City	9,229,812,000 VND	1,300	960	340	189	-41	64.07%	
Sunseap Commercial & Industrial Assets (Vietnam) Co., Ltd.	Ho Chi Minh City	123,517,702,000 VND	234,774	237,665	-2,891	3,994	-1,389	71.27%	
SunseapKTG Energy Investment Co., Ltd.	Ho Chi Minh City	5,484,000,000 VND	209	1	208	-	15	42.05%	
Sunseap Sun Times Solar Investment Co., Ltd.	Ho Chi Minh City	102,912,367,000 VND	5,832	2,015	3,818	-	-	64.07%	
Thiet Thanh Cong Investment Co., Ltd.	Long An Province	9,000,000,000 VND	716	520	196	78	-43	71.27%	
Trung Son Energy Development LLC	Khanh Hoa Province	197,000,000,000 VND	22,871	15,283	7,587	3,004	-52	71.27%	
Uper Renewable Energy Vietnam Co., Ltd.	Ho Chi Minh City	2,310,000,000 VND	166	11	155	1,074	41	71.27%	
Xuan Thien Ninh Thuan Co., Ltd.	Ninh Thuan Province	890,000,000,000 VND	105,763	66,554	39,209	21,330	1,660	71.27%	
Xuan Thien Thuan Bac Co., Ltd.	Ninh Thuan Province	550,000,000,000 VND	65,845	43,654	22,191	12,673	487	71.27%	
Other:									
Angang Wind Power Corporation	Gyeongsangbuk-do	1,141,000,000 KRW	255	96	159	-	-643	71.27%	
EDPR Korea, Ltd.	Yeosu	2,300,000,000 KRW	891	2,645	-1,754	170	-2,570	71.27%	
Godou Kaisha NW-3	Tokyo	100,000 JPY	24,607	24,840	-233	-	-23	71.27%	
Gumisan Wind Power Co., Ltd.	Gyeongsangbuk-do	1,426,000,000 KRW	1,106	150	956	-	-35	71.27%	
Hoya Energy Ltd.	Taipei City	199,000,000 TWD	17,596	11,735	5,861	1,509	-6	71.27%	
Miyagi Motayoshi Solar GK	Tokyo	100,000 JPY	6,121	6,132	-11	-	-12	71.27%	
OMA Haedori Co., Ltd.	Gaheung-gun	497,624,000 KRW	1,761	2,613	-852	376	1	53.45%	
Pacific Sunseap Energy Ltd.	Taipei City	347,000,000 TWD	10,189	8	10,189	-	-9	46.33%	
Re Capital Co., Ltd.	Tokyo	204,970,000 JPY	3,926	5,268	-1,342	488	-993	71.27%	
Shuangjian Photoelectric Ltd.	Taipei City	52,000,000 TWD	4,909	3,467	1,442	486	-44	49.89%	
Sunseap Advance Green Technology Ltd.	Taipei City	100,000,000 TWD	22,515	23,106	-592	813	-3,624	71.27%	
Sunseap Advance International Ltd.	Taipei City	5,000,000 TWD	134	7	127	-	-4	71.27%	
Sunseap Energy (Malaysia) Sdn. Bhd.	Kuala Lumpur	7,582,477 MYR	1,270	1,446	-176	10	-752	71.27%	
Sunseap Solar Cambodia Co., Ltd.	Phnom Penh City	1,000 USD	1	-	1	-	23	71.27%	
Sunseap Taiwan Solar Holdings Ltd.	Taipei City	456,289,510 TWD	20,330	7,712	12,618	1,791	29	71.27%	
Top Green Energy Ltd.	Taipei City	341,000,000 TWD	51,755	41,192	10,564	4,776	5	46.33%	

The main financial indicators of the joint ventures entities, as at 31 December 2022, are presented as follows:

Joint Ventures entities *	HeadOffice	Share capital / Currency	% Group	% Company
Electricity Generation:				
Aboño Generaciones Eléctricas, S.L.U.	Aboño - Carreño	5,000,000 EUR	50.00%	
Bioastur, A.I.E.	Serín	60,101 EUR	50.00%	
Companhia Energética do JARI - CEJA	São Paulo	650,823,746 BRL	50.00%	
Empresa de Energia Cachoeira Caldeirão, S.A.	Amapá	728,600,000 BRL	50.00%	
Empresa de Energia São Manoel S.A.	Rio de Janeiro	2,409,974,102 BRL	33.33%	
Kosorkuntza, A.I.E.	Bilbao	- EUR	25.00%	
Hidroantábrico JV, S.L.	Aboño - Carreño	3,000 EUR	50.00%	
Salto del Navia, C.B.	Ceará	- EUR	50.00%	
Renewable Energy Activity:				
Cenergi Sunseap Energy Solutions Sdn. Bhd.	Kuala Lumpur	10,000,000 MYR	28.51%	
Centrale Eolienne D'Ocey, S.A.S.	Paris	484,844 EUR	36.35%	
Desarrollos Energéticos Canarias, S.A.	Las Palmas	15,025 EUR	35.58%	
Desarrollos Energéticos del Val, S.L.	Soria	137,070 EUR	17.82%	
Evokios Voreas A.E.	Athens	196,000 EUR	36.35%	
Evolución 2000, S.L.	Albacete	117,994 EUR	35.03%	
Flat Rock Windpower II LLC	Delaware	215,826,269 USD	35.64%	
Flat Rock Windpower LLC	Delaware	548,339,611 USD	35.64%	
Goldfinger Ventures II LLC	Delaware	199,600,493 USD	35.64%	
Goldfinger Ventures LLC	Delaware	145,982,278 USD	35.64%	
Kronos IBV LUK	Berlin	25,000 EUR	35.64%	
KSD 20 UG	Munich	1,000 EUR	35.64%	
Lomartico Investments, Sp. z o.o.	Warsaw	5,000 PLN	35.64%	
Madsteville Investments, Sp. z o.o.	Warsaw	5,000 PLN	35.64%	
Ondentille Investments, Sp. z o.o.	Warsaw	5,000 PLN	35.64%	
OW Offshore, S.L.	Madrid	72,205,252 EUR	35.64%	
Riverstart Development LLC	Delaware	- USD	14.25%	

Joint Ventures entities *	HeadOffice	Share capital / Currency	% Group	% Company
Riverstart Ventures LLC	Delaware	233,362,536 USD	14.25%	
RL Sunseap Energy Sdn. Bhd.	Sarawak	2,500,000 MYR	34.92%	
Sistemas Eólicos Tres Cruces, S.L.	Soria	50,000 EUR	17.82%	
Sofrano A.E.	Athens	900,000 EUR	36.35%	
Solar Ventures Acquisition LLC	Delaware	-44,981,007 USD	35.64%	
Sunseap Asset (Cambodia) Co., Ltd.	Phnom Penh City	2,760,000 USD	36.35%	
Sunseap Energy (Cambodia) Co., Ltd.	Phnom Penh City	365,000 USD	34.92%	
Sunseap LCS Energy Sdn. Bhd.	Kuala Lumpur	100,000 MYR	34.92%	
2018 Vento XIX LLC	Delaware	51,622,039 USD	14.25%	
2017 Vento XVII LLC	Delaware	166,785,700 USD	14.25%	
2019 Vento XX LLC	Delaware	209,041,781 USD	14.25%	
Other Activities:				
Energia Asia Consultoria, Limitada	Macao	200,000 MOP	50.00%	49.00%
EnergyWorx International, B.V.	Houten	226 EUR	38.17%	
MABE Construção e Administração de Projectos, Ltda.	Ceará	566,151,831 BRL	50.00%	
Sud Solar Energy Invest II SA	Esch-sur-Alzette	550,000 EUR	50.00%	

The companies where the Group has significant influence, as at 31 December 2022, are as follows:

Associated companies *	HeadOffice	Share capital / Currency	% Group	% Company
Electricity Generation:				
HC Tudela Cogeneración, S.L.	Aboño - Carreño	306,030 EUR	50.10%	
Porto do Pecém Geração de Energia, S.A.	Ceará	508,504,849 BRL	20.00%	
Electricity Distribution:				
AMBERTREE - Tecnologia para Redes de Energia Eléctrica, Lda	Lisbon	5,000 EUR	26.00%	
Renewable Energy Activity:				
Biomassas del Pirineo, S.A.	Huesca	454,896 EUR	21.38%	
Blue Canyon Windpower LLC	Texas	63,851,000 USD	18.74%	
Desarrollos Eólicos de Canarias, S.A.	Las Palmas	1,817,130 EUR	31.89%	
Eólica de São Julião, Lda.	Lourinhã	500,000 EUR	32.07%	
Eos Paxlla, S.L.	La Coruña	6,010 EUR	34.57%	
Hyllantico, S.A.	Sines	50,000 EUR	20.31%	
Parque Eólico Belmonte, S.A.	Madrid	120,400 EUR	21.31%	
Parque Eólico Sierra del Madero, S.A.	Madrid	7,193,970 EUR	29.93%	
Powersource Sunseap Corp.	Makati City	- PHP	28.51%	
Powersource Sunseap Solar Solution Corp.	Makati City	- PHP	28.51%	
Promotores Villarrubia Elevación, S.L.	Madrid	3,018 EUR	23.43%	
Promotores Villarrubia Morata 200KV, S.L.	Madrid	3,000 EUR	31.09%	
Solar Siglo XXI, S.A.	Ciudad Real	80,000 EUR	17.82%	
Unión de Generadores de Energía, S.L.	Zaragoza	23,044 EUR	35.64%	
Other Activities:				
Centrais Eléctricas de Santa Catarina, S.A. - Celesco	Santa Catarina	2,480,000,000 BRL	29.90%	
Endeco Technologies Limited	Dublin	15,756,606 EUR	16.90%	
SCNET - Sino-Portuguese Centre	Shanghai	21,600,000 CNY	40.00%	
Solar Works! B.V.	Rotterdam	10,388,188 USD	36.38%	36.38%
Vertequip, Equipamentos e Trabalhos Verticais, Lda	Chamusca	347,139 EUR	23.66%	
WPVT, S.A.	Oporto	75,000 EUR	20.00%	

Part III Corporate Governance Report



Nation Rise Wind Farm, Canada



Part III Corporate Governance Report Index

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PART I

Information on Ownership Structure, Organisation and Corporate Governance

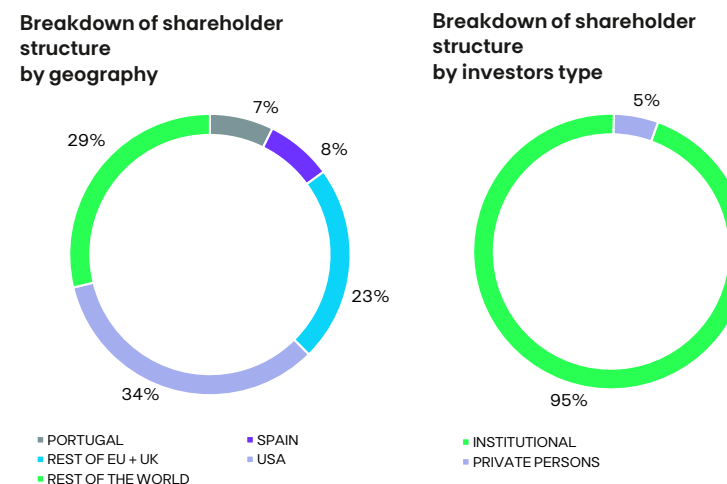
A. Ownership Structure

I. Capital Structure

1. Capital Structure

The share capital of EDP – Energias de Portugal, S.A. (Company or EDP) is of €4,184,021,624 and is fully paid up, according to Article 4 of EDP's Articles of Association, being represented by 4,184,021,624 ordinary shares, which have a face value of 1 Euro each.

The geographical and investor type breakdown of the EDP shareholder structure on 31 December 2023 was as follows:



Source: Interbolsa

2. Restrictions on Share Transferability

In the terms of the Articles of Association, the shares are not subject to any limitations in terms of transferability.

3. Treasury stock

As of 31 December 2023, EDP owned 22,448,920 treasury stock shares, corresponding to 0,54% of the share capital.

At the General Shareholders' Meeting held on 12 April 2023, shareholders resolved on the granting of authorization to the Executive Board of Directors for the acquisition and sale of own shares by EDP and subsidiaries of EDP for an 18 (eighteen) month period as from the proposal approved in the General Meeting.



4. Change of company control

EDP has not entered into any significant agreements that come into force, are amended or terminate in the event of a change in control of the Company following a takeover bid, except for normal market practice in terms of debt issuance. In fact, EDP is usually a party in financing agreements and issuer of bonds that include change of control clauses, which are typical set forth in such agreements and securities and are necessary for the completion of transactions, not considering that its existence is likely to harm the economic interest in the transfer of EDP shares, nor the free assessment by shareholders of the directors' performance. In addition, with regard to any measures adopted that determine payments or the assumption of charges by the Company in the event of a change in the composition of the management body, apart from the situations set out in the Remuneration Report, there are no contracts in force at EDP that provide for payments in the event of dismissal or termination by agreement of the duties of a director, nor any other measures that determine the assumption of charges by EDP in the event of a change in the composition of the management body.

5. Defensive measures

EDP has not taken any measures to prevent takeover bids that would put the interests of the Company and its shareholders at risk. The supplementary rules on this matter remain thus in force.

In this regard, it is important to note that, pursuant to Article 14 (3) of EDP's current Articles of Association, votes cast by a shareholder on his own behalf or representing another will not be considered if they exceed 25% of all the votes corresponding to the share capital.

Although EDP's Articles of Association impose this limitation on the exercise of voting rights, this limitation is not a measure to prevent successful takeover bids.

In fact, the inability of the limitation on voting rights to prevent the success of a takeover bid is the result of EDP's current capital structure and of the compliance of the deliberative quorum of two-thirds of the votes cast, which is set out in EDP's Articles of Association for an amendment to the company agreement on this matter with Article 182 - A (2) of the Portuguese Securities Code.

No defensive measures have been taken aimed at or resulting in serious erosion of EDP's assets in the event of transfer of control of the company or a change in the composition of the Executive Board of Directors, thereby prejudicing the free transferability of the shares

and free appraisal by the shareholders of the performance of the members of the Executive Board of Directors.

6. Shareholder agreements

According to the Article 7 of EDP's Articles of Association, shareholder agreements regarding the Company must be communicated in full to the Executive Board of Directors and the General and Supervisory Board by the shareholders that have signed them in the 30 (thirty) days following their conclusion.

According to information provided to the Company by the shareholders, the Executive Board of Directors is aware of the existence of a single shareholder agreement, which was entered into on 11 April 2007 by Parpública, Caixa Geral de Depósitos, S.A. ("CGD") and Société Nationale pour la Recherche, la Production, Le Transport, La Transformation et la Commercialisation des Hydrocarbures ("Sonatrach").

Although Parpública has sold its shareholdings in EDP's share capital and CGD and Sonatrach do not own a qualifying shareholding in EDP's share capital, according to information at EDP's disposal this does not represent automatic cessation of the effects of the shareholder agreement. EDP has not been informed of any agreement to revoke or amend the said shareholder agreement.

In 2021, EDP and Sonatrach agreed to terminate the partnership entered into in 2007, under which EDP assumed full control of the combined cycle natural gas plant, Soto 4, in Spain, with an installed capacity of 426MW, through the acquisition of 25% stake held by Sonatrach, and terminates the commercial relations with Sonatrach that were associated with this partnership.

II. Shareholdings and Bonds Owned

7. Qualifying holdings

Pursuant to Article 29-H of Portuguese Securities Code, we are providing the following information on qualifying holdings owned by EDP shareholders as at 31 December 2023 and attributable voting rights in accordance with Article 20 (1) of the Portuguese Securities Code.



SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
CHINA THREE GORGES CORPORATION		
Yangtze Three Gorges Investment Management Co. Ltd.		
China Three Gorges International Corporation		
China Three Gorges International Limited		
China Three Gorges (Europe), S.A.	878,970,301	21.01%
Total	878,970,301	21.01%
China Three Gorges (Europe), S.A. is fully owned by China Three Gorges International Limited, which is 77.7% owned by China Three Gorges International Corporation. China Three Gorges Corporation holds 70% of the share capital of China Three Gorges International Corporation and fully owns Yangtze Three Gorges Investment Management Co. Ltd. Yangtze Three Gorges Investment Management Co. Ltd holds 30% equity of China Three Gorges International Corporation.		
OPPIDUM CAPITAL, S.L.		
Oppidum Capital, S.L.	285,414,883	6.82%
Total	285,414,883	6.82%
According to paragraph 1(b) of article 20 of the Portuguese Securities Code, the voting rights inherent to the share capital held by Oppidum Capital, SL and Flicka Forestal, SL are imputable to Fernando Masaveu Herrero. Oppidum Capital, SL is 55.9% owned by Masaveu Internacional, S.L. and 44.1% owned by Unicaja Banco S.A. In turn, Masaveu Internacional, SL is 100% held by Corporación Masaveu, SA. Corporación Masaveu, SA is 41.38% held by Fundación María Cristina Masaveu Peterson, 10.73% by Flicka Forestal, SL and 0.03% by Fernando Masaveu Herrero. Fernando Masaveu Herrero controls Fundación María Cristina Masaveu Peterson, Flicka Forestal, SL and Peña Maria, S.L. Additionally, Fernando Masaveu Herrero's spouse holds 18,467 shares of EDP's share capital. Also, three dependents of Fernando Masaveu Herrero - Pedro Masaveu Compostizo, Jaime Masaveu Compostizo and Elias Masaveu Compostizo - hold each 542 shares of EDP's share capital. In this sense, in total, 7.20% of the voting rights of EDP, corresponding to 285.709.976 shares of EDP's share capital, are imputable to Fernando Masaveu Herrero.		
BLACKROCK, INC.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock (Singapore) Holdco Pte. Ltd.		

SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
BlackRock HK Holdco Limited		
BlackRock Lux Finco S.a.r.l.		
BlackRock Japan Holdings GK		
BlackRock Japan Co., Ltd.		
BlackRock, Inc.		
Trident Merger, LLC		
BlackRock Investment Management, LLC		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock Holdco 3, LLC		
BlackRock Cayman 1 LP		
BlackRock Cayman West Bay Finco Limited		
BlackRock Cayman West Bay IV Limited		
BlackRock Group Limited		
BlackRock Finance Europe Limited		
BlackRock Investment Management (UK) Limited		
BlackRock, Inc.		



SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock Australia Holdco Pty. Ltd.		
BlackRock Investment Management (Australia) Limited		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock Holdco 3, LLC		
BlackRock Cayman 1 LP		
BlackRock Cayman West Bay Finco Limited		
BlackRock Cayman West Bay IV Limited		
BlackRock Group Limited		
BlackRock International Limited		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock Holdco 4, LLC		
BlackRock Holdco 6, LLC		

SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
BlackRock Delaware Holdings Inc.		
BlackRock Institutional Trust Company, National Association		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock Holdco 4, LLC		
BlackRock Holdco 6, LLC		
BlackRock Delaware Holdings Inc.		
BlackRock Fund Advisors		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock (Singapore) Holdco Pte. Ltd.		
BlackRock HK Holdco Limited		
BlackRock Asset Management North Asia Limited		



SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock Holdco 3, LLC		
BlackRock Cayman 1LP		
BlackRock Cayman West Bay Finco Limited		
BlackRock Cayman West Bay IV Limited		
BlackRock Group Limited		
BlackRock Finance Europe Limited		
BlackRock (Netherlands) B.V.		
BlackRock Asset Management Deutschland AG		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock Holdco 3, LLC		
BlackRock Canada Holdings LP		
BlackRock Canada Holdings ULC		
BlackRock Asset Management Canada Limited		

SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock Capital Holdings, Inc.		
BlackRock Advisors, LLC		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock Holdco 3, LLC		
BlackRock Cayman 1LP		
BlackRock Cayman West Bay Finco Limited		
BlackRock Cayman West Bay IV Limited		
BlackRock Group Limited		
BlackRock Finance Europe Limited		
BlackRock Advisors (UK) Limited		
BlackRock, Inc.		
BlackRock Holdco 2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		

SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
BlackRock (Singapore) Holdco Pte. Ltd.		
BlackRock (Singapore) Limited		
BlackRock, Inc.		
BlackRock Holdco2, Inc.		
BlackRock Financial Management, Inc.		
BlackRock International Holdings, Inc.		
BR Jersey International Holdings L.P.		
BlackRock Holdco 3, LLC		
BlackRock Cayman 1LP		
BlackRock Cayman West bay Finco limited		
BlackRock Cayman West bay IV limited		
BlackRock Group Limited		
BlackRock Luxembourg Holdco S.à r.l.		
BlackRock Investment Management Ireland Holdings Limited		

SHAREHOLDER	NO. OF SHARES	% CAPITAL WITH VOTING RIGHTS
BlackRock Asset Management Ireland Limited		
BlackRock, Inc.		
Trident Merger, LLC		
BlackRock Investment Management, LLC		
Amethyst Intermediate, LLC		
Aperio Holdings, LLC		
Aperio Group, LLC		
Total	264,886,769	6.33%
CANADA PENSION PLAN INVESTMENT BOARD		
CPPIB	224,813,093	5.37%
Total	224,813,093	5.37%
EDP (TREASURY STOCK)	22,448,920	0.54%
REMAINING SHAREHOLDERS	2,507,487,658	59.93%
Total	4,184,021,624	100.00%

8. Financial instruments owned by members of the management and supervisory bodies

Financial instruments owned by members of the Executive Board of Directors

As of 31 December 2023, the financial instruments held or attributable to the members of the Executive Board of Directors in office under the terms set forth in article 447 (5) of the Portuguese Companies Code are as follows:

EXECUTIVE BOARD OF DIRECTORS ⁽¹⁾	EDP – ENERGIAS DE PORTUGAL, S.A.		EDP RENOVÁVEIS, S.A.	
	NO. SHARES 31-12-2023	NO. SHARES 31-12-2022	NO. SHARES 31-12-2023	NO. SHARES 31-12-2022
MIGUEL STILWELL DE ANDRADE ⁽²⁾	250,000	205,000	-	-
Rui Manuel Rodrigues Lopes Teixeira ⁽³⁾	44,543	42,043	351	100
Vera de Morais Pinto Pereira Carneiro	20,000	20,000	-	-
Ana Paula Garrido de Pina Marques	-	-	-	-
Pedro Collares Pereira de Vasconcelos	-	-	-	-

(1) The Executive Board of Directors did not hold any bonds from EDP – Energias de Portugal, S.A.

(2) As disclosed to the market on July 28th 2023, August 2nd 2023 and, October 2nd 2023 Miguel Stilwell de Andrade acquired, in aggregate, 45.000 shares of EDP.

(3) As disclosed to the market on August 7th 2023, Rui Manuel Rodrigues Lopes Teixeira acquired 2.500 shares of EDP.

Financial instruments owned by members of the General and Supervisory Board

As of 31 December 2023, financial instruments held or attributable to the members of the General and Supervisory Board in office, under the terms set forth in article 447 (5) of the Portuguese Companies Code, are as follows:

EDP – ENERGIAS DE PORTUGAL, S.A.		
GENERAL AND SUPERVISORY BOARD ⁽¹⁾	NO. SHARES 31-12-2023	NO. SHARES 31-12-2022
JOÃO LUÍS RAMALHO DE CARVALHO TALONE	-	-
China Three Gorges Corporation ⁽²⁾	878,970,301	835,980,316
Dingming Zhang (as representative of China Three Gorges Corporation)	-	-
China Three Gorges International Limited ⁽²⁾	878,970,301	835,980,316
Shengliang Wu (as representative of China Three Gorges International Limited)	-	-
China Three Gorges (Europe), S.A. ⁽²⁾	878,970,301	835,980,316
Ignacio Herrero Ruiz (as representative of China Three Gorges (Europe), S.A.)	-	-
China Three Gorges Brasil Energia, S.A.	-	-
Hui Zhang (as representative of China Three Gorges Brasil Energia, S.A.)	-	-
China Three Gorges (Portugal), Sociedade Unipessoal, Lda.	-	-
Miguel Espregueira Mendes Pereira Leite (as representative of China Three Gorges (Portugal) Sociedade Unipessoal, Lda.)	-	-
DRAURSA, S.A.	-	-
Felipe Fernández Fernández (as representative of Draursa, S.A.)	1,350	1,350
Fernando Maria Masaveu Herrero	285,709,976	285,709,976
João Carvalho das Neves	16,000	8,060
María del Carmen Fernández Rozado	-	-
Laurie Lee Fitch ⁽²⁾	40,000	40,000
Esmeralda da Silva Santos Dourado	-	-
Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto	-	-

EDP – ENERGIAS DE PORTUGAL, S.A.		
Sandrine Dixon-Declève	-	-
Zili Shao	-	-
Luís Maria Viana Palha da Silva	5,479	5,479

⁽¹⁾ The members of the General and Supervisory Board do not hold any shares in EDP Renováveis S.A., nor do they hold any bonds in EDP – Energias de Portugal, S.A.

⁽²⁾ As disclosed to the market on March 14, 2023, and within the scope of a capital increase operation, 45,755,458 shares were subscribed. In January 2024, EDP was informed that, on December 31, 2023, China Three Gorges held 878,970,301 shares.

⁽³⁾ As disclosed to the market on September 5, 2023, João Carvalho das Neves, member of the General and Supervisory Board, informed EDP that he acquired 7,940 shares of EDP.

9. Special powers of the managing body with regard to decisions to increase share capital

The Executive Board of Directors has the powers enshrined in the law and Articles of Association to perform its duties, which are indicated in detail in item 21.

In what concerns the approval of decisions on share capital increases, and according to Article 4 (3) of the Articles of Association, the Executive Board of Directors has the power to approve one or more share capital increases up to an aggregate limit of 10% of the current share capital via the issuance of shares to be subscribed by new entries in cash, in accordance with the issuance terms and conditions that it defines. The draft decision must be submitted to the General and Supervisory Board subject to a two-thirds voting majority of the respective members.

By resolution of the General Shareholders' Meeting of 14 April 2021, an autonomous authorisation was introduced in Article 4(4) of the Articles of Association, granting the Executive Board of Directors the possibility of increasing the share capital, one or more times, by an amount corresponding to a maximum of 10% of the share capital at that date (not cumulative with the limit of the authorisation provided for in Article 4(3) of the Articles of Association). This gives the company the flexibility to benefit from favourable market conditions for a capital increase at any given time;

Under this authorisation, the market was informed on 3 March 2023, that the Executive Board of Directors concluded the accelerated bookbuilding process and approved the increase in EDP's share capital from €3,965,681,012 to €4,184,021,624, through the issue of 218,340,612 shares at a unit price of €4.58. This share capital increase without shareholders' pre-emptive rights was registered with the Commercial Registry Office on 3 March



2023. The respective shares were placed with certain investors in accordance with an accelerated bookbuilding process, also concluded on 3 March 2023.

In this context, pursuant to article 4(3) and (4) of EDP's Articles of Association, the General Meeting held on 12 April 2023 resolved to renew the authorisation granted to the Executive Board of Directors to: (i) increase EDP's share capital by up to 10% of the current share capital through the issue of shares to be subscribed by new cash contributions, on one or more occasions, for a period of 5 years from the date of the General Meeting, under terms and conditions to be defined, subject to prior approval by the General and Supervisory Board by a two-thirds majority, allowing, in particular, to resolve under the provisions of Article 6(2) of the Articles of Association, the issue of ordinary shares or securities convertible into or exchangeable for shares representing EDP's share capital and (ii) increase the share capital, one or more times, until 14 April 2026, by an amount corresponding to a maximum of 10% of the current share capital, through the issue of shares, to be paid up in cash and subscribed by qualified investors using accelerated bookbuilding procedure(s), in accordance with the terms and conditions of the issue defined by it, provided that the issue price is not less than (a) 95 per cent of the weighted average share price on Euronext Lisbon on the date the price is set, or (b) 95 per cent of the weighted average share price on Euronext Lisbon in the maximum period of ten days ending on the said date the price is set, and the resolution proposal must be submitted for prior approval by the General and Supervisory Board by a two-thirds majority.

It should be noted that, under the provisions of Article 4(5) of EDP's Articles of Association, the authorisations granted to the Executive Board of Directors under the terms of paragraphs 3 and 4 of the said article are not cumulative, in the sense that any shares issued under one of these authorisations will be subject to the maximum limit of the other, and that, therefore, in the use of either or both authorisations, the Executive Board of Directors may not approve share capital increases that exceed 10% of the current share capital.

During the aforementioned 2023 General Shareholders' Meeting, it was also decided to suppress shareholders' pre-emptive rights in capital increases to be decided by the Executive Board of Directors in EDP capital increase(s) carried out through accelerated bookbuild procedures until 14 April 2026 and with a maximum limit of 10% of the current share capital, as provided for in Article 4(4) of the Articles of Association (not cumulative with the limit of the authorisation provided for in Article 4(3) of the Articles of Association).

10. Significant business relationships between owners of qualifying holdings and the Company

In pursuit of its activity and regardless of its relevance, EDP conducts business with and enters into transactions under normal market conditions for similar operations with several entities, beyond which are included qualified shareholders of EDP or companies related to those.

Thus, with reference to the 2023 exercise, it should be pointed out the performance of the following operations between companies of EDP Group and owners of qualifying holdings in EDP's share capital:

- The EDP Group, through EDP Clientes, S.A., provided electricity and gas supply services as well as the installation of solar panels to Cementos Tutela Veguín, totalling approximately 50.1 million euros (Cementos Tutela Veguín is a subsidiary of the Masaveu Group, which in turn owns 55.9% of Oppidum Capital, S.L.);
- Additionally, the EDP Group, through the company EDP Comercial - Comercialização de Energia, S.A., agreed with the company Exus Management Partners to supply equipment and carry out work relating to the interconnection of two photovoltaic plants to the Public Service Electricity Grid, worth approximately 1.7 million euros (Exus Management Partners is a subsidiary of the Masaveu Group, which in turn owns 55.9% of the company Oppidum Capital, S.L.);
- As disclosed to the market on 27 October 2023, EDP España, S.A.U. entered into a partnership with Corporación Masaveu, S.A. through the sale of a 50% stake in the Aboño power plant, reflecting an enterprise value of around 350 million euros and an equity value of 60 million euros for 100% of the asset (Corporación Masaveu is a subsidiary of the Masaveu Group, which in turn owns 55.9% of the company Oppidum Capital, S.L.);
- As disclosed to the market on 29 December 2023, EDP, through its subsidiary EDP Renováveis, S.A., agreed to buy the respective minority stakes of 49% in wind portfolios in Portugal, Poland, and Italy, for a total amount of 0.57 billion euros;
- As disclosed to the market on 29 December 2023, EDP signed a sale and purchase agreement for a 50% stake in Energia Asia Consultoria, Lda. with China Three Gorges for a total expected consideration of around 100 million euros, subject to adjustments until the transaction is finalised.

As for the surrounding governance guidelines, on July 29, 2010, the General and Supervisory Board approved the first version of the “Regulation on Conflicts of Interest and Transactions with Related Parties”, which was subject to review during 2015. On 17 May 2010, the Executive Board of Directors approved the rules on identification, in-house reporting and procedure in the event of conflicts of interest applicable to all EDP Group employees who play a decisive role in transactions with related parties.

In the Company’s constant quest to adopt best practices, it has been promoting the revision of internal regulations governing conflicts of interest and business between related parties, and in May 2023 the latest update of the Policy on Transactions with Related Parties came into force, and is available for consultation at EDP’s website [Transactions with Related Parties Policy | edp.com](https://www.edp.com/Transactions-with-Related-Parties-Policy).

The General and Supervisory Board noted that regarding 2023, in view of the cases analysed and the information provided by the Executive Board of Directors, that no evidence was found that the potential conflicts of interest underlying the transactions made by EDP may have been settled contrary to the interests of the Company.

The Financial Matters Committee/Audit Committee is responsible for supervising enforcement of the aforementioned policy and reports on its work to the General and Supervisory Board.



B. Corporate Bodies and Committees

I. General Meeting

A) Composition of The General Meeting

11. Name and position of officers of the General Meeting and their term of office

Pursuant to Article 12 of EDP's Articles of Association, the members of the Board of the General Meeting are composed by a Chairman, a Vice-Chairman, and the Company Secretary, who is appointed by the Executive Board of Directors.

During 2023, the composition of the Board of the General Meeting in office was as follows:

BOARD OF THE GENERAL MEETING	
CHAIRMAN	LUÍS MARIA VIANA PALHA DA SILVA
Vice Chairman	Ana Mafalda Castanheira Neves de Miranda Barbosa (*)
Company Secretary	Ana Rita Pontífice Ferreira de Almeida Côrte-Real

(*) The Vice-Chairman of the Board of the General Shareholders' Meeting was elected at the at the General Shareholders' Meeting held on 6 April 2022 for the 2021-2023 three-year mandate, after the resignation presented by Clara Patrícia Costa Raposo, on 27 April 2021.

The Chairman of the General Meeting is automatically a member of the General and Supervisory Board, pursuant to Article 21 (2) of EDP's Articles of Association.

The Chairman of the General Meeting has the in-house human and logistic resources appropriate to his/her needs, including the support of the Legal & Governance, the Investor Relations, the Communication and the Brand - Corporate Global Units, plus external support from a specialised entity hired by EDP to collect, process, and count the votes. The logistic and administrative resources for the General Meeting are provided by the Company and the organisation is supervised by the Chairman of the Board of the General Meeting.

B) Exercise of Voting Rights

12. Restrictions on Voting Rights

Pursuant to Article 14 (2) of EDP's Articles of Association, each share corresponds to one vote.

The Company does not issue shares with special plural voting rights.

According to Article 14 (9) of EDP's Articles of Association, the holders of rights representing shares under ADR (American Depositary Receipt) programs may instruct the respective depository bank in order to see their voting rights exercised or, alternatively, grant proxy to a representative designated by EDP for such purpose, in compliance with applicable legal or statutory provisions; the depository contract should regulate terms and ways for exercising the voting rights, as well as for cases in which such instructions do not exist.

According to Article 14 (10) of the Articles of Association, EDP's shareholders can only participate and vote at the General Meeting, personally or through a representative, if on the date of registration, 00:00 hours (GMT) of the fifth day of trading prior to that of the General Meeting, it owns shares corresponding to, under the Law and the Articles of Association, at least one vote.

Proof of ownership of the shares is provided by sending the Chairman of the General Meeting, by the fifth day of trading prior to that of the General Meeting, a statement issued, certified, and sent by the financial intermediary responsible for registering the shares, indicating the number of shares registered and the date of registration. It may be sent by email (Article 14 (13) of EDP's Articles of Association).

Participation in the General Meeting also requires the shareholder to express this intention to the financial intermediary at which the individual registration account has been opened, by the previous day of the fifth day of trading prior to that of the General Meeting. The communication may be sent by electronic means (Article 14 (11) of EDP's Articles of Association and Article 23.º-C (3) of the Portuguese Securities Code).

Shareholders who have expressed their intention to participate in a General Meeting pursuant to the law and the Articles of Association and have transferred ownership of the shares between the fifth day of trading prior to that of the General Meeting and the end thereof, must inform the Chairman of the General Meeting and the CMVM immediately (Article 14 (11) of EDP's Articles of Association).

EDP shareholders may exercise their right to vote by correspondence, postal or electronic, on each of the items on the agenda by means of a communication addressed to the Chairman of the Board of the General Meeting, as provided for in number 6 and number 11 of article 14 of the Articles of Association.

Pursuant to Article 14 (7) of EDP's Articles of Association, voting rights may also be exercised electronically, in accordance with the requirements necessary to ensure their authenticity, which must be defined by the Chairman of the General Meeting in the invitation to the meeting.

Shareholders can find the necessary forms for postal or electronic votes [at EDP's website](#).

EDP has taken several measures to encourage shareholders to exercise their voting rights, such as elimination of financial obstacles that may affect their exercise. These measures include:

- general circulation of the notice of meeting of the General Meeting with an express indication of the channels available for the exercise of voting rights and in publications at [CMVM website](#) and [EDP's website](#), in the Justice Ministry and in the Interbolsa Platform (My Interbolsa) and in the NYSE Euronext Lisbon newsletter;
- payment of the costs of issuing declarations of ownership of shares for all shareholders who participate in the General Meeting.

As per EDP's Articles of Association, votes cast by a shareholder in his own name or as a representative of another exceeding 25% (twenty-five percent) of all the votes representing the share capital are not considered. This limitation applies to all decisions of the General Meeting, including those for which the law or EDP's Articles of Association provide for a qualified majority of the Company's share capital.

Pursuant to Article 14 (4) of EDP's Articles of Association, votes for which, under Article 20 (1) of the Securities Code or any legal rule that amends or replaces it, he is responsible will be considered cast by the same shareholder.

Pursuant to Article 15 (2) and (3) of the Articles of Association, EDP's shareholders are obliged to provide the Executive Board of Directors, in writing and in a complete, objective, clear, truthful form, and in a manner acceptable to the board, all information that it requests from them on facts concerning them and related to Article 20 (1) of the Securities Code. Noncompliance with this obligation shall result in prevention of the exercise of voting rights pertaining to the shares owned by the shareholder in question.

If the limitation on the counting of votes affects a number of shareholders, it will operate in proportion to the ordinary shares owned by each one (Article 14 (5) of the Articles of Association).

Furthermore, pursuant to Article 20 (1) of the Portuguese Securities Code, or any legal rule that amends or replaces it, shareholders who become owners of a shareholding of 5% (five percent) or more of the voting rights or share capital, must inform the Executive Board of Directors thereof within five business days of the date on which ownership occurred. They cannot exercise their voting rights until they have made this communication (Article 15 (1) of EDP's Articles of Association).

13. Maximum percentage of voting rights that can be exercised by a single shareholder or shareholders that are related in some of the relations of Article 20 (1)

See item 12.

14. Decisions of shareholders who, under the Articles of Association, can only be made by a qualified majority other than those provided for by law

Decisions by the General Meeting are taken by a majority of votes cast, unless the law or the Articles of Association require a qualified majority (Article 11 (3) of the Articles of Association).

Article 10 (1) of the Articles of Association defines the performance of functions in any corporate body is incompatible with:

- the status of a legal person that is a competitor of EDP or a company in a control or group relation with EDP;
- the status of a legal person or an individual related to a legal person that is a competitor of EDP;
- the exercise of functions, of any nature or for any reason whatsoever, notably by appointment to a corporate office, by employment contract or by services provision agreement, at a legal person that is a competitor of EDP or at a legal person related to a legal person that is a competitor of EDP;
- the appointment, even if only in fact, for a corporate body member by a competing legal person or a person, natural or legal, related to a legal person competing with EDP.

Nevertheless, Article 10 (4) defines that the incompatibilities set forth in the foregoing paragraphs may also not apply to the performance of functions as a member of the general



and supervisory board, to the extent permitted by law, subject to authorization given by prior resolution, with the favour of two thirds of the votes cast at the elective general shareholders' meeting. The competition relation must be expressly referred to and precisely identified in the appointment proposal, and the authorization resolution may be subject to conditions, notably to a holding of no more than 10% of EDP's share capital.

It should also be highlighted that, according to Article 10 (10) of EDP's Articles of Association, it should not be deemed to be a competitor of EDP the legal person shareholder that individually holds at least 20% of the share capital of EDP, and that, directly or through a legal person which is in a domain relationship with it, enters into and maintains a medium or long term strategic partnership of business cooperation in the activities of generation, distribution or supply of electricity or natural gas, approved in accordance with legal and statutory provisions, with prior favourable opinion of the General and Supervisory Board.

In all other cases, the deliberative quorum set out in Article 383 (2) of the Portuguese Companies Code applies.

II. Management and Supervision

A) Composition

15. Corporate governance model

EDP's governance structure is a dual model one and consists of the General Meeting, Executive Board of Directors, General and Supervisory Board and the Statutory Auditor.

The separation of management and supervision roles is embodied in an Executive Board of Directors, which is responsible for the management of the Company's business, and a General and Supervisory Board, the highest supervisory body.

The division of competences, inherent to such model, between the Executive Board of Directors and the General and Supervisory Board, has been assuring an effective management of the Company, benefitted by a constant and attentive supervision. The dual model of corporate governance in place at EDP since July 2006 has allowed for an effective separation of the Company's supervision and management in pursuit of the goals and interests of EDP and its shareholders, employees, and other stakeholders, thereby contributing to achieving the degree of trust and transparency necessary for its adequate functioning and optimization.

It is also important to note that this governance model has proven to be adequate to the size and shareholder structure of the Company, allowing for constant supervision both by the reference shareholders and by the independent members, through the respective intervention in the General and Supervisory Board. Considering the transversal competences of the General and Supervisory Board and the specificities of the activities of the four Specialized Committees, the integration of members of the General and Supervisory Board and of the Executive Board of Directors of EDP should, according to the Selection Procedure of the members of the General and Supervisory Board and of the Executive Board of Directors, ensure diverse skills, professional experiences, diversity of knowledge, gender and cultures, taking into account the specificities of the Company's business. Along with the concern for the individual adequacy of each member, it is also sought that the composition of the governing bodies and corporate bodies demonstrate a collective adequacy, bringing together the professional and personal skills necessary for the proper performance of the functions of each body of EDP. Likewise, in determining the respective number of members, the size of the Company, the complexity of its activity and its geographical dispersion are considered, in addition to the costs and the desirable speed of operation of the administration.

According to Article 11 (2) (b) of the Articles of Association, it is the responsibility of the General Meeting of EDP to elect and dismiss the members of the Executive Board of Directors and the General and Supervisory Board, as well as their Chairmen and Vice-Chairmen, if any, and the Statutory Auditors, based on a proposal by the General and Supervisory Board (or by delegation to the Financial Matters Committee/Audit Committee). The General Meeting also appoints the members of the Environment and Sustainability Board, on proposal of the Executive Board of Directors, and Remuneration Committee of the General Meeting.

For a better understanding of EDP's corporate governance, [EDP's website](#) allows shareholders and the general public to view the up-to-date Articles of Association in Portuguese and English, the Internal Regulation of the Executive Board of Directors, General and Supervisory Board and its committees, documents that have been modified in order to accommodate best practices, notably the principles and recommendations set forth by the Corporate Governance Code issued by the Portuguese Institute for Corporate Governance.

Worth noting also that EDP has since 2010 a Corporate Governance Manual, whose primary objective consists of registering and sharing the provisions of the Executive Board of Directors and of General and Supervisory Board regarding best practices recommendations applicable to EDP on corporate governance. The Manual has a dynamic nature. It should therefore continue to be revised periodically, considering the contributions of all interested parties in the continuous development of EDP's governance model.

The Manual for the Corporate Governance of EDP is available to shareholders and general public at its website: [Corporate Governance Manual | edp.com](https://www.edp.com/corporate-governance-manual).

In what concerns prevention and fighting against harassment at work, and complementing the commitments already taken on by EDP in its [Code of Ethics, available at EDP's website](#), the Good Conduct Code for the Prevention and Fight Against Harassment at Work entered into force as of 21 November 2017 and it is applicable to all EDP Group's employees. According to this Code, other service providers and suppliers are explicitly required to uphold or adhere to the principles established, in accordance with their obligations under qualification procedures or current contracts. In this regard, during 2022, a new channel for reporting complaints was created, available at [EDP's website - Speak Up EDP Channel](#) - and on the other websites of the applicable EDP Group companies.

Additionally, the Integrity Policy approved by the Executive Board of Directors has implemented the mandatory execution to all EDP Group companies as well as to its employees, service providers acting on its behalf, in strict compliance with the legal framework applicable in geographies where the Group is present which aim to avoid unlawful conducts, in particular those associated with the practice of corruption acts, money laundering and terrorism financing. EDP Group is committed to promote an exempt, honest, integrated, professional, and fair action and requires that its employees and contracted third parties behave in accordance with such commitment, complying with the legislation and regulation in force. The EDP Group Companies has implemented and has disseminated prevention, detection, and control measures towards any form of corruption, prevarication, conduct on conflict of interest, influence peddling, money laundering, terrorism financing and other illegal acts. In this regard, the EDP Group Companies may adopt more demanding additional measures, according to local needs, always ensuring the compliance with the local applicable legislation. Additionally, the Compliance & Internal Control which independence is guaranteed through the reporting to the Executive Board of Directors and to the General and Supervisory Board/Financial Matters Committee/Audit Committee of EDP is responsible to biennially review this Policy or whenever any relevant legislative change occurs, submitting those amendments to the Executive Board of Directors for approval. The Integrity Policy of EDP Group was revised in 2023 and is available at EDP's website: [EDP Integrity Policy | edp.com](#). EDP intends to continue to assume a precursor and excellence role about the promotion of best government practices, in the hope that this initiative may also contribute to enrich the debate on these matters in the general context of the organization and functioning of public limited companies, particularly in Portugal.

16. Articles of Association rules on procedural and material requirements for the appointment and replacement of members of the Executive Board of Directors and General and Supervisory Board

It is the role of the General Meeting to elect and remove members of the Executive Board of Directors and the General and Supervisory Board, including their chairmen.

In the event of permanent or temporary absence of any of the members of the Executive Board of Directors, the General and Supervisory Board arranges for his/her replacement and the appointment must be ratified by the next General Meeting, under Article 22 (1) (g) of the Company's Articles of Association.

In the event of permanent absence of any of the members of the General and Supervisory Board, the substitutes on the list submitted to the General Meeting must be summoned by the Chairman of this Board to replace him/her, following the order on the list. Pursuant to Article 21 (5) of EDP's Articles of Association, the substitutes on the list must all be independent. If there are no substitutes, they will be elected by the General Shareholders' Meeting.

17. Composition of the Board of Directors, Executive Board of Directors and General and Supervisory Board

The shareholders elected, at the Extraordinary General Shareholders' Meeting held on 19 January 2021, the members of the Executive Board of Directors for the three-year mandate 2021-2023. At the Annual General Shareholders' Meeting, held on 12 April 2023, and following the resignation of Miguel Nuno Simões Nunes Ferreira Setas as member of the Executive Board of Directors, Pedro Collares Pereira de Vasconcelos was appointed to such position.

At the Annual General Shareholders' Meeting held on 14 April 2021, shareholders elected the members of General and Supervisory Board for the three-year mandate 2021-2023, as well as the Chairman of the Board of the General Meeting which is, automatically, an independent member of the General and Supervisory Board. The term of office of the members of this Board ends on 31 December 2023, without prejudice to their maintenance in office until a new appointment.

General and Supervisory Board

In the exercise of its duties – see Article 441 of the Companies Code and Article 22 of EDP's Articles of Association – the main mission of the General and Supervisory Board is to

constantly advise, monitor and supervise the management activities of EDP, cooperating with the Executive Board of Directors and the various other corporate bodies in pursuit of the Company's interests, pursuant to the Companies Code and the company's Articles of Association. It is elected by the shareholders at the General Meeting.

Pursuant to Article 21 (1) of the Articles of Association and Article 3 (1) of Internal Regulation of the General and Supervisory Board, the General and Supervisory Board consists of no fewer than nine effective members, but always more than the number of members of the Executive Board of Directors. Most of the elected members of the General and Supervisory Board must be independent, pursuant to Article 21(4) of the Articles of Association.



As of 31 December 2023, the General and Supervisory Board is composed by the following members:

GENERAL AND SUPERVISORY BOARD		INDEPENDENT MEMBERS	FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO LUÍS RAMALHO DE CARVALHO TALONE	INDEPENDENT	14/04/2021
	China Three Gorges Corporation represented by Dingming Zhang		20/02/2012
	China Three Gorges International Limited represented by Shengliang Wu		14/04/2021
	China Three Gorges (Europe), S.A. represented by Ignacio Herrero Ruiz		20/02/2012
	China Three Gorges Brasil Energia, S.A.. represented by Hui Zhang		05/04/2018
	China Three Gorges (Portugal), Sociedade Unipessoal, Lda. represented by Miguel Espregueira Mendes Pereira Leite		21/04/2015
	DRAURSA, S.A. represented by Felipe Fernández Fernández		21/04/2015
	Fernando Maria Masaveu Herrero		20/02/2012
	João Carvalho das Neves	Independent	21/04/2015
	María del Carmen Fernández Rozado	Independent	21/04/2015
	Laurie Lee Fitch	Independent	05/04/2018
	Esmeralda da Silva Santos Dourado	Independent	14/04/2021
	Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto	Independent	14/04/2021
	Sandrine Dixon-Declève	Independent	14/04/2021
	Zili Shao	Independent	14/04/2021
	Luís Maria Viana Palha da Silva	Independent	24/04/2019

The representatives of the companies China Three Gorges Corporation and China Three Gorges International Limited initiated their term of office on 11 May 2012, following the entry into force, with EDP, of the Strategic Partnership Agreement concluded on 30 December 2011.

Executive Board of Directors

The Executive Board of Directors is responsible for managing the Company's activities and representing the Company, pursuant to Article 431 of the Companies Code and Article 17 of the Articles of Association and was elected by the shareholders at a General Meeting.

Pursuant to Article 16 (2) of the Articles of Association of EDP, the Executive Board of Directors must have a minimum of five and a maximum of nine members.

The members of the Executive Board of Directors may not exercise executive functions in more than two companies not integrating EDP Group, and the exercise of the referred functions shall be subject to prior appraisal by the Executive Board of Directors, according to Article 7 of the Internal Regulation of such body.

At the Extraordinary General Shareholders' Meeting held on 19 January 2021, the members of the Executive Board of Directors were elected for the 2021–2023 term of office. The term

of office of the members of this Board ends on 31 December 2023, without prejudice to their maintenance in office until a new appointment.

At the Annual General Shareholders' Meeting, held on 12 April 2023, and following the resignation of Miguel Nuno Simões Nunes Ferreira Setas as member of the Executive Board of Directors, Pedro Collares Pereira de Vasconcelos was appointed to such position.

Until 12 April 2023, the Executive Board of Directors was composed as follows:

EXECUTIVE BOARD OF DIRECTORS		FIRST APPOINTMENT DATE
CHAIRMAN	MIGUEL STILWELL DE ANDRADE	20/02/2012
	Miguel Nuno Simões Nunes Ferreira Setas ^(*)	21/04/2015
	Rui Manuel Rodrigues Lopes Teixeira	21/04/2015
	Vera de Morais Pinto Pereira Carneiro	05/04/2018
	Ana Paula Garrido de Pina Marques	19/01/2021

^(*) On 13 March 2023, Miguel Nuno Simões Nunes Ferreira Setas resigned as Member of the Executive Board of Directors, with effect at the moment a substitute member is appointed at EDP's Annual General Meeting, held on 12 April 2023.

As from 12 April 2023, the Executive Board of Directors is composed as follows:

EXECUTIVE BOARD OF DIRECTORS		FIRST APPOINTMENT DATE
CHAIRMAN	MIGUEL STILWELL DE ANDRADE	20/02/2012
	Rui Manuel Rodrigues Lopes Teixeira	21/04/2015
	Vera de Morais Pinto Pereira Carneiro	05/04/2018
	Ana Paula Garrido de Pina Marques	19/01/2021
	Pedro Collares Pereira de Vasconcelos ^(*)	12/04/2023

^(*) Elected at EDP's Annual General Shareholders' Meeting, held on 12 April 2023.

18. Independent members of the Executive Board of Directors and General and Supervisory Board

EDP's Articles of Association (Article 9 (1), Article 10 (1), Article 11 (2) (d), Article 21 (4), Article 22 (1) (a), Article 23 and Article 27) and the Internal Regulation of the General and Supervisory Board (Article 8), both available on its website: [Articles of Association](#) and [Internal Regulation of the General and Supervisory Board](#), lay down the rules on

independence and incompatibilities for members of any of the Company's corporate bodies.

The criteria of independence set out in EDP's Articles of Association are in line with those laid down in 414 (5) of the Companies Code and determine that independence means an absence of direct or indirect relations with the Company or one of its bodies and an absence of any circumstances that might affect impartiality of analyses or decisions, e.g. because the people in question own or are acting on behalf of owners of a qualifying shareholding of 2% (two percent) or more of the share capital of EDP or have been re-elected for more than two terms of office continuously or intermittently.

Pursuant to Article 9 (1) of EDP's Articles of Association, independence is "absence of direct or indirect relations with the Company or one of its bodies and an absence of any circumstances that might affect impartiality of analyses or decisions, e.g., because the people in question own or are acting on behalf of owners of a qualifying shareholding of 2% (two percent) or more of the share capital of EDP or have been re-elected for more than two continuous or intermittent mandates".

In view of the need to clarify the aforementioned Article 414 (5) of the Company Code, as there are diverging legal opinions, Associação de Emitentes de Valores Cotados em Mercado ("AEM") requested an opinion from the CMVM, whose opinion was that the capacity as independent is only lost if, "on the basis of the criterion of number of terms of office, in a situation likely to affect his/her impartiality in analyses or decisions if the members of the supervisory bodies of public limited companies, having been elected for a first term of office and re-elected continuously or intermittently for a second and third term, are re-elected (for the third time, therefore) for a fourth term of office."

Pursuant to its Internal Regulation, the General and Supervisory Board has in place a specific procedure regarding compliance with a large number of rules on incompatibilities and independence applicable to positions on this board (Articles 7 and 8 of the General and Supervisory Board Internal Regulation). This procedure includes the following aspects:

- acceptance of a position as member of the General and Supervisory Board is subject to a written statement setting out specifically (i) the inexistence of any incompatibility under the law or Articles of Association; (ii) compliance with the independence requirements set out in its Internal Regulation, if the person has been elected as an independent member; (iii) the members' obligation to report to the Chairman of the General and Supervisory Board or, for the Chairman, directly to the board any subsequent event that might generate incompatibility or loss of independence;

- every year, the members of the General and Supervisory Board must renew their statements as to the inexistence of incompatibility and, if applicable, the compliance with the independence requirements.

Also, every year, the General and Supervisory Board conducts a general assessment of compliance with the rules of incompatibility and independence by its members.

At the same time, the Internal Regulation of the General and Supervisory Board (article 8) has broadened the independence criteria applicable to its members, going beyond the provisions of Article 414 (5) of the Companies Code and Article 9 of EDP's Articles of Association, and so people who directly or through their spouse or relative or similar in a straight line and to the collateral third degree, inclusive, are in one of the following situations cannot have independent status:

- being holder, director, having contractual ties or acting on behalf or on the account of owners of a qualifying shareholding of 2% (two percent) or more of the share capital or voting rights in EDP or the same percentage in a company of which it is a subsidiary;
- being a holder, director, having contractual ties or acting on behalf or on the account of owners of a qualifying shareholding of 2% (two percent) or more of the share capital or voting rights in a company that is a competitor of EDP;
- having been re-elected for more than two consecutive or non-consecutive terms of office;
- having exercised for twelve years, on a consecutive or non-consecutive basis, functions in any corporate body of the Company exception made to, from the end of its functions in any body and its new appointment, at least a three-year period has elapsed;
- having, in the last three years, provided services or had a significant commercial relation with the Company or one of its Subsidiaries; and,
- being a remuneration beneficiary paid by the Company or one of its Subsidiaries other than the remuneration deriving from the execution of its functions as a member of the General and Supervisory Board.

The rules of independence covering members of the General and Supervisory Board are particularly important regarding the following requirements:

- the board must consist of a majority of independent members (Article 434 (4) and Article 414 (5) and (6) of the Companies Code and Article 21 (4) of EDP's Articles of Association);

- the Financial Matters Committee/Audit Committee is composed, at least by, three independent members of the General and Supervisory Board (Article 23 (2) of EDP Articles of Association and Article 3 (1) of the Financial Matters Committee/Audit Committee's Internal Regulation);
- the Remuneration Committee of the General and Supervisory Board must comprise a majority of independent members (Article 27 (1) of the Articles of Association and Article 28 (b) of the General and Supervisory Board's Internal Regulation);
- the United States of America (USA) Business Affairs Monitoring Committee must be composed mainly of independent members (Article 3 (1) of the Internal Regulation of the Business Monitoring Committee in the United States of America);
- the Corporate Governance and Sustainability Committee must be composed mainly of independent members (Article 3 (1) of the Internal Regulation of the Corporate Governance and Sustainability Committee.

In compliance with the above procedure, at the start of their terms of office, the members of the General and Supervisory Board stated that they were not in any of the situations of incompatibility set out in the Companies Code (Article 414-A (1) (a) to (e), (g) and (h) (ex vi Article 434 (4)) and Article 437 (1)) or under Article 10 (1) of the Articles of Association and, where applicable, that they complied with the independence requirements of the Internal Regulation of the General and Supervisory Board and the Articles of Association of EDP (article 9 (1), article 11 (2) (d) and article 21 (4)) . Of the incompatibility situations for the exercise of the role of member of the General and Supervisory Board, pursuant to the Article 414-A of the Companies' Code, it is considered the exercise of functions of administration or supervisory in five companies. Therefore, one may not be elected or designated a member of the General and Supervisory Board if holds office of administrator or supervisor in five companies.

At the end of 2023, the members of the General and Supervisory Board renewed their statements on incompatibilities and on independence.

The above statements are available to the public at EDP's website at [General and Supervisory Board Incompatibility Statements](#).

The independent members of the General and Supervisory Board are shown in the chart in Item 17 above.

19. Qualifications of the members of the General and Supervisory Board and Executive Board of Directors

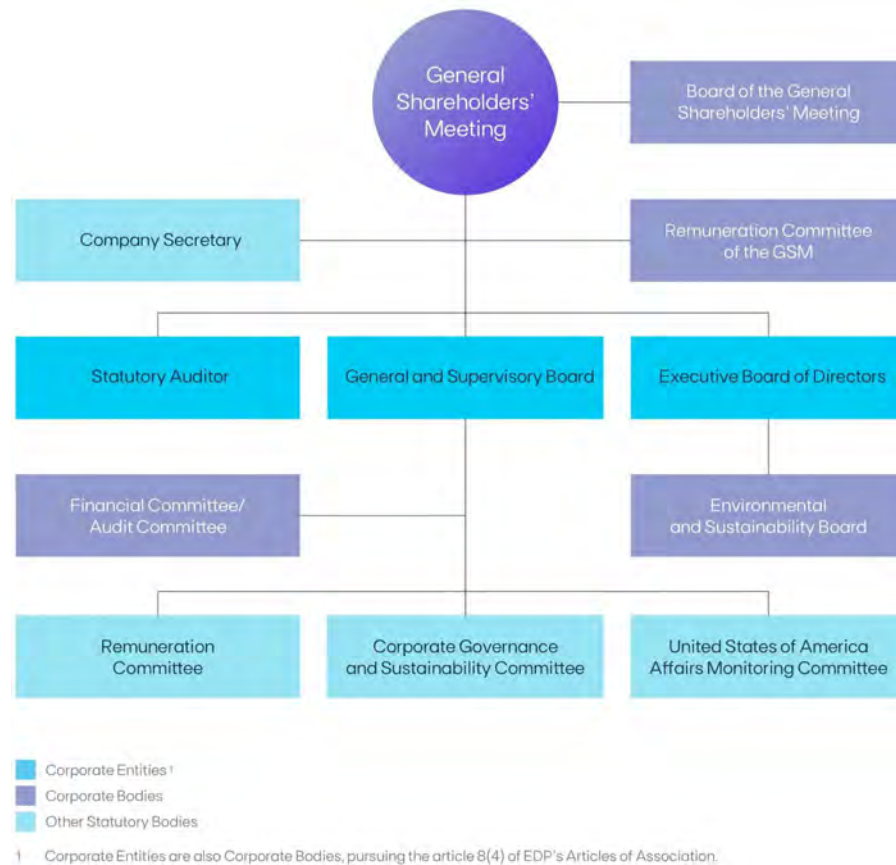
See Annex I of this Report.

20. Family, work-related and business relationships of the members of the General and Supervisory Board and Executive Board of Directors with shareholders owning a qualifying shareholding of over 2% of the voting rights

As for the General and Supervisory Board, and to the best of EDP's knowledge, there are professional relationships between Board members and shareholders attributed a qualifying holding of more than 2% of voting rights, as described below:

- Dingming Zhang, Shengliang Wu, Ignacio Herrero Ruiz, Hui Zhang and Miguel Espregueira Mendes Pereira Leite were appointed representatives respectively of the members of the General and Supervisory Board, through China Three Gorges Corporation, China Three Gorges International Limited, China Three Gorges (Europe), S.A., China Three Gorges Brasil Energia, S.A. (formerly China Three Gorges Brasil Energia Ltda.) e China Three Gorges (Portugal), Sociedade Unipessoal, Lda. China Three Gorges (Europe), S.A., held, on 31 December 2023, a 21.01% shareholding in EDP;
- The member of the General and Supervisory Board Fernando María Masaveu Herrero is chairman of the management body of Masaveu International, S.L. which owns 55.9% of Oppidum, S.L., a company with a 6,82% shareholding in EDP, on 31 December 2023. Fernando María Masaveu Herrero is also chairman of the administration body of Oppidum, S.L.;
- The member of the General and Supervisory Board Felipe Fernández Fernández is a manager of Unicaja Banco S.A. which owns 44.1% of Oppidum, S.L., a company with a 6,82% shareholding in EDP, on 31 December 2023.

21. Organisation chart, delegation, and division of powers



Powers of the General and Supervisory Board

Pursuant to Article 22 of the Articles of Association, the General and Supervisory Board is especially responsible for:

- permanently monitor the management of EDP and its subsidiaries and provide management advice and assistance to the Executive Board of Directors, particularly regarding strategy, goals, and compliance with the law;
- issue opinions on the annual report and accounts;
- permanently oversee the work of the Statutory Auditor of the Company, regarding the former, issue an opinion on their election or appointment, dismissal, independent status, and other relations with the Company;
- oversee, on a permanent basis, and evaluate internal accounting and auditing procedures, the efficacy of the risk management system, internal control system and internal auditing system, including the way in which complaints and queries are received and processed, whether originating from employees or not;
- propose to the General Meeting the removal from office of any member of the Executive Board of Directors;
- monitor the definition of criteria and responsibilities required or appropriate for the structures and internal bodies of the Company or Group and their impact and draft follow-up plans;
- provide for the replacement of members of the Executive Board of Directors in the event of permanent or temporary absence, as required by law;
- issue an opinion on their annual vote of confidence in the directors set out in Article 455 of the Company Code, on its own initiative or when requested to do so by the CEO;
- monitor and assess matters of corporate governance, sustainability, internal codes of ethics and conduct and compliance with these codes and systems for appraising and resolving conflicts of interest, including those associated with the Company's relations with its shareholders, and issue opinions on these matters;
- obtain the financial or other resources that it reasonably deems necessary for its work and ask the Executive Board of Directors to take any measures or make any corrections that it considers pertinent, with the power to hire independent consultants, if necessary;
- receive regular information from the Executive Board of Directors on significant business relations between the Company or its subsidiaries and shareholders with a qualifying holding and persons related to them;

- appoint the Remuneration Committee and Financial Matters Committee/Audit Committee;
- represent the Company in its relations with the directors;
- supervise the work of the Executive Board of Directors;
- oversee compliance with the law and Articles of Association;
- select and replace the Company's Statutory Auditor, giving the Executive Board of Directors instructions for engagement or dismissal;
- monitoring the bookkeeping, accounts and supporting documents and the status of any assets or securities held by the Company, as and when it deems appropriate;
- supervise the preparation and disclosure of financial information;
- call the General Meeting when it deems appropriate;
- approve its Internal Regulation, which includes rules on relations with the other corporate bodies;
- exercise any other powers that may be granted by law, the Articles of Association or by the General Meeting.

Under the corporate governance model in place at EDP, the General and Supervisory Board also has a power of particular importance. Although it does not have management powers, pursuant to Article 442 (1) of the Company Code, Article 17 (2) of the Articles of Association lays down that the approval of EDP's strategic plan and performance of the operations indicated below by EDP or its subsidiaries are subject to a prior favourable opinion from this board (see also Article 15 of the Internal Regulation of the General and Supervisory Board):

- acquisitions and sales of assets, rights, or shareholdings of significant economic value;
- financing operations of significant value;
- opening and closure of establishments, or important parts thereof, and substantial extensions or limitations of Company activity;
- other transactions or operations of significant economic or strategic value;
- formation or termination of strategic partnerships or other forms of lasting cooperation;
- plans for splits, mergers, or conversions;
- amendments to the Articles of Association, including changes of registered office and share capital increases when on the Executive Board of Directors' initiative.

The Chairman of the General and Supervisory Board is granted particular powers, and pursuant to Article 5 of the General and Supervisory Board Internal Regulation, is responsible for:

- representing the General and Supervisory Board and the advocate of its decisions before other corporate bodies;
- promoting the necessary endeavours for the adequate monitoring by the General and Supervisory Board of the Company and Subsidiaries activity;
- coordinating the activities of the General and Supervisory Board and the Committees functioning, having the right to attend any meeting and being informed on any activity performed by such Committees;
- proposing to the General and Supervisory Board plenary the members, the Chairperson and, when existing, the Vice-Chairperson of each Committee;
- endeavouring for that the General and Supervisory Board members receive in a timely manner all the necessary information for the full development of their functions;
- overseeing the budget execution of the General and Supervisory Board and manage the material and human resources allocated to it;
- convene and preside to the General and Supervisory Board meetings, being responsible to monitor the correct execution of its resolution.

The Chairman of the General and Supervisory Board or, in his/her absence or incapacity, a member selected by the board for that purpose, may attend meetings of the Executive Board of Directors whenever s/he sees fit and take part in the discussion of matters to be submitted to the General and Supervisory Board, without having any voting rights pursuant to Article 21 (10) of EDP's Articles of Association.

The members of the Financial Matters Committee/Audit Committee have a right to attend the meetings of the Executive Board of Directors when the accounts are appraised (see Article 10 of the Financial Matters Committee/Audit Committee Internal Regulation).

Worth also noting that the General and Supervisory Board annually performs:

- a self-assessment of its activity and performance and those of its committees, the conclusions of which are set out in its annual report (see Article 12 of the General and Supervisory Board Internal Regulation);
- an independent assessment of the activity and performance of the Executive Board of Directors, the conclusions of which are submitted to the General Meeting and are presented of annex to the annual report of the General and Supervisory Board.

