

LOVE ENERGY

edp

04 CORPORATE GOVERNANCE

PART I – INFORMATION ON OWNERSHIP STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

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A. OWNERSHIP STRUCTURE

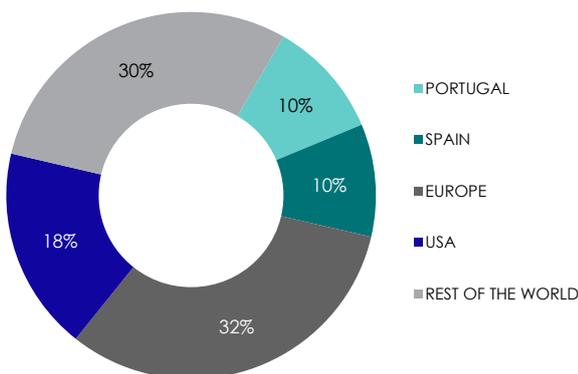
I. CAPITAL STRUCTURE

1. CAPITAL STRUCTURE

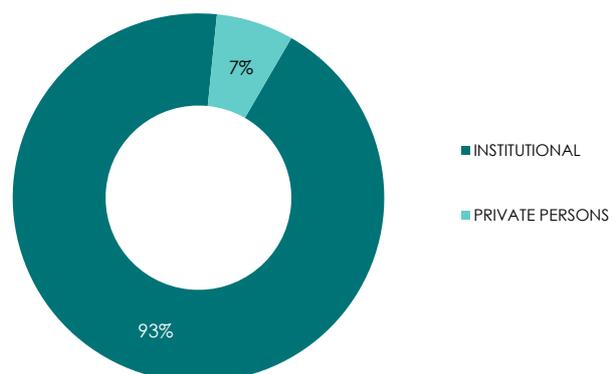
EDP's share capital in the amount of EUR 3,656,537,715 and is fully paid up, according to Article 4 (2) of EDP's Articles of Association, being represented by 3,656,537,715 ordinary shares, which have a face value of 1 euro each.

The geographical and investor type breakdown of the EDP shareholder structure on 31 December 2018 was as follows:

BREAKDOWN OF SHAREHOLDER STRUCTURE BY GEOGRAPHY



BREAKDOWN OF SHAREHOLDER STRUCTURE BY INVESTORS TYPE



Source: Interbolsa

2. RESTRICTIONS ON SHARE TRANSFERABILITY

In statutory terms the shares are not subject to any limitations in terms of transferability, given that, according to the Portuguese Securities Code, shares traded in the market are fully transferable.

3. TREASURY STOCK

As at 31 December 2018, EDP owned 21,771,966 treasury stock shares, corresponding to 0.60% of the share capital and 0.60% of the voting rights.

The Shareholders' General Meeting that took place on 5 April 2018 has 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 eighteen-month period as from the proposal approved in the General Meeting.

4. CHANGE OF COMPANY CONTROL

EDP is not a party to any significant agreements that come into effect, are amended or cease in the event of a change of company control following a takeover bid (except normal market practice in terms of debt issue).

On 11 May 2018, China Three Gorges (Europe), S.A., company indirectly held by China Three Gorges Corporation, through its wholly-owned subsidiaries China Three Gorges International Corporation and China Three Gorges (Hong Kong) Company Limited has disclosed the announcement for the launch of a general and voluntary tender offer for the acquisition of shares representing the share capital of EDP which was subsequently modified by means of an addendum on 16 May 2018, which is available at:

Preliminary announcement for the launch of a general and voluntary tender offer for the acquisition of shares representing the share capital of EDP - web3.cmvm.pt/sdi/emitentes/docs/fsd492459.pdf

Addendum to the preliminary announcement for the launch of a general and voluntary tender offer for the acquisition of shares representing the share capital of EDP - web3.cmvm.pt/sdi/emitentes/docs/fsd494880.pdf

On 8 June 2018, EDP's Executive Board of Directors issued a report on the timeliness and conditions of the general and voluntary tender offer over the shares launched by China Three Gorges (Europe), S.A., which is available at:

Report of EDP's Executive Board of Directors - web3.cmvm.pt/sdi/emitentes/docs/FR68954.pdf

Activities are still being carried out for the launch of the general and voluntary tender offer for the acquisition of shares representing the share capital of EDP on this date.

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 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").

Under the terms of this shareholder agreement, which were announced publically, Parpública and CGD made the following commitments:

- To support the continued membership of Sonatrach (or of a person indicated by it) in EDP's General and Supervisory Board, provided that Sonatrach maintains a shareholding of at least 2% (two percent) of EDP's share capital and the strategic partnership remains in effect; and
- To refrain from promoting, supporting and/or voting in favour of any change in EDP's Articles of Association that prevents the continued membership of Sonatrach (or of a person indicated by it) in EDP's General and Supervisory Board.

Although Parpública has sold its shareholdings in EDP's share capital and CGD does 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.

II. SHAREHOLDINGS AND BONDS OWNED

7. QUALIFYING HOLDINGS

Pursuant to Article 8 (1) (b) of CMVM Regulation 5/2008, we are providing the following information on qualifying holdings owned by EDP shareholders as at 31 December 2018 and attributable voting rights in accordance with Article 20 (1) of the Securities Code.

SHAREHOLDER	NR. OF SHARES	% CAPITAL WITH VOTING RIGHTS
CHINA THREE GORGES CORPORATION		
Stakes held by entities in a control or group relationship		
China Three Gorges (Europe), S.A.	850,777,024	23.27%
Total	850,777,024	23.27%

China Three Gorges (Europe), S.A. is fully owned by China Three Gorges (Hong Kong) Co. Ltd, which is fully owned by CWE Investment Co. Ltd. China Three Gorges Corporation directly holds 100% equity of CWE Investment Co. Ltd. China Three Gorges Corporation is in turn fully owned by People Republic of China.

CNIC CO. LTD.		
Stakes held by entities in a control or group relationship		
Orise, S.a.r.l.	182,081,216	4.98%
Total	182,081,216	4.98%

Orise, S.a.r.l. is fully owned by Kindbright Holdings Corp. Limited, which in turn is fully owned by CNIC Co., Ltd (formerly known as Guoxin International Investment Co., Ltd.), which in turn is fully owned by People's Republic of China.

According to paragraph 1 (b) of Article 20 of the Portuguese Securities Code, which dictates the aggregation of China Three Gorges and CNIC Co., Ltd.'s shareholdings, a total of 28.25% of voting rights are attributable to People's Republic of China.

OPPIDUM CAPITAL, S.L.		
Stakes held directly		
Oppidum Capital, S.L.	263,046,616	7.19%
Total	263,046,616	7.19%

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 Liberbank, 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 María, S.L. Flicka Forestal, SL holds 2,000,000 shares of EDP's share capital, which correspond to 0.05% of the voting rights. Additionally, Fernando Masaveu Herrero's spouse holds 17,020 shares of EDP's share capital, which correspond to 0.000465% of the voting rights. Also, three dependents of Fernando Masaveu Herrero, namely Pedro Masaveu Compostizo, Jaime Masaveu Compostizo and Elias Masaveu Compostizo hold each 500 shares of EDP's share capital. In this sense, in total, 7.25% of the voting rights of EDP, corresponding to 265,065,136 shares of EDP's share capital, should be imputable to Fernando Masaveu Herrero.

BLACKROCK, INC.		
Stakes under management by entities in a control relationship		
BlackRock (Luxembourg) S.A.	49,282,565	1.35%
BlackRock (Netherlands) B.V.	776,486	0.02%
BlackRock Advisors (UK) Limited	1,046,389	0.03%
BlackRock Advisors, LLC	3,836,968	0.10%
BlackRock Asset Management Canada Limited	1,059,783	0.03%
BlackRock Asset Management Deutschland AG	9,606,564	0.26%
BlackRock Asset Management Ireland Limited	18,662,688	0.51%
BlackRock Asset Management North Asia Limited	9,693	0.00%
BlackRock Asset Management Schweiz AG	11,076	0.00%
BlackRock Financial Management	45,287	0.00%
BlackRock Fund Advisors	32,320,429	0.88%
BlackRock Fund Managers Limited	16,462,044	0.45%
BlackRock Institutional Trust Company, National Association	32,735,889	0.90%
BlackRock International Limited	428,495	0.01%
BlackRock Investment Management (Australia) Limited	773,921	0.02%
BlackRock Investment Management (UK) Limited	1,132,323	0.03%
BlackRock Investment Management, LLC	3,388,710	0.09%
BlackRock Japan Co Ltd	3,244,637	0.09%
BlackRock Life Limited	6,412,059	0.18%
iShares (DE) I Investmentaktiengesellschaft mit Teilvermögen	1,497,174	0.04%
Total	182,733,180	4.997%

Blackrock latest shareholding update occurred in April 20th, 2015.

MUBADALA INVESTMENT COMPANY		
Stakes held by entities in a control or group relationship		
Senfora BV	115,236,553	3.15%
Total	115,236,553	3.15%

The company Senfora BV is a company created in the Netherlands, wholly and directly owned by Mubadala, which is a company wholly owned by the government of Abu Dhabi.

SHAREHOLDER	NR. OF SHARES	% CAPITAL WITH VOTING RIGHTS
PAUL ELLIOTT SINGER		
Stakes held by entities in a control relationship		
Elliott Associates L.P.	21,384,919	0.58%
Elliott International, L.P.	68,265,635	1.87%
The Liverpool Limited Partnership	-	0.06%
Total	89,650,554	2.51%
The Liverpool Limited Partnership held, on December 31st 2018, a cash settled equity swap related to 2,279,150 shares representative of EDP's social capital, which correspond to 0.06% of voting rights. The Liverpool Limited Partnership is totally owned by Liverpool Associates, Ltd., which is turn is held by Elliott Associates L.P.		
MILLENNIUM BCP		
Fundação Millennium BCP	350,000	0.01%
Stakes under management by associated entities		
Fundo de Pensões do Grupo Millennium BCP	88,639,949	2.42%
Total	88,989,949	2.43%
The management company of the pension fund of Group Millennium BCP exercises independently their voting rights.		
STATE STREET CORPORATION ⁽¹⁾		
Stakes held by entities in a control relationship		
State Street Global Advisors (Japan) Co., Ltd	9,511,321	0.26%
State Street Global Advisors Asia Limited	895,996	0.02%
State Street Global Advisors Australia Limited	2,935,499	0.08%
State Street Global Advisors Inc	35,613,864	0.97%
State Street Global Advisors Limited	38,746,790	1.06%
Total	87,703,470	2.40%
SONATRACH		
Stakes held directly		
Sonatrach	87,007,433	2.38%
Total	87,007,433	2.38%
QATAR INVESTMENT AUTHORITY		
Stakes held by entities in a control or group relationship		
Qatar Holding LLC	82,868,933	2.27%
Total	82,868,933	2.27%
The company Qatar Holding LLC is wholly owned by Qatar Investment Authority.		
NORGES BANK		
Stakes held directly		
Norges Bank	81,100,067	2.22%
Total	81,100,067	2.22%
EDP (TREASURY STOCK)	21,771,966	0.60%
REMAINING SHAREHOLDERS	1,523,570,754	41.61%
TOTAL	3,656,537,715	100.00%

Note: Pursuant to Article 14 (3) of the Articles of Association of EDP, votes cast by a shareholder, on its own account or on behalf of another shareholder, that exceed 25% of the votes corresponding to the share capital, shall not be taken into account.

⁽¹⁾ State Street communicated on February 6th, 2019 that its stake decreased to 1.99%.

8. FINANCIAL INSTRUMENTS OWNED BY MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

FINANCIAL INSTRUMENTS OWNED BY MEMBERS OF THE EXECUTIVE BOARD OF DIRECTORS

By 31 December 2018, the financial instruments held by members of Executive Board of Directors, as required by Article 447 (5) of the Companies Code are shown below.

EXECUTIVE BOARD OF DIRECTORS	EDP - ENERGIAS DE PORTUGAL, S.A.				EDP RENOVÁVEIS, S.A.		EDP - ENERGIAS DO BRASIL, S.A.	
	No. SHARES 31-12-2018	No. SHARES 31-12-2017	No. BONDS 31-12-2018	No. BONDS 31-12-2017	No. SHARES 31-12-2018	No. SHARES 31-12-2017	No. SHARES 31-12-2018	No. SHARES 31-12-2017
António Luís Guerra Nunes Mexia	91,000	91,000	-	-	-	-	1	1
João Manuel Manso Neto	1,268	1,268	-	-	-	-	-	-
António Fernando Melo Martins da Costa	54,299	54,299	-	-	-	-	-	-
João Manuel Veríssimo Marques da Cruz	79,578	79,578	200,000	200,000	-	-	-	-
Miguel Stilwell de Andrade	140,000	140,000	-	-	-	-	-	-
Miguel Nuno Simões Nunes Ferreira Setas	7,382	7,382	-	-	-	-	6,000	6,000
Rui Manuel Rodrigues Lopes Teixeira (*)	31,733	31,733	-	-	-	-	-	-
Maria Teresa Isabel Pereira	71,281	(**)	-	-	-	-	-	-
Vera de Morais Pinto Pereira Carneiro	-	-	-	-	-	-	-	-

(*) The shares of EDP - Energias de Portugal include 1,490 shares held by his spouse, Lina Lago da Silva Dantas Martins.

(**) On 5 April 2018, Maria Teresa Isabel Pereira held 66,256 shares of EDP - Energias de Portugal, S.A., with corresponding voting rights.

During the 2018 financial year, the members of the Executive Board of Directors did not perform any operations with EDP – Energias de Portugal, S.A. shares. Nevertheless, it is worth noting that on 30 April 2018, 5,025 shares of EDP share capital were attributed to Director Maria Teresa Isabel Pereira through an off-market transaction. This transaction occurred due to a payment in kind, by EDP - Energias de Portugal, S.A., of part of the performance annual bonus for 2017, attributable to Top Management.

FINANCIAL INSTRUMENTS OWNED BY MEMBERS OF THE GENERAL AND SUPERVISORY BOARD

On 31 December 2018, the financial instruments owned or imputable to the members of the General and Supervisory Board, as required by Article 447 (5) of the Companies Code, are shown below.

EDP - ENERGIAS DE PORTUGAL, S.A.				
GENERAL AND SUPERVISORY BOARD ¹	No. SHARES 31-12-2018	No. SHARES 31-12-2017	No. BONDS 31-12-2018	No. BONDS 31-12-2017
Luís Filipe Marques Amado	0	0	0	0
China Three Gorges Corporation	850,777,024	850,777,024	0	0
Dingming Zhang (representing China Three Gorges Corporation)	0	0	0	0
China Three Gorges International Corp.	850,777,024	850,777,024	0	0
Shengliang Wu (representing China Three Gorges International Corp.)	0	0	0	0
China Three Gorges (Europe), S.A.	850,777,024	850,777,024	0	0
Ignacio Herrero Ruiz (representing China Three Gorges (Europe), S.A.)	0	0	0	0
China Three Gorges Brasil Energia Ltda.	0	0	0	0
Yinsheng Li (representing China Three Gorges Brasil Energia Ltda.)	0	0	0	0
China Three Gorges (Portugal), Sociedade Unipessoal, Lda.	0	0	0	0
Eduardo de Almeida Catroga (representing China Three Gorges (Portugal))	0	0	0	0
DRAURSA, S.A.	0	0	0	0
Felipe Fernández Fernández (representing Draursa, S.A.) ²	1,350	1,350	0	0
Fernando María Masaveu Herrero ³	265,065,136	265,065,136	0	0
Senfora BV	115,236,553	148,431,999	0	0
Mohammed Issa Khalfan Alhuraimel Alshamsi (representing Senfora BV)	0	0	0	0
Banco Comercial Português, S.A.	88,989,949	88,989,949	0	0
Nuno Manuel da Silva Amado (representing Banco Comercial Português, S.A.)	0	0	0	0
Sonatrach	87,007,433	87,007,433	0	0
Karim Djebbour (representing Sonatrach)	0	0	0	0
Maria Celeste Ferreira Lopes Cardona	0	0	0	0
Ilídio da Costa Leite de Pinho	0	0	0	0
Jorge Avelino Braga de Macedo	0	0	0	0
Vasco Joaquim Rocha Vieira	3,203	3,203	0	0
Augusto Carlos Serra Ventura Mateus	0	0	0	0
João Carvalho das Neves	7,429	7,429	5	5
María del Carmen Fernández Rozado	0	0	0	0
Laurie Lee Fitch	0	0	0	0
Clementina Maria Dâmaso de Jesus Silva Barroso	0	0	0	0
António Manuel de Carvalho Ferreira Vitorino ⁴	0	0	0	0

Notes

¹ The members of the General and Supervisory Board do not hold any shares of Energias do Brasil, S.A. nor EDP Renováveis, S.A.

² The shares of EDP - Energias de Portugal are held by his spouse, Maria Teresa Fernández Veja, and were identified following a process of division of an inheritance.

³ 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 Liberbank, 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. Flicka Forestal, SL holds 2,000,000 shares of EDP's share capital, which correspond to 0.05% of the voting rights. Additionally, Fernando Masaveu Herrero's spouse holds 17,020 shares of EDP's share capital, which correspond to 0.000465% of the voting rights. Also, three dependents of Fernando Masaveu Herrero, namely Pedro Masaveu Compostizo, Jaime Masaveu Compostizo and Elias Masaveu Compostizo hold each 500 shares of EDP's share capital. In this sense, in total, 7.25% of the voting rights of EDP, corresponding to 265,065,136 shares of EDP's share capital, should be imputable to Fernando Masaveu Herrero.

⁴ António Manuel de Carvalho Ferreira Vitorino resigned on 27 July 2018.

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 in the amount of EUR 3,656,537,715, via the issue of shares to be subscribed by new entries in cash, in accordance with the issue terms and conditions that it defines. The draft decision must be submitted to the General and Supervisory Board subject to a majority of two-thirds of votes of the respective members.

The General Meeting of Shareholders held on 17 April 2012 decided to approve the renewal for five years of the Executive Board of Directors' authorization. The Executive Board of Directors has not yet used this renewed power to increase EDP's share capital, having such authorization expired on 18 April 2017.

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 2018 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:

- Following the Investment Cooperation Agreement between EDP Renováveis and China Three Gorges for the Moray wind offshore project, announced on 19 October 2015, was concluded, on December 2018, the sale of a 10% stake in equity shareholding and shareholders loans on Moray Offshore Windfarm (East) Limited to China Three Gorges (Europe) S.A. owned by China Three Gorges Corporation, for a total amount of £37.6 million;
- EDP Group, through EDP Spain, has provided electricity and gas services and also energy efficiency products to the company Cementos Tutela Veguín and to other companies incorporated within the Masaveu Group in the approximate amount of €20.4 million (Cementos Tutela Veguín is a subsidiary of Masaveu Group which holds 55.9% of Oppidum Capital, S.L.);
- EDP Group provided electricity and gas services to Liberbank and related companies amounting to approximately €5.9 million (Liberbank holds 44.1% of Oppidum Capital, S.L.). EDP Group has also rendered payment management services to Liberbank on the approximate amount of €80,000.00 (Liberbank holds 44.1% of the company Oppidum Capital, S.L.);
- Banco Comercial Português (BCP) has rendered financial consultancy services to EDP Group, between October 2017 and December 2018 - under the Sagres Project that was aiming to the equity divestment on EDP Small Hydro and Pebble Hydro which together hold 21 small hydro facilities with an installed capacity of 103MW - on the amount of €700,000.00 in consultancy fees and €1,600.00 in expenses (amounts valued added tax excluded);
- Banco Comercial Português (BCP) has rendered financial intermediation services to EDP Group having namely, integrated a bank syndicate which performed as bond issuance Joint Bookrunners under the Euro Medium Term Notes Program that took place in October 2018, on the amount of €600 million. BCP was one of the 9 lead managers of the transaction, having been paid the amount of €266,666.67;

- Grupo EDP acquired to Sonatrach natural gas under the long-term supply agreement, and for the Soto 4 Combined Cycle Power Station, entered into after the existing partnership between EDP and Sonatrach in October 2007, having been paid the amount of €191.91 million.

On July 29, 2010, the General and Supervisory Board approved the first draft of the "Regulations on Conflict of Interest and Transactions between Related Parties of EDP", which was revised in 2015, and a new version was approved on October 29, 2015 available on the EDP's website (www.edp.com). These rules for identifying, preventing and resolving potential relevant corporate conflicts of interest have a higher level of exigency than those in the previously in force Corporate Governance Code issued by the Portuguese Securities and Exchange Commission (CMVM) and the currently in force Corporate Governance Code established by the Portuguese Institute for Corporate Governance.

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. These rules are available on EDP's website (www.edp.com).

The Corporate Governance and Sustainability Committee is responsible for supervising enforcement of the aforementioned rules and reports on its work to the General and Supervisory Board.

The General and Supervisory Board noted in relation to 2018, 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.

For more information on the matter, see item 3.4.3. of the Annual Report of 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.

At the Annual General Meeting of 21 de Abril 2015 the Chairman and Vice-Chairman of the Board of the General Meeting were elected for the 2015-2017 mandate. The Company Secretary was appointed on 23 April 2015 (likewise for the 2015-2017 mandate), having the Board of the General Meeting held office until 5 April 2018.

BOARD OF THE GENERAL MEETING

Chairman	António Manuel de Carvalho Ferreira Vitorino
Vice Chairman	Rui Pedro Costa Melo Medeiros
Company Secretary	Maria Teresa Isabel Pereira

At the Annual Shareholders' General Meeting of 5 April 2018, the Chairman and Vice-Chairman of the Board of the General Meeting were reappointed for the 2018-2020 triennium, having the Company Secretary and the respective alternate been appointed by the Executive Board of Directors on such date.

BOARD OF THE GENERAL MEETING

Chairman	António Manuel de Carvalho Ferreira Vitorino ⁽¹⁾
Vice Chairman	Rui Pedro Costa Melo Medeiros
Company Secretary	Ana Rita Pontífice Ferreira de Almeida Côrte-Real ⁽²⁾

⁽¹⁾ António Manuel de Carvalho Ferreira Vitorino resigned on 27 July 2018

⁽²⁾ Appointed by the Executive Board of Directors on 5 April 2018 for the position of Company Secretary, having also been appointed, on such date, Joana Gomes da Costa Monteiro Dinis, for the position of Alternate Company Secretary

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 General Secretariat, the Legal Department, the Investor Relations Office and the Brand, Marketing and Communication Global Coordination Office, 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.

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, they own at least one share.

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 Chairman of the General Meeting and the financial intermediary at which the individual registration account has been opened, by the end of the sixth day of trading prior to that of the General Meeting. The communication may be sent by email (Article 14 (11) of EDP's Articles of Association).

Shareholders who have expressed their intention to participate in a General Meeting pursuant to 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's shareholders can submit a postal vote on each of the items on the agenda in a letter addressed to the Chairman of the General Meeting, as set out in Article 14 (6) 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 on EDP's website (www.edp.com).

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 on the CMVM website (www.cmvm.pt) and EDP website (www.edp.com), on the NYSE Euronext Lisbon newsletter and in mailings to shareholders;
- Payment of the costs of issuing declarations of ownership of shares for all shareholders who participate in the General Meeting (directly or by post);
- Payment of the costs involved in remote voting, including postal voting.

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 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.

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 favor 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 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. Considering this structure, we can say that 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 optimisation.

Furthermore, this model has proved appropriate to the Company's shareholder structure as it allows supervision by key shareholders on the General and Supervisory Board.

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, which is responsible for setting the remuneration of the members of the corporate bodies (except the Executive Board of Directors, whose remuneration is set by the Remuneration Committee appointed by the General and Supervisory Board).

For a better understanding of EDP's corporate governance, EDP's website (www.edp.com) 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 were modified during 2018 in order to accommodate 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 dynamic nature and the contribution of all interested parties is, at this stage, timely to the extent the Manual is under analysis in order to adopt the principles and recommendations deriving from the entry into force of the Corporate Governance Code issued by the Portuguese Institute for Corporate Governance.

The Manual for the Corporate Governance of EDP is available to shareholders and general public at its website (www.edp.com).

Considering that good practices of corporate governance are embedded in the Company's organizational culture, EDP sought to go beyond the legal requirements and regulations for this area, particularly concerning information reporting, given EDP's meticulousness and goals regarding the quality of its corporate governance practices. The Corporate Governance Manual therefore sought to serve the following purposes, in order to achieve this basic goal:

- To reflect critically on recommendations on best practices in order to contribute actively in optimising EDP's practices;
- To select the recommendations deemed most appropriate to EDP's governance model, focusing on measures taken and indicating potential measures for full adoption of good practices;
- To identify recommendations that are not appropriate to EDP's interests and give reasons for this position and indicate other ways of achieving such goals;
- To help targets of the recommendations to reflect on the best governance practices to be followed at EDP;
- To draft a formal document that will help compliance with reporting obligations on corporate governance practices, such as the annual report required by law;

- Describe EDP's governance practices that are not set out in the Corporate Governance Code but achieve the goal shared by the General and Supervisory Board and the Executive Board of Directors to develop and increase the quality of EDP's governance processes.

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 (www.edp.com), 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.

Additionally, the Integrity Policy approved by the Executive Board of Directors has implemented the mandatory execution to all subsidiary, controlled or affiliated as well as to all employees and business partners of duties 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, ensuring at all times the compliance with the local applicable legislation. Additionally, the Compliance area of the Compliance and Internal Audit Department which independence is guaranteed through the reporting to the Executive Board of Directors and to the Financial Matters Committee / Audit Committee of the General and Supervisory Board of EDP is responsible to annually review this Policy or whenever any relevant legislative change occurs, submitting those amendments to the Executive Board of Directors for approval.