On the initiative of the General and Supervisory Board, EDP has voluntarily established a formal, impartial process to assess the activity of this board and of the Executive Board of Directors. Experience of recent years has allowed the General and Supervisory Board to make some changes in the process to make it more effective and efficient. During the 2023 financial year, the method used comprises the following stages:

- carry out the collective evaluation process of the General and Supervisory Board, its Specialized Committees, and the Executive Board of Directors to an external entity, in order to have interviews supported by individual questionnaires to the General and Supervisory Board members support in completing and validating the treatment of information to support the evaluation process;
- in the beginning of 2024, each member of the General and Supervisory Board have answered an interview made by specialized consultants, answering to quantitative and qualitative matters, in particular on matters related to the composition, organization and functioning, activity performance of the General and Supervisory Board, relationship between the General and Supervisory Board and the Specialized Committees and other EDP corporate bodies as well as to proceed with the analysis of matters related with the composition, organization of the Executive Board of Directors, its activity performance and the relationship between the Executive Board of Directors and the General and Supervisory Board;
- reports were produced on the General and Supervisory Board evaluation, on its Specialized Committees and on the Executive Board of Directors, which were available for assessment in the General and Supervisory Board meeting;
- in its meeting, the General and Supervisory Board issues its assessment opinions and they are included in this board's annual report.

At the General Meeting, the Chairman of the General and Supervisory Board presents the board's opinion in the item of the agenda for assessment of the Executive Board of Directors.

Powers of the Executive Board of Directors

The Executive Board of Directors is a collegial body. No director is allowed to represent more than one other director at each meeting.

The powers of the Executive Board of Directors, in accordance with the Article 17 (1) of the Articles of Association, include:

- setting the goals and management policies of EDP and the EDP Group;



- drawing up the annual business and financial plans;
- managing corporate business and undertaking all actions and operations associated with the corporate object that do not fall within the responsibilities of other company bodies;
- representing the Company in and out of court, actively and passively, with the power to waive, transact and admit guilt in any legal proceedings and make arbitration agreements;
- buying, selling or by any other means disposing or encumbering rights or immovable assets;
- setting up companies and subscribing, purchasing, encumbering, and selling shareholdings;
- deciding on the issue of bonds and other securities in accordance with the law and the Articles of Association, in compliance with the annual quantitative limits set by the General and Supervisory Board;
- establishing the technical and administrative organisation of EDP and the Internal Regulation, particularly in relation to personnel and their remuneration;
- appointing proxies with such powers as it sees fit, including the power to delegate;
- appointing the Company Secretary and alternate;
- hiring and dismissing the Statutory Auditor on recommendation of the General and Supervisory Board;
- exercising any other powers that may be granted to it by law or by the General Meeting;
- establishing its own Internal Regulation.

As executed in 2023, proposals to amend EDP's Articles of Association regarding share capital increases submitted by the Executive Board of Directors require a favourable prior opinion from the General and Supervisory Board, pursuant to Article 17 (2) (g) of the Articles of Association.

The Chairman of the Executive Board of Directors sends the Chairman of the General and Supervisory Board the notices of meetings, support documents and minutes of the meetings and, on request, provides appropriate, timely information.

When so requested by other members of the corporate bodies, the Executive Board of Directors also provides all the required information in a timely and appropriate fashion. There is an information sharing portal for the Executive Board of Directors and General and

Supervisory Board, which is accessible to all their members, without prejudice to restrictions on access to information regarding members who are in a situation of conflict of interests.

The Chairman of the Executive Board of Directors is granted particular powers by Article 18 of the Articles of Association. These powers are:

- representing the Executive Board of Directors;
- coordinating the work of the Executive Board of Directors and convening and presiding over its meetings;
- ensuring proper execution of the decisions of the Executive Board of Directors.

The Chairman of the Executive Board of Directors is entitled to attend the meetings of the General and Supervisory Board, whenever considered appropriate, except when these concern decisions on the supervision of the work of the Executive Board of Directors and, in general, any situations that may involve a conflict of interest, pursuant to Article 18 (2) of the Articles of Association.

In the Executive Board of Directors there is a functional division of management areas to each of its members. The college of directors is responsible for making decisions on all matters within its remit. Delegated powers are not granted to directors individually, because of the board's particular nature.

As previously explained, the activity and performance of the Executive Board of Directors are assessed continuously and independently by the General and Supervisory Board on an annual basis.

In December 2023, the allocation of Corporate Departments and Business Units to the members of the Executive Board of Directors was as follows:

EDP's functional structure

Miguel Stilwell d'Andrade	
Corporate Global Units CORPORATE GOVERNANCE SUPPORT • CEO Office • Internal Audit • Compliance & Internal Control • Ethics Office • Legal & Governance STRATEGY AND FINANCIAL AREA • M&A and Corporate Development RESOURCES • People & Organizational Development COMMUNICATION AND TRADEMARK • Communication	Companies • EDP Renováveis (and subsidiaries) • E-Redes • IE2/EDP Redes España • EDP Energias do Brasil • EDP Sucursal en España
Rui Teixeira	
Corporate Global Units RISK MANAGEMENT AND SUSTAINABILITY AREA • Risk • Sustainability • Safety, Security & Business Continuity STRATEGY AND FINANCIAL AREA • M&A and Corporate Development • Consolidation, IFRS Reporting and Tax • Planning & Control • Finance • Investor Relations	Companies • EDP Global Solutions • S&vida • Energia Re • EDP Estudos e Consultoria • EDP Finance BV

Vera Pinto Pereira	
Corporate Global Units RISK MANAGEMENT AND SUSTAINABILITY AREA • Safety, Security & Business Continuity • Social Impact Coordination Office COMMUNICATION AND TRADEMARK • Brand	Companies • EDP Comercial (and subsidiaries) • SU Eletricidade • EDP Gás Serviço Universal • EDP Clientes • EDP Solar • EDP Smart • Fundação EDP • Fundación EDP • Instituto Energias do Brasil
Ana Paula Marques	
Corporate Global Units REGULATION AND INSTITUTIONAL RELATIONS AREA • Regulation • Competition & Energy Policy • External Affairs & Stakeholders DIGITAL • Digital	Companies • EDP Produção (and subsidiaries) • EDP Internacional (and subsidiaries) • EDP Inovação (and subsidiaries) • Labeltec (and subsidiaries) • EDP España
Pedro Vasconcelos	
Corporate Global Units STRATEGY AND FINANCIAL AREA • Energy Planning	Companies • EDP GEM - Global Energy Management

¹ Without prejudice of the competencies led by the General and Supervisory Board under the Articles of Association of Fundação EDP

Group's organisational model

The Executive Board of Directors is responsible for defining the EDP Group's organisational model and splitting competences among the different Business Units, the Shared Services companies, and the central structure. This structure consists of a Corporate Centre that provides assistance to the Executive Board of Directors in defining and monitoring the execution of strategies, policies, and goals.

The Corporate Centre is organised by Corporate Departments and Cabinets (Corporate Global Units), allowing for optimisation and greater efficiency of the organisational structure. The Executive Board of Directors is also assisted by specialised committees, which ensure more effective monitoring of matters and contribute to the decision-making process.

On 31 December 2023, the corporate centre structure was as follows:

CORPORATE CENTRE	
DEPARTMENTS	
Corporate Governance Support Area	
Legal & Governance	Rita Ferreira de Almeida
CEO Office	Mónica Gameiro
Internal Audit	Azucena Viñuela Hernández
Compliance & Internal Control	Rita Sousa
Ethics Office	Maria Manuela Silva
Strategy and Financial Area	
Energy Planning	Jorge Casillas
M&A and Corporate Development	André Fernandes
Finance	João Pedro Summavielle
Consolidations, IFRS Reporting and Tax	Felix Arribas Arias
Planning & Control	Rui Antunes
Investor Relations	José Miguel Viana
Social Impact Coordination Office	Martim Salgado
Risk and Sustainability Area	
Sustainability	José Miguel Viana
Safety, Security and Business Continuity	Miguel Amaro
Risk	Rui Eustáquio

CORPORATE CENTRE	
Regulation and Institutional Relations Area	
Regulation	Sandra Pinto Ferreira
Competition & Energy Policy	Ricardo Ferreira
External Affairs & Stakeholders ^(*)	Maria Marta Geraldes
Resources Area	
Digital	João Nascimento
People & Organizational Development	Paula Carneiro
Communication and Brand Area	
Communication	Rui Cabrita
Brand	Catarina Barradas

^(*) In accordance with the resolution of the Executive Board of Directors of 15 January 2024 the activities of External Affairs & Stakeholders were transferred to the Competition & Energy Policy (renamed Policy, Competition & Stakeholders), CEO Office and Communication departments, with effect from 1 February 2024.

The **Legal & Governance** provide legal advice to the Group's companies with registered office in Portugal, ensure the coordination of legal issues relating to the various companies that are part of the Group, consolidating the respective information and defining generic guidelines that apply to them, promote the harmonization of corporate governance policies at the Group and perform the administrative and logistical function to support the EBD.

The **CEO Office** support the CEO of the EBD and the members of this Board in all matters defined within the scope of its action, with the aim of contributing to maximizing the effectiveness of the decisions and indications established.

The mission of the **Internal Audit** is enhance and protect organizational value by providing risk-based and objective assurance, advisory and insight, covering the following areas of activity (i) evaluate and issue recommendations to improve the Company's governance processes and (ii) assist the organization to improve risk management processes and maintaining effective controls by evaluating their effectiveness and efficiency and by promoting continuous improvements covering the governance, operations and information systems of the organization, regarding to the achievement of the organization's strategic objectives, the reliability and integrity of financial, non-financial and operational information, the effectiveness and efficiency of operations and programs, the safeguarding assets and compliance with laws, regulations, policies, procedures and contracts.



The **Compliance & Internal Control** is responsible for promote a culture of compliance based on the highest ethical standards and ensuring the implementation of a Compliance Management System that promotes the identification of non-compliance risks arising from legal, regulatory and internal normative obligations, and promote and coordinate the definition and the implementation of control mechanisms to mitigate the identified risks.

The **Ethics Office** is responsible for supporting the General and Supervisory Board, through Corporate Governance and Sustainability Committee and the Executive Board of Directors in the definition, communication, implementation and assessment of the objectives, policies, and management instruments in matters of business ethics, and to support the Ethics Commission of EDP and the Ethics Ombudsperson, among others, in the management of ethical whistleblowing processes, respecting the commitments established regarding confidentiality and protection of the rights of the parties involved.

The mission of the **Energy Planning** is prepare studies and opinions to support the Executive Board of Directors in the decision-making process regarding the definition of the energy planning strategy and business development for the various Business Units of the Group.

The **M&A and Corporate Development** is responsible for coordinating studies to support the Group's global business strategy and execute development operations through investments, divestments and/or establishing partnerships, with the aim of supporting the EBD in optimizing the business portfolio and promoting and realizing new opportunities of business.

The mission of the **Risk** is to promote an integrated view of business risk, ensuring the alignment of risk policies and limits with the defined appetite for the Group and coordinate risk-return studies at Group level, with the aim of supporting the Executive Board of Directors in monitoring and mitigation of key risks.

The **Regulation** designs, plans and executes the Group's regulatory strategy, anticipating challenges, ensuring an integrated perspective, analysing economic and financial impacts, and supporting the Executive Board of Directors in planning, prioritization, and decision-making.

The mission of the **Competition & Energy Policy** is to coordinate studies of a strategic scope regarding the sector's legal framework and competition, with the aim of supporting the EBD in the development of a global vision on issues related to the legal framework and market design. Coordinate regulatory/legal consultation actions at European level. Promote compliance on Competition issues.

The mission of the **Sustainability** is to support the Executive Board of Directors in the definition and implementation of the Group's sustainability policy and strategy, defining corporate objectives and targets, streamlining its operation and continuous improvement in the Business Units. Carry out the reporting of consolidated non-financial information to interested parties within the defined schedules.

The **Safety, Security and Business Continuity** support the Executive Board of Directors defining the Safety, Security and Business Continuity strategy and global policies, in accordance with best practices, ensuring their implementation and monitoring, within the EDP Group.

The remit of the **Finance** is to propose and ensure the Group's financial policy, execute the Group's financial management and analyse and monitor the management of the pension fund, with the aim of optimizing and ensuring the sustainability of the financial function and controlling financial liabilities in accordance with the Group policy.

The **Consolidations, IFRS Reporting and Tax** ensure the process of consolidating accounts and ensuring the Group's IFRS accountability, complying with the defined schedules. Ensure the accounting processes, criteria, and rules necessary to guarantee the adequate and consistent accounting treatment and recording of operations by the various companies of the EDP Group and ensure EDP's Group fill compliance with tax laws while capturing the tax benefits that are legally applicable in each jurisdiction.

The **Planning & Control** is responsible lead EDP Group's Financial Planning and Control, with the objective of ensuring alignment with strategic goals and control the business plan execution.

The **Investor Relations** ensures communication with analysts and investors of the Group's companies, with the aim of guaranteeing the sustainability of the EDP image and reputation and meeting the information requirements of the regulatory and financial supervision entities.

The mission of the **Social Impact Coordination Office** is to define the global social investment strategy, in order to maximize the EDP Group's social impact, while ensuring the alignment of all the EDP Group's social investment vehicles.

The mission of the **Digital** turn EDP into a truly digital organization, defining a global technological strategy and vision for the Group, integrating digital technology into business domains and transforming the way of working and delivering value.



The mission of the **People and Organizational Development** is to define a global people and organization development strategy, which provides an engaging and inclusive experience, enabling the EDP Group to face the challenges of energy transition.

The mission of the **Brand** is to define and develop EDP Group Brand Strategy, as well as the EDP Group's Brand Activation and Sponsorship Policy, ensuring the alignment with the Group's values and vision.

The mission of the **Communication** is to develop and implement the EDP Group's global communication strategy in order to maximize the positive impact on the perception of the brand and reinforce the involvement of employees with the company. Ensure the monitoring of EDP's reputation, the relationship with the media and the management of digital platforms for internal and external communication.

The **External Affairs & Stakeholders** ensures an integrated and consistent narrative with the Group's stakeholders, in line with the vision and strategy adopted, with the objective of maximizing the Group's communication potential for its stakeholders and contributing to fluid and systematized information about the Group and its actions.

EDP Platforms

Since 2021, EDP has been establishing a management model by platforms with the inherent coordination mechanisms, respecting the existing structures in the different geographies where the Group is present.

The established model is based on the balance between platforms and geographies, compliance with the legal and regulatory framework and considers the specificities existing in each of the geographies and business areas in which the Group operates, allowing, at the same time, to respond in a consistent, synergistic, and global response to the objectives that EDP Group has been outlining.

Specific EDP committees (Functional Structures)

The EDP organizational model provides for management committees that contribute in two ways to the Company's decision-making process:

- the Management Committees result in a set of information to assist the Executive Board of Directors in its decision-making reflecting opinions and information from the areas in the organisation most affected by the proposal in question;

- they are used by an organisational unit (belonging to the Corporate Centre, a Business Unit or shared service unit) to assist in gathering information, alignment, decisions and implementation of policies and practices with a cross impact.

On 31 December 2023, the Committees structure configuration was as follows:

CORPORATE COMMITTEES
Risk Committee
Sustainability Committee
Investment Committee
Regulation Committee
Finance Committee
Stakeholders Committee
Pension Fund Plan Committee
People & Organization Committee
Digital and Information Technology Committee
Health & Safety Committee

Corporate Committees

Risk Committee

The main duties of the Risk Committee are:

- share information about main risks and overall risk profile of EDP Group;
- discuss the results of risk assessments developed together with the organizational units;
- discuss and issue opinions or recommendations on risk policies, risk limits or specific risks;
- promote and follow up on risk identification and assessment of main risks;
- approve the periodical reporting model that should be presented by Business Units or Corporate Risks, as well as other monitoring mechanisms.

The Risk Committee is presided by Director Rui Teixeira and the person responsible for the Risk has secretarial duties.

The Risk Committee held four meetings in 2023.



Sustainability Committee

The Sustainability Committee's responsibilities are as follows:

- share information and discuss the implications of major legislative packages in sustainability;
- share the evolution of the Group's ESG performance indicators and respective benchmarks;
- discuss and issue an opinion on the development and update of corporate sustainability policies;
- discuss and issue an opinion on the annual action plans, as well as the objectives and goals to be achieved by the EDP Group;
- monitor the development of the approved action plans and the activities of the sustainability management structures of the EDP Group companies;

The Sustainability Committee is presided by Director Rui Teixeira and the person responsible for the Sustainability has secretarial duties.

The Sustainability Committee held one meeting in 2023.

Investment Committee

The Investments Committee discuss, challenge and issues a recommendation in relation to investment and divestment proposals and discuss and update the Cost of Capital of EDP and its Business Units.

The Investments Committee is presided by Director Rui Teixeira and a representative of the M&A and Corporate Development has secretarial duties.

The Investments Committee held seventy-seven meetings in 2023.

Regulation Committee

The mission of the Regulation Committee is as follows:

- keep track of policy, legislative, regulatory and organizational changes in the energy sector at the various geographies where EDP Group operates;
- anticipate the impacts on the value creation and EDP strategic objectives and any actions to be taken to ensure the company's best interests, through the identification and monitoring of the most significant regulatory opportunities and risks;

- within the scope of the European Commission's energy strategy and policy, monitor the implementation of the Internal Market and Competition Directives relating to the electricity and gas sectors in the national regulatory frameworks;
- analysis, discussion and preparation of proposals to support EDP's Executive Board of Directors in defining the positions to be defended by EDP Group within the scope of its market participation and to safeguarding the sector sustainability;
- promote the exchange of experience on regulatory practices in the geographic environment in which the EDP Group companies carry out their activities, as well as the sharing of best practices;
- monitor price evolution and the subsequent implications of tariff policies and measures adopted, per se and comparatively;
- present strategic studies on the legal and regulatory framework of the sector to support the EBD in decision-making.

The Regulation Committee is presided by Director Ana Paula Marques and the person responsible for the Regulation has secretarial duties.

The Regulation Committee held four meetings in 2023.

Finance Committee

The Finance Committee's main duties are:

- develop an integrated vision of the leading corporate finance topics and processes impacting the Group and Business Units;
- follow-up the main Group-wide finance initiatives, namely in what respects efficiency;
- promote internal and external benchmarking to adopt best practices in the finance area;
- analyze and discuss the information to be published to the market, as well as its internal mechanisms of control and disclosure.

The Financing Committee is presided by Director Rui Teixeira and, on a rotating basis, the head of the Planning & Control, the head of the Finance, the head of the Investor Relations and the head of the Consolidation, IFRS Reporting and Tax have secretarial duties.



Stakeholders Committee

The duties of the Stakeholders Committee are as follows:

- assess the alignment and coherence of stakeholder relationship strategies in the different markets and geographies where the EDP Group develops its activity;
- discuss priorities and propose guidelines and a management model for Group relations with its stakeholders;
- evaluate the implementation of the Group stakeholder’s management policy.

This Committee is presided by Director Ana Paula Marques and the person responsible for the External Affairs & Stakeholders has secretarial duties.

Pension Fund Plan Committee

The Pension Fund Plan Committee's main responsibilities are:

- share relevant information with impact on the Pension Fund management;
- analyse the evolution of assets under control, the return of the Fund and the management mandates, as well as the performance of the different asset managers;
- monitor the evolution of the value of the Fund's Liabilities and respective level of funding;
- issue opinions on changes to the Investment Policy and/or assets' management mandates, on the actuarial assumptions to calculate the Fund's Liabilities and on the contributions made by Associates to the Pension Fund.

The Pension Plan and Fund Committee is presided by Director Rui Teixeira and the person responsible for the Finance has secretarial duties.

The Pension Fund Plan Committee held four meetings in 2023.

People & Organization Committee

The duties of the P&OD Committee are as follows:

- present the P&OD annual action plan and report the execution;
- monitor KPIs and main initiatives in different areas;

- align and promote the global policies that allow best practices in people and organizational management;
- be challenged by the committee and embrace new opportunities to keep building the future-proof organization.

This Committee is presided by the Chairman of the Executive Board of Directors, Miguel Stilwell de Andrade, and the person responsible for the *People & Organizational* has secretarial duties.

The People & Organization Committee held one meeting in 2023.

Digital & IT Committee

The Digital & IT Committee's duties are as follows:

- align the Digital and IT global strategy, including information security;
- define and consolidate the Digital and Information Technology global budget, including information security;
- monitor the development of the main Digital and Information Technology projects.

The Digital & IT Committee is presided by Director Ana Paula Marques and the person responsible for Digital has secretarial duties.

The Digital & IT Committee held four meetings in 2023.

Health & Safety Committee

The Health & Safety Committee's duties are as follows:

- recommend the Health and Safety Objectives for EDP Group;
- analyse the Annual Activity Report and give an opinion on EDP's Prevention and Safety Activities Plan;
- assess the evolution of the main occupational safety indicators and propose improvement actions;
- issue an opinion on the normative documents of the safety management system that have a general scope within the EDP Group or have a transversal impact on various sectors and activities.



The Health & Safety Committee is presided by Director Vera Pinto Pereira and the person responsible for Safety, Security and Business Continuity has secretarial duties.

The Health & Safety Committee held three meeting in 2023.

Other Structures

Ethics Commission

Ethics Commission has an independent structure from the executive management, including two independent members of the General Supervisory Board, the respective Chairman being simultaneously Chairman of the Ethics Committee, and members with certain specific functions, namely, Ethics Ombudsman, Human Resources, Compliance and Legal.

The main mission of this Committee is to independently ensure the monitoring and application of the EDP Code of Ethics, also proceeding with the assessment and deliberation, in accordance with the respective competences, of the matters submitted to it, notably relating the complaints submitted through the Speak Up channels, as well as promoting and supporting the development and implementation of mechanisms for the consolidation of the principles of business ethics in the Group.

In 2023, the Ethics Commission held five meetings.

Customer Ombudsman

The Customer Ombudsman is an independent entity that was created in 2008 to reinforce the EDP Group's customer care policy. Its responsibilities, pursuant to Article 9 of the EDP Group Companies' Customer Ombudsman Regulation, are as follows:

- receive and examine complaints filed by customers or by other complainants and directly related to actions or omissions by EDP Group companies, issuing its opinions;
- enter into dialogue with customers and/or complainants making a complaint;
- arbitrate disputes and conflicts between customers or other complainants and EDP Group companies;
- issue opinions on matters relating to the activity of EDP Group companies, if requested to do so by any of their corporate bodies;
- propose measures to improve quality of service and customer satisfaction;

- contact third parties to obtain specialist information so that recommendations can be made to the EDP Group companies on measures to be taken to improve their customer relations.

The Regulations of the Customer Ombudsman were revised in 2022 and are available on the respective websites of the EDP Group companies: [Regulations of the Customer Ombudsman – EDP Comercial](#), [Regulations of the Customer Ombudsman – E-REDES](#) and [Regulations of the Customer Ombudsman – SU Eletricidade](#)

Branch in Spain

EDP – Energias de Portugal, Sociedad Anonima, Sucursal en España (EDP Spanish Branch) aims to manage and coordinates the energy interests of the EDP Group's dependent subsidiaries in Spain. Its management and supervisory bodies ensure optimisation of synergies and creation of value in operations and activities in Spain. It is also the organisational platform to lead the Iberian integration for support services. In this regard, EDP Spanish Branch owns all the corporate holdings in EDP España, S.A.U., EDP Servicios Financieros España S.A.U. and EDP International Investments & Services, S.L. as well as 71.27% of EDP Renováveis, S.A share capital.

EDP Spanish Branch has offices in Madrid and in Oviedo. It is represented in relations with third parties by permanent representatives, who have been appointed members of the EDP Executive Board of Directors for that purpose.

The Branch's steering, coordination, management, and representation structure consists of an Executive Committee and the Support Departments. The Executive Committee is composed of five permanent EDP representatives, the Chairman of the Board of Directors of EDP España, one Corporate General Director (Group Controller for activities in Spain), and the Compliance Director. Supporting Departments are the Legal & Governance Department, the Digital Department, the Sustainability Department, the Internal Audit Department, the Finance, Consolidation, IFRS Reporting and Tax Department, the People & Organisation Development Department, the Global Procurement Unit Department, the Safety, Security & Business Continuity and Risk Department, the Compliance & Internal Control Department, the EDP Foundation Department and the Communication Department, which ensure and group together, in a homogeneous and transversal way, the functions of the subsidiaries dependent on the EDP Group in Spain.

B) Operation

22. Location where the operating regulations of the General and Supervisory Board and Executive Board of Directors can be consulted

The functioning of the General and Supervisory Board and Executive Board of Directors are governed by their Internal Regulation, available on EDP's website, at: [Executive Board of Directors Internal Regulation](#) and [General and Supervisory Board Internal Regulation](#)

23. Meetings and attendance rate of each member of the General and Supervisory Board and Executive Board of Directors

Ordinary meetings of the General and Supervisory Board are held at least once every quarter and extraordinary meeting take place whenever convened by the Chairman, on his/her own initiative or at the request of any of its members, the Executive Board of Directors, or its Chairman, pursuant to Article 24 (1) of the Articles of Association and Article 20 (1) of the Internal Regulation of the General and Supervisory Board.

The General and Supervisory Board met ten times in 2023 and minutes were kept of all the meetings.

Information on the attendance of each member of the board is provided in Annex II to this Report.

Pursuant to the provisions of Article 20(1) of the Articles of Association and Article 8 (1) of the Executive Board of Directors Internal Regulation, this body will have ordinarily met at least twice a month, as fortnightly meetings were compulsory. Nevertheless, the Executive Board of Directors meets weekly, as a rule.

The Executive Board of Directors met sixty-four times in 2023 and minutes were kept of all the meetings. Information on the attendance of each member of the board is provided in Annex III of this Report.

24. Company bodies with powers to evaluate performance of executive directors

The Remuneration Committee of the General and Supervisory Board is responsible for, namely, the annual evaluation of the Executive Board of Directors, considering, among other factors, the fulfilment of the Company's strategy and the previously set goals, plans and budgets for the purpose of considering and determining the variable remuneration of the Chairman and of the other members of the Executive Board of Directors. It also

evaluates the individual performance of each member of the Executive Board of Directors, including this evaluation the contribution of each member to the mode of operation of this body and the relationship between the various corporate bodies of the Company.

Additionally, the General and Supervisory Board evaluates the Executive Board of Directors accordingly with the abovementioned Item 21.

25. Pre-determined criteria for performance evaluation of executive directors

These criteria for evaluating the performance of the Members of the Executive Board of Directors are set out in points 69 and 71 of the Corporate Governance Report.

26. Positions held at other Group or non-group companies by each member of the General and Supervisory Board and Executive Board of Directors

The positions held by members of the General and Supervisory Board and Executive Board of Directors in other EDP Group or non-group companies are shown in Annex I and IV of this Report.

C) Committees of the managing or supervisory body

27. Committees set up in the General and Supervisory Board and Executive Board of Directors

The Internal Regulation of the General and Supervisory Board as well as the provisions of the law and of the Articles of Association regarding the Financial Matters Committee/Audit Committee provide for the establishment of permanent committees and temporary committees, composed of some of its members, without prejudice to its responsibility for the exercise of its duties as a corporate body. These committees may be set up whenever it sees fit and appropriate and have specific duties delegated to them. It should be noted that, in the case of the Financial Matters Committee/Audit Committee, the respective existence derives from the law, considering the governance model in force at EDP.

The main remit of the permanent and temporary committees is the specific and continuous monitoring of the matters entrusted to them, in order to ensure informed resolutions by the General and Supervisory Board or provide it with information on certain matters.

The committees' activity is coordinated by the Chairman of the General and Supervisory Board, who ensures proper articulation of the committees with the plenary board through their chairmen, who keep him informed by sending notices and the minutes of meetings.

The General and Supervisory Board believes that the committees are important to the regular functioning of the Company as they can perform certain delegated duties, especially monitoring the Company's financial information, reflecting on its governance system, assessing the performance of directors, and evaluating its own overall performance.

Currently, the General and Supervisory Board has four Specialized Committees: the Financial Matters Committee/Audit Committee, the Remuneration Committee, the Corporate Governance and Sustainability Committee, and the United States of America Business Affairs Monitoring Committee.

28. Membership of the executive committee and/or name of managing director(s)

Not applicable to EDP's governance model.

29. Duties of each committee and summary of work performed while carrying them out

A. The Committees of the General and Supervisory Board

Financial Matters Committee/Audit Committee

Currently, the Financial Matters Committee/Audit Committee is made up of three independent members with the appropriate qualifications and experience, including at least one member with a degree in the area of the committee's duties and specific knowledge of auditing and accounting, as confirmed by the Curriculum Vitae of Chairman, which can be viewed in Annex I of the current Report.

On 31 December 2023, the Financial Matters Committee/Audit Committee members composition as the following:

FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE		FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO CARLOS CARVALHO DAS NEVES	22/04/2015
	María del Carmen Ana Fernández Rozado	22/04/2015
	Helena Sofia da Silva Borges Salgado Fonseca Cerveira Pinto	15/04/2021

In accordance with Articles of Association and the Internal Regulation of the Financial Matters Committee/Audit Committee and under the applicable law, are assigned to this Committee, by delegation from the General and Supervisory Board, the following powers:

- financial matters and financial practices;
- internal audit practices and procedures;
- internal mechanisms and procedures of the Internal Control System for Financial reporting (ICSFR);
- matters relating to risk management and control system;
- activities and mechanisms of the compliance management system;
- activity and independence of the Statutory Auditor (SA)/Society of Chartered Accountants (SROC) of the company;
- systems for assessing and resolving conflicts of interest, particularly regarding the Company's relations with shareholders.

The composition, role and functioning of the Financial Matters Committee/Audit Committee are in line with the applicable legislation and regulation, including the European Commission Recommendation of 15 February 2005 (2005/162/EC), the European Commission Recommendation of 30 April 2009 (2009/385/EC) as well as the recommendations provided for by the Corporate Governance Code of the Portuguese Institute for Corporate Governance, having the respective Internal Regulation been updated in January 2024.

The Financial Matters Committee/Audit Committee held sixteen meetings in 2023, as envisaged in its Activity Plan. The main matters addressed in those meetings were: the supervision of financial and business information and the monitoring of the activity of Internal Audit, the Internal Control System for Financial Reporting (SCIRF), the Compliance Management System and the Risk Management System. In this context, it also monitored and supervised litigation procedures, transactions with related parties, ongoing investment procedures, the performance of the Pension Fund, the relationship with Audit Committees

of subsidiaries, the contractual relationship, and the assessment of the objective conditions for the activity and independence of the Statutory Auditor.

Remuneration Committee of the General and Supervisory Board

The Remuneration Committee appointed by the General and Supervisory Board, pursuant to Article 27 of EDP’s Articles of Association, submits a proposal for a remuneration policy to the members of the Executive Board of Directors to the approval of the General Shareholders’ Meeting, at least every four years and whenever there is a material change in the currently in force remuneration policy.

The mission of this Specialized Committee is to:

- prepare and submit the company policy and objectives regarding the Executive Board of Directors Chairman’ and Directors’ remuneration determination;
- set the Executive Board of Directors Chairman’ and Directors’ remuneration;
- monitor and assess the Executive Board of Directors Chairman’ and Directors’ performance for the purposes of determination of the variable remuneration;
- monitor the dissemination of external information on remuneration and the Executive Board of Directors remuneration policy, in particular the Remuneration Report.

On 31 December 2023, the Remuneration Committee of the General and Supervisory Board was composed as follows:

REMUNERATION COMMITTEE OF THE GENERAL AND SUPERVISORY BOARD		FIRST APPOINTMENT DATE
CHAIRMAN	MIGUEL ESPREGUEIRA MENDES PEREIRA LEITE	15/04/2021
	Esmeralda da Silva Santos Dourado	15/04/2021
	Felipe Fernández Fernández	15/04/2021
	João Carvalho das Neves	22/04/2015
	Zili Shao	15/04/2021

The members of the Remuneration Committee of the General and Supervisory Board Members are mostly independent, pursuant to Article 3 (1) of its Internal Regulations and their Statements of independence [are available on EDP’s website](#).

Throughout 2023, and considering its competencies, the Remuneration Committee of the General and Supervisory Board held nine meetings, having proceeded to the determination of the annual variable remuneration for the year 2022 of the members of the Executive Board of Directors and to monitor the suitability of the remuneration policy for the members of the Executive Board of Directors submitted for approval of the General Shareholders’ Meeting of 14 April 2021.

Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee is a specialised committee of the General and Supervisory Board. Its purpose is to permanently monitor and supervise all matters related with the following:

- corporate governance;
- sustainability in all its dimensions;
- internal codes of ethics and conduct;
- systems for evaluating and resolving conflicts of interest in relations between the Company and its shareholders, through the analysis of the proposals for remedies regarding situations reported to this Committee by the Financial Matters Committee/Audit Committee (AUDC);
- internal proceedings and relationship between the Company and Subsidiary or Group companies and their employees, clients, providers, and remaining stakeholders;
- succession plans;
- the evaluation process of the General and Supervisory Board and the different Specialized Committees.

The Corporate Governance and Sustainability Committee is made up of members of the General and Supervisory Board, the majority of whom are independent, with the appropriate qualifications and experience for their duties.

On 31 December 2023, the composition of the Corporate Governance and Sustainability Committee was the following:

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE		FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO LUÍS RAMALHO DE CARVALHO TALONE	15/04/2021
	Ignacio Herrero Ruiz	13/12/2018
	Fernando Maria Masaveu Herrero	15/04/2021
	Laurie Lee Fitch	15/04/2021
	Hui Zhang	15/12/2022
	María del Carmen Ana Fernández Rozado	15/04/2021
	Sandrine Dixson-Declève	15/04/2021

Considering the competencies of the Corporate Governance and Sustainability Committee, the following topics addressed should be highlighted in the five meetings held in 2023:

- Ethics – monitoring of the activities of the Ethics Committee, the Code of Ethics Statute and the Results of the World’s Most Ethical Companies 2023;
- The Employee – monitoring of the Climate Study of 2022, the EDP Group ‘s Global Remuneration Model, the Plan for gender equality and the Succession Plan;
- Environment and Governance – monitoring of the EDP decarbonization Plan, opinion on the Corporate Governance Report, evaluation of the adequacy and efficiency of the Corporate Governance model, reflection on the Corporate Governance Model of the EDP Group, monitoring the activity of the Environmental and Sustainability Board and the internal structures that support it and analysis of the results of the Dow Jones Sustainability Index (DJSI);
- Social – monitoring the strategy and current status of the main social projects and initiatives underway by the Social Impact Coordination Office (SICO) to help the regions affected by EDP’s businesses, the PlayItSafe program, the action of Stakeholders in local communities, the corporate image of the Company and its reputation among the various stakeholders, the Group’s strategy for each Foundation, namely in Portugal, Spain, and Brazil.

United States of America Business Affairs Monitoring Committee

The mission of the United States of America Business Affairs Monitoring Committee is the monitoring and passing of resolutions on matters related with the activity undertaken by companies wholly or majority held by and/or subsidiary of EDP Group in the United States of America, notably regarding:

- strategic/business plans, assessing the different developing scenarios in which they rest and their implementation, including the resources necessary to its execution (human and financial);
- annual budget;
- investment, divestment, merger, acquisition and restructuring projects of significant value businesses;
- financing transactions;
- alliances /strategic partnerships entered into, the specific actions deriving therefrom and evolution of counterpart risks;
- issuance of prior opinions including in cases of urgency following the requests presented by the Executive Board of Directors;
- compliance of the assumed commitments regarding public safety;
- performance, risk assessment, value at risk and the respective management.

The Committee is further responsible for defining compliance procedures on the obligations assumed by EDP regarding the development of the business of companies wholly or majority held by and/or subsidiary of EDP Group in the United States of America with respect to the General and Supervisory Board activity. On 31 December 2023, the United States of America Business Affairs Monitoring Committee was composed of the following members:

UNITED STATES OF AMERICA BUSINESS AFFAIRS MONITORING COMMITTEE		FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO LUÍS RAMALHO DE CARVALHO TALONE	15/04/2021
	Esmeralda da Silva Santos Dourado	15/04/2021
	Felipe Fernández Fernández	16/03/2020
	Laurie Lee Fitch	15/04/2021
	Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto	15/04/2021

In 2023, the United States of America Business Affairs Monitoring Committee held seven meetings, covering, among other matters;

- the monitoring of the Business Plan and action strategy of EDP Renováveis in the United States of America;
- the ongoing investment and divestment projects at EDPR in the United States of America;
- monitoring of the EDP Group's financial information in the United States of America;
- business risk analysis in the United States of America;
- the status of compliance mechanisms in the United States of America;
- monitoring the development of the EDPR North America's pipeline and its alignment with the Business Plan's objectives;
- monitoring of supply chain strategy and management of EDP Renováveis' activities in the United States of America;
- monitoring EDPR North America's regulatory strategy and the evolution of renewables legislation in the United States of America;
- monitoring the stakeholder management strategy of EDPR North America;
- the company's sustainability strategy in the United States of America;
- monitoring of EDPR North America's talent management and talent retention plan; and
- monitoring of EDPR North America's 2023 Group Budget.

B. Other company bodies

Environment and Sustainability Board

The Environment Board was set up as a company body in 1991. Its name was changed to Environment and Sustainability Board by decision of the Annual General Meeting of 30 March 2006.

As a corporate body, the Environment and Sustainability Board has powers to advise the Executive Board of Directors on environment and sustainability matters. In particular, it provides advice and support in defining the Company's environmental and sustainability strategy and drafting opinions and recommendations on the environmental impact of projects planned by the EDP Group (Article 28 (1) of EDP's Articles of Association).

The members of the Environment and Sustainability Board, pursuant to Article 28 (2) of EDP's Articles of Association, have acknowledged competence in the field of environmental protection and sustainability.

The members of the Environment and Sustainability Board elected for a three-year period, for the 2021-2023 triennium mandate at the General Shareholders' Meeting held on 14 April 2021 was as follows:

ENVIRONMENTAL AND SUSTAINABILITY BOARD	
CHAIRMAN	JOSÉ MANUEL CARÉ BAPTISTA VIEGAS
	Joana Pinto Balsemão
	Joaquim Poças Martins
	Maria Mendiluce
	Pedro Manuel Sousa Mendes Oliveira

The Environment and Sustainability Board held two meetings in 2023.

Remuneration Committee of the General Meeting

The Remuneration Committee elected by the General Meeting is responsible for setting the remuneration of the members of the governing bodies, with the exception of the members of the Executive Board of Directors, in accordance with the proposed remuneration policy to be submitted for approval by the General Shareholders' Meeting (paragraph d) of number 2 of article 11 of EDP's Articles of Association).

Pursuant to this Article of the Articles of Association, the majority of the members of the Remuneration Committee of the General Meeting must be independent.

At the General Shareholders' Meeting held on 14 April 2021, the members of the Remuneration Committee elected by the General Meeting were re-elected for the 2021-2023 triennium mandate, with the following composition:

REMUNERATION COMMITTEE OF THE GENERAL MEETING	
CHAIRMAN	LUÍS MIGUEL NOGUEIRA FREIRE CORTES MARTINS
	José Gonçalo Maury
	Jaime Amaral Anahory

The Remuneration Committee of the General Meeting held one meeting in 2023.

III. Supervision

A) Composition

30. The supervisory body

EDP's two-tier model has made possible an effective separation between supervision and management of the Company. The General and Supervisory Board is the highest supervisory body.

31. Membership General and Supervisory Board and Financial matters committee - effective members and term of office

The General and Supervisory Board is currently composed of sixteen members and its composition is identified in Items 17 and 18 of this Report.

The duties of the Financial Matters Committee/Audit Committee are described in Item 29 of the Corporate Governance Report.

The Financial Matters Committee/Audit Committee is composed by three independent members with the appropriate qualifications and experience, including at least one member with a degree in the area of the committee's duties and specific knowledge of auditing and accounting, as confirmed by the Curriculum Vitae of the Chairman, which, as previously stated, can be consulted in Annex I of this Report.

Under article 23 no. 3 of EDP's Articles of Association, this Committee is presided by an independent member.

The Financial Matters Committee/Audit Committee currently has the following composition:

FINANCIAL MATTERS COMMITTEE/AUDIT COMMITTEE		FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO CARLOS CARVALHO DAS NEVES	22/04/2015
	María del Carmen Ana Fernández Rozado	22/04/2015
	Helena Sofia da Silva Borges Salgado Fonseca Cerqueira Pinto	15/04/2021

32. Independent members of the General and Supervisory Board and Financial Matters Committee

See Item 17 (General and Supervisory Board) and Item 31 (Financial Matters Committee/Audit Committee) of this Report.

33. Qualifications of members of the General and Supervisory Board and Financial Matters Committee

See Annex I of this Report.

B) Operation

34. Location at which the operating procedures of the General and Supervisory Board and Financial Matters Committee/Audit Committee can be viewed

The General and Supervisory Board and the Financial Matters Committee/Audit Committee's work is governed by its Internal Regulations, available at EDP's website: [Internal Regulation of the Financial Matters Committee / Audit Committee](#) and [General and Supervisory Board Internal Regulation](#).

35. Meetings and attendance rate of each member of the General and Supervisory Board Financial Matters Committee / Audit Committee

During 2023, the General and Supervisory Board and the Financial Matters Committee/Audit Committee held ten and sixteen meetings, respectively, and minutes of the respective meetings were drawn up. Information regarding the attendance of members of the General and Supervisory Board and of the aforementioned Committee is described

in Annex V of this Report as well as in the Annual Report of the General and Supervisory Board.

36. Positions held in other companies within and outside the Group by each Financial Matters Committee / Audit Committee member

See Annex I of this Report.

C) Powers and Duties

37. Procedures and criteria governing the supervisory body's involvement in hiring additional services from the external auditor

The proposal for hiring additional services of the Statutory Auditor is presented by the Executive Board of Directors to the Financial Matters Committee/Audit Committee and any contracting requires the prior authorisation of that Committee.

Internal Regulation on the Provision of Services by the Statutory Auditor of EDP are in force, in this regard, and the implications on the hiring of additional services are described in Item 46.

There are other internal regulations adopted by the Executive Board of Directors that ensure all EDP Group companies comply with the rules contained in the referred Internal Regulation.

38. Other duties of the supervisory bodies and, if applicable, of the Financial Matters Committee/Audit Committee

The duties of the General and Supervisory Board are described in Item 21 as well as in the Annual General and Supervisory Board Report.

The duties of the Financial Matters Committee / Audit Committee pursuant to the Articles of Association and the Internal Regulation of the Financial Matters Committee/Audit Committee are described in Item 29 as well as in the Annual General and Supervisory Board Report.

IV. Statutory Auditor

39. The statutory auditor and the certified auditor representing it

At the General Shareholders' Meeting held on 14 April 2021, PricewaterhouseCoopers & Associados – Sociedade de Revisores de Contas, Lda., Sociedade Revisor Oficial de Contas number 183, represented by João Rui Fernandes Ramos (ROC no. 1333), was re-elected as Statutory Auditor for the three-year period 2021–2023, and on the same date, Aurélio Adriano Rangel Amado (ROC no. 1074) was re-elected as Alternate of the Statutory Auditor, to perform duties during the aforementioned three-year period.

40. Number of years for which the statutory auditor has worked consecutively with the company and/or Group

The statutory auditor PriceWaterHouseCoopers & Associados – Sociedade de Revisores de Contas, Lda. has worked with the Company since 5 April 2018.

41. Other services provided to the company by the statutory auditor

The Statutory Auditor is the company body responsible for the examination of the accounting documents. It is elected by the General Meeting for a three-year term, pursuant to Article 25 of EDP's Articles of Association and Article 446 of the Portuguese Company Code.

According to the Companies Code and the Company's Articles of Association, the Statutory Auditor is responsible for checking (see Article 446 (3) of the Company Code):

- the regularity of the Company's books, accounting records and their supporting documents
- the cash and all assets or securities belonging to the company or received by it as guarantees, deposits or for any other purpose, whenever and however it sees fit
- the accuracy of the accounting documents
- whether the company's accounting policies and valuation criteria result in an accurate assessment of its assets and results.

A description of the services provided by the Statutory Auditor can be found on Item 46.



V. External Auditor

42. The external auditor and certified auditor partner representing it

Since the General Shareholders' Meeting held on 5 April 2018, date of its respective election, is PriceWaterHouseCoopers & Associados – Sociedade de Revisores de Contas, Lda was appointed Statutory Auditor, being João Rui Fernandes Ramos the partner in charge of overseeing and performing audits of the EDP Group's accounts, and was reappointed for the 2021-2023 period, at the General Shareholders' Meeting held on 14 April 2021.

PriceWaterHouseCoopers & Associados – Sociedade de Revisores de Contas, Lda is registered before the Portuguese Securities Commission under number 20161485.

The Statutory Auditor performs the necessary audit work to ensure the reliability of the financial reporting and credibility of the accounting documents.

The Statutory Auditor's duties include checking compliance with remuneration policies and systems, the efficacy of internal control mechanisms and reporting of any significant deficiencies to the General and Supervisory Board.

EDP takes measures specifically aimed at ensuring the independence of the Statutory Auditor, in view of the scope of services provided by audit firms.

43. Number of years for which the external auditor and certified auditor partner representing it have worked consecutively with the company and/or group

EDP's Statutory Auditor is as from its election on 5 April 2018, PricewaterhouseCoopers & Associados – Sociedade de Revisores de Contas, Lda, having been appointed João Rui Fernandes Ramos as the partner in charge on such date having re-election occurring at the General Shareholders' Meeting of 14 April 2021.

44. Policy on and frequency of rotation of external auditor and certified auditor partner representing it

The rotation of the Statutory Auditor and certified auditor partner representing it depends on the strict assessment by the Financial Matters Committee/Audit Committee of the independence and quality of the work done and consideration of the independence of the Statutory Auditor and the advantages and costs of replacing them.

Considering the rules referring to the mandatory rotation of the Statutory Auditor, pursuant to Article 54 (3)(4) of the By-Laws of the Association of the Statutory Auditors, and the fact that the mandate of KPMG has terminated on 31 December 2017, such rotation was fulfilled for the service provision of Statutory Auditor and Statutory Auditor for the triennium of 2018-2020.

In this sense, and under a Financial Matters Committee/Audit Committee proposal, the General and Supervisory Board resolved to launch a consultation process in order to select the Statutory Auditor of EDP Group for the 2018-2020 mandate, as well as to create two specific Committees to develop the consultation process, specifically, (i) Monitoring and Analysis Committee, with the purpose of monitoring the tender process and analysing the proposals, as well as to prepare a summary of the respective conclusions, to report to the Assessment Committee and (ii) Assessment Committee, with the aim of assessing the results presented by the Monitoring and Analysis Committee and preparing a proposal to the Financial Matters Committee/Audit Committee.

From the work performed and from the assessment conducted to the presented proposals, both accomplished with autonomy and without third parties influence, two proposals were selected in accordance with the selection criteria identified in the consultancy program which were presented to the Annual Shareholders General Meeting, which took place on 5 April 2018, having been elected PricewaterhouseCoopers & Associados – Sociedade de Revisores de Contas, Lda as statutory audit for the 2018-2020 triennium.

To the extent that PricewaterhouseCoopers & Associados – Sociedade de Revisores de Contas, Lda. was elected for the mandate corresponding to the 2018-2020 term, in the second half of 2020, the General and Supervisory Board and the Financial Matters Committee/Audit Committee started preparing the process for the presentation, at the 2021 Annual General Shareholders' Meeting, of a proposal for the re-election of the EDP statutory auditor for the 2021-2023 triennium.

Such work was carried out by the Financial Matters Committee/Audit Committee, under the delegation granted by the General and Supervisory Board. This work is concluded, and considering that, according to paragraphs 3 and 4 of article 54 of the Statute of the Order of Statutory Auditors, in publicly traded entities the maximum period of exercise of statutory audit functions by the statutory auditor accounts is for two or three terms, depending on whether they are, respectively, four or three years, the referred Committee submitted to the supervisory body the presentation, to the EDP 2021 Annual General Meeting, of a proposal for the renewal of PricewaterHouseCoopers & Associados – Sociedade de Revisores de Contas, Lda to the position of EDP's statutory auditor for the term corresponding to the 2021-2023 triennium.

The General and Supervisory Board approved the proposal for the reappointment of PricewaterhouseCoopers & Associados – Sociedade de Revisores de Contas, Lda to the position of Statutory Auditor at EDP for the 2021–2023 period at the meeting held on 26 November 2020 which was submitted by the General and Supervisory Board and approved at the General Shareholders' Meeting held on 14 April 2021.

PricewaterhouseCoopers & Associados – Sociedade de Revisores de Contas, Lda. having been elected for the 2021–2023 term, in the second half of 2023, the General and Supervisory Board and the Financial Matters Committee/Audit Committee began preparing the process for the presentation, at the 2024 Annual Shareholders' Meeting, of a proposal for the re-election of EDP's Statutory Auditor for the 2024–2026 term.

This work was carried out by the Financial Matters Committee/Audit Committee, under the delegation conferred by the General and Supervisory Board, with the collaboration of the Audit, Control and Related Parties Committee of EDP Renováveis and the Audit Committee of EDP Energias do Brasil.

Once this work has been completed, and considering that, in accordance with paragraphs 3 and 4 of article 54 of the Statute of the Portuguese Institute of Statutory Auditors, the maximum period for which the Statutory Auditor may carry out statutory audits in public interest organisations is two or three terms, depending on whether they are Following the conclusion of this work, and considering that, in accordance with paragraphs 3 and 4 of article 54 of the Statute of the Portuguese Institute of Statutory Auditors, in public interest entities the maximum period for the exercise of statutory audit functions by the Statutory Auditor is two or three terms of office, depending on whether they are four or three years respectively, the Financial Matters Committee/Audit Committee, at the beginning of 2024, submitted a proposal to the supervisory body for the re-election of EDP's Statutory Auditor for the three-year term 2024–2026.

45. Body responsible for assessing the external auditor and frequency of assessment

The Financial Matters Committee / Audit Committee presents annually to the General and Supervisory Board the report on the assessment of the activity and independence of the EDP's Statutory Auditor. The result of the appreciation is published in the report of the General and Supervisory Board.

46. Non-Audit Services done by the external auditor for the company and/or subsidiaries and internal procedures for approving hiring of these services and reasons for hiring them

Proposals to hire non-audit services from the Statutory Auditor are presented by the Executive Board of Directors to the Financial Matters Committee/Audit Committee and their hiring requires prior authorisation from this Committee.

The Regulation on Services Provided by EDP's Statutory Auditor and Statutory Auditor determines, regarding the contracting of non-audit services, that the Financial Matters Committee / Audit Committee may deny authorisation of those services if one such service is prohibited and/or involves a possible threat to the independence of the Statutory Auditor. The above-mentioned regulations are available on the EDP's website: [Regulations on Provision of Services by Statutory Auditor/Statutory Auditor Company | edp.com](https://www.edp.com/pt/regulacoes-provisao-servicos-auditor-estatutario)

In 2023, the following services were performed by the Statutory Auditor:

Audit services and statutory audit:

- necessary services (including internal control procedures required as part of audits) for the issue of the Auditor's annual on the accounts;
- services required for compliance with local legislation (including internal control procedures required as part of audits) for the issue of the Statutory Auditor's Report.

Other assurance of reliability services:

Services with a specific or limited purpose or scope, namely:

- necessary services for the issue of the interim reports and quarterly information on the accounts;
- audit services (pre-assurance) related to the accounting impacts of several transactions documented in technical documents prepared by EDP;
- assurance of reliability on the Internal Control System on Financial Reporting;
- assurance of reliability on the Sustainability information;
- assurance of reliability on the financial information of regulated activities;
- assurance of reliability of the disclosures to be incorporated into the notes to the financial statements of 2023, about the effects of the potential implementation of a global minimum tax rate (to be introduced in Portugal with the transposition of Council Directive (EU) 2022/2523 ("Directive P2"));
- assurance of reliability on the electricity and gas invoicing reports for entities covered in the Public Administration Shared Services Entity Framework Agreements ("ESPAP – Entidade de Serviços Partilhados da Administração Pública");

- agreed upon procedures on the financial information prepared by EDP for application purposes;
- comfort letters issuance;
- Audit services on the calculation and deducted amounts from customer billings for the implementation of the transitional gas price stabilization regime for entities with consumption exceeding 10,000 m³, established by Portuguese Decree-Law no. 84-D/2022, of December 9;
- Audit reports related to increases and reductions of share capital under the Code of Commercial Companies.

Other services:

Support on the file generation of the Country-by-Country reporting (CbCr), in XML, according to the current legislation

The reasons for hiring these services were essentially related with (i) better understanding of the Group's business, ensuring appropriate knowledge of the relevant information, which promotes greater agility and efficiency in providing solutions and (ii) it was considered that

the hiring of such services was not considered a threat to the independence of the Statutory Auditor and did not foster any situation of personal interest in relation to the guarantee of independence given by the Statutory Auditor.

The services that are not related with Audit and statutory audit of accounts requested by Group entities to the Statutory Auditor and to other entities belonging to the same network, in the different geographies, amounted to 2,126,855 Euro.

47. Annual remuneration paid by the company and/or subsidiary or group companies to the auditor and other natural or legal persons belonging to the same network and breakdown of percentage for the following services:

PricewaterhouseCoopers - Sociedade de Revisores Oficiais de Contas, Lda. and its network (PWC) are responsible for conducting an independent External Audit of all the EDP Group companies in Portugal, Spain, Brazil and USA, as well as in other countries in which the Group operates.

In 2023, the recognised, specialised costs of the fees of PwC for audit and statutory audit of accounts, other assurance of reliability services and other services than auditing for Portugal, Spain, Brazil, United States of America, and other countries were as follows:

PwC

EUROS	PORTUGAL		SPAIN		BRAZIL		USA		OTHER COUNTRIES		TOTAL	
Audit and statutory audit of accounts	2,839,403		1,390,516		771,318		2,086,669		2,375,635		9,463,541 82%	
Other assurance of reliability services (*)	1,354,719		455,273		281,985		-		23,327		2,115,304 18%	
Total of audit and assurance of reliability services	4,194,122		1,845,789		1,053,303		2,086,669		2,398,962		11,578,845	
Tax consultancy services	-		-		-		-		-		-	
Other services	9,975		1,576		-		-		-		11,551 -%	
Total of other services	9,975		1,576		-		-		-		11,551	
Total	4,204,097	36%	1,847,365	16%	1,053,303	9%	2,086,669	18%	2,398,962	21%	11,590,396	100%

(*) Includes assurance of reliability services of the exclusive competence and responsibility of the Statutory Auditor and Statutory Auditor in accordance with the Regulations on Provision of Services by Statutory Auditor or Statutory Auditing Company approved by the General and Supervisory Board.

The audit and statutory audit of accounts in Portugal include 1,947,668 Euro related with statutory audit fees, on a company and in consolidated basis, of EDP – Energias de Portugal, S.A.

Services other than Audit and Legal Review of Accounts requested by Group companies from the External Auditor and other entities belonging to the same network, amounted to 2,126,855 Euros.

C. Internal Organisation

I. Articles of Association

48. Rules on amendments to the company’s Articles of Association

EDP’s Articles of Association do not set forth special rules on their amendment and the general rule set out in 3 Article 386 (3) of the Companies Code therefore applies, i.e., decisions to amend the Articles of Association must be approved at a General Meeting by two-thirds of the votes cast.

EDP’s Articles of Association may also be amended under the powers of the Executive Board of Directors to move EDP’s registered office (Article 2 (1) of EDP’s Articles of Association) and increase EDP’s share capital (Article 4 (3) and (4) of EDP’s Articles of Association) provided that a favourable prior opinion of the General and Supervisory Board is obtained (article 17 (2) paragraph g) of EDP’s Articles of Association).



II. Whistleblowing

49. Whistleblowing policy and channels

The EDP Group has long pursued principles of trust and transparency regarding the way it develops its activity and relates to all its stakeholders, making its options clear in this matter, both through the Code of Ethics, created in 2005, and through the Integrity Policy. These principles of trust and transparency naturally includes channels for reporting alleged unethical and/or illegal behaviour, which all stakeholders can use whenever they consider that the company's ethical and integrity principles may be at risk.

In 2022, following the entry into force of Law no. 93/2021, of December 20, which transposed Directive (EU) 2019/1937 of the European Parliament and of the Council, of October 23, 2019, on the protection of persons who report violations of European Union law, and which established the legal obligation to define and implement a reporting channel for any legal person that has 50 or more employees, or who carry out certain activities provided for in the aforementioned Directive, EDP reviewed and updated the channels previously made available, its complaint management process, the procedures resulting from it and the technological support for the reporting channels. In compliance with the new legislation, specific reporting channels were also created (hereinafter "Speak Up" Channels) for each obliged EDP Group company. In this context, the previously existing EDP Ethics channels and the channel for communication of irregularities to the Financial Matters Committee/Audit Committee (FMC/AUDC) of the General and Supervisory Board, were consolidated in the new EDP "Speak up" channel.

In this sense, in 2023, 38 (thirty-eight) complaints (in Portugal and Spain) were analysed and closed by the EDP Ethics Committee, of which 31 (thirty one) reported in 2023 and 7 (seven) carried over from 2022. It should be noted that 9 (nine) complaints, out of a total of 40 (forty) reported in 2023, were carried over to 2024.

Of the complaints received by EDP's Ethics Committee in 2023, the most reported types were "Employee", "Employee Welfare", "Corruption and Bribery" and "Personal Data Protection and Privacy". Of all the complaints closed in 2023, eight (8) were considered "well-founded", of which four (4) related to "Personal Data Protection and Privacy", two (2) to "Employee Welfare", one (1) to "Diversity and Inclusion" and one (1) to "Harassment".

For all the cases analysed by EDP's Ethics Committee, a set of 33 (thirty-three) action measures were proposed, relating to Training, Revision or Improvement of Procedures, Disciplinary actions, among others.

The entire complaint management process follows, at each stage, essential guiding principles such as independence, impartiality and objectivity in the analysis and treatment of registered cases, along with the guarantee of absolute confidentiality. Complaints can also be reported anonymously, being guaranteed, notwithstanding this condition, the possibility of interaction with the whistle-blower, as deemed necessary.

EDP ensures the protection and non-discrimination of whistle-blowers who make their communications or complaints, in good faith and in a well-founded manner, even if the facts reported are not precise or do not give rise to any disciplinary or judicial proceedings. Any acts of reprimand or retaliation, directly or indirectly motivated by a complaint, causing any damage to the complainants, are not accepted.

EDP provides access to the [Speak Up channels, through its website](#), as well as to the respective Whistleblowing Management Regulation, that can be read at: [Whistleblowing Management Regulation Speak Up | edp.com](#)

More detailed information on EDP's whistleblowing management process can be found in the "Ethics and Compliance" chapter of the Sustainability section of the Management Report and its annexes, as well as in the Annual Report of the Ethics Ombudsman, available on the [Company's website](#).

III. Internal Control and Risk Management

50. People, bodies, or committees responsible for internal audits or implementation of internal control systems

The EDP Group's Compliance Management System, aligned with the risk management model, is founded on an internal control system based on the "three lines of defence", in order to properly identify and manage the risks arising from the activity, under the terms of which:

- The First line of defence (Business): has, among others, the responsibility for the daily and proactive management of compliance risks, in line with the established regulations. The top management of each functional, business or support unit and all its employees are part of it.
- The Second line of defence (Compliance): it has, among others, the responsibility of ensuring business support in the identification, analysis, evaluation, mitigation, and monitoring of risk, as well as challenging and questioning the potential risks that may arise. The main responsables are the Compliance & Internal Control Global Unit,



supported by the Compliance Departments of EDP España, EDP Energias do Brasil and EDP Renováveis, and a network of Compliance Partners, Compliance Business Partners and the Local SCIRF (Internal Control over Financial Reporting System) Managers.

- The Third line of defence (Internal Audit): it has, among others, the responsibility for carrying out independent audits to the Compliance Management System. These audits may also be carried out by independent external entities with recognized capacity for that purpose.

As defined, this model allows the rationalization of resources and efforts, promotes coordination between functions and the homogenization of language connecting all Business Units/Departments through a common infrastructure, sharing the same information systems and processes, and promoting the effective implementation of compliance mechanisms at the different levels of the organization.

The compliance function's mission is therefore to promote a culture of compliance and integrity, by identifying relevant compliance risks and by disseminating and coordinating the implementation of mechanisms that promote compliance, providing proactive and systematic advice to the entire organization.

The Compliance & Internal Control's activity is essentially based on four pillars, namely:

- identification analysis and assessment of compliance risks;
- promotion and coordination of the implementation of policies, procedures, and other control mechanisms, in order to mitigate the identified compliance risks;
- monitoring of procedures and other compliance mechanisms adopted, in order to assess the maintenance of their adequacy and effectiveness;
- periodic reporting to the Executive Board of Directors and the Financial Matters Committee/Audit Committee of the most relevant topics that may represent a significant risk for the Group.

The Compliance & Internal Control also has as main responsibilities to contribute to the continuous improvement of risk management processes associated, in an external plan, with legal and regulatory compliance and, in an internal plan, with compliance with the internal regulations and procedures in force, also ensuring the implementation of the Internal Control over for Financial Reporting System (SCIRF).

In the performance of its duties, the Compliance & Internal Control reports hierarchically to the Chairman of the Executive Board of Directors and functionally to the General and Supervisory Board, through its Financial Matters Committee/Audit Committee.

For its part, the Executive Board of Directors establishes a culture of tone at the top in Compliance matters, approving, disseminating, and ensuring the implementation of EDP's Compliance Management System in line with the Group's strategic objectives.

The General and Supervisory Board, through the Financial Matters Committee/Audit Committee, monitors and supervises the implementation of the referred compliance culture and approves the business plan of the Compliance & Internal Control's activity plan, also ensuring the follow-up of the respective execution.

The Group's Compliance Management System, approved by the Executive Board of Directors and by the Financial Matters Committee/Audit Committee, is formalized through EDP's Compliance Standard, updated in 2022, and is aligned with best international practices, as detailed in the Management Report, Performance, Sustainability, Future-Proof Organisation, Ethics and Compliance, with EDP having obtained the respective certification namely with the references of ISO 37301:2021 Compliance Management Systems – Requirements with guidance for use. This system demonstrates the EDP group's commitment to ensure (i) an adequate identification, assessment, and management of compliance risks, in order to minimize the risk of sanctions, namely financial and possible operational and reputational impacts, and (ii) the confidence of its stakeholders, reinforcing the competitiveness of the EDP Group.

The Compliance Management System allows for the harmonization of guidelines and methodologies for compliance management, across the organization and different regulatory scopes, ensuring alignment with other internal policies and procedures, seeking the continuous improvement of the activities developed.

Based on the defined governance model, the EDP Group's Compliance Management System develops from a risk assessment, which is reviewed periodically or whenever there are material changes in the legal and regulatory context or in the organizational context, and that allows the identification of the legal requirements and others compliance obligations or of the most relevant normative scopes for the organization, resulting in the structuring and development of different Specific Compliance Programs, through a process that goes through different sequential phases: (i) planning, (ii) conceptual structuring and design, (iii) support for implementation; (iv) monitoring of implementation and (v) ongoing maintenance and continuous improvement.



At the Specific Compliance Program level, following the methodological approach of the Group's Compliance Management System and as a function of specific risks identification and assessment, policies, procedures, and other compliance mechanisms are developed, through which the fundamental principles in compliance management are formalized and detailed control rules and mechanisms implemented, reflecting on the activities developed internally or by third parties on behalf of EDP, and which are key elements for the dissemination of a culture of compliance across the Group.

Another fundamental element for the development of Specific Compliance Programs is the training and awareness actions carried out both at the transversal group level and at a specific to certain Business Units or regulatory scope level.

The compliance function ensures the follow-up and monitoring of the development, operation, and implementation of Specific Compliance Programs, it reports on its activities to the Executive Board of Directors and the General and Supervisory Board, through its Financial Matters Committee/Audit Committee. For its part, and in accordance with the respective annual activity plan, the Internal Audit function conducts specific audit work, addressing compliance topics. In addition, the Compliance Management System and some Specific compliance programs are also subject to independent external review.

The results of the monitoring and any recommendations issued by internal and / or external auditing are considered for the purpose of improving compliance management, in a perspective of continuous improvement.

For more information on the development of the main CSPs, see the "Ethics and Compliance" section of the sustainability section of the Management Report (Performance, Sustainability, Future-Proof Organisation).

From the established governance model, and with the objective of identifying, assessing, monitoring, and controlling the risks to which the EDP Group is exposed, in addition to the Compliance & Internal Control, the Risk and the Internal Audit – Corporate Global Units also play an important role.

The Risk – Corporate Global Unit is primarily responsible for coordinating risk assessment studies for the Group, with the aim of supporting the Executive Board of Directors in their control and mitigation and providing integrated risk-return analyses, as presented the respective chapter, which activity is detailed in items 52 to 54 of this Annual Report.

In turn, internal audit, formalised in the EDP Group's Basic Internal Audit Standard, revised in 2021, is an objective and independent activity, of guarantee and advisory, aimed at

adding value and improving operations of EDP Group, assisting the organization in pursuing its objectives, through a systematic and disciplined approach in assessing and improving the effectiveness of risk management, control, and governance procedures.

The internal audit function has the mission of increasing and protecting the value of EDP, providing assurance, advisory and insight, covering several fields of action.

The EDP Group's internal audit is a corporate function performed by the Internal Audit Global Unit, which has a double dependency, on the one hand administrative structure of the Executive Board of Directors and, on the other, functional of the General and Supervisory Board, to which reports the respective exercise.

The EDP Group's Internal Audit are present in Portugal, Spain, the United States of America, Brazil and Singapore, depending functionally on Internal Audit.

In addition to conducting operational and regulatory audits to Business Units in Portugal and auditing information systems at the Iberian level, Internal Audit Global Unit main duties are to propose audit policies and objectives, in accordance with the law and with the best international practices, ensuring the harmonization of internal audit methods, processes and manuals and with a view to implementing the respective support tools, establishing and managing the systematic planning of internal audits at the Group level.

Regarding the areas that make up the Internal Audit Global Unit, although each area has (operational and regulatory audits and information systems audits) its specific duties, multidisciplinary and the growing interaction between the operational audit and information systems audit teams (with an Iberian scope) have allowed synergies in the analysis of information and data extracted from computer systems to support business processes and, therefore, a better quality of the conclusions obtained, a closer proximity to the business and an increasing monitoring of the degree of evolution of the projects most relevant.

On the other hand, Internal Audit Global Unit commitment to quality and the continuous improvement of the processes and activities it carries out led to the creation of the Quality and Continuous Improvement Office at Internal Audit, which, in a fundamentally methodological aspect, ensures an internal service with a view to increasing value added in relation to the internal audit activity in the EDP Group.

The Internal Audit Departments, as well as all professionals assigned to this function, govern their performance by the Fundamental Principles for the Practice of Internal



Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing approved by The Institute of Internal Auditors (IIA).