EDP intends to keep materializing a pioneer role of excellence in terms of corporate governance best practice promotion, hoping that this initiative may also contribute to an enrichment of the debate on these matters, in a context of the overall organization and functioning of 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) (g) 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 Meeting.

17. COMPOSITION OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD OF DIRECTORS AND GENERAL AND SUPERVISORY BOARD

The shareholders elected the members of the General and Supervisory Board and the Executive Board of Directors at the General Meeting of 21 April 2015, for the three-year period from 2015 to 2017. The term of office of these members of the

corporate bodies therefore finished on 31 December 2017, though they may remain in office until the Annual Shareholders' General Meeting on the 5 April 2018 which approved the appointment of new governing bodies members for the 2018-2020 triennium.

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, 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. The majority of the elected members of the General and Supervisory Board must be independent, pursuant to Article 21 (4) of the Articles of Association.

The General and Supervisory Board members in office until 5 April 2018 were the following:

GENERAL AND SUPERVISORY BOARD		INDEPENDENT MEMBERS	FIRST APPOINTMENT DATE
Chairman	China Three Gorges Corporation represented by Eduardo de Almeida Catroga (1)		20/02/2012
Vice-Chairman	Luís Filipe Marques Amado	Independent	21/04/2015
	China Three Gorges New Energy Co. Ltd. represented by Ya Yang		20/02/2012
	China International Water & Electric Corp. represented by Guojun Lu		20/02/2012
	China Three Gorges (Europe), S.A. represented by Dingming Zhang		20/02/2012
	China Three Gorges (Portugal), Sociedade Unipessoal, Lda. represented by Shengliang Wu		21/04/2015
	DRAURSA, S.A. represented by Felipe Fernández Fernández (2)		21/04/2015
	Fernando Maria Masaveu Herrero		20/02/2012
	Banco Comercial Português, S.A. represented by Nuno Manuel da Silva Amado (3)		21/04/2015
	Sonatrach represented by Ferhat Ounoughi		12/04/2007
	Senfora BV represented by Mohammed Issa Khalfan Alhuraimel Alshamsi (4)		21/04/2015
	António Sarmiento Gomes Mota	Independent	15/04/2009
	Maria Celeste Ferreira Lopes Cardona	Independent	20/02/2012
	Ilídio da Costa Leite de Pinho	Independent	20/02/2012
	Jorge Avelino Braga de Macedo	Independent	20/02/2012
	Vasco Joaquim Rocha Vieira	Independent	20/02/2012
	Augusto Carlos Serra Ventura Mateus	Independent	06/05/2013
	João Carvalho das Neves	Independent	21/04/2015
	Alberto Joaquim Milheiro Barbosa	Independent	21/04/2015
	María del Carmen Fernández Rozado	Independent	21/04/2015
	António Manuel de Carvalho Ferreira Vitorino	Independent	21/04/2015

(1) Eduardo de Almeida Catroga was an independent member of the General and Supervisory Board in 2006-2008, 2009-2011 mandates and chairman, also independent, during 2012-2014 mandate

(2) Felipe Fernández Fernández was appointed as member of the General and Supervisory Board, in representation of Cajastur Inversiones, on 20 February 2012, for the 2012-2015 triennium

(3) Nuno Manuel da Silva Amado held office in his own name after his appointment on 6 May 2013 until the term of the 2012-2014 mandate

(4) Mohamed Al Fahim represented Senfora BV until 31 October 2017, being replaced on the same date by Mohammed Issa Khalfan Alhuraimel Alshamsi. During the 2009-2011 and 2012-2014 mandates, the member of the General and Supervisory Board was Senfora S.à.r.l.

The representatives of the companies China International Water & Electric Corp., China Three Gorges New Energy Co., Ltd., China Three Gorges (Europe) S.A. and China Three Gorges (Portugal) Sociedade Unipessoal, Lda. initiated their term of office on 11 May 2012, following the entry into force of the strategic partnership agreement concluded on 30 December 2011

Following the Shareholders' General Meeting on the 5 April 2018, the members of the General and Supervisory Board for the 2018-2020 triennium were appointed, as follows:

GENERAL AND SUPERVISORY BOARD		INDEPENDENT MEMBERS	FIRST APPOINTMENT DATE
Chairman	Luís Filipe Marques Amado	Independent	21/04/2015
Vice-Chairman	China Three Gorges Corporation represented by Yang Ya ⁽¹⁾		20/02/2012
	China Three Gorges International Corp. represented by Dingming Zhang ⁽²⁾		05/04/2018
	China Three Gorges (Europe), S.A. represented by Shengliang Wu ⁽³⁾		20/02/2012
	China Three Gorges Brasil Energia Ltda. represented by Yinsheng Li		05/04/2018
	China Three Gorges (Portugal), Sociedade Unipessoal, Lda. represented by Eduardo de Almeida Catroga		21/04/2015
	DRAURSA, S.A. represented by Felipe Fernández Fernández ⁽⁴⁾		21/04/2015
	Fernando Maria Masaveu Herrero		20/02/2012
	Senfora BV represented by Mohammed Issa Khalfan Alhuraimel Alshamsi		21/04/2015
	Banco Comercial Português, S.A. represented by Nuno Manuel da Silva Amado ⁽⁵⁾		21/04/2015
	Société National pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures (Sonatrach) represented by por Karim Djebbour		12/04/2007
	María Celeste Ferreira Lopes Cardona	Independent	20/02/2012
	Ilídio da Costa Leite de Pinho	Independent	20/02/2012
	Jorge Avelino Braga de Macedo	Independent	20/02/2012
	Vasco Joaquim Rocha Vieira	Independent	20/02/2012
	Augusto Carlos Serra Ventura Mateus	Independent	06/05/2013
	João Carvalho das Neves	Independent	21/04/2015
	María del Carmen Fernández Rozado	Independent	21/04/2015
	António Manuel de Carvalho Ferreira Vitorino ⁽⁶⁾	Independent	21/04/2015
	Laurie Lee Fitch	Independent	05/04/2018
	Clementina Maria Dâmaso de Jesus Silva Barroso	Independent	05/04/2018

⁽¹⁾ Yang Ya resigned, having been replaced by Dingming Zhang with effects as from 4 December 2018

⁽²⁾ Dingming Zhang resigned, having been replaced by Shengliang Wu with effects as from 4 December 2018

⁽³⁾ Shengliang Wu resigned, having been replaced by Ignacio Herrero Ruiz with effects as from 4 December 2018

⁽⁴⁾ Felipe Fernández Fernández was appointed as member of the General and Supervisory Board, in representation of Cajastur Inversiones, on 20 February 2012, for the 2012-2015 triennium

⁽⁵⁾ Nuno Manuel da Silva Amado held office in his own name after his appointment on 6 May 2013 until the term of the 2013-2015 mandate

⁽⁶⁾ António Manuel de Carvalho Ferreira Vitorino resigned on 27 July 2018

The representatives of the companies China Three Gorges Corporation, China Three Gorges International Corp. and China Three Gorges (Europe) S.A. initiated their term of office on 11 May 2012, following the entry into force of the strategic partnership agreement concluded on 30 December 2011

On 31 December 2018, the General and Supervisory Board was composed by the following members:

GENERAL AND SUPERVISORY BOARD		INDEPENDENT MEMBERS	FIRST APPOINTMENT DATE
Chairman	Luís Filipe Marques Amado	Independent	21/04/2015
Vice-Chairman	China Three Gorges Corporation represented by Dingming Zhang		20/02/2012
	China Three Gorges International Corp. represented by Shengliang Wu		05/04/2018
	China Three Gorges (Europe), S.A. represented by Ignacio Herrero Ruiz		20/02/2012
	China Three Gorges Brasil Energia Ltda. represented by Yinsheng Li		05/04/2018
	China Three Gorges (Portugal), Sociedade Unipessoal, Lda. represented by Eduardo de Almeida Catroga		21/04/2015
	DRAURSA, S.A. represented by Felipe Fernández Fernández		21/04/2015
	Fernando Maria Masaveu Herrero		20/02/2012
	Senfora BV represented by Mohammed Issa Khalfan Alhuraimel Alshamsi		21/04/2015
	Banco Comercial Português, S.A. represented by Nuno Manuel da Silva Amado		21/04/2015
	Société National pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures (Sonatrach) represented by Karim Djebbour		12/04/2007
	Maria Celeste Ferreira Lopes Cardona	Independent	20/02/2012
	Ilídio da Costa Leite de Pinho	Independent	20/02/2012
	Jorge Avelino Braga de Macedo	Independent	20/02/2012
	Vasco Joaquim Rocha Vieira	Independent	20/02/2012
	Augusto Carlos Serra Ventura Mateus	Independent	06/05/2013
	João Carvalho das Neves	Independent	21/04/2015
	María del Carmen Fernández Rozado	Independent	21/04/2015
	Laurie Lee Fitch	Independent	05/04/2018
	Clementina Maria Dâmaso de Jesus Silva Barroso	Independent	05/04/2018

- António Manuel de Carvalho Ferreira Vitorino resigned on 27 July 2018

The representatives of the companies China Three Gorges Corporation and China Three Gorges International Corp. initiated their term of office on 11 May 2012, following the entry into force 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. During the 2015-2017 mandate, the Executive Board of Directors was composed by eight members who held offices until the Annual General Meeting of 5 April 2018.

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, as per statutory change approved at the Shareholders' General Meeting on 5 April 2018 which increased the maximum number from eight up to 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 6 of the Internal Regulation of such body.

At the General Meeting of Shareholders, held on 21 April 2015, the following members of the Executive Board of Directors were elected for the 2015-2017 mandate and held office until the Annual General Meeting on 5 April 2018:

EXECUTIVE BOARD OF DIRECTORS		FIRST APPOINTMENT DATE
Chairman	António Luís Guerra Nunes Mexia	30/03/2006
	Nuno Maria Pestana de Almeida Alves	30/03/2006
	João Manuel Manso Neto	30/03/2006
	António Fernando Melo Martins da Costa	30/03/2006
	João Manuel Veríssimo Marques da Cruz	20/02/2012
	Miguel Stilwell de Andrade	20/02/2012
	Miguel Nuno Simões Nunes Ferreira Setas	21/04/2015
	Rui Manuel Rodrigues Lopes Teixeira	21/04/2015

Members elected at the General Meeting of March 30, 2006 to hold office from June 30, 2006, date of entry into force of new Articles of Association of the Company and the two-tier corporate governance model

At the Shareholders' General Meeting that took place on 5 April 2018, the following members of the Executive Board of Directors were elected for the mandate of the 2018-2020 triennium:

EXECUTIVE BOARD OF DIRECTORS		FIRST APPOINTMENT DATE
Chairman	António Luís Guerra Nunes Mexia	30/03/2006
	João Manuel Manso Neto	30/03/2006
	António Fernando Melo Martins da Costa	30/03/2006
	João Manuel Veríssimo Marques da Cruz	20/02/2012
	Miguel Stilwell de Andrade	20/02/2012
	Miguel Nuno Simões Nunes Ferreira Setas	21/04/2015
	Rui Manuel Rodrigues Lopes Teixeira	21/04/2015
	Maria Teresa Isabel Pereira	05/04/2018
	Vera de Morais Pinto Pereira Carneiro	05/04/2018

Members elected at the General Meeting of March 30, 2006 to hold office from June 30, 2006, date of entry into force of new Articles of Association of the Company and the two-tier corporate governance model

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 (www.edp.com), 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 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 entirely composed of 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 28 (1) (b) of the General and Supervisory Board's Internal Regulation).

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 the Articles of Association and, where applicable, that they complied with the independence requirements of the Internal Regulation of the General and Supervisory Board. 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 2018, the members of the outgoing General and Supervisory Board renewed their statements on incompatibilities and independence.

The above statements are available to the public on EDP's website, at www.edp.com.

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.

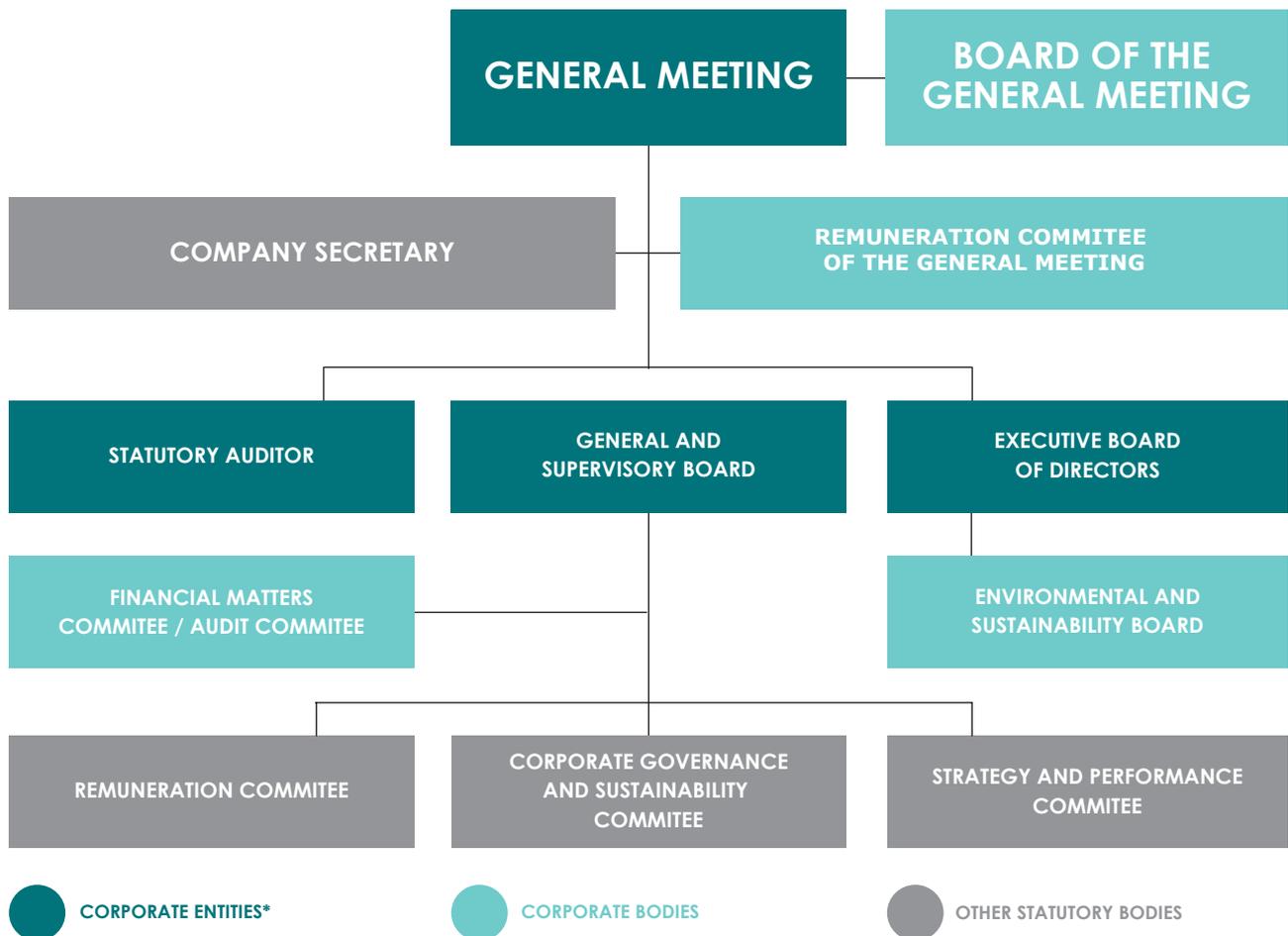
20. FAMILY, WORK-RELATED AND BUSINESS RELATIONSHIPS OF THE MEMBERS OF THE GENERAL AND SUPERVISORY BOARD AND EXECUTIVE BOARD OF DIRECTORS WITH SHAREHOLDERS OWNING A QUALIFYING SHAREHOLDING OF OVER 2% OF THE VOTING RIGHTS

As for the General and Supervisory Board, there are professional relationships between Board members and shareholders attributed a qualifying holding of more than 2% of voting rights, during the year of 2018, as described below:

- The members of the General and Supervisory Board Dingming Zhang, Shengliang Wu, Ignacio Herrero Ruiz and Eduardo de Almeida Catroga are managers of China Three Gorges Corporation which, through its subsidiary China Three Gorges (Europe), S.A., has a 23.27% shareholding in EDP;
- The member of the General and Supervisory Board Fernando 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 7.19% shareholding in EDP. Fernando 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 Liberbank, S.A. which owns 44.1% of Oppidum, S.L., a company with a 7.19% shareholding in EDP;
- The member of the General and Supervisory Board Mohammed Issa Khalfan Alhuraimel Alshamsi is a manager of Mubadala Investment Company which wholly owns Senfora, BV, a company with a 3.15% shareholding in EDP;
- The member of the General and Supervisory Board Nuno Manuel da Silva Amado is a manager of Banco Comercial Português S.A. which holds indirectly a 2.43% shareholding in EDP;
- The member of the General and Supervisory Board Karim Djebbour is a manager of Société National pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures (Sonatrach) which has a 2.38% shareholding in EDP.

21. ORGANISATION CHART, DELEGATION AND DIVISION OF POWERS



*Corporate Entities are also Corporate Bodies, pursuing the article 8 of EDP's Articles Association.

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 with regard to strategy, goals and compliance with the law;
- Issue opinions on the annual report and accounts;
- Permanently oversee the work of the Statutory Auditor and External Auditor and, with regard to 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 External 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;
- Approval of the draft decision of the Executive Board of Directors to increase the share capital by means of one or more share capital increases, up to the aggregate limit of 10% of the current share capital by issuing Category A shares to be subscribed by new inputs of cash;
- Formation or termination of strategic partnerships or other forms of lasting cooperation.

The Chairman of the General and Supervisory Board is granted particular powers, and, pursuant to Article 15 of the General and Supervisory Board Internal Regulation, is responsible for:

- Convening and presiding over meetings of the General and Supervisory Board;
- Representing the General and Supervisory Board institutionally;
- Coordinating the work of the General and Supervisory Board and ensuring the correct operation of its committees, being entitled to attend any meeting and being kept informed of their activities;
- Proposing to the plenary General and Supervisory Board the members, the Chairman and, when appropriate, the Vice-Chairman of each committee;
- Ensuring that the members of the General and Supervisory Board punctually receive the information they need for their duties;
- Requesting from the Executive Board of Directors relevant information for the General and Supervisory Board and its committees to perform their duties and ensuring that the members of the General and Supervisory Board receive it in good time;

- Taking the necessary measures to ensure that the General and Supervisory Board adequately monitors the activity of EDP and the Executive Board of Directors in particular;
- Monitoring implementation of the General and Supervisory Board's budget and managing the material and human resources assigned to it;
- Ensuring correct implementation of General and Supervisory Board decisions.

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 duty 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 in an annex to the annual report of the General and Supervisory Board.

EDP, on the initiative of the General and Supervisory Board 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. The method used comprises the following stages:

- After the year's end, the Chairman of the General and Supervisory Board sends assessment questionnaires to the members of its Board. The questionnaires are answered individually and are confidential;
- The General and Supervisory Board Support Office statistically processes the data received and prepares the information for consideration at a General and Supervisory Board 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 external 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.

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, which is accessible to all the members of the General and Supervisory Board.

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.

The Chairman of the Executive Board of Directors is granted particular powers by Article 18 of the Articles of Association. These powers are:

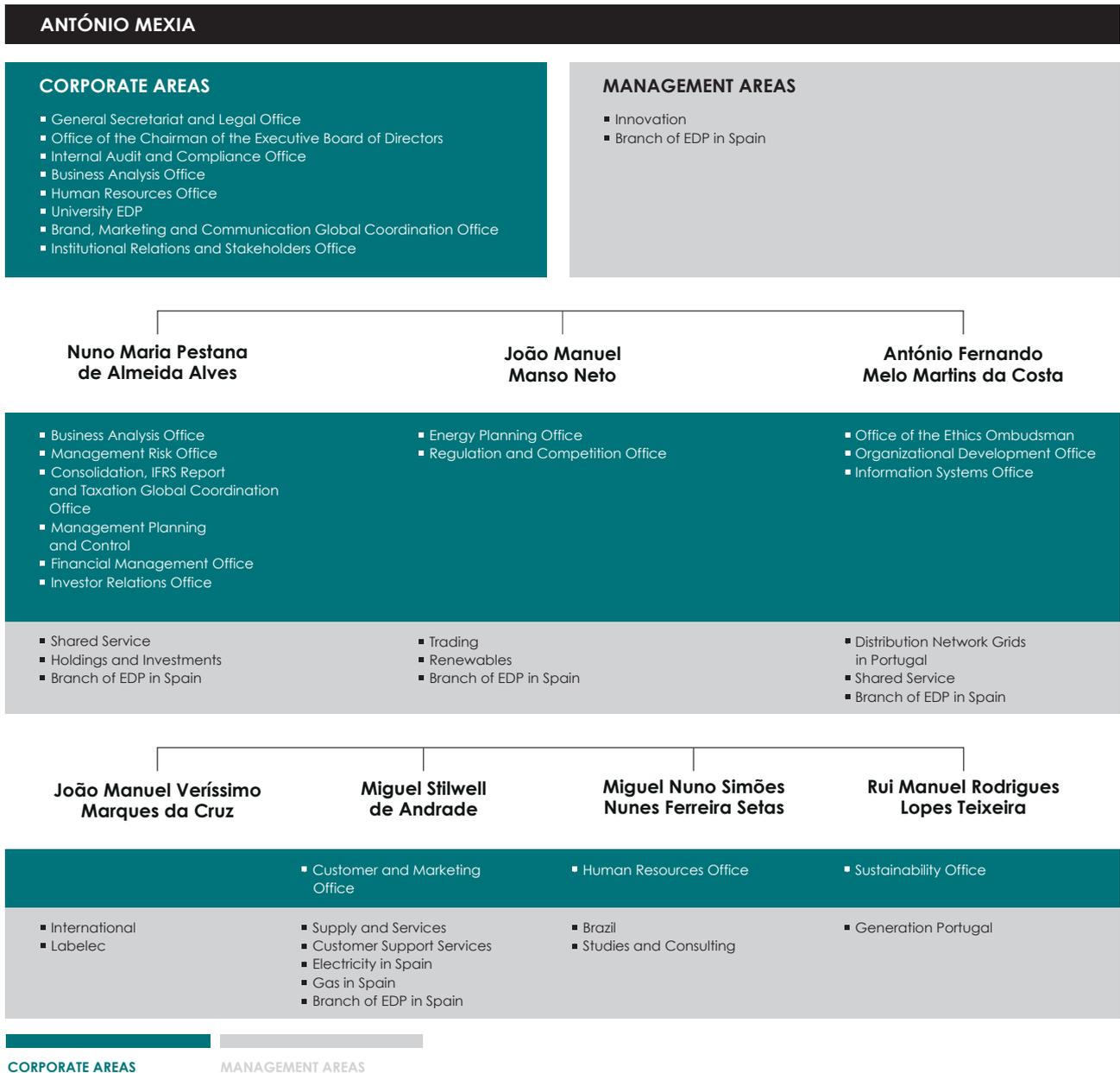
- Representing the Executive Board of Directors;
- Coordinating the work of the Executive Board of Directors and convening and presiding over its meetings;
- Ensuring proper execution of the decisions of the Executive Board of Directors.

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.

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.

Until 5 April 2018, the Corporate Departments and Business Units assigned to the members of the Executive Board of Directors were the following:



Following the Shareholders' General Meeting dated 5 April 2018 and respective changes to the corporate bodies, modifications were made to the assignment of Corporate Departments and Business Units to the members of the Executive Board of Directors which, on 31 December, were the following:

EXECUTIVE BOARD OF DIRECTORS



EDP'S FUNCTIONAL STRUCTURE

GROUP'S ORGANISATIONAL MODEL

The Executive Board of Directors is responsible for defining the EDP Group's organisational model and dividing duties among the different Business Units, the Shared Services company EDP Valor - Gestão Integrada de Serviços, S.A. (EDP Valor) and 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 divided into Corporate Departments and Business 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.

CORPORATE CENTRE

CORPORATE CENTRE • BUSINESS UNITS	
OFFICES	
Corporate Governance Support Area	
General Secretariat	Rita Ferreira de Almeida
Legal Office Department	Alexandra Cabral
Office of the Chairman of the Executive Board of Directors	Teresa Lobato ⁽¹⁾
Internal Audit and Compliance Department	Azucena Viñuela Hernández
Office of the Ethics Ombudsman	Maria Manuela Silva ⁽²⁾
Strategic Area	
Energy Planning Department	Ana Margarida Quelhas
Business Analysis Department	Pedro Vasconcelos
Risk Management Department	António Castro
Markets and Regulation Department	Maria Joana Simões
Studies and Competition Department	Ricardo Ferreira
Sustainability Department	António Castro
Financial Area	
Financial Management Department	Paula Guerra
Consolidation, IFRS Reporting Global Coordination Department	Miguel Ribeiro Ferreira
Management Planning and Control Department	João Gouveia Carvalho
Investor Relations Department	Miguel Henriques Viana
Resources Area	
Organisational Development Department	José Filipe Santos
<i>Digital Global Unit Department</i>	José Manuel Careto
Human Resources Department	Paula Carneiro
EDP University	Jorge Cruz Morais
Marketing and Communication Area	
Brand, Marketing and Communication Coordination Department	Paulo Campos Costa
Institutional Relations and Stakeholders Department	Paulo Lopes
Business Units	
Energy Management Business Unit	Carlos Mata

Data referring to 31 December 2018

⁽¹⁾ On 20 December 2018, the Executive Board of Directors has appointed Maria Teresa Guimarães Lobato, with effects as from 1 January 2019, replacing Pedro McCharthy Cunha

⁽²⁾ On 20 December 2018, the Executive Board of Directors has appointed Maria Manuela Silva, with effects as from 1 January 2019, replacing José Figueiredo Soares

The current departments and their duties are as follows:

The **General Secretariat** provides administrative and logistical assistance to the Executive Board of Directors and harmonisation of the corporate governance policies within the Group.

The **Legal Office Department** provides legal advice to EDP and to EDP Group's companies with their head offices in Portugal, in order to ensure the effective operation of the Corporate Centre, compliance with applicable legislation.

The **Office of the Chairman of the Executive Board of Directors** assists the CEO in all matters within his/her remit in order to help maximise the effectiveness of decisions and instructions.

The main mission of the **Internal Audit and Compliance Department** is to conduct internal audits as an independent and objective assurance and consulting activity; to ensure the implementation of the Internal Control System for Financial Reporting ("SCIRF"); and to promote and coordinate the implementation of compliance mechanisms in the Group, as to achieve the improvement and protection of value and Group's operations, contributing to improve the processes of risk management, control and governance.

The **Ethics Ombudsman's Office** is responsible for supporting the General and Supervisory Board and the Executive Board of Directors regarding the definition, communication, implementation and assessment of objectives, policies and management instruments of corporate ethics. Additionally, it manages the processes of claims of ethical nature, regarding the commitments established concerning confidentiality and protect rights associated with these procedures.

The mission of the **Energy Planning Department** is to coordinate studies for the Group's energy portfolio development strategy in order to assist the Executive Board of Directors in building an integrated view of the portfolio and contributing to the planning of its development in the different regions in which EDP operates.

The **Business Analysis Department** coordinates studies to assist with the Group's overall business strategy and performs development operations via investments, divestitures and/or partnerships in order to assist the Executive Board of Directors in optimising EDP's business portfolio and promoting and taking new business opportunities.

The **Risk Management Department** coordinates studies to assess the Group's risk, in order to assist the Executive Board of Directors in monitoring and mitigating risk and to supply integrated analyses of return-risk.

The **Regulation and Markets Department** studies and executed the regulatory strategy of the sector essentially in Portugal but also with Mibel, coordinates projects on energy regulation for the Group, with the aim of supporting the Executive Board of Directors in decision-making and ensuring regulatory compliance by the companies covered.

The **Studies and Competition Department** coordinates studies within a strategic context within the regulatory and competition framework, with the aim of providing the Executive Board of Director in the development of a global vision on a legal and market level as well as to coordinate litigation actions on such fields.

The **Sustainability Department's** mission is to analyse, propose and guarantee the Group's sustainability strategy in order to assist the Executive Board of Directors in policies and goals and to ensure their implementation.

The remit of the **Financial Management Department** is to propose and implement the Group's financial management policy and analyse and monitor management of its pension fund in order to optimise and guarantee financial sustainability and control financial liabilities in accordance with Group policy.

The **Consolidation, IFRS Reporting and Taxation Global Coordination Department** is in charge of the Group's IFRS reporting in order to ensure compliance with deadlines and accounting and tax processing that is appropriate and consistent in operations at all the Group companies.

The **Management Planning and Control Department** is responsible for the Group's management planning and oversight, to ensure alignment with strategic goals and monitor implementation of the business plan.

The **Investor Relations Department** communicates with analysts and investors in Group companies to ensure the sustainability of EDP's image and reputation and fulfil the information requirements of regulators and financial supervisors.

The **Organisational Development Department** analyses, proposes and coordinates the organisation's development and provides Group-wide programmes for implementing its strategy, in order to optimise the competitiveness of EDP's organisation and operation.

The **Digital Global Unit** is in charge of managing the Group's information and communication systems in the Iberian Peninsula and analysing and proposing the Group's ICT strategy in order to align it with the strategy and create value by providing solutions that foster efficacy, efficiency and innovation in EDP's processes.

The **Human Resources Department** analyses and proposes the Group's human resource policies and is in charge of group-wide support processes, in order to contribute to the development and value creation for all employees, as well as to align the values and culture that is in line with the corporate values and contributes to the sustainability of the business.

EDP University assures availability, retainment and sharing of knowledge in the Group in order to reinforce a common culture, foster employees' vocational development and facilitate the appearance of new talents and full use of their skills.

Brand, Marketing and Communication Global Coordination Department, whose competences are analyse, propose, coordinate and assure a strategy of global communication for EDP Group, aimed at maximising the value of the brand through a unique vision of the positioning of communication, independently of operating areas or geographies.

The **Institutional Relations and Stakeholders** assures an integrated and consistent narrative with EDP's stakeholders, aligned with the adopted vision and strategy, aimed at maximizing the potential of communication with stakeholders and in order to contribute to a fluid and systematized information regarding EDP and its actions.

The **Energy Management Business Unit** (UNGE) is responsible for negotiating physical and forward purchases of fuel and contracting transport on behalf of the appropriate EDP Group companies. It is also responsible for spot and forward purchases and sales in the electricity market of a physical or financial nature, such as energy derivatives and foreign exchange operations. It also decides on operation and dispatch programs for the EDP Group power stations whose energy management is its responsibility in order to optimise its portfolio and supply energy to customers of the EDP Group's retailers. It also manages the EDP Group's CO2 allowance operations and green certificates.

SPECIFIC EDP COMMITTEES (FUNCTIONAL STRUCTURES)

The EDP organisational model provides for management committees that contribute in two ways to the Company's decision-making process:

- They input 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 an impact on a number of areas in the organization.

Considering the principle of continuous improvement that the EDP Group follows and the committees' importance in the Group's organisational model, the Executive Board of Directors approved, on 20 December 2018, a change in structure of the committees and appointed its members.

On 31 December 2018, the Committees structure configuration was as follows:

STRATEGIC CORPORATE COMMITTEES	FUNCTIONAL CORPORATE COMMITTEES	BUSINESS COMMITTEES
Risk Committee	Innovation Committee	Generation Committee
Sustainability Committee	Ethics Committee	Distribution Networks Committee
Energy Planning Committee	Information Disclosure Committee	Iberian Commercial Committee
Investments Committee	Stakeholders Committee	
Regulation Committee	Procurement Committee	
Prices and Volumes Committee	Accident Prevention and Safety Committee	
Iberian Commercial and Market Committee	Pension Plan and Fund Management Committee	
	Corporate Development Committee	
	Human Resources and Diversity Committee	
	Information Technology Committee	
	Compliance Committee	

I - STRATEGIC CORPORATE COMMITTEES

RISK COMMITTEE

The main duties of the Risk Committee are:

- Share information on the EDP Group's key risks and risk profile;
- Discuss the result of significant risk assessment projects undertaken in conjunction with the Business Units;
- Discuss and issue opinions or recommendations on policies, procedures, significant risks, risk limits and extraordinary risk situations;
- Promote and monitor maintenance of the inventory of the most significant risks (risk portal);
- Approve the periodical reporting model to be submitted by the Business Units or the Risk Management Department and other mechanisms for reporting and monitoring EDP's risks.

The Risk Committee's membership is as follows:

Risk Committee
Chairman: Chairman EBD
Secretary: Dir. Risk Management
Member EBD (besides the Chairman):
Member EBD (Risk Area)
Member EBD (Financial)
Member EBD (Renewables)
Member EBD (Spain)
Member EBD (Brasil)
CC and BU (besides Secretary)
Head of CC Energy Planning
Head of CC Financial Management
Head of CC Regulation and Markets
Head of UNGE
Head of CC Management Control
Ad-hoc members:
Board Member EDP Produção
Board Member EDP Distribuição
Board Member EDP Comercial
Board Member EDP Internacional
Board Member EDP Valor
General Manager of EDP Espanha
Rep. EDP Renováveis
Rep. EDP Brasil

The Risk Committee held two meetings in 2018.

SUSTAINABILITY COMMITTEE

The Sustainability Committee's responsibilities are as follows:

- Share information and discuss the implications of major legislative packages in the field of sustainability;
- Share the Group's environmental performance indicators and benchmarks;
- Discuss and give opinions on the annual Operational Environment and Sustainability Plans (POSA) and the annual consolidated budget;
- Discuss and give opinions on the annual action plans and the EDP Group's goals and targets;
- Monitor the progress of approved action plans and the activities of the EDP Group companies' sustainability management structures.

The Sustainability Committee's membership is as follows:

SUSTAINABILITY COMMITTEE

Chairman: Chairman EBD

Secretary: Head of CC Sustainability

Members of EBD (besides the Chairman):

Member of the EBD (Sustainability)

CC and BU members (besides the Secretary):

Board member of EDP Produção (Envir. and Sustainability)
 Board member of EDP Distribuição (Envir. and Sustainability)
 Board member of EDP Sol. Comerciais (Envir. and Sustainability)
 Board member of EDP Valor (Envir. and Sustainability)
 Board member of EDP Inovação
 Head of CC Risk Management
 Head of CC Investor Relations
 Head of CC Human Resources
 Head of CC EDP University
 Head of CC Brand, Marketing Communication Global Coord.
 Head of CC Institucional Relations and Stakeholders
 Head of CC Energy Planning
 Rep. CC Risk Management
 Rep. Fundação EDP
 Rep. EDP Espanha (Envir. Sust. And Stakeholders)
 Rep. EDP Renováveis
 Rep. EDP Brasil
 Rep. EDP Comercial
 Rep. Fundación EDP
 Rep. UNGE

The Sustainability Committee held one meeting in 2018.

ENERGY PLANNING COMMITTEE

The main tasks of the Energy Planning Committee are:

- Share up-to-date information on the different markets and businesses in which the EDP Group operates (Iberia, wind, Brazil) and the performance of its portfolio in these geographies;
- Analyse the impact of energy and environment policies, as well as different regulatory frameworks with reference to the planning of the sector and portfolio of EDP;
- Inform and propose about stances on several matters regarding strategic planning.

The Energy Planning Committee's membership is as follows:

ENERGY PLANNING COMMITTEE
Chairman: Chairman EBD
Secretary: Head of CC Energy Planning
Members of EBD (besides the Chairman):
Member of the EBD (Renewables)
Member of the EBD (Finance)
Member of the EBD (Brazil)
Member of the EBD (Spain)
Member of the EBD (Generation)
Member of the EBD (Trading)
CC and BU members (besides the Secretary):
Board Member of EDP Produção
Board Member of EDP Distribuição
Board Member of EDP Comercial
Board Member of EDP Renováveis
General Manager of EDP Espanha
Head of CC Business Analysis
Head of CC Management Planning and Control
Head of CC Regulation and Markets
Head of CC Studies and Competition
Head of CC Risk Management
Head of CC Investor Relations
Head of CC Sustainability
Head of UNGE
Rep. EDP Renováveis (Regulation and Markets)
Rep. EDP Espanha (Regulation)
Rep. EDP Brasil (Energy Planning)
Ad-hoc members:
Board Member of EDP Internacional
Board Member of EDP Inovação

The Energy Planning Committee held one meeting in 2018.

INVESTMENTS COMMITTEE

The Investments Committee discusses and issues opinions on proposed investment and disinvestment projects and WACC proposals for the Business Units.

The Investments Committee's membership is as follows:

INVESTMENTS COMMITTEE
Chairman: Member of the EBD (Finance)
Secretary: Head of CC Business Analysis
Members CC (besides the Secretary):
Head of CC Business Analysis
Head of CC Management Planning and Control
Head of CC Energy Planning
Head of CC Risk Management
Ad-hoc members:
Head of CC Coordination of Consolidation, IFRS Report and Tax Corp.
Head of CC Investor Relation

The Investments Committee held twenty-eight meetings in 2018.

REGULATION COMMITTEE

The remit of the Regulation Committee is as follows:

- Share regulatory practices in the Iberian Peninsula and the rest of Europe and those followed in Brazil;
- Analyse the European Commission's energy strategy and policies and the implementation of directives by the internal market and the competition and policies, legislation, regulations and organisation of the energy sectors in Portugal and Spain;
- Analyse prices and the implications of tariff policies and decisions on regulated activities;
- Discuss the impacts of developments and regulatory changes as well as their respective impacts;
- Discuss and give an opinion on proposals for the definition of positions to be defended by the EDP Group in the Iberian and European market.

The Regulation Committee's membership is as follows:

REGULATION COMMITTEE
Chairman: Member of the EBD (Regulation)
Secretary: Head of CC Regulation and Markets
Members of EBD (besides the Chairman):
Member of the EBD (Distribution)
Member of the EBD (Trading)
CC and BU members (besides the Secretary):
Board Member of EDP Distribuição
Board Member of EDP Brasil
Board Member of EDP Comercial
Board Member of EDP Serviço Universal
Board Member of EDP Produção
Board Member of EDP Gás SU
Board Member of EDP Soluções Comerciais
Rep. of Cabinet of EBD Chairman
Head of CC Energy Planning
Head of UNGE
Rep. UNGE (Fuel Markets)
Rep. EDP Espanha (Regulation)
Rep. EDP Distribuição (Regulation)
Rep. EDP Comercial
Rep. EDP Brasil (Regulation)
Rep. EDP Renováveis ((Regulation and Markets)
Head of CC Studies and Competition
Head of CC Management Control
Head of CC Institutional Relations/Stakeholder Management
Head of Investor Relations
Head of CC Business Analysis
Rep. CC Regulation and Markets
Rep. EDP Serviço Universal (Regulation)
Rep. EDP Produção
Rep. EDP Gás SU
Rep. European Compliance Project
Rep. CC Risk Management
Rep. CC Investor Relations

The Regulation Committee held eight meetings in 2018.

PRICES AND VOLUMES COMMITTEE

The Prices and Volumes Committee's main duties are:

- Share relevant, up-to-date information on recent developments in the Iberian electricity and gas markets;
- Discuss and align historical information and forecasts shared by business areas;
- Issue an opinion on the forward curve representing the EDP Group's best estimate on the growth of the wholesale market for a one to two-year horizon;
- Propose adjustments to management of the Iberian wholesale margin (in terms of risk coverage, commercial activity, placement of gas contracts, etc).

The Prices and Volumes Committee's membership are as follows:

PRICES AND VOLUMES COMMITTEE
Chairman: Member of the EBD (Energy Planning)
Secretary: Head of CC Energy Planning
Members of EBD (besides the Chairman):
Member of the EBD (Finance)
Member of the EBD (Trading)
Member of the EBD (Spain)
Member of the EBD(Generation)
CC and BU members (besides the Secretary):
Board Member of EDP Produção (Regulation and Markets)
Board Member of EDP Produção (Spain)
Board Member of EDP Comercial (B2C)
Board Member of EDP Comercial (B2B)
Board Member of EDP Comercial (New Downstream)
Board Member of EDP Renováveis
General Manager of EDP Espanha
Head of CC Risk Management
Head of CC Management Planning and Control
Head of CC Regulation and Markets
Head of CC Studies and Competition
Head of CC Business Analysis
Head of CC Investor Relations
Head of UNGE
Head of DMO UNGE
Head of DME UNGE
Rep. EDP Espanha (Regulation)
Rep. EDP Espanha (Projects)

The Prices and Volumes Committee held four meetings in 2018.

MARKET AND COMMERCIAL IBERIAN COMMITTEE

The Market and Commercial Iberian Committee's responsibilities are as follows:

- Share information on the energy trading market and Iberian business for the supply of electricity, gas and services in all market segments (purchase of natural gas, gas sales balance sheet, customer losses, prices, competition, etc);
- Analyse the market situation and competitiveness of prices in the different electricity and gas market in segments Portugal and Spain;

- Propose preferential segments for the placement of gas and price policies in different segments, strategies for gas auctions, gas placement or purchase goals in gas trading, measures to retain strategic customers, adaptation or correction of current commercial policies and setting or revision of intra-group transfer prices;
- Monitor the implementation of the above measures.

The Market and Commercial Iberian Committee's membership are as follows:

MARKET AND COMMERCIAL IBERIAN COMMITTEE
Chairman: Member of the EBD (UNGE)
Secretary: Head of UNGE
Members of EBD (besides the Chairman):
Member of the EBD (Trading)
Member of the EBD (Spain)
CC and BU members (besides the Secretary):
Board of Directors of EDP Comercial
Board Member of EDP Serviço Universal
General Manager of EDP Espanha (Trading)
Rep. UNGE (Fuel Markets)
Rep. UNGE (Supplies)
Rep. UNGE (Middle-Office)
Rep. UNGE (Energy Markets)
Rep. EDP Espanha (Sales B2B)
Rep. EDP Espanha (Market. and Sales B2C)
Rep. EDP Espanha (Planning, Control and Development of Trading Business)

The Market and Commercial Iberian Committee held ten meetings in 2018.

II - FUNCTIONAL CORPORATE COMMITTEES

INNOVATION COMMITTEE

The responsibilities of the Innovation Committee are as follows:

- Discuss and propose strategic areas of innovation in the EDP Group;
- Follow the governance model and EDP's innovation results Discuss and propose changes;
- Monitor the EDP Group's ongoing innovation initiatives and EDP Group projects in progress and propose corrective action.

The Innovation Committee's membership is as follows:

INNOVATION COMMITTEE
Chairman: Chairman EBD
Secretary: Board Member of EDP Inovação
Members of EBD (besides the Chairman):
Member of the EBD (Trading)
CC and BU members (besides the Secretary):
Board Member of EDP Produção
Board Member of EDP Distribuição
Board Member of EDP Comercial
Board Member of EDP Brasil
General Manager of EDP Espanha
Board Member of Labelec
Rep. EDP Renováveis (Technical)
Head of CC Energy Planning
Head of CC Business Analysis
Head of CC Brand, Marketing and Communication Global Coord.
Head of CC EDP University
Rep. EDP Espanha
Rep. Fundação EDP
Ad-hoc members:
Head of CC Sustainability
Head of CC Organisational Development
Head of CC Digital Global Unit

The Innovation Committee held one meeting in 2018.

ETHICS COMMITTEE

The Ethics Committee, which was set up after approval of the EDP Group's Code of Ethics, is appointed by the Corporate Governance and Sustainability Committee of the General and Supervisory Board and its responsibilities are as follows:

- Draft and propose its Internal Regulation to the Corporate Governance and Sustainability Committee of the General and Supervisory Board;
- Submit corporate ethics instruments, policies, goals and targets to the Corporate Governance and Sustainability Committee;
- Receive and examine cases of infringement prepared by the Ethics Ombudsman and issue an opinion on them;
- Issue an opinion, when requested to do so by any of the managing bodies of the EDP Group companies and entities on practices or codes of conduct in the fields of ethics or professional conduct within the framework of specific, legal or regulatory needs;
- Analyse decisions made by the Ethics Committee of EDP Energias do Brasil, S.A. and the Ethics Committee of EDP Renováveis, S.A. referred to it according to 3.3.2 of the Regulations of the Ethics Code;
- Assess the quarterly reports on the EDP Group's or Business Units performance in implementing the Code of Ethics;
- Annually review the Code of Ethics' suitability to the EDP Group's needs of and draw up a report, on proposal of the Ethics Ombudsman and the Sustainability Department of the EDP Corporate Centre.

The Ethics Committee's membership is as follows:

ETHICS COMMITTEE
Chairman: Chairman EBD
Secretary: Ethics Ombudsman
Members of EBD (besides the Chairman):
Member of the EBD
CC and BU members (besides the Secretary):
Board Member of EDP Produção
Board Member of EDP Distribuição
Board Member of EDP Comercial
Board Member of EDP Soluções Comerciais
Board Member of EDP Valor
Board Member of EDP Renováveis
Board Member of EDP Serviço Universal
Head of CC Recursos Humanos
Head of CC Internal Audit and Compliance
Head of CC <i>Digital Global Unit</i>
Rep. EDP Brasil
Rep. EDP Spain (HC)

The Ethics Committee held four meetings in 2018.

INFORMATION DISCLOSURE COMMITTEE

The Information Disclosure Committee's has two main duties:

- Analysing and assessing information that is or should be provided periodically by EDP during preparation of reports and other press releases for the market;
- Assessing the mechanisms for monitoring and disclosing information about EDP.

The Information Disclosure Committee's membership are as follows:

INFORMATION DISCLOSURE COMMITTEE
Chairman: Member of the EBD (Finance)
Secretary: Head of CC Investor Relations
CC and BU members (besides the Secretary):
Head of CC General Secretariat
Head of CC Management Planning and Control
Head of CC Finance Management
Head of CC Coordination of Consolidation, IFRS Report and Tax
Head of CC Brand, Marketing and Communication Global Coordination
Rep. CC Brand, Marketing and Communication Global Coordination (Brand)
Rep. CC Brand, Marketing and Communication Global Coordination (Communication)
Rep. EDP Brasil (Investors Relation)
Rep. EDP Brasil (Accounting, Consolidation and Taxation)
Rep. EDP Renováveis (Investors Relation)

The Information Disclosure Committee held one meeting in 2018.

STAKEHOLDERS' COMMITTEE

The duties of the Stakeholders' Committee are as follows:

- Evaluate the alignment and consistency of stakeholder relationship strategies in the different markets and geographical areas where the EDP Group operates;
- Discuss priorities and propose guidelines and a management model for the Group's relations with stakeholders;
- Assess compliance with the Group's stakeholder management policy.

The Stakeholders Committees' membership is as follows:

STAKEHOLDERS' COMMITTEE
Chairman: Chairman EBD
Secretary: Head of CC Institucional Relations and Stakeholders
Members of EBD (besides the Chairman):
Member of the EBD (Distribution)
Member of the EBD (Renewables)
Member of the EBD (Brazil)
Member of the EBD (Spain)
Member of the EBD (Generation)
Member of the EBD (Trading)
CC and BU members (besides the Secretary):
Board Member of EDP Comercial
Board Member of EDP Renováveis
Board Member of Fundação EDP
Board Member of EDP Produção
Board Member of EDP Comercial
Head of CC Energy Planning
Head of CC Human Resources
Head of CC Brand, Marketing and Communication Global Coordination
Head of CC Sustainability

The Stakeholders' Committee held two meetings in 2018.

PROCUREMENT COMMITTEE

The main responsibilities of the Procurement Committee are:

- Discuss and align strategic guidelines of EDP Group's procurement activity;
- Validate proposals for amendments to policy and the procurement organizational model of the EDP Group;
- Validate the procurement annual plan to be approved by the Executive Board of Directors;
- Promote the alignment of the Business Units regarding procurement, ensuring the articulation between top management teams;
- Propose Sponsors and members of the categories of groups and committees oversee the implementation of optimization strategies of categories;
- Discuss and propose targets for "Performance indicators" and supervise the performance of the procurement activity at global and local level.

The Procurement Committee's membership are as follows:

PROCUREMENT COMMITTEE
Chairman: Member of the EBD (Finance)
Secretary: Rep. EDP Valor (UPG)
Members of EBD (besides the Chairman):
Member of the EBD (EDP Valor)
Member of the EBD (Trading)
Member of the EBD (Spain)
CC and BU members (besides the Secretary):
Board Member of EDP Produção
Board Member of EDP Distribuição
Board Member of EDP Valor
Board Member of EDP Brasil
Board Member of EDP Renováveis

The Procurement Committee held two meetings in 2018.

PREVENTION AND SAFETY COMMITTEE

The Prevention and Safety Committee has the following main responsibilities:

- Issue an opinion on proposals for setting the EDP Group's goals in terms of prevention and safety at work;
- Analyse the Annual Report and issue an opinion on the EDP Prevention and Safety Action Plan;
- Assess the main occupational safety indicators and propose ways of improving them;
- Issue opinions on the regulatory documents of the safety management system that cover the EDP Group as a whole or cut across different sectors.

The Prevention and Safety Committee's membership is as follows:

PREVENTION AND SAFETY COMMITTEE
Chairman: Member of the EBD (Sustainability)
Secretary: Rep. CC Sustainability
CC and BU members (besides the Secretary):
Board Member of EDP Produção
Board Member of EDP Distribuição
Board Member of EDP Valor
Board Member of EDP Soluções Comerciais
Board Member of EDP Imobiliária e Participações
Head of CC EDP University
Head of CC Sustainability
Rep. EDP Comercial
Rep. EDP Valor (occupational health)
Rep. EDP Espanha
Rep. EDP Brasil
Rep. EDP Renováveis

The Prevention and Safety Committee held two meetings in 2018.

PENSION PLAN AND FUND COMMITTEE

The Pension Plan and Fund Committee's main responsibilities are:

- Share significant information with an impact on management of the pension fund;
- Analyse the performance of assets under management, fund profitability and management mandates and the performance of the different asset managers;
- Monitor the value of the fund's liabilities and level of financing;
- Issue an opinion on investment policy and/or management mandates, actuarial assumptions used in calculating the fund's liabilities and members' contributions to the fund.

The Pension Plan and Fund Committee's membership is as follows:

PENSION PLAN AND FUND COMMITTEE MANAGEMENT
Chairman: Member of the EBD (Finance)
Secretary: Head of CC Finance Management
CC and BU members (besides the Secretary):
Head of CC Human Resources
Head of CC Risk Management
Head of CC Coordination of Consolidation, IFRS Report and Tax
Rep. CC Human Resources (Labour Relations)

The Pension Plan and Fund Committee held four meetings in 2018.

CORPORATE DEVELOPMENT COMMITTEE

The Corporate Development Committee's duties are as follows:

- Promote and monitor group-wide programmes arising from the organisational and operational priorities established at the corporate level;
- Promote and analyse organisational benchmark studies;
- Analyse, discuss and issue opinions on proposed changes to the management model of Group processes and monitor their implementation;
- Coordinate the optimisation of processes of corporate interest;
- Assess and issue opinions on the support tools and organisational efficiency to meet the common needs of the EDP companies in terms of organisation and operation.