EDP Group has internal auditors experienced in several areas (e.g., finance, accounting, legal, information systems), with a deep knowledge of the Group, allowing a multipurpose and transversal analysis of the issues in question and of the activities carried out. In addition to specific training and experience in the area, the employees assigned to the information systems audit area know the systems implemented in the Group and follow market trends, allowing them to obtain a broad view of the systems and processes with the greatest technological risk. and of greater relevance for the different Business Units.

The internal audit activities are developed based on plans aligned with the objectives and mission of the function, in which the audit works that comprise them have as main inputs the consultation with the government bodies and the alignment with the Group's Strategic Plan and with the sustainability objectives, the prioritization of processes based on the risk analysis carried out by Internal Audit, the interactions with the statutory auditor throughout the year and the consideration of topics of interest that it has identified in the scope of the SCIRF audit and the financial audit, international trends and best practices in matters of internal audit, and the identification and assessment of the control environment existing in the various lines of defence that affect each process, in a perspective of Combined Assurance.

Internal Audit Global Unit lines of activity are the analysis of the effectiveness and efficiency of operations, reliability, and integrity of information, both financial and operational, compliance with internal procedures and standards, compliance with external standards, auditing of information systems and integrity of assets.

The changing macroeconomic, social, and political context, as well as the growing technological transformations and the news and changes that have been affecting the energy sector in general and the EDP Group in particular have forced a constant adaptation of the internal audit activity in order to maintain an ability to respond adequately to the challenges ahead, aiming to maximize the added value that this activity can and should offer to its stakeholders.

Internal Audit Global Unit has been monitoring the extent and development of the Group's activity in new markets, business lines and geographies, incorporating in its business plan, actions aimed at evaluating and reinforcing the existing internal control environment.

The continuous auditing model has evolved consistently, consolidating the methodology, continuing existing audits, implementing new audits to evaluate different business areas,

some with real-time analysis, with a set of new indicators and automation of communication exceptions to the audited entity at the time they are detected. It is a robust monitoring and evaluation model, very relevant for the automatic processing of a high volume of data, allowing to obtain efficiency gains in terms of internal control and in the prevention and detection of irregularities.

Within the scope of information systems audits, actions have been carried out covering several areas of high criticality, considering, in particular, the digitization program underway at the EDP Group, which has been a lever for strengthening and growing business processes, the increase in processes/activities analysed by continuous auditing and the expansion of routine automation in order to speed up the monitoring of the Group's information systems.

In recent years, the existing competencies in the field of information systems and data analytics have been strengthened by recruiting employees who are specialists in these matters in an internal audit perspective, complementing the profiles already existing in the information systems and operational audit teams.

The relationship with the various stakeholders is developed, mainly, through periodic meetings with the Financial Matters Committee/Audit Committee and the members of the Executive Board of Directors, interactions with the Business Units, both at the level of the Boards of Directors and with those in charge of the audited areas, interactions with other areas of the Group, such as risk, sustainability, legal advice, human resources, regulation, strategy, management control, compliance, information systems, in order to identify risk areas and to ensure the update on the various matters of the organization.

Internal Audit Global Unit carries out, annually, a process of self-assessment of the Group's internal audit activity, which consists of a reflection and analysis on the structure, composition, skills, relationship, reports, methodologies, DAI procedures and work carried out throughout the year, among others, and includes a global conclusion expressed by the responsible person of Internal Audit's activity in line with the best practices of the function.

On the other hand, Internal Audit Global Unit activity and performance is evaluated annually by the Financial Matters Committee/Audit Committee based, among others, on the analysis of the interaction that the Commission develops throughout the year with DAI and on the analysis of information and documentation made available by it regarding the process of its self-assessment.

Internal Audit Global Unit activity has been subject to external evaluations since 2010 by the IIA (every 5 years, as established in the International Standards for the Professional



Practice of Internal Auditing) and, since that date, the opinion of the evaluation teams has been that the internal audit activity "Generally Complies" with the International Standards for the Professional Practice of Internal Auditing and the IIA Code of Ethics, this qualification being the highest granted by the IIA.

The last external evaluation took place in 2020, in all locations where the internal audit function is developed, with the aim of obtaining joint independent certification, with the opinion issued in the external evaluation reports being that the internal audit activity "generally complies" with the Standards and Code of Ethics issued by the IIA in all locations (Portugal, Spain, United States and Brazil), in all its aspects (government, personnel, management and procedures).

It is also worth mentioning, and in line with the information described above, the competence of the General and Supervisory Board, which, under legal terms, permanently monitors and evaluates the internal procedures related to accounting and auditing matters, as well as the effectiveness of the risk, the internal control and the compliance management system. This competence is attributed to the Financial Matters Committee / Audit Committee, which is responsible, among other tasks, for permanently monitoring and supervising: (i) financial matters and accounting practices; (ii) internal audit practices and procedures; (iii) the internal mechanisms and procedures of the Internal Control over Financial Reporting System (SCIRF); (iv) matters relating to the risk management and control system; (v) the activities and mechanisms of the compliance management system and (vi) the activity and independence of the company's Statutory Auditor.

51. Description of hierarchical and/or functional dependency on other company bodies or committees

In the performance of their duties, the Internal Audit Global Unit administratively reports to the Executive Board of Directors and functionally reports to the General and Supervisory Board that supervises its activity through the Financial Matters Committee/Audit Committee. On the other hand, the Compliance & Internal Control Global Unit reports hierarchically to the Executive Board of Directors, and functionally to the General and Supervisory Board through the Financial Matters Committee/Audit Committee.

The Risk Global Unit reports hierarchically to the Executive Board of Directors, without prejudice to the permanent monitoring, by the Financial Matters Committee/Audit Committee, of risk-related matters, as described in item 52 below.

52. Other company areas with risk control duties

The risk management is an integral part of the common practices of business management, and it is the responsibility of all, from the Executive Board of Directors right down to the individual staff member. Each one is responsible for knowing the risks existing in their area of intervention and for managing them in accordance with their role, expertise, and delegated responsibilities.

The EDP Group manages its meaningful risks in a portfolio approach, optimizing the risk/return trade-off transversely across its business areas, aiming to create value and to stand out in the markets where it operates. The EDP Group also works towards a permanent progress of its risk management processes in order to reflect the evolution of its needs and to maintain its alignment with international risk management best practices.

The integration of risk management in the most relevant business and decision-making processes is promoted as part of i) strategic development, ii) investment decisions, iii) business plan and iv) operations management, with the purpose of ensuring stability in results and optimize its response to changes in context and opportunities.

The risk management process is structured around 3 lines of defence (business operation, risk management/ compliance and internal and external auditing), each led independently and ensuring an adequate level of segregation relative to one another. The functions of risk identification, analysis, evaluation, treatment, and monitoring are followed by a set of bodies with clearly established roles and responsibilities, typified by Group policies that are approved and ratified by the competent bodies of the Group. Below are brief descriptions of these bodies, complemented by the responsibilities available on the EDP website: [EDP Risk Governance Model | edp.com](https://www.edp.com/pt/risks-governance-model):

- The **General and Supervisory Board**, in particular the Financial Matters Committee/Audit Committee, is responsible for permanently monitoring the effectiveness of the risk management system, namely in terms of risk identification, assessment, control and management and assessing the degree of internal compliance with the Company's risk management system, continuously monitoring its performance and effectiveness, in articulation with the Executive Board of Directors, namely the risk control policies, the identification of key risk indicators (KRI) and the integrated risk evaluation methodologies, and must evaluate and issue its opinion on the EDP Group's strategic guidelines and corporate risk management policy, prior to their final approval by the Executive Board of Directors. The Financial Matters Committee/Audit Committee defines in its annual planning sessions dedicated to risk management issues, in order to

monitor the evolution of the Group's main exposures and key risk indicators, as well as addressing issues related to financial, strategic, ESG, business and operational risks.

- The **Executive Board of Directors** is ultimately responsible for the decision, supervision and control of risk management, and is responsible for setting the EDP Group's management objectives and policies. In addition to sharing the responsibilities defined for the Boards of Directors, it is also responsible for defining the Risk Appetite set out in the Business Plan, defining the EDP Group's risk policies (in particular, the respective exposure limits by risk category) and for allocating resources in accordance with the risk-return profile of the various options available.
- **Risk Global Unit** headed by the Chief Risk Officer, performs a function that is independent from the conduct of business, and supports the Executive Board of Directors at the level of the second line of defense. Its mission is to promote an integrated vision of the EDP Group's risk, ensuring the alignment of risk policies and limits with the appetite defined for the Group, and coordinating risk-return studies at Group level, in order to support the EBD in monitoring and mitigating the main risks.
- The **risk-owners of the Business Units and Corporate Global Units** act as the first line of defence in the risk governance model, being all the business managers who assume risk in their day-to-day activities and act in accordance with the defined risk strategies.
- **Local structures for risk management (risk-officers)** assume a key role on operationalizing risk management, typically under the direct hierarchical dependence of the respective Board of Directors, with functional coordination with the Group's Chief Risk-Officer, acting in a segregated manner and independent from business operation. In large and/ or particularly complex Business Units local replicas of risk management corporate structure exist, articulated with the *Risk*.

Furthermore, there are several regular forums for the discussion, analysis, and issue of opinions on risk-related topics:

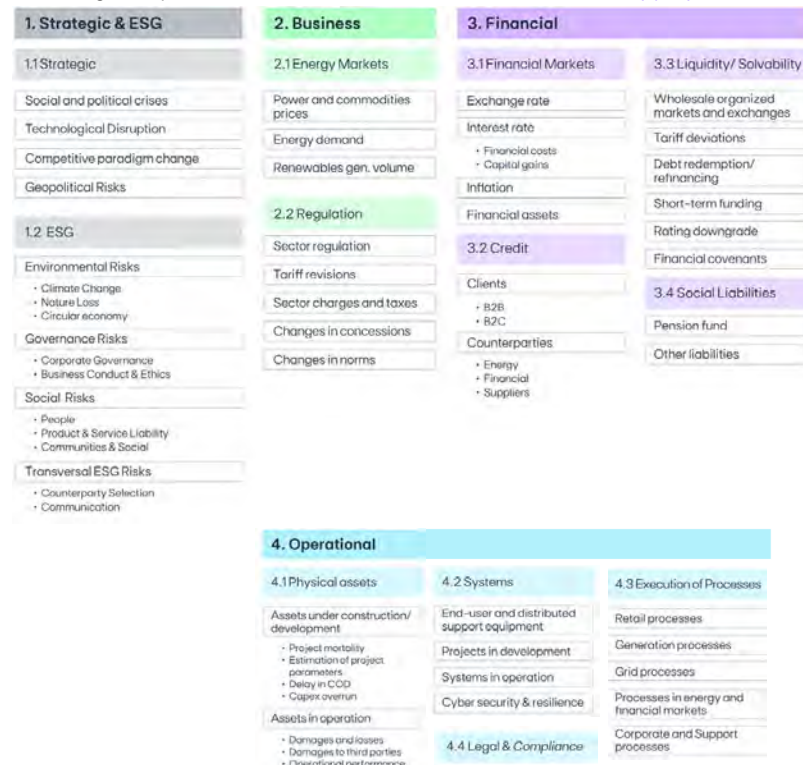
- The main objective of the **EDP Group's Risk Committee** is to support the decisions of the Executive Board of Directors in the identification, analysis, evaluation, treatment and monitoring of risk. This Committee, which reports to the Executive Board of Directors, meets periodically and, whenever necessary, extraordinarily, preferably at least quarterly. The Committee is composed of the Group's main decision-makers and risk managers (members of the Executive Board of Directors, key corporate areas and members with responsibility for risk management of the main platforms/geographies who are members of the Audit Committee).
- **The Individual Risk Committees** are created and conducted at the Group's Business Unit level when the degree of complexity of risk management justifies it, assuming a

structure replicated from the Group's Risk Committee. These committees are typically coordinated by the respective risk-officer and include members of the Board of Directors, key areas of the Business Unit, as well as a member of the Risk - Corporate Global Unit, to ensure alignment at the Group level.

53. The main types of risks to which the company is exposed in its business

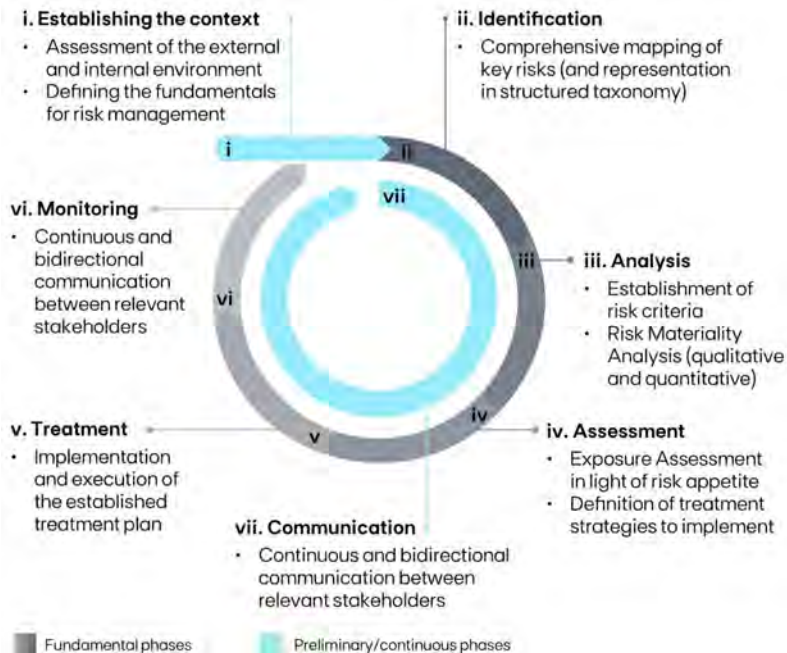
The EDP Group's risk taxonomy aggregates, from an integrated perspective and in a common language, the various risk mappings existing at the level of the Group's various Business Units, and is structured around four major families: strategic & ESG, business, financial and operational.

The figure below shows the risk categories to which EDP is exposed. For additional information and details on the various risks to which EDP is subject, which fall into the above categories, please consult EDP's website: [EDP's Risk Taxonomy | edp.com](https://www.edp.com/risks)



54. EDP’s risk management process

Given the size of EDP Group and its geographical diversity, it is important to define a common process for all Business Units that recognizes and manages the heterogeneity of businesses and activities in which the Group operates. Accordingly, risk management in the EDP Group can be divided into five major integrated and structured phases (identification, analysis, evaluation, treatment, and monitoring), complemented by a previous phase of establishment of context, and adequate levels of communication between all stakeholders:



More details on each stage of the risk management process can be found on the EDP website: [EDP Risk Management Process | edp.com](http://edp.com/EDP-Risk-Management-Process).

55. Main features of the risk management and internal control systems in place in the company for the disclosure of financial information

EDP Group has implemented the Internal Control System of Financial Reporting (ICFR), based on criteria established by the regulatory framework of internal control issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013), in relation to business processes and entity level controls, and the Control Objectives for Information and Related Technologies (COBIT), in relation to the general controls of information technology.

According to the adopted methodology and approved Internal Control of Financial Reporting Standard, activities were carried out related to the implementation, maintenance, monitoring and assessment of the internal control system, within the competence of those responsible that participate in it at the corporate level, business unit level/ geographies of the EDP Group.

It is highlighted the development of the following activities:

- Planning and monitoring the annual ICFR cycle, maintenance and review of reference models, conceptual and methodological support to Corporate Centre Departments, Business Units and Geographies;
- Defining ICFR Scoping Model based in the consolidated financial information, supported on materiality and risk criteria on a "top down" approach (Compliance & Internal Control) and "bottom up" approach (Corporate Centre, Business Units and Geographies) on annually basis and mid-year review, which the processes considered relevant are identified;
- Support for Corporate Centre Departments, Business Units and Geographies in the documentation and review of new controls and redesign of the existing, resulting from the inclusion of new topics, by materiality and/or risk and legal, structural, procedural and/or accounting changes;
- Identification of relevant Information Systems that supports ICFR and analysis of "service organizations", independent assessment of the control environment used by information technology service providers for EDP Group;



- Monitoring and support provided to Corporate Centre Departments, Business Units and Geographies in the resolution of identified non-compliances and improvement opportunities and reporting to internal responsables and supervisors;
- Launch and monitoring of the self-certification process, through which those responsible execution of the identified and mapped controls declare their explicit recognition of (i) sufficiency or insufficiency of the controls documentation in terms of updating and adjustment, (ii) its execution and maintenance of evidence, (iii) actions approval and implementation related to the resolution of non-compliance and improvement opportunities and (iv) compliance with the Code of Ethics and the Integrity Policy of EDP Group;
- Monitoring of the annually assessment process conducted by the Statutory Auditor, in terms of work planning and interactions with Corporate Centre Departments, Business Units and Geographies.

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The following chart shows the communication channels through which EDP provides its shareholders with information on each type of documentation.

CHANNELS	IN PERSON ¹	WWW.EDP.COM	E-MAIL	IR PHONE NUMBER 2	WWW.CMVM.PT
ELEMENTS REQUIRED BY LAW OR REGULATION ³					
Notice of meeting	√	√	√	√	√
Executive Board of Directors' proposals	√	√	-	√	√
Amendment of the Articles of Association	√	√	-	√	√
Other proposals	√	√	-	√	-
Annual Report	√	√	√	-	√
Management and supervisory positions held in other Group companies by company officers	√	√	-	√	√
ADDITIONAL ELEMENTS					
Ballots for voting by proxy	√	√	√	√	-
Ballots for voting by mail	√	√	√	√	-
Ballots for voting by e-mail	√	√	√	√	-
Clarification of any issues	√	√	√	√	-
EDP Articles of Association and Regulations	√	√	√	√	√

¹At EDP's headquarters;

²IR phone number +351 21001 2834;

³Art. 289 of Companies Code and Regulation of CMVM 1/2023.

On this matter, the Statutory Auditor issued an independent report on the Group's Internal Control of Financial Reporting System related to the financial statements as of December 31, 2023, without reservations nor qualifications, presented in the annex "Reports, Certifications and Declarations ", concluding with a reasonable degree of assurance, regarding the design and effectiveness of the internal control of financial reporting system of EDP Group.

IV. Investor Relations

56. Composition, duties and information provided by these services and their contact information

The essential role of the Investor Relations Global Unit is to act as the interlocutor between EDP's Executive Board of Directors and investors and the financial markets in general. It is responsible for all the information provided by the EDP Group, in terms of disclosure of privileged information and other market communications and publication of periodic financial statements, and it also ensures that the information requirements of the regulatory and financial supervision authorities are met.

In carrying out its duties, the department is in constant contact with investors and financial analysts, providing all the information that they request, while observing the applicable legal and regulatory provisions.

EDP's Investor Relations comprises five people and is coordinated by Miguel Viana. It is located at the Company's head office:



57. Representative for market relations

The representative for market relations is Director Rui Manuel Rodrigues Lopes Teixeira.

58. Percentage of and response time to queries received in the year or pending from previous years

EDP's goal is for communication with the market to consist of objective, transparent information that is understandable to all stakeholders. In order to achieve such intent and bearing in mind the importance of keeping a trustworthy and sustainable behaviour, EDP has adopted a financial reporting policy based on transparent and consistent information properly conveyed to investors and analysts.

In 2023, 110 market communications were made. The Investor Relations received several requests for information during the year to which it has responded to promptly, with an average response time of less than 24 hours.

The Company's efforts have been rewarded at several events. In 2023, EDP was nominated for the IR Magazine Europe Awards 2023, having been considered the clear leader in the Utilities sector; it was also considered the 5th best company in Investor Relations in all sectors in Europe, vs. 18th best company in 2022, 2nd amongst all sectors in Europe in the category "Best Investor Meetings", and 3rd in "Best Corporate Governance". In addition to being recognized by IR Magazine, EDP was also awarded by AERI (Spanish Association to the Investor Relations) in the 2nd Iberian Equity Awards, with the overall corporate winner, best IR Team, and best IR Program.

V. Website

59. Website Address

[EDP's website](#) provides comprehensive legal or corporate governance information, updates on the Group's activity and complete financial and operational data in order to facilitate searches and access to information by shareholders, financial analysts and others.

The information made available through this channel in Portuguese and English includes data on the Company, financial statements and accounts, privileged information, the Articles of Association and Internal Regulation of corporate bodies, the Group's shareholder structure, preparatory documentation for General Meetings, historical

performance of EDP share prices, a calendar of Company events, the names of members of the corporate bodies and the representative for market relations, contact information for the Investor Relations and other information of potential interest about the Group. EDP's website also allows visitors to consult accounting documents for any financial year since 1999.

60. Location of information about the company, its status as a public limited company, head office and other details mentioned in Article 171 of the Company Code

The information set out in Article 171 of the Companies Code is available on EDP's website on: [Policies and Documentation | edp.com](#)

61. Location of the Articles of Association and regulations of bodies or committees

The Articles of Association and regulations of bodies and committees are available on EDP's website on: [Policies and Documentation | edp.com](#)

62. Location of information on the names of members of the corporate bodies, market relations representative, investor relations office or equivalent body, their duties and forms of access

The names of members of the corporate bodies, market relations representative, investor relations office or equivalent body, their duties and forms of access are available on EDP's website on: [Model and Governing Bodies | edp.com | Policies and Documentation | edp.com](#)

63. Location of accounting documents, which must be available for at least five years and the six-monthly calendar of company events disclosed at the start of each half year, including General Meetings, disclosure of annual, six-monthly and, if applicable, quarterly accounts

The accounting documents and calendar of company events are available on EDP's website on: [Results and Reports | edp.com | Investors | edp.com](#)

64. Location of notice of meeting for General Meetings and all their preparatory and subsequent information

The notice of meeting for General Meetings and all their preparatory and subsequent information are available on EDP's website on: [General Meetings | edp.com](#)

65. Location of history of decisions made at the company's General Meetings, the share capital represented and result of votes for the previous three 3 years

The history of decisions made at the Company's General Meetings, the share capital represented, and result of votes are available on EDP's website on: [General Meetings | edp.com](https://www.edp.com)



D. Remuneration

As the information in the points below is largely contained in the Remuneration Report, a more detailed consultation is referred to Part IV – Remuneration Report, which provides, in accordance with the applicable legislation, a comprehensive overview of remuneration, including all benefits, regardless of their form, awarded or due during the last financial year to each member of the management and supervisory bodies.

I. Power to set Remuneration

66. Power to set the remuneration of corporate bodies and company directors

For information regarding Item 66, please see Part IV – Remuneration Report.

II. Remuneration Committee

67. Membership of the Remuneration Committee, including names of the natural or legal persons hired to assist and declaration on independence of each member and consultant

For information regarding Item 67, please see Item 29 of this Part III and Part IV – Remuneration Report.

68. Knowledge and experience of remuneration policy of the members of the Remuneration Committee

The Remuneration Committee of the General and Supervisory Board is composed of members of the General and Supervisory Board with qualifications and experience in remuneration policy, according to Annex I of the current Report. On the other hand, the Remuneration Committee appointed by the General Meeting is composed of a number of members not less than three, with adequate knowledge and experience in matters of remuneration policy, in accordance with article 2 of the respective Internal Regulation and in accordance with the curricular notes attached to the proposal for election at the General Meeting available at: [Appointment of the members of the Remuneration Committee to be appointed by the General Shareholders' Meeting – Item 11 of the Agenda | edp.com](#). For more detailed information please see Part IV – Remuneration Report.

III. Remuneration Structure

69. Remuneration policy of management and supervisory bodies

For information regarding Item 69, please see Part IV – Remuneration Report.

70. How remuneration is structured to allow alignment of the interests of the members of the managing body with the company's long-term interests and how it is based on assessment of performance and discourages excessive risk-taking

For information regarding Item 70, please see Part IV – Remuneration Report.

71. Reference to a variable remuneration component and any impact of performance evaluation on this component

For information regarding Item 71, please see Part IV – Remuneration Report.

72. Deferral of payment of variable component of remuneration and its length

For information regarding Item 72, please see Part IV – Remuneration Report.

73. Criteria on allocation of variable remuneration in shares and executive directors' maintenance of these shares, any agreements concluded concerning these shares, such as hedging or risk transfer contracts, their limit, and their association with total annual remuneration

For information regarding Item 73, please see Part IV – Remuneration Report.

74. Criteria on allocation of variable remuneration in options, period of deferral and price of exercise

EDP has no variable remuneration option schemes. For more information, see Part IV – Remuneration Report.

75. Main parameters and basis of any annual bonus system and any non-monetary benefits

For information regarding Item 75, please see Part IV – Remuneration Report.

76. Main characteristics of supplementary pension or early retirement schemes for directors and date of approval individually at a General Meeting

For information regarding Item 76, please see Part IV – Remuneration Report.

IV. Disclosure of Remuneration

77. Annual aggregate and individual remuneration paid to the members of the company's managing body by the company, including fixed and variable remuneration and its different components

For information regarding Item 77, please see Part IV – Remuneration Report.

78. Amounts paid for any reason by other subsidiary or Group companies or companies under common control

In 2023, no amounts earned by members of the Executive Board of Directors were paid by other companies in a group¹ or control relationship or that are subject to a common control, in Portugal or abroad.

79. Remuneration in the form of profit-sharing and/or payment of bonuses and reasons for these bonuses or profit sharing

EDP has no schemes in place for payment of remuneration in the form of profit-sharing and/or payment of bonuses.

80. Compensation paid or owed to former executive directors for termination in the financial year

For information regarding Item 80, please see Part IV – Remuneration Report.

81. Annual aggregate and individual remuneration paid to the members of the company's supervisory bodies

For information regarding Item 81, please see Part IV – Remuneration Report.

¹Definition of group within the meaning of paragraph g) of no. 1 of article 2 of Decree-Law no. 158/2009, of 13 July, in accordance with paragraph d) of no. 2 of article 26-G of the Portuguese Securities Code.

82. Remuneration of the Chairman of the General Meeting

For information regarding Item 82, please see Part IV – Remuneration Report.

V. Agreements Affecting Remuneration

83. Contractual limitations for compensation payable to directors for dismissal without due cause and their association with the variable component of remuneration.

In addition to the situations reported in the Remuneration Report, there are no contracts in force at EDP that provide for payments in the event of dismissal or termination by agreement of the director's duties.

84. Description and amounts of agreements between the company and members of the managing body and directors, as set out in Article 248-B (3) of the Securities Code, providing for compensation in the event of dismissal without due cause or termination of employment following a change of company control

Under the European Union legislation regarding market abuse, EDP has no directors other than the members of the General and Supervisory Board and of the Executive Board of Directors.

In fact, apart from the members of those bodies, there is no person who has regular access to inside information and participates in management and business strategy decision of the Company.

On the other hand, it is reiterated that, in addition to the situations reported in the Remuneration Report, there are no agreements in force at EDP that provide for payments in the event of dismissal or termination by agreement of director's duties.

VI. Stock Purchase Option Plans or Stock Options

85. Plan and its beneficiaries

There are no option rights granted for the acquisition of shares (stock options) from which the Company's employees and employees are beneficiaries.

86. Description of the plan (conditions for award, clauses on non-saleability of shares, shares price criteria, price of options in financial year, period in which options can be exercised, characteristics of shares or options, incentives for purchase of shares or exercise of options)

There are no option rights granted for the acquisition of shares (stock options) from which the Company's employees and personnel are beneficiaries.

87. Stock options of company employees

There are no option rights granted for the acquisition of shares (stock options) from which the Company's employees and employees are beneficiaries.

88. Control mechanisms set out in any employee share scheme so that they do not exercise their voting rights directly

The Company has no such control mechanisms.

E. Transactions with Related Parties

I. Mechanisms and Procedures of Control

89. Company mechanisms for monitoring transactions with related parties

As part of the qualitative reinforcement of governance practices, and since 2009, EDP and, in particular, the General and Supervisory Board, has been promoting the revision of the internal regulations governing transactions with related parties, given the constant search to adopt the best practices by the Company.

To this end, internal regulations that regulate conflicts of interest and business between related parties were reviewed, and, in 2023, the Policy on Transactions with Related Parties was revised, available for consultation on the EDP website: [Transactions with Related Parties Policy | edp.com](https://www.edp.com/pt/pt/Transacoes-com-Partes-Relacionadas). The Financial Matters Committee/Audit Committee is responsible for issuing a reasoned opinion on matters subject to a prior opinion by the General and Supervisory Board, which concern transactions between related parties, supported, whenever applicable, by reasoned opinions from the Risk and Compliance Departments, which must be made known to the General and Supervisory Board.

90. Transactions that underwent controls in the year

Attentive to the current reporting obligations, the Executive Board of Directors, during 2023, sent information on transactions with related parties to the General and Supervisory Board and/or the Financial Matters Committee/Audit Committee. The following transactions are included in this report:

- EDP Group, through EDP Clientes, S.A. provided electricity and gas supply services as well as the installation of solar panels to the company Cementos Tutela Veguín in the amount of approximately 50.1 million Euros (Cementos Tutela Veguín is a subsidiary of the Group Masaveu, which, in turn, holds 55.9% of the company Oppidum Capital, SL);
- Additionally, the EDP Group, through the company EDP Comercial - Comercialização de Energia, S.A., agreed with the company Exus Management Partners to supply equipment and carry out work relating to the interconnection of two photovoltaic plants to the Public Service Electricity Grid, worth approximately 1.7 million euros (Exus Management Partners is a subsidiary of the Masaveu Group, which in turn owns 55.9% of the company Oppidum Capital, S.L.);

- As disclosed to the market on 27 October 2023, EDP España, S.A.U. entered into a partnership with Corporación Masaveu, S.A. through the sale of a 50% stake in the Aboño power plant, reflecting an enterprise value of around 350 million euros and an equity value of 60 million euros for 100% of the asset (Corporación Masaveu is a subsidiary of the Masaveu Group, which in turn owns 55.9% of the company Oppidum Capital, S.L.);
- As disclosed to the market on 29 December 2023, EDP, through its subsidiary EDP Renováveis, S.A., agreed with ACE Investment Fund I LP and ACE Investment Fund II LP, majority-owned by China Three Gorges, to purchase the respective minority stakes of 49% in wind portfolios in Portugal, Poland and Italy, for a total amount of 0.57 billion euros.
- As disclosed to the market on 29 December 2023, EDP signed a sale and purchase agreement for a 50% stake in Energia Asia Consultoria, Lda. with China Three Gorges for a total expected consideration of around 100 million euros, subject to adjustments until the transaction is finalised.

The General and Supervisory Board noted that, with basis on the cases analysed and information provided by the Executive Board of Directors for 2023, there was no evidence that the potential conflict of interests in EDP operations were resolved contrarily to the Company's interests.

At the same time, it is important to highlight Article 17(2) of EDP Articles of Association, that defines a number of matters subject to prior opinion from the General and Supervisory Board. This corporate body has competences to set the parameters for measuring the economic or strategic value of the operations that must be submitted for its opinion, and these were updated by the referred Board on the 13 May 2021.

In this context, in 2023 eleven investment/divestment operations were submitted for the prior opinion of the General and Supervisory Board, with an average value of more than 350 million euros, as well as six financing operations, with an average value of approximately 1.4 billion euros, with three of these investment/divestment operations underlying a transaction with a related party.

Regarding the use of the expedited mechanism for issuing a prior opinion, two operations were submitted to the General and Supervisory Board for financing reasons, with an average value of approximately 930 million euros, and five operations regarding investments or divestments, with an approximate average amount of 430 million Euros. The issue of senior green debt securities totalling 1,350 million Euros was the largest value transaction, approved under this mechanism during 2023.

Also in this context, during the 2023 financial year, eight operations were submitted to the United States of America Business Affairs Monitoring Committee for a prior opinion, with an average value of 250 million dollars, with the maximum value of which was 435 million dollars. Regarding the issuance of a prior opinion by an expedited mechanism, one operation was submitted to the United States of America Business Affairs Monitoring Committee, with a of 400 million dollars.

Regarding transactions analysed by the United States of America Business Affairs Monitoring Committee, none of them had a related party transaction underlying them.

91. Procedures and criteria applicable to the supervisory body's prior assessment of transactions between the company and holders of qualifying shareholdings or entities related to them in any way

The rules in force applicable to the issuance of a prior opinion and to the expedited mechanisms of opinion in urgent cases of the General and Supervisory Board were updated on 13 May 2021, as well as the procedures for communication and provision of clarifications between that corporate body and the Executive Board of Directors.

The Articles of Association of EDP also establish that the General and Supervisory Board should set the parameters for measuring the economic or strategic value of the operations that must be submitted to it for an opinion, as well as establish expedited mechanisms for issuing an opinion in urgent cases or when the nature of the matter justifies it and the situations in which exemption from issuing such an opinion is permitted (Article 21 (7)). In fact, the expedited mechanism for issuing an opinion by the General and Supervisory Board can only occur in situations of exceptional urgency or when the nature of the matter justifies it, as set out in the EDP's Articles of Association and the Internal Regulations of the General and Supervision (Article 15(5)).

With reference to prior opinion mechanism, General and Supervisory Board of EDP established a set of demanding rules regarding the conclusion of business between related parties, aimed at preventing situations of conflict of interests.

In this context, it is important to highlight the provisions of the Transaction with Related Parties Policy – reviewed in May 2023 – regarding the procedures and criteria applicable to the intervention of the supervisory body for prior assessment of the business purposes to be carried out between the Company and holders of qualifying holdings or entities that are in any relationship with them. In particular, in legal transactions or de facto situations between related parties that are likely to give rise to a conflict of interest between the parties involved, relevant to the pursuit of EDP's interest, together with the request for a prior

opinion from the General and Supervisory Board or its waiver, the Executive Board of Directors must provide the following information:

- Summary description of the operations and the responsibilities taken up by the parties;
- Outline of the procedures used to select the counterparty, i.e., whether the operation was based on a call for tenders/market consultation procedure or direct contract award;
- In the event of direct contract award, the reasons for this decision;
- In cases of calls for tenders/market consultation procedures, the type of contact established with the potential interested parties and the identity of those parties;
- In case of competitive tenders, the details of the different tenders and the criteria used for selection;
- The parameter used to check whether the transaction was performed under “normal market conditions for similar operations”;
- Measures adopted to prevent, mitigate risks, or solve potential conflicts of interests, namely the issuing of fairness opinions by independent entities prior to taking a decision regarding the performance of a Transaction with a Related Party;
- Indication, if applicable, of the multi-annual nature of the operation, in which case the initial date of the award/contract must be reported, as well as the date on which the supplies and/or services are provided.

With respect to legal business or cases that exist between related parties that are likely to give rise to a conflict of interests between those involved, which could impact the interests of EDP, these should be subject to a preliminary opinion from the General and Supervisory Board:

- if the Financial Matters Committee/Audit Committee can meet before the General and Supervisory Board meeting, an opinion from this Committee should be requested, which should be presented to the General and Supervisory Board for decision-making purposes;
- if it is not possible for the Financial Matters Committee/Audit Committee to meet, the assessment of the potential conflict of interests must be made directly by the General and Supervisory Board within its decision-making authority.

II. Business Information

92. Location of accounting documents providing information on transactions with related parties, pursuant to IAS 24, or reproduction of the information

Information on transactions with related parties, pursuant to IAS 24, is set out in Note 43 of the consolidated and individual financial statements.

PART II

Assessment of Corporate Governance

1. Corporate Governance Code in Effect

EDP – Energias de Portugal, S.A. (EDP) is a listed company whose securities are admitted to trading on the NYSE Euronext Lisbon stock market.

Following the entry into force of the Protocol between the CMVM and the Portuguese Institute for Corporate Governance (*Instituto Português de Corporate Governance - IPCG*), on 13 October 2017, the Corporate Governance Code issued by CMVM was revoked, and changes were made to the Corporate Governance Code issued by the IPCG, available at www.cgov.pt

The choice of EDP to adopt the Corporate Governance Code issued by the IPCG, from the moment it entered into force, and under the current version, reflects the concern of always ensuring the implementation of best corporate governance practices.

According to the CMVM Circular, dated 11 January 2019, this Report is structured in accordance with Article 1(4) of CMVM Regulation 4/2013, and therefore abides by the model in its Annex I, not including the sections not applicable to EDP's governance model.

2. Compliance assessment of the adopted Corporate Governance Code

The following table sets out IPCG's corporate governance recommendations as included in the Corporate Governance Code 2018, according with the 2023 revision, along with the identification, for each case, of EDP's compliance or non-compliance, as the case may be, that the provisions to not apply to the Company. Complimentary information has been included where the description of the Company's shareholder structure and governance model does not exhaust the scope of the underlying explanation of the respective recommendations.

RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
CHAPTER I - COMPANY'S RELATIONSHIP WITH SHAREHOLDERS, INTERESTED PARTIES AND THE COMMUNITY AT LARGE			
1.1. The company specifies in what terms its strategy seeks to ensure the fulfilment of its long-term objectives [1.1. (1)] and what are the main contributions resulting herefrom for the community at large [1.1. (2)]	ADOPTED	<p>[1.1. (1)] EDP's vision is to be a leader in the energy transition, guaranteeing the creation of superior value. To achieve this, EDP is strategically positioned with a low risk, diversified and resilient profile, which allows the company to create distinctive conditions for the execution of a value creation strategy in the challenging context of a low ecological footprint leveraged on sustainable growth. By prioritising sustainability and innovation, EDP is committed to being at the forefront of the energy industry and aims to create value for all stakeholders while minimising its environmental impact. Based on its Vision, EDP is governed by four strategic pillars:</p> <p>(i) accelerated and sustainable growth: EDP aims to achieve accelerated and sustainable growth through the implementation of the investment plan for the period 2023-2026. This will reinforce its position as a leader in the energy transition and its distinctive "green" position and low risk profile. The rapid deployment of renewable energy capacity will be combined with the planned sale of majority stakes in selected renewable assets, in line with EDP's asset rotation strategy, to accelerate growth and enable a less capital-intensive growth model;</p> <p>(ii) ESG excellence and future-proof organisation: EDP is focused on delivering shareholder value through a long-term sustainable business model. The priority will continue to be a commitment to best environmental, social and governance (ESG) practices, ensuring strong financial returns. EDP is firmly committed to the energy transition and will work towards being coal-free by 2025, 100% green by 2030 and net zero by 2040. The company recognises the importance of ensuring that this transition is fair and equitable for all stakeholders, including employees and the communities in which it operates;</p> <p>(iii) distinctive and resilient portfolio: EDP has a distinctive and resilient portfolio with a low risk profile and focused on geographic presence, with a BBB credit rating, the target of 21% FFO/Net Debt in 2026 and >80% EBITDA in highly rated markets such as Europe and North America. EDP is investing in a portfolio and infrastructures with value and competitive advantages to develop renewable energies, betting on new solutions such as hybridisation, repowering, energy storage and hydrogen;</p> <p>(iv) creating superior value for stakeholders: EDP is committed to delivering attractive returns through a sustainable dividend policy based on a pay-out ratio of 60% to 70%, with a minimum dividend of €0.19 per share in 2023 with an increase to €0.20 per share in 2026.</p> <p>[1.1. (2)] As reported in the sustainability section of the Integrated Report, the EDP Group actively contributes to the sustainable development of the communities in which it operates throughout the world, through social investment in its own and collaborative initiatives, donations and volunteering. Since social impact is a strategic pillar of the EDP Group, these initiatives aim to fulfil social needs in line with the Group's core</p>	Item 21 | Items 50 to 55 | Management Report of this Integrated Annual Report, in the sustainability section edp.com



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
		<p>themes, namely investment in fair energy transition projects. In addition to the contribution made through its operations and business, the EDP Group also contributes to the United Nations' Sustainable Development Goals through its social investment programmes.</p>	
<p>I.2. The company identifies the main policies and measures adopted with regard to the fulfilment of its environmental [I.2. (1)] and social objectives [I.2. (2)].</p>	ADOPTED	<p>[I.2. (1)] Code of Ethics | Integrity Policy | Environmental Policy [I.2. (2)] Code of Ethics | Integrity Policy | EDP's Human and Labour Rights Policy | Supplier Code of Conduct | Stakeholder Relations Policy | Diversity Policy | Social Investment Policy | Social Investment Report | EDP Y.E.S. - You Empower Society</p>	<p>edp.com</p>
<p>CHAPTER II - COMPOSITION AND FUNCTIONING OF THE CORPORATE BODIES</p>			
<p>Information</p>			
<p>II.1.1. The company establishes mechanisms to adequately and rigorously ensure the timely circulation or disclosure of the information required to its bodies, the company secretary, shareholders, investors, financial analysts, other stakeholders and the market at large.</p>	ADOPTED	<p>With regard to making information available, it is worth mentioning the existence of mechanisms for circulating information and the vocation and commitment of corporate bodies and committees to sharing information. With regard to this aspect, EDP has a portal for sharing information between the Executive Board of Directors and the General and Supervisory Board, as well as the Specialised Committees, which is accessible to all members of these bodies and committees, including the Company Secretary, without prejudice to restrictions on access to information regarding members who are in a situation of conflict of interest.</p> <p>In particular, with regard to the Company Secretary, he is responsible for drawing up and distributing the agenda and respective preparatory documentation, in accordance with the matters that have been dispatched for this purpose by the Chairman of the Executive Board of Directors (in accordance with article 8.6 of the Internal Regulations of the Executive Board of Directors and article 4.4 a) and b) of the Internal Regulations of the General and Supervisory Board).</p> <p>This information tool allows the different members to be aware of the most important documents, namely the minutes and supporting documents for resolutions. When requested by other members of the governing bodies, the Executive Board of Directors also provides all the information required by them in a timely manner and in a manner appropriate to the request, with the support of the Company Secretary. It should also be noted that the Investor Relations Corporate Global Unit's mission is to ensure communication with analysts and investors in the Group's companies, in order to guarantee the sustainability of EDP's image and notoriety, and to respond to requests for information from regulatory and financial supervision bodies. In addition, the External Affairs & Stakeholders Corporate Global Unit ensures the company's institutional communication through an integrated and consistent narrative with the Group's stakeholders, in line with the adopted vision and strategy, with the aim of maximising the Group's communication potential with its stakeholders and contributing to fluid and systematised information about the Group and its actions.</p> <p>Finally, EDP has set up a Corporate Centre to support the Executive Board of Directors in defining and controlling the implementation of defined strategies, policies, and objectives. The Corporate Centre is organised by Corporate Departments and Business Units, thus allowing for greater optimisation and efficiency of the organisational structure.</p>	<p>Item 15 | Item 21 | Item 22 | Item 27 | Item 29 | Item 52 | Items 55 to 65</p>
<p>Diversity in the Composition and Functioning of the Corporate Bodies</p>			
<p>II.2.1. Companies establish, previously and abstractly, criteria and requirements regarding the profile of the members of the corporate bodies that are adequate to the function to be performed, considering, notably, individual attributes (such as competence, independence, integrity, availability and experience), and diversity requirements (with particular attention to equality between men and women), that may contribute to the improvement of the performance of the body and of the balance in its composition.</p>	ADOPTED	<p>Respect for diversity in corporate bodies and in the appointment, processes is one of the structural elements of EDP's corporate purpose. In fact, the various Internal Regulations of the governing bodies, corporate bodies and Specialised Committees that form part of EDP's structure contain provisions on the suitability, independence, and incompatibilities of the members of these bodies. With regard to the General and Supervisory Board and the Executive Board of Directors, EDP has a specific policy entitled "Selection Policy for the members of the General and Supervisory Board and the Executive Board of Directors" which stipulates that, within the scope of the selection process, the integration of diverse skills, professional experience, diversity of knowledge, gender and cultures should always be ensured in a transparent and objective manner, taking into account the specificities of the Company's business. That policy also establishes that proposals for the election of members of the General and Supervisory Board and the Executive Board of Directors must be submitted to the General Shareholders' Meeting, duly substantiated with regard to the candidate's profile and the role they will fulfil, so that shareholders can verify the suitability of the candidates' profile, knowledge, and CV, considering the duties to be performed. The criteria include (i) promoting equal rights and opportunities in the face of diversity, (ii) valuing diversity, particularly in terms of age, gender, geographical origin, qualifications, skills, and experience, (iii) promoting an increase in the number of members of the under-represented gender and (iv) avoiding potential conflicts of interest. This selection policy also sets out the competences that the members of the Executive Board of Directors and the General and Supervisory Board must possess, among which the following stand out: (i) technical and professional skills appropriate to the position, (ii) integrity, ethics and professional and personal values, (iii) sufficient knowledge of the legal, regulatory and statutory rules applicable to their duties and to the Company, (iv) sufficient availability to fulfil their legal and statutory duties, (v) fulfilment of the independence requirements demanded by law and the articles of association, (vi) commitment to the provisions of the Company's codes, policies and Internal Regulations, (vii) commitment to complying with best corporate governance practices, (viii) skills and experience in company management, risk management and supervision appropriate to the position and (ix) knowledge of the industry and experience in the sector. In particular, with regard to gender diversity, it is necessarily accommodated by virtue of compliance with Law 62/2017, of 1 August, on the balanced representation of women and men in the management and supervisory bodies of entities in the public business sector and companies listed on the stock exchange. EDP also has a diversity policy which establishes (i) the commitment to promote mutual respect and equal opportunities in the face of diversity, (ii) the recognition of differences as a source of strengthening human potential</p>	<p>Item 11 | Items 15 to 17 | Items 30 to 33 | Annex I</p>



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>II.2.2. The management [II.2.2. (1)] and supervisory bodies [II.2.2. (2)] and their internal committees [II.2.2. (3)] are governed by regulations – notably regarding the exercise of their powers, chairmanship, the frequency of meetings, operation, and the duties framework of their members – fully disclosed on the website of the company, whereby minutes [II.2.2.(4)]/[II.2.2.(5)]/[II.2.2.(6)] of the respective meetings shall be drawn up.</p>	<p>ADOPTED</p>	<p>and valuing diversity in the organisation, management and strategy, and (iii) the adoption of positive discrimination and awareness-raising measures internally, but also in the community, with a view to the effective implementation and effectiveness of the diversity policy.</p> <p>At the EDP Extraordinary Annual General Shareholders' Meeting held on 19 January 2021, the members of the Executive Board of Directors were elected for the three-year period 2021-2023, and at the EDP Annual General Shareholders' Meeting held on 12 April 2023, a member of the Executive Board of Directors was elected for the remainder of the current three-year period 2021-2023, with the current representation of this body being 40%, ensuring greater compliance with the provisions of the applicable legislation. At the Annual General Shareholders' Meeting held on 14 April 2021, the members of the General and Supervisory Board were elected, and the current representation of this body is also higher than that provided for in the applicable legislation. According to EDP's current Gender Equality Plan, updated for the 2023-2024 period, available on EDP's website and at www.cvm.pt, gender equality is of civilisational importance, as a corollary of equal rights, freedoms, guarantees, opportunities and recognition between men and women, also allowing skills and knowledge to be enhanced by including everyone, promoting a better working environment and motivation and, consequently, higher levels of productivity and talent retention.</p> <p>The General and Supervisory Board, the Executive Board of Directors, the Financial Matters Committee/Audit Committee (FMC/AUDC), the Corporate Governance and Sustainability Committee (CGSS), the Remunerations Committee (RCMC) and the United States of America Business Affairs Monitoring Committee (CAN) have specific Internal Regulations that establish its functioning (in particular the exercise of the respective duties, chairmanship, periodicity of meetings, functioning, duties of their members and duty to draft detailed minutes of the respective meetings). In relation to the applicable specific articles, please see the chart below:</p> <p>Internal Regulation EBD [II.2.2 (1)]</p> <ul style="list-style-type: none"> Duties 4.^o Chairmanship 5.^o Periodicity of meetings 8.^o Functioning 8.^o Duties of their members 2.^o, 4.^o e 7.^o Duty to draft Minutes 10.^o [II.2.2 (4)] <p>Internal Regulation GSB [II.2.2 (2)]</p> <ul style="list-style-type: none"> Duties 2.^o Chairmanship 5.^o Periodicity of meetings 4.^o e 20.^o Functioning 4.^o Duties of their members 11.^o Duty to draft Minutes 26.^o [II.2.2 (5)] <p>Internal Regulation FMC/AUDC [II.2.2 (3)]</p> <ul style="list-style-type: none"> Duties 2.^o Chairmanship 5.^o Periodicity of meetings 4.^o Functioning 4.^o Duties of their members 10.^o Duty to draft Minutes 4.^o [II.2.2 (6)] <p>Internal Regulation RCMC [II.2.2 (3)]</p> <ul style="list-style-type: none"> Duties 2.^o Chairmanship 5.^o Periodicity of meetings 4.^o Functioning 4.^o Duties of their members 10.^o Duty to draft Minutes 4.^o [II.2.2 (6)] <p>Internal Regulation CGSS [II.2.2 (3)]</p> <ul style="list-style-type: none"> Duties 2.^o Chairmanship 5.^o Periodicity of meetings 4.^o Functioning 4.^o Duties of their members 10.^o Duty to draft Minutes 4.^o [II.2.2 (6)] 	



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
		<p>Internal Regulation CAN [Il.2.2 (3)]</p> <ul style="list-style-type: none"> Duties 2.^º Chairmanship 5.^º Periodicity of meetings 4.^º Functioning 4.^º Duties of their members 9.^º Duty to draft Minutes 4.^º [Il.2.2 (6)] 	
<p>Il.2.3. The composition [Il.2.3.(1)] and number of meetings for each year [Il.2.3.(2)] of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.</p>	ADOPTED	<p>[Il.2.3.(1)] Governing Bodies [Il.2.3.(2)] The information on this sub-recommendation can be found separately in EDP's Integrated Annual Report and in the Annual Report of the General and Supervisory Board, both published on EDP's website.</p>	Item 59 | Annex V
<p>Il.2.4. The companies adopt a whistle-blowing policy that specifies the main rules and procedures to be followed for each communication [Il.2.4.(1)] and an internal reporting channel that also includes access for non-employees, as set forth in the applicable law [Il.2.4.(2)].</p>	ADOPTED	<p>Since 2006, EDP has had a policy for reporting irregularities [Il.2.4.(1)]. In 2022, and following the entry into force of Law no. 93/2021, of 20 December, which transposes Directive (EU) 2019/1937, EDP reformulated its whistleblowing channels [Il.2.4.(2)], with a view to structuring an Integrated Whistleblowing Management System. To this end, EDP adopted a technological platform common to all whistleblowing channels, which safeguards the segregation of information for each channel. Also in 2022, EDP approved the Speak Up Whistleblower Management Regulation, which establishes the mechanisms and procedures for receiving, retaining, and processing reports received by the Company on allegedly unethical behaviour that does not comply with the law and internal regulations in force. Under the terms of these regulations, reports, which can be made by interested parties from any EDP Group company (including non-employees), are treated as confidential information by all those who receive information about the facts reported, and the anonymity of the whistleblower is ensured if they so request.</p> <p>For more information, see: Speak Up Channels and Whistleblowing Management Regulation Speak Up.</p> <p>In recent years, the Integrity Policy, as well as the other compliance procedures and mechanisms associated with the Specific Integrity Compliance Programme, have been the subject of internal training for employees, and have also been published internally for consultation on EDP's internal communication channels. As part of the structuring of the Specific Integrity Programme to Combat Money Laundering and Terrorist Financing, specific internal regulations, and a transversal procedure for reporting suspicious transactions were also implemented by the obliged entities. In 2022, this whistleblowing channel, which has been in place since 2006, was restructured for reporting potential irregularities in financial matters, and a specific communication channel was also made available for potential irregularities related to anti-money laundering and anti-terrorist financing violations, currently included in the Speak Up Channels mentioned above. In 2023, internal training and awareness-raising activities were also carried out regarding the Speak Up Channels and the procedures implemented for managing and handling complaints.</p> <p>For more information: Channel for reporting irregularities related to Money Laundering or Terrorist Financing.</p>	Item 15 | Item 49 | Item 50 to 55
<p>Il.2.5. The companies have specialised committees for matters of corporate governance [Il.2.5.(1)], remuneration [Il.2.5.(2)], appointments of members of the corporate bodies [Il.2.5.(3)] and performance assessment [Il.2.5.(4)], separately or cumulatively. If the Remuneration Committee provided for in Article 399 of the Portuguese Commercial Companies Code has been set up, the present Recommendation can be complied with by assigning to said committee, if not prohibited by law, powers in the above matters.</p>	ADOPTED	<p>[Il.2.5 (4)] The Remuneration Committee elected by the General Meeting (CVEN GSM) is responsible for submitting a proposal for the remuneration policy of the members of the General and Supervisory Board, the members of the Board of the General Meeting, the Statutory Auditor and the members of the Environment and Sustainability Board. One of the guiding principles of CVEN GSM's activity is the definition of a simple, clear, transparent policy in line with EDP's culture, so that remuneration practices can be based on uniform, consistent, fair, and balanced criteria. Within this framework, the remuneration policy proposed by CVEN GSM aims to ensure levels of homogeneity and stability that are compatible not only with the necessary cohesion of the governing bodies and organisations, but also and above all with their non-executive nature, and it is not considered desirable to award variable remuneration that is necessarily conditional on the performance of the respective members. In this context, it is considered appropriate to defend the - growing - differentiation between the remuneration treatment of directors with executive duties, on the one hand, and that of other members of other corporate bodies, namely supervisory and supervisory bodies, on the other. As such, and in line with the provisions of the applicable legislation, the fixed remuneration safeguards the distance between the exercise of supervisory and/or oversight duties and the risk inherent in the business activity, as well as the fundamental independence within the scope of impartial and effective supervision and/or oversight. This differentiating treatment is even reflected in the IPCG Code itself, specifically under the terms of the Principle of Chapter VI. In this instance, the assessment of the performance of members of governing bodies other than the members of the Executive Board of Directors, the General and Supervisory Board and the Specialised Committees is carried out in a different way, and solid mechanisms of checks and balances and internal control are sufficient for this purpose. In this sense, as there are, in addition to the shareholder prerogative at the Annual General Shareholders' Meeting, internal mechanisms of an instrumental nature to assess, at first hand and with in-depth knowledge, the performance of the members of the governing bodies, there are no benefits to establishing an additional mechanism to assess the individual performance of each of the members of EDP's governing bodies. In this regard, the performance assessment mechanisms are duly safeguarded, namely through the assessment and self-assessment process of the General and Supervisory Board, certified by a specialised external entity, including the Chairman of the Board of the General Meeting of Shareholders, and the assessment process of the Statutory Auditor by the FMC/CAUD. Considering that the Remuneration Policy proposed by CVEN GSM only proposes to provide for the remuneration - always of a fixed nature - of the aforementioned bodies and corporate bodies and that the Company has established effective and resilient internal evaluation and control mechanisms to assess the individual performance of each member, including their contribution to the way in which the body operates and the relationship between the various bodies of the Company, this sub-recommendation [Il.2.5(4)] should be considered as explain equivalent to adoption.</p> <p>[Il.2.5.(2)] The company also has a Remuneration Committee of the General and Supervisory Board, which is responsible for preparing and proposing the policy and corporate objectives for setting the remuneration of the Chairman of the Executive Board of Directors and the Directors,</p>	Item 21 | Item 29 | Remunerations Report | Annual Report of the General and Supervisory Board



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
		<p>as well as setting the respective remuneration, monitoring and evaluating their performance for the purposes of determining variable remuneration and also monitoring the disclosure of external information on the remuneration and remuneration policy of the Executive Board of Directors, namely the Remuneration Report, as established in the respective Internal Regulations.</p> <p>[II.2.5. (1)] With regard to corporate governance, the General and Supervisory Board also has a Corporate Governance and Sustainability Committee, which is responsible for analysing this issue.</p> <p>[II.2.5 (3)] As provided for in Article 14 (1)(h) of the respective Internal Regulations, the General and Supervisory Board is responsible for "monitoring the definition of criteria and competences required in the structures and internal bodies of the Company or the Group or convening to observe and their repercussions on the respective composition, as well as drawing up succession plans." In addition, pursuant to article 28 (c) (vi) of the Internal Regulations of the General and Supervisory Board and article 12 (1) (r) of the Internal Regulations of the Corporate Governance and Sustainability Committee, the Corporate Governance and Sustainability Committee is the specialised committee responsible for monitoring matters relating to succession plans. The Corporate Governance and Sustainability Committee is the specialised committee entrusted with monitoring matters relating to succession plans, namely monitoring the preparation, in coordination with the Executive Board of Directors, of succession plans for the structures and internal bodies of the Company, Subsidiaries and other entities in relation to which the Company has the right to appoint the members of the governing bodies. This analysis should cover all the key positions that are most instrumental in the fulfilment of the Strategic Plan, which should be previously identified by the Executive Board of Directors and submitted to this Committee.</p>	
Relations between Corporate Bodies			
<p>II.3.1. The Articles of Association or equivalent means adopted by the company set out the mechanisms to ensure that, within the limits of the applicable laws, the members of the management and supervisory bodies have permanent access to all necessary information to assess the performance, situation and development prospects of the company, including, specifically, the minutes of the meetings, the documentation supporting the decisions taken, the convening notices and the archive of the meetings of the executive management body, without prejudice to access to any other documents or persons who may be requested to provide clarification.</p>	ADOPTED	<p>EDP's Articles of Association expressly state that the different bodies of the Company must, to the extent of their respective competences, create the necessary conditions for harmonious, articulated, and informed action in the performance of their duties, and mechanisms for reporting and sharing information have been implemented, as mentioned in relation to recommendation II.1.1. In addition, the Internal Regulations of the Executive Board of Directors, the General and Supervisory Board and the various Committees contain provisions establishing the need to report, namely to the supervisory body, information on the annual plan of activities of meetings, resolutions, and minutes.</p> <p>The recommendation is also included in Article 5 of the Internal Regulations of the Executive Board of Directors. Currently, EDP also has an internal instrument that allows it to systematise the principles of action and the rules to be observed in the interaction of the Executive Board of Directors with the General and Supervisory Board, in development of the legal framework, the Articles of Association and the Regulations that deal with these matters.</p>	Items 21 to 45
<p>II.3.2. Each body and committee of the company ensures, in a timely and adequate manner, the interorganic flow of information required for the exercise of the legal and statutory powers of each of the other bodies and committees.</p>	ADOPTED	<p>All the Internal Regulations establish reporting and information-sharing mechanisms. In particular, the portal's role in sharing information between the General and Supervisory Board, its committees and the Executive Board of Directors should be emphasised.</p> <p>With regard to regulations, the following should be highlighted:</p> <ul style="list-style-type: none"> - Articles of Association: Article 22 (1) (i); - Internal Regulation of the Executive Board of Directors: Articles 5 (1) (e) and 10 (4); - Internal Regulation of the General and Supervisory Board: Article 5 (c) and (e), and Article 11 (1) (a); Article 14 and Article 17; - Internal Regulation of the Financial Matters/Audit Committee: Article 5 (1) (f), Article 10 (1) (a) and Article 13; - Internal Regulation of the Remuneration Committee: Article 5 (1) (d); Article 10 (1) (a) and (2); - Internal Regulation of the Corporate Governance and Sustainability Committee: Article 5 (e); Article 10 (1) (a), (2), and (3) (c); Articles 12 and 13; - Internal Regulation of the United States of America (USA) Business Affairs Monitoring Committee: Article 5 (d); article 9 (1) (a). 	Items 21 to 45
Conflicts of Interest			
<p>II.4.1. By internal regulation or an equivalent hereof, the members of the management and supervisory bodies and of the internal committees shall be obliged to inform the respective body or committee whenever there are any facts that may constitute or give rise to a conflict between their interests and the interest of the company.</p>	ADOPTED	<p>Since 17 May 2010, EDP has implemented rules for identifying internal reporting and acting in the event of a conflict of interest, applicable to all EDP Group employees who have a decision-making role in transactions with related parties. In 2021, and with the revision of internal regulations, the Transaction with Related Parties Policy came into force, which aims to establish the general principles of action and reporting in order to identify, prevent, detect, and resolve situations of conflicts of interest in the context of Transactions with Related Parties, which was revised in May 2023. In addition, it aims to contribute to the promotion of ethics and integrity in the development of the business of EDP and other companies and/or entities that make up the EDP Group, ensuring compliance with legislation and established principles and rules. The Internal Regulations of EDP's governing bodies or committees also contain a provision according to which the members of these bodies and committees must inform the respective body or committee of facts that may constitute or give rise to a conflict between their interests and the corporate interest. Conflicts of interest are reported whenever there are facts that may constitute or give rise to them and are not limited to the deliberative context. All the Internal Regulations of the governing bodies and Specialised Committees include a specific provision on the conduct to be adopted by a member of the respective body or committee who is in a situation of actual or apparent conflict of interest, as well as a duty to provide information and clarification.</p> <p>The respective articles that specifically address this recommendation are as follows:</p> <ul style="list-style-type: none"> - Internal Regulation GSB: Article 10 - Internal Regulation EBD: Article 6 - Internal Regulation FMC/AUDC: Article 9 - Internal Regulation REMC: Article 9 - Internal Regulation CGSS: Article 9 - Internal Regulation CAN: Article 8 	Item 10 | Item 18 | Item 20 | Item 21 | Item 91
<p>II.4.2. The company adopts procedures to ensure that the conflicted member does not interfere in the decision-making process, without prejudice to the duty to provide information and clarification requested by the body, committee or respective members.</p>	ADOPTED	<p>The respective articles that specifically address this recommendation are as follows:</p> <ul style="list-style-type: none"> - Internal Regulation GSB: Article 10 - Internal Regulation EBD: Article 6 - Internal Regulation FMC/AUDC: Article 9 - Internal Regulation REMC: Article 9 - Internal Regulation CGSS: Article 9 - Internal Regulation CAN: Article 8 	Item 10 | Item 18 | Item 20 | Item 21 | Item 91



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
Transactions with Related Parties			
<p>II.5.1. The management body discloses, in the corporate governance report or by other publicly available means, the internal procedure for verification of transactions with related parties.</p>	ADOPTED	<p>In this regard, in addition to the provisions of the applicable legislation and the Articles of Association, there is an internal regulation on conflicts of interest and business between related parties, revised in May 2023 – the Related Party Transactions Policy – which can be consulted on EDP's website.</p> <p>Under the terms of the Articles of Association and the legislation in force, the Executive Board of Directors is responsible for the management of the Company and, for the purposes of transactions with related parties, the following are considered to be decision-makers: (i) the members of the governing bodies of EDP and its Subsidiaries; (ii) EDP employees in job grades 20 to 25, regardless of the EDP Group company with which they have a contractual relationship or perform duties; (iii) whenever the decision-maker defined in (ii) identifies, as decision-makers, other EDP Group employees, with a job grade lower than 20, to whom it has attributed identical competences; and (iv) whenever the Executive Board of Directors expressly qualifies EDP Group employees as decision-makers, indicating the respective scope of activity and delegation of competences. All decision-makers must therefore report any information deemed relevant on transactions carried out or to be carried out with related parties, namely with controlled companies or with the decision-makers themselves. The Related Party Transactions Policy also identifies deals of significant importance, specifying the type and scope of deals subject to prior authorisation. In addition, Article 17(2) of EDP's Articles of Association refers to a set of matters that are subject to the prior favourable opinion of the General and Supervisory Board, which must set the parameters for measuring the economic or strategic value of the operations that must be submitted to it for an opinion, particularly with regard to acquisitions and disposals of assets, rights or holdings of significant economic value, under the terms of Article 21(7) of EDP's Articles of Association and Article 15 of the Internal Regulations of the General and Supervisory Board. It is the responsibility of the General and Supervisory Board, within the scope of its assessment of EDP's annual and interim management report and considering the work carried out by the Financial Matters Committee/Audit Committee, to analyse and issue an opinion on the relevant business concluded between these parties. Effectively, EDP has a Specialised Committee of the General and Supervisory Board, the Financial Matters Committee / Audit Committee, with the power to assess business with related parties. Its Internal Regulations make it clear that the final decision rests with the General and Supervisory Board, in accordance with Article 12(1)(i) and (j). In addition, the Corporate Governance and Sustainability Committee is responsible for monitoring and supervising the systems for assessing and resolving conflicts of interest, particularly with regard to the company's relations with shareholders, by analysing the proposals for remedies for situations reported to it by the Financial Matters Committee/Audit Committee (Article 21(1)(d) of its Internal Regulations).</p> <p>EDP also has a set of rules regarding the issuing of a prior opinion by the General and Supervisory Board, as well as the procedures for communication and the provision of clarifications between the General and Supervisory Board and the Executive Board of Directors. In addition, the Executive Board of Directors must, no later than 20 (twenty) days after the end of each quarter, inform the General and Supervisory Board of all transactions that constitute relevant situations, and the elements that must be included in this information are referred to in the respective policy (in accordance with Article 22(1)(l) of the Articles of Association and Article 14(1)(k) of the Internal Regulations of the General and Supervisory Board).</p> <p>The intervention of the General and Supervisory Board in the assessment of this type of transaction is always preceded by the analysis and scrutiny of the Executive Board of Directors. Also under the terms of the Internal Regulations in force on this matter, the General and Supervisory Board and, more specifically, the Financial Matters Committee/Audit Committee, analyse all transactions between EDP and controlled companies with a value equal to or greater than: (i) 75 million Euros, in the case of shareholder loans and loans; (ii) 75 million Euros, in the case of acquisition, sale, marketing or supply of electricity or natural gas, as well as related services and products and (iii) 5 million Euros in all other cases.</p>	Item 10 | Items 89 to 92
CHAPTER III – SHAREHOLDERS AND GENERAL MEETING			
<p>III.1. The company does not set an excessively large number of shares to be entitled to one vote [III.1. (1)] and informs in the corporate governance report of its choice whenever each share does not carry one vote [III.1. (2)].</p>	ADOPTED	<p>[III.1.(1)] Article 14(1) and (2) of EDP's Articles of Association state that each share corresponds to one vote and that all shareholders with voting rights may participate in general meetings provided that they hold such rights on the date of registration.</p> <p>[III.1. (2)] – Not applicable.</p>	Item 5 | Item 6 | Item 7 | Item 10 | Items 12 to 16 | Item 56
<p>III.2. The company that has issued special plural voting rights shares identifies, in its corporate governance report, the matters that, pursuant to the company's Articles of Association, are excluded from the scope of plural voting.</p>	NOT APPLICABLE	<p>The Company does not issue shares with special plural voting rights.</p>	Item 12
<p>III.3. The company does not adopt mechanisms that hinder the passing of resolutions by its shareholders, specifically fixing a quorum for resolutions greater than that foreseen by law.</p>	ADOPTED	<p>The Article 11(3) of EDP's Articles of Association establishes that the decisions of the Annual General Shareholders' Meeting shall be taken by a majority of the votes cast, unless a legal or statutory provision requires a qualified majority.</p>	Item 5 | Item 6 | Item 7 | Item 10 | Items 12 to 16 | Item 56
<p>III.4. The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.</p>	ADOPTED	<p>Although EDP has always strived to maximise shareholder participation in general meetings, as such involvement provides direct interaction with stake holders and thus constitutes a positive factor for proximity to the shareholder structure, for the efficient functioning of the Company and for the achievement of its corporate purpose, the Covid-19 pandemic context has inevitably changed this understanding. Since EDP held three Annual General Shareholders' Meeting in a State of Emergency context, on 16 April 2020, 19 January 2021 and 14 April 2021, it was necessary to implement procedures for them to be held by telematic means, according to the respective notices available at General Meetings | edp.com. The constitutive quorum for the three aforementioned General Meetings was 67.3% for the April 2020 Annual General Shareholders' Meeting, 73.9068% for the January 2021 Extraordinary Annual General Shareholders' Meeting and 74.415% for the April 2021 Annual General Shareholders' Meeting. For the exceptional reasons explained above, the form of voting corresponded exclusively to voting by</p>	



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>III.5. The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically.</p>	ADOPTED	<p>correspondence, either by post or electronically, under the terms of article 384, paragraphs 8 and 9 of the Companies Code, article 22 of the Securities Code, and under the terms of article 14, paragraphs 6 and 8 of EDP's Articles of Association. The fact that the Annual General Shareholders' Meeting were held exclusively by telematic means meant that all shareholders registered and duly authorised to participate in the Annual General Shareholders' Meetings had access to live video and audio broadcasts of the meetings. To this end, a link was sent the day before the Annual General Shareholders' Meetings to the email address provided when the shareholder or their representative expressed their intention to attend the Annual General Shareholders' Meetings, so that they could access a digital platform. In addition to the possibility of asking questions in writing via the digital platform about the topics on the Agenda that they wished to be answered at the meeting, held by telematic means, under the terms of article 290 of the Companies Code, shareholders were given the opportunity to ask questions in writing up to two (2) days before the respective dates of the Annual General Shareholders' Meetings. For the Extraordinary Annual General Shareholders' Meeting of 19 January 2021, the Annual General Shareholders' Meeting of 14 April 2021, the Annual General Shareholders' Meeting of 6 April 2022 and the General Meeting of 12 April 2023, and in order to ensure full clarification for shareholders prior to exercising their voting rights, and without prejudice to the timely availability of documents relating to the Items on the Agenda and the prerogative conferred above, shareholders were given the opportunity to ask questions, under the right to information provided for in article 290 of the Commercial Companies Code. The shareholders were given the opportunity to ask questions, under the right to information provided for in article 290 of the Commercial Companies Code, up to 8 (eight) days before the Annual General Shareholders' Meeting, so that any questions they had prior to exercising their voting rights could be fully clarified. At the Annual General Shareholders' Meetings of 6 April 2022 and 12 April 2023, EDP implemented a hybrid model, giving shareholders the option of attending the Annual General Shareholders' Meeting in person or by telematic means.</p> <p>If, on the one hand, EDP's Articles of Association make it possible to exercise postal voting by letter (article 14, paragraph 6), on the other hand, they allow and determine the procedure for exercising postal voting rights, including by electronic means, in accordance with requirements that ensure their authenticity (article 14, paragraphs 6 to 8). As provided for in the notice of the Annual General Shareholders' Meetings held on 12 April 2023, the right to vote may be exercised in one of the following ways: (i) advance electronic vote, or (ii) postal vote, or (iii) electronic vote during the Annual General Shareholders' Meetings (telematic assistance) or (iv) in-person vote during the Annual General Shareholders' Meetings.</p>	Item 5 | Item 6 | Item 7 | Item 10 | Items 12 to 16 | Item 56
<p>III.6. The Articles of Association of the company that provide for the restriction of the number of votes that may be held or exercised by one single shareholder, either individually or jointly with other shareholders, shall also foresee that, at least every five years, the general meeting shall resolve on the amendment or maintenance of such statutory provision – without quorum requirements greater than that provided for by law – and that in said resolution, all votes issued are to be counted, without applying said restriction.</p>	NOT ADOPTED	<p>Given the company's current shareholder structure, this recommendation has no practical applicability. However, in recent years, the issue of the statutory limitation on voting rights has already been considered by EDP's General Meeting three times, the last of which took place on 24 April 2019. The shareholders have thus been called upon to give their opinion on the limitation of the number of votes, and there has been significant support for maintaining the existence of the limitation and reflection on adjusting the relevant ceiling for counting voting rights, precisely in the direction of a progressive increase in this level. The company's shareholder dynamics have thus proved to be perfectly in tune with the direction advocated in the Recommendation and sufficiently capable of pursuing its objectives, dispensing with rigid formulas for the statutory provision of this revision, which has even fostered particularly intense shareholder scrutiny of this clause, without constituting an impediment to the regular functioning of the corporate control market. These circumstances confirm that the voting cap does not prevent the relevant involvement of shareholders in EDP's corporate governance, and it is true that there were 3 resolutions at the General Meeting, from 2011 to 2019, related to this statutory limitation. In effect, the limitation on the number of votes provided for in Article 14 of the Articles of Association reflects the express will of EDP's shareholders through resolutions in defence of the Company's specific interests. In effect, the limitation on the number of votes provided for in Article 14 of the Articles of Association reflects the express will of EDP's shareholders through resolutions of the General Meeting, in defence of the Company's specific interests: (i) the change in the aforementioned limit from 5% to 20% was approved by the shareholders at the General Meeting of 25 August 2011, in which 72.25% of the share capital was held and the approval was carried out by a majority of 94.16% of the votes cast; (ii) the subsequent increase to the current 25% was approved at the General Meeting of 20 February 2012, in which 71.51% of the share capital was held and approval was given by a majority of 89.65% of the votes cast; and (iii) the unsealing of the Articles of Association, in which 64.29% of the share capital was held and this change was rejected by a majority of the votes cast, with 56.61% voting against.</p>	
<p>III.7. The company does not adopt any measures that require payments or the assumption of costs by the company in the event of change of control or change in the composition of the management body and which are likely to damage the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the Directors.</p>	ADOPTED	<p>As provided for in EDP's Corporate Governance Manual, there are no known measures that have the effect of jeopardising the free transferability of shares and the free assessment by shareholders of the performance of the members of the management body. Likewise, EDP has not entered into any significant agreements that come into force, are amended or terminate in the event of a change of control of the Company following a takeover bid, with the exception of normal market practice with regard to the issue of debt. In fact, EDP is usually a party to financing contracts and issuers of bonds that include change of control clauses, which are typical of such contracts and securities and appear to be necessary for the realisation of the transactions, and their existence is not considered likely to harm the economic interest in the transfer of EDP's shares, nor the free assessment by shareholders of the performance of directors. In addition, with regard to any measures adopted that determine payments or the assumption of charges by the Company in the event of a change in the composition of the management body, apart from the situations set out in the Remuneration Report, there are no contracts in force at EDP that provide for payments in the event of dismissal or termination by agreement of the duties of a director, nor any other measures that determine payments or the assumption of charges by EDP in the event of a change in the composition of the management body.</p>	Items 4 and 5 | Remuneration Report

CHAPTER IV – MANAGEMENT

Management Body and Executive Directors



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
IV.1.1. The management body ensures that the company acts in accordance with its object and does not delegate powers, notably with regard to: i) definition of the corporate strategy and main policies of the company [IV.1.1. (1)]; ii) organisation and coordination of the corporate structure [IV.1.1. (2)]; iii) matters that shall be considered strategic due to the amounts, risk and particular characteristics involved [IV.1.1. (3)].	NOT APPLICABLE	This recommendation is not applicable given the governance model in force at EDP. In fact, according to the dual governance model, the Executive Board of Directors does not delegate any of the matters referred to in this recommendation.	Item 17 | Item 18 | Item 19 | Item 21
IV.1.2. The management body approves, by means of regulations or through an equivalent mechanism, the performance regime for executive directors applicable to the exercise of executive functions by them in entities outside the group.	ADOPTED	The Internal Regulations of the Executive Board of Directors expressly regulate this matter, and in particular article 7 provides that members of the Executive Board of Directors may not exercise executive functions in more than two companies not belonging to the EDP Group, and that their exercise must be subject to prior assessment by the Executive Board of Directors.	Item 17 | Item 18 | Item 19 | Item 21
Management Body and Non-Executive Directors			
IV.2.1. Notwithstanding the legal duties of the chairman of the board of directors, if the latter is not independent, the independent directors – or, if there are not enough independent directors, the nonexecutive directors – shall appoint a coordinator among themselves to, in particular (i) act, whenever necessary, as interlocutor with the chairman of the board of directors and with the other directors, (ii) ensure that they have all the conditions and means required to carry out their duties, and (iii) coordinate their performance assessment by the administration body as provided for in Recommendation VI.1.1.1; alternatively, the company may establish another equivalent mechanism to ensure such coordination.	NOT APPLICABLE	This recommendation is not applicable considering the Company's governance model in force.	
IV.2.2. The number of non-executive members of the management body shall be adequate to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficient performance of the tasks entrusted to them, whereby the formulation of this adequacy judgement shall be included in the corporate governance report.	NOT APPLICABLE	This recommendation is not applicable considering the Company's governance model in force.	
IV.2.3. The number of non-executive directors is greater than the number of executive directors.	NOT APPLICABLE	This recommendation is not applicable considering the Company's governance model in force.	
IV.2.4. The number of non-executive directors that meet the independence requirements is plural and is not less than one third of the total number of non-executive directors. For the purposes of the present Recommendation, a person is deemed independent when not associated to any specific interest group in the company, nor in any circumstances liable to affect his/her impartiality of analysis or decision, in particular in virtue of: <ul style="list-style-type: none"> i. Having carried out, continuously or intermittently, functions in any corporate body of the company for more than twelve years, with this period being counted regardless of whether or not it coincides with the end of the mandate; ii. Having been an employee of the company or of a company that is controlled by or in a group relationship with the company in the last three years; iii. Having, in the last three years, provided services or established a significant business relationship with the company or with a company that is controlled by or in a group relationship with the company, either directly or as a partner, director, manager or officer of a legal person; iv. Being the beneficiary of remuneration paid by the company or by a company that is controlled by or in a group relationship with the company, in addition to remuneration stemming from the performance of the functions of director; v. Living in a non-marital partnership or being a spouse, relative or kin in a direct line and up to and including the 3rd degree, in a collateral line, of directors of the company, of directors of a legal person owning a qualifying stake in the company or of natural persons owning, directly or indirectly, a qualifying stake; vi. Being a holder of a qualifying stake or representative of a shareholder that is holder of a qualifying stake. 	NOT APPLICABLE	This recommendation is not applicable considering the Company's governance model in force.	
IV.2.5. The provisions of paragraph (i) of the previous Recommendation do not prevent the qualification of a new Director as independent if, between the end of his/her functions in any corporate body and his/her new appointment, at least three years have elapsed (cooling-off period).	NOT APPLICABLE	This recommendation is not applicable considering the Company's governance model in force.	
CHAPTER V – SUPERVISION			



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
V.1. With due regard for the competences conferred to it by law, the supervisory body takes cognisance of the strategic guidelines [V.1. (1)] and evaluates and renders an opinion on the risk policy, prior to its final approval by the administration body [V.1. (2)].	ADOPTED	<p>Within the scope of the corporate governance model in force at EDP, the General and Supervisory Board also has a particularly important competence. In fact, although it does not have management powers, under the terms of Article 442(1) of the Companies Code, Article 17(2) of the Articles of Association establishes that the approval of EDP's strategic plan and the carrying out, by EDP or by companies controlled by EDP, of the following operations are subject to the prior favourable opinion of this corporate body (also in accordance with Article 15 of the Internal Regulations of the General and Supervisory Board): (i) acquisitions and disposals of assets, rights or shareholdings of significant economic value; (ii) contracting of financing of significant value; (iii) opening or closing of establishments or important parts of establishments and important extensions or reductions in activity; (iv) other businesses or operations of significant economic or strategic value; (v) establishment or termination of strategic partnerships or other forms of lasting co-operation; (vi) demerger, merger or transformation projects; and (vii) amendments to the Articles of Association, including the change of registered office and capital increase, when these are at the initiative of the Executive Board of Directors. In addition, the General and Supervisory Board, within the scope of its competences, takes cognisance of the Company's strategic lines, in accordance with the provisions of articles 14, no. 1 and 17, no. 9 of its Internal Regulations. It is also worth mentioning the specific competences of the Financial Matters Committee/Audit Committee in relation to financial matters and accounting practices, internal auditing practices and procedures, the mechanisms and internal procedures of the Internal Control System for Financial Reporting (SCIRF), matters relating to the risk management and control system, the activities and mechanisms of the compliance management system and the activity and independence of the Statutory Auditor/Firm of Statutory Auditors.</p> <p>The Financial Matters Committee/Audit Committee is responsible for monitoring, on an ongoing basis, the assessment of internal procedures relating to the effectiveness of the risk management system, internal control and internal audit systems, and must assess and comment on the EDP Group's strategic guidelines [V.1. (1)] and corporate risk management policy prior to their final approval by the Executive Board of Directors [V.1. (2)], under the terms of Article 12.2 (i) of the FMC/CAUD Internal Regulations. The General and Supervisory Board is also involved in the EDP Group's Business Plan, implicitly ensuring alignment between management and shareholders with regard to the Group's risk appetite. The General and Supervisory Board is also regularly informed of key risk indicators in line with performance metrics, which allow it to monitor the evolution of the company's risk profile.</p>	Item 21 | Item 24 | Item 29 | Items 49 to 55
V.2. The number of members of the supervisory body [V.2. (1)] and of the financial matters committee [V.2. (2)] should be adequate in relation to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficiency of the tasks entrusted to them, and this adequacy judgement should be included in the corporate governance report.	ADOPTED	<p>[V.2 (1)] The General and Supervisory Board is made up of a minimum of 9 members, but always more than the number of directors, pursuant to Article 21(f) of the Articles of Association. [V.2 (2)] In turn, the Financial Matters Committee/Audit Committee will be made up of a minimum of 3 independent members in accordance with article 3 of the Internal Regulations of the Financial Matters Committee/Audit Committee, which in both cases is entirely proportional to the characteristics of the Company.</p>	Item 15 | 17 | Item 21 | Item 29
CHAPTER VI - PERFORMANCE ASSESSMENT, REMUNERATION AND APPOINTMENTS			
Annual Performance Assessment			
<p>VI.1.1. The management body – or committee with relevant powers, composed of a majority of non-executive members – evaluates its performance on an annual basis [VI.1.1. (1)], as well as the performance of the executive committee [VI.1.1. (2)], of the executive directors and of the company committees [VI.1.1. (3)], taking into account the compliance with the strategic plan of the company and of the budget, the risk management, its internal functioning and the contribution of each member to that end, and the relationship between the bodies and committees of the company.</p>	ADOPTED	<p>[VI.1.1.(1)] Under the terms of Article 5(4) of the Internal Regulations of the Executive Board of Directors, the Chairman of this Board must ensure the adoption of appropriate mechanisms for the annual assessment of the functioning of the Executive Board of Directors and the performance of each of its members. It should be reiterated that, in fulfilment of the above, EDP has voluntarily set up a formal and objective process for evaluating the activity of the Executive Board of Directors, which makes it possible to assess the degree of compliance with the measures adopted. This is a distinctive practice adopted by the General and Supervisory Board, which is in line with the assessment criteria of the Dow Jones Sustainability Index and corresponds to the recognition of the continued endeavour for excellence in corporate governance practices that the General and Supervisory Board and the Executive Board of Directors have been developing. It should be noted that this entire assessment process, namely the content, format of the questionnaire and the respective conclusions, was analysed and certified by an external consultant. At the beginning of each year, the members of the General and Supervisory Board are invited to fill in a questionnaire during an interview, in order to gauge their personal perception of the performance of the Executive Board of Directors. This questionnaire analyses the following dimensions: (i) composition and organisation; (ii) the performance of the Executive Board of Directors in its activity; (iii) the relationship between the Executive Board of Directors and the General and Supervisory Board; (iv) the relationship between the Executive Board of Directors and other interlocutors. The purpose of the questionnaire is to provide an objective basis for reflection, which can be used by the General and Supervisory Board for the purposes of drawing up the evaluation opinion of the Executive Board of Directors, which is then presented to EDP's shareholders for a vote. This evaluation can be found in the Annual Report of the General and Supervisory Board – Statement on the Evaluation Process of EDP's Executive Board of Directors.</p>	Item 21 | Item 24 e 25 | Item 27 | Item 29 | Item 52 | Item 54 | Remuneration Report
Remunerations			
<p>VI.2.1. The company constitutes a remuneration committee, whose composition shall ensure its independence from the board of directors, whereby it may be the remuneration committee appointed pursuant to Article 399 of the Portuguese Commercial Companies Code.</p>	ADOPTED	<p>The Remuneration Committee appointed by the General and Supervisory Board is independent of management and aims to submit a proposal for the remuneration policy of the members of the Executive Board of Directors for approval by the General Meeting, at least every four years and whenever there is a significant change to the remuneration policy in force, as set out in article 27 of the Articles of Association and article 28 b) of the Internal Regulations of the General and Supervisory Board. In turn, the Remuneration Committee of the General Meeting is responsible for setting the remuneration of the governing bodies, namely the General and Supervisory Board and the specialised committees, with the exception of the members of the Executive Board of Directors, under the terms of the remuneration policy proposal to be submitted to the General Meeting for approval, as set out in Article 11 of the Articles of Association.</p>	Item 29 | Remuneration Report
<p>VI.2.2. The remuneration of the members of the management and supervisory bodies and of the company committees is established by the remuneration committee or by the general meeting, upon proposal of such committee.</p>	ADOPTED	<p>The Remuneration Committee appointed by the General and Supervisory Board is independent of management and aims to submit a proposal for the remuneration policy of the members of the Executive Board of Directors for approval by the General Meeting, at least every four years and whenever there is a significant change to the remuneration policy in force, as set out in article 27 of the Articles of Association and article 28 b) of the Internal Regulations of the General and Supervisory Board. In turn, the Remuneration Committee of the General Meeting is responsible for setting the remuneration of the governing bodies, namely the General and Supervisory Board and the specialised committees, with the exception of the members of the Executive Board of Directors, under the terms of the remuneration policy proposal to be submitted to the General Meeting for approval, as set out in Article 11 of the Articles of Association.</p>	Item 29 | Remuneration Report



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
VI.2.3. The company discloses in the corporate governance report, or in the remuneration report, the termination of office of any member of a body or committee of the company, indicating the amounts of all costs related to the termination of office borne by the company, for any reason, during the financial year in question.	ADOPTED	The Corporate Governance Report identifies the composition of the governing bodies and respective specialised committees, including reference to the termination of duties, either by end of term of office, resignation or any other form of termination. In turn, the Remuneration Report identifies the amounts of all the Company's charges related to the duties of the governing bodies and respective specialised committees of the Company in the financial year in question, based on the Remuneration Policy approved for the term in question.	Item 29 | Items 69 to 88 | Remuneration Report
VI.2.4. In order to provide information or clarification to shareholders, the president or another member of the remuneration committee shall be present at the annual general meeting and at any other general meeting at which the agenda includes a matter related to the remuneration of the members of bodies and committees of the company, or if such presence has been requested by shareholders.	ADOPTED	Article 5(2) of the Internal Regulations of the Remuneration Committee of the General and Supervisory Board expressly states that in order to provide information or clarification to shareholders, the Chairman or, if he is unable to do so, another member of the Remuneration Committee, shall attend the General Meeting and any other general meetings if the respective agenda includes a matter related to the remuneration of the members of the Company's bodies and committees or if such attendance has been requested by shareholders. A similar provision is laid down in Article 4(8) of the Internal Regulations of the Remuneration Committee appointed by the General Meeting . Both the Remuneration Committee of the General and Supervisory Board and the Remuneration Committee appointed by the General Shareholders' Meeting freely decide on the hiring by the Company of consultancy services that are necessary or convenient for the performance of their duties, and this prerogative is provided for in article 4.6 of the Internal Regulations of the Remuneration Committee of the General and Supervisory Board and in articles 4.4 and 4.5 of the Internal Regulations of the Remuneration Committee appointed by the General Shareholders' Meeting . In particular, the members of the Remuneration Committee appointed by the General Meeting may propose to the respective Chairman, in accordance with the budgeted amount, the hiring of technical services and specialists they deem necessary for the performance of their duties, under the terms of Article 10 (1) (b) of its Internal Regulations.	Item 29 | Remuneration Report
VI.2.5. Within the budget constraints of the company, the remuneration committee may freely decide to hire, on behalf of the company, consultancy services that are necessary or convenient for the performance of its duties.	ADOPTED		Item 29 | Item 67 | Remuneration Report
VI.2.6. The remuneration committee ensures that such services are provided independently.	ADOPTED	In accordance with Article 4 (5) of its Internal Regulations , the Remuneration Committee of the General and Supervisory Board ensures that consultancy services on remuneration matters are provided independently and that the respective providers will not be contracted to provide any other services to the Company itself or to others in a controlling or group relationship with it without the express authorisation of this Specialised Committee. In accordance with Article 4(5) of its Internal Regulations , the Remuneration Committee appointed by the General Meeting ensures that consultancy services on remuneration matters are provided independently and that the respective providers will not be contracted to provide any other services to the Company itself or to others in a control or group relationship with it without the express authorisation of the Committee.	Item 29 | Remuneration Report
VI.2.7. The providers of said services are not hired by the company itself or by any company controlled by or in group relationship with the company, for the provision of any other services related to the competencies of the remuneration committee, without the express authorisation of the committee.	ADOPTED		Item 29 | Remuneration Report
VI.2.8. In view of the alignment of interests between the company and the executive directors, a part of their remuneration has a variable nature that reflects the sustained performance of the company and does not encourage excessive risk-taking.	ADOPTED	The fulfilment of this recommendation can be found in Item 69 of this chapter and in the Remuneration Report (Part IV).	Items 69 and 70 | Remuneration Report
VI.2.9. A significant part of the variable component is partially deferred over time, for a period of no less than three years, and is linked to the confirmation of the sustainability of performance, in terms defined in the remuneration policy of the company.	ADOPTED	The fulfilment of this recommendation can be found in Items 69, 70 and 72 of this chapter and in the Remuneration Report (Part IV).	Item 69 | Items 70 and 72 | Remuneration Report
VI.2.10. When the variable remuneration includes options or other instruments directly or indirectly subject to share value, the start of the exercise period is deferred for a period of no less than three years.	NOT APPLICABLE	There are no plans to award options or other instruments directly or indirectly dependent on the value of the shares.	Items 85 to 88 | Remuneration Report
VI.2.11. The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value.	NOT APPLICABLE	This recommendation is not applicable given the governance model in force at the Company.	
Appointments			
VI.3.1. The company promotes, in the terms it deems adequate, but in a manner susceptible of demonstration, that the proposals for the appointment of members of the corporate bodies are accompanied by grounds regarding the suitability of each of the candidates for the function to be performed.	ADOPTED	The Selection Policy for members of the General and Supervisory Board and the Executive Board of Directors in force, in line with best practice, aims to establish transparent and objective selection processes. The appointment of the members of the General and Supervisory Board and the Executive Board of Directors – although this is the responsibility of the General Meeting – is the result of an objective and transparent selection process that assesses the suitability of the candidates, individually and collectively, considering the legal and statutory competences of these governing bodies. Within the scope of the selection process, the integration of diverse skills, professional experience, diversity of knowledge, gender and cultures must be ensured, taking into account the specificities of the Company's business. The proposals for electing the members of the General and Supervisory Board and the Executive Board of Directors must be submitted to the General Meeting, duly substantiated, so that the shareholders can verify the suitability of the candidates' profile, knowledge and CV for the duties they are to fulfil. It is also worth highlighting the competences specifically provided for in the Internal Regulations of the Corporate Governance and Sustainability Committee , which give it the power to monitor, in coordination with the Executive Board of Directors, the definition of selection criteria, the establishment of the competences necessary for the structures and internal bodies of the Company, the Subsidiaries, as well as other entities in relation to which the Company has the right to appoint the members of the governing bodies, and their repercussions on the respective composition, in conjunction with EDP's Selection Policy and the criteria enshrined therein of merit, suitability for the position and diversity. In this regard, EDP effectively promotes the presentation of proposals for shareholder resolutions in accordance with the Selection Policy in force, which requires that the respective proposals be duly substantiated.	Items 17 to 19
VI.3.2. The committee for the appointment of members of corporate bodies includes a majority of independent directors.	NOT APPLICABLE	This recommendation is not applicable considering the Company's governance model in force.	



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
VI.3.3. Unless it is not justified by the size of the company, the task of monitoring and supporting the appointments of senior managers shall be assigned to an appointment committee.	NOT APPLICABLE	This recommendation is not applicable considering the Company's governance model in force.	
VI.3.4. The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organisation, an adequate diversity including regarding gender equality.	NOT APPLICABLE	Under the terms of Article 22(1)(f) of the Company's Articles of Association and Article 14(1)(h) of the Internal Regulations of the General and Supervisory Board, this body is responsible, directly or through the Committees created for this purpose, for "monitoring the definition of criteria and competences required in the structures and internal bodies of the Company or the Group or appropriate to be observed and their repercussions on the respective composition, as well as the drawing up of succession plans". In fact, it is the Corporate Governance and Sustainability Committee that monitors the preparation, in coordination with the Executive Board of Directors, of succession plans for the management staff, structures and internal bodies of the Company and Subsidiaries, as well as other entities in relation to which EDP has the right to appoint the members of the governing bodies. In this regard, the objective is to identify in advance any need to reinforce human resources in order to ensure the continuity of the Company's regular operation.	Items 17 to 19 | Annual Report of the General and Supervisory Board
CHAPTER VII – INTERNAL CONTROL			
VII.1. The management body discusses and approves the strategic plan [VII.1. (1)] and risk policy of the company, which includes setting limits in matters of risk-taking [VII.1. (2)].	ADOPTED	<p>[VII.1. (1)] The Executive Board of Directors is ultimately responsible for deciding, supervising and controlling risk management, and is responsible for setting the EDP Group's management objectives and policies. Among other duties, it is responsible for approving the Business Plan, defining risk policies, namely the respective exposure limits by risk category and allocating resources according to the risk profile. In turn, the General and Supervisory Board is responsible for permanently monitoring and assessing the effectiveness of the risk management system. As provided for in Article 17(2) of the Company's <i>Articles of Association</i>, the approval of the strategic plan and the carrying out by the Company or Companies Controlled by EDP of the relevant operations shall be subject to the prior favourable opinion of the General and Supervisory Board.</p> <p>[VII.1. (2)] As stated in Article 4(2)(n) of its <i>Internal Regulations</i>, the <i>Executive Board of Directors</i> is responsible for "ensuring that the Company's risks are identified, assessed, controlled and managed, defining risk objectives, establishing the Company's risk profile and coordinating decisions on the management of material risks." To this extent, the setting of EDP's strategic objectives in terms of risk-taking must be analysed by the General and Supervisory Board and by the Financial Matters Committee/Audit Committee on a proposal from the Executive Board of Directors, namely in the context of the assessment of the Company's business plan. The Executive Board of Directors must continually endeavour to improve the internal control and risk management systems, assessing their effectiveness and implementing the measures that are appropriate to strengthen the levels of quality assurance. It should also be noted that the Executive Board of Directors periodically reports to the General and Supervisory Board and the Financial Matters Committee/Audit Committee on the identification and evolution of the main risks linked to EDP's activity, quantifying the impact and probability of occurrence of the risks considered relevant.</p>	Items 50 to 55 | Annual Report of the General and Supervisory Board
VII.2. The company has a specialised committee or a committee composed of specialists in risk matters, which reports regularly to the management body	ADOPTED	<p>The company has a Financial Matters Committee/Audit Committee (CMF/CAUD), appointed by resolution of the General and Supervisory Board, made up of independent members with appropriate professional qualifications for the sector in which the company operates and an adequate diversity of skills, knowledge and professional experience, as detailed in their CVs. In accordance with the <i>Articles of Association</i> and the <i>Internal Regulations of the Financial Matters Committee/Audit Committee</i> and under the terms of the applicable legislation, this Committee's main mission, among others, is to permanently monitor and supervise matters relating to the risk management and control system. This Committee is also responsible for supervising the effectiveness of risk management systems and must also pay special attention to significant exposures to financial risks, such as currency, price, interest rate, derivative or contingent liability risks. Under the terms of Article 12, no. Pursuant to Article 12(2)(i) of its <i>Internal Regulations</i>, in carrying out its duties, the CMF/CAUD shall also monitor the identification, assessment, control and management of risks and the assessment of the degree of internal compliance with the Company's risk management system, continuously monitoring its performance and effectiveness, in conjunction with the Executive Board of Directors, namely monitoring risk control policies, the identification of key risk indicators (KRI) and integrated risk assessment methodologies, being able to request information deemed relevant from the Risk Global Unit Department and the Corporate Risk Committee, and, whenever it proves necessary, implement the appropriate mechanisms and procedures for this purpose, and must assess and express an opinion on the EDP Group's strategic lines and corporate risk management policy prior to their final approval by the Executive Board of Directors. In this regard, this committee is authorised to propose measures to improve the functioning of risk management systems to the General and Supervisory Board and the Executive Board of Directors. These functions and powers demonstrate the regular coordination between this specialised committee and the management body. EDP also has a Risk Committee, fully dedicated to discussing risk management issues, namely (i) sharing information on significant risks and the EDP Group's overall risk profile, (ii) discussing the results of risk assessments developed jointly with the Organisational Units, (iii) discussing and issuing opinions or recommendations on risk policies, risk limits or specific risks, (iv) promoting and monitoring the identification and assessment of the main risks and (v) approving the periodic reporting model to be presented by the Organisational or Corporate Risk Units, as well as other monitoring mechanisms. This Committee meets quarterly and reports to the Executive Board of Directors. It is composed of Members of the Executive Board of Directors, Directors of the Corporate Centre with relevance to the EDP Group's risk management (Energy Planning, Finance, Planning & Control, M&A and Corporate Development, Sustainability, Internal Audit, Compliance & Internal Control, Regulation and Safety, Security & Business Continuity - Corporate Global Units) and heads of subsidiaries and/or platforms with risk management responsibilities (Global Energy Management, Renewables, Generation, Networks, Commercial, EDP Energias do Brasil, EDP España and Shared Services). In addition to these, the Chairman of the Executive Board of Directors and the Chairman of the CMF/CAUD are also invited members to all Risk Committee meetings.</p>	Item 21 | Item 29 | Annex I



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>VII.3. The supervisory body is organised internally, implementing periodic control mechanisms and procedures, in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the administration body.</p>	ADOPTED	<p>In accordance with article 12(2)(i) of the respective Internal Regulations, the Financial Matters Committee/Audit Committee shall, in carrying out its duties, monitor, with particular attention, the identification, assessment, control and management of risks and the assessment of the degree of internal compliance with the Company's risk management system, continuously monitoring its performance and effectiveness, in liaison with the Executive Board of Directors, namely monitoring risk control policies, the identification of key risk indicators (KRI) and integrated risk assessment methodologies, and may request information deemed relevant from the Risk - Corporate Global Unit and the Risk Committee, and shall, whenever necessary, implement the appropriate mechanisms and procedures for this purpose. Risk monitoring ensures effective action on the risks identified, both in terms of control and periodic reporting of the position of the various risk factors, and in terms of the effective implementation of the policies, standards and procedures established for risk management. This is the responsibility of the Executive Board of Directors and the Group's various Business Units, with the Risk - Corporate Global Unit and the risk-officers of the various Business Units promoting and stimulating risk management and control actions, disseminating best practices and supporting the dissemination of concepts, methods, risk measures and key risk indicators (KRI). In addition, both the Risk - Corporate Global Unit and the respective network of risk-officers develop a set of fortnightly and quarterly management information reports, which are disclosed to the Executive Board of Directors and the Boards of Directors of the various Business Units. These reports allow the organisation to regularly follow KRIs that are aligned with performance metrics and, as such, reflect the risk profile at any given time. In addition, these indicators are subject to risk limits that are in turn aligned with the EDP Group's objectives and strategy, thus allowing it to be effectively implemented at an operational level. This information and the evolution of the company's risk profile is also reported to the General and Supervisory Board, namely through the Risk Appetite dashboard which is shared quarterly. Under the terms of Article 12(3) of its Internal Regulations, the Financial Matters Committee/Audit Committee is authorised, within the scope of its duties, to propose to the General and Supervisory Board and the Executive Board of Directors measures designed to guarantee the integrity of financial information and improve the functioning of the internal audit, internal control of financial information, risk management and compliance management systems. In addition, the Financial Matters Committee/Audit Committee is also authorised to (i) propose to the General and Supervisory Board the hiring of services from independent specialists and consultants in accordance with the budgeted amounts, (ii) carry out other due diligence on the Company and Subsidiary or Group companies, to the extent that such steps are necessary for the fulfilment of their responsibilities, (iii) to obtain directly, or indirectly through the Chairman of the General and Supervisory Board, all the information necessary for the performance of their duties, (iv) to attend meetings of the Executive Board of Directors, attendance at meetings where the accounts for the financial year are appraised being mandatory, (v) to assess, on an annual basis, the activity and performance of Internal Audit, as well as the adequacy of working conditions, namely in terms of human resources and technical means, (vi) to assess, on an annual basis, the activity and performance of Compliance & Internal Control - Corporate Global Unit, as well as the adequacy of working conditions, namely in terms of human resources and technical means, (vii) to review, on an annual basis, in coordination with the Executive Board of Directors, the Basic Internal Audit Standard, (viii) to review, on an annual basis, in coordination with the Executive Board of Directors, the Compliance Standard and (ix) to permanently monitor the communication by the Company to the Portuguese Institute of Statutory Auditors, regarding the conclusion of the respective contracts, the name of the Statutory Auditor, the nature and duration of the service to be provided.</p>	<p>Items 50 to 55 | Annual Report of the General and Supervisory Board</p>
<p>VII.4. The internal control system, comprising the risk management, compliance, and internal audit functions, is structured in terms that are adequate to the size of the company and the complexity of the risks inherent to its activity, whereby the supervisory body shall assess it and, within the ambit of its duty to monitor the effectiveness of this system, propose any adjustments that may be deemed necessary.</p>	ADOPTED	<p>As mentioned in the comments on recommendation VII.1, EDP's Executive Board of Directors should continuously endeavour to improve the internal control and risk management systems, assessing their effectiveness and implementing the measures that are appropriate to strengthen the levels of quality assurance. It should also be noted that the Executive Board of Directors periodically reports to the General and Supervisory Board and the Financial Matters Committee/Audit Committee on the identification and evolution of the main risks linked to EDP's activity, quantifying the impact and probability of occurrence of the risks considered relevant. The Financial Matters Committee/Audit Committee must, according to Article 12(2)(i) of its Rules of Procedure, monitor with particular attention the identification, assessment, control and management of risks and evaluate the degree of internal compliance. The Financial Matters Committee/Audit Committee must, according to Article 12(2)(i) of its Internal Regulations, monitor with particular attention the identification, assessment, control and management of risks and the assessment of the degree of internal compliance, as well as continuously monitoring the performance and effectiveness of the company's risk management system, in conjunction with the Executive Board of Directors, namely monitoring risk control policies, the identification of key risk indicators (KRI) and integrated risk assessment methodologies. It may ask the Risk - Corporate Global Unit and the Risk Committee for any information deemed relevant and, whenever necessary, it must implement the appropriate mechanisms and procedures for this purpose, and it must assess and give its opinion on the EDP Group's strategic lines and corporate risk management policy prior to their final approval by the Executive Board of Directors. In addition to Article 12(1)(e) of the respective Internal Regulations, which specifically provides for the competence of the Financial Matters Committee/Audit Committee to supervise the effectiveness of risk management systems, the internal control system and the internal audit system, it should also be considered that the Financial Matters Committee/Audit Committee is authorised to propose to the General and Supervisory Board and the Executive Board of Directors measures designed to guarantee the integrity of financial information and improve the functioning of internal audit systems, internal control of financial information, risk management and compliance management, in accordance with Article 12(3)(a) of the Internal Regulation. Article 12(3)(a). It is also the responsibility of the Financial Matters Committee/Audit Committee, in accordance with Article 12(3)(f) of the corresponding Internal Regulations, to assess the activity and performance of the Internal Audit - Corporate Global Unit on an annual basis, as well as the suitability of working conditions, namely in terms of human resources and technical means.</p>	<p>Item 50 | Items 52, 54 e 55 | Annual Report of the General and Supervisory Board</p>
<p>VII.5. The company establishes procedures of supervision, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance and performance of such system, as well as the prospects for changing the previously defined risk framework.</p>	ADOPTED	<p>As mentioned in the comments on recommendation VII.1, EDP's Executive Board of Directors should continuously endeavour to improve the internal control and risk management systems, assessing their effectiveness and implementing the measures that are appropriate to strengthen the levels of quality assurance. It should also be noted that the Executive Board of Directors periodically reports to the General and Supervisory Board and the Financial Matters Committee/Audit Committee on the identification and evolution of the main risks linked to EDP's activity, quantifying the impact and probability of occurrence of the risks considered relevant. The Financial Matters Committee/Audit Committee must, according to Article 12(2)(i) of its Rules of Procedure, monitor with particular attention the identification, assessment, control and management of risks and evaluate the degree of internal compliance. The Financial Matters Committee/Audit Committee must, according to Article 12(2)(i) of its Internal Regulations, monitor with particular attention the identification, assessment, control and management of risks and the assessment of the degree of internal compliance, as well as continuously monitoring the performance and effectiveness of the company's risk management system, in conjunction with the Executive Board of Directors, namely monitoring risk control policies, the identification of key risk indicators (KRI) and integrated risk assessment methodologies. It may ask the Risk - Corporate Global Unit and the Risk Committee for any information deemed relevant and, whenever necessary, it must implement the appropriate mechanisms and procedures for this purpose, and it must assess and give its opinion on the EDP Group's strategic lines and corporate risk management policy prior to their final approval by the Executive Board of Directors. In addition to Article 12(1)(e) of the respective Internal Regulations, which specifically provides for the competence of the Financial Matters Committee/Audit Committee to supervise the effectiveness of risk management systems, the internal control system and the internal audit system, it should also be considered that the Financial Matters Committee/Audit Committee is authorised to propose to the General and Supervisory Board and the Executive Board of Directors measures designed to guarantee the integrity of financial information and improve the functioning of internal audit systems, internal control of financial information, risk management and compliance management, in accordance with Article 12(3)(a) of the Internal Regulation. Article 12(3)(a). It is also the responsibility of the Financial Matters Committee/Audit Committee, in accordance with Article 12(3)(f) of the corresponding Internal Regulations, to assess the activity and performance of the Internal Audit - Corporate Global Unit on an annual basis, as well as the suitability of working conditions, namely in terms of human resources and technical means.</p>	<p>Items 50 to 55</p>
<p>VII.6. Based on its risk policy, the company sets up a risk management function, identifying (i) the main risks to which it is subject in the operation of its business [VII.6. (1)], (ii) the probability of their occurrence and respective impact [VII.6. (2)], (iii) the instruments and measures to be adopted in order to mitigate such risks [VII.6. (3)], and (iv) the monitoring procedures, aimed at following them up [VII.6. (4)].</p>	ADOPTED	<p>EDP has several internal regulations that contain provisions on risk management strategy and policies. EDP's Corporate Risk Management Manual includes specific chapters on the structure of corporate risk management, the risk management process, corporate risk management tools and periodic updating. As for the document "Formalising a risk appetite in the EDP Group", the aim is to formalise and publicise EDP's approach to risk, as an important element of alignment and transparency with shareholders and other stakeholders, as well as explaining the pillar of controlled risk.</p>	<p>Item 50 | Items 53 and 54</p>



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>VII.7. The company establishes processes to collect and process data related to the environmental and social sustainability in order to alert the management body to risks that the company may be incurring and propose strategies for their mitigation.</p>	<p>ADOPTED</p>	<p>For more information, please see: Corporate Risk Management Policy [VII.6.(1)] Items 53 and 54 of this Report set out the main risks to which EDP is subject in the course of its business. [VII.6.(2)] Within the scope of Item 53 of this Report, EDP identifies the probability of occurrence of some of the risks associated with the activity and the respective impact. [VII.6.(3)] With regard to the instruments and measures to be adopted with a view to mitigating the risk, EDP accepts this sub-recommendation as it results from the integrated reading of Items 53 and 54 of this Report. [VII.6.(4)] Acceptance of the sub-recommendation regarding monitoring procedures, with a view to the respective follow-up, is supported under the terms of Item 54 of this Report, the corresponding risk management being structured in six main phases, the "monitoring" phase being the penultimate of these.</p> <p>In 2023, EDP began the process of preparing the Company for sustainability reporting under Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 – Corporate Sustainability Reporting Directive (CSRD). EDP began implementing an Internal Control System for Sustainability Information, promoting the interdisciplinary involvement of various organisational units in order to have a formalised control system to prevent future risks and detect existing gaps. Although EDP has had a sustainability governance model for several decades, in 2006, with the adoption of a dual governance model, the General and Supervisory Board was set up to monitor and supervise EDP's management, as well as a specialised committee – the Corporate Governance and Sustainability Committee – with the mission of permanently monitoring and supervising matters relating to sustainability in all its dimensions. Although EDP has had a sustainability governance model for several decades, in 2006, with the adoption of a dual governance model, the General and Supervisory Board was set up to monitor and supervise EDP's management, as well as a specialised committee – the Corporate Governance and Sustainability Committee – with the mission of permanently monitoring and supervising matters relating to sustainability in all its dimensions. Therefore, under the terms of article 12.1 d) of the respective Internal Regulations, it is the responsibility of the Corporate Governance and Sustainability Committee to support and monitor the definition of sustainability policies and strategies, and their scope and extension to the social, economic and environmental aspects of the company, as well as their implementation, making any recommendations deemed appropriate to the General and Supervisory Board and the Executive Board of Directors. In turn, the Executive Board of Directors is supported in the management of its activities by the Sustainability Corporate Global Unit and the Sustainability Committee, whose main duties are to (i) share information and discuss the implications of the main legislative packages on sustainability, (ii) share the evolution of the Group's ESG performance indicators and the respective benchmarks, (iii) discuss and issue an opinion on the development and updating of the sustainability policies of the Group's companies, (iv) discuss and issue an opinion on the annual action plans, as well as on the objectives and targets to be achieved by the EDP Group and (v) monitor the development of the approved action plans and the activities of the sustainability management structures of the EDP Group's companies. Sustainability in the EDP Group is organised with the aim of establishing close communication between the corporate structure and the functional structures, enhancing the flow of information and the operationalisation of its strategy, and its organisation is described on the respective corporate website.</p>	<p>Item 21 | Items 50 to 55 | Management Report in the sustainability section</p>
<p>VII.8. The company reports on how climate change is considered within the organisation and how it takes into account the analysis of climate risk in the decision-making processes.</p>	<p>ADOPTED</p>	<p>The Annual General Shareholders' Meeting of EDP of 12 April 2023 considered the Climate Transition Plan, through which the Company commits to achieving Net-Zero by 2040, reducing its CO2 emissions by 90% in absolute terms compared to the base year 2020, including scopes 1, 2 and 3, based on the description of climate metrics and targets, the global climate governance in place and the identification of strategic levers to align implementation with global climate commitments. On a quarterly basis, EDP informs the market and the general public about the progress of this plan for key CO2 indicators through its ESG Report and, annually, in the Integrated Report with a broader stakeholder approach. The monitoring of the objectives is carried out and disclosed in the Management Report, Sustainability section (climate change and promotion of renewable energies), and the monitoring of the implementation of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) is described in the climate risk management section. The climate transition is intrinsic to EDP's business, with an internal governance model established to ensure a resilient climate strategy, its effective implementation and a monitoring system capable of tracking performance efficiently. In this regard, the General and Supervisory Board supervises the implementation of EDP's Climate Strategy through its Corporate Governance and Sustainability Committee, which is responsible for discussing ESG topics between three and four times a year, with Climate being at the top of this agenda. The remuneration policy for the members of the Executive Board of Directors, proposed by the Remuneration Committee of the General and Supervisory Board and approved by the General Meeting at least every four years, establishes a fixed component and a variable component, the latter including ESG key performance indicators (KPIs), including the Climate KPI, which are aligned with the Company's current Business Plan and are applicable for the 2021-2023 term of office, including, namely, EDP's performance in the Dow Jones Sustainability Index, the CO2 intensity reduction target, the installed renewable energy capacity, aligned with public commitments, and the performance of the Bloomberg Gender Diversity Index. The Executive Board of Directors plays a central role in approving the EDP Group's Business Plan, as well as in its execution, forecasting the decarbonisation path, supported by a global risk management process aligned with different climate scenarios. Before approval, the sustainability strategy is prepared by the Sustainability Corporate Global Unit, supported by the Risk and Energy Planning Departments. In addition, with the involvement of the main Business Units, the Sustainability Committee discusses the proposed sustainability strategy before it is approved. To highlight the role and impact of EDP's climate strategy, a Net Zero Acceleration Programme (NZAP) was created as part of the Climate Transition Plan.</p>	<p>Management Report in the sustainability section | Annual Report of the General and Supervisory Board</p>
<p>VII.9. The company informs in the corporate governance report on the manner in which artificial intelligence mechanisms have been used as a decision-making tool by the corporate bodies.</p>	<p>ADOPTED</p>	<p>EDP does not have an automatic advisory mechanism for decision-making by the governing bodies. Nevertheless, it should be noted that the company takes advantage of data, analytics and artificial intelligence practices applied in various aspects of its activity: (i) business and services for final customers, (ii) optimisation and technical decision support for the assets that EDP manages, (iii) management support decisions based</p>	<p>Management Report in the sustainability section</p>



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>VII.10. The supervisory body pronounces on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance, and internal audit functions, and may propose adjustments as deemed necessary.</p>	ADOPTED	<p>on a data-driven culture and (iv) digitisation and automation of processes. With regard to the governance of intelligent models (application of machine learning techniques), a lifecycle model for these digital assets, their cataloguing and documentation, as well as an operational model that takes into account the dimensions of Responsible AI have been established. The company remains committed to closely monitoring the evolution of the artificial intelligence market, as well as emerging trends in the use of artificial intelligence in decision-making processes. EDP is committed to maintaining a proactive stance, closely monitoring technological innovations and developments in this field. This is realised through multidisciplinary teams comprising technology, business, ethics, legal and compliance experts. It should also be noted that EDP approved, in 2023, the Policy for the Use of Generative Artificial Intelligence (AI) Applications in the EDP Group, with the main objective of establishing a set of guidelines to be followed in the use of AI applications for professional use, based on principles applicable to all users, with a view to guaranteeing the safe, compatible and reliable use of these applications.</p>	<p>Item 50 | Items 53 to 54 | Annual Report of the General and Supervisory Board</p>
<p>VII.11. The supervisory body is the addressee of reports made by the internal control services, including the risk management, compliance, and internal audit functions, at least when matters related to accountability, identification or resolution of conflicts of interest and detection of potential irregularities are concerned.</p>	ADOPTED	<p>Under the terms of Article 12(1)(r) of the Internal Regulation, the Financial Matters Committee/Audit Committee is responsible for supervising and monitoring the company's financial statements, on an individual or consolidated basis, taking into account any recommendations made by the company. Under the terms of Article 12(1)(r) of the respective Internal Regulations, the Financial Matters Committee/Audit Committee is responsible for supervising and monitoring the company's financial statements, on an individual or consolidated basis, taking into account any recommendations from the Portuguese Securities Market Commission (CMVM) and assessing the content of the annual reports on conclusions, certification of accounts and audits and the additional report to the supervisory body, together with the Statutory Auditor, and the Financial Matters Committee/Audit Committee must be the first recipient of these reports. The Financial Matters Committee/Audit Committee should be the first recipient of these reports, namely with regard to any reservations made, for the purposes of making recommendations to the General and Supervisory Board and the Executive Board of Directors, and should also be the recipient of the reports drawn up by the internal control services, including the risk management, compliance and internal audit functions, at least when matters relating to the rendering of accounts, the identification or resolution of conflicts of interest and the detection of potential irregularities are involved. The Financial Matters Committee/Audit Committee must also guarantee the activity and independence of the Statutory Auditor/Audit Firm, under the terms of Annex II of the aforementioned Rules of Procedure and the applicable legislation and regulations, in order to assess their independence and compliance with the legal, regulatory and contractual provisions and the principles and good practices governing the actions of audit firms and their representatives towards auditees.</p>	<p>Item 50 | Items 53 and 54 | Annual Report of the General and Supervisory Board</p>
<p>CHAPTER VIII – INFORMATION AND STATUTORY AUDIT OF ACCOUNTS</p>			
<p>Information</p>			
<p>VIII.1.1. The regulations of the supervisory body requires that the supervisory body monitors the suitability of the process of preparation and disclosure of information by the management body, including the appropriateness of accounting policies, estimates, judgements, relevant disclosures and their consistent application from financial year to financial year, in a duly documented and reported manner.</p>	ADOPTED	<p>Since 2023, and in anticipation of the transposition of Directive (EU) 2022/2464, of the European Parliament and of the Council, of 14 December 2022 – Corporate Sustainability Reporting Directive (CSRD), EDP has opted to disclose an Integrated Report (for the 2022 financial year), which includes financial and non-financial information (or information on sustainability), so the adequacy of the preparation and disclosure process is supervised by the General and Supervisory Board, both for financial and non-financial information, given the uniqueness of the Report, issuing an opinion on it (article 14, paragraph 1, subparagraphs 1 and 2), Article 14(1)(e), (k) and (w) of the respective Internal Regulations). In Article 12(1)(h) of the Internal Regulations of the Financial Matters Committee/Audit Committee, it is empowered to supervise the adequacy of the financial information preparation and disclosure process and to prepare a report for the General and Supervisory Board, which includes the Financial Matters Committee/Audit Committee's analysis of this process, namely the adequacy of accounting policies, estimates, judgements, relevant disclosures and their consistent application between financial years. The Internal Regulations of the Corporate Governance and Sustainability Committee set out in Article 2(1)(b) the mission of permanently monitoring and supervising matters relating to sustainability in all its dimensions. This Committee is also responsible for supporting and monitoring the definition of sustainability policies and strategies, their scope and extension to the social, economic and environmental aspects of the company, as well as their implementation, making any recommendations deemed appropriate to the General and Supervisory Board and the Executive Board of Directors. In this regard, the General and Supervisory Board, following the supervision and monitoring of information and the issuing of the respective opinions by the Financial Matters Committee /Audit Committee and the Corporate Governance and Sustainability Committee, supervises the process of preparing and disclosing financial information and monitors and assesses issues relating to non-financial information.</p>	<p>Item 21 | Item 27 | Item 29 | Item 46 | Item 50 | Item 55</p>
<p>Statutory Audit and Supervision</p>			
<p>VIII.2.1. By means of regulation, the supervisory body defines, in accordance with the applicable legal regime, the supervisory procedures to ensure the independence of the statutory auditor.</p>	ADOPTED	<p>The duties of the Financial Matters Committee/Audit Committee are set out in Article 12 of the respective Internal Regulations. This specialised committee must guarantee the activity and independence of the Statutory Auditor, under the terms of the applicable legislation and regulations, in order to assess their independence and compliance with legal provisions, and contractual provisions and the principles and good practices that govern the actions of audit firms and their representatives in relation to auditees, as well as approving the provision of audit and non-audit services by the Statutory Auditor to the Company or Subsidiaries, ensuring an adequate prior assessment of the threats to the Statutory Auditor's independence that the provision of these services may cause and the safeguards applied or to be applied to mitigate them.</p>	<p>Items 39 to 41</p>



RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
		<p>In carrying out its duties, the Financial Matters Committee/Audit Committee shall monitor, with special attention, the activity and contractual relations with the Statutory Auditor, without interfering in the performance of its duties, and may make recommendations or request clarifications within the scope of the relationship between the General and Supervisory Board, the Executive Board of Directors and the Statutory Auditor, in relation to financial information, as well as monitoring and assessing, under the legal terms, the objectivity and independence of the Statutory Auditor, namely with regard to the provision of non-audit services.</p> <p>It is also worth highlighting Article 12(1)(h), which gives this corporate body the power to supervise the adequacy of the financial information preparation and disclosure process and also to prepare a report for the General and Supervisory Board, which includes the Financial Matters Committee/Audit Committee's analysis of this process, namely the adequacy of accounting policies, estimates, judgements, relevant disclosures and their consistent application from year to year. In addition, EDP has a Regulation on the Provision of Services by the Statutory Auditor or Firm of Statutory Auditors which defines and promotes criteria and methodologies for safeguarding the independence of the Statutory Auditor and the Firm of Statutory Auditors in the provision of the respective Audit Services and Non-Audit Services (SDA) to EDP or the entities under its control. These regulations can be consulted on EDP's website. The supervisory procedures designed to ensure the independence of the Statutory Auditor are set out in the Regulation on the provision of services by the Statutory Auditor or Statutory Audit Firm, as well as in Annex II to the Internal Regulation of the Financial Matters Committee/Audit Committee, which specifically provides for the annual assessment process of the Company's Statutory Auditor.</p>	
<p>VIII.2.2. The supervisory body is the main interlocutor of the statutory auditor within the company and the first addressee of the respective reports [VIII.2.2. (1)], and is competent, namely, for proposing the respective remuneration and ensuring that adequate conditions for the provision of the services are in place within the company [VIII.2.2. (2)].</p>	ADOPTED	<p>[VIII.2.2 (1)] The Financial Matters Committee/Audit Committee is responsible for assessing the content of the annual reports certifying the accounts (Article 12(1)(r) of the respective Internal Regulation) and [VIII.2.2 (2)] shall monitor, with special attention, the activity and contractual relations with the Statutory Auditor, without interfering in the performance of its duties, and may make recommendations or request clarifications within the scope of the relationship between the General and Supervisory Board, the Executive Board of Directors and the Statutory Auditor, in relation to financial information, as well as monitor and assess, under the legal terms, the objectivity and independence of the Statutory Auditor, namely with regard to the provision of non-audit services (Article 12 (2) (j) of the respective Internal Regulations). In addition, the aforementioned Internal Regulations lay down specific powers for the Financial Matters Committee/Audit Committee to propose to the General and Supervisory Board the hiring and dismissal of the Statutory Auditor, as well as the respective remuneration (Article 12(1)(a)).</p> <p>In its Internal Regulations, the Financial Matters Committee/Audit Committee has specific prerogatives and powers to assess the work carried out by the Statutory Auditor on an annual basis, namely (i) proposing to the General and Supervisory Board the hiring and dismissal of the Statutory Auditor, as well as the respective remuneration (Article 12(1)(a)), (ii) issuing a reasoned opinion on the renewal or extension of the Statutory Auditor's mandate at the end of each term of office (Article 12(1)(a)), (ii) issuing a reasoned opinion, under the terms of the applicable legislation, on the renewal or extension of the Statutory Auditor's mandate at the end of each mandate, to be presented to the General and Supervisory Board (Article 12(1)(p)), (iii) monitoring with special attention the activity and contractual relations with the Statutory Auditor, without interfering in the performance of its duties, and may make recommendations or request clarifications within the scope of the relationship between the General and Supervisory Board, the Executive Board of Directors and the Statutory Auditor, in relation to financial information, as well as monitoring and assessing, under the legal terms, the objectivity and independence of the Statutory Auditor, namely with regard to the provision of non-audit services (Article 12(2)(j)), (iv) supervising the activity and independence of the Statutory Auditor, in order to ascertain its independence and compliance with the legal, regulatory and contractual provisions and the principles and good practices governing the actions of audit firms and their representatives vis-à-vis auditees (Article 12(1)(s)) and (v) approving the provision of audit and non-audit services by the Statutory Auditor to the Company or Subsidiary Companies, ensuring adequate prior assessment of threats to the independence of the Statutory Auditor. (v) approving the provision of audit and non-audit services by the Statutory Auditor to the Company or Subsidiary Companies, ensuring an adequate prior assessment of the threats to the Statutory Auditor's independence that the provision of these services may cause and the safeguards applied or to be applied to mitigate them (Article 12(1)(t)). During this financial year, the annual assessment of EDP's Statutory Auditor was carried out, in accordance with Annex II to the Internal Regulations of the Financial Matters Committee/Audit Committee.</p>	Item 21 | Item 29
<p>VIII.2.3. The supervisory body annually evaluates the work carried out by the statutory auditor, its independence and suitability for the exercise of its functions and shall propose to the competent body its dismissal or termination of the contract for the provision of its services whenever there is just cause to do so.</p>	ADOPTED		Item 21 | Item 29 | Item 45



3. Other information

The following documents are attached to this Report, forming an integral part thereof:

Annex I – Brief curricula of the members of the General and Supervisory Board and the Executive Board of Directors

Annex II – Attendance list of the meetings of the General and Supervisory Board

Annex III – Attendance list of the meetings of the Executive Board of Directors


Annex IV – Positions held in other companies

Annex V – Attendance lists for:

- i. The Financial Matters Committee/Audit Committee
- ii. The Remuneration Committee of the General and Supervisory Board
- iii. The Corporate Governance and Sustainability Committee
- iv. The United States of America Business Affairs Monitoring Committee

ANNEX I

General and Supervisory Board


	Full Name	JOÃO LUÍS RAMALHO CARVALHO TALONE
	Status	Independent
	Position	Chairman of the General and Supervisory Board
	Committees	<ul style="list-style-type: none"> ◦ Corporate Governance and Sustainability Committee Chairman ◦ USA Business Affairs Monitoring Committee Chairman ◦ Ethics Committee Chairman
	Academic Qualifications	<ul style="list-style-type: none"> ◦ Assistant Professor of "Operational Research" and "Statistics" – IST (1972–1975) ◦ MBA - Nova SBE/Wharton (1982) ◦ Invited Auxiliar Professor of "International Finance" – Nova SBE (1985–1987) ◦ Degree in Advanced Management Program - Harvard Business School (2002) ◦ Bachelor's and Masters of Science degree in Civil Engineering - Technical University of Lisbon (1974) ◦ International Certificate in Corporate Governance - INSEAD (2018) ◦ Executive Program - Singularity University in Silicon Valley (2020)
	Skills and Experience	<ul style="list-style-type: none"> ◦ Executive Board Member – BCP (1987–2001) ◦ Chairman - Foreign & Colonial in London (2000–2001) ◦ Vice-Chairman of Lusotur – Vilamoura (2002–2003) ◦ Special Commissioner for the Portuguese Government - IPE (2002–2003) ◦ CEO – EDP – Energias de Portugal, SA (2003–2006) ◦ Vice-Chairman – HidroCantábrico (2005) ◦ Co-founder – Hyperion (2006) (solar energy) ◦ Chairman – IBERWIND (2008–2015) (wind energy) ◦ Member - Corporate Finance Standing Committee – ESMA Paris (2010–2013) ◦ Advisory Board member - Banco de Portugal (2018–2020) ◦ Board Member of Alfred Santos Foundation – Financial Sponsor of Nova SBE – Business School (2021) ◦ Founder Partner of Magnum Capital (2006–) – Private Equity
	Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board Chairman (since April 2021)



Current External Appointments

- Co-founder - Magnum Capital (2006)
- Non-executive Board Member – ROQ (2018)
- Member - Engineers Academy (2012)



	Full Name	DINGMING ZHANG
	Status	Non-Independent
	Position	General and Supervisory Board Member
	Committees	-
	Academic Qualifications	<ul style="list-style-type: none"> ◦ Bachelor's degree in Power System and Automation – Huazhong University of Science and Technology (1984) ◦ Master's degree in Management – Huazhong University of Science and Technology (2001)
	Skills and Experience	<ul style="list-style-type: none"> ◦ Deputy Director of Power Production Department – China Three Gorges Corporation (2002) ◦ Executive Vice President – China Yangtze Power Company (2002-2011) ◦ Director – Guangzhou Development Industry
	Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board Vice Chairman, in representation of China Three Gorges Corporation (February 2012 – April 2015) ◦ General and Supervisory Board Member, in representation of CWEI (Europe), SA (April 2015 – April 2018) ◦ General and Supervisory Board Member, in representation of China Three Gorges International Corporation (April 2018 – December 2018) ◦ General and Supervisory Board Vice Chairman, in representation of China Three Gorges Corporation (December 2018 – April 2021) ◦ General and Supervisory Board Member, in representation of China Three Gorges International Corporation (April 2021-)
Current External Appointments	<ul style="list-style-type: none"> ◦ President – Beijing Yangtze Power Capital (since 2015) ◦ Vice-President – China Three Gorges Corporation (December 2018 –to date) 	

	Full Name	SHENGLIANG WU
	Status	Non-Independent
	Position	General and Supervisory Board Member
	Committees	-
	Academic Qualifications	<ul style="list-style-type: none"> ◦ Bachelor's degree in Engineering – Wuhan University (1992) ◦ Master's degree in Technical Economics and Management – Chongqing University (2000)
	Skills and Experience	<ul style="list-style-type: none"> ◦ Secretary of Corporate Affairs Department – Gezhouba Hydropower Plant (1998-2000) ◦ Deputy Director of the Board – China Yangtze Power Company (2002-2003) ◦ Director of Capital Operating Department – China Yangtze Power Company (2004-2006) ◦ Executive Vice-President – Beijing Yangtze Power Capital Co Ltd (2006-2011) ◦ Deputy Director of Strategic Planning Department – China Three Gorges Corporation (2011-2015) ◦ Executive Vice-President – China Three Gorges International Corporation (2015-2020) ◦ Chairman – China Three Gorges (Europe), SA (2015-2020) ◦ Chairman – China Three Gorges International Limited (2020-to date)
	Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board Member, in representation of China Three Gorges International (Europe), S.A. (February 2012 – April de 2015) ◦ General and Supervisory Board Member, in representation of China Three Gorges (Portugal), Sociedade Unipessoal, Lda (April 2015 – April 2018) ◦ General and Supervisory Board Member, in representation of China Three Gorges (Europe), SA (April 2018 – December 2018) ◦ General and Supervisory Board Member, in representation of China Three Gorges International Corporation, (December 2018 – April 2021) ◦ General and Supervisory Board Member, in representation of China Three Gorges International Limited, (April 2021 – to date)
Current External Appointments	<ul style="list-style-type: none"> ◦ Chairman – China Three Gorges International Limited (since 2020) ◦ Chairman – China Three Gorges International Corporation (since 2022) 	



	Full Name	IGNACIO HERRERO RUIZ
	Status	Non-Independent
	Position	General and Supervisory Board Member
	Committees	Corporate Governance and Sustainability Committee Member
	Academic Qualifications	Degree in Economics - Carlos III University (Madrid) (1997)
	Skills and Experience	<ul style="list-style-type: none"> ◦ Credit Risk Management Department – Citigroup (1997-1998) ◦ Mergers and Acquisitions Department – Deutsche Bank (1998- 2007) ◦ Mergers and Acquisitions Department – Credit Suisse (2007-2016)
	Company Background	General and Supervisory Board Member, in representation of China Three Gorges (Europe), SA, since December 2018)
	Current External Appointments	Holds senior positions in China Three Gorges Corporation (Europe), SA (since 2016) ¹

¹Ignacio Herrero Ruiz is not a member of the Board of Directors of China Three Gorges Corporation (Europe), S.A.