The Corporate Development Committee's membership are as follows:

CORPORATE DEVELOPMENT COMMITTEE

Chairman: Member of the EBD (Organisational Development)

Secretary: Head of CC Organisational Development

Members of EBD (besides the Chairman):

Member of the EBD (Human Resources)

CC and BU members (besides the Secretary):

Board Member of EDP Produção (OD)
 Board Member of EDP Distribuição (OD)
 Board Member of EDP Comercial (OD)
 Board Member of EDP Soluções Comerciais (Process)
 Board Member of EDP Brasil (OD)
 Board Member of EDP Renováveis (OD)
 Board Member of EDP Valor (Process)
 Board Member of EDP Imobiliária (OD)
 Board Member of EDP Labelec
 General Manager of EDP Espanha (OD)
 Head of CC Human Resources
 Head of CC Digital Global Unit
 Rep. Dir. CC Organisational Development (Organization)
 Rep. Dir. CC Organisational Development (Process)
 Rep. EDP Brasil (OD and Process)

HUMAN RESOURCES AND DIVERSITY COMMITTEE

The Human Resources and Diversity Committee's responsibilities are as follows:

- Discuss and align the definition of people management strategy of the EDP Group;
- Discuss and align policies for best practices in diversity and inclusion, proposing the incorporation and compliance with the Group's policy;
- Analyze key indicators for the different potential segments, and discuss and align development policies and instruments;
- Discuss and share initiatives aimed at cultural alignment and promoting a culture of meritocracy;
- Discuss and issue an opinion on the annual budget of Human Resources EDP Group and monitor its progress.

The Human Resources and Diversity Committee's membership are as follows:

HUMAN RESOURCES AND DIVERSITY COMMITTEE

Chairman: Chairman EBD

Secretary: Head of CC Human Resources

Members of EBD (besides the Chairman):

Member of the EBD (EDP Valor, EDP Imobiliária and Legal Office)
 Member of the EBD (HR, EDP Sãvida and Brazil)
 Member of the EBD (Finance)
 Member of the EBD (Renewables)
 Member of the EBD (Generation and Spain)
 Member of the EBD (Distribution, International and Labellec)
 Member of the EBD (Trading)
 Member of the EBD (IT, OD, Sustainability, Risk and Ethics)

CC and BU members (besides the Secretary):

Board Member of EDP Produção (Human Resources)
 Board Member of EDP Distribuição (Human Resources)
 Board Member of EDP Soluções Comerciais (Human Resources)
 Board Member of EDP Comercial (Human Resources)
 Board Member of EDP Valor (Human Resources)
 Board Member of EDP Renováveis (Human Resources)
 Board Member of EDP Fundação EDP (Human Resources)
 Board Member of EDP Serviço Universal (Human Resources)
 Board Member of EDP Inovação (Human Resources)
 Board Member of EDP Imobiliária (Human Resources)
 Board Member of EDP Espanha (Human Resources)
 Board Member of EDP Brasil (Human Resources)
 Board Member of Labellec (Human Resources)
 Board Member of Sãvida (Human Resources)
 Head of CC Brand, Marketing and Communication Global Coordination
 Head of CC Organisational Development
 Head of CC Digital Global Unit
 Head of CC EDP University
 Head of CC Institutional Relations and Stakeholders
 Head of CC Sustainability
 Ethics Ombudsman

Ad-hoc members:

Rep. EDP Brasil (Human Resources)
 Rep. EDP Renováveis (Human Resources)
 Rep. EDP Espanha (Human Resources)
 Rep. CC Human Resources, according to the agenda items

The Human Resources and Diversity Committee held one meeting in 2018.

INFORMATION TECHNOLOGY COMMITTEE

The Information Technology Committee's duties are as follows:

- Align the global strategy with Core Information technologies, including information safety;
- Define and consolidate the digital and information technology budget, including information safety;
- Monitor the main Digital and information technology projects.

The Information Technology Committee's membership is as follows:

INFORMATION TECHNOLOGY COMMITTEE

Chairman: Member of the EBD (Information System)

Secretary: Head of CC Digital Global Unit

CC and BU members (besides the Secretary):

Board Member of EDP Produção (IT)
Board Member of EDP Distribuição
Board Member of EDP Comercial
Board Member of EDP Soluções Comerciais (IT)
General Manager of EDP Espanha (IT)
Board Member of EDP Brasil (IT)
Board Member of EDP Valor (IT)
Board Member of EDP Inovação
Board Member of EDP Renováveis (IT)
Board Member of EDP Serviço Universal
Board Member of EDP Inovação (EDP Ventures)
Head of CC Organisational Development
Head of CC Human Resources
Head of UNGE
EBD Advisor

The Information Technology Committee held seven meetings in 2018.

COMPLIANCE COMMITTEE

The Compliance Committee and has the following responsibilities:

- To promote the compliance of the Group's Compliance Governance Model, policies and other compliance internal procedures;
- To support and monitor the process of creation, decision-making and implementation of the global programme of compliance;
- To support and monitor the process of creation, decision-making and implementation of the local and transversal compliance specific programs in the scope of the compliance global programme;
- To follow the activities of the plan of compliance;
- To follow the handling of complaints and investigation procedures;
- To propose measures to solve the non-compliance cases and monitor its resolution.

The Compliance Committee is composed as follows:

COMPLIANCE COMMITTEE
Chairman: Chairman EBD
Secretary: Head of CC Internal Audit and Compliance
Members of EBD (besides the Chairman):
Member of the EBD (Distribution)
Member of the EBD (Finance)
Member of the EBD (EDP Renováveis)
Member of the EBD (EDP Espanha)
Member of the EBD (EDP Internacional)
Member of the EBD (Sustainability)
Member of the EBD (EDP Brasil)
Member of the EBD (Legal Office)
Member of the EBD (Trading)
CC and BU members (besides the Secretary):
Head of CC General Secretariat
Head of CC Legal Office
Head of CC Risk Management
Rep. European Compliance Project

The Compliance Committee held one meeting in 2018.

III - BUSINESS COMMITTEES

GENERATION COMMITTEE

The Generation Committee's main duties are:

- Exchange information on business performance in each region, including the critical environments (regulations, etc);
- Develop a uniform view of the business and maintain multi-region benchmarking (organisation, processes and management information);
- Foster (best) common practices in selected processes or activities;
- Share unique or specialised assets (human, technological, knowledge).

The Generation Committee's membership is as follows:

GENERATION COMMITTEE
Chairman: Member of the EBD (Generation)
Secretary: Rep. EDP Produção
Members of EBD (besides the Chairman):
Member of the EBD (Spain)
Member of the EBD (Brazil)
Members CC and BU (besides the Secretary):
Board of Directors of EDP Produção
Board Member of EDP Brasil
Head of UNGE
Head of CC Energy Planning
Head of CC Sustainability
Rep. EDP Espanha (Projects)
Rep. EDP Espanha (Regulation)
Ad-hoc members:
Rep. EDP Brasil (Hydroelectric)
Rep. EDP Brasil (Sustainability)
Rep. EDP Brasil (Coal)
Rep. EDP Espanha (Generation)
Rep. EDP Espanha (Sustainability)
Rep. EDP Produção (Natural Gas)
Rep. EDP Produção (Sustainability)
Rep. EDP Produção (Coal)
Rep. EDP Espanha (Sponsor subcommittee Hydroelectric Generation)
Rep. EDP Produção (Sponsor subcommittee Sustainability)
Rep. EDP Produção (Sponsor subcommittee Natural Gas)
Rep. EDP Produção (Sponsor subcommittee Coal Production)

The Generation Committee held two meetings in 2018.

DISTRIBUTION NETWORKS COMMITTEE

The Distribution Networks Committee's duties are as follows:

- Exchange information on business performance in each geography, and promote the share of best practices between distribution networks companies;
- Develop a uniform view of the business, analysis business metrics and multi-geographical benchmarks;
- Identify and propose new initiatives to accelerate the adoption of best practices.

The Distribution Networks Committee's membership is as follows:

DISTRIBUTION NETWORKS COMMITTEE
Chairman: Member of the EBD (Distribution)
Secretary: Board Member of EDP Distribuição
Members of EBD (besides the Chairman):
Member of the EBD (Spain)
Members CC and UN (besides the Secretary):
Board of Directors of EDP Distribuição
Board Member of EDP Brasil (Distribution)
Rep. EDP Espanha (Distribution)
Rep. EDP Distribuição
General Manager EDP Brasil (Escelsa)
General Manager EDP Brasil (Bandeirante)
Board Member of Labelec
Ad-hoc members:
Board Member of EDP Inovação
Head of CC EDP University

The Distribution Networks Committee held three meetings in 2018.

IBERIAN COMMERCIAL COMMITTEE

The Iberian Commercial Committee's duties are as follows:

- Present the business evolution in each geography and in Iberia, including the respective critical circumstances (regulation, etc.); Discuss, align and issue opinions on key-issues (such as objectives, marketing plans, etc.) for the Executive Board of Directors or General and Supervisory Board approval for trading companies;
- Discuss, align and issue opinions on key-matters (such as objectives, marketing plans, etc.) for the approval of the Executive Board of Directors or the Board of Directors of power suppliers companies;
- Develop an uniform and integrated vision of the business in Iberia and keep a multi-geographical benchmarking (marketing, products, commercial and management information);
- Promote the adoption of (best) practices common to a select range of process and activities.

The Iberian Commercial Committee's membership is as follows:

IBERIAN COMMERCIAL COMMITTEE
Chairman: Member of the EBD (Trading)
Secretary: General Manager of EDP Espanha
Members of EBD (besides the Chairman):
Member of the EBD (Regulation and Competition)
Member of the EBD (Spain)
Members CC and BU (besides the Secretary):
Board Member of EDP Serviço Universal
Board Member of EDP Gás SU
Board of Directors of EDP Comercial
Board Member of EDP Soluções Comerciais
Head of CC Digital Global Unit
Head of CC Brand, Marketing and Communication Global Coordination
Rep. EDP Espanha (Sales B2B)
Rep. EDP Espanha (Sales B2C)
Rep. CC Brand, Marketing and Communication Global Coordination (Brand)
Rep. CC Brand, Marketing and Communication Global Coordination (Communication)
Ad-hoc members:
Rep. EDP Comercial (Services B2B)
Rep. EDP Comercial (Sales B2B PT)
Rep. EDP Comercial (Sales B2C PT)

The Iberian Commercial Committee held one meeting in 2018.

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 are as follows, pursuant to Article 9 of the EDP Group Companies' Customer Ombudsman Regulation:

- Receive and examine complaints filed by customers and directly related to actions or omissions by EDP Group companies;
- Enter into dialogue with customers making a complaint;
- Arbitrate disputes and conflicts between customers 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 Customer Ombudsman's term of office is three years (Article 5 (2) of the EDP Group Companies' Customer Ombudsman Regulation). In the performance of his duties, the Customer Ombudsman has an independent Customer Ombudsman Office and an annual budget (Article 20 of the EDP Group Companies' Customer Ombudsman Regulation).

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. (63.93% of EDP Servicios Financieros España, S.A.U. and 36.07% of EDP Sucursal), as well as 82.56% of EDP Renováveis, S.A share capital.

EDP Spanish Branch has offices in Madrid and 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 Management Committee. The Executive Committee is composed of five permanent EDP representatives, one Corporate General Director (Group Controller for activities in Spain), and front line managers in charge of the Business Units in Spain. This committee basically serves as the coordinator of the permanent representatives' activities. The Management Committee is chaired by the Group Controller and is a natural extension of the management departments at the EDP Corporate Centre, i.e. Environment, Sustainability and Innovation Department, Legal Department, Internal Audit Department, Financial, Management and Human Resources Department, a Procurement Department and Information Technology Department, Projects and Prevention Department and a Fundação EDP España Department, ensuring and regrouping homogeneously these position across Spain.

The Branch is represented in a EDP Iberian committee called Iberian Commercial and Market Committee.

Currently the directorate, coordination, management and representation of the Branch has the following composition:

EDP ENERGIAS DE PORTUGAL, SOCIEDAD ANONIMA, SUCURSAL EN ESPAÑA	
GOVERNING, COORDINATION, MANAGING STRUCTURE AND REPRESENTATION OF THE BRANCH (*)	
Executive Committee	
Permanent Representative of EDP	António Mexia (Chairman)
Permanent Representative of EDP	Rui Teixeira
Permanent Representative of EDP	João Manso Neto
Permanent Representative of EDP	António Martins da Costa
Permanent Representative of EDP	Miguel Stilwell de Andrade
Chairman of the Board of Directors of EDP España	Manuel Menéndez Menéndez
Corporate General Director	Miguel Ribeiro Ferreira
First Line Manager at EDP Energía	Javier Sáenz de Jubera
First Line Manager at EDP Renováveis	João Paulo Costeira
Steering Committee	
Legal Department Directorate	Pelayo Echevarria
Administration, Budget and Human Resources Directorate	Félix Arribas
Projects and Prevention Directorate	Marcos Antuña
Information Systems Directorate	Luis Ángel Rguez Villalba
Internal Audit Directorate	Azucena Viñuela
Environment, Sustainability, Innovation and Quality Directorate	Yolanda Fdez Montes
Purchases Directorate	José María Ruíz Correa
EDP España Foundation Directorate	Vanda Martins
Secretary General	José Luis Martínez Mohedano

(*) Data referring to 31 December 2018.

B) OPERATION

22. LOCATION WHERE THE OPERATING REGULATIONS OF THE GENERAL AND SUPERVISORY BOARD AND EXECUTIVE BOARD OF DIRECTORS CAN BE CONSULTED

The operations of the General and Supervisory Board and Executive Board of Directors are governed by their Internal Regulation, available on EDP's website, at www.edp.com.

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 meetings 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 11 times in 2018 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 7(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 fifty-one times in 2018 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, taking into account, among other factors, the fulfillment 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 standing committees and ad hoc 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.

The main remit of the standing and ad hoc 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.

The General and Supervisory Board holds four specialized committees: the Financial Matters Committee/Audit Committee, the Remuneration Committee, the Corporate Governance and Sustainability Committee and the Strategy and Performance 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

The Financial Matters Committee/Audit Committee is made up of five 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.

Before the Shareholders' General Meeting on 5 April 2018, the Financial Committee/Audit Committee had the following members:

FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE		FIRST APPOINTMENT DATE
Chairman	António Sarmento Gomes Mota	07-05-2009*
Vice-Chairman	João Carlos Carvalho das Neves	22/04/2015
	Alberto Joaquim Milheiro Barbosa	22/04/2015
	María del Carmen Ana Fernández Rozado	22/04/2015
	María Celeste Ferreira Lopes Cardona	18/04/2012

* Appointed Chairman on 22 April 2015

Following the Shareholders' General Meeting, the following Financial Matters Committee / Audit Committee members were elected on 6 April 2018:

FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Luís Filipe Marques Amado	06/04/2018
Vice-Chairman	João Carlos Carvalho das Neves	22/04/2015
	Clementina Maria Dâmaso de Jesus da Silva Barroso	06/04/2018
	María Celeste Ferreira Lopes Cardona	18/04/2012
	María del Carmen Ana Fernández Rozado	22/04/2015

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 relating to the Company;
- The internal procedures for auditing and the Internal Financial Reporting Control System (SCIRF);
- Matters relating to the internal risk management;
- The activity and the independence of the Statutory Auditor of the Company;
- Function of compliance.

The membership, role and functioning of the Financial Matters Committee/Audit Committee are in line with the European Commission Recommendation of 15 February 2005 (2005/162/EC), supplemented by 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.

In view of these duties, the Financial Matters Committee/Audit Committee held 15 meetings in 2018, as envisaged in its Activity Plan. The matters addressed in those meetings were: supervision of the financial reporting and business of EDP, monitoring the activity of Internal and Compliance Audit Department, monitoring the activity of the Risk Management Department of the EDP group, monitoring litigation processes in the EDP group, monitoring the activity of the Pensions Fund of the EDP Group, monitoring the contractual relationship with the Statutory Auditor, their activities and assessing the objective conditions of their independence, and monitoring reports of irregularities (whistleblowing) and the relationship with the Audit Committees of the subsidiaries.

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, defines the remuneration of the Executive Board of Directors as well as any supplements.

According to the Articles of Association, the Remuneration Committee of the General and Supervisory Board must submit a declaration on the remuneration policy followed for the members of the Executive Board of Directors and which it has approved by it.

The Remuneration Committee held two meetings during 2018, considering its duties. The following topics were discussed: (i) definition of the remuneration policy of the Executive Board Members to be submitted to the Shareholders' General Meeting and (ii) definition of the variable annual remuneration regarding 2017 financial year, as well as the multi-annual variable remuneration of the Executive Board Members' the imputable to such year. Although calculated annually, the multi-annual variable remuneration only becomes effective if, by the end of the mandate, 90% of the objectives have been achieved. The calculation was validated and certified by an external entity.

The Remuneration Committee of the General and Supervisory Board is made up of members of the General and Supervisory Board with the appropriate qualifications and experience, who are all independent from the managing body. This committee always has at least one representative at the General Meetings of Shareholders.

Following the Shareholders' General Meeting on the 5 April 2018, the General and Supervisory Board has resolved on 6 April 2018, on the reappointment of the Remunerations Committee members for the 2018-2020 triennium, having such Remunerations Committee the following members composition:

REMUNERATION COMMITTEE OF THE GENERAL AND SUPERVISORY BOARD		FIRST APPOINTMENT DATE
Chairman	Ya Yang (*)	22/04/2015
	Fernando Maria Masaveo Herrero	22/04/2015
	Ilídio da Costa Leite de Pinho	22/05/2012
	João Carlos Carvalho das Neves	22/04/2015
	Vasco Joaquim Rocha Vieira	22/04/2015

(*) Yang Ya resigned, having the General and Supervisory Board resolved to appoint Shengliang Wu as Chairman of this Committee, on 13 December 2018.

On 31 December 2018, the General and Supervisory Board Remunerations Committee had the following member composition:

REMUNERATION COMMITTEE OF THE GENERAL AND SUPERVISORY BOARD		FIRST APPOINTMENT DATE
Chairman	Shengliang Wu	13/12/2018
	Fernando Maria Masaveo Herrero	22/04/2015
	Ilídio da Costa Leite de Pinho	22/05/2012
	João Carlos Carvalho das Neves	22/04/2015
	Vasco Joaquim Rocha Vieira	22/04/2015

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;
- Strategic sustainability;
- Internal codes of ethics and conduct;
- Systems for assessing and resolving conflicts of interests, in particular pertaining to relations between EDP and its shareholders;
- To reinforce confidence in resources development including human and on matters management related to sustainability, climate and environment and the permanent quest for best practices implementations within the Group;
- Monitoring of the definition of criteria and duties to be complied with in EDP's bodies or subsidiaries and their repercussions on their membership together with EDP's Selection Policy with the criteria set forth therein on merits, position adequacy and diversity; and
- Drafting of succession plans regarding the structures and internal bodies of the Company, its subsidiaries as well as in any other entities in relation to which the Company has the right to appoint corporate bodies holders.

The topics covered in-depth at the five meetings held in 2018 of the Corporate Governance and Sustainability Committee, in compliance with its specific duties, were the following: analysis of potential relevant situations in terms of Conflicts of Interest, conduct and ethics, sustainability, human resources strategy including appointments and succession and corporate governance.

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.

Until 5 April 2018, the Corporate Governance and Sustainability Committee had the following members:

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Luís Filipe Marques Amado	22/04/2015
	Felipe Fernández Fernández	22/04/2015
	Jorge Avelino Braga de Macedo	22/04/2015
	Maria Celeste Ferreira Lopes Cardona	18/04/2012
	Shengliang Wu	11/05/2012

Following the Shareholders' General Meeting on 5 April 2018, the following members of the Corporate Governance and Sustainability Committee were appointed on 6 April 2018, having this Committee the following composition:

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Luís Filipe Marques Amado	22/04/2015
	Augusto Carlos Serra Ventura Mateus	06/04/2018
	Felipe Fernández Fernández	22/04/2015
	Jorge Avelino Braga de Macedo	22/04/2015
	Maria Celeste Ferreira Lopes Cardona	18/04/2012
	Shengliang Wu	11/05/2012
	Yinsheng Li	06/04/2018

On 31 December 2018, the Corporate Governance and Sustainability Committee member composition was the following:

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Luís Filipe Marques Amado	22/04/2015
	Augusto Carlos Serra Ventura Mateus	06/04/2018
	Felipe Fernández Fernández	22/04/2015
	Ignacio Herrero Ruiz (*)	13/12/2018
	Jorge Avelino Braga de Macedo	22/04/2015
	Maria Celeste Ferreira Lopes Cardona	18/04/2012
	Yinsheng Li	06/04/2018

(*) Following the resignation tendered by Shengliang Wu as China Three Gorges (Europe), S.A. representative, Ignacio Herrero Ruiz was appointed on 13 December 2018.

STRATEGY AND PERFORMANCE COMMITTEE

The Strategy and Performance Committee seeks to follow and supervise the questions regarding the following matters at all times:

- The short-, medium- and long-term scenarios and strategies;
- The strategic implementation, business planning and the respective budgets;
- The investments and divestments;
- Debt and funding;

- Strategic alliances;
- Market and competitiveness evolution;
- Regulation;
- Analysis of the performance of the Group and the Business Units;
- The benchmarking of the Company group performance compared with the companies at the top of the sector;
- The assessment of the competitiveness of the EDP business portfolio.

Until 5 April 2018, the Strategy and Performance Committee is composed of the following members:

STRATEGY AND PERFORMANCE COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Eduardo de Almeida Catroga	18/06/2015
	Alberto Joaquim Milheiro Barbosa	18/06/2015
	Augusto Carlos Serra Ventura Mateus	18/06/2015
	Dingming Zhang	18/06/2015
	Ferhat Ounoughi	18/06/2015
	Fernando Masaveu Herrero	18/06/2015
	João Carvalho das Neves	18/06/2015
	Jorge Avelino Braga de Macedo	18/06/2015
	Mohammed Issa Khalfan Alhuraimel Alshamsi	02/11/2017
	Shengliang Wu	18/06/2015

Following the above referred Shareholders General Meeting, the new members of the Strategy and Performance Committee were appointed on 6 April 2018, having such Committee the following composition:

STRATEGY AND PERFORMANCE COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Eduardo de Almeida Catroga	18/06/2015
	Augusto Carlos Serra Ventura Mateus	18/06/2015
	Dingming Zhang	18/04/2015
	Karim Djebbour	06/04/2018
	Fernando Masaveu Herrero	18/06/2015
	Jorge Avelino Braga de Macedo	18/06/2015
	Mohammed Issa Khalfan Alhuraimel Alshamsi	02/11/2017
	Shengliang Wu	18/06/2015
	Nuno Manuel da Silva Amado (*)	18/06/2015
	Laurie Lee Fitch	06/04/2018
	Vasco Rocha Vieira	06/04/2018

(*) Nuno Amado was appointed as member of this Committee between 18 June 2015 and 2 November 2017.

On 31 December 2018, the Strategy and Performance Committee was composed by the following members:

STRATEGY AND PERFORMANCE COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Eduardo de Almeida Catroga	18/06/2015
	Augusto Carlos Serra Ventura Mateus	18/06/2015
	Fernando Masaveu Herrero	18/06/2015
	Ignacio Herrero Ruiz (*)	13/12/2018
	Jorge Avelino Braga de Macedo	18/06/2015
	Karim Djebbour	18/06/2015
	Laurie Lee Fitch	06/04/2018
	Mohammed Issa Khalfan Alhuraimel Alshamsi	02/11/2017
	Nuno Manuel da Silva Amado	18/06/2015
	Shengliang Wu	06/04/2018
	Vasco Rocha Vieira	06/04/2018

(*) Appointed on 13 December 2018, following the resignation presented by Dingming Zhang, as representative of China Three Gorges International Corp.

In 2018, the Strategy and Performance Committee held seven meetings with the following themes being discussed: the performance within the capital market, the competitiveness of EDP, the rentability of EDP Group in terms of geography and by Business Unit, the analysis of the performance of conventional generation, the follow-up on the execution of a strategic plan and budget and the monitoring of EDP budget of EDP for 2019.

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 company 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 were re-elected at the Annual General Meeting of Shareholders on 21 April 2015 for a new term of office for the three-year period between the 2015-2017 triennium, having held their office until the Shareholders' General Meeting which took place on 5 April 2018 with the following composition:

ENVIRONMENTAL AND SUSTAINABILITY BOARD	
Chairman	José Pedro Sucena Paiva
	Alberto da Ponte*
	António José Tomás Gomes de Pinho
	José Manuel Viegas
	Maria da Graça Madeira Martinho

* Has ceased functions on 21 January 2017

On 5 April 2018, the following Environmental and Sustainability Board were appointed:

ENVIRONMENTAL AND SUSTAINABILITY BOARD	
Chairman	José Manuel Viegas
	António José Tomás Gomes de Pinho
	Joana Pinto Balsemão
	Joaquim Poças Martins
	Pedro Oliveira

The Environment and Sustainability Board held three meetings in 2018.

REMUNERATION COMMITTEE OF THE GENERAL MEETING

The remuneration of the corporate bodies, with the exception of the members of the Executive Board of Directors, is defined by the Remuneration Committee elected by the General Meeting (Article 11 (2) (d) of EDP's Articles of Association).

Pursuant to this Article, the majority of the members of the Remuneration Committee of the General Meeting must be independent.

On the Shareholders' General Meeting dated 5 April 2018, the members of the Remuneration Committee of the General Meeting were re-elected for the 2018-2020 triennium, having the following composition:

REMUNERATION COMMITTEE OF THE GENERAL MEETING	
Chairman	Luís Miguel Nogueira Freire Cortes Martins
	José Gonçalo Maury
	Jaime Amaral Anahory

III. SUPERVISION

A) COMPOSITION

30. THE SUPERVISORY BODY

EDP's two-tier model of corporate governance 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 FINANCIAL MATTERS COMMITTEE - EFFECTIVE MEMBERS AND TERM OF OFFICE

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 made up of five 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 Vice-Chairman, which can be consulted in Annex I of this Report.