	Full Name	HUI ZHANG
	Status	Non-Independent
	Position	General and Supervisory Board Member
	Committees	Corporate Governance and Sustainability Committee Member
	Academic Qualifications	<ul style="list-style-type: none"> ◦ Bachelor of Economics – Chongqing Institute of Industrial Management (1993-97) ◦ Master of Science in Management – Zhongnan University of Economics and Law (2006-08)
	Skills and Experience	<ul style="list-style-type: none"> ◦ Cashier of Operations Section – Gezhouba Power Plant Maintenance Branch – (1997-98) ◦ Cashier of Finance Section – Gezhouba Power Plant Dajiang Branch – (1998) ◦ Accountant of Operations Section – Gezhouba Power Plant Maintenance Branch (1998-00) ◦ Accountant of Finance Section – Gezhouba Power Plant Maintenance Branch (2000-02) ◦ General Accountant of Ledger Statement Supervisor Accounting – China Yangtze Power Co. (2003-06) ◦ Head of Assets and Insurance of Finance Department – China Yangtze Power Co., Ltd. (2006-09) ◦ Deputy Director of Xiba Accounting Center – China Yangtze Power Co., Ltd. (2009-11) ◦ Accounting Director of Finance Department – China Yangtze Power Co., Ltd. (2011-15) ◦ General auditor of Finance Department – China Yangtze Power Co., Ltd. (2015-16) ◦ Deputy Manager of Finance Department – China Yangtze Power Co., Ltd. (2016-17) ◦ Assistant General Manager – Three Gorges Power Co., Ltd. (2017-18) ◦ Vice General Manager – Three Gorges Power Co., Ltd. (2018-20) ◦ Deputy Office Director – China Yangtze Power Co., Ltd. Andes Project (2020) ◦ Chief Accountant and Party Committee Member – Shanghai Survey, Design and Research Institute Co., Ltd. (2020-22)
	Company Background	Member of the General and Supervisory Board, in representation of China Three Gorges Brasil Energia S.A., since December 2022
	Current External Appointments	Deputy Director of M&A Department – China Three Gorges Corporation – (since April 2022)



Full Name	MIGUEL ESPREGUEIRA MENDES PEREIRA LEITE
Status	Non-Independent
Position	General and Supervisory Board Member
Committees	Remuneration Committee Chairman
Academic Qualifications	<ul style="list-style-type: none"> ◦ Degree in Law – Portuguese Catholic University (1987) ◦ Management Course – Executive Program – PBS – Porto Business School (1996)
Skills and Experience	<ul style="list-style-type: none"> ◦ Founder – Atlantic SGOIC, SA (2005) ◦ Chairman and CEO – Morgan Stanley Portugal SGFIM SA (2001-2003) ◦ Head of Morgan Stanley’s local operation in Portugal (1999-2003) ◦ Manager – Morgan Stanley – Portugal (Holding) (2001-2003) ◦ Management Committee – Morgan Stanley SV SA (Spain) (2000-2003) ◦ Executive Director – Morgan Stanley International (2001-2003) ◦ Board Member – Banco Chemical Finance (1998-1999) ◦ Member of the Executive Committee – Banco Chemical Finance (1998-1999) ◦ Managing Director – private banking division of Banco Pinto & Sotto Mayor (1996-1999) ◦ Managing Director – private banking division of Banco Totta & Açores (nowadays Bank Santander Portugal) (1998-1999) ◦ Chairman of the Board – MC Geste – Asset Management Company (latter on called Santander Gest SGP) (1997-1999) ◦ Private banking director – Millennium BCP (1987-1996) ◦ Chairman – Oporto Municipal Assembly from 2014 to 2021
Company Background	General and Supervisory Board Member, in representation of China Three Gorges (Portugal), Sociedade Unipessoal, Lda, since April 2021
Current External Appointments	<ul style="list-style-type: none"> ◦ Chairman and CEO – Atlantic SGOIC, SA (since 2005) ◦ Board Member – Liminorke SA (since 2009)



Full Name	FELIPE FERNÁNDEZ FERNÁNDEZ
Status	Non-Independent
Position	General and Supervisory Board Member
Committees	<ul style="list-style-type: none"> ◦ Remuneration Committee Member ◦ USA Business Affairs Monitoring Committee Member
Academic Qualifications	Degree in Administrative and Economic Sciences – Bilbao University (1975)
Skills and Experience	<ul style="list-style-type: none"> ◦ Professor of Business and Economic Faculty – Oviedo University (1984-1990) ◦ Director of Economics and Regional Planning – Principality of Asturias (1984-1990) ◦ Counsellor of Organization of the Territory and Housing – Principality of Asturias (1990-1991) ◦ Counsellor of countryside and fishing – Principality of Asturias (1991-1993) ◦ Manager on several companies on numerous fields
Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board Member in representation of Cajastur Inversiones SA, (February 2012 – April 2015) ◦ General and Supervisory Board Member, in representation of DRAURSA, SA, since April 2018 (re-elected in April 2021)
Current External Appointments	<ul style="list-style-type: none"> ◦ Board of Directors Member – Unicaja Banco (since 2011) ◦ Board of Director Member – Tudela Veguín (since 2011) ◦ Masaveu Inmobiliaria (2014) ◦ Cimento Verde do Brasil (since 2014)



Full Name	FERNANDO MARÍA MASAVEU HERRERO
Status	Non-Independent
Position	General and Supervisory Board Member
Committees	Corporate Governance and Sustainability Committee Member
Academic Qualifications	Law Degree – Navarra University (1992)
Skills and Experience	Chairman on several companies of Masaveu Group in numerous fields such as energy, finance, industrial, cement and real state, among others
Company Background	General and Supervisory Board Member, since February 2012 (re-elected in April 2015, April 2018, and April 2021)
Current External Appointments	<ul style="list-style-type: none"> ○ Chairman – Masaveu Corporation ○ Chairman – Cementos Tudela Veguín ○ Chairman of the Board – Oppidum Capital ○ Chairman of the American companies - Masaveu Real Estate US Delaware LLC, Oppidum Renewables USA Inc and Oppidum Green Energy USA LLC ○ Board Member – American Cement Advisors Inc ○ Board Member – EGEO Internacional and EGEO, SGPS ○ Board Member – EDP España ○ Joint Manager – Flicka Forestal ○ Board Member – Bankinter ○ Executive Committee Member – Bankinter ○ Remuneration Committee Member – Bankinter ○ Board Member – Línea Directa Aseguradora ○ Chairman – Maria Cristina Masaveu Peterson Foundation ○ Chairman – San Ignacio de Loyola Foundation ○ Trustee – Princess of Asturias Foundation ○ Trustee – Pro-RAE Foundation ○ Delegate Committee Member – Princess of Asturias Foundation ○ Assets Committee Member – Princess of Asturias Foundation ○ Member of the International Council – MET, New York ○ International Trustee – Friends of the Prado Museum Association



Full Name	JOÃO CARVALHO DAS NEVES
Status	Independent
Position	General and Supervisory Board Member
Committees	<ul style="list-style-type: none"> ◦ Remuneration Committee Member ◦ Financial Matters Committee/Audit Committee Chairman
Academic Qualifications	<ul style="list-style-type: none"> ◦ Ph. D. in Business Administration – Manchester Business School Manchester University (1992) ◦ MBA – ISEG – Lisbon School of Economics and Management, Lisbon University (1985) ◦ Bachelor’s in business administration – ISEG School of Economics and Management – Lisbon University (1981) ◦ Executive training: Finance and Control – IMD (1986) ◦ Management Control – HEC Paris (1987) ◦ International Finance – INSEAD (1987) ◦ Leadership – Kennedy Harvard Government School (2009) ◦ Leadership Development Program – Creative Leadership Center (2010) ◦ Coaching for Performance – London Business School (2010) ◦ Diploma in Advanced Mindfulness and Emotional Intelligence Teachers Training (2017) – Search Inside Yourself – Leadership Institute (SIYL) in San Francisco
Skills and Experience	<ul style="list-style-type: none"> ◦ Certified accountant (1981) ◦ Statutory Auditor (1995 Asked for voluntary suspension in 2022) ◦ FRICS – Fellow of The Royal Institution of Chartered Surveyors (2008) ◦ Recognized European Valuer (REV) (2018) and Recognized Business Valuer ((REV-BV) (2021) by TEGOVA ◦ Certified Teacher in MBSR by the University of California in San Diego, Center for Mindfulness Professional Training Institute (MBPTI) (2016) ◦ Member of the Board (as CFO) of Montepio Geral – Associação Mutualista (2022 – to date) ◦ President (non-Executive) of MGA – Montepio Gestão de Ativos, SGOIC (2022 – to date) ◦ Vice-President of ISEG School Council (2021-2022) ◦ Head of Scientific Area of Finance of ISEG (2020-2022) ◦ Independent non-executive board member – Montepio – Valor SGOIC (2017-2022) ◦ Member of the Board – ERES European Real Estate Society (2019-2021) ◦ President of Central Administration of the Portuguese Health System (2011-2014) ◦ Chairman of the Management Department – ISEG (2010-2011) ◦ Board Member – BPN (2008) ◦ CEO and CFO – SLN (2008-2009) ◦ Chairman of the Management Department – ISEG (2007-2008) ◦ Partner and Statutory Auditor – Neves, Azevedo Rodrigues e Batalha, SROC (1995-2008) ◦ Judicial Manager of Torraltal (1993-1998) Casino Hotel de Tróia (1994-1995) TVI (1997-1998) ◦ Associate Consultant – Coopers & Lybrand (1992-1993) ◦ General Manager and Trainer in Finance and Control – CIFAG/IPE (1987-1992) ◦ Trainer for executives in Finance and Control – CIFAG/IPE (1985-1987) ◦ Deputy Controller – Cometna SA (1981-1985)
Company Background	General and Supervisory Board Independent Member since April 2015 (re-elected in April 2018 and April 2021)



Current External Appointments

- Board Member (CFO & Chief for Real Estate) of Montepio Geral – Associação Mutualista (since 2022)
- President (non-executive) of MGA Montepio Gestão de Activos, SGOIC (since 2022)
- Member of the Board of Trustees of Montepio Foundation (since 2022)



Full Name	MARÍA DEL CARMEN FERNÁNDEZ ROZADO
Status	Independent
Position	General and Supervisory Board Member
Committees	<ul style="list-style-type: none"> o Financial Matters Committee/Audit Committee Member o Corporate Governance and Sustainability Committee Member
Academic Qualifications	<ul style="list-style-type: none"> o Degree in Economics and Business Administration and Political Sciences and Sociology – Complutense University of Madrid (1978) o PhD in Public Finance – Complutense University of Madrid (1998) o PADE Management Program MBA – IESE Business School (2004-05)
Skills and Experience	<ul style="list-style-type: none"> o State Tax Inspector (1984) o Account Auditor (1988) o Chief-Inspector in Spanish Ministry of Economy and Finance (1985-86) o Deputy Head of the State Tax Inspection Office (1987- 96) o Head of the State Tax Inspection Office (1996-99) o President of the Task Force for Renewable Energies, Sustainability and Carbon Markets – Ibero-American Association of Energy Regulatory Entities – ARIAE (1999-2011) o Member of the Advisory Board – Ernst & Young (2012-13) o Member of the Board – Primafrío SL (2021-2023) o Chairman of Audit committee – Primafrío SL (2021-2023) o Member of The Appointments and Remuneration Committee – Primafrío SL (2021-2023)
Company Background	General and Supervisory Board Independent Member since April 2015 (re-elected in April 2018 and April 2021)
Current External Appointments	<ul style="list-style-type: none"> o Member of the executive committee – ACS group (since 2020) o Member of Audit Committee – ACS Group (since 2017) o Member of the Board – ACS Group (since 2017) o Member of The Appointments and Remuneration Committee – ACS group o Member of the Advisory Board – Beragua Capital (since 2015) o Professor at several national and international universities and business schools o International consultant for the development of energy and infrastructure projects.



Full Name	LAURIE LEE FITCH
Status	Independent
Position	General and Supervisory Board Member
Committees	<ul style="list-style-type: none"> ◦ Corporate Governance and Sustainability Committee Member ◦ USA Business Affairs Monitoring Committee Member
Academic Qualifications	<ul style="list-style-type: none"> ◦ BA in Arabic – American University (1991) ◦ MA – Georgetown University’s School of Foreign Service (1994)
Skills and Experience	<ul style="list-style-type: none"> ◦ Assistant Vice-President – Middle East and Africa Division of The Bank of New York (1994–1999) ◦ Equity analyst – Schroders (1999–2000) ◦ Equity analyst- UBS Warburg (2000–2002) ◦ Director of Research, Analyst and Portfolio Manager at TIAA–CREF investing in the global utilities, renewables, and infrastructure sectors (2002–2006) ◦ Partner and Senior Analyst at Artisan Partners investing in the utilities, renewables, infrastructure and industrials sectors (2006–2011) ◦ Co-Head of Morgan Stanley’s Global Industrials Group in the Investment Banking Division (2012–2016) ◦ Partner at the investment banking firm PJT Partners (2016–2023) ◦ Chairman of the Remuneration Committee and member of the safety and risk Committee – Enquest PLC (2018–2021)
Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board Independent Member since April 2018 (re-elected in April 2018 and April 2021)
Current External Appointments	<ul style="list-style-type: none"> ◦ Member of both Audit and Finance & Operations Audit sub-committees – Tate Board of Trustees in London (since 2015) ◦ Trustee of The American University in Cairo (since 2019) ◦ Board Chair of Georgetown University’s Center for Contemporary Arab Studies ◦ Non-Executive Director, Chair of Remuneration Committee, Member of Audit & Risk Committee and Member of Nomination & Governance Committee – Man Group plc ◦ Senior Advisor, PJT Partners (since 2024) ◦ Senior Advisor, Fam Petcare LLC (since 2024)



Full Name	ESMERALDA DA SILVA SANTOS DOURADO
Status	Independent
Position	General and Supervisory Board Member
Committees	<ul style="list-style-type: none"> ◦ Remuneration Committee Member ◦ USA Business Affairs Monitoring Committee Member
Academic Qualifications	<ul style="list-style-type: none"> ◦ Degree in Chemical Industry Engineering – Instituto Superior Técnico (1975) ◦ Advanced Corporate Finance – Harvard University (1985)
Skills and Experience	<ul style="list-style-type: none"> ◦ Responsible for the Industrial Area and Business Development – Covina – Companhia Vidreira Nacional / Saint Gobain (1978-1985) ◦ Vice-President and Chief Corporate Banking Head – Citibank (1985 – 1990) ◦ Board Member Banco FONSECAS & BURNAY, União de Bancos Portugueses and Interbanco (currently Banco Santander Consumer Portugal) ◦ CEO – SAG SGPS SA Portugal (2000-2009), ◦ Chairwoman of SAG SGPS SA Brazil (2000-2009), ◦ Chairwoman of PARTAC SGPS SA (2018-2021) ◦ Non-Executive Board Member and Member of the investment Committee – BCP Capital SA (2013-2020) ◦ Chairwoman – PNCB – Bank Credit Restructuring Platform, ACE (2018-2020) ◦ CEO – FAE – Forum de Administradores e Gestores de Empresas (2007-2013) ◦ Member of Executive Committee – EMCE – Mission Structure for Company Capitalization (2015-2017) ◦ President of Supervisory Board – Fundação Luso-Brasileira (2005-) ◦ CEO – AMC – Associação Missão Crescimento (2013-2015) ◦ Member of the General Council – Universidade de Coimbra (2017-2020) ◦ Non-Executive Board Member and Audit Committee Chairwoman – TAP SGPS S.A. (2017-2021)
Company Background	General and Supervisory Board independent Member since April 2021
Current External Appointments	<ul style="list-style-type: none"> ◦ Supervisory Board Member – Mystic Invest Holding SA (2018 – to date) ◦ Chairwoman of the Supervisory Board of ACTIVE CAP – Capital Partners, SA (2021 – to date)



Full Name	HELENA SOFIA SALGADO PINTO
Status	Independent
Position	General and Supervisory Board Member
Committees	<ul style="list-style-type: none"> ◦ Financial Matters Committee/Committee Member ◦ USA Business Affairs Monitoring Committee Member
Academic Qualifications	<ul style="list-style-type: none"> ◦ PhD in Business Studies - Warwick University (UK) ◦ MSc and BSc in Management - Universidade Católica Portuguesa ◦ High Potentials Leadership Program Certificate - Harvard (2012) ◦ International Directors Program – INSEAD (2019)
Skills and Experience	<ul style="list-style-type: none"> ◦ Dean - Católica Porto Business School (2013 – 2020) ◦ Professor - Católica Porto Business School (since 1997) ◦ Hospitality and Entertainment Industry ◦ Author of a book, book chapters, articles, and opinion articles
Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board independent Member since April 2021
Current External Appointments	<ul style="list-style-type: none"> ◦ Independent Board Member - Mota-Engil SGPS (Since April 2018) ◦ President of the Fiscal Board - Media Capital, SA (since November 2020) ◦ Associate Director EQUIS - EFMD (Brussels) (since January 2023) ◦ Member of the International Advisory Board of 2 international Business Schools in UK (since 2019) and France (since 2020) ◦ Member - Porto Coordination Group of ACEGE (Association of Christian Managers) (since 2013) ◦ Member - Diocesan Commission for the Interreligious Dialogue (since 2020) ◦ Non-executive member of the board at Fundação AEP (since March 2022)




Full Name	SANDRINE DIXSON-DECLÈVE
Status	Independent
Position	General and Supervisory Board Member
Committees	Corporate Governance and Sustainability Committee Member
Academic Qualifications	<ul style="list-style-type: none"> ◦ M. Sc., Environmental Sciences with Honours, Univeristé Libre de Bruxelles ◦ B.A. International Relations with honours & B.A. French with honours, University of California at Davis, California, U.S.A ◦ Courses on European Integration Law and Economics, L'Institut d'Études Européenne Université Libre de Bruxelles
Skills and Experience	<ul style="list-style-type: none"> ◦ Chair at European Commission, Expert Group on Economic and Societal Impact of Research & Innovation (ESIR) ◦ Chair of the European Commissions Sustainable Finance Platform and Sustainable Finance Taxonomy Expert Group ◦ Advisory Board of Laudes Foundation (2021- 2022) ◦ Chair of UCL Bartlett School of Environment Energy & Resources Advisory Board ◦ Chief Partnership Officer for UN SEforALL ◦ Technical Expert Group of Sustainable Finance Taxonomy and Sustainable Finance Platform (DGFISMA) (2018 -2022) ◦ Food Summit Action Track 5 Resilience - United Nations (2020-2021) ◦ Assembly Member - Climate Mitigation & Adaptation Mission (DGR&I) (2019-2020) ◦ Senior Associate - E3G (2017-2021) ◦ Co-founder - Women Enablers Change Agent Network (WECAN) (2017) ◦ Chief Partnership Officer - UN Agency Sustainable Energy for All 2016-2017 ◦ Director - Prince of Wales's Corporate Leaders Group (2009 - 2016) ◦ EU office - Cambridge Institute for Sustainability Leadership (2009-2016) ◦ Executive Director - Green Growth Platform (2013-2016) ◦ Advisor - HRH The Prince of Wales (2009-2016) ◦ Advisor - Members of the European Parliament, European Commission Presidents, Commissioners and officials, Governments in Asia, Africa and the Middle East, international organizations (OPEC, ADB, OECD, UNEP, USAID, UNFCCC, IEA) and business leaders of large international, European, and African companies (1990- Ongoing) ◦ Vice Chair - European Biofuels Technology Platform (2008-2016) ◦ Board member - We Mean Business (2014-2016) ◦ Member - The Guardian's Sustainable Business Advisory Board (2014-2016) ◦ Member of Sustainability Advisory Board - Oil and Gas major Sasol (2007-2010) ◦ Published "Earth for All: A Survival Guide for Humanity" (New Society Publishers 2022), "Quel Monde Pour Demain" (Luc Pire 2021). Has published OpEd's, articles, book chapters and given presentations on transformational economics, the just transition, sustainable finance, green growth and competitiveness, innovation, low carbon energy solutions, climate change, sustainable development, transport, conventional and alternative fuel quality legislation as well as on trade & environment (1990-Ongoing) ◦ Recognised by GreenBiz GreenBiz as one of the 30 most influential women across the globe driving change in the low carbon economy and promoting green business Bring together business leaders, policy makers, academia and NGO's
Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board Independent Member since April 2021



Current External Appointments

- Co-President – The Club of Rome (2018–Ongoing)
- Executive Chair of Earth for All
- Chair, Expert Group on Economic and Societal Impact of Research & Innovation (ESIR) – European Commission (2020–Ongoing)
- Senior Associate and faculty Member – Cambridge Institute for Sustainability Leadership (CISL) (2016–Ongoing)
- EU Ambassador – Energy Transition Commission (ETC) (2018–Ongoing)
- Global Ambassador, Well Being Alliance (WeAll) (2020–Ongoing)
- Advisory Boards: Leonardo Centre on Business for Society– Imperial College London (2022–Ongoing); Friendship Belgium (2022–Ongoing); BMW (2020– Ongoing); IEEP (2020– Ongoing); UCB (2020– Ongoing); Climate Kic (2018– Ongoing)



	Full Name	ZILI SHAO
	Status	Independent
	Position	General and Supervisory Board Member
	Committees	Remuneration Committee Member
	Academic Qualifications	<ul style="list-style-type: none"> o Bachelor of Laws – China University of Political Science and Law (1980–1984) o LLM – University of Melbourne (1988–1991)
	Skills and Experience	<ul style="list-style-type: none"> o Citic Group, Beijing (1984–1986) o Solicitor – Mallesons Stephen Jaques, Melbourne (1990–1994) o Partner – Allens Arthur Robinson, Sydney (1995–1998) o Partner – Linklaters LLP Managing Partner of Asia Pacific Member of Global Management Committee (1998 –2009) o Chairman & CEO – JP Morgan China (2010–2014) o Vice Chairman – JP Morgan Asia Pacific (2014–2015) o Co-Chairman and partner – King & Wood Mallesons, China (2015–2017) o Qualified lawyer – PRC, UK, HK and Australia
	Company Background	General and Supervisory Board Independent Member, since April 2021
	Current External Appointments	<ul style="list-style-type: none"> o Independent Director – Bank of Montreal (China) Limited, subsidiary bank of BMO Financial Group (since December 2016) o Independent Director – Yum China Holdings, Inc, listed in New York and Hong Kong Stock Exchanges (since October 2016) o Founder and Chairman – MountVue Capital Management Co Ltd (since 2017)

	Full Name	LUÍS MARIA VIANA PALHA DA SILVA
	Status	Independent
	Position	General and Supervisory Board Member
	Committees	-
	Academic Qualifications	<ul style="list-style-type: none"> ◦ Degree in Economics – Higher Institute of Economics (1978) ◦ Degree in Management – Portuguese Catholic University (1981)
	Skills and Experience	<ul style="list-style-type: none"> ◦ CFO – Covina – Companhia Vidreira Nacional, SARL (1987-91) ◦ Member of the Board of Directors – IPE – Investimentos e Participações Empresariais, SGPS, SA (1991) ◦ Secretary of State for Trade (1991-95) ◦ CFO – CIMPOR – Cimentos de Portugal, SGPS, SA (1997-2001) ◦ CFO and CEO – Jerónimo Martins (2001-11), Advanced Management Program – University of Pennsylvania (2005) ◦ Vice-Chairman of the Board of Directors – Galp Energia, SGPS, SA (2012-15) ◦ Member of the Board of Directors – Oi, SA (2015-18) ◦ Chairman of the Board – AEM – Associação dos Emitentes Portuguese (2013-14) ◦ Non-executive Member of the Board of Directors – NYSE Euronext (2011-16) ◦ Member of the Audit Committee – NYSE Euronext (2013-14) ◦ Chairman – APETRO – Associação Portuguesa de Empresas Petrolíferas (2012-15)
	Company Background	<ul style="list-style-type: none"> ◦ General and Supervisory Board Member since April 2019 (re-elected in April 2021) ◦ Chairman of the Board of the General Shareholders' Meeting of EDP since April 2019 (re-elected in April 2021)
	Current External Appointments	<ul style="list-style-type: none"> ◦ Pharol, SGPS, SA (Chairman of the Board of Directors and CEO) (2015–to date) ◦ Bratel BV (2015-...) and Bratel Sàrl (Director) (2018–to date) ◦ Nutrinveste, SGPS, SA (Non-executive Board Member) (2018–to date) ◦ Chairman of the Audit Committee of Fórum para a Competitividade (2015–to date)

Executive Board of Directors

	Full Name	MIGUEL STILWELL DE ANDRADE
	Position	CEO – EDP – Energias de Portugal S.A. CEO – EDP Renováveis S.A.
	Academic Qualifications	<ul style="list-style-type: none"> ◦ MBA – MIT Sloan (2003) ◦ MEng with Distinction – University of Strathclyde (1998)
	Other Positions and Experience	<ul style="list-style-type: none"> ◦ President of the Board of Directors of EDP Energias do Brasil, S.A (current) ◦ Vice-Chairman of Board of Directors – EDP Renováveis S.A. (current) ◦ CFO – EDP – Energias de Portugal S.A. (2018–2021) ◦ Member of Executive Board of Directors – EDP – Energias de Portugal S.A. (since 2012) ◦ Member of Board of Directors – EDP – Energias do Brasil (2018–2020) ◦ CEO – EDP Comercial and EDP Soluções Comerciais S.A. (2012–2018) ◦ CEO – Hidroeléctrica del Cantábrico (Spain) (2012–2018) ◦ CEO – Naturgás Energia Grupo (2012–2015) ◦ Member of Board of Directors – EDP Distribuição (2009–2012) ◦ Member of Board of Directors – EDP Inovação, EDP Ventures (2007–2012) ◦ Strategy, M&A and Corporate Development – EDP – Energias de Portugal S.A. (2000–2001 and 2003–2009) ◦ UBS Investment Bank (1998–2000)
	Current External Appointments	<ul style="list-style-type: none"> ◦ Member of the Executive Committee of WBCSD (since 2023) and Vice-Chair (since 2024) ◦ Member of the Alliance of CEO Climate Leaders ◦ Co-Chair of the European Clean Hydrogen Alliance ◦ Member of the Business Roundtable Portugal ◦ Member of General Council of FAE – <i>Forum de Administradores e Gestores de Empresas</i> ◦ Member of the Board of Governors – St. Julian’s School


	Full Name	RUI MANUEL RODRIGUES LOPES TEIXEIRA
	Position	CFO – EDP – Energias de Portugal, S.A. CFO – EDP Renováveis, S.A.
	Academic Qualifications	<ul style="list-style-type: none"> o Advanced Management Programme – Harvard Business School (2013) o MBA – Nova University, Lisbon (2001) o Naval Architecture and Marine Engineering Graduate – Instituto Superior Técnico, Lisbon (1995)
	Other Positions and Experience	<ul style="list-style-type: none"> o Member of Board of Directors – EDP Renováveis, S.A. (current) o Vice Chairman of Executive Board of Directors – Ocean Winds (current) o Member of Board of Directors – EDP – Energias do Brasil, S.A (current) o Member of Board of Directors – EDP España (current) o Member of Executive Board of Directors – EDP (since 2015) o CEO – EDP España S.A.U. (2018-2021) o CEO – EDP - Gestão da Produção de Energia, S.A. (2015-2020) o Member of Board of Directors – EDP Renováveis, S.A. (2008-2015) o Head of Corporate Planning and Control – EDP (2004-2007) o Consultant – McKinsey & Company (2001-2004) o Ship Surveyor – Det Norske Veritas (1997-2001) o Commercial – Gellweiler – Sociedade de Equipamentos Marítimos e Industriais, Lda. (1996-1997)
	Current External Appointments	<ul style="list-style-type: none"> o Strategic Board Member – ISEG MBA o Vice-Chairman of the Board – BCSD Portugal

	Full Name	VERA DE MORAIS PINTO PEREIRA CARNEIRO
	Position	Member of Executive Board of Directors – EDP – Energias de Portugal S.A.
	Academic Qualifications	<ul style="list-style-type: none"> ◦ Executive Education Program – Harvard Business School (2021) ◦ MBA - INSEAD Fontainebleau (2000) ◦ Economics Degree and Post-Graduate Degree - Nova University, Lisbon (1996 and 1998)
	Other Positions and Experience	<ul style="list-style-type: none"> ◦ Non-executive Member of Board of Directors – EDP Renováveis, S.A (current) ◦ CEO – EDP Comercial – Comercialização de Energia, S.A. (current) ◦ Chairman of the Board of Directors – Fundação EDP (current) ◦ Member of Board of Directors – EDP Energias do Brasil, S.A. (current) ◦ Member of Board of Directors – EDP España S.A.U. (current) ◦ Executive Vice-President and General Director Portugal & Spain and Member of Executive Leadership Team Europe & Africa – Fox Networks Group (2014-2018) ◦ Member of Board of Directors – Pulsa Media (2014-2018) ◦ Head of TV Business Unit – MEO (2007-2014) ◦ Head of TV Business Unit – TV Cabo – PT Multimédia (2003-2007) ◦ Founder – Innovagency Consulting (2001-2003) ◦ Mercer Management Consulting (today Oliver Wyman) (1996-1999)
	Current External Appointments	<ul style="list-style-type: none"> ◦ Board Member – Charge Up Europe ◦ Board Member – Fundação Alfredo de Sousa ◦ Board Member – Confederação Empresarial de Portugal



	Full Name	ANA PAULA GARRIDO DE PINA MARQUES
	Position	Member of Executive Board of Directors – EDP – Energias de Portugal S.A.
	Academic Qualifications	<ul style="list-style-type: none"> ◦ Executive Education Programs – Harvard Business School, IMD, LBS (2009, 2008, 2005) ◦ MBA – INSEAD (2002) ◦ Degree in Economics – Faculdade de Economia do Porto (1991-1996)
	Other Positions and Experience	<ul style="list-style-type: none"> ◦ CEO – EDP – Gestão da Produção de Energia, S.A. (current) ◦ CEO – EDP España, S.A.U. (current) ◦ CEO – EDP Labelec – Estudos, Desenvolvimento e Actividades Laboratoriais, S.A. (current) ◦ Member of Board of Directors – EDP – Energias do Brasil, S.A. (current) ◦ Non-Executive Member of Board of Directors – EDP Renováveis S.A (current) ◦ Executive Vice-President – NOS (2019-2021) ◦ Executive Board Member – NOS (2013-2019) ◦ Non-Executive Board Member – SportTV (2016-2020) ◦ President – APRITEL (<i>Associação Portuguesa de Operadores de Telecomunicações</i>) (2011-2014) ◦ Executive Board Member – Optimus (2010-2013) ◦ Marketing and Sales Director (Mobile Residential Business Unit) and Brand Director – Optimus (2002-2008) ◦ SMEs Business Unit Director – Optimus (1998-2001) ◦ Marketing – Procter & Gamble (1996-1998)
Current External Appointments	<ul style="list-style-type: none"> ◦ Board Member – Eurelectric ◦ President of the Board – Elecpor ◦ Board Member – AELEC ◦ Board Member – Enerclub (Club Español de la Energía) ◦ Member of the General and Supervisory Board – Porto Business School ◦ Member of the General Board – COTEC Portugal ◦ Member of the General Board – Instituto Português de Corporate Governance ◦ Non-Executive Board Member – SOGRAPE 	



	Full Name	PEDRO COLLARES PEREIRA DE VASCONCELOS
	Position	Member of Executive Board of Directors – EDP – Energias de Portugal, S.A.
	Academic Qualifications	<ul style="list-style-type: none"> o MBA with Distinction – INSEAD (2013) o Degree in Aerospace Engineering – Instituto Superior Técnico (2005)
	Other Positions and Experience	<ul style="list-style-type: none"> o Chief Operating Officer for the Asia-Pacific region – EDP Renováveis, S.A. (current) o Executive Chairman – EDP Sunseap Group Singapura (current) o Board Member – OW Ocean Winds (current) o Member of Board of Directors – EDP Inovação (2021-2022) o Director M&A and Business Development – EDP – Energias de Portugal, S.A. (2017-2022) o Director of Solar Strategy – EDP Renováveis, S.A (2016-2017) o Member of Board of Directors – EDP Internacional (2014-2016) o Chief of Office of CEO – EDP – Energias de Portugal, S.A. (2011-2013) o Associate seconded by EDP – N GEN Partners (2009-2011) o M&A and Business Development Project Manager – EDP – Energias de Portugal, S.A. (2007-2009)
	Current External Appointments	<ul style="list-style-type: none"> o Board Member – OMIP SGPS, S.A. o Board Member – Operador del Mercado Ibérico de Energía, Polo Español, S.A. (OMEL)

ANNEX II

Meetings of the General and Supervisory Board and each member's attendance:

NAME	26-JAN	15-FEB	01-MAR	11-APR	04-MAY	20-JUN	27-JUL	28-SEP	02-NOV	14-DEC	%
JOÃO TALONE	P	P	P	P	P	P	P	P	P	P	100
Dingming Zhang	R	R	R	R	R	R	R	R	R	R	100
Esmeralda Dourado	R	P	P	P	P	P	P	P	R	P	100
Felipe Fernández Fernández	P	P	P	P	P	P	P	P	P	P	100
Fernando Masaveu	P	P	P	P	P	R	P	P	P	R	100
Hui Zhang	P	P	P	P	P	P	P	P	P	P	100
Ignácio Herrero	P	P	P	P	P	P	P	P	P	P	100
João Carvalho das Neves	P	P	P	P	P	P	P	P	P	P	100
Laurie Fitch	P	P	P	P	P	P	P	R	P	P	100
Luis Palha da Silva	P	P	P	P	P	P	P	P	P	P	100
María del Carmen Rozado	P	P	P	P	P	P	P	P	P	P	100
Miguel Pereira Leite	P	P	P	P	P	P	P	P	P	P	100
Sandrine Dixson-Declève	P	P	P	P	P	P	P	A	P	P	90
Shengliang Wu	P	R	P	R	R	R	P	P	R	R	100
Sofia Salgado Pinto	P	P	P	P	P	P	P	P	P	P	100
Zili Shao	P	P	P	P	P	P	P	P	P	P	100

P = Present; A = Absent; R = Represented
 Average participation: 99% (includes present and represented)

ANNEX III

Meetings of the Executive Board of Directors and each member's attendance:

Until 12 April 2023

NAME	10-JAN	16-JAN	20-JAN	24-JAN	31-JAN	03-FEB	08-FEB	10-FEB	14-FEB	17-FEB	24-FBV	27-FEB	01-MAR	01-MAR	02-MAR	02-MAR	07-MAR	14-MAR	21-MAR	28-MAR	04-APR	10-APR	%	
MIGUEL STILWELL DE ANDRADE	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100
Miguel Nuno Simões Nunes Ferreira Setas	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100
Rui Manuel Rodrigues Lopes Teixeira	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100
Vera Pinto Pereira Carneiro	P	P	P	P	P	P	A	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	93,8
Ana Paula Garrido de Pina Marques	P	P	A	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	96,9

From 12 April 2023

NAME	12-APR	18-APR	26-APR	27-APR	05-MAY	04-MAY	09-MAY	15-MAY	23-MAY	31-MAY	06-JUN	14-JUN	16-JUN	20-JUN	26-JUN	30-JUN	04-JUL	10-JUL	17-JUL	24-JUL	25-JUL	27-JUL	28-AUG	
MIGUEL STILWELL DE ANDRADE	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Rui Manuel Rodrigues Lopes Teixeira	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Vera Pinto Pereira Carneiro	P	P	P	P	P	A	P	P	P	P	P	A	P	P	P	P	P	P	P	P	P	P	P	P
Ana Paula Garrido de Pina Marques	P	P	P	P	P	P	P	A	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Pedro Collares Pereira de Vasconcelos	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P

NAME	05-SEP	14-SEP	18-SEP	25-SEP	29-SEP	02-OCT	09-OCT	16-OCT	23-OCT	30-OCT	31-OCT	02-NOV	06-NOV	14-NOV	20-NOV	27-NOV	07-DEC	11-DEC	18-DEC	%	
MIGUEL STILWELL DE ANDRADE	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100
Rui Manuel Rodrigues Lopes Teixeira	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100
Vera Pinto Pereira Carneiro	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	P	P		93,8
Ana Paula Garrido de Pina Marques	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	96,9
Pedro Collares Pereira de Vasconcelos	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100

P = Presence; A = Absent
Total meetings held in 2023: 64
Average participation: 98%

ANNEX IV

Positions held by the members of the Executive Board of Directors in other companies belonging or not to the EDP Group:

	MIGUEL STILWELL ANDRADE	RUI TEIXEIRA	VERA PINTO PEREIRA	ANA PAULA MARQUES	PEDRO VASCONCELOS
Comercializadora Energética Sostenible, S.A.U.	-	-	-	R	-
EDP - Energias de Portugal Sociedade Anónima, Sucursal en España	PR	PR	PR	PR	PR
EDP - Energias do Brasil, S.A.	CBD	D	D	D	-
EDP - Gestão da Produção de Energia, S.A.	-	-	-	CBD	-
EDP Comercial - Comercialização de Energia, S.A.	-	-	CBD	-	-
EDP España, S.A.U.	-	D	D	VP/MD	-
EDP Finance BV	R	R	R	R	R
EDP GEM Portugal, S.A.	-	CBD	-	-	-
EDP Global Solutions – Gestão Integrada de Serviços, S.A.	-	CBD	-	-	-
EDP Group Brussels Representation	-	-	-	D	-
EDP Iberia, S.L.U.	-	-	-	CBD	-
EDP IS - Investimentos e Serviços, Sociedade Unipessoal, Lda.	-	M	-	-	-
EDP Renewables Europe S.L.U.	CBD	VP	-	-	D
EDP Renewables Vietnam Company Limited	-	-	-	-	CBD
EDP Renováveis Servicios Financieros S.A.	-	CBD	-	-	D
EDP Renováveis, S.A.	VP/CD	CFO/D	D	D	-
EDP Solar España, S.A.U.	-	-	R	-	-
EDP Ventures – Sociedade de Capital de Risco, S.A.	-	-	-	-	D
EDP Ventures Brasil S.A.	-	-	-	CBD	-
EDP Ventures España, S.A.	-	-	-	CBD	-
EDPR Korea Ltd.	-	-	-	-	D
Empresa Hidroeléctrica do Guadiana, S.A.	-	-	-	CBD	-



	MIGUEL STILWELL ANDRADE	RUI TEIXEIRA	VERA PINTO PEREIRA	ANA PAULA MARQUES	PEDRO VASCONCELOS
Labelec – Estudos, Desenvolvimento e Atividades Laboratoriais, S.A.	-	-	-	CBD	-
OW Offshore S.L.U.	-	VP	-	-	D
Transporte GNL, S.A.U.	-	-	-	R	-
OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A.	-	-	-	-	D
Operador del Mercado Ibérico de Energía, Polo Español, S.A. (OMEL)	-	-	-	-	D

D – Director
M – Manager
CBD – Chairman of the Board of Directors
CFO – Chief Financial Officer
R – Representative
PR – Permanent Representative
VP – Vice-President
VP/MD – Vice-President and Managing Director

ANNEX V

Attendance list of the Financial Matters Committee/Audit Committee

NAME	24-JAN	17-FEB	01-MAR	21-MAR	27-APR	04-MAY	27-JUN	24-JUL	27-JUL	12-SEP	25-SEP	10-OCT	30-OCT	02-NOV	21-NOV	12-DEC	%
JOÃO CARVALHO DAS NEVES	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100
Maria del Carmen Fernandez Rozado	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100
Helena Sofia Salgado Cerveira Pinto	P	P	P	R	P	P	P	P	P	P	P	P	P	R	P	P	100

P = Present; A = Absent; R = Represented

Average participation: 100% (includes present and represented)

Attendance list of the Remuneration Committee

NAME	05-JAN	01-MAR	11-APR	25-APR	22-SEP	22-NOV	28-NOV	07-DEC	14-DEC	%
MIGUEL PEREIRA LEITE	P	P	P	P	P	P	P	P	P	100
Esmeralda Dourado	P	P	P	P	P	P	P	P	P	100
Felipe Fernández Fernández	P	A	P	R	P	P	P	P	P	89
João Carvalho das Neves	P	P	P	P	P	R	A	P	P	89
Zili Shao	P	P	P	P	P	P	P	P	R	100

P = Present; A = Absent; R = Represented

Average participation: 97% (includes present and represented)

Attendance list of the Corporate Governance and Sustainability Committee

NAME	28-FEB	03-MAY	26-JUL	27-SET	13-DEC	%
JOÃO TALONE	P	P	P	P	P	100
Fernando Masaveu Herrero	R	P	R	P	P	100
Hui Zhang	R	R	P	P	A	80
Ignácio Herrero	R	R	P	P	P	100
Laurie Fitch	P	P	P	P	P	100
María del Carmen Rozado	P	P	P	P	P	100
Sandrine Dixson-Declève	P	P	P	R	P	80

P = Present; A = Absent; R = Represented

Average participation: 97% (includes present and represented)

Attendance list of the United States of America Business Affairs Monitoring Committee

NAME	28-FEB	12-APR	30-MAY	26-JUL	27-SEP	02-NOV	12-DEC	%
JOÃO TALONE	P	P	P	P	P	P	P	100
Esmeralda Dourado	P	P	P	P	P	P	P	100
Felipe Fernández Fernández	P	P	P	A	P	P	P	86
Laurie Fitch	P	P	P	P	P	P	P	100
Sofia Salgado Pinto	P	P	P	P	P	P	P	100

P = Present; A = Absent; R = Represented

Average participation: 97% (includes present and represented)

Part IV Remunerations Report



Solar Panels Installed on the Roof of Singapore's Public Housings

Part IV

Remunerations Report

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This Remuneration Report aims to provide a comprehensive and integrated description of the remuneration earned by the members of the governing bodies and bodies of EDP – Energias de Portugal, SA (“EDP” or “Company”), including all benefits, regardless of the respective form, attributed or due during the 2023 financial year.

As provided for in the EDP Articles of Association, the remuneration of the members of the governing bodies is fixed by a Remuneration Committee appointed by the General Meeting, with the exception of the remuneration of the members of the Board of Directors Executive Board, which is set by a Remuneration Committee appointed by the General and Supervisory Board. Until the changes resulting from the General Meeting held on 14 April 2021, these Committees submitted annually to the General Shareholders’ Meeting a declaration on the remuneration policy of the members of the governing bodies, pursuant to the provisions of paragraph 1 of article 2 of Law no. 28/2009, of 19 June.

With the entry into force of Law no. 50/2020, of 25 August, which transposed Directive (EU) no. 2017/828 of the European Parliament and of the Council of 17 May 2017, the Remuneration Committee is responsible to submit to the Company’s General Shareholders’ Meeting a proposal for a Remuneration Policy for the Members of the Governing Bodies.

Following the General Meeting held on 14 April 2021, the proposal for the conformation of EDP’s Articles of Association was approved the proposal of the Remuneration Policy for the members of the governing bodies submitted by the Remuneration Committee appointed by the General Meeting, the proposed Remuneration Policy of the members of the Executive Board of Directors, which was submitted by the Remuneration Committee appointed by the General and Supervisory Board, by respectively 98.69% and 98.58% of the votes cast.

On 12 April 2023, EDP’s General Meeting considered the Remuneration Report under the item on the approval of the Integrated Annual Report, which was approved by the majority of votes cast (98.35% in favour).

¹For more information, see previous Remuneration Reports of EDP as well as the Remuneration Policy Statement submitted to the General Shareholders’ Meeting from April 16th 2020

A. Remuneration policy applicable to members of the Executive Board of Directors approved by the Remuneration Committee appointed by the General and Supervisory Board

Procedures for adopting the policy

Until the General Shareholders’ Meeting held on 14 April 2021, the definition of the remuneration policy for the members of the management body was defined by the Remuneration Committee appointed by the General and Supervisory Board, which established a fixed component and a variable component. Regarding the variable component, this Committee established the remuneration to be awarded to the directors, seeking to ensure that it reflected the performance of each of the members of the Executive Board of Directors in each year of the mandate (annual variable remuneration), as well as their performance for the entire term of office, by setting a variable component consistent with maximizing EDP’s long-term performance (multi-annual variable remuneration). The remuneration policy was revised annually¹ and, with the same periodicity, was subject to the General Shareholders’ Meeting appreciation.

At the General Shareholders’ Meeting held on 14 April 2021 approved the proposed Remuneration² Policy for the members of the Executive Board of Directors, drawn up and submitted by the Remuneration Committee appointed by the General and Supervisory Board.

As stated in the Remuneration Policy for the members of the Executive Board of Directors, drawn up under the terms of Law no. 50/2020, of 25 August and considering the Corporate Governance Code of the Portuguese Institute of Corporate Governance (IPCG) adopted by EDP, the Remuneration Committee of the General and Supervisory Board considered that it was appropriate to review the Remuneration Policy of the Executive Board of Directors in view of the start of the mandate of a new Executive Board of Directors, the approval of a new business plan and the feedback received from analysts and investors on the remuneration system of the Executive Board of Directors. The proposal for the Remuneration Policy of EDP’s Executive Board of Directors resulting from this review was submitted and approved at EDP’s General Shareholders’ Meeting of 14 April 2021.

The policy review work that gave rise to the proposal presented to the General Shareholders’ Meeting was also based on the conclusions of a study requested by the

² For more information, see: [Remuneration Policy approved at the General Shareholders Meeting of April 14th 2021](#)

Remuneration Committee of the General and Supervisory Board and carried out by an independent consultant, as well as on the advice obtained by the aforementioned Committee in relation to corporate governance matters, good international practices and, in general, the matter of remuneration policy as an instrument to promote the business strategy and the long-term and sustainability interests of EDP, provided by a law firm, based on a benchmark analysis of the remuneration model, both qualitative and quantitative, of companies in the PSI 20 Index and comparable companies in the international electricity sector.

In the proposed Executive Board of Directors' Remuneration Policy, the evolution of the remuneration system for directors and other EDP employees, the reduction in the number of members of the Executive Board of Directors, with the functional reorganization of that Board and consequent increase in responsibilities resulting therefrom, in particular for the global lower remuneration level of the Executive Board of Directors, also taking into account the reasonable expectations of its members, elected in January 2021, regarding the remuneration model and its adequacy and competitiveness. The consideration of employment conditions and the remuneration model for EDP's workers and the economic and financial situation in the country and worldwide also contributed to this end. In fact, the consideration of these elements advised that, on that occasion, and without prejudice to the reduction in the number of levels of fixed remuneration of the members of the Executive Board of Directors, as described below, no further review of the fixed component of the remuneration should be carried out. of the members of the Executive Board of Directors, with the impact that such an option has on the other components of the remuneration, although from the point of view of analysing the functions of the current five members of the Executive Board of Directors and the sector benchmark, such a review could prove to be appropriate.

EDP, as the apex of a responsible multinational business group ("Group") has a solid governing culture that ensures the management, monitoring, control, and supervision of the risks that the Group, its shareholders, employees, customers and, in general, all its stakeholders face, including those arising from the remuneration systems it adopts. EDP adopts remuneration practices transversal to the Group, consistent and based on common principles, which comply with the regulations applicable in the jurisdictions where it carries out its activity.

EDP's remuneration systems, including those of the Executive Board of Directors, are defined to promote a culture of merit and high performance that ensures that people and teams are recognized, encouraged and rewarded according to their responsibility, availability, loyalty and competence placed at the service of EDP, guaranteeing action in line with the long-term interests of shareholders and its stakeholders and the promotion of

sustainable performance by EDP aligned with ESG (Environment, Social and Governance) objectives.

The proposal for the Remuneration Policy for the members of the Executive Board of Directors was also aimed at simplification, transparency, and clarity, favouring a complete understanding of the framework of principles and rules that constitute it, which are applied by the Remuneration Committee of the General Board and Supervision.

Definition, review, and renewal of the Policy

The definition of the remuneration policy of the Executive Board of Directors is submitted for approval by the General Meeting of EDP, at the proposal of the Remuneration Committee of the General and Supervisory Board.

Changes to the Internal Regulations of the Remuneration Committee of the General and Supervisory Board include the process of reviewing and applying the Remuneration Policy of the Executive Board of Directors, in accordance with the following principles:

- the Remuneration Committee of the General and Supervisory Board meets at least once a semester in order to monitor the situation of EDP in relevant matters for the purposes of determining and fixing the variable remuneration of the Chairman of the Executive Board of Directors and the other Directors and for the analysis of relevant information that may justify the consideration of adjustments to the application of the Remuneration Policy, proceeding as necessary and convenient to the hearing of the Financial Matters Committee/Audit Committee and the Corporate Governance and Sustainability Committee of the General and Supervisory Board, of the Executive Board of Directors or any of EDP's corporate body in terms of compliance, risk management and Human Resources;
- the definition and possible proposals for reviewing the Remuneration Policy are based on the articulation of EDP's long-term objectives, measured according to its strategic plan at any given moment, on the conclusions of comparative remuneration studies with national listed companies and with peers' foreign sectors and in an articulation of principles with the remuneration plan of other workers and employees of EDP;
- on an annual basis, the Remuneration Committee of the General and Supervisory Board will assess the opinions expressed by shareholders and analysts on EDP's Remuneration Policy or on the Remunerations Report;
- the Remuneration Committee of the General and Supervisory Board may hire the consultants and external support necessary to carry out studies on comparative remuneration and best corporate governance practices within the scope of



remuneration policies for directors, assessing their independence conditions to the provision of services that may be requested.

Without prejudice to (extraordinary) revision proposals, the Remuneration Committee of the General and Supervisory Board should, at least at the end of each term of office, when assessing compliance with the objectives set for the term in question, specifically analyse and decide on a reasoned basis, on the opportunity to propose the revision/update (ordinary) of the Remuneration Policy in any of its components, in order to ensure, at all times and with adequate agility, the fulfilment of the objective of the remuneration policy of retention and attraction of talent.

The review of the base remuneration must also imply the weighting, according to benchmark criteria, of the total remuneration model practiced by comparable companies, in order to always ensure that the remuneration model of the members of the Executive Board of Directors of EDP remains balanced, fair, and competitive.

Whenever a remuneration policy is proposed for reviewed, all relevant changes introduced will be described and how these changes reflect the votes and opinions expressed by shareholders on the remuneration policy, as well as the remuneration reports issued based on the aforementioned policy.

Principles and General Characteristics

The Remuneration Policy of the Executive Board of Directors of EDP aims to comply with the applicable legislation, also in terms of its content, under the terms of Article 26-C of the Securities Code, the IPCG Corporate Governance Code adopted by EDP and good international practices, being mutatis mutandis coherent and consistent with the remuneration policy and remuneration practices applied to Group employees.

Regardless of the functions performed in companies of the Group, namely at EDP Renováveis, in accordance with the Remuneration policy of the members of the Executive Board of Directors, the members of this Board do not receive any remuneration or benefit from any other company of the Group, being exclusively remunerated through EDP.

The remuneration of the members of the Executive Board of Directors must be aligned with the interests of shareholders, be focused on the creation of long-term value and be compatible with adequate and rigorous risk management, thus contributing to the Company's strategy, to its long-term values and interests and for its sustainability.

Total remuneration and the remuneration model, in general, must be competitive, aligned with the practices of the international electricity sector and the market, facilitating the attraction and retention of talent, and the commitment to the company's challenges and ambitions.

The competitiveness of the remuneration model/system of the Executive Board of Directors must be regularly and periodically assessed, namely through the analysis of the functions performed and benchmark exercises to be carried out with the support of independent entities, which is assumed to be done with a minimum triennial frequency, corresponding to the duration of the term-of-office of the Executive Board of Directors.

The Executive Board of Directors' Remuneration Policy ensures a (fixed) base remuneration, the payment of which is not dependent on performance evaluation, which must be fair, competitive, and sufficiently relevant in relation to the total remuneration, in order to allow greater flexibility in the conformation of the variable component of the remuneration.

The Remuneration Policy of the Executive Board of Directors comprises a variable remuneration, with an annual component, and a multi-annual component, with the nature of reward/incentive appropriate to the individual and collective performance of the members of the Executive Board of Directors and the promotion of good conduct, considering EDP's short- and long-term, financial, and non-financial objectives that are achieved, and the way in which they were achieved (pay for performance).

The annual variable component is linked to financial and non-financial objectives established in accordance with EDP's Annual Budget, measured annually, with an impact on the year and subject to evaluation and consequent repercussion in the following years, being paid in cash. The annual variable remuneration must be determined after the approval of EDP's accounts at the Annual General Meeting each year, by reference to the previous year/period of annual performance. The payment of the annual variable remuneration is partially deferred.

The multi-annual variable component is linked to the quantitative and qualitative objectives of EDP's Business Plan, the fulfilment of which will be evaluated at the end of a period of three years, with the respective payment subject to partial deferral. The multi-annual variable remuneration is paid exclusively in shares representing the share capital of EDP ("EDP Shares").



The determination of the variable annual and multi-annual remuneration of the members of the Executive Board of Directors in accordance with the Remuneration Policy is the responsibility of the Remuneration Committee of the General and Supervisory Board.

The payment of the variable remuneration is subject to the permanence of the member of the Executive Board of Directors at EDP until the end of the annual or three-year period of relevant performance, without prejudice to the provisions of the Remuneration Policy.

In the event that EDP or members of the Executive Board of Directors are responsible, by shareholders or third parties, for intentional unlawful acts of management, the annual and multiannual variable remuneration of the directors in question may, by decision of the Remuneration Committee of the General and Supervisory Board, be suspended or not awarded, until such claims are determined and, in case they are considered valid, the variable remuneration paid during the period of practice of the facts, overdue, or to be awarded, will be reimbursed, retained or not awarded for compensation for damages caused up to the full amount thereof (malus and clawback clauses).

In assessing the annual and multi-annual performance of the members of the Executive Board of Directors and determining the amount of the variable remuneration due to them, the Remuneration Committee of the General and Supervisory Board may take into account exceptional circumstances affecting EDP, caused by decisions of a political or administrative nature beyond the control of the members of the Executive Board of Directors, which have an impact on EDP's performance and level of achievement of objectives, neutralizing their impacts on annual and multi-annual performance metrics, provided that it ensures that, in case of reversal of the decisions of a political or administrative nature in question, by means of an arbitration, judicial or arbitration procedure, the members of the Executive Board of Directors will also not benefit from the effects of such reversal decision. Likewise, the Remuneration Committee of the General and Supervisory Board may consider other exceptional conjunctural and exogenous circumstances that EDP is faced with, which have an impact on the Company's performance and the level of achievement of objectives set for its members. of the Executive Board of Directors, adjusting or justifiably adopting appropriate solutions to neutralize, for the benefit of EDP or the members of the Executive Board of Directors, as the case may be, in whole or in part, the impact of said consequences on annual and multi-annual performance metrics.

In addition to some of the benefits provided to EDP employees, which the members of the Executive Board of Directors also benefit from, the members of this Board must also benefit, by virtue of the duties performed and in accordance with market practices and EDP's culture from a set of additional benefits, of a non-financial nature.

As with EDP employees and in accordance with the legislation and Article 27(1) of EDP's Articles of Association, the Company must provide directors with a supplementary retirement pension due to old age or disability or, in its place, and in accordance with the practice consistently followed by the company, a retirement savings plan or equivalent instrument, namely a unit linked capitalization insurance.

The Financial Matters Committee/Audit Committee and the Corporate Governance and Sustainability Committee of the General and Supervisory Board shall, together with the Remuneration Committee of the General and Supervisory Board and at its request, monitor the adequacy and application of the Policy of Remuneration of the Executive Board of Directors and other documents, namely of a regulatory nature that develop it, with a view to ensuring its compliance with the legislation and internal policies and risk culture of EDP, as well as evaluating its effects on the appetite for risk and how such effects are managed.

The Remuneration Committee of the General and Supervisory Board ensures certification, by an independent entity, of the application of performance metrics in accordance with the approved Remuneration Policy.

Without prejudice to a proposal for an extraordinary review during the term of office according to benchmark criteria, the Remuneration Policy will be valid for a period of three years (2021-2023) and will be the subject of a proposal for renewal or revision to be submitted to the General Meeting of EDP to be held in 2024.

EDP's Executive Board of Directors Members do not enter into contracts, either with the Company or with third parties, the effect of which is to mitigate the risk associated with the variability of the remuneration determined for them by the Company.

Apart from the situations described in this Remuneration Report, there are no contracts in force at EDP that foreseeing payments in the event of dismissal or termination by agreement of the directors' duties.

Components of the remuneration of the members of the Executive Board of Directors

Fixed Component – Base Remuneration

The base remuneration of the members of the Executive Board of Directors must be aligned with the base remuneration practiced by a group of companies comparable with Executive Board of Directors, of the national market (PSI 20 Index) and of the international electricity

sector, in terms of size, market capitalization, risk profile, relevance and geographic implantation, also considering, at all times, the complexity of the functions performed, the remuneration conditions of EDP workers and the non-increase of the average remuneration gap of the market between workers and managers.

Considering the reduction in the number of members of the Executive Board of Directors and the organizational / functional review of this structure with the consequent increase in responsibilities resulting therefrom, in particular the lower remuneration level of the Executive Board of Directors, the current Remuneration Policy has eliminated a remuneration level in the EBD, reducing, compared to the previous Remuneration Policy , from three to two, the levels of remuneration of the members of this Board, under the following terms:

- a. Annual base remuneration of the CEO: 800,000.00 Euros; and
- b. Annual base remuneration of the other members of the Executive Board of Directors: 560,000.00 Euros.

The base remuneration of the members of the Executive Board of Directors is paid in 14 monthly instalments.

Variable remuneration

The variable remuneration of the members of the Executive Board of Directors is based on the success of the short and long-term performance of EDP, pursuant to the budget and business plan in effect, considering the performance of that Board and the individual performance of each member of the Executive Board of Directors, determined based on parameters of a financial and non-financial nature, individual and collective, absolute, and relative, in the terms indicated below.

Annual Component

The maximum annual variable remuneration may not be higher than 80% of the base remuneration in force in the year to which the referred annual variable remuneration refers, being determined, and falling due, after the approval of accounts for the year to which it relates.

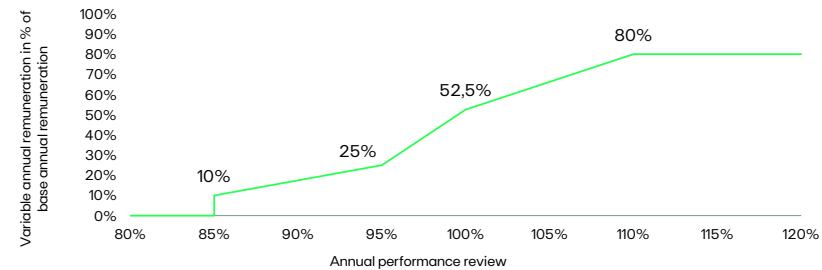
The annual variable remuneration has the nature of an incentive / performance bonus linked to short-term financial and non-financial objectives (linked to the business plan and budget), analysed annually, with a reflection on the year under evaluation and possible repercussions in the following years, being paid in cash. The amount of the annual

performance bonus will be determined within three months after the approval of EDP's accounts at the Annual General Shareholders Meeting each year, by reference to the previous annual performance financial year/period.

The annual variable component is limited to 80% of the base remuneration in force in the year to which the referred annual variable remuneration refers, being attributed according to the following parameters, calculated linearly:

- If the performance reaches less than 85% of the defined objectives, there is no place for the attribution of an annual variable component;
- If the performance achieved is between 85% and 95% of the defined objectives, an amount within the range of 10% and 25% of the fixed reference remuneration of each EBD member is due;
- If the performance achieved is between 95% and 100% of the defined objectives, an amount within the range of 25% and 52.5% of the fixed reference remuneration of each EBD member is due;
- If the performance achieved is between 100% and 110% of the defined objectives, an amount within the range of 52.5% and 80% of the fixed reference remuneration of each EBD member is due;
- If the performance achieved reaches more than 110% of the objectives set, the amount corresponding to 80% of the reference fixed remuneration of each EBD member is due.

Graphically:





The payment of annual performance bonus is partially deferred in 30% of its value throughout a 2-year period, with the payment to be carried out in 50% each year, with EDP reserving through the Remuneration Committee the possibility of not applying such deferral when the annual amount of the bonus is not higher than 20% of the relevant base remuneration.

Key annual performance indicators (and weights) against budget the year of reference.

Quantitative component:

- Growth – Earnings per share recurring (20%)
- Shareholder remuneration – Total Shareholder return vs Eurostoxx utilities (20%)
- Balance sheet solidity – Funds from Operations/Net Debit (10%)
- Operational efficiency – Recurring Cash OPEX (10%)
- ESG indicators (20%)
 - Dow Jones Sustainability Index Results
 - Performance in the employees' yearly climate study
 - Performance in the customer satisfaction index

The 80% resulting from the weighted sum of these indicators reflects a performance that is common to all members of the EBD.

The performance level of a given quantitative objective must be greater than or equal to 85% for that same objective to be considered in the calculation of the total performance, and each quantitative objective will have a maximum performance limit of 120%.

Qualitative component:

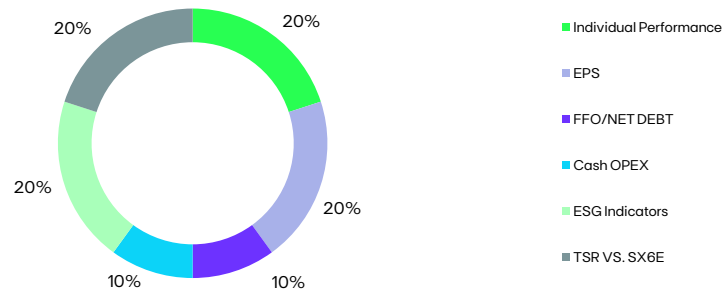
The remaining 20% result from an individualized qualitative assessment carried out by Remuneration Committee, based on the individual performance of each of the members of the Executive Board of Directors, and after consulting the EBD, based on the following indicators:

- Implementation of the Business Plan in the year (25%)
- Team management (25%)
- Teamwork (25%)
- Stakeholder management (25%)

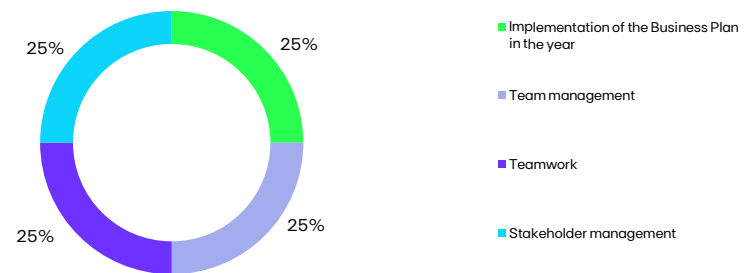


KPI	Description	Weight	Comparative	Objective [Min – Max]	Performance [85%-120%]	
Quantitative component (80%)	Growth – Earnings per share recurring	Comparison of the net earnings per share for the year under review with the objective previously defined in the annual budget object of prior favourable opinion by the General and Supervisory Board.	20%	Budget 2022	(0.22) [85% – 120%]	(102%)
	Shareholder remuneration – Total Shareholder return vs Eurostoxx utilities	Comparison of profitability for EDP shareholders on the market (TSR) with the TSR of a benchmark index, the Eurostoxx utilities (SX6E, which includes the main companies in the utilities sector in the Euro zone).	20%	SX6E	(100%) [85% – 120%]	(108%)
	Balance sheet solidity – Funds from Operations/Net Debit	Comparison of the ratio between Funds from operations and net debt with the objective previously defined in the annual budget approved by the General and Supervisory Board.	10%	Budget 2022	(20.9%) [85% – 120%]	(97%)
	Operational efficiency – Recurring Cash OPEX	Comparison between the OPEX cash achieved in the year under evaluation with the same indicator considered in the annual budget approved by the General and Supervisory Board.	10%	Budget 2022	(€1,917m) [85% – 120%]	(97%)
	ESG indicators	Results of the Dow Jones Sustainability Index	8%	Annual evolution of indices and studies	(100%) [85% – 120%]	(119%)
		Performance in the annual employee climate survey	6%		(100%) [85% – 120%]	(100%)
		Performance in the customer satisfaction index.	6%		(100%) [85% – 120%]	(110%)
	Total		80%			

Annual Performance Indicators (%)



Qualitative component (%)



KPI	Description	Weight	Comparative
Qualitative Component (20%)	Individual qualitative assessment carried out by the Remuneration Committee of the General Supervisory Board, based on the individual performance of each of the members of the Executive Board of Directors and after consulting this body, based on the following indicators:	20%	-
Individual Performance Assessment	<ul style="list-style-type: none"> • Implementation of the Business Plan in the year (25%); • Team Management (25%); • Teamwork (25%); • Stakeholders' management (25%) 		

The payment of annual variable remuneration is subject to the permanence of the members of the Executive Board of Directors in office until the end of the relevant annual period of performance, without prejudice to the provisions of the Remuneration Policy.

Multiannual Component

The multiannual variable remuneration will be calculated and will be due within three months after the approval of accounts for the last financial year of the three-year period to which it relates and will be paid in EDP Shares.

The number of EDP Shares to be awarded to each member of the Executive Board of Directors will be the one resulting from the quotient between the value of the remuneration

calculated as to be paid in EDP shares after performance evaluation, and the price attribution of EDP Shares corresponding to the average price of EDP shares in the last month prior to the General Shareholders' Meeting on 14 April 2021: EUR. 4.95.

The multi-annual variable remuneration will be measured according to the fulfilment of long-term financial and non-financial objectives in accordance with the Business Plan approved by EDP, including the Company's sustainability metrics within the scope of ESG (Environment, Social and Governance) policies and objectives.

The payment of two thirds of the multi-annual variable remuneration payable in EDP Shares will be deferred and must be paid in two equal and successive annual instalments, ensuring that the payment of the multi-annual variable remuneration is made in the third

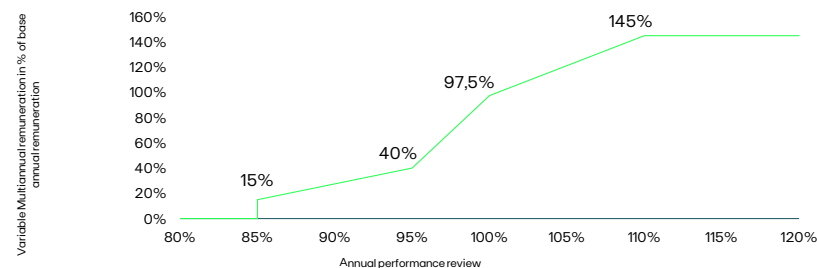
year after each year of performance of the plan. multiannual year in reference, the first one due, respectively, and the second two years after the annual General Meeting at which the EDP accounts corresponding to the last year of the term in question are approved.

The payment of a significant part of the component of the multiannual variable remuneration in EDP Shares reinforces the focus on the capital market and the alignment of interests of the members of the Executive Board of Directors with those of shareholders.

The maximum multiannual variable remuneration cannot be higher than 145% of the base remuneration earned during the three-year benchmark period, being attributed according to the following parameters, calculated on a linear basis:

- If the performance achieved is less than 85% of the defined objectives, there will be no multiannual variable remuneration attribution;
- If the performance achieved is between 85% and 95% of the defined objectives, it is due an amount within the range of 15% and 40% of the base total remuneration of each EBD member;
- If the performance achieved is between 95% and 100% of the defined objectives, it is due an amount within the range of 40% and 97.5% of the base total remuneration of each EBD member;
- If the performance achieved is between 100% and 110% of the defined objectives, it is due an amount within the range of 97.5% and 145% of the base total remuneration of each EBD member;
- If the performance achieved meets the defined objectives in more than 110%, it is due an amount equal to 145% of the fixed remuneration of each EBD member.

Graphically:



Key multi-annual performance indicators for the three-year term of office (and weightings) against the 2021-2025 Business Plan subject to a prior favourable opinion of the General and Supervisory Board issued at the meeting held on 24 February 2021, after approval by the Executive Board of Directors

Quantitative component:

- Shareholder remuneration – Total shareholder return vs Eurostoxx utilities (40%)
- Growth – Earnings per share recurring cumulative (20%)
- ESG indicators (20%)
 - Increase of share of renewable energy production
 - Emissions reduction
 - Bloomberg Gender Equality Index Performance

The 80% resulting from the weighted sum of these indicators reflects a performance that is common to all members of the EBD.

The performance level of a given quantitative objective must be greater than or equal to 85% for that same objective to be considered in the calculation of the total performance and each quantitative objective will have a maximum performance limit of 120%.

Qualitative component:

The remaining 20% result from an individualized qualitative assessment carried out by the Remuneration Committee, based on the individual performance of each of the members of the EBD, and after consulting the EBD, based on the following indicators:

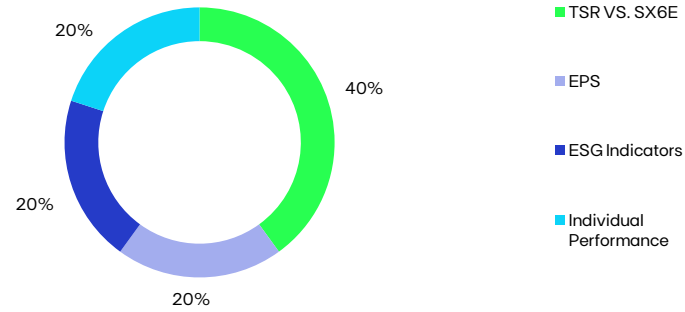
- Strategy and execution (25%)
- Employee development (25%)
- Teamwork and new forms of working (25%)
- Stakeholders Management (25%)

The multiannual variable remuneration will only be due if, at the end of the mandate and considering the entire term of the mandate, an average of 85% of the objectives set has been reached.

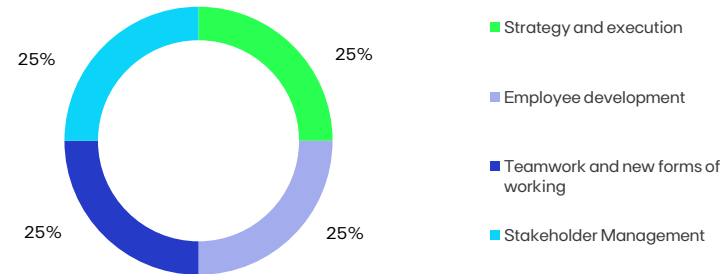
The payment of the multi-annual variable remuneration is subject to the permanence of the members of the Executive Board of Directors in office until the end of the three-year period of relevant performance, without prejudice to the provisions of the Remuneration Policy.

The members of the Executive Board of Directors are prohibited from entering into contracts, either with EDP or with third parties, which have the effect of mitigating the risk inherent to the variability of the remuneration set for them by EDP.

Multiannual Performance Indicators (%)



Qualitative component (%)





	KPI	Weight	Comparative	Description
Quantitative Component (80%)	Total shareholder return (TSR) vs Eurostoxx utilities	40%	SX6E	Comparison of the return generated for EDP shareholders on the market (TSR) with that of the Eurostoxx utilities benchmark index (SX6E, which includes the main companies in the utilities sector in the Euro zone). This comparison is made between quotations at the end of the three-year period and considers the reinvestment of dividends received in the period.
	Earnings per Share recurring cumulative	20%	Business Plan	Comparison of net earnings per share with the target previously defined for that year in the multi-annual Business Plan object of prior favourable opinion by the General and Supervisory Board.
	ESG indicators	20%	Multi-annual evolution of renewables penetration, emission reduction and index	This indicator assesses the increase in penetration of renewables, reduction of emissions, Bloomberg Gender Diversity Index.
Qualitative Component (20%)	Individual Performance Assessment	20%	-	Individual assessment of the performance in the period considered of each of the members of the Executive Board of Directors carried out by the Remuneration Committee of the General and Supervisory Board, and after consulting the Executive Board of Directors, based on the following indicators: <ul style="list-style-type: none"> • Strategy and execution (25%) • Employees' development (25%) • Teamwork and new forms of working (25%) • Stakeholders' management (25%)
	Total	100%		

Below is a summary table of the remuneration framework applicable to members of the Executive Board of Directors:

	Element	Approved at GSM 2021	2021	2022	2023	2024	2025	2026
Fixed component	Fixed Remuneration	Defined by REMC						
	Retirement Savings Plan	Net amount corresponding to 10% of the base remuneration						
	Other benefits	Insurance, use of car						
Variable remuneration – annual component	Variable Remuneration	Maximum of 80% of fixed remuneration	70% - award 2021	15% - award 2021	15% - award 2021			
			70% - award 2022	15% - award 2022	15% - award 2022			
			70% - award 2023	15% - award 2023	15% - award 2023			
Variable remuneration – multiannual component	Variable Remuneration	Maximum of 145% of fixed remuneration	Performance period	→	1/3 of award 2021-23	1/3 of award 2021-23	1/3 of award 2021-23	
Other corporate governance topics	Clawback and Malus rules	Remuneration paid during the period in which the facts were committed, overdue, or to be awarded, will be refunded, retained, or not awarded	Clawback and Malus: the right to variable remuneration and its effective payment is conditioned to the non-performance, by the members of the Executive Board of Directors, of any willful unlawful acts known after the evaluation has been carried out and that cause damage to EDP or jeopardize the sustainability of performance of EDP and are the subject of a claim for damages against EDP, presented by shareholders or third parties.					

Performance evaluation of the General and Supervisory Board and qualitative assessment of the Executive Board of Directors to be carried out by the Remuneration Committee of the General and Supervisory Board

Under the terms of the remuneration policy in force, the remuneration of directors comprises a qualitative component, reflected in the annual variable remuneration (weighted by the individual performance evaluation of each of the members of the Executive Board of Directors, representing 20% and taking into account performance during one year) and the multi-annual variable remuneration (weighted by the individual performance evaluation of each of the members of the Executive Board of Directors, representing 20%, and taking into account the performance during the three-year period).

For this purpose, the General and Supervisory Board carries out a self-assessment of its activity and performance, as well as of the respective Committees, whose conclusions are presented in the annual activity report of the General and Supervisory Board (Article 12 of the Internal Regulations of the General and Supervisory Board). This corporate body also carries out an independent assessment of the activity and performance of the Executive Board of Directors, conclusions of which are presented to the General Shareholders' Meeting and annexed to above referred report.

EDP, on the initiative of the General and Supervisory Board, voluntarily instituted a formal and objective process to assess both the activity of this body and the activity of the Executive Board of Directors. The experience of recent years has allowed the General and Supervisory Board to introduce some changes to the process with a view to making it more effective and efficient. During 2023, the methodology adopted comprised the following steps:

- conduction of the process of collective evaluation of the General and Supervisory Board, its Specialized Committees, and the Executive Board of Directors by an external entity, with a view to carrying out interviews based on individual questionnaires to the members of the supervisory body and to support in completing and validation of the treatment of information supporting the evaluation process;
- at the beginning of 2023, each member of the General and Supervisory Board was interviewed by specialized consultants, answering questions of a quantitative and qualitative nature; namely, issues related to the composition, organization and functioning, performance of the General and Supervisory Board's activity and the relationship of this Board with its Specialized Committees and with other EDP governing

bodies were analysed; Likewise, issues related to the composition and organization of the Executive Board of Directors, performance of the respective activity and the relationship between the Executive Board of Directors and the General and Supervisory Board were analysed;

- assessment reports were produced by the General and Supervisory Board, its Specialized Committees, and the Executive Board of Directors, which were made available for consideration at a meeting of the General and Supervisory Board;
- at a meeting, the General and Supervisory Board issued the respective assessment opinions, which are included in this body's annual activity report;
- at the General Meeting, in the point concerning the assessment of the Executive Board of Directors, the Chairman of the General and Supervisory Board presents the respective opinion.

In January 2024, the General and Supervisory Board also contracted Mercer (Portugal), Lda. to provide services within the scope of certification of the evaluation process of the afore mentioned body, its Specialized Committees, and the Executive Board of Directors. These certifications can be consulted in the 2023 Annual Report of the General and Supervisory Board.

Maximum potential amount in case of full compliance with the defined objectives

By reference to each year of term-of-office, the maximum potential amount to be attributed to the members of the Executive Board of Directors under the Remuneration Policy in force, in the event of full compliance with the defined objectives, which implies the payment of the maximum amounts fixed for the annual and multi-annual variable remuneration, under the terms described above, is the following:

- Chairman of the Executive Board of Directors: 2,600,000 Euros
- Remaining members of the Executive Board of Directors: 7,280,000 Euros
- Total amount: 9,880,000 Euros

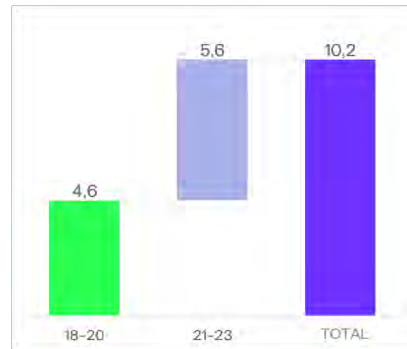
Itemized Remuneration

The gross global amount paid by EDP to the members of the Executive Board of Directors in 2023 was 10,250,666 Euros, of which 5,622,803 Euros refer to the 2021-2023 term of office starting on 19th January 2021 and 4,627,863 Euros regarding the 2018-2020 term.

The following chart illustrates the breakdown between the rounded amounts paid, in millions of Euros, during 2023 for each of the mandates:

Remuneration of the Executive Board of Directors*

(millions of EUR.)



* Includes remuneration of the Executive Board of Directors currently in function and the Multiannual Remuneration of the previous Executive Board of Directors.

The table below shows, in Euros, the gross remuneration amounts paid in 2023, individually, to the members of the Executive Board of Directors for the 2018-2020 term:

	GROSS REMUNERATION PAID BY EDP (*)	
	MULTIANNUAL COMPONENT (2020)	TOTAL
António Luís Guerra Nunes Mexia	865,959	865,959
João Manuel Manso Neto	606,171	606,171
António Fernando Melo Martins Costa	495,383	495,383
João Manuel Veríssimo Marques da Cruz	321,441	321,441
Miguel Stilwell de Andrade	641,451	641,451
Miguel Nuno Simões Nunes Ferreira Setas	344,180	344,180
Rui Manuel Rodrigues Lopes Teixeira	326,224	326,224
Maria Teresa Isabel Pereira	507,479	507,479
Vera de Moraes Pinto Pereira Carneiro	519,575	519,575

⁽¹⁾The remuneration of the members of the Executive Board of Directors includes the amounts related to the Retirement Savings Plan.

The table below shows, in Euros, the gross remuneration amounts paid in 2023, individually, to the members of the Executive Board of Directors in office, for the 2021–2023 term of office, as well as the total gross remuneration amounts paid to each of these members in 2023:

	GROSS REMUNERATION PAID BY EDP ⁽¹⁾				TOTAL 2023 (TERMS 2018–2020 AND 2021–2023) ⁽²⁾
	FIXED	ANNUAL VARIABLE (2022)	ANNUAL VARIABLE DEFERRAL (2021)	TOTAL (TERM 2021–2023)	
Miguel Stilwell de Andrade	970,213	411,040	77,520	1,458,773	2,100,224
Miguel Nuno Simões Nunes Ferreira Setas ⁽³⁾	178,189	276,948	52,647	507,784	851,964
Rui Manuel Rodrigues Lopes Teixeira	679,149	285,572	53,802	1,018,523	1,344,747
Vera de Morais Pinto Pereira Carneiro	679,149	276,948	51,492	1,007,589	1,527,164
Ana Paula Garrido de Pina Marques	679,149	276,948	52,647	1,008,744	1,008,744
Pedro Collares Pereira de Vasconcelos ⁽⁴⁾	621,390 ⁽⁵⁾	-	-	621,390	621,390

⁽¹⁾ The remuneration of the members of the Executive Board of Directors includes the amounts related to the Retirement Savings Plan.

⁽²⁾ Includes the amounts relating to the 2019 multi-annual variable remuneration identified in the previous table.

⁽³⁾ On 13 March 2023, Miguel Nuno Simões Nunes Ferreira Setas resigned as a member of the Executive Board of Directors, with effect from the appointment of a replacement member at EDP's Annual General Meeting, held on 12 April 2023, and this table includes the remuneration earned up to that date.

⁽⁴⁾ Pedro Collares Pereira de Vasconcelos was elected a member of EDP's Executive Board of Directors at the General Meeting held on 12 April 2023.

⁽⁵⁾ Includes the amount of 153,247 Euros relating to an international mobility allowance.

In 2023, no amounts earned by members of the Executive Board of Directors were paid by other companies in a control or group³ relationship or that are subject to a common control, in Portugal or abroad.

In 2023, the Remuneration Committee of the General and Supervisory Board hired an external consultant, Mercer (Portugal), Lda., to provide support in the validation and certification of the calculation of the annual and multi-annual variable remuneration of the members. of the Executive Board of Directors.

³ Definition of group within the meaning of paragraph g) of no. 1 of article 2 of Decree-Law no. 158/2009, of 13 July, in accordance with paragraph d) of no. 2 of article 26-G of the Portuguese Securities Code.

Additional benefits

The members of the Executive Board of Directors also benefit from the following additional benefits:

- Payment of an annual Life Insurance and Personal Accident Insurance premium (along with the other associated costs);
- Payment of an annual premium for / co-payment of / access to Health Insurance, extendable to spouse and children (along with other associated costs);

- Use of a vehicle, in terms of the culture and practice consistently followed at EDP for service vehicles, which includes, for the members of the Executive Board of Directors, the assignment of a driver, payment of costs and expenses related to the vehicle and its use.

The benefits and rights granted to the members of the Executive Board of Directors under the employment contracts they have entered into with EDP will be suspended during the exercise of their duties as members of the Executive Board of Directors, thus not adding to the benefits and rights above indicated.

The benefits and rights attributed to the members of the Executive Board of Directors under the terms of the Remuneration Policy may, by decision of the Remuneration Committee of the General and Supervisory Board, with a favourable opinion from the Corporate Governance and Sustainability Committee, be adjusted according to the practices market and continued alignment with EDP's general Human Resources policy applicable at any given time, and must be justifiably reported in the first remuneration report that is presented after the aforementioned adjustment.

Pursuant to Article 402 of the Portuguese Companies Code and Article 27(1) of EDP's Articles of Association, the Company may create old-age or disability retirement pension supplements in favour of the members of the Executive Board of Directors. EDP has not created a supplementary retirement pension fund or plan for directors, instead making annual contributions / or co-contributions with the director to a Retirement Savings Plan (PPR) in a net amount corresponding to 10% of the respective remuneration base.

Malus and clawback rules

The right to variable remuneration and its effective payment is conditioned to the non-performance, by the members of the Executive Board of Directors, of any malicious illegal acts known after the evaluation has been carried out, and which cause damage to EDP or jeopardize the sustainability of performance of EDP and are the subject of a claim for compensation to EDP, by shareholders or third parties.

If the provisions of the previous paragraph are verified, the variable remuneration paid during the period of practice of the facts, overdue, or to be awarded, will be reimbursed, withheld, or not awarded to compensate for the damages caused up to the competition of the full amount thereof.

Exceptional payments arising from termination of service and non-compete agreements

Following the suspension of duties in 2020, of António Luís Guerra Nunes Mexia, Chairman of the Executive Board of Directors for the three-year period 2018-2020 and João Manuel Manso Neto, Board Member during the same mandate, by court order issued within the scope of the process concerning the termination of Energy Acquisition Contracts and transition to the Contractual Balance Maintenance Costs regime and the extension of the use of the Public Hydric Domain, and the conclusion with EDP, on 20 November 2020. In these agreements, it was emphasised that EDP's obligation to pay the aforementioned Directors the monetary amounts due as remuneration in relation to the mandate elapsed between 2018 and 2020 would not be affected, including the respective fixed and variable, annual and multiannual, whose evaluation is the responsibility of the Remuneration Committee of the General and Supervisory Board, under the terms in force in the respective the remuneration policy statement approved by this Committee and submitted to the appreciation of the General Meeting. In this context, the amounts paid in 2023 are those provided for in the itemized remuneration section of this Remuneration Report.

A non-compete agreement was also entered into with reference to the period after termination of duties. According to the analysis that preceded the conclusion of the termination of functions and non-compete agreements, the interests of the signatory parties were duly safeguarded, with the respective final terms being based on the best market practices.

As consideration for the non-compete obligation, EDP undertook to pay to António Luís Guerra Nunes Mexia, for a period of three years, the amount of 800,000 Euros and the maintenance, during the same period, of the payment of insurance premiums and life insurance, as well as the PPR Life Insurance whose net amount represents 10% of the fixed annual remuneration.

The termination and non-compete agreement entered into was subject to approval by the Remuneration Committee of the General and Supervisory Board, under the terms of article 429 of the Commercial Companies Code, article 27 of the EDP Articles of Association and article 12, paragraph h) of the Internal Regulations of the Remuneration Committee of the General and Supervisory Board at a meeting held on 13 November 2020.

In this context, in 2023, 400,000 Euros were paid to António Mexia as consideration for the non-compete obligation, in January and July, totalling 800,000 Euros, as well as the

aggregate amount of 145,896.72 Euros relating to insurance premiums health and life insurance and PPR Life Insurance.

In addition, following the resignation submitted with effect from 12 April 2023, a termination, non-competition and non-solicitation agreement was signed with Eng. Miguel Nuno Simões Nunes Ferreira Setas, a termination, non-competition and non-solicitation agreement was signed under which EDP (i) would maintain the obligation to pay the aforementioned Director the pecuniary amounts due as remuneration in respect of the annual variable component for the year 2022 and the multi-annual variable component for the year 2020, the determination of which is the responsibility of the Remuneration Committee of the General and Supervisory Board, under the terms of the Remuneration Policy for Members of the Executive Board of Directors approved by the General Meeting on 14 April 2021, (ii) pay a total amount of 560,000 Euros as compensation for non-competition and non-solicitation during 2024.

The termination, non-competition and non-solicitation agreement entered into was approved by the Remuneration Committee of the General and Supervisory Board, under the terms of article 4.29 of the Companies Code, article 27 of EDP's Articles of Association and article 12(h) of the Internal Regulations of the Remuneration Committee of the General and Supervisory Board at a meeting held on 25 April 2023.

B. Remuneration policy applicable to members of the Governing Bodies approved by the Remuneration Committee elected by the General Meeting

The Remuneration Committee elected by the General Meeting takes into account, for the purposes of the proposed remuneration policy for the members of the General and Supervisory Board, the Board of the General Meeting and the Statutory Auditor, the duties performed, the fixed nature of the remuneration, as well as the mandatory rules on their determination, in particular the provisions of number 2 of article 440 of the Commercial Companies Code, which explains the criteria for determining the remuneration of the General and Supervisory Board, in article 374-A of the Commercial Companies Code, in article 60 of Decree-Law no. 224/2008, of 20 November, on the remuneration of the Statutory Auditor.

It is therefore incumbent upon the Remuneration Committee elected at the General Meeting to set the remuneration of the members of the following governing bodies: Board of the General Meeting, Chairman and members of the General and Supervisory Board, Statutory Auditor and the Environment and Sustainability Board. The Financial Matters

Committee/Audit Committee is treated together with the other Specialized Committees of the General and Supervisory Board.

Considering the competence of the Remuneration Committee elected at the General Meeting it only promotes the definition of fixed remunerations, so the legal determinations and others relating to variable remuneration, with their various dimensions, are not applicable here, without prejudice to the necessary alignment with the principles that shape EDP's remuneration policies and, in particular, reflected in the EDP Business Plan for the period 2021-2025.

Procedures for adopting the policy

In the definition of the Remuneration Policy, proposals are made to ensure that remuneration is adequate, contribute to the business strategy and sustainability of EDP and reflect the risk profile and the long-term objectives and interests of EDP, showing still complying with legal norms, principles, and relevant national and international recommendations.

The Remuneration Committee elected by the General Shareholders' Meeting is also attentive to market references, following benchmark studies carried out in due course.

Also in defining this policy, the Remuneration Committee elected by the General Meeting maintains interactions both with members of the relevant governing bodies and with the Company's stakeholders.

As is the case of the Executive Board of Directors, the General and Supervisory Board and its Specialized Committees, the Remuneration Committee elected by the General Shareholders' Meeting develops mechanisms for the prevention and management of conflicts of interest, under the terms set out in article 10 of the EDP Articles of Association, observing the following essential rules:

- i. When a member of the Remuneration Committee is in a situation of actual or apparent conflict of interest in a decision to be taken by this body, he must previously inform the Committee of the facts that may constitute or give rise to a conflict between his interests and the Social.
- ii. In the situation referred to in the previous number, the member of the Remuneration Committee must abstain from participating and voting at the meeting in which the topic is discussed and voted on, without prejudice to the duty to provide information and clarifications that the Committee or the respective members ask you.

It should also be noted that, under the statutory terms, the Remuneration Committee elected by the General Meeting is composed of a majority of independent members.

General Definition and Characterization

When defining the remuneration policy presented by the Remuneration Committee and approved at the General Meeting, held on 14 April 2021, the following factors were considered:

- i. There is a renewal of the governing bodies with some depth, with the decrease in the number of members of the General Supervisory Board being highlighted;
- ii. Experience has shown that the functions are increasingly demanding and complex, which requires greater availability of this body, and it should be noted that, in 2020, instead of the eleven annual meetings that were usually held, there were nineteen;
- iii. The remuneration of the governing bodies, with the exception of the remuneration of the Chairman of the General Supervisory Board, has not changed since 2009, and in that year there was a reduction in relation to the 2006/2008 term of office;
- iv. Remuneration must also consider market comparables and be sufficiently attractive and adjusted to the responsibilities of the functions;
- v. The current remuneration of the members of the General Supervisory Board is, for the reasons mentioned above, well below market comparables, namely in the sector in which EDP operates.

The proposed Remuneration Policy for the Members of the Governing Bodies aims to comply with the applicable legal provisions, and incorporate the corporate governance guidelines set out in the IPCG Corporate Governance Code adopted by the Company, framing within the guidelines that have been defined by the Company's reference shareholders, which are formulated in accordance with the aforementioned applicable rules and recommendations and with the best practices existing in the sector.

It should be noted, as already mentioned, that the proposal for the Remuneration Policy for the Members of the Governing Bodies has a necessarily limited and reduced scope, since the definition of the remuneration policy for the members of the Executive Board of Directors is in charge of the Remuneration of the General and Supervisory Board.

Therefore, are not within scope of the proposed Remuneration Policy does not include any variable remuneration to directors, remuneration based on shares or any other remuneration complement, a matter that is the responsibility of the Remuneration

Committee of the General and Supervisory Board. For this reason, several legal provisions, concerning the referred matters, notably, those set forth in Article 26-C (3) (4) of the Portuguese Securities Code.

Principles underlying the remuneration policy of the members of the Governing Bodies (excluding that of the Executive Board of Directors)

The Remuneration Committee elected by the General Shareholder's Meeting defined the remuneration policy for the members of the General and Supervisory Board, having as a guiding principles that it should be simple, transparent, moderate, and take into account the complexity and responsibility of the duties and the Company's economic situation, as well as being competitive and equitable, in order to guarantee the purpose of creating value for shareholders and other stakeholders.

The Remuneration Committee elected by the General Shareholders' Meeting based its decisions on remuneration policy on the following main guiding principles:

- i. Definition of a simple, clear, understandable, transparent policy in line with EDP's culture, so that the remuneration practice can be based on uniform, consistent, fair, and balanced criteria.
- ii. Definition of a policy consistent with effective risk management and control, to avoid excessive exposure to risk and conflicts of interest and seeking consistency with the Company's long-term objectives and values.
- iii. Evaluation and encouragement of a judicious action in which merit must be duly rewarded, ensuring levels of homogeneity compatible with the necessary cohesion of the General Supervisory Board, while also considering the economic and financial situation of the company and the country, even though EDP operates on a global scale.
- iv. Alignment of the remuneration of the various members of the governing bodies by companies with the highest market capitalization and European counterparts, naturally adapted to the Portuguese market.
- v. The most recent recommendations issued by the European Union and the Securities Market Commission.
- vi. Alignment of remuneration with the specific responsibilities inherent to the position in question.
- vii. Alignment of remuneration with the time required to spend in each position.



viii. Simplification of the remuneration policy.

Structure of the remuneration policy for the members of the Governing Bodies (excluding that of the Executive Board of Directors)

Based on these criteria and considering the challenges that the Company intends to pursue during the term of office 2021-2023, the Remuneration Committee elected by the General Meeting decided that the following guidelines should apply:

- A distinction must be maintained between the remuneration attributed to the members of the General Supervisory Board and those fixed to the members of the Executive Board of Directors, with the former not being allocated a variable remuneration component or any other remuneration supplement.
- The performance with merit and the complexity of the functions performed by the members of each body must be considered, so that the cohesion, stability, and development of the Society are not jeopardized.
- Regarding the Chairman of the General Supervisory Board, it must be considered that the functions require great availability and include a strong component of institutional representation. He may also chair the Financial Matters Committee/Audit Committee, without additional remuneration.
- If the chairmanship of the Financial Matters Committee/ Audit Committee is assigned to another member of the General Supervisory Board, other than its Chairman, he/she must have a compatible remuneration, depending on the responsibility of the position and the requirement of availability.
- In any case, the Chairman of the General Supervisory Board, or the Chairman of the Financial Matters Committee/Audit Committee, if they are separate persons, may not accumulate any other remuneration in relation to the basis assigned to them.
- It is also important to differentiate the performance of other specific functions, within the scope of the General Supervisory Board, namely the participation of members of the General Supervisory Board in other committees, as well as the functions performed in these committees.

- Finally, it should be considered that, historically, the remuneration of the Chairman of the Board of the General Meeting is similar to the remuneration attributed to the Chairman of a Committee. For this reason, the remuneration of the Chairman of the Board is aligned accordingly, and his inherent membership of the position of Member of the General Supervisory Board is also considered.

C. Specifics applicable to the remuneration of the members of the General and Supervisory Board

In compliance with the provisions of article 440 of the Commercial Companies Code, the remuneration of the members of the General and Supervisory Board is of a fixed nature, considering the duties performed.

The remuneration policy currently in force was approved at the General Shareholders' Meeting held on 14 April 2021.

The remuneration of the Chairman of the General and Supervisory Board was set considering, namely, the necessary availability for the performance of his duties as well as the important component of institutional representation required. The remuneration of the Chairman of the General and Supervisory Board also includes the costs associated with the use of the vehicle and its driver.

Remuneration limits

Accordingly, and considering the aforementioned, the Remuneration Committee elected by the General Shareholders' Meeting submitted to the shareholders the proposal for the gross remuneration of the members of the governing bodies identified below, for the financial year that began on 14 April 2021 and until the term of office, under the terms that follow:

GENERAL AND SUPERVISORY BOARD	ANNUAL REMUNERATION
CHAIRMAN OF THE GENERAL AND SUPERVISORY BOARD:	EUR. 515,000.00
Member of the General and Supervisory Board:	EUR. 70,000.00

Financial Matters Commission/Audit committee: the following values add to the base remuneration

	ANNUAL REMUNERATION
PRESIDENT:	+ EUR. 73,000.00 (*) (TOTAL DE EUR. 143,000.00)
Member:	+ EUR. 25,000.00

(*) Applicable in this term of office, since the function is not performed by the Chairman of the General Supervisory Board.

	ANNUAL REMUNERATION
For each Commission in which he participates as President:	+ EUR. 25,000.00
For each Committee in which you participate as a Member:	+ EUR. 20,000.00

Regarding the establishment of the remunerations listed above, the following rules are also added:

- The Chairman of the General and Supervisory Board and the Chairman of the Financial Matters Committee/Audit Committee (if not the Chairman of the General Supervisory Board), even if they form part of other committees, will not have any additional remuneration.
- No other Member of the General and Supervisory Board may, in addition to the basic remuneration, accumulate remuneration in more than two committees, in accordance with the rules referred to above, even if they participate in a greater number.

Amounts earned broken down

The gross global amount paid by EDP to the members of the General and Supervisory Board in 2023 was 2,037,999.64 Euros.

The following table presents the amounts of remuneration paid during the 2023 financial year to the members of the General and Supervisory Board in office for the 2021-2023 term of office:

MEMBERS OF THE GENERAL AND SUPERVISORY BOARD	FIXED EUROS GROSS
João Luís Ramalho de Carvalho Talone	515,000
China Three Gorges Corporation	70,000
China Three Gorges International Limited	70,000
China Three Gorges (Europe), S.A.	90,000

MEMBERS OF THE GENERAL AND SUPERVISORY BOARD	FIXED EUROS GROSS
China Three Gorges Brasil Energia, S.A.	90,000
China Three Gorges (Portugal), Sociedade Unipessoal, Lda. (*)	95,000
DRAURSA, S. A.	110,000
Fernando Maria Masaveu Herrero	90,000
João Carvalho das Neves	143,000
María del Carmen Fernández Rozado	115,000
Laurie Lee Fitch	110,000
Esmeralda da Silva Santos Dourado	110,000
Helena Sofia da Silva Borges Salgado Fonseca	115,000
Zili Stephen Shao	90,000
Sandrine Dixson-Declève	90,000
Luís Maria Viana Palha da Silva	95,000

(*) Remuneration paid to the representative Miguel Espregueira Mendes Pereira Leite

D. Specifics applicable to the remuneration of the Statutory Auditor

Contractual nature

At the General Shareholders' Meeting held on 14 April 2021, PricewaterhouseCoopers & Associados - Sociedade de Revisores de Contas, Lda., Sociedade Revisor Oficial de Contas number 183, represented by João Rui Fernandes Ramos (ROC n.º 1333), was re-elected to Statutory Auditor for the three-year period 2021-2023, having, on the same date, been re-elected Aurélio Adriano Rangel Amado (ROC n.º 1074), as Substitute of the Statutory Auditor, to perform duties during the aforementioned three-year period.

The Remuneration Committee elected by the General Shareholders' Meeting decided that the remuneration of the Statutory Auditor will correspond to the amounts contained in the "Agreement for the Provision of Legal Audit Services" entered into between EDP and PricewaterhouseCoopers & Associados - Sociedade de Revisores de Contas, Lda.

Scope of activity and services provided

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. and its network (PWC) are responsible for carrying out the independent audit of all the companies that make up the EDP Group, namely in Portugal, Spain, Brazil and the United States of America, as well as in other countries in which the Group is located.

All services provided by the Statutory Auditor during the 2023 financial year are detailed in Part IV, Item 46, of this Integrated Annual Report.

Fees earned

PWC

EUROS	PORTUGAL		SPAIN		BRAZIL		USA		OTHER COUNTRIES		TOTAL	
Audit and statutory audit of accounts	2,839,403		1,390,516		771,318		2,086,669		2,375,635		9,463,541	82%
Other assurance of reliability services (*)	1,354,719		455,273		281,985		-		23,327		2,115,304	18%
Total of audit and assurance of reliability services	4,194,122		1,845,789		1,053,303		2,086,669		2,398,962		11,578,845	
Tax consultancy services	-		-		-		-		-		-	
Other services	9,975		1,576		-		-		-		11,551	-%
Total of other services	9,975		1,576		-		-		-		11,551	
Total	4,204,097	36%	1,847,365	16%	1,053,303	9%	2,086,669	18%	2,398,962	21%	11,590,396	100%

(*) Includes assurance of reliability services of the exclusive competence and responsibility of the Statutory Auditor in accordance with the Regulations on Provision of Services by Statutory Auditor or Statutory Auditing Company approved by the General and Supervisory Board.

The amount of fees for “Audit and statutory auditing” in Portugal includes 1,947,668 Euros corresponding to the fees for statutory audit of the annual, individuals and consolidated accounts of EDP – Energias de Portugal, S.A.

Services other than Audit and Legal Review of Accounts requested by Group companies from the External Auditor and other entities belonging to the same network, amounted to 2,126,855 Euros.

E. Particulars applicable to the remuneration of the Environment and Sustainability Board

Under the terms of the current remuneration policy, approved by the General Shareholders' Meeting on 14 April 2021, the members of the Environment and Sustainability Board are entitled to receive an attendance fee per meeting in the amount of 1,750 Euros.

In the 2023 financial year, the members of the Environment and Sustainability Board earned the remuneration indicated in the following table:

ENVIRONMENT AND SUSTAINABILITY BOARD ⁽¹⁾	FIXED EUROS
José Manuel Caré Baptista Viegas	5.250
Joana Pinto Balsemão ⁽²⁾	-
Joaquim Manuel Veloso Poças Martins	5.250
Maria Mendiluce	5.250
Pedro Manuel Sousa Mendes Oliveira	5.250

⁽¹⁾ As a result of the activity carried out during 2022, each of the members José Manuel Caré Baptista Viegas, Joaquim Manuel Veloso Poças Martins, Maria Mendiluce and Pedro Manuel Sousa Mendes Oliveira have earned 1,750 Euros in January 2023.

⁽²⁾ Waived the respective remuneration.

F. Particulars applicable to the remuneration of the Remuneration Committee of the General Meeting

Together with the re-election of the members of the Remuneration Committee of the General Meeting, the Meeting approved the respective remuneration, for the 2021-2023 term, in the following terms:

REMUNERATION COMMITTEE	ANNUAL REMUNERATION
PRESIDENT	EUR. 20,000.00
Members:	EUR.15,000.00

The members of the Remuneration Committee of the General Meeting received, in 2023, the following remunerations:

REMUNERATION COMMITTEE OF THE GENERAL SHAREHOLDER'S MEETING ^(*)	FIX EUROS
Luís Miguel Nogueira Freire Cortes Martins	20,000
José Gonçalo Ferreira Maury	15,000
Jaime Amaral Anahory	15,000

G. Particulars applicable to the remuneration of the Board of the General Shareholders' Meeting

The remuneration policy submitted by the Remuneration Committee elected by the General Meeting, approved at the General Meeting held on April 14, 2021, provides, as regards the members of the Board of the General Meeting, as follows:

BOARD OF THE GENERAL SHAREHOLDERS' MEETING:	ANNUAL REMUNERATION ^(*)
PRESIDENT	EUR. 70,000.00, PLUS EUR. 25,000.00
Vice-President:	EUR. 5,000.00

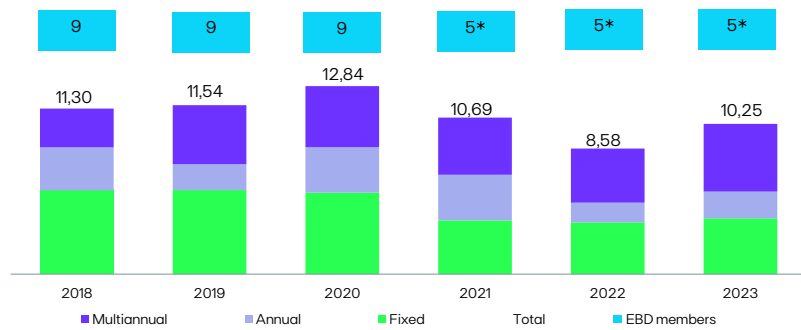
^(*)Gross amounts

The Chairman and Secretary of the Board of the General Shareholders' Meeting do not receive remuneration in this capacity, given that they are remunerated as a member of the General and Supervisory Board and as Company Secretary, respectively.

The Vice-Chairman of the General Meeting, elected on 6 April 2022, waived the respective remuneration.

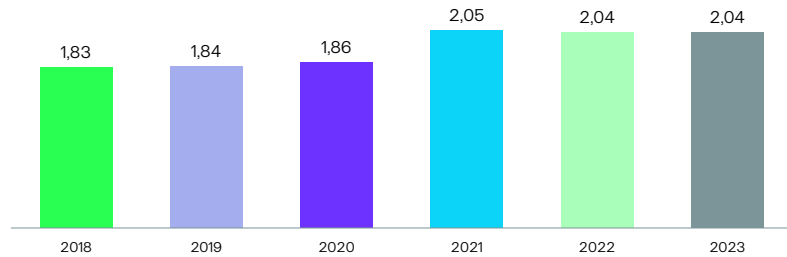
H. Evolution of the remuneration and performance

Remuneration of the Executive Board of Directors (€ million)

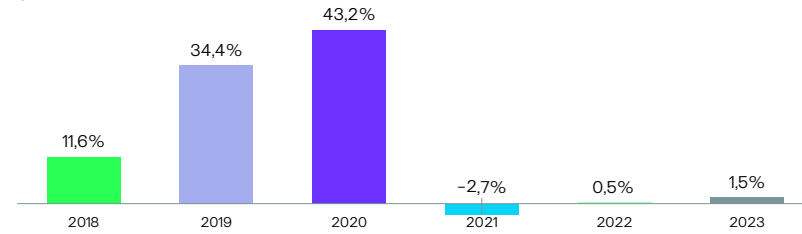


* As a result of the Extraordinary General Meeting of 19 January 2021, the Executive Board of Directors elected for the 2021-2023 term is composed of 5 members. The amount of EUR 10.25 million refers to the amounts of remuneration paid in 2023, relating to the terms of office of 2018-2020 (9 members) and 2021-2023 (5 members).

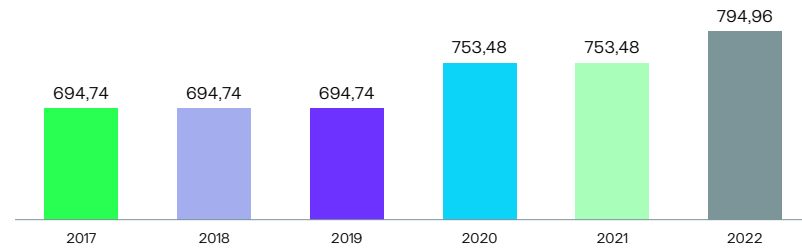
Remuneration of the General and Supervisory Board (€ million)



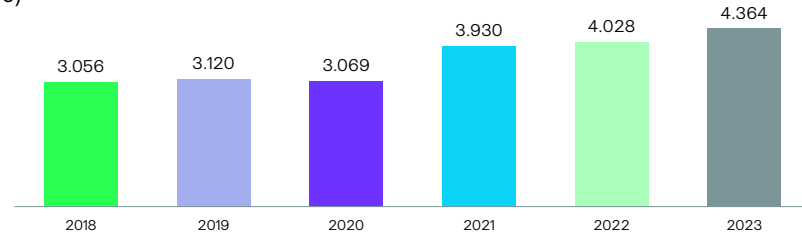
Total Shareholder Return (%)



Dividends (€ million)



Average Employees' Remuneration (€)



Note: Exchange rate at constant values (average from 2015 to 2017) 3.72 EUR/BRL, applied to the period from 2016 to 2023.

Part V Annexes



Ribatejo Thermoelectric Power Station, Portugal



Part V Annexes Index

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Annex 1. Final references

The Executive Board of Directors would like to thank all those who have supported and followed EDP in 2023.

We would like to thank EDP's shareholders for placing their trust in the Executive Board of Directors and for the support they provided.

We would also like to thank members of the Corporate Bodies, responsible for the audit and supervision of the group, for their support. A special word of thanks to the General and Supervisory Board for their expert guidance and counsel.

Miguel Stilwell de Andrade (CEO)

Rui Manuel Rodrigues Lopes Teixeira

Pedro Collares Pereira de Vasconcelos

The Executive Board of Directors also extends its gratitude to all the stakeholders EDP engaged with in 2023, notably, clients, suppliers, regulators, partners, and local communities.

Lastly, a special thanks to all EDP employees. Your determination and commitment were critical to achieving this year's results.

Vera de Morais Pinto Pereira Carneiro

Ana Paula Garrido de Pina Marques

Annex 2. Reporting principles

EDP has reported in accordance with the GRI Standards for the period from January 1st, 2023 to December 31st, 2023.

GRI Standards reporting principles

Reporting quality

Balance

The content of the Report considers both the most positive facts of the year and those less positive when materially relevant.

Comparability

The information reported covers a four-year time series in the material topics indicators relevant to the EDP group's business ([2.2. Materiality](#)) and enables a comparative analysis of the company's performance.

Transparency

An online glossary is provided in [Annex 7. Glossary](#), helping to understand some of the technical terms used. In addition to the publications in pdf, a web version is also available, facilitating navigation through the different contents.

Accuracy

The scope of the Report is explained, as well as the consolidation criteria. All exceptions and changes to criteria are duly identified and highlighted. The definitions and descriptions of the calculation methodologies of the main indicators employed are available online, in the glossary.

Timeliness

The Report has an annual frequency and covers the calendar year 2023.

Reliability

The internal process verification is described in this page, under 'Internal and external assurance'. External verification is an additional guarantee of the reliability of the content, regarding the indicators included in [GRI Table](#).

Content principles

Sustainability context

Within the framework of the defined strategy, EDP fosters a corporate culture of permanent demand for excellence in sustainability.

The group's sustainability performance is globally reported based on the consolidation criteria defined and described in the next point. Regarding the subsidiary companies, the group defines a clear strategy for continuous improvement of its performance, supported by the internal process of identifying the year's material issues and emerging trends in the sector, always considering the local conditions in which it operates. Regarding the jointly controlled companies, the group positively influences its performance and highlights the major initiatives of the year throughout the Report, when materially relevant. In the supply chain, the approach is management, and the material issues are published. In this context, the group advocates a relationship supported in trust, collaboration and shared value creation ([3.4.7. Supply chain](#)). Finally, on the customer side, EDP has a growth strategy supported by an increasingly clean supply, contributing to higher energy efficiency through decarbonization solutions ([3.4.1. Climate change | Decarbonizing the world](#)).

Consolidation criteria

The consolidation criteria of non-financial information are as follows:

- in the subsidiary companies where the group exercises control, the performance of companies is reported at 100%
- in jointly controlled companies and where the group exercises significant influence, the operational, environmental and social information is published, given its relevance to the group.



A list with the companies and the respective consolidation method is available in [Part II – Financial statements and notes](#).

Included in this list is the company Iberenergia, S.A.U. in which the group has a 100% holding and which is consolidated by the full consolidation method. This company owns 15.5% of Trillo Nuclear Power Plant and as EDP is a minority shareholder it does not exercise operational control or have the power to make financial decisions, through the limited percentage it owns of this power plant. Given this, EDP does not report on operational, environmental and social information regarding this plant in its Integrated Annual Report. However, information on its performance can be consulted at www.cnat.es.

Materiality

In terms of sustainability management and performance reporting, the EDP Group periodically identifies key themes and trends with the potential to impact the value creation for the company in the short, medium and long term. The material issues encompass both financial and non-financial dimensions, namely those of the economic, environmental and social dimensions that may influence, or be influenced by, different EDP stakeholders.

The materiality analysis assesses and prioritises the relevance of an issue for EDP and its stakeholders. This analysis involves periodic reviews of stakeholders expectations, providing insights to support the organisation's decision-making and strategy development processes.

For a comprehensive understanding of the EDP group's internal methodology in determining Materiality, along with a detailed list of topics, refer to the EDP group's Materiality Process Report at www.edp.com.

Verification according to AA1000 (2018)

Material topics [2.2 Materiality](#) are identified within the framework defined by AA1000 AP (2018), ensuring the identification of critical stakeholders; integrating their expectations into the corporate and operational strategy and seeking to respond appropriately to their expectations.

As in previous years, EDP was subject to verification of compliance with AA1000 AP (2018) in 2023 by the auditors, PwC, specifically in the principles of inclusion, materiality, response and impact.

Inclusion of stakeholders

The principle of inclusion envisages that stakeholders are consulted, that their expectations and concerns are known and are incorporated into the decision-making process.

Periodically, interaction initiatives are promoted with different segments of the company's stakeholders, while there are also dedicated communication channels devoted to specific segments.

Response and Integrity

EDP undertook commitments and delineated Action plans for material themes, replying strategically to the main stakeholders' expectations. The Objectives and Goals are listed in [2.4. Strategic priorities](#), and in [2.2. Materiality](#) is the group's materiality matrix for 2023, whose themes are developed throughout the document.

Internal and external assurance

The overall coordination of the process of preparing the EDP Sustainability Report is the responsibility of the Sustainability Department. The contents are subsequently viewed and approved by the Executive Board of Directors.

The external verification of sustainability content, carried out by PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. has the external verification level "Limited" for a set of indicators according to the [GRI Table](#). Except for the emission and energy consumption indicators which are appropriately flagged with "Reasonable assurance".

GRI and Global Compact

The [GRI Table](#) lists the GRI-Standard indicators in accordance with the GRI Standards for the period from January 1st, 2023, to December 31st, 2023 and the specifics of the G4 Electric Utilities Sector Disclosures, assuming deadlines for the implementation of the indicators for which full compliance has not yet been possible. Simultaneously, the following table identifies the available information that responds to the ten principles of the Global Compact, demonstrating EDP's commitment to this initiative.

WE SUPPORT



Annex 3. Proposal for the allocation of profits

In accordance with Article 30 (1) of EDP's Articles of Association, the Executive Board of Directors hereby proposes for approval by the Shareholders that:

1. The 2023 financial year results, in the total amount of € 823,636,270.41, have the following allocation:
 - Legal Reserve → € 1,239,873.03
 - Endowment to EDP Foundation → € 1,000,000.00
 - Retained Earnings → € 821,396,387.38
2. Dividends to be paid in the amount of €0.195 per share, in the total amount of € 815,884,216.53.

The total amount of € 815,884,216.53 in dividends to be paid from distributable assets, corresponding to €0.195 per share, considers the total number of shares representing EDP's share capital, nevertheless, under applicable law, no payment of dividends shall take place regarding own shares held by EDP as of the date that dividends are made available for payment, and such amount is added to the amount of retained earnings.

Annex 4. 2025 goals follow-up

		UN	TARGET 2025	STATUS 2023	SDG
Accelerated and sustainable growth	Renewable generation	%	~85	87	7, 13
	Fleet electrification	%	> 40	29.4	7, 13
	EV charging points installed	#	> 40,000	8,510	7, 13
Future-proof organization	Revenues aligned with EU taxonomy	%	~70	43	7, 13
	Scope 1 & 2 emissions	gCO ₂ /kWh	~100	81	7, 13
	Total waste	kt	118	266	12
	SDGs social investment	EUR M	50	41	11, 17
	Top quartile in ESG rating performance	-	✓	✓	-
Attractive returns and ESG excellence	Employee engagement	Top tier company	✓	X	8
	Female employees	%	30	29	5
	Accident Frequency Rate	Tf	1.55	2.07	8
	Female on leadership	%	30	29	5
	Top management ESG & equity linked compensation	-	✓	✓	-
	Cybersecurity	Bitsight rating	Advanced	Advanced (810)	11



Annex 5. Tax transparency

Tax mission and strategy

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, while mitigating significant risks and avoiding needless disputes, and ensuring value creation for shareholders.

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

1. Compliance with Tax Laws and Regulations

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 to this extent it has implemented an internal transfer pricing policy based on three main principles:
 - the terms and conditions of all EDP 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 carries out its activity.

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, despite 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 the EDP Group's Tax Policy, as part of proper business management. The companies 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 tax risk management and control process begins with the identification and classification of the risks to which the EDP Group may be subject.

In this sense, the EDP Group continuously assesses the tax risks and uncertainties, conducting regular exercises in order to identify, quantify and monitor risks that arise from external events with potential material impact. The EDP Group identifies the risks to which it is exposed based on the following classification:

- compliance risk, associated with a potential failure to comply with tax obligations in a timely and complete manner
- technical analysis risk, that may lead to potentially less appropriate tax decision-making, particularly in contexts where there is uncertainty in tax treatment
- communication risk, associated with the possibility of an inadequate communication flow between internal tax teams and other corporate areas (e.g., business units) or external entities (e.g., Tax Authorities); and
- reputational risk, related to the misinterpretation, by the stakeholders, of financial and tax information disclosed.

In addition, 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, analysed 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 its 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 Sustainability chapter of its annual integrated report, guaranteeing clarity, usefulness, and accuracy in the information provided.

In addition, it should be noted that the EDP Group, as a multinational group, fully complies with the annual communication and reporting obligations arising from the implementation of the provisions of Action 13 of the Base Erosion and Profit Shifting project (known as Country-by-Country Reporting), which is part of a plan to strengthen transparency for tax administrations and that was adopted by the OECD and G20 countries. This obligation is fulfilled in Portugal by the parent company, in accordance with the established legal deadlines.

Also, within the Framework of the OECD Pillar 2 – which aims to ensure a minimum overall effective taxation of 15% in each jurisdiction where the multinational groups have a presence – EU Directive 2022/2523 was published on 14 December 2022, which came into force the day following its publication in the Official Journal of the EU and should have been transposed by Member States by 31 December 2023.

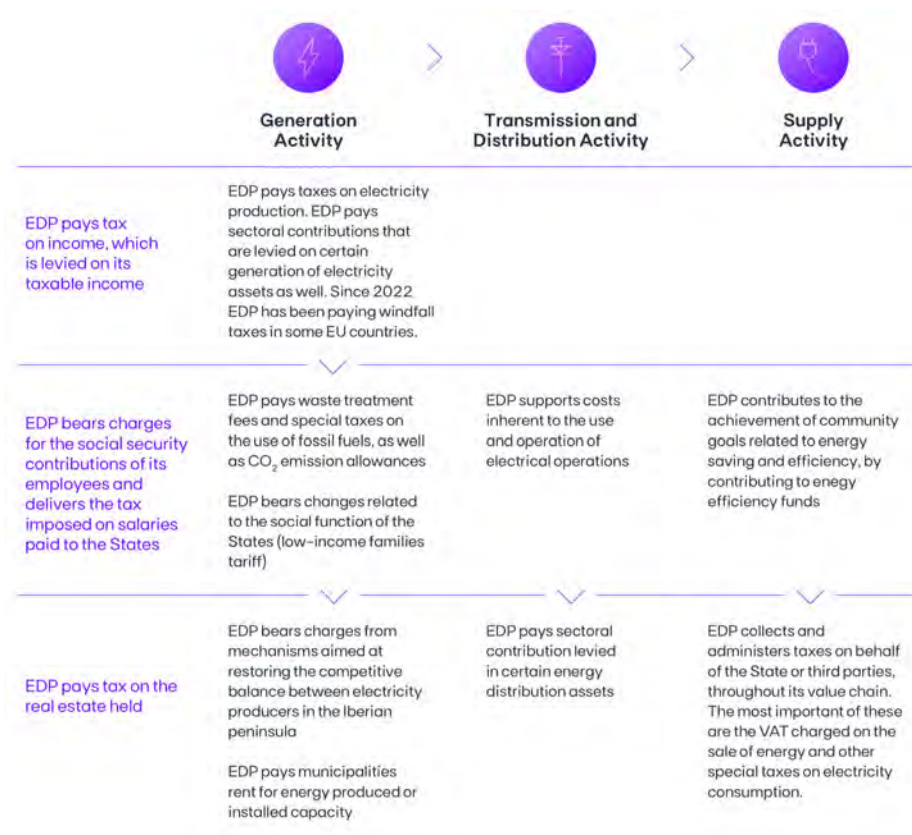
Taking into account the preliminary analysis carried out and EDP Group's consolidated revenues, it is expected that the Group will be subject to this tax regulation. Portugal did not comply with the transposition deadlines, although it is expected that such transposition occurs during 2024. However, assuming that the transposition will strictly follow the Directive, no top-up tax is expected to be paid by EDP Group.

In the countries where EDP Group carries out its activities and where the Pillar 2 rules were already enacted, we expect the safe harbours will apply and therefore no additional tax will be due.

The fiscal footprint of EDP Group

EDP Group is a utility present in 4 regional hubs, whose value chain includes the activities of generation, transmission and distribution and supply of energy. These activities trigger various types of taxes, levies and financial contributions which, when considered as a whole, determine the level of taxation to which the EDP Group is subject.

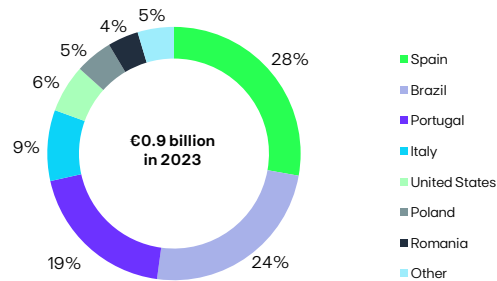
Of all the stages in the EDP's value chain, its energy generation activity is the one that contributes most significantly to the payment of taxes and other contributions.



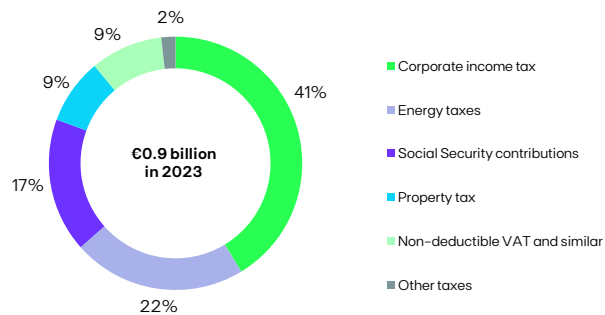
Global contribution of the EDP group

In 2023, EDP Group's global tax contribution to the public revenues of the countries where it is present amounted to approximately 2.9 billion euros, of which 0.9 billion euros correspond to own taxes and contributions borne (paid) by the EDP Group and circa 2 billion euros of taxes collected (contributions to the States on behalf of other economic agents), as shown in the following charts.

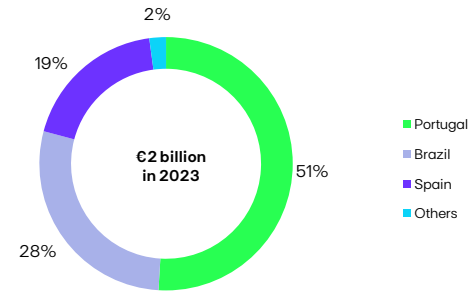
Taxes borne (paid) by the EDP group, by the geographical area



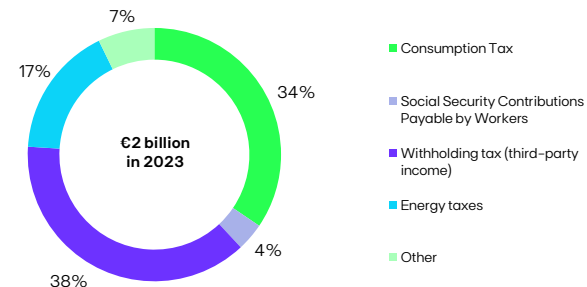
Taxes borne (paid) by the EDP group, by the type of contribution



Taxes collected by the EDP Group and delivered to the states (burden of Other agents), by geographical area



Taxes collected by the EDP group and delivered to the states (burden of Other agents), by type of contribution



Regarding the taxes borne by EDP Group, Spain is the country with the highest tax contribution in 2023, accounting for 28% of total taxes borne by EDP Group.

On the other hand, considering the taxes incurred by EDP Group, the most relevant amount (41%) concerns to corporate income tax, followed by specific taxation on the energy sector (including the windfall tax paid in Spain, Romania, Italy and Poland) (22%), and, finally, social security contributions borne by companies (17%).

Regarding corporate income tax rates, the nominal tax rates in the main countries in which EDP Group operates range between 16% in Romania and 31.5% in Portugal, adding municipal and state surtaxes to the nominal rate in the case of companies located in Portugal.

In Portugal, the taxes borne (paid) in 2023 amounted to 180 million euros, emphasizing the weight of corporate income taxes amounting to 74 million euros, as well as social security contributions borne by the companies amounting to 78 million euros.

In Spain, the taxes borne (paid) in 2023 amounted to 258 million euros, where the specific taxation on the energy sector should have the highest weight amounting to 116 million euros, followed by corporate income taxes that amounted to 88 million euros.

Taxes collected by EDP Group and delivered to the States where it carries out its activity (burden of other agents) amounted to circa 2 billion euros in 2023, mostly related to the collection of consumption taxes (e.g. VAT) and withholding taxes on income.

Country by country tax contribution

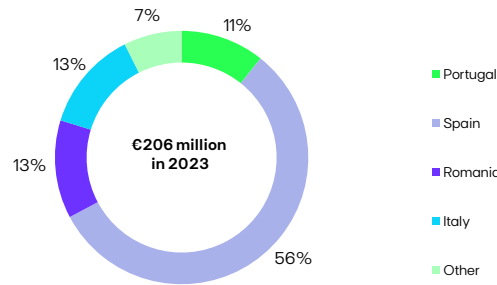
THOUSAND EUROS		
Corporate income tax paid (cash basis)	2023	2022
Belgium	445	0
Brazil	112,239	55,056
China	8	40
Colombia	3,323	3,802
Germany	34	1
Spain	88,246	16,872
France	61	-447
Greece	11	9
Hungary	63	0
Italy	54,942	16,527
Japan	8	10
Luxembourg	21	0
Mexico	14,060	7,230
Malaysia	0	3
Netherlands	843	0
Poland	31,166	24,892
Portugal	74,084	91,959
Romania	9,180	387
Taiwan	3	16
United Kingdom	0	1
United States	-4,851	1,058
Vietnam	0	132
Total	383,886	217,549



THOUSAND EUROS							
TAXES BORNE (PAID) BY THE EDP GROUP							
2023	CORPORATE INCOME TAX	ENERGY TAXES	SOCIAL SECURITY CONTRIBUTIONS	PROPERTY TAX	NON-DEDUCTIBLE VAT AND SIMILAR	OTHER TAXES	
Belgium	445	0	238	0	0	0	0
Brazil	112,239	8,233	27,086	2,037	71,486	5,084	
Canada	0	0	32	177	0	0	
Chile	0	0	51	0	201	0	
China	8	0	212	0	0	91	
Colombia	3,323	0	787	0	9,271	2,475	
Germany	34	0	604	3	5	0	
Spain	88,246	116,321	35,626	11,513	0	6,583	
France	61	838	2,654	94	0	416	
Greece	11	0	508	0	94	1,176	
Hungary	63	0	137	0	53	10	
Indonesia	0	0	6	0	18	0	
Italy	54,942	26,438	2,314	379	0	5	
Japan	8	0	66	0	0	1	
South Korea	0	0	0	0	16	0	
Luxembourg	21	0	29	0	0	-1	
Macao	0	0	0	0	0	0	
Mexico	14,060	0	132	0	0	296	
Netherlands	843	0	75	0	214	0	
Poland	31,166	6,178	1,113	5,900	0	81	
Portugal	74,084	22,031	78,253	1,332	3,758	487	
Romania	9,180	25,787	50	1,439	0	3	
Singapore	0	0	2,115	0	613	122	
Taiwan	3	0	44	0	0	0	
United Kingdom	0	0	204	109	0	0	
United States	-4,851	0	6,857	54,615	0	0	
TOTAL	383,886	205,826	159,194	77,601	85,728	16,829	

Specific taxation for the energy sector in 2023

The specific taxation on the energy sector carries significant weight within the EDP Group. In 2023, the EDP Group incurred taxes of this nature amounting to 206 million euros, as shown in the following graph.



Indeed, in the year 2023, several European countries maintained or enforced the so-called "windfall taxes", which originated from Council Regulation (EU) 2022/1854 of October 6, 2022, establishing emergency intervention measures at the European Union level to address high energy prices. These measures included, among others, the introduction of price cap mechanisms for market revenues obtained by electricity producers from, essentially, renewable energy, and a temporary solidarity contribution applicable exclusively to companies active in the crude oil, natural gas, coal and refining sectors.

Although the rules contained in this Regulation are aimed to create standardized measures in the European Union in response to the energy prices rise, certain countries where the EDP group is present have introduced unilateral measures, giving rise to the payment of windfall taxes in Spain, Romania, Italy, and Poland.

While EDP fully acknowledges that the existing emergency situation required for extraordinary measures, the Company also considers that (i) the principle of not taxing unrealized extra-profits should always prevail and (ii) the compatibility with existing, legitimately implemented, risk management strategies, needs to be ensured. These requirements are necessary to avoid harming producers that do not actually benefit from the current high electricity prices, due to having hedged, individually or at Group level, their revenues, against fluctuations in the wholesale electricity market. These financial hedges

follow the Company's established low risk strategy to secure long term revenues and to remove electricity prices volatility on the company's earnings. For these reasons, EDP will pursue all legal actions at its disposal in order to challenge the legality of these measures.

The introduction of this tax in Spain resulted in the payment of 48 million euros by the EDP Group in 2023, making this country bear the highest level of energy taxation, representing about 57% of the total amount paid by the entire EDP Group.

At the same time, there was a very significant decrease in the value of energy taxes paid in Portugal and Romania.

In the case of Portugal, the reduction in terms of taxes paid was mainly due to (i) the suspension of the mechanism to restore competitive balance between electricity producers operating on Portuguese territory and electricity producers operating in Spain (known as clawback), (ii) the postponement of the collection of the amount corresponding to the social tariff for 2023 (which will be collected at the beginning of 2024, as stated in ERSE Directive 1-2024 of January 9, 2024), and (iii) the decision not to pay the CESE, whose constitutionality is being legally challenged by the EDP Group.

In the case of Romania, the amount of tax paid decreased by approximately 69 million euros, as from March 2023, because the requirements for the application of the windfall tax in that country were no longer met.

Annex 6. ESG Frameworks

Annex 6.1. Non-financial statement

Consolidated and company non-financial statements under articles 66th –B and 508th –G of the Commercial Companies Code

ARTICLE 6.TH–B AND 508.TH–G	DESCRIPTION AND DUE DILIGENCE PROCESSES	ASSOCIATED RISKS	RESULTS	KEY PERFORMANCE INDICATORS
Environmental policies	Code of Ethics	2.3. Risk Management	3.4.1. Climate change 3.4.2. Pollution 3.4.2 Water and marine resources 3.4.4. Biodiversity and ecosystems 3.4.5. Circular economy	4.1. ESG and Operational Indicators 4.2. GRI Indicators Annex 6.3. TCFD alignment Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loan EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy SASB Table
	Sustainable Development Principles Corporate Risk Management Policy			
Workers related social policies	Code of Ethics	2.3. Risk Management	3.4.6. Our people 3.4.7. Supply chain 3.4.8. Health, safety and crisis management 3.4.9. Affected communities 3.4.10. Human Rights 3.4.11. Energy consumers and end-users 3.4.12. Business conduct 3.4.13. Innovation and digital transformation	4.1. ESG and Operational Indicators 4.2. GRI Indicators Annex 6.3. TCFD alignment Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loan EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy SASB Table
	Sustainable Development Principles Corporate Risk Management Policy			
Equality policies between men and women	Code of Ethics	2.3. Risk Management	3.4.6. Our people 3.4.10. Human Rights 3.4.12. Business conduct Part III – Corporate Governance Report	4.1. ESG and Operational Indicators 4.2. GRI Indicators Annex 6.3. TCFD alignment Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loan EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy SASB Table
	Sustainable Development Principles Corporate Risk Management Policy			
	Diversity Policy Declaration of respect for Human and Labour rights EDP policy on selection of the members of the GSB and EBD			



ARTICLE 6.TH-B AND 508.TH-G	DESCRIPTION AND DUE DILIGENCE PROCESSES		ASSOCIATED RISKS	RESULTS	KEY PERFORMANCE INDICATORS
Non-discrimination policies	Code of Ethics		2.3. Risk Management	Shareholder structure and Corporate Governance Our Corporate Bodies 3.4.6. Our people 3.4.10. Human Rights 3.4.11. 3. Social inclusion of consumers and end-users 3.4.12. Business conduct Part III – Corporate Governance Report	4.1. ESG and Operational Indicators 4.2. GRI Indicators Annex 6.3. TCFD alignment Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loan EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy SASB Table
	Sustainable Development Principles	Diversity Policy Declaration of respect for Human and Labour rights EDP policy on selection of the members of the GSB and EBD			
Human rights policies	Code of Ethics		2.3. Risk Management	3.4.6. Our people 3.4.7. Supply chain 3.4.8. Health, safety and crisis management 3.4.9. Affected communities 3.4.10. Human Rights 3.4.12. Business conduct	4.1. ESG and Operational Indicators 4.2. GRI Indicators Annex 6.3. TCFD alignment Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loan EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy SASB Table
	Sustainable Development Principles	Stakeholder relationship policy Social investment policy Volunteering policy EDP's supplier code of conduct Sustainable procurement policy			
Policies against corruption and bribery attempt	Code of Ethics		2.3. Risk Management	3.4.7. Supply chain 3.4.12. Business conduct	4.1. ESG and Operational Indicators 4.2. GRI Indicators Annex 6.3. TCFD alignment Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loan EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy SASB Table
	Sustainable Development Principles	Healthy competition practices commitment EDP's supplier code of conduct Sustainable procurement policy EDP's integrity policy			
Brief description of the company's business model	Global presence; Business areas; Business model; 2. Strategic approach;				
Reference to the amounts in the annual financial statements and additional explanations of amounts reported	3.6.3.1.1. Creation of a long-term value Part I – Management Report – 3.1. Business area analysis; Part II – Financial Statements and notes				



Annex 6.2. CMVM table

The following table sets out the Portuguese Securities Market Commission (CMVM) guidelines for the disclosure of non-financial information by companies issuing securities admitted for trading in a regulated market. Much of the information required is already subject to mandatory disclosure under Article 66-B and approval by the general meeting under Article 65, both from the Commercial Companies Code, and is reflected in the Annex 6.1. – Non-financial statement. They also reflect relevant information to be provided to investors and other stakeholders made available in the following items: Annex 6.3. – TCFD table and [SASB table](#).

Voluntary declaration of compliance

Part I – Information on policies adopted

REPORTING GUIDELINES FOR NON-FINANCIAL INFORMATION	ADOPTED BY EDP (Y/N)	LOCATION	DESCRIPTION IN THE REPORT
A. Introduction Description of the company's general policy on sustainability issues, indicating any changes to the policy previously approved. Description of the methodology and the reasons for its adoption in the reporting of non-financial information, as well as any changes that have occurred in relation to previous years and the reasons for these changes.	Yes	Integrated Annual Report 2023	This report Purpose Message from the CEO
B. Business model General description of the company/group's business model and form of organisation, indicating the main business areas and markets where it operates (if possible, using organisational diagrams, graphs or functional charts).	Yes	Integrated Annual Report 2023	Key metrics Global presence Business areas Business model
C. Main risk factors Identification of the main risks associated with the topics being reported on and arising from the Company's activities, products, services or business relations, including, where appropriate and whenever possible, the supply and subcontracting chains. Indication of how these risks is identified and managed by the Company. Explanation of the internal functional division of powers, including the governing bodies, commissions, committees or departments responsible for identifying and managing/monitoring risks. Explicit indication of the new risks identified by the Company in relation to those reported in previous years, as well as the risks no longer identified as such. Indication and brief description of the main opportunities identified by the Company in the context of the topics being reported on.	Yes	Integrated Annual Report 2023	Shareholder structure and corporate governance Sustainability Organisation 2.1. Business environment 2.3. Risk management 3.4.7. Supply chain 3.4.8. Health, safety and crisis management 3.4.12. Business conduct Annex 2. Reporting principles
D. Policies IMPLEMENTED Description of the Company's policies: i. environmental, ii. social and fiscal, iii. concerning employees and gender equality and non-discrimination, iv. concerning human rights and v. concerning fighting corruption and Company bribery attempts, including due diligence policies, as well as the results of their implementation, including related non-financial key performance indicators in comparison with the previous year.			