This Committee is always presided by the General and Supervisory Board Chairman in the case he is an independent member.

The Financial Matters Committee / Audit Committee currently has the following composition:

FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE		FIRST APPOINTMENT DATE
Chairman	Luís Filipe Marques Amado	06/04/2018
Vice-Chairman	João Carlos Carvalho das Neves	22/04/2015
	Clementina Maria Dâmaso de Jesus da Silva Barroso	06/04/2018
	Maria Celeste Ferreira Lopes Cardona	18/04/2012
	María del Carmen Ana Fernández Rozado	22/04/2015

32. INDEPENDENT MEMBERS OF THE FINANCIAL MATTERS COMMITTEE

See Item 31 of this Report.

33. QUALIFICATIONS OF MEMBERS OF THE FINANCIAL MATTERS COMMITTEE

See Annex I of this Report.

B) OPERATION

34. LOCATION AT WHICH THE OPERATING PROCEDURES OF THE FINANCIAL MATTERS COMMITTEE/AUDIT COMMITTEE CAN BE VIEWED

The Financial Matters Committee / Audit Committee's work is governed by Internal Regulation, available on EDP's website at www.edp.com.

35. MEETINGS AND ATTENDANCE RATE OF EACH MEMBER OF THE FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE

In 2018, the Financial Matters Committee/Audit Committee met 15 times and minutes of its meetings were kept. Information on the attendance rate of the Committee's members is given in Annex V of this Report as well as in the Annual General and Supervisory Board Report.

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 Financial Matters Committee / Audit Committee delegated to it by the General and Supervisory Board 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

On the Shareholders' General Meeting dated 21 April 2015, KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A. (KPMG), represented by Vítor Manuel da Cunha Ribeirinho, was elected EDP's Statutory Auditor for 2015-2017 at the General Meeting of 21 April, 2015, having held office until the 5 April 2018 Shareholders' General Meeting. On such date, PricewaterhouseCoopers & Associados - Sociedade de Revisores de Contas, Lda., statutory auditor company number 183, represented by João Rui Fernandes Ramos (auditor number 1333), was elected for the 2018-2020 triennium, having also on such date, Aurélio Adriano Rangel Amado (auditor number 1074) been elected as Alternate Statutory Auditor for the 2018 – 2020 triennium.

40. NUMBER OF YEARS FOR WHICH THE STATUTORY AUDITOR HAS WORKED CONSECUTIVELY WITH THE COMPANY AND/OR GROUP

The statutory auditor KPMG has worked with the Company between 31 January 2005 and 5 April 2018, having on such date had taken office as Statutory Auditor the statutory auditor company PriceWaterhouseCoopers.

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

Until the Shareholders' General Meeting of 5 April 2018, EDP's External Auditor was KPMG and Vítor Manuel da Cunha Ribeiro, manager of auditing at KPMG, was the partner in charge of overseeing and performing audits of the EDP Group's accounts. KPMG is registered with the CMVM under number 9093. As from such date, PriceWaterhouseCoopers was appointed External Auditor, being João Rui Fernandes Ramos the partner in charge of overseeing and performing audits of the EDP Group's accounts, being PriceWaterhouseCoopers registered before the CMVM with the number 20161485.

The external auditor performs the necessary audit work to ensure the reliability of the financial reporting and credibility of the accounting documents.

The external 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 external 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 External Auditor was KPMG between December 2004 and April 2018, having Vítor Manuel da Cunha Ribeirinho been the external audit partner. As from 5 April 2018, PriceWaterhouseCoopers was elected, having been appointed João Rui Fernandes Ramos as the partner in charge on such date.

44. POLICY ON AND FREQUENCY OF ROTATION OF EXTERNAL AUDITOR AND CERTIFIED AUDITOR PARTNER REPRESENTING IT

The rotation of the external 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 external auditor and the advantages and costs of replacing them.

Considering the rules referring to the mandatory rotation of the external auditor and of the statutory auditor, pursuant to Article 54 (3)(4) of the New By-Laws of the Association of the Statutory Auditors, and that the current mandate of KPMG finished by 31 December 2017, such rotation was fulfilled for the service provision of statutory auditor and external 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 analyzing 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 as statutory audit for the 2018-2020 triennium.

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 external auditor and 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 external auditor and 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 External 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 website www.edp.com.

In 2018, the following services were performed by the external auditor:

AUDIT SERVICES AND STATUTORY AUDIT:

- Necessary services (including internal control procedures required as part of audits) for the issue of the External 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 Legal Certifications of Accounts.

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;
- Assurance of reliability on the Internal Control System on Financial Reporting;
- Assurance of reliability on the Sustainability information;
- Assurance of reliability on annual financial information of regulated activities;
- Comfort letters issuance;
- Opinion on the Consumption Efficiency Promotion Plan (PPEC);
- Opinion over carve-out and mergers under the terms of Commercial Companies Act.

OTHER SERVICES:

- Support on human capital benchmark;
- Support on a proposal preparation in a tender process for the development of a wind farm project;
- Support on blockchain technology.

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 External Auditor and did not foster any situation of personal interest in relation to the guarantee of independence given by the External Auditor.

The services that are not related with Audit and statutory audit of accounts requested by Group entities to the External Auditor and to other entities belonging to the same network, amounted to 1.282.585 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 is responsible for conducting an independent external audit of all the EDP Group companies in Portugal, Spain, Brazil (only in EDP Renováveis) and USA, as well as in other countries in which the Group operates. In the subgroup of EDP Brasil independent external auditing is conducted by KPMG.

In 2018, the recognised, specialised costs of the fees of PriceWaterhouseCoopers and KPMG 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:

PRICewaterhouse COOPERS

EUROS	PORTUGAL	SPAIN	BRAZIL	UNITED STATES OF AMERICA	OTHER COUNTRIES	TOTAL
Audit and statutory audit of accounts	2 277 292	973 510	127 952	1 010 139	809 827	5 198 720
Other assurance of reliability services (*)	639 465	235 994	-	-	-	875 459
Total of audit and assurance of reliability services	2 916 757	1 209 504	127 952	1 010 139	809 827	6 074 179 94%
Tax consultancy services	-	-	-	-	-	-
Other services	350 316	28 800	16 368	11 642	-	407 126
Total of other services	350 316	28 800	16 368	11 642	-	407 126 6%
Total	3 267 073 50%	1 238 304 19%	144 320 2%	1 021 781 16%	809 827 12%	6 481 305 100%

(*) Includes assurance of reliability services of the exclusive competence and responsibility of the Statutory Auditor and External Auditor in accordance with the regulations on services provided approved by the General and Supervisory Board.

The audit and statutory audit of accounts in Portugal include 1,453,100 Euro related with statutory audit fees, on a company and in consolidated basis, of EDP - Energias de Portugal, S.A.

KPMG

EURO	BRAZIL	TOTAL
Audit and statutory audit of accounts	710 695	710 695
Other assurance of reliability services	67 781	67 781
Total of audit and assurance of reliability services	778 475	778 475 100%
Tax consultancy services	-	-
Other services	-	-
Total of other services	-	- 0%
Total	778 475 100%	778 475 100%

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 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) of EDP's Articles of Association) provided that a favourable prior opinion of the General and Supervisory Board is obtained. Pursuant to the general rule set out in Article 410 (7) of the Company Code, by reference to Article 433 of this code, these decisions by the Executive Board of Directors must be passed by a majority of the votes of the directors present or represented.

II. WHISTLEBLOWING

49. WHISTLEBLOWING POLICY AND CHANNELS

The EDP Group has consistently implemented measures to ensure the good governance of its companies, including the prevention of incorrect practices, particularly in the areas of accounting and finance and, for this purpose, approved, on 24 January 2019, a new Whistleblowing Procedures Regulation.

EDP provides Group employees with a channel that enables them to report any alleged unlawful practice or accounting or financial irregularity in their company directly and in confidence to the Financial Matters Committee / Audit Committee of the General and Supervisory Board.

With the creation of this channel for reporting irregular accounting and financial practices, EDP aims at:

- Ensuring that any employee can freely communicate his/her concerns in these fields to the Financial Matters Committee / Audit Committee;
- Facilitating the early detection of irregular situations that, if they occurred, might cause serious damage to the EDP Group, its employees, customers and shareholders.

The Financial Matters Committee / Audit Committee can be contacted by email, fax and post and access to information received in this regard is restricted. The members of this committee are authorised to receive these reports.

All complaints sent to the Financial Matters Committee / Audit Committee are treated in strict confidence and the complainant remains anonymous, unless this prevents investigation of the complaint.

Pursuant to the Regulation, EDP guarantees that whistleblowing employees will not suffer any reprisals or disciplinary action for exercising their right to report irregularities, provide information or assist in an investigation.

The Financial Matters Committee / Audit Committee informed the General and Supervisory Board of its work as part of the whistleblowing mechanism in 2018, having concluded that during 2018 one complaint was received and processed by the

Financial Matter/Audit Committee The communication received is related to one complaint within matters covered as defined on the Regulation and therefore the Committee is responsible to instruct, conduct and supervise the investigative process, having been forwarded to the Internal Audit and Compliance Department, in order to perform a specific audit to the contractual and professional relations between EDP and a service provider identified in the complaint. At the end of 2018, the received complaint was still under investigation.

EDP makes available, at its website, greater detail regarding the Whistle Blowing Procedures' Regulation to adopt in what concerns to Communication of Erroneous Procedures (www.edp.com/en/investors/corporate-governance/whistle-blowing).

III. INTERNAL CONTROL AND RISK MANAGEMENT

50. PEOPLE, BODIES OR COMMITTEES RESPONSIBLE FOR INTERNAL AUDITS OR IMPLEMENTATION OF INTERNAL CONTROL SYSTEMS

Internal control matters are the responsibility of the Corporate Centre, which plays a structural role in assisting the Executive Board of Directors in defining and overseeing implementation of strategies, policies and goals.

The most important of the Corporate Departments and Business Units in terms of internal control are the Internal Audit and Compliance Department and the Risk Management Department.

The former performs internal audits or ensures that they are performed in the Group. It is also responsible for the financial reporting internal control system (SCIRF) and for the compliance role in the Group, with a view to an independent assessment of the internal control system and implementation of measures to make it more effective by optimising and aligning processes and systems.

The Risk Management Department's main responsibility is to coordinate the Group's risk assessment studies in order to assist the Executive Board of Directors in controlling and mitigating them and provide integrated risk-return analyses.

Under the law, the General and Supervisory Board permanently oversees and evaluates internal accounting and auditing procedures, the efficacy of the risk management system, the internal control system and the internal auditing system, including the way in which complaints and queries from employees and others are handled. This duty has been assigned to the Financial Matters Committee / Audit Committee, which, among other tasks, permanently monitors and supervises:

- EDP's financial matters and accounting practices;
- Internal auditing procedures, the company's accounting practices and the internal control system for financial information and financial reporting;
- Matters relating to the risk management system;
- The activity and independence of the Statutory Auditor of the Company;
- The function of compliance.

51. DESCRIPTION OF HIERARCHICAL AND/OR FUNCTIONAL DEPENDENCY ON OTHER COMPANY BODIES OR COMMITTEES

The Internal Audit and Compliance Department belongs to the Corporate Centre and although it is answerable to the Executive Board of Directors, it reports in practice to the Financial Matters Committee / Audit Committee. The Department's work is supervised by the Financial Matters Committee / Audit Committee, which approves the annual internal audit plan before it is sent to the Executive Board of Directors and monitors its systematic implementation.

52. OTHER COMPANY AREAS WITH RISK CONTROL DUTIES

The management of risk 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 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 Group 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.

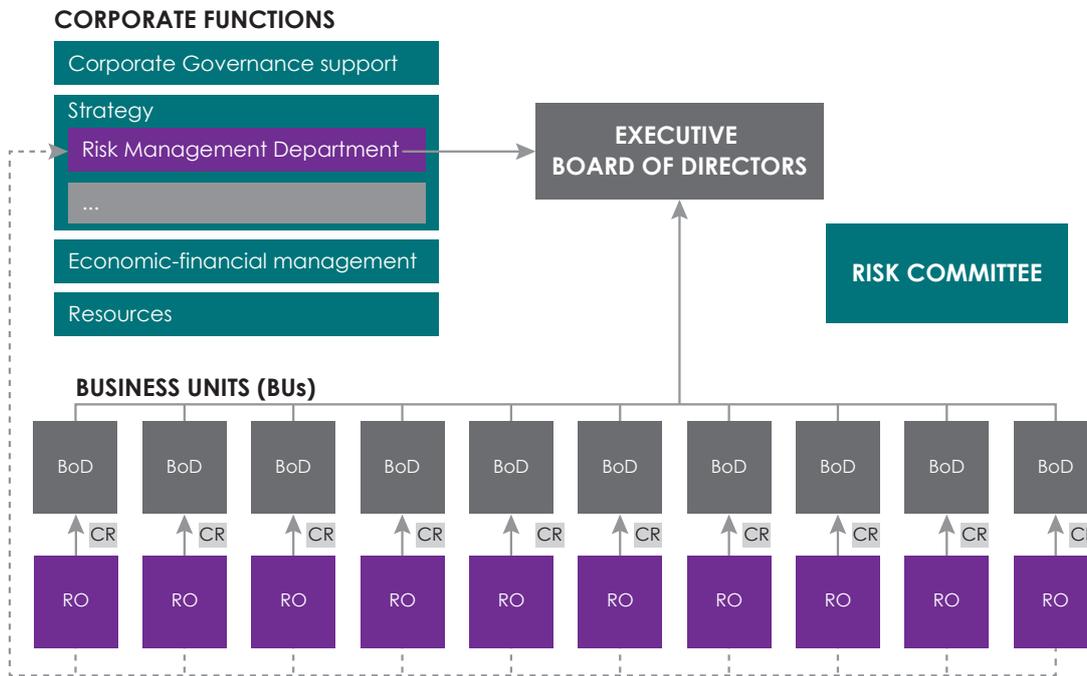
The integration of risk management in the most relevant business and decision-making processes is promoted as part of i) strategic development, ii) investment decisions, iii) business plan and iv) operations management, with the purpose of ensuring stability in results and optimize its response to changes in context and opportunities.

The risk management process is structured around 3 lines of defense (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:

- The **General and Supervisory Board** (GSB), in particular the Financial Committee/ Audit Committee, is responsible for monitoring on a permanent basis and evaluating internal procedures for accounting and auditing, in addition to the efficacy of the risk management system, the internal control and the internal auditing systems, including the way in which complaints and queries are received and processed, whether originating from employees or not. The General and Supervisory Board is additionally involved in the Group's Strategic Plan, ensuring, implicitly, an alignment between management and shareholders regarding risk appetite.
- The **Executive Board of Directors** (EBD) is the highest body responsible for risk-related decision-making, supervision and management control. It is responsible for the approval of the business plan, for setting the management objectives and policies of the EDP Group. It is responsible, among other duties, for defining the Group's risk exposure, in line with the best practices in risk management procedures and policies (namely, the respective exposition limits by risk category), as well as the allocation of resources, depending on the risk-return profile of the various options available.
- The **Risk Management Department**, headed by the Chief Risk-Officer, establishes an integrated and holistic view of the Group's risk position (top-down perspective), supporting the prioritization and coordination of cross-cutting initiatives, offering a segregated and business-independent view regarding key risks. Its main responsibilities are: i) to maintain and update an inventory of the Group's most significant risks and fostering their implementation in the various Business Units and Corporate Departments; ii) to promote and monitor the implementation of the management and control actions regarding the Group's most significant risks; iii) to systematically measure specific risks and conduct risk-return analyses, noting and reporting adjustment needs when necessary; iv) to define main concepts, methods and risk measures and Key Risk Indicators (KRI), supplementary to the Key Performance Indicators (KPI); v) to develop and support projects and

initiatives aimed at the effective improvement of the management process of significant risks; and vi) to support the Executive Board of Directors in the risk management and business continuity areas.

- The **Management of Business Units and Corporate Departments** is the first responsible for an integrated risk management in each of their business areas. Its main responsibilities are: i) to propose and approve (through the respective Board of Directors) the definition of key principles for risk management, aligned with the orientations defined by corporate policies; ii) to ensure that the risks within the scope of their activity are identified, analyzed and evaluated broadly, rigorously and consistently throughout the Group, using established methodologies; iii) to optimize the risk/ return trade-off of their activity, aligned with the orientations established by the Executive Board of Directors, regarding the definition and implementation of risk management strategies, implementation of effective initiatives in treatment costs of key risks, the clear and equilibrated allocation between parties in case of internal or external contract of products or services and the definition of mechanisms and levels of residual risk transference (insurance); iv) to monitor and report periodically their risk position, by the definition and regular monitoring of KRIs, risk reports and the evaluation of existing risk controls; and v) to highlight key aspects of risk management to their respective risk-officers, Risk Management Department and appropriate decision makers.
- **Local structures for risk management (risk-officers)** assume a key role on operationalizing risk management. Typically, they report hierarchically to a member of the respective Board of Directors, and in coordination with EDP Group Chief Risk-Officer, acting independently from business operation. In large and/ or particularly complex Business Units local replicas of risk management corporate structure exist, articulated with the Risk Management Department. Their responsibilities include: i) to identify and characterize through quantification and qualification the materiality of key risks (both threats and opportunities), within the scope of their activity and in articulation with the business; ii) to perform studies on key strategic issues and associated risks, in close articulation with the business and the Risk Management Department; iii) to support the Board of Directors and Departments on decision making, in the perspective of risk; iv) to advise on mitigation and hedging strategies for key risks; v) to monitor and report key risks to decision makers and Risk Management Department, to implement policies and procedures, including the follow-up of expositions vs. established risk limits, the systematic register of incidents and quasi-incidents, including the characterization of events and its quantitative impact; vi) to develop and promote methodologies to analyze, evaluate and treat actual and emerging risks and support its implementation; vii) to coordinate initiatives regarding crisis management and business continuity; viii) to coordinate the existing Risk Committees (if applicable); and ix) to provide adequate risk related information to the Risk Management Department, decision makers, and remaining relevant stakeholders.



— Hierarchical Reporting
 - - - Functional Reporting

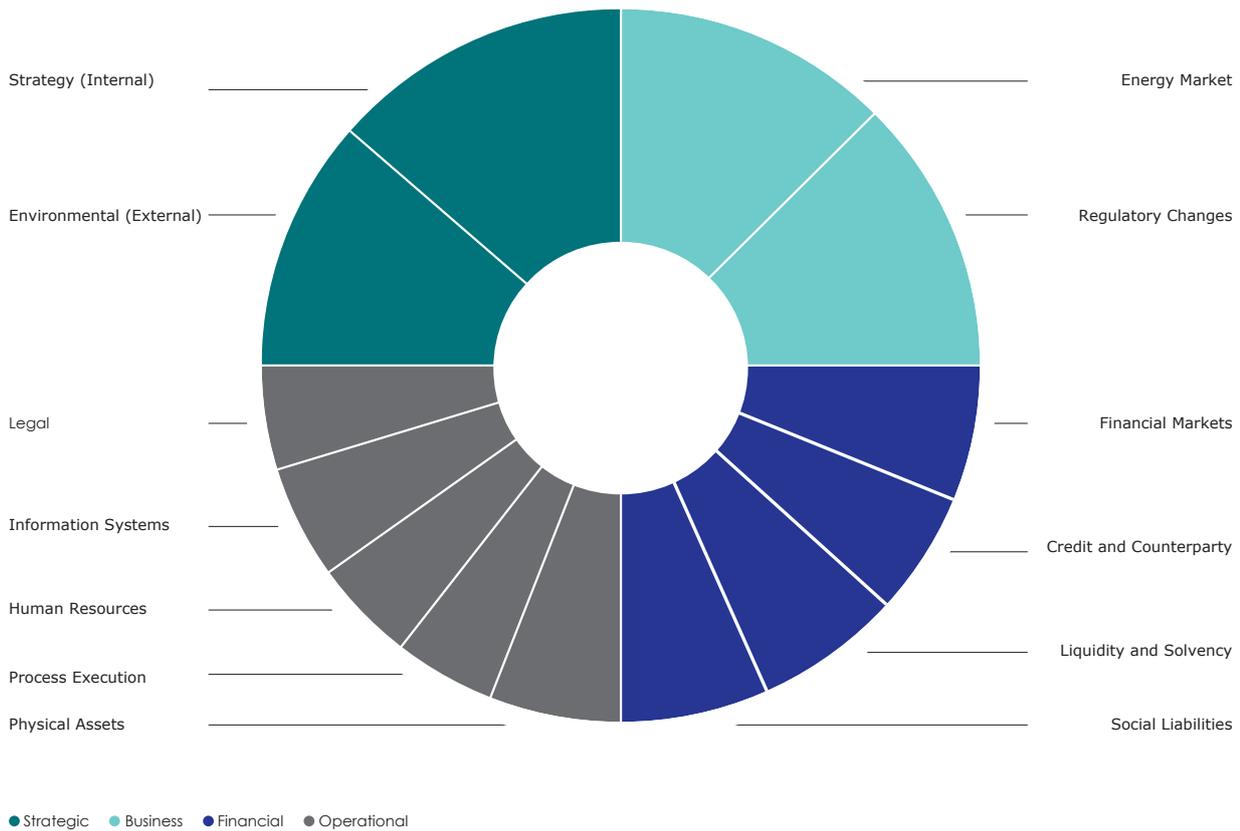
Model for risk function report at EDP Group (and communication with the corporate centre)

Furthermore, there are a number of regular forums for the discussion, analysis and issue of opinions on risk-related topics:

- **EDP Group Risk Committee** has the main objective of supporting the decisions of the Executive Board of Directors in the identification, assessment, management and control of risk, in terms of: i) supporting the identification of significant risks and the characterization of the EDP Group's risk profile; ii) discussing relevant risk analysis and evaluation projects results developed with Business Units and Corporate Departments; iii) advising and/ or recommending risk management strategies (e.g., regarding policies, procedures and limits); and iv) monitoring and controlling the evolution of significant risks. This Committee is held at half-yearly intervals (at least). It is composed of the key decision makers and those responsible for the Group's risk management (the Executive Board of Directors, the Corporate Centre and selected Business Units).
- **The Individual Risk Committees** are set up and held at Business Unit levels when the degree of complexity of risk management justifies such, taking on a structure replicated from the Group's Risk Committee. These Committees are composed of the key decision makers and those responsible for risks of each Business Unit, typically coordinated by the respective risk officer.

53. THE MAIN TYPES OF ECONOMIC, FINANCIAL AND LEGAL RISK TO WHICH THE COMPANY IS EXPOSED IN ITS BUSINESS

The taxonomy of risks for the EDP Group combines in an integrated approach and in common language the various mapped risks existing in relation to the Group's several Business Units, structured around four major families: strategic, business, financial and operational.



EDP Group risks' taxonomy

STRATEGIC RISKS

The EDP Group closely monitors and reports on strategic risks, since it considers that these risks may have a significant impact if they occur. The strategic risks can be broken down into two different types:

- **Risks of the surrounding context**, associated with external developments that may have a negative material impact on the Group, in particular but not limited to, severe macro-economic, social/ or political crisis in core geographies for the Group, technological disruptions of various kinds, profound changes resulting from climate change and disruptive changes in competitive paradigm.
- **Regarding the risk of a macro-economic, social and/ or political crisis in the geographies where the Group is present**, the stability of public deficit and of the interest rate of public debt in Portugal and Spain, as well as the stability of political context, suggest a material reduction of the probability of actual occurrence of these risks. However, some geographies where EDP operates, namely Brazil, are living challenging macroeconomic cycles, which may be materialized in increased volatility of financial markets with direct impact in EDP operations.

- **Regarding technological disruption**, the EDP Group has sought to position itself at the forefront of technological development in the sector, looking at this issue not as a threat but as a central vehicle for promoting growth in the future. The EDP Group has accordingly actively and transversely invested in and investigated the promotion of new technologies in the various stages of the value chain (namely EDP Inovação activity level, and through the development of the digital acceleration program EDPX in 2018, resulting in the creation of a unit dedicated to digitalization – Digital Global Unit).
- **Regarding climate change**, such changes may have a significant and across-the-board impact on the various stakeholders over the medium to long term (e.g., in terms of average temperatures, average sea levels, structural changes in water and/or wind volumes, or the incidence of extreme climatic events). In this regard, the Group has decisively invested over the recent years in strengthening its portfolio of renewable energy as well as in a concerted strategy of environmental sustainability, which has been internationally recognized, not only in order to reduce its ecological footprint, but also to ensure its resilience to the possible materialization of risks deriving from climate change.
- **Regarding disruptive changes to the competitive paradigm**, the Group recognizes the risks associated with changes to the business model paradigm (e.g., in relation to distributed generation). The EDP Group addresses this risk through meticulous analyses and prospective investments, allowing to proactively anticipate and adapt the business model to possible market development trends.
- **Strategic risks**, associated with investment decisions, relationships with key partners (shareholders and others), internal governance and corporate planning (in its various forms).
 - **Regarding investment decisions**, EDP's growth strategy implies the constant evaluation and decision-making in relation to investment options that allow it to implement the strategy established and approved by its shareholders. Accordingly, a meticulous and consistent process is defined across the Group, with pre-established criteria¹ for analysis, decision-making and monitoring of projects. This process is conducted at the corporate level by the Business Analysis Department, locally supported by the various Business Units. Additionally, Investment Committees regularly meet to discuss, monitor and advice on i) investment analysis and decisions; ii) compliance with investment implementation schedules; and iii) evaluation of impact of detected or potential deviations. These forums are performed both at the Business Unit level and at the corporate level, involving decision-makers and key experts of the Group in the relevant fields.
 - **Regarding the relationship with partners (shareholders and others)**, the EDP Group has a solid and stable core of shareholders, which is aligned with and actively participates in the Group's strategy. On the other hand, the EDP Group is guided by strict criteria at all levels for the selection of its partners in the various countries and business areas in which it operates, the management of which is led by the Executive Board of Directors, Business Units and Institutional Relations and Stakeholders Department.
 - **Regarding internal governance**, the Group considers that the design and implementation of its various corporate bodies ensures compliance with the best international practices on this topic (see previous section for more information).
 - **Regarding corporate planning** (particularly in terms of brand and communication, investor relations, human resources, information systems, business strategy, and others) the Group believes that the current structures and processes allow it to adequately manage these risks.

¹ Particularly related to the definition of minimum return levels, up to date and geography/ business line-specific discount rates as well as to the resilience to multiple adverse scenarios of delays, overruns, fluctuations in key business variables, political environment and regulations

BUSINESS RISKS

The business risks encompass all risk factors intrinsically related with the remuneration of the core activities of the EDP Group in the generation, distribution and sale of energy in the various countries and markets where it operates. The business risks can be broken down into two different types:

- **Energy market risks**, related to electricity prices (pool) and other commodities, renewable energy generating volumes (hydro, wind and solar power), energy consumption (associated with demand) and supply margins.
 - **Regarding price of electricity**, the impact is limited by the fact that a significant share of generation is contracted in the long term, especially in relation to EDP Renováveis and most of the installed capacity in Brazil. Currently, generation subject to market price fluctuations includes: i) all ordinary status generation in Portugal and Spain; ii) generation in Brazil in excess of or in deficit to the PPA; and iii) part of the wind energy farms of EDP Renováveis in Spain, US, Poland and Romania. The Energy Management Business Unit (UNGE) is responsible for proactively acting in the MIBEL² and other forward markets (including OTC) in order to optimize the margin of market generation and limit the respective risk, according to the delegation of powers clearly established and ensuring periodic P@R - "Profit at Risk" reporting, based on a proprietary model. Energy Management Business Unit (UNGE)'s operations are adequately framed by a specific risk policy, including exposure limits.
 - **Regarding the price of other commodities** (mostly fuel and CO₂), subject to fluctuation due to supply and demand dynamics or changes in international legislation and relevant only to power plants exposed to market risk, this risk is monitored and proactively managed by the Energy Management Business Unit (UNGE), which negotiates and manages coal and gas contracts and CO₂ allowances. It is also responsible for mitigation of the fuel prices risk via hedging (including foreign exchange risk in USD, in coordination with the Financial Management Department).
 - **Regarding renewable energy generation volumes**, the EDP Group has a degree of material exposure to this risk, particularly in relation to water volume (Wind Energy Capability Index³ tends to be less volatile than the Hydroelectric Capability Index⁴, on an annual basis), arising from its increasing focus on a generation portfolio with ever greater renewable energy, as well as its hydro portfolio in Portugal and Brazil. It should be noted that although this risk may introduce some volatility in annual results, it has a significantly lower impact on the long-term value of EDP's generation assets portfolio, since it i) diversifies inter-annually; ii) diversifies through technologies, somehow compensating volume vs. price with the remaining technologies (lower hydro productivity is, in part, compensated by higher thermal production at typically higher prices) and iii) is uncorrelated with the market. On the other hand, exposure in Brazil is significantly mitigated by i) the fact that there is hydrological diversification throughout the country (through financial coupling mechanisms); as well as ii) the fact that a PPA on fixed energy generation is established; and iii) the fact that the Group joined, in the end of 2015, the hydro risk renegotiation mechanism, which combined with the cap on PLD⁵ price limits the exposure to the deficit of allocated energy relative to energy sold in PPA (for the Regulated Environment).
 - **Regarding energy consumption** (electricity and gas), the EDP Group is subject to fluctuations in the amounts of energy sold (depending on factors such as, among others, economic activity and annual temperatures). A trend of recuperation of energy sales has been noted in the last year, as the result of a rise in economic activity in Portugal and Spain, although limited by the proliferation of energy efficient solutions. Consumption can also be affected, besides such economic cycle fluctuations and energy efficient solutions, by situations of rationing (as happened in Brazil in 2001). Government estimates indicate a low probability of rationing in Brazil, due to the progressive normalization of hydro affluences and consequently reservoir levels (figures above homologous periods) as well as a moderate rise in demand as a consequence of the current macro-economic context. This risk, like the previous one, is difficult to mitigate by itself. EDP chooses to manage it through diversification across multiple technologies, countries and business lines.

² Iberian electricity market

³ Ratio between the yearly wind energy output vs. reference year

⁴ Ratio between the yearly hydro energy output vs. reference year

⁵ Of R\$ 505,18/MWh in 2018

- **Regarding sales margins**, the current customer migration to the free market enhances the aggressiveness of offers from suppliers and can add additional volatility in terms of market shares and unit margins. Moreover, there is risk associated with deviations in actual consumption from the forecasting model adopted by the Group. These risks are managed by the Group's energy sales companies, with particular emphasis on initiatives to i) strengthening the core offer (e.g., through combined electricity and gas products); and ii) introducing innovative products and services (e.g., Funciona and Re:dy). In addition, the Prices and Volumes Committee evaluates and regularly makes recommendations for the dynamic management of this risk.
- **Regulatory risks**, related to changes in legislation and regulations that the Group is required to comply with in the various countries and markets in which it operates (in particular, but not limited to, sectoral packages, regulatory frameworks, environmental legislation and taxes, and other). This risk is managed proactively by the EDP Group, through monitoring and thorough preparation of the various dossiers and adopting a constructive and cooperative attitude in their discussion. This allows the materialization of options out of synch with reality in the different market contexts in which the Group operates to be anticipated and minimized.

FINANCIAL RISKS

The financial risks encompass the market risk factors linked to the (non-operational) energy business of the EDP Group in the various countries and markets where it operates. Financial risks can be divided into four different types:

- **Financial variables risks**, associated with fluctuations in international markets in interest rates, exchange rates, inflation and valuation of financial assets held by the Group.
 - **Regarding interest rates**, the risk is mainly associated with the percentage of debt at floating rates, as well as any increases in costs associated with fixed rate debt refinancing needs in a context of rising current interest rates. This risk is managed and mitigated by the Group's Financial Management Department, which ensures compliance with the risk profile, using the procedures and tools provided by the Group's risk policies. Periodic reports on the evolution of these variables and sources of risk are prepared.
 - **Regarding foreign currency exchange rates**, the risk is associated with fluctuations in the cost of the purchase and sale of electricity and fuel and with the cost of investments denominated in foreign currencies, as well as fluctuations in the value of net assets, debt and income denominated in foreign currencies. The EDP Group acts proactively in order to ensure a broadly balanced net structural exposure (assets - liabilities) in USD, GBP and CAD. On the other hand, the geographical diversification (and exposure to multiple currencies) contributes for the reduction of annual result volatility. The remaining risks are managed and mitigated by the Group's Financial Management Department, in conjunction with the Energy Management Business Unit (UNGE), EDP Renováveis and EDP Brasil, in the same way as above.
 - **Regarding inflation**, the risk is mainly associated with the fluctuation of operating revenues and costs in the various countries where the EDP Group operates. In terms of mitigation, the revenue models of regulated activities as well as part of the PPAs include inflation pegging components in order to preserve adequate revenue for the business activity. A significant component of the Group's current business activities is also focused on markets with stable inflation rates. For the remaining risk, as well as active management of the various supply and services contracts, the EDP Group addresses this risk from an integrated perspective, mitigating it through an appropriate debt profile (fixed rate/floating rate) aligned with the revenues profile.
 - **Regarding the valuation of financial assets**, EDP adopts a conservative risk policy with reduced levels of exposure, based on a reduced weight of strategic financial assets and short-term cash investments mainly based on bank deposits (without market risk). This risk mainly results from the possibility of devaluation of the financial assets that EDP

holds (traded on securities markets). It is managed according to the procedures and tools provided by the Group's risk policies.

- **Counterparty and credit risks**, associated with unexpected changes in the compliance capacity with obligations by customers, financial counterparties (mainly associated with deposits in financial institutions and financial derivatives) and energy counterparties.
 - **Regarding financial counterparties**, this risk is managed through: i) a careful selection of counterparties; ii) an appropriate diversification of risk over multiple counterparties; iii) an exposure based on financial instruments of reduced complexity, high liquidity and of a non-speculative nature; and iv) regular monitoring of the positions held.
 - **Regarding energy counterparties**, this risk is reduced for operations in an organized market. For operations in over-the-market markets and fuel purchases, the Energy Management Business Unit (UNGE), which is responsible for monitoring and the interface with wholesale markets, monitors transactions by applying exposure and negotiation limits that have been established and approved in advance by a higher management according to the counterparty rating (external whenever possible, or internally rated if the former is unavailable), and using clearing houses for clearing. The counterparty risk is also associated with the sale of long-term energy agreements (PPA), which is minimized by the fact that a significant proportion of counterparties in this context are sovereign entities (governments or state-owned electricity systems). Meticulous scrutiny and approval criteria are likewise applied for private counterparties.
 - **Regarding customers**, the Group is exposed to default risk in Portugal, Spain and Brazil. The average level of risk in Spain is structurally mitigated in terms of expected loss due to a mix of customers with greater weight of the B2B segment (which has less relative weight of average default). The risk in Brazil is mitigated through financial collateral to mitigate the loss (for the Free Contracting Environment), and through the partial recovery of non-compliance by the regulated tariff (for the Regulated Contracting Environment). This is monitored by EDP Distribuição and EDP Comercial (in Portugal) and EDP Spain, which are responsible for carrying out the meter reading cycles and cutting off the service/taking legal action and debt recovery. In addition, mitigation tools such as credit insurance and setting up bank collateral are used, whenever this is deemed necessary.
- **Liquidity/solvency risk**, associated with specific cash shortfalls, difficulties in access/ cost of credit and rating reduction risk.
 - **Regarding possible sporadic cash shortfalls**, there is a risk of possible default of the EDP Group in meeting all its short-term liabilities in the committed time periods, or just being able to do so under unfavorable conditions. This risk is mitigated through careful liquidity management, by means of: i) centralization (cash pooling) of all the Group's liquidity at the holding company except for Brazil; ii) keeping adequate levels of liquidity (cash and firmly committed credit lines) based on detailed forecasting of cash requirements (reviewed in 2016 to cover two years of refinancing); iii) an appropriate strategy to diversify funding sources; and iv) the diversification of debt type and maturity profiles.
 - **Regarding access to and the cost of credit**, the EDP Group has achieved, despite the adverse economic context, all funding necessary for the usual roll over of debt and to finance the Group's business. EDP's Group has successfully continued with its strategic commitment to reduce leverage (expressed as Net Debt/EBITDA excluding Regulatory Assets) over forthcoming years. Additionally, the Group has acted throughout 2018 towards increasing the average maturity of its debt and reducing its average cost.
 - **Regarding the risk of a ratings decline**, the EDP Group can be impacted in its access to and cost of financing by adverse changes in its rating profile (assigned by international agencies). EDP proactively manages this risk by maintaining a low risk profile and maintaining stable contractual standards, which assure that its liquidity position does not depend on mechanisms as financial covenants or rating triggers.
- **Social liabilities' risk**, associated with obligations relating to the capitalization of the Defined Benefit Pension Fund of the Group for Portugal, Spain and Brazil (which has a risk associated with the market value of its assets), and additional costs associated with early retirement as well as medical expenses. The liabilities for employee social benefits are calculated

annually by an Independent Actuary on the basis of IFRS-IAS assumptions (taking various factors into account, including interest rate, demographic aspects, economic variables and the applicable requirements). The Defined Benefit Pension Fund is regularly monitored by the Pension Fund Committee that meets at an established frequency, in terms of the value of its assets and the variations in terms of its liabilities (e.g., actuarially related).

OPERATIONAL RISKS

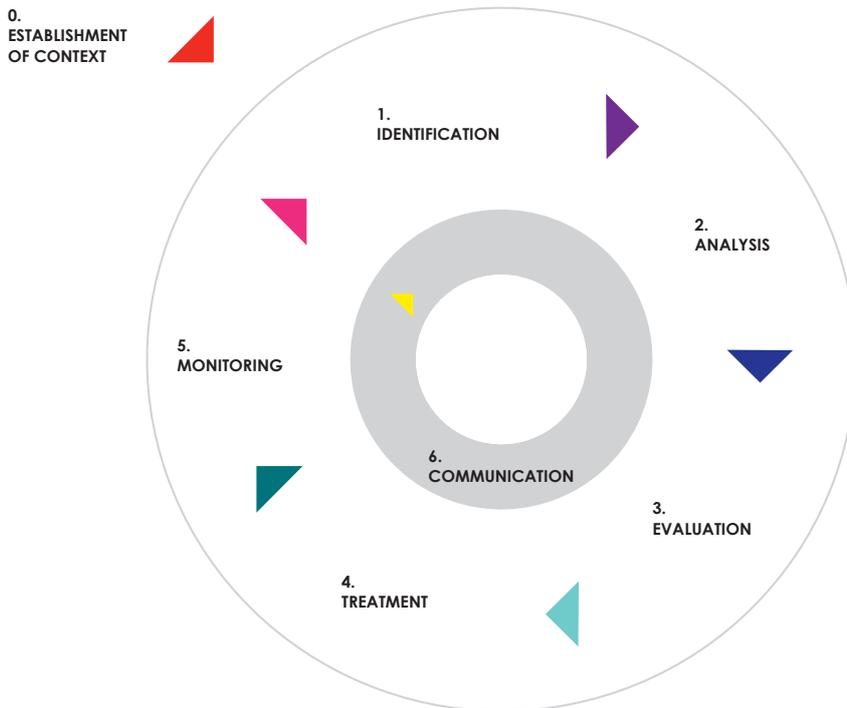
The operational risks encompass the risk factors other than those linked to the energy and financial business of the EDP Group in the various countries and markets where it operates, associated with the planning, construction and operation of physical assets, implementation of processes, human resources, information systems and litigation. The operational risks can be broken down into five different types:

- **Physical assets risks**, related to unforeseen occurrences in projects under development/construction, damage to physical assets in operation and (technical and non-technical) operating losses, associated with the operation of the assets (mainly in distribution).
- **Regarding projects under development/construction and assets in operation**, the EDP Group is exposed to incidents derived from external causes (e.g., atmospheric phenomena, fire, damage to structures, burglary and theft, environmental pollution) or internal causes (e.g., damage caused by defects of origin and/or faulty installation), which can result in, among others, threats to the physical integrity of the Group's employees or third parties, repair or replacement costs of equipment, asset unavailability and consequential loss of profit or compensation to third parties. These risks are initially managed and mitigated by the various operational areas of the Group's Business Units, which propose and implement in an articulated manner the best practices in terms of the different policies, standards and operating procedures, inspection and regular preventive maintenance as well as crisis management plans and business continuity for catastrophic events. To this regard, it should be noted the revision of crisis management and business continuity policies in 2015, in order to ensure the continuous alignment with international best practices. Secondly, a significant portion of the remaining risk is mitigated through a comprehensive range of insurance policies (particularly in terms of property damage, civil liability, and the environment), insured in an integrated manner through a special area for this field - the Insurable Risks' Unit. This approach ensures consistency in the risk management policies, guarantees the dissemination of best practices and strengthens the negotiating position of the Group. The existing insurance policies contribute to significantly mitigate the impact of large-scale events (e.g., associated with extreme and comprehensive weather phenomena, non-availability of revenue generating assets or significant compensation to third parties) as well as much less frequent incidents with catastrophic impact (e.g., earthquakes).
- **Regarding operating losses**, the EDP Group is, firstly, liable for regulatory penalties if it does not meet the objectives set for distribution efficiency (technical losses) and also, on the other hand, for the loss of revenue associated with increased consumption of non-invoiced energy (non-technical losses). The various energy distribution Business Units (EDP Distribuição, EDP Spain, Bandeirante and Escelsa) are responsible for this risk. Programs are continuously developed to monitor and mitigate this risk (including the launch of comprehensive programs to combat fraud).
- **Process implementation risks**, associated with irregularities in the implementation of various processes (particularly, but not limited to, commercial activities, supplier selection and management, billing and collection from customers, planning and budgeting of activities). This risk is monitored by the various Business Units. Its mitigation regarding financial reporting is controlled through the group-wide Financial Reporting Internal Control System (SCIRF), which systematically assess both quantitatively and qualitatively the existence and adequacy of the design and documentation of the various existing processes, as well as their internal control mechanisms, based on annual cycles.
- **Personnel risks**, associated with incidents impacting on the physical integrity of employees, the impact of unethical conduct and labor and trade union relations.

- **Regarding incidents impacting on the physical integrity of employees**, the Group directs its activity around a zero accidents culture, with awareness of employees concerning the risks involved in the various activities, as well as continuous identification and implementation of best practices for the prevention and meticulous analysis of incidents.
- **Regarding potentially unethical conduct by employees or other associated entities**, the EDP Group regularly develops a training course (for all employees) on ethical models of conduct and behavior in the presence of transgressions in the ethical domain. This risk is monitored by the Office of the EDP Ethics Ombudsman, which is an independent entity responsible for collecting, analyzing and assessing in the Ethics Committee all allegations of unethical conduct, under strict conditions of confidentiality and protection of the respective sources. Moreover, the EDP Group Ethics Committee is responsible for establishing the action lines to mitigate and penalize unethical conduct, whenever necessary, according to the facts collected and reported by the Ombudsman. Risks associated with the non-compliance of processes or corruption are also followed by the Internal Audit and Compliance Department.
- **Information systems risks**, associated with both the non-availability of information systems, as well as failure in the integrity and security of their data, due to a growing sophistication and integration of the several informatic systems and technologies. These risks are managed by dedicated areas within each the Business Unit (centralized in the Digital Global Unit for Portugal and Spain). To mitigate IT risks, there were established in collaboration with Business Units (end-users) critical levels and maximum unavailability timings allowed for each key application. Disaster recovery redundant systems have also been sized and implemented to address the business specifications (particularly strict for critical systems related with, for example, the implementation of financial transactions, communication and grid operation and trading of energy). Business Units with operational information systems (i.e., EDP Produção and EDP Distribuição) have specialized teams to guarantee the security and integrity of systems. Additionally, regarding cyber security there has been developed a number of mitigation measures, namely i) the creation of a Security Operations Center (SOC) dedicated to the continuous monitoring of the security of IT/ OT infrastructures, ii) the creation of a cyber range to simulate and test the reaction of employees in case of cyber-attack, iii) insurance coverage of cyber risks, and iv) the development of training and other awareness initiatives about the key principles of information security.
- **Litigation risks**, associated with losses arising from non-compliance with existing tax, labor, administrative, or civil legislation, or any other, that has an economic (penalties, compensation and agreements) and reputation impact. EDP Group analyses, monitors and reports the aggregate exposure and material developments to all relevant bodies, whether at the level of the Board of Directors or the General and Supervisory Board. In addition to overall exposure and by country, all cases deemed to be of a material nature (contingency over EUR 2.5 million) are collected, analyzed and reported individually. All ongoing processes are evaluated and classified individually by legal advisors as probable, possible or remote, according to their probability of resulting in a negative impact on the EDP Group. EDP and its subsidiaries' board of directors, based on the information provided by legal advisors and on the analysis of pending law suits, recognizes provisions to cover the losses estimated as probable, related with litigations in progress. This treatment includes not only ongoing disputes (litigation in courts and out-of-court), but also the main contingencies in dispute and not materialized (and which may also translate into a negative impact, through the materialization of a dispute).

54. IDENTIFICATION, ANALYSIS, EVALUATION, TREATMENT AND MONITORING OF RISKS

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 5 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:



0. Assessment of **external and internal environment** • **Definition of key principles** for risk management.

1. **Mapping of key risks** (and representation on a structured taxonomy of risks).

2. **Establishment of risk criteria** • **Quantitative and qualitative analysis** of risks materiality.

3. **Assessment of risk exposure** regarding the risk appetite • **Definition of treatment strategies** to be implemented.

4. **Implementation and execution of the treatment plans** previously established.

5. **Monitoring and report** of KRI evolution, materialization of events and development of treatment measures.

6. **Continuous and bidirectional communication** between relevant stakeholders.

Fundamental phase
 Previous/continuous phase

EDP Group's Risk Management Process

- The identification** of risks concerns the survey and update of the main risks associated with the Group's business, as well as their representation in a structured repository - the taxonomy of risks. Each of the Business Unit and Corporate Departments is primarily responsible for this exercise, within their scope. The Risk Management Department, in coordination with risk-officers, is responsible for the validating and integrating the different exercises and for obtaining and maintaining a global perspective (at the EDP Group level). The Group updated its top-down global risk map, based on interviews and in conjunction with the Group's main risk-owners. More recently, it also developed a reference taxonomy of risks, promoting a common language and facilitating the structure of different exercises for risk identification across all Business Units.
- The analysis** of risks concerns the establishment of criteria to assess its nature and order of relative magnitude, as well as the analysis of individual and aggregated exposition according to the defined criteria. Each Business Unit and Corporate Department is primarily responsible for this exercise, within their scope of activity, being supported by the Risk Management Department, in coordination with risk-officers, namely through the development of adequate methodologies. This standardization and systematization of analysis and assessment criteria helps make risks of a heterogeneous nature comparable, informs the various decision makers of the orders of magnitude of the various risks and guides the prioritization of management and mitigation initiatives and the definition of clear risk management

policies at various levels (including the definition of limits). In addition to this perspective, risk-return analyses are performed systematically (based on EBITDA@Risk, CF@Risk or other methods) associated with the main strategic guidelines and decisions of the Group (e.g., regarding the Group's Strategic Plan, key investment decisions or other topics deemed to be relevant).

- **The evaluation** of risks is related to the comparison between the risk profile and the risk appetite, tolerance and capacity of the Group (stated both implicitly or explicitly), as well as on the definition of adequate strategies for treatment, when necessary. This exercise is responsibility of the Executive Board of Directors and Business Units, supported by the risk-officers, who act in coordination with the business operation (or risk-owners) and the Risk Management Department (led by the Chief Risk-Officer). It is important to highlight the recent formalization of EDP Group's risk appetite statement, with the external objective of structuring a holistic narrative around the strategic pillar of controlled risk, as well as the internal objective of promoting a reflection on the risk-return trade-off of strategic options.
- **The treatment** of risks concerns the adequate implementation of the risk strategies previously established, including the definition of adequate mechanisms of control. This exercise is responsibility of each Business Unit and Corporate Department, within the scope of their activity.
- **The monitoring** of risks ensures the effectiveness of action on identified risks, both in terms of control and periodic reporting of the Group's position as regards several risk factors, as well as the effective implementation of the policies, standards and procedures established for risk management. This role is ensured by the Boards of Directors of the various Group Business Units. The Risk Management Department and risk-officers are responsible for promoting and enhancing risk control and management measures, disseminating best practices and supporting the disclosure of concepts, methods, risk measures and key risk indicators (KRI). Additionally, the Risk Management Department, supported by the network of risk-officers, develops a set of bi-weekly or quarterly reports sent to the Executive Board of Directors and to the Board of Directors of each Business Unit.

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 incorporated, into its management, the Internal Control System of Financial Reporting (SCIRF), 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 responsibilities model, activities were carried out related to the development, monitoring and maintaining of the internal control system, within the competence of those responsible that participating in it at the corporate level, entrepreneurial units and business unit level (business and shared services unit companies).

The monitoring and maintenance work was carried out through: (i) corporate and ii) business and shared services unit companies.

(i) The activities at corporate level were as follows:

- Planning and monitoring cycle, maintenance and review of reference models, conceptual and methodological support to business and shared services unit companies;
- Defining SCIRF 2018 Scope based on the consolidated financial information, supported on materiality and risk criteria on a "top down" (Corporate Internal Audit and Compliance Department) and "bottom up" basis, from which the companies and Corporate Centre departments and respective processes considered relevant were identified. Autonomously, they were covered by the scope, the most relevant companies in Portugal, Spain and Brazil geographies and in aggregate, the units that make up EDP Renewables, SA, EDP Renewables Europe, SL and EDP Renewables North America, LLC;

- Support for business and shared services unit companies in the documentation and review of new controls and redesigned of the existing, resulting from the inclusion of new topics, by materiality and/or risk and legal, structural or procedural changes;
- Identification of relevant computer applications that support SCIRF and analysis of "service organizations", for monitoring the issuance of the ISAE 3402 reports corresponding to an independent assessment of the control environment used by EDP's information technology service providers;
- Support and monitoring the cycle evaluation process, by the External Auditor, in terms of work planning, interaction with business and shared services unit companies, resolution of identified non-compliances and reporting to those internal responsible and supervisors;
- Launch and monitoring of the self-certification process, through which those responsible for the internal control of the business and shared services unit companies, declare their explicit recognition about the sufficiency or insufficiency of the controls documentation in terms of updating and adjustment, its execution and maintenance of evidence, actions approval and implementation related to the resolution of non-compliance and compliance with the Code of Ethics;
- Completion of the self-assessment process for SCIRF 2018 cycle, through which the Executive Board of Directors, represented by the Chairman of the Executive Board of Directors and member of the Executive Board of Directors responsible for the financial areas, emit a responsibility report on the safety and reliability degree of consolidated financial statements preparation and presentation;
- Testing and migration of the new Governance, Risk and Compliance tool (GRC), for transversal use in all geographies.