REPORTING GUIDELINES FOR NON-FINANCIAL INFORMATION		ADOPTED BY EDP (Y/N)	LOCATION	DESCRIPTION IN THE REPORT
I. Environmental policies	Description of the Company's strategic objectives and the main actions to be undertaken to achieve them. Description of the key performance indicators defined. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to:	Yes	Integrated Annual Report 2023	2. Strategic approach Policies and documentation
i) Sustainable use of resources	Consumption of water, other raw materials and energy; indication of measures taken to improve the efficiency of use of these resources; indication of the use of measures to promote energy efficiency and the use of renewable energies	Yes	Integrated Annual Report 2023	3.4.1. Climate change 3.4.2. Pollution 3.4.3. Water and marine resources 3.4.4. Biodiversity and ecosystems 3.4.5. Circular economy 4.1. Operational and ESG Indicators | Climate change; Pollution; Water and marine resources; Biodiversity and ecosystems; Circular economy 4.2. GRI Indicators | Environmental indicators
ii) Pollution and climate change	Indication of greenhouse gas emission values; indication of pollutant emission into nature; indication of penalties incurred and measures to prevent, reduce or remedy such emissions.	Yes	Integrated Annual Report 2023	3.4.1. Climate change 3.4.2. Pollution 4.1. Operational and ESG Indicators | Climate change; Pollution 4.2. GRI Indicators | Environmental indicators
iii) Circular economy and waste management	Measures for the prevention, recycling, reuse or other forms of recovery and disposal of waste.	Yes	Integrated Annual Report 2023	3.4.2. Pollution 3.4.5. Circular economy 4.1. Operational and ESG Indicators | Pollution; Circular economy 4.2. GRI Indicators | Environmental indicators
iv) Protection of biodiversity	Impacts caused by activities or operations in protected areas, and actions taken to preserve or restore biodiversity.	Yes	Integrated Annual Report 2023	3.4.2. Pollution 3.4.4. Biodiversity and ecosystems 4.1. Operational and ESG Indicators | Pollution 4.2. GRI Indicators | Environmental indicators www.edp.com
II. Social and fiscal policies	Description of the Company's strategic objectives and the main actions to be undertaken to achieve them. Description of the key performance indicators defined. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to:	Yes	Integrated Annual Report 2023	2. Strategic approach Policies and documentation
i) The company's commitment to the community	The impact of the Company's activity on employment and local development; the impact of the Company's activity on local populations and the territory; the relations maintained with local community agents and the respective means of dialogue; partnership or sponsorship actions.	Yes	Integrated Annual Report 2023	3.4.9. Affected communities
ii) Subcontracting and suppliers	The inclusion of social, gender equality and environmental issues in the purchasing policy; considerations in relations with suppliers and subcontractors and their social, environmental and governance responsibility; control and audit systems and their results. Where possible, include reference to the fact that the Company's suppliers apply policies consistent with those established by the Company.	Yes	Integrated Annual Report 2023	3.4.7. Supply chain



REPORTING GUIDELINES FOR NON-FINANCIAL INFORMATION		ADOPTED BY EDP (Y/N)	LOCATION	DESCRIPTION IN THE REPORT
iii) Consumers	Measures for consumer health and safety; systems for receiving complaints and their handling and resolution, including the number of complaints received and the number of pending complaints, as well as those in which the complainant was found to be right, satisfaction surveys, and indication of the person responsible for complaints.	Yes	Integrated Annual Report 2023	3.4.11. Energy consumers and end-users
iv) Responsible investment	If applicable, information on the responsible investment the Company has sought to attract, including in relation to the issue/acquisition of green bonds or SDG-linked bonds.	Yes	Integrated Annual Report 2023	3.4.14. Sustainable finance Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loan
v) Stakeholders	Information on any arrangements for consulting stakeholders	Yes	Integrated Annual Report 2023	Stakeholders Management
vi) Tax information	Information on measures or acts with a fiscal impact, including any subsidies or any kind of advantage or financial advantage granted by the State.	Yes	Integrated Annual Report 2023	3.4.12.4. Fiscal transparency Annex 5. Fiscal transparency
III. Workers and gender equality and non-discrimination	Description of the Company's strategic objectives and the main actions to be undertaken to achieve them. Description of the key performance indicators defined. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to:	Yes	Integrated Annual Report 2023	2. Strategic approach Policies and documentation
i) Employment	Total number and distribution of employees by gender, age, country and job classification, as well as total number and distribution of contractual arrangements (e.g. employment contract, service providers, temporary work, etc.) by gender and age, average length of contracts; percentage of the workforce receiving the national minimum wage, regardless of contractual relationship; remuneration for equal or median positions in the company, by gender; average remuneration of directors and managers, including variable remuneration, allowances, severance payments, payment to long-term savings schemes and any other payment broken down by gender; employees with disabilities (including indication of how the Company is complying, or preparing to comply, with Law No. 4/2019 of 10 January regarding the system of employment quotas for persons with disabilities).	Yes	Integrated Annual Report 2023	3.4.6. People management People Report 4.1. Operational and ESG Indicators | People management 4.2. GRI Indicators - Social indicators
ii) Organisation of work	Organisation of working time, including measures to facilitate the separation between work and family life.	Yes	Integrated Annual Report 2023	3.4.6. People management People Report 4.1. Operational and ESG Indicators | People management 4.2. GRI Indicators - Social indicators
iii) Health and safety	Occupational health and safety conditions and number of occupational accidents.	Yes	Integrated Annual Report 2023	3.4.8. Health, safety and crisis management 4.1. Operational and ESG Indicators | Health, safety and crisis management 4.2. GRI Indicators - Social indicators



REPORTING GUIDELINES FOR NON-FINANCIAL INFORMATION		ADOPTED BY EDP (Y/N)	LOCATION	DESCRIPTION IN THE REPORT
iv) Corporate relations	Organisation of corporate dialogue, including procedures for informing and negotiating with staff, particularly the number of interactions with trade unions and/or works committees, if any; new agreements concluded or revision of agreements in force; number of court cases and complaints to the Authority for Working Conditions; percentage of employees covered by collective agreements by country; evaluation of collective agreements, including in the field of occupational health and safety.	Yes	Integrated Annual Report 2023	3.4.6. People management People Report 4.1. Operational and ESG Indicators | People management 4.2. GRI Indicators – Social indicators
v) Training	The policies applied in the field of training and the type of training (e.g., whether the company provides its employees with training on issues related to the assessment of the company's performance in "non-financial" matters (e.g., privacy protection/GDPR, combatting money laundering/AML, Human Rights in the value chain, etc.); the ratio between hours of training and number of employees.	Yes	Integrated Annual Report 2023	3.4.6. People management People Report 4.1. Operational and ESG Indicators | People management 4.2. GRI Indicators – Social indicators
vi) Equality	Measures/policies taken to promote equal treatment and equal opportunities between genders; equality plans; number of dismissals by gender; protocols against sexual harassment and gender-based harassment; policies for integration and universal accessibility of people with disabilities; policies against all types of discrimination and, where appropriate, diversity management.	Yes	Integrated Annual Report 2023	3.4.6. People management People Report 4.1. Operational and ESG Indicators | People management 4.2. GRI Indicators – Social indicators Policies and documentation
IV. Human Rights	Description of the Company's strategic objectives and the main actions to be undertaken to achieve them. Description of the key performance indicators defined. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to	Yes	Integrated Annual Report 2023	2. Strategic approach Policies and documentation
i) Due diligence procedures	Applied with regard to human rights, in particular in relation to the contracting of suppliers and service providers.	Yes	Integrated Annual Report 2023	3.4.7. Supply chain 3.4.10. Human Rights
ii) Risk prevention measures	For human rights violations and, where appropriate, measures to remedy any abuses; elimination of discrimination in respect of employment (where not already mentioned above); elimination of forced or compulsory labour; effective abolition of child labour.	Yes	Integrated Annual Report 2023	3.4.10. Human Rights
iii) Legal proceedings	For violation of human rights	Yes	Integrated Annual Report 2023	3.4.10. Human Rights
V. Combating corruption and attempted bribery			Integrated Annual Report 2023	Policies and documentation
l) Prevention of corruption	Measures and instruments adopted to prevent corruption and bribery; policies implemented to dissuade these practices among employees and suppliers; information on the compliance system indicating the respective functional leadership, if any; indication of legal proceedings involving the Company, its directors or employees related to corruption or bribery; measures adopted in public procurement, if relevant.	Yes	Integrated Annual Report 2023	3.4.12 Business conduct 3.4.12.2. Compliance
ll) Prevention of money laundering (for issuing companies subject to this regime)	Information on measures to prevent and combat money laundering.	Yes	Integrated Annual Report 2023	3.4.12 Business conduct



REPORTING GUIDELINES FOR NON-FINANCIAL INFORMATION		ADOPTED BY EDP (Y/N)	LOCATION	DESCRIPTION IN THE REPORT
III) Codes of ethics	Indication of any code of ethics to which the Company has adhered or implemented; indication of the respective mechanisms for implementing and monitoring compliance with the code, if applicable.	Yes	Integrated Annual Report 2023	3.4.12 Business conduct
IV) Management of conflicts of interest	Measures to manage and monitor conflicts of interest, particularly requiring managers and employees to sign declarations of interests, incompatibilities and impediments.	Yes	Integrated Annual Report 2023 Regulations on conflict of interest and transactions between related parties of EDP	Integrated Annual Report 2023: Part III – Corporate governance report | A. Ownership structure | II. Shareholding and bonds owned | 10. Significant business relationships between owners of qualifying holdings and the company 3.4.12 Business conduct Regulations on conflict of interest and transactions between related parties of EDP

Part II – Information on the standards / guidelines followed

REPORTING GUIDELINES FOR NON-FINANCIAL INFORMATION		ADOPTED BY EDP (Y/N)	LOCATION	DESCRIPTION IN THE REPORT
1. Identification of standards/guidelines followed in the reporting of non-financial information	Identification of the standards / guidelines followed in the preparation of non-financial information, including the respective options, as well as other principles considered in the Company's performance, if applicable. If the Company refers to the Sustainable Development Goals (SDG) of the United Nations 2030 Agenda, include identification of those to which the Company is committed to contributing, indicating the measures taken each year towards achieving the goals set for each of these SDGs. That is, identify concrete actions, projects or investments aimed at achieving this SDG.	Yes	Integrated Annual Report 2023	This report 2.5. Contribution to the SDGs Annex 2. Reporting principles Annex 6.1. Non-financial statement
2. Identification of the scope and method for calculating indicators	Description of the scope and calculation method (including the calculation formula) for the indicators reported, as well as the limitations of that reporting. Whenever possible, a table should be presented showing the correlation between the indicators presented and the principles or objectives considered, indicating the website where the information is detailed (e.g., the page of the stand-alone report on non-financial information, the annual report and accounts, another document or the Company's website).	Yes	Integrated Annual Report 2023	4.1. Operational and ESG indicators 4.2. GRI Indicators Annex 7. Glossary
3. Explanation in the event of the non-application of policies	If the Company does not apply policies with respect to one or more matters, the reporting of non-financial information provides an explanation for this fact.	Yes	Integrated Annual Report 2023	Annex 2. Reporting principles
4. Information under EU taxonomy's article 8 ^o	Article 8 of EU Taxonomy requires companies to disclose information on the proportion of the turnover, capital expenditure and operating expenditure ('key performance indicators') of their activities related to assets or processes associated with environmentally sustainable economic activities.	Yes	Integrated Annual Report 2023 EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy	Integrated Annual Report 2023: 3.4.12. Sustainable finance EU Taxonomy Regulation and KPIs under article 8th of EU Taxonomy



REPORTING GUIDELINES FOR NON-FINANCIAL INFORMATION	ADOPTED BY EDP (Y/N)	LOCATION	DESCRIPTION IN THE REPORT
5. Other information Additional elements or information which, while not included in the previous points, are relevant for the understanding, contextualising and justification of the relevance of the non-financial information disclosed, in particular with regard to networks/consortia of entities linked to issues of sustainability and responsibility for the organisations of which it is a member/ to which it belongs, whether at the national or international level, and sustainability commitments that the Company has voluntarily assumed, at the local or global level.	Yes	Integrated Annual Report 2023	Part II – Financial statements and notes



Annex 6.3. – TCFD alignment

TCFD table

TCFD REPORTING RECOMMENDATIONS		SEC- PRO- POSAL CLIMATE DISCLOSURE*	NON-FINANCIAL STATEMENTS (ARTICLES 66TH-B AND 508TH-G OF COMMERCIAL LAW)				SASB**
			BUSINESS MODEL	POLICIES AND DUE DILIGENCE PROCESSES	MAIN RISKS AND THEIR MANAGEMENT	OUTCOMES	KEY PERFORM- MANCE INDICATORS
Governance	a) Board's oversight	Board engagement and management roles in providing oversight of climate related risks and opportunities		Sustainability organization			
	b) Management's role			Sustainability organization			
Strategy	a) Climate-related risks and opportunities	Disclosure of the climate related risks that are material to a company			Climate transition plan: a progress report 2023		SASB Table – since the SASB framework refers to financially material topics, the associated quantitative and qualitative performance metrics should facilitate the development of ESG reports with CAE-level knowledge and approval that provide information on the effectiveness of a company's climate-related strategy, risk management and operational performance.
	b) Impact of climate-related risks and opportunities	Description of the actual and potential impacts of those risks on the strategy, business model and outlook	Climate transition plan: a progress report 2023				
	c) Resilience of the organization's strategy		3.4.1. Climate change				
Risk management	a) Processes for identifying and assessing	Processes for identifying, assessing and managing climate related risks and whether any such processes are integrated into the company's overall risk management system or process		Climate transition plan: a progress report 2023			
	b) Processes for managing			Climate transition plan: a progress report 2023			
	c) Integration into overall risk management			Climate transition plan: a progress report 2023			
Metrics and targets	a) Metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process	GHG emissions metrics for scope 1, 2 and 3, and other metrics used to assess risks and opportunities are optional				Climate transition plan: a progress report 2023	4.1 ESG and Operational Indicators | Climate change 4.2. GRI Indicators | Environmental indicators
	b) GHG emissions (scope 1, 2 and 3 and the related risks)	Scopes 1 and 2 GHG emissions metrics, separately disclosed, expressed as disaggregated and aggregate constituent greenhouse gasses, and in absolute and intensity terms.			3.4.1. Climate change		4.1 ESG and Operational Indicators | Climate change 4.2. GRI Indicators – Environmental indicators Annex 9, Reports on the allocation and impact of green finance and sustainability-linked loan



TCFD REPORTING RECOMMENDATIONS	SEC- PRO- POSAL CLIMATE DISCLOSURE*	NON-FINANCIAL STATEMENTS (ARTICLES 66TH-B AND 508TH-G OF COMMERCIAL LAW)				SASB**
		BUSINESS MODEL	POLICIES AND DUE DILIGENCE PROCESSES	MAIN RISKS AND THEIR MANAGEMENT	OUTCOMES	KEY PERFORM- MANCE INDICATORS
c) Targets used for managing risks and opportunities related with climate and performance versus goals	Goals and company transition plan				2.4. Strategic priorities 2.5. Contribution to the SDGs Climate transition plan: a progress report 2023	

* The US Securities and Exchange Commission. Press the [link](#) for access to the proposal for climate disclosure rule. The benchmarks followed by EDP are CDP, GHG Protocol, GRI Standards and CELE (EU - ETS).

** Sustainability Accounting Standards Board



Annex 6.4. GRI content index

EDP has reported in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023.

DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
GRI 2: GENERAL DISCLOSURES						
The organisation and its reporting practices						
2-1	Organisational details	This report; Global impact	|||||		L	
2-2	Entities included in the organization's sustainability reporting	Notes to the Consolidated and Company Financial Statements | Annex I. Companies in the Consolidation Perimeter	|||||		L	
2-3	Reporting period, frequency and contact point	This report; Reporting principles; GRI Standards reporting principles | Reporting quality | Timeliness | GRI content index; Contacts	|||||		L	
2-4	Restatements of information	Operational and ESG indicators | Circular economy		Due to a calculation error, there was an adjustment to the value of calcareous consumption for 2022.	L	
2-5	External assurance	Reporting principles | GRI Standards reporting principles | Internal and external assurance; Certifications and declarations	|||||		L	
2. Activities and workers						
2-6	Activities, value chain and other business relationships	Our business model; Supply chain; GRI indicators | Social indicators; Financial Statements | Consolidated Statements of Financial Position	|||||		L	
2-7	Employees	GRI indicators | Social indicators	|||||		L	
2-8	Workers who are not employees	GRI indicators | Social indicators	|||||	The calculation of the number of internships considers those that start in 2023 and not the number of internships as of December 31, 2023	L	3; 6
3. Governance						
2-9	Governance structure and composition	Operational and ESG indicators | Corporate governance; Our Corporate Governance; Corporate Governance Report | Section 17 | General and Supervisory Board | Section 29 to B. Other Statutory Bodies	|||||	www.edp.com	L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
2-10	Nomination and selection of the highest governance body	Corporate Governance Report	|||||||		L	
2-11	Chair of the highest governance body	Corporate Governance Report | Section 17 | General and Supervisory Board	|||||||	www.edp.com	L	
2-12	Role of the highest governance body in overseeing the management of impacts	Stakeholders' management; Risk management; Business conduct | Compliance | Integrity, anti-bribery and corruption; Corporate Governance Report | Section 21 and Section 27 to 29 | A. The Committees of the General and Supervisory Board; Section 51 to 55	|||||||	www.edp.com	L	
2-13	Delegation of responsibility for managing impacts	Corporate Governance Report | Section 21	|||||||	www.edp.com	L	
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance Report | Section 21; Reporting principles	|||||||	www.edp.com	L	
2-15	Conflicts of interest	Corporate Governance Report | V. Agreements affecting remuneration; VI. Stock purchase option plans ("Stock Options"); E. Transactions with related parties	|||||||		L	
2-16	Communication of critical concerns	Business conduct | Ethics; Operational and ESG indicators | Business conduct; Corporate Governance Report | Section 21	|||||||		L	
2-17	Collective knowledge of the highest governance body	GRI indicators | Social indicators | Training	|||||||		L	
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report | Section 67 to 72	|||||||		L	
2-19	Remuneration policies	Corporate Governance Report | Section 66 to 84	|||||||		L	
2-20	Process to determine remuneration	Corporate Governance Report | Section 66 to 84	|||||||		L	
2-21	Annual total compensation ratio	Operational and ESG indicators | Own workforce	|||||||		L	
4. Strategy, policies and practices						
2-22	Statement on sustainable development strategy	Message from the CEO	|||||||		L	
2-23	Policy commitments	Purpose; Code of Ethics	|||||||	www.edp.com	L	10
2-24	Embedding policy commitments	Corporate Governance Report | Section 21; Code of Ethics	|||||||	www.edp.com	L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
2-25	The management approach and its components (Grievance mechanisms)	Risk management; Code of Ethics; Integrity Policy	|||||||	www.edp.com	L	
2-26	Mechanisms for seeking advice and raising concerns	www.edp.com	|||||||	www.edp.com	L	10
2-27	Compliance with laws and regulations	Pollution; Business conduct; GRI indicators | Environmental indicators; Economic indicators	|||||||	EDP is not aware of any other significant cases beyond those reported in the report www.edp.com	L	
2-28	Membership associations	www.edp.com	|||||||	www.edp.com	L	
5. Stakeholder engagement						
2-29	Approach to stakeholder engagement	Stakeholder management	|||||||	www.edp.com	L	
2-30	Collective bargaining agreements	GRI Social indicators| Labour relations	|||||||		L	3
GRI 3: MATERIAL TOPICS						
Disclosures on material topics						
3-1	Process to determine material topics	Reporting principles; Sustainability Management Approach | Chapter 1.2. Sustainability	|||||||	www.edp.com	L	1-10
3-2	List of material topics	Sustainability Management Approach | Chapter 1.2. Sustainability; Reporting principles	|||||||	www.edp.com	L	1-10
3-3	Management of material topics	Sustainability Management Approach | Chapter 1.2. Sustainability	|||||||	www.edp.com	L	1-10
TOPIC STANDARDS						
GRI 200: Economic topics						
GRI 201: Economic Performance						
201-1	Direct economic value generated and distributed	Operational and ESG indicators | Sustainable finance; GRI Indicators | Economic indicators	|||||||		L	
201-2	Financial implications and other risks and opportunities due to climate change	Risk management; Climate change; Climate Transition Plan: A progress report, 2023; EDP Climate Change 2023; Capital Markets Day 2023	|||||||	www.edp.com www.edp.com	L	7
201-3	Defined benefit plan obligations and other retirement plans	Financial Statements and Notes | 2. Accounting policies m); 10. Personnel Costs and Employee Benefits; 36. Employee Benefits	|||||||		L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
201-4	Financial assistance received from government	GRI indicators | Economic indicators	|||||		L	
GRI 202: Market Presence						6
202-1	Ratios of standard entry level wage by gender compared to local minimum wage, by gender	Operational and ESG indicators | Own workforce	|||||||	The minimum wage by geography depends only on the salary associated with the lowest paid position in the organisation and is independent of the employee's gender.	L	
202-2	Proportion of senior management hired from the local community	GRI indicators | Social indicators	|||||||		L	
GRI 203: Indirect Economic Impacts						
203-1	Infrastructure investments and services supported	Affected communities | Voluntary investment in the community	|||||||	Includes Fundação EDP, in addition to companies included in the financial consolidation criteria	L	
203-2	Significant indirect economic impacts	Energy consumers and end-users | Vulnerable customers; Voluntary investment in the community; Business conduct | Responsible political involvement	|||||||		L	
GRI 204: Procurement Practices						
204-1	Proportion of spending on local suppliers	Operational and ESG indicators | Supply chain	|||||||		L	
GRI 205: Anti-corruption						10
205-1	Operations assessed for risks related to corruption	Business conduct | Compliance | Integrity, anti-bribery and corruption; GRI indicators | Social indicators	|||||||		L	
205-2	Communication and training about anti-corruption policies and procedures	Business conduct | Compliance | Integrity, anti-bribery and corruption; GRI indicators | Social indicators; www.edp.com	|||||	www.edp.com Information missing not available	L	
205-3	Confirmed incidents of corruption and actions taken	2.3. Risk management; Business conduct | Compliance | Integrity, anti-bribery and corruption; Operational and ESG indicators | Business conduct	|||||||		L	
GRI 206: Anti-competitive Behaviour						
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Business conduct | Compliance | Fair competition practices	|||||||		L	
GRI 207: Tax						
207-1	Approach to tax	Annex 5, Fiscal Transparency	|||||||		L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
207-2	Tax governance, control, and risk management	Annex 5. Fiscal Transparency	|||||||		L	
207-3	Stakeholder engagement and management of concerns related to tax	Annex 5. Fiscal Transparency	|||||||		L	
207-4	Country-by-country reporting	Annex 5. Fiscal Transparency	|||||||		L	
GRI 300: Environmental topics						7; 8; 9
	ISO 14001 Certified maximum net installed capacity	GRI indicators | Environmental indicators	|||||||		L	
GRI 301: Materials						
301-1	Materials used by weight or volume	Operational and ESG indicators | Circular economy	|||||||		L	
301-2	Recycled input materials used	n.a.		Considered non-material compared to the quantity of materials used by EDP	L	
301-3	Reclaimed products and their packaging materials	n.a.		Not applicable	L	
GRI 302: Energy						
302-1	Energy consumption within the organization	GRI indicators | Environmental indicators	|||||||		R	
302-2	Energy consumption outside of the organization	GRI indicators | Environmental indicators	|||||||		L	
302-3	Energy intensity	GRI indicators | Environmental indicators	|||||||		L	
302-4	Reduction of energy consumption	Climate change | Decarbonizing the world | Energy efficiency; Operational and ESG indicators | Climate change | Energy efficiency	|||||||	Reduction in electricity and natural gas consumption at the facilities: -5.8% compared to 2022	L	
302-5	Reductions in energy requirements of products and services			Not applicable to the sector	L	
GRI 303: Water						
303-1	Interactions with water as a shared resource	Water and marine resources	|||||||	www.edp.com	L	
303-2	Management of water discharged-related impacts	Sustainability Management Approach | Chapter 3.7. Effluents and Waste	|||||||	www.edp.com	L	
303-3	Water withdrawal	Operational and ESG indicators | Water and marine resources; GRI indicators | Environmental indicators	|||||||		L	
303-4	Water discharge	Operational and ESG indicators | Water and marine resources; GRI indicators | Environmental indicators	|||||||			
303-5	Water consumption	Operational and ESG indicators | Water and marine resources	|||||||			



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
GRI 304: Biodiversity						
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GRI indicators | Environmental indicators	|||||||		L	
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity and ecosystems; www.edp.com	|||||||	www.edp.com	L	
304-3	Habitats protected or restored	Biodiversity and ecosystems; www.edp.com	|||||||	www.edp.com	L	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	www.edp.com	|||||||	www.edp.com	L	
GRI 305: Emissions						
305-1	Direct (Scope 1) GHG emissions	Climate change; Operational and ESG indicators | Climate Change; GRI indicators | Environmental indicators; Climate Transition Plan: A progress report, 2023	|||||||	www.edp.com	R	
305-2	Energy indirect (Scope 2) GHG emissions	Climate change; Operational and ESG indicators | Climate Change; GRI indicators | Environmental indicators; Climate Transition Plan: A progress report, 2023	|||||||	www.edp.com	R	
305-3	Other indirect (Scope 3) GHG emissions	Climate change; Operational and ESG indicators | Climate Change; GRI indicators | Environmental indicators; Climate Transition Plan: A progress report, 2023	|||||||	www.edp.com	L	
305-4	GHG emissions intensity	GRI indicators | Environmental indicators	|||||||		L	
305-5	Reduction of GHG emissions	Climate change; Energy efficiency; Operational and ESG indicators | Climate Change; GRI indicators | Environmental indicators; Climate Transition Plan: A progress report, 2023	|||||||	www.edp.com	L	
Avoided CO ₂ emissions		Climate change | Decarbonizing the world | Renewable energies; Distributed generation; Energy efficiency	|||||||		L	
305-6	Emissions of ozone-depleting substances (ODS)	n.a.		Equipments with this substance no longer have expression in EDP	L	
305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	GRI indicators | Environmental indicators	|||||||		R	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
GRI 306: Waste						
306-1	Waste generation and significant waste-related impacts	Circular economy; Operational and ESG indicators | Circular economy; GRI indicators | Environmental indicators; Management approach on sustainability | Chapter 3.7 Effluents and waste	|||||||	www.edp.com	L	
306-2	Management of significant waste-related impacts	Circular economy; Operational and ESG indicators | Caring for our planet; GRI indicators | Environmental indicators; Management approach on sustainability | Chapter 3.7 Effluents and waste	|||||||	www.edp.com	L	
306-3	Waste generated	Operational and ESG indicators | Circular economy; GRI indicators | Environmental indicators	|||||||	www.edp.com	L	
306-4	Waste diverted from disposal	Operational and ESG indicators | Circular economy; GRI indicators | Environmental indicators	|||||||	www.edp.com	L	
306-5	Waste directed to disposal	Water and marine resources; Operational and ESG indicators | Water and marine resources; Management approach on sustainability | Chapter 3.7 Effluents and waste	|||||||	www.edp.com	L	
GRI 308: Supplier Environmental Assessment						
308-1	New suppliers that were screened using environmental criteria	Supply chain	|||||||		L	
308-2	Negative environmental impacts in the supply chain and actions taken	Supply chain	|||||||		L	
GRI 400: Social topics						
GRI 401: Employment						6
401-1	New employee hires and employee turnover	Operational and ESG indicators | Own workforce; People report 2023	|||||||	www.edp.com	L	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Rewards and benefits; Sustainability Management Approach | 4.1. Labour Practices; People report 2023	|||||||	www.edp.com www.edp.com Not applicable, since EDP doesn't have a material number of part-time employees	L	
401-3	Parental leave	GRI indicators | Social indicators	|||||||		L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
	Absenteeism rate	GRI indicators | Social indicators	|||||||		L	
GRI 402: Labour/Management Relations						3
402-1	Minimum notice periods regarding operational changes	Sustainability Management Approach | Labour Practices	|||||||	www.edp.com	L	
GRI 403: Occupational Health and Safety						
403-1	Occupational health and safety management system	Health, safety and crisis management; Operational and ESG indicators | Health, safety and crisis management; Safety and Business Continuity Report 2023	|||||||	www.edp.com	L	
403-2	Hazard identification, risk assessment, and incident investigation	Safety and Business Continuity Report 2023; Speak up channel	|||||||	www.edp.com www.edp.com	L	
403-3	Occupational health services	Safety and Business Continuity Report 2023	|||||||	www.edp.com	L	
403-4	Worker participation, consultation, and communication on occupational health and safety	Safety and Business Continuity Report 2023	|||||||	www.edp.com	L	
403-5	Worker training on occupational health and safety	GRI indicators | Social indicators; Safety and Business Continuity Report 2023	|||||||	www.edp.com	L	
403-6	Promotion of worker health	Health, safety and crisis management | Health and safety; Safety and Business Continuity Report 2023	|||||||	www.edp.com	L	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety and Business Continuity Report 2023	|||||||	www.edp.com	L	
403-8	Workers covered by an occupational health and safety management system	Health, safety and crisis management; Operational and ESG indicators | Health, safety and crisis management; GRI indicators | Social indicators	|||||||		L	
403-9	Work-related injuries	Health, safety and crisis management; Operational and ESG indicators | Health, safety and crisis management; GRI indicators | Social indicators	|||||||		L	
403-10	Work-related ill health	Health, safety and crisis management; Operational and ESG indicators | Health, safety and crisis management; GRI indicators | Social indicators	|||||||		L	
GRI 404: Training and Education						6
404-1	Average hours of training per year per employee	GRI indicators | Social indicators	|||||||		L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
404-2	Programs for upgrading employee skills and transition assistance programs	Own workforce | Talent development and management; Innovation and digital transformation | DGU and digital transformation | Push on digital-first culture; Management approach on sustainability | Chapter 4.1 Labour practices | Employment | Benefits	|||||||	www.edp.com	L	
404-3	Percentage of employees receiving regular performance and career development reviews	Own workforce | Rewards and benefits	|||||||	100% of employees with at least 6 months of effective work	L	
GRI 405: Diversity and Equal Opportunity						6
405-1	Diversity of governance bodies and employees	Operational and ESG indicators | Own workforce; Operational and ESG indicators | Corporate Governance	|||||||		L	
405-2	Ratio of basic salary and remuneration of women to men	Operational and ESG indicators | Own workforce	|||||||		L	
GRI 406: Non-discrimination						1; 6
406-1	Incidents of discrimination and corrective actions taken	Ethics Ombudsperson Annual Report	|||||||	www.edp.com There is no knowledge of cases of this nature in 2023. The incident categories are identified in the table Operational and ESG Indicators | Business Conduct	L	
GRI 407: Freedom of Association and Collective Bargaining						1; 3
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply chain	|||||||		L	
GRI 408: Child Labour						5
408-1	Operations and suppliers at significant risk for incidents of child labour	Supply chain	|||||||		L	
GRI 409: Forced or Compulsory Labour						4
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Supply chain	|||||||		L	
GRI 410: Security Practices						
410-1	Security personnel trained in human rights policies or procedures	n.a.		Non-material	L	
GRI 411: Rights of Indigenous Peoples						1; 2
411-1	Incidents of violations involving rights of indigenous peoples	Affected communities | Respect for local and indigenous communities; Human and labour Rights report 2022	|||||||	www.edp.com	L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
GRI 413: Local Communities						1
413-1	Operations with local community engagement, impact assessments, and development programs	Voluntary investment in the community | Contribution to the SDGs	|||||||		L	
413-2	Operations with significant actual and potential negative impacts on local communities	Affected communities | Respect for local and indigenous communities	|||||||		L	
GRI 414: Supplier Social Assessment						1; 2
414-1	New suppliers that were screened using social criteria	Supply chain	|||||||		L	
414-2	Negative social impacts in the supply chain and actions taken	Supply chain	|||||||		L	
GRI 415: Public Policy						10
415-1	Political contributions	Business conduct | Responsible political involvement	|||||||	www.edp.com	L	
GRI 416: Customer Health and Safety						
416-1	Assessment of the health and safety impacts of product and service categories	Sustainability Management Approach | Product responsibility	|||||||	www.edp.com	L	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	n.a.		Included in the GRI 2-27 report, however, it is not relevant	L	
GRI 417: Marketing and labelling						
417-1	Requirements for product and service information and labelling	Sustainability Management Approach | 4.4. Product responsibility	|||||||	www.edp.com	L	
417-2	Incidents of non-compliance concerning product and service information and labelling	n.a.		Included in the GRI 2-27 report, however, it is not relevant	L	
417-3	Incidents of non-compliance concerning marketing communications	n.a.		Included in the GRI 2-27 report, however, it is not relevant	L	
GRI 418: Customer Privacy						1
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Business conduct | Data protection; Operational and ESG indicators | Crisis Management | Business conduct	|||||||		L	
Environmental matters		GRI indicators | Economic indicators	|||||||		L	
Energy efficiency services revenues		GRI indicators | Economic indicators	|||||||		L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
G4 SECTOR SPECIFIC INDICATORS						
General standard disclosures						
EU1	Installed capacity, broken down by primary energy source and by regulatory regime	Operational and ESG indicators | Climate change	|||||||		L	
EU2	Net energy output broken down by primary energy source and by regulatory regime	Operational and ESG indicators | Climate change	|||||||		L	
EU3	Number of residential, industrial, institutional and commercial customer accounts	Operational and ESG indicators | Energy consumers and end-users	|||||||		L	
EU4	Length of above and underground transmission and distribution lines by regulatory regime.	Business environment | Regulatory context | Networks	|||||||		L	
EU5	Allocation of CO ₂ e emissions allowances or equivalent, broken down by carbon trading framework	Financial statements and notes | 06. Financial Statements | 2. Accounting Policies | CO ₂ Licenses and Greenhouse Gas Emissions; 19. Intangible Assets	|||||||		L	
Economic						
G4-DMA	Availability and Reliability	Sustainability Management Approach | 2.5. Availability and Reliability	|||||||	www.edp.com	L	
EU10	Planned capacity against projected electricity demand over the long-term, broken down by energy source and regulatory regime	Operational and ESG indicators | Climate change	|||||||		L	
G4-DMA	Demand-Side Management	Sustainability Management Approach | 2.6. Demand-Side management	|||||||	www.edp.com	L	
G4-DMA	Research and Development	Sustainability Management Approach | 2.7. Research and Development	|||||||	www.edp.com	L	
G4-DMA	Plant Decommissioning	Sustainability Management Approach | 2.8. Plant decommissioning	|||||||	www.edp.com	L	
EU11	Average generation efficiency of thermal plants by energy source and by regulatory regime	Operational and ESG indicators | Climate change	|||||||		L	
EU12	Transmission and distribution losses as a percentage of total energy	Operational and ESG indicators | Climate change	|||||||		L	
Environment						
G4-DMA	Materials	Sustainability Management Approach | 3.2. Materials	|||||||	www.edp.com	L	
G4-DMA	Water	Sustainability Management Approach | 3.4. Water	|||||||	www.edp.com	L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
G4-DMA	Biodiversity	Sustainability Management Approach | 3.5. Biodiversity	|||||||	www.edp.com	L	
EU13	Biodiversity of offset habitats compared to biodiversity of the affected areas	Biodiversity and ecosystems; www.edp.com	|||||||	www.edp.com	L	7; 8
G4-DMA	Effluents and Waste	Sustainability Management Approach | 3.7. Effluents and Waste	|||||||	www.edp.com	L	
Social						
G4-DMA	Employment Programs and processes to ensure the availability of a skilled workforce	Sustainability Management Approach | 4.1. Labour Practices	|||||||	www.edp.com	L	
EU15	Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region	Operational and ESG indicators | Own workforce	|||||||		L	
EU17	Days worked by contractor and subcontractor employees involved in construction, operation & maintenance activities	GRI indicators | Social indicators	|||||||		L	
EU18	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	GRI indicators | Social indicators	|||||||		L	
G4-DMA	Freedom of Assoc. Collective Bargaining	Sustainability Management Approach | 4.2. Human Rights	|||||||	www.edp.com	L	
G4-DMA	Local Communities Participation of stakeholders in the decision-making process	Sustainability Management Approach | 1.2. Sustainability	|||||||	www.edp.com	L	
G4-DMA	Disaster/Emergency Planning and response Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans	Sustainability Management Approach | 4.3. Society	|||||||	www.edp.com	L	
EU22	Number of people physically or economically displaced and compensation, broken down by type of project	n.a.	|||||||	There are no new projects or expansions that can lead to people displacement	L	1; 7; 8
Product responsibility						
G4-DMA	Provision of Information Practices to address language, low literacy among others to access and safely use electricity	Sustainability Management Approach | 4.4. Product responsibility	|||||||	www.edp.com	L	
EU25	Number of injuries and fatalities to the public involving company assets including legal judgments, settlements and pending legal cases of diseases	GRI indicators | Social indicators	|||||||		L	
G4-DMA	Access	Sustainability Management Approach | 4.4. Product responsibility	|||||||	www.edp.com	L	



DISCLOSURE NUMBER	DISCLOSURE TITLE	CHAPTER TITLE	REPORT	OMISSIONS / ADDITIONAL INFORMATION	EXTERNAL ASSURANCE	GLOBAL COMPACT
EU26	Percentage of population unserved in licensed distribution or service areas	Sustainability Management Approach | 2.5. Availability and Reliability | 2.6. Demand-side management	|||||||	www.edp.com	L	
EU27	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	Operational and ESG indicators | Energy consumers and end-users	|||||||		L	
EU28	Power outage frequency	Operational and ESG indicators | Energy consumers and end-users	|||||||		L	
EU29	Average power outage duration	Operational and ESG indicators | Energy consumers and end-users	|||||||		L	
EU30	Average plant availability factor by energy source and by regulatory regime	Operational and ESG indicators | Climate change	|||||||		L	

L - Limited verification R - Reasonable verification ||||| - Fully reported ||||| - Partially reported ||||| - Not reported

Annex 7. Glossary

List of acronyms and abbreviations

To facilitate the exposition and without prejudice to the occasional use of the designations and expressions they substitute, the following acronyms and abbreviations are used throughout this report:

A

AdC – Portuguese Competition Authority

AEA – American Energy Action

APA – Portuguese Environment Agency

AI – Artificial Intelligence

AWEA – American Wind Energy Association

ANEEL – National Electricity Agency (Brazil)

B

BP – Business Plan

BU – Business Unit(s)

C

CAN – Business Monitoring Committee in the United States of America

CCGT – Combined-Cycle Gas Turbine

CEO – Chief Executive Officer

CfD – Contracts for Difference

CGSS – Corporate Governance and Sustainability Committee

CMEC – Costs of Maintenance of Contractual Equilibrium

CMVM – Portuguese Securities Market Commission

Controlled Companies – Companies in a controlling or group relationship with EDP under the terms of article 21 of the Securities Code

CRO – Chief Risk Officer

CVEN – Compensation Committee (from GSB)

D

DEC – Equivalent Interruption Duration per Unit

DG – Distributed Generation

E

EBD – Executive Board of Directors

EDP (or Society) – EDP – Energias de Portugal, S.A.

EDP Brasil – EDP Energias do Brasil, S.A.

EDP C – EDP Comercial

EDP ES – EDP Espanha

EDP P – EDP Produção

EDP R – EDP Renováveis, S.A.

EDPR NA – EDP Renewables North America

EIA – Environmental Impact Assessment

ELECPOR – Portuguese Association of Electric Utilities

EMS – Environmental Management System

E-Redes – former EDP Distribuição (distribution)

ESG – Environmental, Social and Governance

EU – European Union

EV – Electric Vehicle

F

FMC/AUDC – Financial Matters Committee / Audit Committee

FIT – Feed-in tariffs

FX – Foreign Exchange

G

GC – Green Certificates

GRI – Global Reporting Initiative

H

Hg – Mercury

H&S – Health & Safety

I

IEA – International Energy Agency

IEFP – Portuguese Institute of Employment and Professional Training

ILO – International Labor Organization

IT – Information Technology

IRR – Internal rate of return

J

JV – Joint Ventures

K

KPI – Key Performance Indicator

L

LatAm – Latin America

LCA – Life Cycle Assessment

LT – Long Term

M

M&A – Mergers & Acquisitions

N

NNL – No Net Loss

O

O&G – Oil and Gas

O&M – Operation and Maintenance

P

PA – People Analytics

PAC – Policy Action Committee

PEE – Energy Efficiency Program

PPA – Power Purchase Agreement

PPEC – Plan for Promoting Efficiency in Energy Consumption

PT – Portugal

PV – Photovoltaic

R

ROC – Revisor Oficial de Contas

Re:Dy – Remote Energy Dynamic

REMC – Remuneration Committee

R&D – Research and Development

S

SDG – Sustainable Development Goals

SME – Small and Medium Enterprises

T

TCFD – Task Force on Climate-related Financial Disclosures

TCRS – Competition, Regulation and Supervision Court

TIEPI – Equivalent Outage Time of the Installed Power

U

UNESA – Spanish Association for Electric Industry

UNGC – United Nations Global Compact

USA – United States of America

V

VC – Venture Capital

W

WD – World Business Council for Sustainable Development

BCSWEF – World Economic Forum

WRI – World Resources Institute

NOTE: The identification of corporate bodies, without any other mention, should be understood as referring to EDP's corporate bodies

Concepts and Definitions

A

ADJUSTED NET DEBT

Net Debt adjusted by Regulatory Receivables.

ADJUSTED NET DEBT/EBITDA

Number of times/years needed to pay the Adjusted Net Debt with the EBITDA generated by the Company.

ASSET ROTATION

Strategy aimed at crystallizing the value of a project by selling a stake in an asset and reinvesting the proceeds in another asset, targeting greater growth. Typically, the developer retains the role as an O&M supplier.

AVERAGE COST OF DEBT

Considers (Interest expense on financial debt +/- Income and Expenses with Interest from derivative financial instruments) / Average Financial Gross Debt in the period (Total debt and borrowings - Accrued Interest - Fair value of the issued debt hedged risk). Includes 50% of the interest expense and of the nominal amount of hybrid debt.

C

CAGR (Compound annual growth rate)

Annual growth rate over a specified period longer than one year

CAPEX (Capital Expenditure)

Capex includes increases in Property, Plant and Equipment and in Intangible Assets, excluding CO₂ licenses and Green certificates, net of increases in Government grants, Customer's contributions for investment and Sales of properties in the period.

CDI (INTERBANK DEPOSIT CERTIFICATE RATE)

Brazilian reference interest rate constructed from the daily average overnight interbank loans. The CDI rate is commonly used as the reference in short-term securities.

CDS (CLEAN DARK SPREAD)

Theoretical gross margin of a coal-fired power plant per unit of electricity after deducting variable production costs (fuel, emission allowances, transport charges, variable O&M, per-unit taxes, etc.).

CESE (Extraordinary Contribution to the Energy Sector)

Extraordinary contribution created in 2014, in Portugal, with the objective of financing mechanisms that promote the energy sector systemic sustainability. This contribution focuses generally on the economic operators that develop the following activities: (i) generation, transportation, or distribution of electricity; (ii) transportation, distribution, storage or wholesale supply of natural gas; and (iii) refining, treatment, storage, transportation, distribution and wholesale supply of crude oil and oil products.

CPE – Delivery point code

Points of the network where the delivery or reception of electricity is made to the customer, producer, or other installation of the network.

CLAWBACK

Mechanism of financial compensation established by the Portuguese government on electricity generators operating in Portugal. This mechanism has as its objective the restitution to the electricity system of part of the income derived from the tax differences in electricity generation between Portugal and Spain.

COD (Commercial Operation Date)

Date upon which the project starts operating officially, after the testing and commissioning period.

CONTRACTING LEVEL

Ratio that returns the percentage of market commitment of Brazilian electricity distribution companies that is properly covered by energy purchase contracts registered in CCEE. Non-compliance generates penalties provided for in the rules and procedures of commercialization. The penalties apply when the ratio is above 105% or below 95%.

D

D/E (DEBT-TO-EQUITY RATIO)

Debt-to-equity (D/E) ratio is calculated by dividing a company's total liabilities by its shareholder equity. The ratio is used to evaluate a company's financial leverage being an important metric used in corporate finance. It is a measure of the degree to which a company is financing its operations through debt versus wholly owned funds.

DEC

Equivalent interruption time of energy per consumed unit. Refers only to medium voltage.

DIVIDEND PAY-OUT RATIO

Measures the percentage of a company's net income that is given to shareholders in the form of dividends (Total Dividends per Share of period "n" / Earnings per Share of period "n-1").

DIVIDEND YIELD

Considers the ratio between gross dividend per share and its share price.

DPS (DIVIDEND PER SHARE)

Dividend per share (DPS) is the sum of declared dividends issued by a company for every ordinary outstanding share. DPS is calculated by dividing the total dividends paid out by a business, including interim dividends, over a period of time by the number of outstanding ordinary shares issued.

E

EBIT

Earnings before Interest and Tax: EBITDA deducted from provisions, amortizations and impairments.

EBITDA

Earnings before Interest, Tax, Depreciations and Amortizations: Gross Profit – Supplies and services – Personnel costs and employee benefits +/- Other income/expenses.

EBITDA@risk

Estimated loss of EBITDA, in a given period of time and for a given confidence interval. Usually it is used an horizon of 12 months and a level of confidence of 95%.

EOLICITY

Indicator that allows to quantify the deviation of the total value of energy produced by wind in a given period, in relation to an average wind regime.

ENERGY BOX

Energy Box is a household energy manager that does much more than metering energy, being endowed with technology that supports the supply of electricity services, namely, in remote communications.

EPS (Earnings per share)

The portion of a company's net profit allocated to each outstanding share of common stock.

F

FEC

Equivalent interruption frequency of energy per consumed unit. Refers only to medium voltage.

FEED IN TARIFFS

Remuneration framework that guarantees that a company will receive a set price, applied to all the electricity they generate and provide to the grid.

FFO

Funds from Operations: EBITDA – Interest on debt and on TEI liabilities – Current taxes +/- Income from equity investments +/- other residual adjustments resulting from accruals/deferrals.

FFO/NET DEBT

Funds from Operations (FFO) over Net Debt. For this purpose, Net Debt includes Nominal Debt of the company + Pension and Medical care liabilities post tax + Tax Equity financial liabilities + Present value of leasing and other financial commitments.

FOREX

Foreign Exchange ([forex](#) or FX) is the trading of one [currency](#) for another. For example, one can swap the U.S. dollar for the euro. Foreign exchange transactions can take place on the foreign exchange market, also known as the [Forex Market](#).

G

GC (GREEN CERTIFICATE)

Tradable commodity resulting from electricity generated using renewable energy sources.

GHG (GREENHOUSE GASES)

Gases that trap the heat of the sun in the Earth's atmosphere, producing the greenhouse effect. The two major greenhouse gases are water vapor and carbon dioxide. Lesser greenhouse gases include methane, ozone, chlorofluorocarbons, and nitrogen oxides.

GROSS PROFIT

Includes Revenues from energy sales and services and other minus Cost of energy sales and other.

GSF (Generation Scaling Factor)

Ratio of the deficit of hydroelectric companies' actual generation volumes to their assured energy delivery.

GW (Gigawatt)

Unit of electric power equal to 1,000 MW.

GWh

Equal to 1,000 MW used continuously for one hour.

H

HEDGING

Risk management strategy used in limiting or offsetting probability of loss from fluctuations in the prices of commodities, currencies, indexes, or securities.

HYDRO COEFFICIENT

Indicator that allows to quantify the deviation of the total value of hydroelectric energy produced in a given period, in relation to an average hydro regime. Values above "1" translate a period with inflows and energy generated above the average ("wet" period) and below "1" the reverse ("dry" period).

I

ICEIT (Installed capacity equivalent interruption time)

Indicator that represents the equivalent interruption time of installed power per geographical area of the operator of the distribution network in a given period, excluding extraordinary events (the extraordinary weather events that exceed the conditions for which was dimensioned).

IGP-M (GENERAL MARKET PRICE INDEX)

Index used to comprehensively measure the fluctuation of prices of goods and services practiced in the Brazilian market. Calculated by FGV (Getúlio Vargas Foundation), this index is used to update the prices of some goods and services, namely electricity.

INSTALLED CAPACITY

Installed Capacity is the sum of capacity (MW) installed in power plants owned by companies fully consolidated.

INSTALLED CAPACITY EQUITY

Installed Capacity Equity also includes the respective share of the MW installed in power plants owned by company's equity consolidated.

IPCA (EXTENDED NATIONAL CONSUMER PRICE INDEX)

Is the name given to the Consumer Price Index in Brazil being a measure that examines the [weighted average](#) of prices of a basket of consumer goods and services, such as transportation, food and medical care.

ITC (Investment tax credit)

Tax incentive in the US in the form of a one-shot tax credit that covers a percentage of the investment.

K

KRI (KEY RISK INDICATOR)

Risk indicator that follows a variable risk factor, allowing the early warning of changes in risk exposure and the identification of potential risks or opportunities.

L

LIQUIDITY

Total amount of Cash and Equivalents, Credit Lines available and Financial assets at fair value through profit or loss.

LOSSES

The total losses of electric energy are calculated by the differential between the energy entered in the electrical network and the distributed energy (% Global losses = (Energy Input – Distributed Energy) / Distributed Energy). They consist of technical losses related to the magnetization of the power transformers, the Joule effect, the consumption of meters, etc. and non-technical losses related to theft, fraud, anomalies in counting equipment or in systems

M

MW (Megawatt)

Unit of electric power equal to 10^6 watts.

MWh

Equal to 10^6 watts of electricity used continuously for one hour.

N

NCF (NET CAPACITY FACTOR)

The ratio of a plant's actual output over a period of time to its potential output if it were possible for it to operate at full nameplate capacity continuously, over the same period of time. Also known as Load Factor.

NET DEBT

A metric that shows a company's overall debt situation calculated using company's total debt less cash on hand. From 2017 onwards it includes Financial Debt, Cash and

Equivalents, Short-term financial assets at fair-value and fair value hedge and collateral deposits associated to financial debt and 50% of the amount related with the issuance of a subordinated debt instrument (hybrid). Until 31 December 2016, it included the fair value of derivatives designated for Net Investments hedge.

NET INVESTMENTS

Considers Capex + organic Financial Investments – Asset Rotations + granted and/or sold shareholder loans.

O

OPEX (Operating Expenditure)

Includes Supplies and Services and Personnel costs and Employee Benefits.

OPEX/GROSS PROFIT

Efficiency ratio that compares the cost to operate with the income generated computed by OPEX (excluding Restructuring costs) over Gross Profit (including income from institutional partnerships in EDPR-NA).

ORGANIC CASH-FLOW

Cash generated from organic activities. Includes cash flows from operating activities (excluding changes in Regulatory Receivables), net of maintenance CAPEX, interest payments associated with debt, payments to institutional partnerships in the US and payments to minorities (such as dividends, capital distributions and payments of capital/interests on shareholder loans), not excluding gains arising from Sell-Down.

P

PLD (SETTLEMENT PRICE FOR THE DIFFERENCES) Preço de Liquidação das Diferenças

Price used to value the energy exchanged in the spot market. This price is calculated weekly for each submarket and load periods, based on the marginal cost of generation. It is limited by a minimum and maximum value.

PPA (Power purchase agreement)

A legal contract between an electricity generator (provider) and a power purchaser (host). The power purchaser buys energy, and sometimes also capacity and/or ancillary services, from the electricity generator.

PTC (Production tax credit)

The result of the Energy Policy Act of 1992, a commercial tax credit in the US that applies to wholesale electrical generators of wind energy facilities based upon the amount of energy generated in a year.

PUMPING

Pumping activity is the act of pushing back to the dam reservoir the water that had already been turbinated before. This action intends to increase the hydro output and thus generate higher operational results as water is pushed back when electricity market prices are low and turbinated again when those prices reach higher levels.

R

RAB (REGULATORY ASSET BASE)

Corresponds to the net book value of the distribution companies' regulated fixed assets (gross value less accumulated depreciation, net of reimbursements).

RECURRING

Which occurs periodically or repeatedly. It aims to normalize indicators into more predictable ones, and which can be counted on in the future with a high degree of certainty. Indicators such as EBITDA, Net Profit, FFO, Organic Cash-Flow are referred to as recurring when adjusted by one-off events. One-off events include non-recurrent amounts materially relevant resulting from, for instance, impairments and capital gains/losses on assets, retroactive regulatory changes, HR and debt restructuring costs and CESE.

REGULATORY RECEIVABLES

Amounts pending to be received from the electricity system and related with tariff adjustments and tariff deficits from regulated activities in Iberia and Brazil (Generation in

Portugal and Spain, Distribution and Last Resort Supply of electricity in Portugal and Distribution in Brazil).

RENEWABLE ENERGY

Energy that is derived from resources that are regenerative or that cannot be depleted including wind energy, solar, biomass, geothermal, and moving water.

REC (Renewable energy credit)

Represents the property rights to the environmental, social, and other non-power qualities of renewable electricity generation. A REC can be sold separately from the electricity associated with a renewable energy generation source.

RESERVOIR LEVEL

Volume of water stored in a dam reservoir measured in total amount of electrical power it can produce if turbinated (GWh).

RESIDUAL INCOME

The amount of net income generated in excess of the minimum rate of return. Residual income concepts have been used in a number of contexts, including as a measurement of internal corporate performance whereby a company's management team evaluates the return generated relative to the company's minimum required return.

ROE (Return on Equity)

Earnings before non-controlling interests over average total equity of the period.

ROIC (Return on Invested Capital)

ROIC gives a sense of how a company uses its money to generate returns. $ROIC = \frac{EBIT \text{ Adjusted over annual average Invested Capital}}{EBIT \text{ Adjusted is } EBIT + \text{share of net profit in joint ventures and associates} + \text{impairments} + \text{provisions} + /- \text{capital losses/gains (except related to sell downs)} + \text{HR restructuring costs} - \text{Price Purchase Allocation amortizations} - \text{other one-off events}}$. Invested Capital includes net fixed assets – assets under construction + working capital.

ROIC Cash (Cash Return on Invested Capital)

Similar to ROIC but focuses on cash return rather than profit. EBIT adjusted is $EBIT - (\text{nominal tax rate} \times EBIT) + \text{share of net profit in joint ventures and associates}$. Invested Capital as in ROIC.

ROR (RATE OF RETURN)

Corresponds to the rate to be applied to the distribution companies' RAB accepted for capital remuneration purposes, with the respective formula defined by the Regulator at the beginning of each regulatory period.

RPS (Renewable Portfolio Standard)

Regulation in the US that places an obligation in certain states on electricity supply companies to source a specific percentage of their energy from renewable sources.

S

SAIDI (System Average Interruption Duration Index)

The average outage duration for each served customer.

SELL-DOWN

Strategy aimed at developing and selling a majority stake in an asset, crystallizing the value of a project, and reinvesting the proceeds in another asset, targeting greater growth. Typically, the developer may retain the role of O&M supplier.

SOLAR PV (photovoltaic)

Generation of electricity by means of solar power through photovoltaics, consisting in an arrangement of several components, including solar panels to absorb and convert sunlight into electricity, a solar inverter, cables and other electrical accessories.

SOLAR DG

A system that generates and stores electricity through small distribution networks.

SUPPLY POINTS

Points of the grid where the delivering or reception of electricity is made to the customer, producer, or other grid installation.

SUSTAINABILITY INDEX

The Sustainability Index (SI) is a measurement system of sustainability performance, composed by 33 indicators organized in 3 dimensions: Economic, Environmental and Social. The weights assigned to each dimension of the sustainable development reflect the importance given by RobecoSAM (investment specialist focused exclusively on Sustainability Investing).

T

TEI (Tax Equity Investors)

Tax Equity Investors are the agents that are willing to trade on PTC.

TSR (Total Shareholder Return)

Measures the return that the stock provides to the shareholder, including dividends paid and the stock price appreciation.

Annex 8. Certifications and declarations

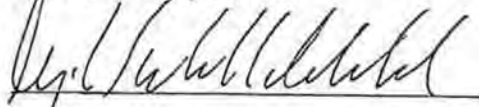


EDP – Energias de Portugal, S.A.
Executive Board of Directors

STATEMENT

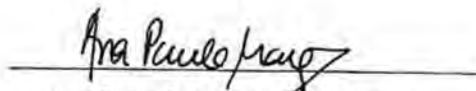
With reference to 2023 financial year, and according to no. 1, paragraph c) of article 29.º-G of the Portuguese Securities Code, the signers hereby, acting as members of the Executive Board of Directors of EDP – Energias de Portugal, S.A. (“EDP”), declare that, to the best of their knowledge, the information foreseen in no. 1 paragraph a) of the article mentioned above, was prepared according to the applicable accounting standards, presenting a fair view of the assets, liabilities, financial situation and results of EDP, and the subsidiaries included in the respective consolidation perimeter, and that the Management Financial Analysis Report clearly discloses the evolution of the business, the performance and position of EDP, and the subsidiaries included in the respective consolidation perimeter, enclosing a description of the major risks and uncertainties to which they are exposed.

Lisbon, February 29, 2024


Miguel Stilwell de Andrade, CEO


Rui Manuel Rodrigues Lopes Teixeira


Vera de Moraes Pinto Pereira Carneiro


Ana Paula Garrido de Pina Marques


Pedro Collares Pereira de Vasconcelos



EDP – Energias de Portugal, S.A.
Felix Arribas Arias
Senior Accounting Officer - Corporate Centre

STATEMENT

With reference to 2023 financial year, and according to no. 1, paragraph c) of article 29.º-G of the Portuguese Securities Code, I hereby, as Head of Consolidation, IFRS Reporting and Tax Global Unit of EDP – Energias de Portugal, S.A. (“EDP”), declare that, to the best of my knowledge, the information set forth in no. 1 paragraph a) of article mentioned above, was prepared according to the applicable accounting standards, presenting a fair view of the assets, liabilities, financial situation and results of EDP, and the subsidiaries included in the respective consolidation perimeter, and that the Management Financial Analysis Report clearly discloses the evolution of the business, the performance and position of EDP, and the subsidiaries included in the respective consolidation perimeter, enclosing a description of the major risks and uncertainties to which they are exposed.

Lisbon, February 29, 2024



Compliance Management System Certificate



2022/0001

AENOR certifies that the organization:

EDP ENERGIAS DE PORTUGAL, S.A.

has a Compliance Management System according to ISO 37301:2021

Promotion and management, directly or indirectly, of companies and activities in the field of the energy sector, both nationally and

which is/are carried out in: **AVENIDA 24 DE JULHO, 12. 1249**



Génova, 6. 28004 Madrid. España

Rafael GARCÍA MEIRO
Chief Executive Officer



Anti bribery Management System Certificate



2022/0010

AENOR certifies that the organization:

EDP ENERGIAS DE PORTUGAL, S.A.

has a Management System according to ISO 37001:2016 bribery management systems, Requirements with guidance for use"

Promotion and management, directly or indirectly, of companies and activities in the field of the energy sector, both nationally and

which is/are carried out in: **AVENIDA 24 DE JULHO, 12. 1249**



Génova, 6. 28004 Madrid. España

Rafael GARCÍA MEIRO
Chief Executive Officer





Statutory Audit Report and Auditors' Report

(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of EDP – Energias de Portugal, S.A. (the Group), which comprise the consolidated statements of financial position as at December 31, 2023 (which shows total assets of Euro 56,696,874 thousand and total equity of Euro 16,656,803 thousand including a consolidated net profit attributable to equity holders of EDP of Euro 952,348 thousand), the consolidated income statements, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of EDP – Energias de Portugal, S.A. as at December 31, 2023, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section below. In accordance with the law we are independent of the entities that are included in the Group and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda.
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 Matriculada na CRC sob o NIPC 506 628 782, Capital Social Euro 314 000
 Inscrição no IIR das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 20161486

Key Audit Matter	Summary of the Audit Approach
Estimated energy sales	
Disclosures related to sales of energy (electricity and gas) presented in notes 2, 4, 7 and 27 of the consolidated financial statements.	Our audit procedures included, among others, identifying and testing the design, implementation and effectiveness of key controls related to the recognition of revenue associated with energy sales, and those related to estimated sales at the end of each period.
Revenue recognition of energy sales occurs at the time of delivery and incorporates three distinct aspects: (i) sales of energy billed based on actual consumption; (ii) sales of energy billed based on estimated consumption based on each customer's history; and (iii) estimate of energy supplied and not billed.	The algorithm including the estimated volumes was obtained having been verified, on a sample basis for each type of customer and tariff, that the criteria defined by the regulator were being met and that the adjustments made were reasonable.
The Group calculates the estimated volumes using an algorithm in line with the criteria defined by the regulatory entity. The algorithm is based on the average daily consumption of each customer, weighted by historical consumption profiles and adjusted for climatic factors and estimated energy losses.	Regarding the average prices used to value the estimated volumes for each type of customer, a sample of historical data was also verified. The energy balance sheet was also obtained and the differences between the energy inputs to the network and the energy billed and estimated by the Group were evaluated.
The Group tests the algorithm using a telecounted sample of consumptions, also validating the estimate by comparison to the energy balance sheet, whose data relies in the energy entered in the network as communicated by the network operator. A "rollback" analysis of real consumption is also carried out retrospectively. A "rollback" analysis of real consumption is also carried out retrospectively.	In order to complement the procedures described above, we also tested the reasonableness of the estimation of unbilled consumed energy on previous years' considering the billing records of the year. We have also reviewed the related disclosures presented in the consolidated financial statements.
The valuation of the estimated quantities is carried out based on the historical average prices according to the tariff, type of customer, contracted power, among other factors.	
Given the high complexity of the methodology used by the Group to estimate the energy consumed by its customers and the degree of judgment involved, in particular in relation to volumes consumed and associated average prices, this issue was considered to be a relevant matter for the purposes of our audit.	