(ii) The activities at business and shared services unit companies level of EDP Group were as follows:

- Analysis of the results of the scope model application to the financial statements on an individual basis and inclusion of new topics and relevant applications, following the risk analysis bottom up;
- Application on "stand alone" scope level for the EDP Espanha, EDP Renováveis and EDP Brasil subgroups, with the profile of materiality and risk appropriate to their size, have been published by the Auditors, in their respective annual reports, the corresponding independent reports on the internal control system, in line with the publication made in the annual consolidated report;
- Identification, review and appointment of SCIRF responsible, depending on the result of the scope model application and on the review and/or update due to organizational, structural, legislative and operational changes in the business and shared services unit companies;
- Documentation of new controls and redesign of the controls documented in previous cycles, subject to revision due to changes at different levels of the business and shared services unit companies;
- Implementation of actions necessary for the resolution of non-compliances identified in the assessment tests made by the external auditor;
- Self-certification by which the SCIRF leaders assess, at all levels of the chain, the sufficiency and updating of documentation and maintenance of evidence in the execution of control activities;
- Self-assessment by the President of the Board and by the board member in charge of the financial matters of EDP Spain, EDP Renewables and EDP Brasil subgroups, through the issue of responsibility reports on the degree of safety and reliability of the preparation and presentation of financial statements, in line with the issuance of the independent reports, by the External Auditor, at "stand alone" level;

- The SCIRF 2018 evaluation was made by the Group's External Auditor, PriceWaterhouseCoopers, according to the "ISAE 3000 - International Standard on Assurance Engagements" in all geographies covered by the scope model, with the support of KPMG, in the specific case of EDP Brasil.

The External Auditor issued an independent report on the Group's Internal Control System of Financial Reporting related to the financial statements of December 31, 2018, without reservations nor qualifications, presented in the annex "Reporting Principles", concluding with a reasonable degree of assurance regarding the effectiveness of internal controls system on financial reporting 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 Department 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.

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 Department comprises five people and is coordinated by Miguel Viana. It is located at the Company's head office:

Avenida 24 de Julho, nº 12, 4º Piso - Poente
1249-300 Lisboa
Telephone: +351 21 001 2834
Fax + 351 21 001 2899
E-mail: ir@edp.pt
Website: www.edp.com

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	BY MAIL ³	WWW.CMVM.PT
ELEMENTS REQUIRED BY LAW OR REGULATION ⁴						
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	√	√	√	√	√	√

¹ At EDP's headquarters

² IR phone number +351 21 001 2834;

³ Written notice from the Chairman of the Executive Board of Directors regarding Annual General Meetings

⁴ Art. 289 of Companies Code and Regulation of CMVM 5/2008

57. REPRESENTATIVE FOR MARKET RELATIONS

The representative for market relations is Miguel Stilwell de Andrade, member of the Executive Board of Directors.

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 behavior, EDP has adopted a financial reporting policy based on transparent and consistent information properly conveyed to investors and analysts.

The Company has therefore made a systematic effort to meet the needs of investors and analysts, which is increasingly difficult, given the complexity of the sector.

In 2018, EDP participated in events with analysts and investors to inform the market of the Company's strategy and operational and financial performance. These included roadshows, presentations to analysts and investors, meetings and conference calls.

113 market communications were made in 2018.

The Company's efforts have been rewarded at a number of events. In 2018, EDP was nominated for the "IR Magazine Europe Awards 2018", having been considered the second best company for investor relations in the utilities sector and the fourth best ex-aequo in the Western Europe region.

V. WEBSITE

59. WEBSITE ADDRESS

EDP's website (www.edp.com) 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 Department 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:

www.edp.com/en/investors/corporate-governance/companys-data/by-laws-regulations

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:

www.edp.com/en/investors/corporate-governance/companys-data/by-laws-regulations

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:

www.edp.com/en/investors/corporate-governance/governing-bodies-0

www.edp.com/en/investors/corporate-governance/companys-data/by-laws-regulations

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:

www.edp.com/en/investors/investor-information/reports-and-accounts

www.edp.com/en/investors-0

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:

www.edp.com/en/investors/general-meetings

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:

www.edp.com/en/investors/general-meetings

D. REMUNERATION

I. POWER TO SET REMUNERATION

66. POWER TO SET THE REMUNERATION OF CORPORATE BODIES AND COMPANY DIRECTORS

Pursuant to the Articles of Association, payments to the company officers are fixed by a Remuneration Committee appointed by the General Meeting of Shareholders, with the exception of the remuneration to members of the Executive Board of Directors, which is fixed by a Remuneration Committee appointed by the General and Supervisory Board.

These Committees submit annually to the Shareholders' General Meeting a declaration regarding the remuneration policy of the corporate bodies members, pursuant to Article (2) (1) of Law no. 28/2009, 19 June.

When establishing the remuneration of the members of the General and Supervisory Board and Statutory Auditor, the Remuneration Committee of the General Meeting takes account of its fixed nature and the imperative rules on its determination, in particular Article 440 (2) of the Company Code, which sets out the criteria for setting the remuneration of the General and Supervisory Board, Article 374-A of the Companies Code on the remuneration of members of the officers of the General Meeting and Article 60 of Decree-Law 224/2008 of 20 November on the remuneration of the Statutory Auditor.

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

The membership of the Remuneration Committee of the General Meeting and of the Remuneration Committee appointed by the General and Supervisory Board is set out in Item 29.

In 2018, no natural or legal persons were hired to the assist Remuneration Committee of the General Meeting in its functions.

In 2018, the Remuneration Committee of the General and Supervisory Board hired an external consultant – Mercer (Portugal), Lda. – for the provision of support in the validation and certification of the calculation of the annual and multi-annual variable remuneration of the Executive Board of Directors.

In January 2019, the General and Supervisory Board also hired Mercer (Portugal), Lda. for supplying services concerning the certification of the evaluation process of the abovementioned body, of its specialized committees and of the Executive Board of Directors. The referred certifications may be consulted at the 2018 Annual Report of the General and Supervisory Board.

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.

III. REMUNERATION STRUCTURE

69. REMUNERATION POLICY OF MANAGEMENT AND SUPERVISORY BODIES

EXECUTIVE BOARD OF DIRECTORS

Remuneration policy for the members of the managing body is set by the Remuneration Committee appointed by the General and Supervisory Board. This committee defined the remuneration of the directors, intending for it to reflect the performance of each member of the Executive Board of Directors in each year of their term of office (annual variable remuneration) and their performance during their term by fixing a variable component that is consistent with maximisation of EDP's long-term performance (variable multi-annual remuneration).

The recommendation uses an undetermined concept whose satisfaction depends on the concrete circumstances of the issuing company and especially on its shareholders' understanding of what is reasonable in these circumstances. Interpretation of the reasonability of the relative weight of the variable remuneration against the fixed remuneration must take account of the other elements in the recommendation, particularly of orientation towards alignment of the remuneration structure with the shareholders' long-term interests. One of the natural consequences of this principle is an increase in the weight of the variable component in order to create appropriate incentives for the company's executive directors to foster sustainable growth.

The remuneration policy statement, as approved by the shareholders, lays down that the total variable component can reach twice the fixed component during a term of office, thereby placing a maximum limit of two-thirds of the remuneration depending on fulfilment of strict Company performance goals. Variable remuneration depends on whether the executive directors achieve a performance of 90% of the business plan. Only if they achieve 110% fulfilment will they receive the maximum amounts allowed by the Company's remuneration policy.

Variable remuneration is divided into annual, which may only reach 80% of fixed remuneration, and multi-annual, which may reach 120% of the fixed remuneration. The multi-annual remuneration, although calculated annually, it only becomes effective if, at the end of the term, in average, at least 90% of the fixed goals have been achieved, assessed by the performance of the Company, by its comparison with strategic benchmarks of reference and by the individual contribution of each member of the EDB for that aim.

If the remuneration goals are fully met in a term of office, 60% of the directors' variable remuneration is deferred for no less than three years.

If we compare this percentage with that set out for credit institutions and financial companies, pursuant to Directive 2010/76/EU of the European Parliament and of the Council of 24 November, as it is a paradigm that was widely analysed and discussed in Europe, we find that EDP's policy on variable remuneration is equivalent to the strictest used by these entities.

In accordance with the remuneration policy of the members of the Executive Board of Directors proposed by the Remuneration Committee of the General and Supervisory Board corresponding to the variable multi-annual remuneration may be a maximum of 120% of gross annual remuneration and it will be paid three years after the financial year in question.

Payment of the multiannual variable remuneration is conditional on the non-realization of intentional unlawful acts, known after the completion of the evaluation and that jeopardize the sustainability of the performance of the Company, being paid after the clearance and Remuneration Committee of the General and Supervisory Board approval.

The remuneration policy statement approved by the General Meeting on 5 April 2018 sets out for the mandate of the 2018-2020 triennium the following:

- **Fixed annual remuneration** – EUR 800,000 gross for the CEO, EUR 560,000 gross for the administrator responsible for finance matters and for the Chief Executive Officer of EDP Renováveis Group and EUR 480,000 for each of the remaining members of the Executive Board of Directors. Maintenance of directors' retirement savings plans during their term of office, at a net amount of 10% of their fixed annual remuneration. The characteristics of these retirement savings plans are set out in current legislation applicable to these financial products;
- **Annual variable remuneration** – for each member of the Executive Board of Directors its value is limited to 80% of their gross annual fixed remuneration. The amount is determined on the basis of the following indicators for each year in office: performance of the EDP Group's total shareholder return against Eurostoxx Utilities and PSI-20, earning per share, net debt to EBITDA ratio, operational cash flow excluding regulatory receivables, and residual income. The weighted average of these indicators is given an overall weight of 80% for all members of the Executive Board of Directors, when determining their annual variable remuneration. The other 20% is based on a qualitative assessment by the Remuneration Committee of the General and Supervisory Board;
- **Multi-annual variable remuneration** – also for each member of the Executive Board of Directors, this component may be between 0% and 120% of their fixed annual remuneration based on an annual accumulated assessment of the directors' performance in achieving economic sustainability for the EDP Group. The award of this multi-annual remuneration, although calculated on an annual basis, only takes effect if, at the end of the term of office, at least 90% of the strategic objectives have been achieved. These will be assessed on the basis of performance and comparison with defined strategic benchmarks, as well as the individual contribution of each member of the Executive Board of Directors to such performance. This payment component is fixed on the basis of the following factors: performance of total return for the Group's shareholders against Eurostoxx Utilities and PSI-20 in the term of office, performance of earnings per share in the term of office, performance of Net Debt to EBITDA ratio in the term of office, performance of the sustainability index applied to the EDP Group, and performance of operational cash flow excluding regulatory receivables in the term of office. The weighted average of these indicators is given an overall weight of 65% for all members of the Executive Board of Directors, when determining their multi-annual variable remuneration. 35% of the remuneration that is determined by the qualitative individual assessment of the Executive Board of Directors by the Remuneration Committee of the General and Supervisory Board is reserved. Payment of the multiannual variable remuneration is deferred in time, for a period not less than three years, getting the appropriate payment conditional on the non-realization of intentional unlawful acts, known after the completion of the evaluation and that jeopardize the sustainability of the performance of the Company, being paid after the clearance and Remuneration Committee of the General and Supervisory Board approval.

GENERAL AND SUPERVISORY BOARD

Pursuant to the provision of the Article 440 of the Companies' Code, the remuneration of the members of the General and Supervisory Board is fixed, in view of their duties.

This remuneration policy is annually reviewed, and with such periodicity is subject to appreciation of the Shareholders' General Meeting.

The remuneration of the Chairman of the General and Supervisory Board was fixed on the basis of the almost full-time performance of his duties, unlike the rest of the members of such body.

This Committee has defined the remuneration policy for the members of the General and Supervisory Board, having as a guiding principle that such should be simple, transparent, moderate, adapted to the work conducted and the economic situation of the Company but also competitive and equitable in order to guarantee the purpose of creating value for shareholders and remaining stakeholders.

Based on these principles, the Committee has defined the following remuneration policy guidelines for 2018:

- A differentiation between the remuneration of the members of the General and Supervisory Board and those of the members of the Executive Board of Directors shall be maintained, and there will be no variable component or any other remunerative supplement for the General and Supervisory Board.
- It shall be taken into account the performance merit and the complexity of the functions performed by the members of each body, so that the cohesion, stability and development of the Company is not endangered.
- As to the General and Supervisory Board Chairman, it shall be particularly considered that the Chairman office's functions comprehend a strong component of institutional representation. In addition, under Article 23 (3) of the Articles of Association, the General and Supervisory Board Chairman, being independent, should also preside the Financial Matters Committee/Audit Committee.
- In what regards the Vice Chairman, it shall be considered the duties and works performed by him in other committees.
- It is also important to distinguish other specific positions in the General and Supervisory Board, namely the participation of the members of the General and Supervisory Board in other committees, as well as the functions in those committees.
- Finally, it should be considered that, historically, the remuneration of the Chairman of the General Shareholders' Meeting Board is similar to the remuneration attributed to a Committee Chairman. Therefore, the remuneration of the Chairman of the General Shareholders' Meeting Board shall be aligned accordingly.

The shareholders approved the statement of remuneration policy for the mandate of the 2018-2020 triennium on the Shareholders' General Meeting of 5 April 2018.

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

As set out in the remuneration policy described in Item 69, remuneration is structured to allow alignment of the interests of the members of the Executive Board of Directors with the Company's long-term interests.

The time period considered for the payment of the variable component of the remuneration (gap of three years regarding the exercise at stake), the subjection of this payment to the non-performance of unlawful willful actions known after the assessment and that jeopardize the sustainability of the Company's performance, to which is added i) the utilization of qualitative criteria looking forward for a strategic perspective and of medium term in the development of the Company, ii) the existence of a maximum limit for the variable remuneration and iii) the relative weight of this component in the total value of the remuneration, represent decisive elements to promote a performance of the Company's management focused not only in short term goals, but also that integrates in its performance the Company's and the shareholders' interests in a medium and long term perspective.

The members of the managing body have not concluded any agreements with the Company or third parties that have the effect of mitigating the risk of variability of their remuneration fixed by the Remuneration Committee.

71. REFERENCE TO A VARIABLE REMUNERATION COMPONENT AND ANY IMPACT OF PERFORMANCE EVALUATION ON THIS COMPONENT

As described above in Item 69, remuneration policy in effect for 2018-2020 involves three components: i) fixed remuneration, ii) annual variable remuneration and iii) multi-annual variable remuneration.

The indicators used to assess the performance of the Executive Board of Directors in order to determine annual and multi-annual variable remuneration are as follows:

ANNUAL PERFORMANCE INDICATORS

The annual performance indicators aim to evaluate the Executive Board of Directors in a short-term perspective. For such, stock exchange indexes are considered, as well as financial performance indicators, compared against the annual budget proposed by the Executive Board of Directors and approved by the General and Supervisory Board, having each of the budgets the business plan as a starting point. This type of performance evaluation allows the measurement of the level of fulfilment of short-term objectives assumed by the Executive Board of Directors towards the shareholders.

Quantitative and qualitative component and its weight:

	KPI	WEIGHT	BENCHMARK	DESCRIPTION
QUANTITATIVE COMPONENT (80%)	Total shareholder return (TSR) vs Eurostoxx utilities and PSI20	25%	50% - PSI 20 50% - SX6E	Comparison between EDP's Total Shareholder Return (TSR) and the TSR of two major indexes (SX6E which encompasses the most important companies within the Eurozone); and the PSI 20 (the Portuguese stock market index). The indexes are equally-weighted and the current year-end prices, including dividends reinvestment during the year.
	Earnings per Share	20%	2018 Budget	Comparison between earning per share of the year under analysis and the one defined in the annual budget previously approved by the General and Supervisory Board.
	Net debt to EBITDA	15%	2018 Budget	Comparison between the net debt over EBITDA ratio and the ratio defined in the annual budget approved by the General and Supervisory Board.
	Operating cash flow excluding regulatory receivables	13%	2018 Budget	Comparison between this year operating cash flow, excluding the impact from regulatory receivables and the one defined in the annual budget approved by the General and Supervisory Board.
	Residual Income	7%	2018 Budget	Comparison between the net income minus the product between EDP's cost of capital and its net worth, excluding non-controllable interest, and the amount previously defined in the annual budget approved by the General and Supervisory Board.
QUALITATIVE COMPONENT (20%)	Individual Performance Assessment	20%	-	Individual assessment by the Remuneration Committee of the General and Supervisory Board, based on the individual performance for the period of each member of the Executive Board of Directors.
	Total	100%		

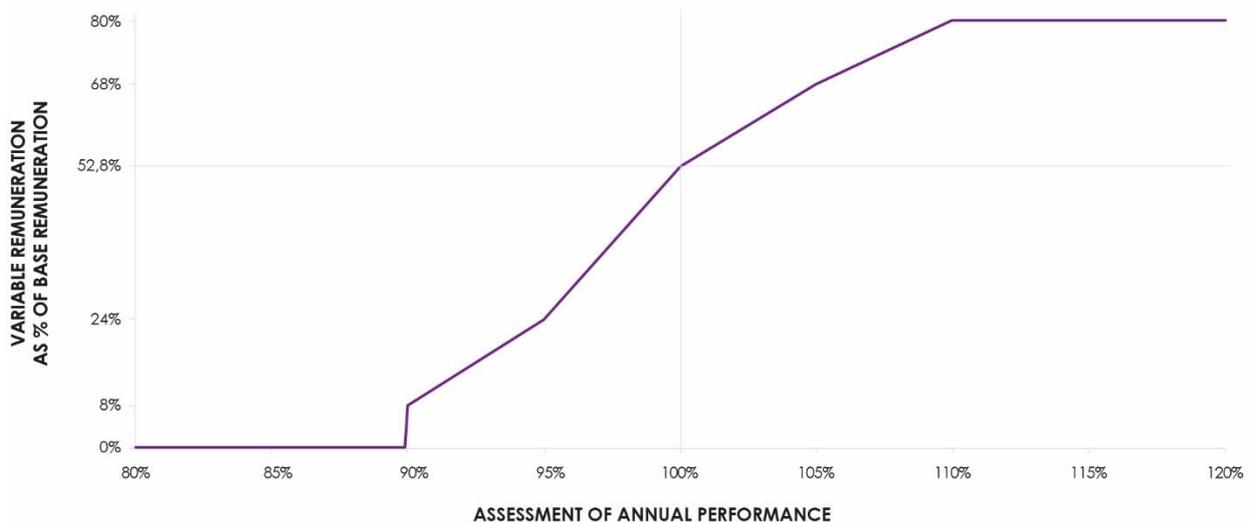
The resulting amount of the quantitative and qualitative component is then weighted, as mentioned above, by a coefficient of 80% of the annual fixed remuneration, linearly calculated as follows:

- If performance reaches less than 90% of the defined objectives, there will be no annual variable remuneration attribution;
- If the performance is between 90% and 95% of the defined objectives, it is due an amount within the range of 8% and 24% of the fixed remuneration of each member of the Executive Board of Directors;

- If performance is between 95% and 100% of the defined objectives, it is due an amount within the range of 24% and 52,8% of the fixed remuneration of each member of the Executive Board of Directors;
- If performance is between 100% and 105% of the defined objectives, it is due an amount within the range of 52,8% and 68% of the fixed remuneration of each member of the Executive Board of Directors;
- If performance is between 105% and 110% of the defined objectives, it is due an amount within the range of 68% and 80% of the fixed remuneration of each member of the Executive Board of Directors;
- If performance meets the defined objectives in more than 110% of the defined objectives, it's due an amount equal to 80% of the fixed remuneration of each member of the Executive Board of Directors.

Graphically:

VARIABLE ANNUAL REMUNERATION



MULTI-ANNUAL PERFORMANCE INDICATORS

The multi-annual performance indicators aim to evaluate the Executive Board of Directors in a long term perspective. For such, stock exchange indexes are considered, as well as financial performance indicators, compared against the most recent business plan proposed by the Executive Board of Directors and approved by the General and Supervisory Board. This type of performance evaluation allows the measurement of the level of fulfilment of long term objectives assumed by the Executive Board of Directors towards the shareholders. The internal business plan of EDP Group is the document sustaining the mid and long-term financial objectives of EDP, presented to the capital markets on its "Investor Days" or "Capital Markets Day". The business plan for the 2016-2020 period has obtained a favourable prior opinion by the General and Supervisory Board in May 2016 and was presented to the market in "EDP Capital Markets 2016", concerning the main financial objectives for the Company through 2020, having been reviewed on 12 March 2019.

Quantitative and qualitative component and its weight:

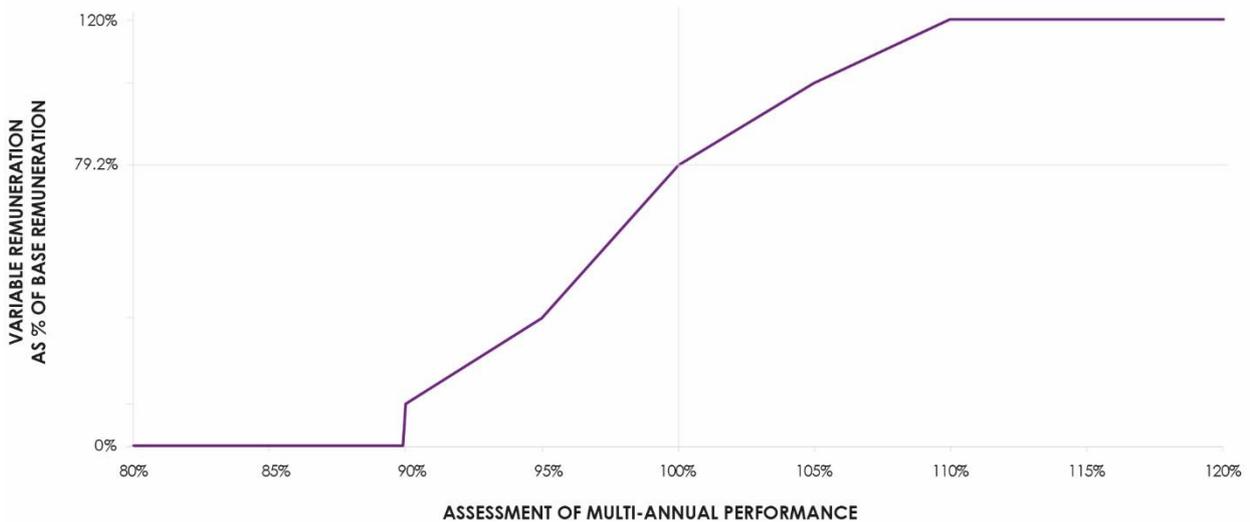
	KPI	WEIGHT	BENCHMARK	DESCRIPTION
QUANTITATIVE COMPONENT (65%)	Total shareholder return (TSR) vs Eurostoxx utilities and PSI20	18,5%	50% - PSI 20 50% - SX6E	Comparison between EDP's Total Shareholder Return (TSR) and the TSR of two major indexes (SX6E which encompasses the most important companies within the Eurozone); and the PSI 20 (the Portuguese stock market index). The indexes are equally-weighted and the current year-end prices, including dividends reinvestment during the year.
	Earnings per Share	18,5%	Budget	Comparison between earnings per share of the year under analysis and the one defined in the pluriannual business plan previously approved by the General and Supervisory Board.
	Net debt to EBITDA	15,0%	Budget	Comparison between the net debt over EBITDA ratio and the ratio defined in the pluriannual business plan approved by the General and Supervisory Board.
	Sustainability Performance Indicator	8%	Historic Peers Qualitative	This indicator evaluates EDP sustainability performance taking into account: absolute metrics' evolution over past periods, peer comparison and qualitative performance evaluation of the Remuneration Committee of the General and Supervisory Board.
	Operating cash flow excluding regulatory receivables	5%	Budget	Comparison between this year operating cash flow, excluding the impact from regulatory receivables, and the one defined in the pluriannual business plan approved by the General and Supervisory Board.
QUALITATIVE COMPONENT (35%)	Individual Performance Assessment	35%	-	Individual assessment by the Remuneration Committee of the General and Supervisory Board, based on the individual performance for the period of each member of the Executive Board of Directors.
	Total	100%		

The resulting amount of the quantitative and qualitative component is then weighted, as mentioned above, by a coefficient of 120% of the annual fixed remuneration, linearly calculated as follows:

- If performance is less than 90% of the defined objectives, there will be no multiannual variable remuneration attribution;
- If performance is between 90% and 95% of the defined objectives, it's due an amount within the range of 12% and 36% of the fixed remuneration of each member of the Executive Board of Directors;
- If performance is between 95% and 100% of the defined objectives, it's due an amount within the range of 36% and 79,2% of the fixed remuneration of each member of the Executive Board of Directors;
- If performance is between 100% and 105% of the defined objectives, it's due an amount within the range of 79,2% and 102% of the fixed remuneration of each member of the Executive Board of Directors;
- If performance is between 105% and 110% of the defined objectives, it's due an amount within the range of 102% and 120% of the fixed remuneration of each member of the Executive Board of Directors;
- If performance meets the defined objectives in more than 110%, it's due an amount equal to 120% of the fixed remuneration of each member of the Executive Board of Directors.

Graphically:

VARIABLE MULTI-ANNUAL REMUNERATION



72. DEFERRAL OF PAYMENT OF VARIABLE COMPONENT OF REMUNERATION AND ITS LENGTH

The multi-annual variable remuneration is calculated every year and only becomes effective at the end of the term of office if at least 90% of the strategic goals have been achieved, as assessed on the basis of Company performance and its comparison with the strategic benchmarks and the individual contribution of each member of the Executive Board of Directors.

All multi-annual eventual variable remuneration is paid three years after the financial year in question.

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

The members of the Executive Board of Directors do not own Company shares under variable remuneration mechanisms.

74. CRITERIA ON ALLOCATION OF VARIABLE REMUNERATION IN OPTIONS, PERIOD OF DEFERRAL AND PRICE OF EXERCISE

EDP has no variable remuneration option schemes.

75. MAIN PARAMETERS AND BASIS OF ANY ANNUAL BONUS SYSTEM AND ANY NON-MONETARY BENEFITS

Company directors do not receive any significant remuneration in the form of non-monetary benefits.