Key Audit Matter	Summary of the Audit Approach
<p>Transactions of equity stakes</p> <p><i>Disclosures related to transactions of equity stakes presented in notes 2, 4, 6, 8, 11, 20, 22, 28, 34, 40 and 42 of the consolidated financial statements.</i></p> <p>As a result of its activity and as part of its strategy, the Group proceeds to the disposal of equity stakes in controlled entities with the main objective of reinvesting the funds obtained in new projects. It also acquires equity stakes and other rights in entities considered relevant to its business portfolio and of value creation to the shareholders.</p> <p>Disposals may or may not result in a loss of control and acquisitions may or may not result in a gain in control, depending on the percentage of capital sold or acquired, shareholder agreements in place and effective control exercised.</p> <p>Given the amounts involved and the level of judgment involved in assessing the loss or gain of control, measuring contingent clauses resulting from the transactions, determining the acquisition value and allocating the acquisition price to identified assets / liabilities, this issue was considered to be a relevant matter for the purposes of our audit.</p>	<p>Our audit procedures included, among others, identifying and testing the design, implementation and effectiveness of key controls related to acquisitions and disposals of equity stakes, holding meetings with the management of the geographies where the transactions took place, in order to obtain an adequate understanding of each of the relevant transactions, as well as the respective supporting documentation.</p> <p>Purchase and sale agreements, shareholder agreements and other associated documentation were analyzed in detail. The accounting treatment given to each of the operations was assessed based on the applicable accounting standards and the mathematical accuracy of the calculations that originate the records was tested.</p> <p>Regarding disposals of equity stakes, the ownership of control and the valuation of contingent clauses, where applicable, were specifically analyzed and evaluated. In relation to the acquisition of equity stakes, control ownership was also evaluated, as well as the allocation of the purchase price to the fair value of identifiable assets and liabilities.</p> <p>We have also reviewed the related disclosures of the significant transactions presented in the consolidated financial statements.</p>
<p>Recoverability of non current assets</p> <p><i>Disclosures related to the non current assets in question presented in notes 2, 4, 12, 17, 18, 19, 20, and 22 of the consolidated financial statements.</i></p> <p>As of December 31, 2023, goodwill, tangible fixed assets, intangible assets, right-of-use assets and investments in joint ventures and associates presented in EDP's consolidated financial statements amounted to Euro</p>	<p>Our audit procedures included, among others, identifying and testing the design, implementation and effectiveness of key controls related to impairment of non current assets, evaluating the adequacy of the impairment models used by the Group and testing the mathematical accuracy of the calculations.</p> <p>We have assessed the reasonableness of the definition of cash-generating units subject to</p>

Key Audit Matter	Summary of the Audit Approach
<p>3,378,803 thousand, Euro 26,076,762 thousand, Euro 4,624,773 thousand, Euro 1,225,430 thousand and Euro 1,558,117 thousand, respectively.</p> <p>In accordance with International Accounting Standard (IAS) 36, and as disclosed in the notes to the consolidated financial statements, the Group performs impairment tests on tangible and intangible assets, right-of-use assets and joint-ventures and associates whenever there are facts or circumstances that may indicate that the net book value may not be recoverable, except when allocated to cash generating units with allocated goodwill, in which case they are tested for impairment together with the associated goodwill on an annual basis or whenever there is evidence of impairment.</p> <p>Given the dispersion of the Group's operating activity across the world, these impairment tests are carried out for the cash-generating units identified in each of the geographies where EDP Group operates.</p> <p>The recoverable amount of each of the non-current assets tested for impairment, namely tangible fixed assets used in the production and distribution of electricity, intangible assets related to concession rights and goodwill and financial investments in joint ventures and associates, is determined based on discounted cash flow models, which imply a high level of judgment given the uncertainty of the underlying data, namely the economic and market projections and assumptions used relating to discount rates, exchange rates, growth rates and inflation rates, country risk, commodity prices, among others.</p> <p>Given the amounts involved, the complexity of the valuation models and the associated high level of judgment, this issue was considered to be a relevant matter for the purposes of our audit.</p>	<p>impairment tests and performed the reconciliation of future cash flows with the business plans approved by the management of each company and in all the geographies where the Group has assets subject to impairment tests.</p> <p>We also challenged the management regarding the appropriateness of the assumptions with the greatest sensitivity in determining the value in use, namely electricity price pools, prices of other commodities, regulatory frameworks and the respective impact on the cash flows of each geography and the discount rate. The analysis of the discount rate was carried out for each of the geographies, using peer information and other information available in the market. Sensitivity analysis were also carried out on the main assumptions in order to determine the level of variations that, individually or together, could lead to impairment losses on assets tested for impairment.</p> <p>The procedures described above, aimed at evaluating the assumptions and the methodology associated with the impairment models used by the Group, were carried out with the support of our team of experts.</p> <p>We have also reviewed the related disclosures presented in the consolidated financial statements.</p>

Key Audit Matter	Summary of the Audit Approach
Derivative financial instruments	
<p><i>Disclosures related to derivative financial instruments presented in notes 2, 4, 5, 7, 14, 28, 33, 40, 43 and 46 of the consolidated financial statements.</i></p> <p>As mentioned in the consolidated financial statements, the exposure of EDP Group to financial risks lies essentially in its debt portfolio and in the commodity price volatility, resulting in interest rate, exchange rate and market price risks.</p> <p>Risk management of EDP Group is carried out centrally at EDP S.A., which uses a set of derivative financial instruments to cover these risks.</p> <p>As of December 31, 2023, the statement of financial position included assets and liabilities related to derivative financial instruments, amounting to Euro 1,117,525 thousand and Euro 1,871,967 thousand, respectively.</p> <p>The valuation of financial instruments classified as level 2, particularly derivative financial instruments, is carried using observable market data and valuation models based on discounted cash flow techniques, which usually involve a high degree of judgment by the Management in defining the assumptions to be used. Therefore, changes in these assumptions may give rise to material impacts in the fair value of the mentioned financial instruments.</p> <p>Additionally, in accordance with IFRS 9, the Group prepares effectiveness tests on its hedging derivative financial instruments portfolio on an annual basis, in order to assess the accounting effectiveness of the hedges, which also involves the assumption of significant judgments and estimates.</p> <p>Given the relevance of the derivative financial instruments in the context of the Group's consolidated financial statements, together with</p>	<p>Our audit procedures included identifying and testing the design, implementation and effectiveness of the controls related to contracting, monitoring and settling derivative financial instruments, to their classification, and to the preparation of supporting documentation and effectiveness tests, when applicable. In this context, controls tested included access policies, system management, approvals, confirmations with financial institutions and reconciliations with counterparties.</p> <p>Regarding the computation of the fair value of derivative financial instruments, in particular the models developed by the Group for this purpose, we evaluated their suitability and the suitability of the assumptions and data used by comparing observable data with information collected from external and independent sources, and analyzed the contractual information. External confirmations of counterparties were also performed in order to validate open positions as of the date of the statement of financial position.</p> <p>The documentation prepared by the Group regarding the hedge accounting was evaluated and compliance with the requirements of IFRS 9 was verified.</p> <p>The adequacy of the accounting entries for each of the analyzed situations as well as the adequacy of the own use exemption provided in IFRS 9 for the use of commodities in the operational activity and related impacts on the consumption calculation were also verified.</p> <p>We have also reviewed the related disclosures presented in the consolidated financial statements.</p>

Key Audit Matter	Summary of the Audit Approach
<p>the degree of judgment associated with its valuation and the complexity associated with its accounting treatment, this issue was considered to be a relevant matter for the purposes of our audit.</p>	<p>Our audit procedures included identifying and testing the design, implementation and effectiveness of controls related to identifying and monitoring litigation and other regulatory and legal contingencies and to the categorization of risk.</p> <p>Several meetings were held with those in charge of the Regulatory and Legal Departments in order to obtain their understanding of the most relevant disagreements, litigations and contingencies and to inspect the relevant documentation. The assumptions used by the management to categorize the risks and measure the related contingencies.</p> <p>External confirmations from legal advisors and attorneys that are advising on regulatory and legal processes were also obtained, and the consistency of the information received with the risk assessment performed by the management was verified.</p> <p>We have also reviewed the related disclosures presented in the consolidated financial statements.</p>
Regulatory and legal framework	
<p><i>Disclosures related to the regulatory and legal framework presented in notes 2, 4, 7, 11, 16, 27, 37, 39, 44 and 50 of the consolidated financial statements.</i></p> <p>Given its geographic dispersion, the activity of the Group is subject to several regulatory and legal frameworks, which vary in accordance to the country and the activity performed.</p> <p>In this context, and particularly in Portugal, there has been an increase in the regulatory complexity associated with the activities in which the Group operates, which has given rise to several disputes and potential contingencies, namely related to the CMEC final adjustment, innovative aspects, costs with clawback, social tariff and CESE and other dispatches and published orders related to regulatory matters. These situations require the management to assess its potential impacts and to exercise, with the support of its legal counsels, a high degree of judgment as to its outcome, which may lead to additional provisions and to disclose additional information to the market, following the requirements of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.</p> <p>Given the increasing complexity of the regulatory and legal frameworks and the degree of judgment involved in assessing the outcome of the identified contingencies, this issue was considered to be a relevant matter for the purposes of our audit.</p>	<p>Our audit procedures included identifying and testing the design, implementation and effectiveness of controls related to identifying and monitoring litigation and other regulatory and legal contingencies and to the categorization of risk.</p> <p>Several meetings were held with those in charge of the Regulatory and Legal Departments in order to obtain their understanding of the most relevant disagreements, litigations and contingencies and to inspect the relevant documentation. The assumptions used by the management to categorize the risks and measure the related contingencies.</p> <p>External confirmations from legal advisors and attorneys that are advising on regulatory and legal processes were also obtained, and the consistency of the information received with the risk assessment performed by the management was verified.</p> <p>We have also reviewed the related disclosures presented in the consolidated financial statements.</p>

Key Audit Matter	Summary of the Audit Approach
Pensions and post employment benefits	
<p><i>Disclosures related to pensions and post employment benefits presented in notes 2, 4, 10, 28, 33 and 36 of the consolidated financial statements.</i></p> <p>As of December 31, 2023, net liabilities with pensions and post-employment benefits presented in the consolidated financial statements of EDP Group amounted to Euro 664,869 thousand (current and non-current), mainly comprising benefits with retirement and early retirement pensions, and healthcare services.</p> <p>These liabilities are estimated for each plan based on actuarial valuations performed annually by an independent expert in accordance with the Projected Credit Unit Method. These valuations incorporate a set of financial and actuarial assumptions, namely the discount rate, the inflation rate, the mortality and disability tables, the growth rates of pensions and salaries, amongst others, defined by the Executive Board of Directors considering the characteristics of the benefits attributed, the employees covered and the current and expected behaviour of these variables</p> <p>In the specific case of the discount rate used in the actuarial studies, it is determined on the basis of the market rates for high-quality corporate bonds in terms of credit risk denominated in the currency in which the benefits will be paid and with a maturity similar to the termination date of the payment of the benefits of the plan.</p> <p>Given the complexity, uncertainty and judgement involved when determining the actuarial and financial assumptions, this issue was considered to be a relevant matter for the purposes of our audit.</p>	<p>Our audit procedures included identifying and testing the design, implementation and effectiveness of the controls implemented by the Group related to the computation of liabilities with pension and post employment benefits, in particular the ones related to the assumptions used and to data sent to the actuary.</p> <p>Meetings were held with the management to identify the methodologies and options considered in defining the main financial and actuarial assumptions, for which a reasonableness analysis was performed by comparing them with the data that we were able to independently obtain.</p> <p>We also reviewed the adequacy of (i) the employee information, used for the calculation of liabilities; and (ii) the recognition of costs related to past services and actuarial deviations resulting from changes in assumptions and gains in experience. The fair value of the assets of the fund was independently validated by our internal experts.</p> <p>We have also read the actuarial report prepared with reference to December 31, 2023 and evaluated the main assumptions used, namely discount rate, inflation rate, growth rates of pensions and salaries and mortality and disability tables, using information developed internally and market benchmarks.</p> <p>We evaluated the technical skills of the actuary and verified its registration with ASF (Autoridade de Supervisão de Seguros e Fundos de Pensões), having also confirmed the actuary's independence regarding the report as of December 31, 2023.</p> <p>We have also reviewed the related disclosures presented in the consolidated financial statements.</p>

Responsibilities of management and supervisory board for the consolidated financial statements

Management is responsible for:

- a) the preparation of the consolidated financial statements, which present fairly the consolidated financial position, the consolidated financial performance and the cash flows of the Group in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;
- b) the preparation of the consolidated Directors' report, the corporate governance report, the non-financial statement and the remunerations report in accordance with the applicable law and regulations;
- c) the creation and maintenance of an appropriate system of internal control to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- d) the adoption of appropriate accounting policies and criteria; and
- e) the assessment of the Group's ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Group's ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure of the Group's financial information.

Auditor's responsibilities for the audit of the consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a) identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- e) evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion;
- g) communicate with those charged with governance, including the supervisory board, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- h) of the matters we have communicated to those charged with governance, including the supervisory board, we determine which one's were the most important in the audit of the consolidated financial statements of the current year, these being the key audit matters. We describe these matters in our report, except when the law or regulation prohibits their public disclosure; and
- i) confirm to the supervisory board that we comply with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes verifying that the information included in the consolidated Directors' report is consistent with the consolidated financial statements and the verification set forth in paragraphs 4 and 5 of article No. 451 of the Portuguese Company Law on corporate governance matters and the remunerations report were presented.

Report on other legal and regulatory requirements

Consolidated Directors' report

In compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that the consolidated Directors' report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the consolidated Directors' report is consistent with the audited consolidated financial statements and, taking into account the knowledge and assessment about the Group, no material misstatements were identified. As set forth in paragraph 7 of article No. 451 of the Portuguese Company Law, this opinion is not applicable to the consolidated non-financial statement included in the consolidated Directors' report.

Corporate governance report

In compliance with paragraph 4 of article No. 451 of the Portuguese Company Law, it is our understanding that the corporate governance report includes the information required under article No. 29-H of the Portuguese Securities Market Code, that no material misstatements were identified in the information disclosed in this report and that it complies with paragraphs 1 c), d), f), h), i) and l) of that article.

European Single Electronic Format (ESEF)

The Entity's consolidated financial statements for the year ended on December 31, 2023 must comply with the applicable requirements established in Commission Delegated Regulation (EU) 2019/815, of December 17, 2018 (ESEF Regulation).

The management is responsible for the preparation and disclosure of the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements included in the annual report are presented in accordance with the requirements of the ESEF Regulation.

Our procedures took into account the OROC Technical Application Guide on ESEF reporting and included, among others:

- a) obtaining an understanding of the financial reporting process, including the annual report presentation in valid XHTML format; and
- b) the identification and assessment of the risks of material misstatement associated with the tagging of information in the consolidated financial statements, in XBRL format using iXBRL technology. This assessment was based on an understanding of the process implemented by the entity to tag the information.

In our opinion, the consolidated financial statements included in the annual report are presented, in all material respects, in accordance with the requirements of the ESEF Regulation.



Consolidated non-financial statement

In compliance with paragraph 6 of article No. 451 of the Portuguese Company Law, we hereby inform that the Group included in its consolidated Directors' report the consolidated non-financial statement set forth in article No. 508-G of the Portuguese Company Law.

Remunerations report

In compliance with paragraph 6 of article No. 26-G of the Portuguese Securities Market Code, we hereby inform that the Entity prepared a remunerations report that includes the information set forth in paragraph 2 of that article.

Additional information required in article No. 10 of the Regulation (EU) 537/2014

In accordance with article No. 10 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16, 2014, and in addition to the key audit matters referred to above, we also provide the following information:

- a) We were first appointed auditors of EDP – Energias de Portugal, S.A. in the Shareholders' General Meeting of April 5, 2018 for the period from 2018 to 2020, having remained in functions until the current period. Our last appointment was in the Shareholders' General Meeting of April 14, 2021 for the period from 2021 to 2023.
- b) The management has confirmed to us it has no knowledge of any allegation of fraud or suspicions of fraud with material effect in the financial statements. We have maintained professional scepticism throughout the audit and determined overall responses to address the risk of material misstatement due to fraud in the consolidated financial statements. Based on the work performed, we have not identified any material misstatement in the consolidated financial statements due to fraud.
- c) We confirm that our audit opinion is consistent with the additional report that was prepared by us and issued to the Group's supervisory board as of February 29, 2024.
- d) We declare that we did not provide any prohibited non-audit services referred to in paragraph 1 of article No. 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16, 2014 and that we remain independent of the Group in conducting our audit.

February 29, 2024

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
Registered with the Portuguese Securities Market Commission under no. 20160943

Key Audit Matter	Summary of the Audit Approach
<p>As disclosed in the notes to the financial statements, in February 2023, EDP - Energias de Portugal, S.A. ("EDP, S.A.") entered into a conveyance agreement with EDP GEM Portugal, S.A. ("EDP GEM"), for the transfer of its Energy Management Business Unit.</p> <p>This transfer included the universality of assets, liabilities, and contractual positions (including off-balance sheet commitments) that make up this business unit, its employees, and the means necessary to carry its activity.</p> <p>The abovementioned operation generated a capital gain of 940,653 thousand euros, arising from the difference between the consideration paid by EDP GEM in the amount of 1,169,510 thousand euros and the carrying amount of the net assets transferred, which amounted to 228,856 thousand euros.</p> <p>As a result of the transfer of the energy management activity, the existing cash flow hedges in EDP, S.A. (foreign exchange and electricity, gas and CO2 purchase and sale) were fully discontinued. In this context, the negative value of the fair value reserve (cash flow hedge) of 1,014,219 thousand euros was recycled to the profit and loss, as the underlying transactions to be hedged were transferred to EDP GEM under the conveyance agreement, therefore ceasing to occur in the sphere of EDP, S.A.</p> <p>Given the relevance of the operation in the context of EDP, S.A., namely the impacts in profit and loss (capital gain and fair value of derivative financial instruments being transferred to profit and loss under the caption of other non recurring income and expenses), as well as the complexity associated with understanding the contractual positions transferred, this issue was considered to be a relevant matter for the purposes of our audit.</p>	<p>understanding of the transaction, as well as the respective supporting documentation.</p> <p>The contracts and related documentation were fully reviewed, considering the accounting treatment to be given to the operation under the applicable standards and the mathematical accuracy of the calculations that originated the accounting records.</p> <p>We have reviewed the carve-out balance sheet and evaluated the contractual positions transferred, including off-balance sheet commitments.</p> <p>We analysed the specific transfer pricing report for the transaction, namely on the valuation of the positions transferred and assessed the technical competence of the expert used by the Management.</p> <p>We also verified the proper accounting treatment of the hedge accounting discontinuance, having recomputed the fair value of the derivative financial instruments as of the date of conveyance, and assessed the respective impact in the fair value hedge reserve (cash flow hedge).</p> <p>We have also reviewed the related disclosures presented in the financial statements.</p>

Responsibilities of management and supervisory board for the financial statements

Management is responsible for:

- a) the preparation of the financial statements, which present fairly the financial position, the financial performance and the cash flows of the Entity in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;
- b) the preparation of the Directors' report, the corporate governance report, the non-financial statement and the remunerations report in accordance with the applicable law and regulations;
- c) the creation and maintenance of an appropriate system of internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- d) the adoption of appropriate accounting policies and criteria; and
- e) the assessment of the Entity's ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Entity's ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure of the Entity's financial information.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;



d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;

e) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

f) communicate with those charged with governance, including the supervisory board, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;

g) of the matters we have communicated to those charged with governance, including the supervisory board, we determine which one's were the most important in the audit of the financial statements of the current year, these being the key audit matters. We describe these matters in our report, except when the law or regulation prohibits their public disclosure; and

h) confirm to the supervisory board that we comply with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes verifying that the information included in the Directors' report is consistent with the financial statements and the verification set forth in paragraphs 4 and 5 of article No. 451 of the Portuguese Company Law on corporate governance matters and verifying that the non-financial statement and the remunerations report were presented.

Report on other legal and regulatory requirements

Directors' report

In compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that the Directors' report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the Directors' report is consistent with the audited financial statements and, taking into account the knowledge and assessment about the Entity, no material misstatements were identified. As set forth in paragraph 7 of article No. 451 of the Portuguese Company Law, this opinion is not applicable to the non-financial statement included in the Directors' report.

Corporate governance report

In compliance with paragraph 4 of article No. 451 of the Portuguese Company Law, it is our understanding that the corporate governance report includes the information required under article No. 29-H of the Portuguese Securities Market Code, that no material misstatements were identified in the information disclosed in this report and that it complies with paragraphs 1 c), d), f), h), i) and l) of that article.

European Single Electronic Format (ESEF)

The Entity's financial statements for the year ended on December 31, 2023 must comply with the applicable requirements established in Commission Delegated Regulation (EU) 2019/815, of December 17, 2018 (ESEF Regulation).

The management is responsible for the preparation and disclosure of the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the financial statements included in the annual report are presented in accordance with the requirements of the ESEF Regulation.

Our procedures took into account the OROC Technical Application Guide on ESEF reporting and included, among others, obtaining an understanding of the financial reporting process, including the annual report presentation in valid XHTML format.

In our opinion, the financial statements included in the annual report are presented, in all material respects, in accordance with the requirements of the ESEF Regulation.

Non-financial statement

In compliance with paragraph 6 of article No. 451 of the Portuguese Company Law, we hereby inform that the Entity included in its Directors' report the non-financial statement set forth in article No. 66-B of the Portuguese Company Law.

Remunerations report

In compliance with paragraph 6 of article No. 26-G of the Portuguese Securities Market Code, we hereby inform that the Entity prepared a remunerations report that includes the information set forth in paragraph 2 of that article.

Additional information required in article No. 10 of the Regulation (EU) 537/2014

In accordance with article No. 10 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16, 2014, and in addition to the key audit matters referred to above, we also provide the following information:

a) We were first appointed auditors of the Entity in the Shareholders' General Meeting of April 5, 2018 for the period from 2018 to 2020, having remained in functions until the current period. Our last appointment was in the Shareholders' General Meeting of April 14, 2021 for the period from 2021 to 2023.



- b) The management has confirmed to us it has no knowledge of any allegation of fraud or suspicions of fraud with material effect in the financial statements. We have maintained professional scepticism throughout the audit and determined overall responses to address the risk of material misstatement due to fraud in the financial statements. Based on the work performed, we have not identified any material misstatement in the financial statements due to fraud.
- c) We confirm that our audit opinion is consistent with the additional report that was prepared by us and issued to the Entity's supervisory board as of February 29, 2024.
- d) We declare that we did not provide any prohibited non-audit services referred to in paragraph 1 of article No. 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16, 2014 and that we remain independent of the Entity in conducting our audit.

February 29, 2024

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no 1333
Registered with the Portuguese Securities Market Commission under no 20160943



Independent Assurance Report

(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)

To the Executive Board of Directors.

Introduction

We were engaged by the Executive Board of Directors of EDP - Energias de Portugal, S.A. ("EDP" or "Company") to perform a reasonable assurance engagement on the indicators identified below in section "Responsibilities of the auditor", and a limited assurance engagement on the indicators also identified in the aforementioned section that are part of the sustainability information included in the Integrated Annual Report, for the year ended December 31, 2023, prepared by the Company for the purpose of communicating its annual sustainability performance.

Responsibilities of the Executive Board of Directors

It is the responsibility of the Executive Board of Directors to prepare the indicators identified below in section "Responsibilities of the auditor", included in the Integrated Annual Report, in accordance with the sustainability reporting guidelines "Global Reporting Initiative", GRI Standards and Electric Utilities Supplement considering the AA1000AP Standard (2018) issued by AccountAbility, regarding the principles of inclusivity, materiality, responsiveness and impact; and with the instructions and criteria disclosed in the Integrated Annual Report, as well as to maintain an appropriate internal control system that enables the adequate preparation of the mentioned information.

Responsibilities of the auditor

Our responsibility is to issue an assurance report, which is professional and independent, based on the procedures performed and specified in the paragraphs below.

Our work was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants and we have fulfilled other technical standards and recommendations issued by the Institute of Statutory Auditors. These standards require that we plan and perform our work to obtain:

a) reasonable assurance as to whether the sustainability indicators

- 302-1 (Energy consumption within the organization);
- 305-1 (Direct Emissions of Greenhouse Gases (Scope 1));
- 305-2 (Indirect Greenhouse Gas Emissions (Scope 2)); and
- 305-7 (NOx, SOx and other significant atmospheric emissions).

prepared in accordance with the requirements of the GRI Standards guidelines and with the instructions and criteria disclosed in the Integrated Annual Report and which are identified in the Annex "GRI Table" of the Integrated Annual Report as "External Guarantee - Reasonable", indicated in Annex I of this report, are free from material misstatements.

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b) limited assurance on whether the sustainability indicators identified in the Annex "GRI Table" of the Integrated Annual Report as "External Guarantee - Limited", are free from material misstatements.

It was also considered the AA1000 Assurance Standard (AA1000 AS v3), type 2 engagement, for obtaining a moderate level of assurance. Our limited assurance engagement also consisted in carrying out procedures with the objective of obtaining a limited level of assurance as to whether the Company applied, in the sustainability information included in the Integrated Annual Report, the GRI Standards guidelines and the principles defined in the AA1000AP Standard (2018).

For this purpose the above mentioned work included:

- i) Inquiries to management and senior officials responsible for areas under analysis, with the purpose of understanding how the information system is structured and their awareness of issues included in the report;
- ii) Identification of the existence of internal management procedures leading to the implementation of economic, environmental and social policies;
- iii) Testing, on a sampling basis, the efficiency of processes and systems in place for collection, consolidation, validation and reporting of the performance information analysed, through calculations and validation of reported data;
- iv) Confirmation that operational units follow the instructions on collection, consolidation, validation and reporting of performance information;
- v) Execution of substantive procedures, on a sampling basis, in order to collect evidence of the reported information;
- vi) Comparison of financial and economic data included in the sustainability information with the data audited by PricewaterhouseCoopers & Associados, SRCC, Lda, in the scope of the statutory audit of EDP's consolidated financial statements for the year ended December 31, 2023;
- vii) Analysis of the process for defining the materiality of the sustainability issues, based on the materiality principle of GRI Standards, according to methodology described by the Company in the Integrated Annual Report;
- viii) Assessment of the level of adherence to the principles of inclusivity, materiality, responsiveness and impact set by AA1000AP Standard (2018), in the sustainability information disclosure, through the analysis of the contents of the Integrated Annual Report and the internal documents of the Company; and
- ix) Verification that the sustainability information included in the Integrated Annual Report complies with the requirements of GRI Standards.

Additionally, we performed the following procedures for the purposes of reasonable assurance work:

- x) Evaluating the risks and general controls of the information systems supporting human resources processes; and
- xi) Verification, by carrying out analytical and substantive review tests, and based on defined materiality criteria, the proper application of the reporting criteria.

In performing the limited assurance, the procedures performed were more limited than those used in an engagement to obtain reasonable assurance and, therefore, less assurance was obtained than in a reasonable assurance engagement.

We believe that the procedures performed provide an acceptable basis for our conclusion.

Independent Assurance Report
December 31, 2023

EDP - Energias de Portugal, S.A.
PwC 2 of 6



Quality control and independence

We apply the International Standard on Quality Management 1 (ISQM 1), which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and of the ethics code of the Institute of Statutory Auditors.

Conclusion on reasonable assurance work

Based on the work performed, it is our opinion that the indicators identified above in section "Responsibilities of the auditor", included in the Integrated Annual Report - as "External Guarantee - Reasonable", for the year ended December 31, 2023, were prepared, in all material respects, in accordance with GRI Standards requirements and with the instructions and criteria disclosed in the Integrated Annual Report.

Conclusion on limited assurance work

Based on the work performed, nothing has come to our attention that causes us to believe that the indicators identified above in section "Responsibilities of the auditor", included in the Integrated Annual Report - as "External Guarantee - Limited", for the year ended December 31, 2023, were not prepared, in all material respects, in accordance with GRI Standards requirements and with the instructions and criteria disclosed in the Report and that EDP has not applied, in the sustainability information included in the Report, the GRI Standards guidelines and the principles defined in the AA1000AP Standard (2018).

Other matters

Without affecting the conclusion above, we also present the following aspects regarding EDP's adherence to the principles of AA1000AP Standard (2018):

- Principle of inclusivity: EDP presents a consolidated process of stakeholders' consultation for the different business units and geographies where EDP Group operates, aligned with the corporate stakeholder management model. The implementation of the stakeholder management guide, as well as the development of the stakeholder management plan applicable to all the business units and geographies where the EDP Group operates, guarantees a better standardization of the process. Every year, EDP carries out specific initiatives related to certain groups of stakeholders, ensuring the inclusion and review of stakeholder expectations.
- Principle of materiality: EDP has defined a comprehensive process for the determination of material issues, which consolidates a view of the issues for a corporate and local levels (by geography/business unit). The outputs from the identification of material issues reflect the main issues of the energy sector, of the geographies where the Group operates and of the main stakeholders. EDP ensures that the scope of the materiality process is extended to all geographies where the Group is present, allowing a greater harmonization between all business units, as well as determination of the materiality by stakeholder segment.

- Principle of responsiveness: EDP addresses the expectations of its main stakeholders by defining a set of goals and targets as reported in the Integrated Annual Report. EDP has been developing consolidated action plans by business unit to ensure a better alignment and communication of corporate commitments and objectives for the most relevant material issues.
- Principle of impact: EDP discloses the main impacts generated by its activity, through the response given in each material issue, in the different aspects of sustainability (economic, environmental and social dimensions). By respecting the reporting principles, EDP intends to create and disseminate a comprehensive and balanced understanding of the measurement and evaluation of the organization's impacts on its stakeholders and on the organization itself.

Restriction on use

This report is issued solely for information and use of the Executive Board of Directors of the Company for the purpose of communicating its annual sustainability performance in the Integrated Annual Report and should not be used for any other purpose. We will not assume any responsibility to third parties other than EDP by our work and the conclusions expressed in this report, which will be attached to the Company's Integrated Annual Report.

February 28, 2024

PricewaterhouseCoopers & Associados
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represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
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Annex I

Environmental indicators (GRI)

2023	IFI	GROUP	PORTUGAL	SPAIN	SOUTH AMERICA	NORTH AMERICA	REST OF EUROPE	APAC
TOTAL ENERGY CONSUMPTION								
TJ		74 858	20 268	53 444	848	218	78	3
PRIMARY ENERGY CONSUMPTION								
TJ		65 098	12 495	51 799	772	22	8	2
Coal	TJ	27 192	0	26 522	686	n.a.	n.a.	n.a.
Fuel oil	TJ	11	0	11	n.a.	n.a.	n.a.	n.a.
Natural Gas	TJ	29 718	12 397	17 317	0	3	1	0
Blast furnace gas	TJ	7 837	n.a.	7 837	n.a.	n.a.	n.a.	n.a.
Coke gas	TJ	0	n.a.	0	n.a.	n.a.	n.a.	n.a.
Diesel oil	TJ	116	2	96	18	n.a.	n.a.	n.a.
Iron and steel industry gas	TJ	0	n.a.	0	n.a.	n.a.	n.a.	n.a.
Fuel for fleet	TJ	224	96	16	84	19	8	2
ELECTRICITY CONSUMPTION								
Generation self-consumption	MWh	2 601 814	2 150 219	366 757	15 571	50 281	18 986	0
Administrative service	MWh	30 689	20 737	1 940	5 674	1 703	465	170
Grid losses	%	7.8	7.9	4.8	9.2	n.a.	n.a.	n.a.
GHG EMISSIONS								
Direct emissions (scope 1)	kCO _{2e}	4 275.8	698.5	3 494.0	80.1	1.5	0.6	0.2
Stationary combustion ¹	kCO _{2e}	4 249.3	666.3	3 489.8	73.3	0	0	0
SF ₆ Emissions	kCO _{2e}	11	6.1	3.0	1.9	0	0	0
Company fleet	kCO _{2e}	15.3	7.1	1.2	4.9	1.4	0.6	0.2
Natural gas consumption	kCO _{2e}	0.2	0.0	0.0	0.0	0.1	0.0	0.0
Indirect Emissions (scope 2) ²	kCO _{2e}	287.7	215	5.0	41.6	18.7	7.3	0.1
Electricity consumption in office buildings	kCO _{2e}	1.6	0.0	0.0	0.0	1.5	0.1	0.1
Electricity losses	kCO _{2e}	261.5	215	5.0	41.6	0.0	0.0	0.0
Renewable plants self-consumption	kCO _{2e}	24.5	0.0	0.0	0.0	17.2	7.3	0.0
TOTAL AIR EMISSIONS								
CO ₂ ^{1,3}	kt	4 249	688	3 490	73	n.a.	n.a.	n.a.
NO _x	kt	2.5	0.2	2.2	0	n.a.	n.a.	n.a.
SO _x	kt	1.0	0.0	1.0	0	n.a.	n.a.	n.a.
Particles	kt	0.1	0.004	0.09	0	n.a.	n.a.	n.a.
Mercury	kg	32	0	32	0	n.a.	n.a.	n.a.
SF ₆	kg	470	261	130	79	0	0	0

¹ The stationary emissions do not include those produced by the burning of ArcelorMittal steel gases in EDP's power plants in Spain.
² Calculation according with GHG Protocol based location methodology. From 2023 onwards, CO_{2e} emissions associated with distribution grid losses will be calculated on the basis of technical losses, as recommended by the GHG Protocol.
³ Includes only stationary combustion emissions.

Organizational boundaries

The calculation of CO_{2e} emissions is consolidated using the operational control approach. The inventory applies to activities arising from work at the EDP Group - Energias de Portugal, S.A. and its subsidiaries:

- EDP Brasil
- EDP Comercial
- EDP España
- EDP Espírito Santo
- EDP Global Solutions
- EDP Produção
- EDP Renováveis
- EDP São Paulo
- Energest
- Enerpeixe
- E-Redes
- EDP Redes España
- Investco
- Labelec
- Porto de Peçém
- EDP Portugal

Operational boundaries

The following scopes were considered:

- Direct emissions (scope 1): emissions resulting from sources owned or controlled by the organization:
 - Mobile combustion: Emissions from fuel consumption in the vehicle fleet (combustion engines);
 - Stationary combustion: emissions from fuel combustion in thermoelectric power stations and administrative buildings;
 - Fugitive emissions: SF₆ leaks in production and distribution and refrigerant gases from air conditioning systems.
- Indirect emissions (scope 2): Indirect emissions arising from the production of electricity, steam or heat/cooling consumed, acquired or purchased by the organization:
 - Losses in the transmission and distribution networks, in the part not produced by EDP;
 - Electricity consumption in administrative buildings, as long as it is provided by third parties;
 - Self-consumption of electricity in renewable energy plants, provided that it is provided by third parties.



Independent Reasonable Assurance Report on the Internal Control System related to the Financial Reporting of EDP Group

(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)

To the Executive Board of Directors of EDP – Energias de Portugal, S.A.

Introduction

We were engaged by the Executive Board of Directors of EDP – Energias de Portugal, S.A. (“EDP” or “the Company”) to perform a reasonable assurance engagement on the internal control system over the consolidated financial reporting (“SCIRF”) of the Company and its subsidiaries, for the financial year that ended 31 December 2023, implemented based on the criteria established in the internal control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO 2013”) in relation to business processes and global controls, and by the Control Objectives for Information and related Technologies (“COBIT”) in relation to information technology general controls.

Executive Board of Directors’ Responsibilities

It is the responsibility of the Executive Board of Directors, the implementation and maintenance of an appropriate internal control system that enables the preparation of consolidated financial statements free of material misstatement due to fraud or error.

Auditor’s Responsibilities

Our responsibility consists in issuing a reasonable assurance report, professional and independent, based on the procedures performed and stated in the paragraphs below, on the effectiveness of the internal control system over EDP Group’s consolidated financial reporting.

Our procedures were conducted, with reference to the financial year that ended on the 31st of December 2023, in order to obtain a reasonable degree of assurance over the effectiveness of the internal control system implemented by the Company’s Executive Board of Directors, to ensure that the consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) and present fairly and appropriately the financial position of the EDP Group, its financial performance and its consolidated cash flows, as well as the use of appropriate accounting policies and criteria. The internal control system also includes policies and procedures established by the Company’s Executive Board of Directors that guarantee, with reasonable assurance:

- i) an adequate maintenance of records which reliably reflect, and in reasonable detail, the acquisitions and disposals of assets of EDP Group;
- ii) that transactions are recorded in order to allow the preparation of consolidated financial statements in accordance with the applicable accounting standards.

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iii) that receipts are fully recorded and that payments made by EDP Group are made only with the authorization of the members of the Executive Board of Directors and Directors of EDP, or Directors and Management of EDP subsidiaries; and

iv) the prevention or timely detection of unauthorized acquisitions or disposals or the inappropriate use of assets of EDP Group which may have a material effect on the consolidated financial statements.

The work performed was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) “Reliability Assurance Engagements that Are Not Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants and with the additional standards and technical guidance issued by the Institute of Statutory Auditors (“Ordem dos Revisores Oficiais de Contas – ORCC”). These Standards require that we plan and perform the assurance engagement to obtain reasonable assurance on whether the internal control system, implemented based on “COSO 2013” and “COBIT”, allows the consolidated financial reporting (“SCIRF”) to be prepared free from material misstatement. For this purpose, the above mentioned work consisted of:

- i) obtaining an understanding of the internal control system over EDP Group’s consolidated financial reporting;
- ii) assessing the risk of existence of material deficiencies in the internal control system over the consolidated financial reporting, based on the criteria of “COSO 2013” and “COBIT”;
- iii) carrying out tests related to the design, effectiveness and operation of controls based on the risk assessment performed; and
- iv) carrying out other procedures which we considered necessary under the circumstances.

We believe that the procedures performed provide a reasonable basis for our conclusion.

Quality control and independence

We apply the International Standard on Quality Management 1 (ISQM1), which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and of the ethics code of the Institute of Statutory Auditors.

Conclusion

Based on the work performed, it is our opinion that EDP Group maintained, in all relevant material aspects, an internal control system adequate and effective related to its consolidated financial reporting (“SCIRF”), for the financial year ended 31 December 2023, and in accordance with the criteria established in the internal control framework issued by the Committee of Sponsoring





Organizations of the Treadway Commission ("COSO 2013") in relation to business processes and global controls, and by the Control Objectives for Information and related Technologies ("COBIT") in relation to information technology general controls.

Other matters

- i) On 29 February 2024 we issued the audit report on the consolidated financial statements of EDP Group with reference to the financial year ended 31 December 2023, in which we expressed an unqualified opinion;
- ii) Due to the inherent limitations to any internal control system, there is a possibility that the internal control system over the consolidated financial reporting does not prevent or detect errors or irregularities that may arise, either due to collusion, errors in judgment, human error, fraud, or malpractice. Additionally, projections over the evaluation of the effectiveness of the internal control system related to the consolidated financial reporting, applicable to future periods, are subject to the risk that controls may become inadequate due to changes in conditions of business or operation of EDP Group, or that the degree of compliance with the policies and procedures may deteriorate.

Restriction on distribution and use

This report is solely issued under the agreed terms described in the 1st paragraph above and should not be used for any other purposes without our explicit consent.

29 February 2024



PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
Registered with the Portuguese Securities Market Commission under no. 20160943

Annex 9. Reports on the allocation and impact of green finance and sustainability-linked loans

Sustainable financing

Alignment with the SDG	Objectives	KPIs 2023	Target 2026
 	Sustainable financing	58%	60%

In the end of 2023, sustainable finance amounted to €18.5 billion: (1) €11.1 billion in green bonds; (2) €6.7 billion in sustainability-linked loans and (3) 0.7 billion in green loans. The green financing (green bonds and loans) represented 58% of the nominal debt. EDP has a target to have 60% of its funding from sustainable sources by 2026. Our Green Bonds and green loans and sustainability-linked loans have promoted a greater alignment of the company's financial policy with our sustainability strategy, while increasing market awareness for this topic. EDP's sustainable financing has contributed heavily towards UN Sustainable Development Goal SDG 7: affordable and clean energy and SDG 13: climate action.

Alignment with sustainability strategy

EDP's prioritization of investment in renewable generation started in 2006, through the anticipation of major trends in the energy market and the support to the vision of a society capable of reducing CO₂ emissions, by replacing thermal with renewable energy, decentralizing generation, promoting smart grids and energy storage, and encouraging the demand for renewable electricity. Recognizing the climate emergency, EDP was one of the front runners undertaking the United Nation's challenge during the Climate Summit in New York in 2019. EDP is committed to reduce emissions and to align its business strategy with the aim to limit global temperature raise to 1.5°C. Ramping up that commitment, EDP incorporated, in its Updated Strategic Plan 2021-2025, the ambitious goals to be coal free by 2025 and carbon neutral by 2030, supported by a strong investment in the acceleration of renewables installed capacity, smart grids, and decarbonized services for our customers.

In the updated Business Plan for 2023-2026, EDP continued to lead the decarbonization of the energy sector by further reinforcing its investments in renewables with a €25 Bn energy transition CAPEX plan and with annual gross additions of 4.5 GW to reach an ambitious target of 50GW renewable additions for 2021-2030, while continuing its fast adoption of innovative solutions. EDP reinforced its ambition even further to reach Net Zero by 2040 by including the Scope 3 emissions in its targets. With a new baseline year set for 2020, EDP aims to reach net-zero greenhouse emissions across the value chain by 2040, with ambitious mid-term targets by 2030. These targets have been approved by SBTi under the Net Zero Standard.

These climate commitments were recorded in EDP's Climate Transition Plan (details [here](#)), which was approved by a majority of votes (99,73%) in the General Meeting of shareholders held in April 2023. The proceeds of green bonds, green loans, and sustainability-linked loans contribute substantially to the implementation of EDP's Climate Transition Plan and to reach our objectives of becoming coal-free by 2025 and net zero by 2040. Bonds and green loans are aligned with the taxonomy. For more details on the CAPEX indicator aligned with the Taxonomy, please refer to EDP's 2023 Taxonomy Report (here). The scope of the Taxonomy report includes the assets of subsidiary companies where the Group exercises control as of 31 December 2023. It should be noted that the amount of green debt is not accounted for in the CAPEX indicator aligned with the Taxonomy, because the use of proceeds, according to EDP's Framework for green financing, is intended to be used exclusively to (re)finance, in part or in full, new or existing eligible assets of EDP Renováveis and not CAPEX. Thus, there is no double counting.

Green bonds and loans

Green Bonds

Issued over the period
2018–2023

€11.8B

As part of EDP's strategy and to promote greater alignment of its financial policy with its sustainability strategy, in October 2018, the group (through EDP Finance BV) issued its first green bond, amounting to €600 million (senior debt). Since then, and until the end of 2023, EDP has issued approximately €11.8 billion in green bonds: eleven senior debt issuances, two of which in US dollars, and six subordinated debt issuances (hybrid). At the end of 2023, €11.1 billion green bonds will remain outstanding, partially replacing a 2019 green emission with the most recent hybrid emission. Additionally, EDP signed its first green corporate loan in 2023, for a total of €0.7 billion (one billion Singapore dollars).

EDP's Green Finance Framework

EDP published an updated Green Finance Framework in September 2023

In September 2023, EDP updated its 2022 Green Finance Framework to reflect the changed scope and the new decarbonisation strategy. It includes the green financing instruments (for example, green bonds or green loans) issued by EDP, EDP finance BV, EDP - Servicios Financieros España, S.A.U and EDP Renováveis and its subsidiaries and project companies to finance or refinance wind (onshore and offshore) and solar (PV and CSP) eligible assets and projects. These assets and projects will be included in the portfolio at the current IFRS balance sheet value. Eligible Green Assets will also include acquisitions of companies and equity participations in entities substantially active in wind and solar activities.

EDP's green finance framework is aligned with the International Capital Market Association's (ICMA) Green Bond Principles 2021, the Loan Market Association's (LMA) Green Loan Principles 2023 (GLP), as administered by LMA, Asia Pacific Loan Association (APLMA) and Loan Syndications and Trading Association (LSTA). The eligible assets and projects financed and refinanced will contribute towards the climate change mitigation objective of the EU Taxonomy. The framework is supported by a second-party review (SPO) from Sustainalytics.

This report is part of the commitment to report on an annual and portfolio basis to investors on how the funding was allocated. The data presented here is externally verified. The details about the several issuances and the information included in this report is also available at EDP's website (under the fixed income section). The impact indicators are the following: 1. Installed capacity of renewable (MW); 2. Net production of renewable (MWh) and 3. CO₂ avoided emissions (tCO₂), which corresponds to emissions that would have occurred if the renewable energy generated had been

Green Finance Framework SPO

Sustainalytics is the opinion that the Framework's two eligible activities fully align with the applicable Technical Screening Criteria in the EU Taxonomy and align with the Do No Significant Harm Criteria (fully for two and partially for climate change adaptation and biodiversity). The Framework is compliant with the EU Taxonomy's Minimum Safeguards.

produced by thermopower plants. It is the sum of CO₂ avoided in each geography where EDP operates. For each geography, the renewable production (wind and solar) is multiplied by the emission factor of the country's thermoelectric mix.

Approximately €11.7 billion issued in green bonds and loans between 2018 and 2023 were fully allocated by 31 December 2023, with 4.0 billion euros being allocated to new projects wind and solar that came into operation between 2018 and 2023, 5.8 billion euros being allocated to existing projects and 1.9 billion to equity participations and acquisitions. It should be noted that the amount of green funding allocated to new projects corresponds to wind and solar farms that have begun operating at the year of the date of issuance of the respective green bonds. The green funding allocated corresponds to the net proceeds of the issuances, calculated by extracting the upfront fees paid to arrangers from the gross proceeds.

All EDP green issuances are aligned with EDP's sustainability strategy, as part of EDP's Strategic Agenda and Business Plan 2023–2026, with the proceeds being used to support its objectives to increase renewable capacity (coal-free by 2025 and 100% by 2030), and to reduce our scope 1 and 2 specific emissions by 77% by 2026 and 95% by 2030, using 2020 as base year, approved by SBTi in 2023, under the Net Zero Standard. EDP has committed to achieving Net Zero by 2040, reducing, in absolute terms, its CO₂ emissions by 90%, against 2020 base year, including Scopes 1, 2 and 3.

The impact of the portfolio was 12.9 GW of renewable energy capacity, 26.7 TWh of annual renewable energy production and the avoidance of 15.1 MtCO₂ of emissions. These impact metrics are consolidated at a portfolio level. It should be noted that, since 2022, following the publication of our 2022 Green Finance Framework, green proceeds can be allocated to acquisitions of companies and equity participations in entities substantially active in wind and solar, which do not have impact KPIs associated, namely installed capacity (MW), production (GWh) and GHG emissions avoided (tCO₂).

In terms of geographical split, 64% of the projects financed with green proceeds are in the United States (43%), Singapore (11%) and Spain (11%). A minority of projects is in the United Kingdom (5%), Portugal (5%), Poland (5%), Romania (5%), Brazil (5%), Italy (3%), France (3%), and Mexico (3%). With negligible weight are projects in the geographies of Chile, Greece, Belgium, Taiwan, China, Canada, Vietnam, and the Netherlands.

The following paragraphs report relevant information for investors on the application of EDP group's green bonds and loans proceeds and on the environmental benefits resulting from them.





GREEN BONDS AND LOANS ISSUANCES' CHARACTERISTICS	PRE-ISSUANCE	POST-ISSUANCE		
	REFERENCE PRINCIPLES	SECOND-PARTY OPINION	MONITORIZATION	EXTERNAL VERIFICATION
	GREEN BOND PRINCIPLES (ICMA 2021) AND GREEN LOAN PRINCIPLES 2023 (GLP)	SUSTAINALYTICS	REGISTER ON THE DATABASE OF THE CLIMATE BOND INITIATIVE (CBI)	PWC
Use of resources (eligibility criteria)	Investments (in new projects or re-financing of existing projects) in renewable energy (wind and solar).			
Evaluation and selection of projects	Compliance with the objectives of EDP's environmental and social policies, supported by a screening of ESG aspects.			
Management of the funds obtained	<p>The net balance of the funds obtained through the emission of green bonds follows a portfolio approach. The resources shall be used to (re-)finance eligible green projects (wind and solar). Eligible green assets will also include acquisitions of companies and equity participations in entities substantially active in wind and solar.</p> <p>Until the net balance of the funds obtained from green bonds emissions has been fully assigned, EDP will invest the unassigned funds to the portfolio of eligible projects, in treasury liquidity or in the repayment/purchasing of existing debt, according to its own criteria. Net proceeds are expected to be fully allocated within 24 months from the issue date.</p>			
Report on the application of the funds obtained	<p>The report is made based on the following indicators:</p> <ul style="list-style-type: none"> • portfolio value of eligible projects • net balance of unused resources • quantity and percentage of new projects and existing projects 			
Report on the impacts of the funds obtained	<p>The report is made based on the following indicators:</p> <ul style="list-style-type: none"> • installed capacity (MW) • CO₂ Emissions avoided (tCO₂) • Generation of renewable energy (MWh) <p>Note: The CO₂ emissions avoided correspond to the emissions that would have occurred if the electricity generated by renewable sources had been produced by thermal power stations. For each country, this is obtained by multiplying the net renewable generation by the emission factor for thermally generated electricity in the country.</p>			

Use of proceeds for eligible green projects

Portfolio date: December 2023

ELIGIBLE SUSTAINABILITY PROJECT PORTFOLIO	AMOUNT (€)	ALLOCATION OF GREEN FUNDING (2023)	AMOUNT (€)
EXISTING PROJECTS ALLOCATED (UP TO 2023)	5,759,527,038	ALLOCATED TO GREEN BONDS	11,005,767,726
Renewable energy			
Wind	5,394,938,850		
Solar	364,588,188		
NEW PROJECTS ALLOCATED (2018–2023)	4,031,961,966	ALLOCATED TO GREEN LOANS	677,815,091
Renewable energy			
Wind	2,541,353,213		
Solar	1,490,608,754		
EQUITY PARTICIPATIONS AND ACQUISITIONS	1,892,060,794		
Renewable energy			
Wind	984,477,202		
Solar	907,583,592		
PROJECTS TO ALLOCATE	1,150,532,582	UNALLOCATED AMOUNT OF ELEGIBLE PROJECT PORTFOLIO	1,150,532,582
Total eligible sustainability project portfolio	12,834,115,400	Maximum sustainability funding	12,834,115,400
Percentage of eligible green project portfolio allocated to net proceeds of green funding	91.0%		
Percentage of net proceeds of green bond allocated to eligible green project portfolio	100%		



Portfolio based green bond report according to the harmonized framework for impact reporting

Portfolio date: December 2023

ELIGIBLE PROJECT CATEGORY GREEN LOAN PRINCIPLES (GLP) GREEN BOND PRINCIPLES (GBP)	SIGNED AMOUNT (EUR)	SHARE OF TOTAL PORTFOLIO FINANCING	ELIGIBILITY FOR GREEN INSTRUMENT	ALLOCATED AMOUNT (EUR)	INSTALLED CAPACITY OF RENEWABLE ENERGY (MW)	ANNUAL NET PRODUCTION OF RENEWABLE ENERGY (GWh)	CO2 EMISSIONS AVOIDED (tCO ₂)
A/	B/	C/	D/		E/	E/	E/
Renewable energy	12,834,115,400	100%	100%	11,683,582,818	11,203	24,386	14,138,013
Total	12,834,115,400	100%	100%	11,683,582,818	11,203	24,386	14,138,013

a/ Eligible Category

b/ Signed amount represents the amount legally committed by the issuer for the portfolio or portfolio components eligible for Green financing

c/ This is the share of the total portfolio cost that is financed by the issuer

d/ This is the share of the total portfolio cost that is Green Bond/Loan eligible

e/ Impact indicators



Portfolio based green bond report according to the harmonized framework for impact reporting – General information on EU Taxonomy alignment

Portfolio date: December 2023

ELIGIBLE PROJECT CATEGORY GREEN LOAN PRINCIPLES (GLP) GREEN BOND PRINCIPLES (GBP)	NACE CODES	EU TAXONOMY – TSC ALIGNMENT*	EU TAXONOMY – DNSH ALIGNMENT*	EU TAXONOMY – MS ALIGNMENT*	GREEN FRAMEWORK DATE	GREEN FRAMEWORK LINK	SECOND PARTY OPINION PROVIDER	SPO LINK
		A/	B/	C/				
Renewable energy	D35.11 – Electricity generation using solar photovoltaic technology (4.1) and from wind power (4.3)	100%	Mitigation – 100%	100%	September 2023	GFF 2023	Sustainalytics	SPO 2023
			Adaptation – Partially		March 2022	GFF 2022		SPO 2022
	Water – 100%		October 2018		GBF 2018	SPO 2018		
	Circular economy – 100%							
F42.22 – Installation, maintenance and repair of renewable energy technologies (7.6)			Pollution – N/A					
			Eco-systems – Partially					

a/ Technical Screening Criteria

b/ Do No Significant Harm

c/ Minimum Safeguards

* – Source: September 2023 SPO from Sustainalytics

Portfolio based green bond and loans reports according to the harmonized framework for impact reporting – general information for all green bonds and loans

Portfolio date: December 2023

BOND OUTSTANDING	ISIN	MATURITY DATE	ISSUER	LEGAL IDENTITY IDENTIFIER (LEI)	GROSS PROCEEDS (MILLION EUR)	NET PROCEEDS (MILLION EUR)	ALLOCATED AMOUNT (MILLION EUR)	LINK TO EDP WEBSITE
Green Bond 12.Oct.2018	XS1893621026	13/10/2025	EDP Finance BV	5299007L43AQDFOW5739	600	594	594	Green Bond 12.Oct.2018
Green Hybrid 30.Jan.2019	PTEDPKOM0034	30/04/2079	EDP SA	529900CLC3WDMGI9VH80	1,000	321	321	Green Hybrid 30.Jan.2019
Green Bond 16.Sep.2019	XS2053052895	16/09/2026	EDP Finance BV	5299007L43AQDFOW5739	600	595	595	Green Bond 16.Sep.2019
Green Hybrid 20.Jan.2020	PTEDPLOM0017	20/07/2080	EDP SA	529900CLC3WDMGI9VH80	750	744	744	Green Hybrid 20.Jan.2020
Green Bond 15.Apr.2020	PTEDPNOM0015	15/04/2027	EDP SA	529900CLC3WDMGI9VH80	750	742	742	Green Bond 15.Apr.2020
Green USD Bond 24.Sep.2020	XS2233217558 / US26835PAH38	24/01/2028	EDP Finance BV	5299007L43AQDFOW5739	797	766	766	Green USD Bond 24.Sep.2020
Green Hybrid 02.Feb.2021	PTEDPROM0029	02/08/2081	EDP SA	529900CLC3WDMGI9VH80	750	743	743	Green Hybrid 02.Feb.2021
Green Hybrid NC5 14.Sep.2021	PTEDPXOM0021	14/03/2082	EDP SA	529900CLC3WDMGI9VH80	750	742	742	Green Hybrid NC5 14.Sep.2021
Green Hybrid NC8 14.Sep.2021	PTEDPYOM0020	14/03/2082	EDP SA	529900CLC3WDMGI9VH80	500	495	495	Green Hybrid NC8 14.Sep.2021
Green Bond 21.Mar.2022	XS2459544339	21/09/2029	EDP Finance BV	5299007L43AQDFOW5739	1,250	1,243	1,243	Green Bond 21.Mar.2022
Green USD Bond 11.Oct.2022	XS2532478190 / US26835PAJ93	11/10/2027	EDP Finance BV	5299007L43AQDFOW5739	469	450	450	Green USD Bond 11.Oct.2022
Green Bond 11.Oct.2022	XS2542914986	11/03/2030	EDP Finance BV	5299007L43AQDFOW5739	500	496	496	Green Bond 11.Oct.2022
Green Hybrid NC5.25 23.Jan.2023	PTEDP4OM0025	23/04/2083	EDP SA	529900CLC3WDMGI9VH80	1,000	995	995	Green Hybrid NC5.25 23.Jan.2023
Green Bond 26 Jun.2023	PTEDPUOM0008	26/06/2028	EDP SA	529900CLC3WDMGI9VH80	750	745	745	Green Bond 26.Jun.2023
Green Bond 5.5y 27.Sep.2023	XS2699159278	04/04/2029	EDP SFE	5299003GHAFB7801NU77	600	593	593	Green Bond 5.5y 27.Sep.2023
Green Bond 8.5y 27.Sep.2023	XS2699159351	04/04/2032	EDP SFE	5299003GHAFB7801NU77	750	740	740	Green Bond 8.5y 27.Sep.2023
Green Loan SGD Apr.2023	N/A	14/04/2028	EDP SA,EDP BV	N/A	685	678	678	N/A

Portfolio based green bond and loans reports according to the harmonized framework for impact reporting – indicators all green bonds and loans

Portfolio date: December 2023

BOND OUTSTANDING	ISIN	ALLOCATED AMOUNT (MILLION EUR)	NUMBER OF PROJECTS (#)	GEOGRAPHY SPLIT (%)	TECHNOLOGY SPLIT (%)	NEW PROJECTS (%)	INSTALLED CAPACITY OF RENEWABLE ENERGY IN MW	ANNUAL NET PRODUCTION OF RENEWABLE ENERGY (GWh)	CO ₂ EMISSIONS AVOIDED (tCO ₂)		
Green Bond 12.Oct.2018	XS1893621026	594	35	Europe	52%	Wind 100%	873	2,097	1,197,582		
				LATAM	0%					Solar	0%
				APAC	0%					NA	48%
Green Hybrid 30.Jan.2019	PTEDPKOM0034	321	7	Europe	0%	Wind 70%	350	976	680,997		
				LATAM	0%					Solar	30%
				APAC	0%					NA	100%
Green Bond 16.Sep.2019	XS2053052895	595	18	Europe	56%	Wind 100%	581	1,507	1,025,889		
				LATAM	3%					Solar	0%
				APAC	0%					NA	41%
Green Hybrid 20.Jan.2020	PTEDPLOM0017	744	15	Europe	46%	Wind 100%	799	1,814	1,183,035		
				LATAM	2%					Solar	0%
				APAC	0%					NA	52%
Green Bond 15.Apr.2020	PTEDPNOM0015	742	19	Europe	36%	Wind 100%	833	2,071	1,374,979		
				LATAM	0%					Solar	0%
				APAC	0%					NA	64%
Green USD Bond 24.Sep.2020	XS2233217558 / US26835PAH38	766	9	Europe	1%	Wind 85%	944	2,340	1,590,757		
				LATAM	1%						



BOND OUTSTANDING	ISIN	ALLOCATED AMOUNT (MILLION EUR)	NUMBER OF PROJECTS (#)	GEOGRAPHY SPLIT (%)	TECHNOLOGY SPLIT (%)	NEW PROJECTS (%)	INSTALLED CAPACITY OF RENEWABLE ENERGY IN MW	ANNUAL NET PRODUCTION OF RENEWABLE ENERGY (GWh)	CO ₂ EMISSIONS AVOIDED (tCO ₂)		
				APAC	0%	Solar	15%				
				NA	98%						
Green Hybrid 02.Feb.2021	PTEDPROM0029	743	48	Europe	41%						
				LATAM	10%	Wind	90%	22%	912	2,255	1,213,137
				APAC	0%	Solar	10%				
				NA	49%						
Green Hybrid NC5 14.Sep.2021	PTEDPXOM0021	742	38	Europe	100%						
				LATAM	0%	Wind	100%	11%	798	1,722	694,866
				APAC	0%	Solar	0%				
				NA	0%						
Green Hybrid NC8 14.Sep.2021	PTEDPYOM0020	495	13	Europe	15%						
				LATAM	10%	Wind	50%	61%	570	1,180	528,881
				APAC	0%	Solar	50%				
				NA	75%						
Green Bond 21.Mar.2022	XS2459544339	1,243	13	Europe	48%						
				LATAM	0%	Wind	98%	23%	693	1,688	1,145,300
				APAC	2%	Solar	2%				
				NA	50%						
Green USD Bond 11.Oct.2022	XS2532478190 / US26835PAJ93	450	4	Europe	0%						
				LATAM	0%	Wind	100%	0%	264	568	396,002
				APAC	0%	Solar	0%				
				NA	100%						
Green Bond 11.Oct.2022	XS2542914986	496	23	Europe	56%						
				LATAM	27%	Wind	93%	78%	693	2,712	1,193,410
				APAC	1%	Solar	7%				



BOND OUTSTANDING	ISIN	ALLOCATED AMOUNT (MILLION EUR)	NUMBER OF PROJECTS (#)	GEOGRAPHY SPLIT (%)	TECHNOLOGY SPLIT (%)	NEW PROJECTS (%)	INSTALLED CAPACITY OF RENEWABLE ENERGY IN MW	ANNUAL NET PRODUCTION OF RENEWABLE ENERGY (GWh)	CO ₂ EMISSIONS AVOIDED (tCO ₂)		
Green Hybrid NC5.25 23.Jan.2023	PTEDP4OM0025	995	30	NA	16%						
				Europe	26%						
				LATAM	2%	Wind	70%	4%	918	2,638	1,664,970
				APAC	23%	Solar	30%				
Green Bond 26.Jun.2023	PTEDPUOM0008	745	410	NA	50%						
				Europe	33%						
				LATAM	13%	Wind	50%	54%	550	541	80,594
				APAC	50%	Solar	50%				
Green Bond 5.5y 27.Sep.2023	XS2699159278	593	18	NA	4%						
				Europe	100%						
				LATAM	0%	Wind	37%	100%	626	210	134,736
				APAC	0%	Solar	63%				
Green Bond 8.5y 27.Sep.2023	XS2699159351	740	14	NA	0%						
				Europe	10%						
				LATAM	29%	Wind	40%	98%	800	68	32,876
				APAC	0%	Solar	60%				
Green Loan SGD Apr.2023	N/A	678	1	NA	60%						
				Europe	0%						
				LATAM	0%	Wind	0%	0%	0	0	0
				APAC	100%	Solar	100%				
Total		11,684	715	100%	100%	35%	11,203	24,386	14,138,013		



Portfolio based green bond and loans reports according to the harmonized framework for impact reporting – indicators for some allocated projects for all green bonds and loans

Portfolio date: December 2023

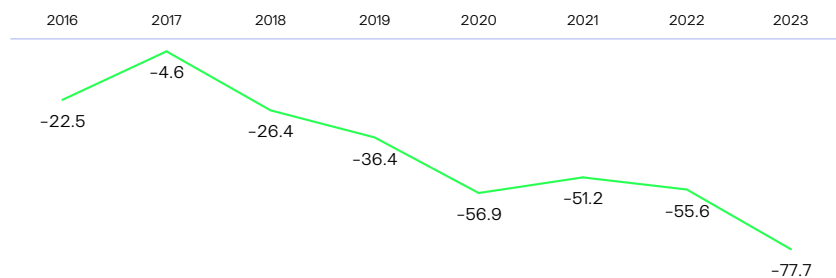
BOND OUTSTANDING	ISIN	PROJECT NAME	COUNTRY	REGION	TECHNOLOGY	INSTALLED CAPACITY OF RENEWABLE ENERGY (MW)	ANNUAL NET PRODUCTION OF RENEWABLE ENERGY (GWh)	GHG EMISSIONS AVOIDED (tCO ₂ e)
Green Bond 12.Oct.2018	XS1893621026	Champagne Berrichonne	France	Europe	Wind	10	29	11,004
Green Hybrid 30.Jan.2019	PTEDPKOM0034	Timber Road III	USA	NA	Wind	101	300	209,376
Green Bond 16.Sep.2019	XS2053052895	Facaeni	Romania	Europe	Wind	132	430	338,505
Green Hybrid 20.Jan.2020	PTEDPLOM0017	Korsze	Poland	Europe	Wind	36	89	84,145
Green Bond 15.Apr.2020	PTEDPNOM0015	South Branch	Canada	NA	Wind	15	31	15,245
Green USD Bond 24.Sep.2020	XS2233217558 / US26835PAH38	Los Cuervos	Mexico	NA	Solar	200	525	313,845
Green Hybrid 02.Feb.2021	PTEDPROM0029	Coentral-Saфра	Portugal	Europe	Wind	25	52	26,297
Green Hybrid NC5 14.Sep.2021	PTEDPXOM0021	Cerro Durán	Spain	Europe	Wind	36	70	28,270
Green Hybrid NC8 14.Sep.2021	PTEDPYOM0020	Pereira Barreto II	Brazil	LATAM	Solar	42	95	32,216
Green Bond 21.Mar.2022	XS2459544339	Headwaters II	USA	NA	Wind	198	540	376,277
Green USD Bond 11.Oct.2022	XS2532478190 / US26835PAJ93	Meadow Lake I	USA	NA	Wind	200	400	279,037
Green Bond 11.Oct.2022	XS2542914986	Craco	Italy	Europe	Wind	35	71	30,195
Green Hybrid NC5.25 23.Jan.2023	PTEDP4OM0025	Cabrerizas	Spain	Europe	Wind	40	70	28,190
Green Bond 26.Jun.2023	PTEDPUOM0008	Preuseville 2	France	Europe	Wind	7	19	7,083
Green Bond 5.5y 27.Sep.2023	XS2699159278	Przykona	Poland	Europe	Solar	153	78	73,974
Green Bond 8.5y 27.Sep.2023	XS2699159351	Monte Verde Solar II	Brazil	LATAM	Solar	42	1	200
Green Loan SGD Apr.2023	N/A	Sunseap Acquisition	Singapore	APAC	Solar	0	0	0

Sustainability – linked loans

The year of 2022 was marked by EDP's first sustainability-linked Revolving Credit Facility (RCF) of €3.7 billion (RCF 2022), aligned with the Sustainability-linked Loan Principles from the Loan Market Association. EDP is at the front of the energy transition with ambitious commitments to achieve 100% renewables generation by 2030, and to become coal free by 2025 and carbon neutral by 2030. The KPIs are presented below. They are included in EDP's executive board of directors' remuneration scheme.

- **KPI #1 (RCF 2022):** Percentage reduction of total Scope 1 and 2 GHG emissions per TWh produced by the group compared 2015 levels. Targets are aligned with 2025 public commitment to reduce by 70% and 2030 target to reduce by 98% by 2030, under the Business Plan 2021–2025, approved by SBTi with a decarbonisation path of 1.5°C. Scope 1 and 2 GHG emissions reduced in 2023 by 49.7% compared to 2022, which corresponds a reduction of 78% against the 2015 emissions.

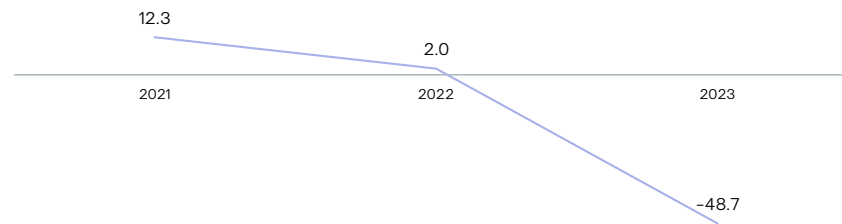
Emissions intensity (scope 1+2) reduction (%), compared to 2015 (RCF 2022)



In 2023, EDP refinanced its second sustainability-linked RCF of €3.0 billion (RCF 2023), in line with the principles of the Loan Market Association's sustainability-linked loans. The KPIs are identical to those of the RCF 2022. However, the targets have been updated in line with the updated business plan for 2023–2026 and public commitments. The base year for KPI #1 has been changed from 2015 to 2020.

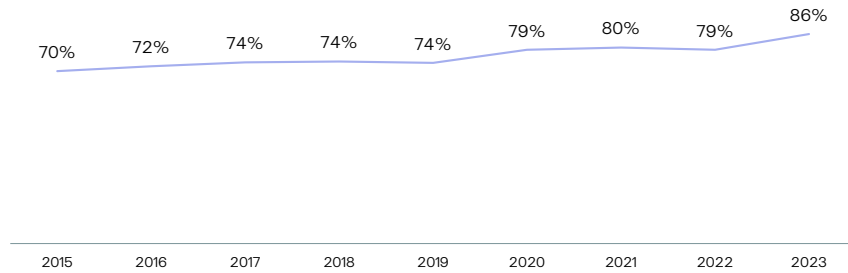
- **KPI #1 (RCF 2023):** Percentage reduction of total Scope 1 and 2 GHG emissions per TWh produced by the group compared 2020 levels. Targets are aligned with the Business Plan 2023–2026 and public commitments to reduce 77% by 2026 and reduce 95% by 2030 and approved by SBTi under the Net Zero Standard. GHG emissions reduced in 2023 by 49.7% compared to 2022, which corresponds a reduction of 49% against the 2020 emissions.

Emissions intensity (scope 1+2) reduction (%), compared to 2020 (RCF 2023)



- **KPI #2 (RCF 2022 and RCF 2023):** Percentage of the group's installed capacity which is of renewable origin. At the end of 2023, the renewable capacity was 85.6%, which corresponds to an increase of 6.4% compared to 2022.

Renewable installed capacity (%) (RCF 2022 and RCF 2023)



Auditor's statement – green finance report



Independent Limited Assurance Report

(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)

To the Executive Board of Directors

Introduction

We were engaged by the Executive Board of Directors of EDP - Energias de Portugal, S.A. ("EDP" or "Company") to perform a limited assurance engagement on the information included in the Report on the Allocation and Impact of Green Bonds ("Green Bonds Report") that is integrated in the Annual Integrated Report, for the year ended December 31, 2023, prepared by the Company for the purpose of disclosing its annual sustainability performance.

Responsibilities of the Executive Board of Directors

It is the responsibility of the Executive Board of Directors to prepare the Green Bonds Report, included in the Annual Integrated Report, in accordance with the EDP Green Bond Framework ("Framework"), as well as to maintain an appropriate internal control system that enables the adequate preparation of the mentioned information.

Responsibilities of the auditor

Our responsibility is to issue a limited assurance report, which is professional and independent, based on the procedures performed and specified in the paragraph below.

Our work was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants and we have fulfilled other technical standards and recommendations issued by the Institute of Statutory Auditors. These standards require that we plan and perform our work to obtain limited assurance about whether the information included in the Green Bonds Report that is integrated in the Annual Integrated Report, is free from material misstatement.

For this purpose the above mentioned work included:

- i) Meetings with EDP's personnel from various departments who have been involved in the preparation of the Green Bonds Report in order to understand the characteristics of the (re)financed projects, the internal management procedures and systems in place, the data collection process and the environment control;
- ii) Verification of the application of the eligibility criteria, described in the Framework, for the selection of projects (re)financed by the Green Bonds;
- iii) Analysis of the procedures used for obtaining the information and data presented in the Green Bonds Report;
- iv) Verification through random sampling and substantive testing of the information included in Green Bonds Report and whether they were also appropriately compiled from the data provided by EDP's sources of information; and

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Informações relativas à Sociedade: informações de base da Sociedade de Informações de base da Sociedade de Informações de base da Sociedade de Informações de base da Sociedade de

- v) Validation that information disclosed is in accordance with the reporting requirements established in the Framework.

The procedures performed were more limited than those used in an engagement to obtain reasonable assurance and, therefore, less assurance was obtained than in a reasonable assurance engagement.

We believe that the procedures performed provide an acceptable basis for our conclusion.

Quality control and independence

We apply the International Standard on Quality Management Standard 1 (ISQM 1), which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and of the ethics code of the Institute of Statutory Auditors.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the information included in the Green Bond Report that is integrated in the Annual Integrated Report for the year ended December 31, 2023, was not prepared, in all material respects, in accordance with the reporting criteria disclosed in the Green Bond Report and in the EDP Green Bond Framework.

Restriction on use

This report is issued solely for information and use of the Executive Board of Directors of the Company for the purpose of reporting on green bonds performance and activities and should not be used for any other purpose. We will not assume any responsibility to third parties other than EDP - Energias de Portugal, S.A. by our work and the conclusions expressed in this report, which will be attached to the Company's Annual Integrated Report.

February 29, 2024.

PricewaterhouseCoopers & Associados
 - Sociedade de Revisores Oficiais de Contas, Lda.
 represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
 Registered with the Portuguese Securities Market Commission under no. 20160943

Independent Limited Assurance Report
 December 31, 2023

EDP - Energias de Portugal, S.A.
 PaC 2 of 2

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