76. MAIN CHARACTERISTICS OF SUPPLEMENTARY PENSION OR EARLY RETIREMENT SCHEMES FOR DIRECTORS AND DATE OF APPROVAL INDIVIDUALLY AT A GENERAL MEETING

The remuneration fixed by the Remuneration Committee of the General and Supervisory Board sets for a retirement savings plan-type standard financial product for the members of the Executive Board of Directors, through the application of a net amount correspondent to 10% (ten percent) of their fixed annual remuneration. It was granted in accordance with the Remuneration Policy Statement approved by resolution of the General Shareholders' Meeting dated 5 April 2018. This financial product does not entail any cost to EDP in the future, as it is merely a subscription to a financial product while the members of the managing body hold their positions and is not covered by Article 402 (1) of the Company Code.

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**

The total gross amount paid by EDP to the members of the Executive Board of Directors in 2018 was 11,303,658 Euro.

The chart below shows the gross amounts of remuneration paid individually to the members of the Executive Board of Directors in office up to April 5th, 2018:

EURO	GROSS REMUNERATION PAID BY EDP	
	FIXED	ANNUAL VARIABLE (2017)
António Luís Guerra Nunes Mexia	249,863	601,751
Nuno Maria Pestana de Almeida Alves	225,046	423,914
João Manuel Manso Neto	168,152	410,474
António Fernando Melo Martins Costa	143,166	344,923
João Manuel Veríssimo Marques da Cruz	86,364	221,628
Miguel Stilwell de Andrade	180,888	361,051
Miguel Nuno Simões Nunes Ferreira Setas	80,539	237,086
Rui Manuel Rodrigues Lopes Teixeira	155,716	342,619

In turn, the chart below shows the gross amounts of remuneration paid individually to the members of the Executive Board of Directors in office after April 5th, 2018:

EURO	GROSS REMUNERATION PAID BY EDP	
		FIXED
António Luís Guerra Nunes Mexia		720,350
João Manuel Manso Neto		484,779
António Fernando Melo Martins Costa		412,744
João Manuel Veríssimo Marques da Cruz		248,985
Miguel Stilwell de Andrade		521,497
Miguel Nuno Simões Nunes Ferreira Setas		232,191
Rui Manuel Rodrigues Lopes Teixeira		448,927
Maria Teresa Isabel Pereira		433,661
Vera de Morais Pinto Pereira Carneiro		433,661

The member of the Executive Board of Directors, Maria Teresa Isabel Pereira received, still in 2018, as EDP employee and for her activity until 5 April 2018, the total amount of 1 63,885.85 Euro, amount that includes the annual bonus in accordance with the individual performance.

The remuneration of the Chairman and directors of the Executive Board of Directors include the amounts associated with the retirement savings plan. The amounts of the variable remuneration were fixed on the basis of the tax treatment applicable in the director's country of tax residence. The amounts paid by EDP subsidiaries refer solely to their period of residence abroad.

As results of the policy in force, the compensation is structured to allow the alignment of the Executive Board of Directors members' interests with the long-term interests of the Company. In this way, taking into account the objective calculations associated with the remuneration model, the Committee set the multi-annual variable component imputable to the third, and last, year of the 2015-2017 mandate.

EURO	GROSS REMUNERATION PAID BY EDP	
		MULTI-ANNUAL VARIABLE REMUNERATION (2015) *
António Luís Guerra Nunes Mexia		626,928
Nuno Maria Pestana de Almeida Alves		404,981
João Manuel Manso Neto		404,981
António Fernando Melo Martins Costa		231,005
João Manuel Veríssimo Marques da Cruz		130,650
Miguel Stilwell de Andrade		318,096
Miguel Nuno Simões Nunes Ferreira Setas		211,581
Rui Manuel Rodrigues Lopes Teixeira		318,096

* Multi-annual variable remuneration concerning performance in 2015-2017, year of 2015

78. AMOUNTS PAID FOR ANY REASON BY OTHER SUBSIDIARY OR GROUP COMPANIES OR COMPANIES UNDER COMMON CONTROL

The chart below shows the gross amounts of remuneration paid by other subsidiary or Group companies or companies to a member of the Executive Board of Directors under common control.

EURO	GROSS REMUNERATION PAID BY EDP			COMPANIES IN A CONTROL RELATIONSHIP
	FIXED	VARIABLE (2017)		
João Manuel Veríssimo Marques da Cruz	240,000	0		EDP Ásia - Soluções Energéticas
Miguel Nuno Simões Nunes Ferreira Setas*	247,364	0		EDP Energias do Brasil

* Annual Fixed Remuneration shall be adjusted by the end of April 2019, aiming for the correction of deviations resulting from exchange rates, so that the board member effectively receives the amount defined by the Remuneration Committee of the General and Supervisory Board.

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

There are no agreements between the Company and members of the managing and supervisory bodies providing for compensation in the event of termination, as proven by the remuneration policy statement in effect for 2018. As a result no compensation for termination was paid or is owed to former directors.

It should also be noted that there are no contracts for severance payment in force, nor does the remuneration policy provide for such, in the event of dismissal or termination by agreement from the post of director.

In particular, the Company does not assign compensation beyond the legally required in case of dismissal from the post of director founded in inadequate performance neither was any payments made in this context during the year 2018.

81. ANNUAL AGGREGATE AND INDIVIDUAL REMUNERATION PAID TO THE MEMBERS OF THE COMPANY'S SUPERVISORY BODIES

1. GENERAL AND SUPERVISORY BOARD

The total gross amount paid by EDP to the members of the General and Supervisory Board in 2018 was 1,833,226 Euro.

The chart below shows the remuneration paid in 2018 to the members of the General and Supervisory Board in office up to April 5th, 2018:

EURO	FIXED
China Three Gorges Corporation*	134,472
Luís Filipe Marques Amado	24,806
China International Water & Electric Corporation	11,750
China Three Gorges New Energy Corporation	17,500
CWEI (Europe), S. A.	14,250
CWEI (Portugal), Sociedade Unipessoal, Lda.	16,750
Banco Comercial Português, S.A.	14,679
DRAURSA, S. A.	14,679
SONATRACH	14,679
Senfora BV	14,679
António Sarmiento Gomes Mota	30,000
Vasco Joaquim Rocha Vieira	14,883
Maria Celeste Ferreira Lopes Cardona	20,603
Jorge Avelino Braga Macedo	17,255
Ilídio Costa Leite Pinho	14,679
Fernando Maria Masaveu Herrero	17,255
Augusto Carlos Serra Ventura Mateus	14,883
João Carvalho das Neves	26,111
Alberto Joaquim Milheiro Barbosa	20,000
María del Carmen Fernández Rozado	18,027
António Manuel Carvalho Ferreira Vitorino	18,278

* Remuneration paid to representative, Eduardo de Almeida Catroga

In turn, in the chart below it is shown the remuneration paid in 2018 to the members of the General and Supervisory Board in office after April 5th, 2018:

EURO	FIXED
Luís Filipe Marques Amado	380,528
China Three Gorges (Portugal), Sociedade Unipessoal, Lda.*	42,117
China Three Gorges Corporation	69,931
China Three Gorges International Corp.	41,958
China Three Gorges (Europe), S.A.	49,506
China Three Gorges Brasil Energia Ltda	41,958
Banco Comercial Português, S.A.	42,321
DRAURSA, S. A.	42,321
SONATRACH	42,321
Senfora BV	42,321
Fernando Maria Masaveu Herrero	49,745
Maria Celeste Ferreira Lopes Cardona	59,397
Ilídio Costa Leite Pinho	42,321
Jorge Avelino Braga Macedo	49,745
Vasco Joaquim Rocha Vieira	49,506
Augusto Carlos Serra Ventura Mateus	49,506
João Carvalho das Neves	84,972
María del Carmen Fernández Rozado	51,973
Laurie Lee Fitch	42,117
Clementina Maria Dâmaso de Jesus Silva Barroso	51,722
António Manuel Carvalho Ferreira Vitorino	16,722

* Remuneration paid to representative, Eduardo de Almeida Catroga

2. OTHER COMPANY BODIES

ENVIRONMENT AND SUSTAINABILITY BOARD

The members of the Environment and Sustainability Board are paid in attendance vouchers of EUR 1,750 per meeting. In 2018, the remuneration paid to the members of the Environment and Sustainability Board in office up to April 5th, 2018 was as follows:

EURO	FIXED
José Pedro Silva Sucena Paiva	1,750
António José Tomás Gomes de Pinho	1,750
José Manuel Caré Baptista Viegas (*)	0
Maria Graça Madeira Martinho	0

(*) Waiver of remuneration

In turn, the remuneration paid individually to members of the Environment and Sustainability Board in office after April 5th, 2018 is shown in the chart below:

EURO	FIXED
José Manuel Caré Baptista Viegas	3,500
António José Tomás Gomes de Pinho	3,500
Joana Pinto Balsemão (*)	0
Joaquim Poças Martins	1,750
Pedro Manuel Sousa Mendes Oliveira	3,500

(*) Waiver of remuneration

REMUNERATION COMMITTEE OF THE GENERAL MEETING

The members of the Remuneration Committee of the General Meeting received the following remuneration in 2018:

EURO	FIXED
Luís Miguel Nogueira Freire Cortes Martins	15,000
José Gonçalo Ferreira Maury	10,000
Jaime Amaral Anahory	10,000

82. REMUNERATION OF THE CHAIRMAN OF THE GENERAL MEETING

The Chairman and Secretary of the General Meeting do not earn any remuneration in that capacity, given that they are remunerated as a member of the General and Supervisory Board and Company Secretary, respectively. The Vice-Chairman of the General Meeting is paid an amount of EUR 3,000 a year.

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 accordance with the remuneration policy statement in effect for 2018, EDP has no existing contracts providing for payments in the event of dismissal or termination by mutual agreement of directors.

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

Considering Article 248-B (3) of the Securities Code, EDP has no directors other than the members of the corporate bodies. In addition to the members of these bodies, there are no managers who have regular access to privileged information and participate in decisions on the Company's management and business strategy.

Furthermore, we reiterate that, in accordance with the remuneration policy statement approved at a General Meeting and in effect for 2018, EDP has no existing agreements providing for payments in the event of dismissal or termination by mutual agreement of directors.

VI. STOCK PURCHASE OPTION PLANS OR STOCK OPTIONS

85. PLAN AND ITS BENEFICIARIES

There are no stock options for Company employees.

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 stock options for Company employees.

87. STOCK OPTIONS OF COMPANY EMPLOYEES

There are no stock options for Company employees.

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

The General and Supervisory Board approved in 2009 objective, transparent rules on the identification, prevention and resolution of relevant corporative conflicts of interest called Framework on Handling of Conflicts of Interest.

Following a resolution made by the General and Supervisory Board, 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.

These rules are also available on EDP's website.

As part of its improvement of governance practices, on 29 July 2010, the General and Supervisory Board approved EDP's Regulation on Conflict of Interest and Transactions between Related Parties, which was reviewed in 2015 and a new version was approved on 29 October 2015, available on EDP's website (www.edp.com). This set of rules on the prevention, identification and resolution of potential corporate conflicts of interest has a wider scope of application than that set out in CMVM Regulation 4/2013.

The Corporate Governance and Sustainability Committee is responsible for supervising enforcement of the aforementioned rules and reports on its work to the General and Supervisory Board.

For further information on this matter, see Item 3.4.3. of the Annual Report of 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 2018, submitted to the General and Supervisory Board the information concerning the transactions between related parties. Such information concerned the transactions listed below:

- Following the Investment Cooperation Agreement between EDP Renováveis and China Three Gorges for the Moray wind offshore project, announced on 19 October 2015, was concluded, on December 2018, the sale of a 10% stake in equity shareholding and outstanding shareholder loans on Moray Offshore Windfarm (East) Limited to China Three Gorges (Europe) S.A. owned by China Three Gorges Corporation, for a total amount of £37.6 million.
- EDP Group, through EDP Spain, has rendered electricity and gas services and also energy efficiency products to the company Cementos Tutela Veguín and to other companies incorporated in the Masaveu Group in the approximate amount of €20.4 million (Cementos Tutela Veguín is a subsidiary of Masaveu Group which holds 55.9% of Oppidum Capital, S.L.).
- EDP Group provided electricity and gas services to Liberbank and related companies amounting to approximately €5.9 million (Liberbank holds 44.1% of Oppidum Capital, S.L.). EDP Group has rendered payment management services to Liberbank on the approximate amount of €80,000.00 (Liberbank holds 44,1% of the company Oppidum Capital, S.L.).
- Banco Comercial Português (BCP) has rendered financial consultancy services to EDP Group, between October 2017 and December 2018 - under the Sagres Project that was aiming to the equity divestment on EDP Small Hydro and Pebble Hydro which together hold 21 small hydro facilities with an installed capacity of 103MW - on the amount of €700,000.00 in consultancy fees and €1,600.00 in expenses (amounts valued added tax excluded).
- Banco Comercial Português (BCP) has rendered financial intermediation services to EDP Group having namely, integrated a bank syndicate which performed as bond issuance Joint Bookrunners under the Euro Medium Term Notes Program that took place in October 2018, on the amount of €600 million. BCP was one of the 9 lead managers of the transaction, having been paid the amount of €266,666.67.
- It was acquired to Sonatrach natural gas under the long-term supply agreement to EDP Group, and for the Soto 4 Combined Cycle Power Station, entered into after the existing partnership between EDP and Sonatrach in October 2007, having been paid the amount of €191.91 million.

The General and Supervisory Board noted that, with basis on the cases analyzed and information provided by the Executive Board of Directors for 2018, 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 approved by the referred Board on the 6 April 2018.

In this scope, during 2018 exercise, 24 operations were submitted to favourable prior opinion from the General and Supervisory Board with an average value €604 million, having the transaction with the highest amount been of €3 600 million. Regarding the waiver of prior opinion, were submitted to the General and Supervisory Board 15 operations, with the average value of €432 million, having the transaction with the highest amount been of €2 065 million.

In what concerns operations subject to favourable prior opinion from the General and Supervisory Board, one of them had a financial consultant as a related party, BCP, inherent to the transaction in the amount of €164 million, and the consultancy fee with the related party in the amount of €700,000.00. Regarding operations in which there were waivers of prior opinion, none had inherent a transaction with a related party. In accordance with the Regulation on Conflict of Interest and Transactions between Related Parties, and considering the specificities underlined to this transaction, the General and Supervisory Board, the Corporate Governance and Sustainability Committee, whenever possible, analyses such transaction, having concluded for the non-existence of evidences that the potential conflict of interests subjacent to the operations performed by EDP have been resolved in a way contrary to the Company's interests.

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 current rules on the issue and waiving of a prior opinion from the General and Supervisory Board, as referred previously, were approved on 18 June 2015, along with the procedures for communication and clarifications between it and the Executive Board of Directors.

Pursuant to EDP's Articles of Association, the General and Supervisory Board fixes the parameters for measuring the economic or strategic value of operations submitted to it for an opinion and sets up speedy mechanisms for issuing an opinion in urgent cases or when the nature of the subject so warrants and the situations in which this opinion can be waived (Article 21 (7)). The mechanism for waiving a prior opinion from the General and Supervisory Board may only be used in cases of exceptional urgency or if the nature of the subject so warrants, as set out in EDP's Articles of Association and the General and Supervisory Board Internal Regulation in effect in 2011 (current Article 15 (5)).

All matters in which a prior opinion is waived are later appraised at meetings of the General and Supervisory Board.

Furthermore, the General and Supervisory Board has set out strict rules on transactions between related parties in order to prevent conflicts of interest.

Within this scope, it should be highlighted what is defined in the Regulation on Conflict of Interest and Transactions between Related Parties in what concerns the procedures and criteria applicable to the supervision for previous evaluation of business between the Company and qualified shareholders or any entities with whom the latter are related:

- a) For legal transactions or situations between related parties that are likely to cause a conflict of interest between those involved that will have an impact on the interests of EDP, the Executive Board has to request the preliminary opinion of the General and Supervisory Board or its waiver, and also has to provide the following information:
- A brief description of the operations and obligations assumed by the parties.
 - A statement the procedures adopted for selecting the counterparty, particularly if the operation was based on a tender/consultation or limited tendering procedure.
 - In the case of a limited tendering procedure, the reasons for such decision and the measures adopted to mitigate any risks from potential conflicts of interests.

- In the case of a tender/consultation, statement of the type of contact established with potential stakeholders and identify such.
 - In the event competitive offers existed, information on the terms of the different proposals and the reason for the choice made.
 - Identification of the parameters to measure the operation performed under "normal market conditions for similar transactions".
 - Measures taken to prevent or resolve potential conflicts of interests.
 - Evidence, if applicable, of the multiannual nature of the operation, in which case the starting date of the selected tender/contract should be reported together with the date on which the supplies and/or services provided shall be provided or carried out.
- b) 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 Corporate Governance and Sustainability 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 Corporate Governance and Sustainability 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.
- c) 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, which are subject to a request for waiver of the preliminary opinion from the General and Supervisory Board, at least three Members of the Committee should be consulted, and the majority have to be independent.
- d) When considering the request by the Executive Board, in the event of a request to waive the preliminary report, the Corporate Governance and Sustainability Committee, the General and Supervisory Board or the Chairman of this Board, may recommend to the Executive Board that appropriate measures must be taken to address the potential conflict of interest.

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, on 13 October 2017 which gave rise to the revocation of the Corporate Governance Code issued by CMVM, having been introduced changes to the Corporate Governance Code issued by the Portuguese Institute for Corporate Governance, available at www.cgov.pt,

The choice of EDP to adopt the Corporate Governance Code issued by the Portuguese Institute for Corporate Governance reflects the concern of ensuring at all times the implementation of best corporate governance practices.

According to the CMVM Circular, dated 11 January 2019, this Report is still 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 corporate governance model.

2. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The following chart the Portuguese Institute for Corporate Governance principles and recommendations on corporate governance established in the respective Corporate Governance Code and indicating whether or not they were adopted by EDP, or the possibility of such provisions are not applicable to the Company. In case the descriptions set forth on the shareholder structure, organization and corporate governance of the report does not exhaust the scope of the underlying explanation of the respective principles or recommendations, complementary information was included.

COMPLIANCE DECLARATION

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
CHAPTER I · GENERAL PROVISIONS			
General Principle: Corporate Governance should promote and enhance the performance of companies, as well as of the capital markets, and strengthen the trust of investors, employees and the general public in the quality and transparency of management and supervision, as well as in the sustained development of the companies.			
I.1. Company's relationship with investors and disclosure			
<p>Principle: Companies, in particular its directors, should treat shareholders and other investors equitably, namely by ensuring mechanisms and procedures are in place for the suitable management and disclosure of information</p>		<p>Regarding the disclosure of information, it is important to refer the existence of, on one hand, information flow and mechanisms and the calling and, on the other hand, binding rules of the corporate bodies and specialized committees for information sharing. On that regard, EDP relies on an information sharing platform between the Executive Board of Directors and the General and Supervisory Board as well as between the specialized committees, accessible to all members of such bodies and committees. Such information tool allows all members to have knowledge of the most important documents namely minutes and resolutions supporting documents. The Executive Board of Directors provides to all other corporate body members all the requested information in a timely and appropriate manner. Furthermore, the Investors Relations Department aims to ensure the communication with analysts and investors of the Group companies in order to guarantee a sustainable Company's image and EDP's notoriety as well as to answer all information requests of regulatory entities and financial supervisory authorities. Moreover, the Stakeholders and Institutional Relations Department ensures the institutional communication of the Company through an integrated and consistent narrative before the Group Stakeholders in line with the adopted vision and strategy in order to maximize the communication potential of the Group towards its stakeholders and to contribute to a fluid and systematized information flow among the Group and its activities. In addition to these Departments, EDP has also an Information Disclosure Committee which main functions are: (i) to analyse and assess the provided information or which information should be provided periodically by EDP when preparing its reports or other releases to the market and (ii) to assess the control and disclosure information mechanism of EDP. Finally, EDP has established a corporate centre that assumes a supporting role to the Executive Board of Directors in the definition and execution of the defined control strategies, policies and objectives. The corporate centre is organized by Corporate Departments and Business Units, allowing a better optimization 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>Recommendation I.1.1. The Company should establish mechanisms to ensure, in a suitable and rigorous form, the production, management and timely disclosure of information to its governing bodies, shareholders, investors and other stakeholders, financial analysts, and to the markets in general</p>	<p>ADOPTED</p>		<p>Item 15 Item 21 Item 22 Item 27 Item 29 Item 52 Items 55 to 65</p>
I.2. Diversity in the composition and functioning of the company's governing bodies			
<p>Principle I.2.A Companies ensure diversity in the composition of its governing bodies, and the adoption of requirements based on individual merit, in the appointment procedures that are exclusively within the powers of the shareholders</p>		<p>The Internal Regulations of the corporate bodies, corporate entities and specialized committees which form part of EDP's structure set forth several provisions related to reputation, independence and incompatibilities applicable to the members of those corporate bodies. Regarding the General and Supervisory Board and the Executive Board of Directors, EDP has a specific policy entitled "Policy on Selection of the Members of the General and Supervisory Board and Executive Board of Directors" according to which the integration of several skills, professional experiences and knowledge, as well as genre and cultural diversity should always be assured</p>	<p>Item 11 Items 15 to 17 Items 30 to 33 Annex I</p>
<p>Principle I.2.B Companies should be provided with clear and transparent decision structures and ensure a</p>			<p>Item 21 Items 27 to 31</p>

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION						
<p>maximum effectiveness of the functioning of their governing bodies and commissions</p>	ADOPTED	<p>taking into account the specificities of the Company business. Such policy establishes that the election proposal of any candidate to be submitted to the Shareholders' General Meeting should be duly substantiated, considering the candidate's profile and function to be performed so as to enable the verification of adequacy of the candidate's profile, knowledge and curriculum to the functions to be performed. Under the abovementioned policy, some of the general selection criteria are: (i) promotion of equality of rights and of opportunities in a context of diversity; (ii) enhancement of diversity, notably in matters of age, gender, geographical origin, skills, competences, qualifications and experience; (iii) promotion of the increase in the number of members of the under-represented gender; (iv) prevention of potential conflicts of interest. Said selection policy also foresees competences of the members of the Executive Board of Directors and of the General and Supervisory Board should have, among which we highlight the following: (i) technical-professional competences suitable for the function; (ii) Integrity, ethics and professional and personal values; (iii) sufficient knowledge of the legal, regulatory and statutory rules applicable to the its functions and to the Company; (iv) sufficient availability to comply with the respective legal and statutory functions; (v) fulfilment of the independence requirements established by law and in the Articles of Association; (vi) commitment with the provisions set forth in legal provisions, and policies and Company's Internal Regulation; (vii) commitment towards the compliance with the best practices in corporate governance; (viii) competences and experience in companies' management, risk management and supervision suitable for the function and (ix) industry knowledge and experience in the sector. In particular regarding gender diversity, it is convened by the compliance with Law 62/2017, of 1 August, related to the balanced representation between men and women in governing and supervisory bodies in public sector entities and listed companies. Furthermore, EDP has a diversity policy according to which it undertakes to (i) promote the mutual respect and equal opportunities before diversity, (ii) acknowledge the differences as a source of strengthen human potential and diversity enrichment in the organization, in the management and in the strategy and (iii) adoption of non-discriminatory and awareness measures not only internal but also towards the community in order to have an effective and efficient implementation of the diversity policy.</p>	<p>Item 11 Items 15 to 17 Items 30 to 33 Annex I</p>						
<p>Recommendation I.2.2. The company's managing and supervisory boards, as well as their committees, should have internal regulations — namely regulating the performance of their duties, their Chairmanship, periodicity of meetings, their functioning and the duties of their members —, and detailed minutes of the meetings of each of these bodies should be carried out</p>	ADOPTED	<p>The General and Supervisory Board (GSB), the Executive Board of Directors (EBD), the Financial Matters Committee / Audit Committee (FMC/AC), the Corporate Governance and Sustainability Committee (CGSC), the Strategy and Performance Committee (SPC) and the Remuneration Committee (RC) have specific Internal Regulations that establish its functioning and which were updated in 2018 to adopt the best practices, in particular those principles and recommendations set forth by the Portuguese Institute for Corporate Governance. In relation to the applicable specific articles, please see charts below:</p> <table border="0" data-bbox="691 1944 986 2020"> <tr> <td colspan="2">Internal Regulation GSB</td> </tr> <tr> <td>Duties</td> <td>2</td> </tr> <tr> <td>Chairmanship</td> <td>5</td> </tr> </table>	Internal Regulation GSB		Duties	2	Chairmanship	5	<p>Items 22 and 23 Items from 27 to 29 Item 34 Item 61</p>
Internal Regulation GSB									
Duties	2								
Chairmanship	5								

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
		Periodicity of meetings 4 Functioning 4 Duties of their members 11 Duty to draft Minutes 26 Internal Regulation EBD Duties 4 Chairmanship 5 Periodicity of meetings 7 Functioning 7 Duties of their members 4 Duty to draft Minutes 9 Internal Regulation FMC/AC Duties 2 Chairmanship 5 Periodicity of meetings 4 Functioning 4 Duties of their members 10 Duty to draft Minutes 4 Internal Regulation RC Duties 2 Chairmanship 5 Periodicity of meetings 4 Functioning 4 Duties of their members 10 Duty to draft Minutes 4 Internal Regulation CGSC Duties 2 Chairmanship 5 Periodicity of meetings 4 Functioning 4 Duties of their members 10 Duty to draft Minutes 4 Internal Regulation SPC Duties 2 Chairmanship 5 Periodicity of meetings 4 Functioning 4 Duties of their members 10 Duty to draft Minutes 4	
<p>Recommendation I.2.3. The internal regulations of the governing bodies — the managing body, the supervisory body and their respective committees — should be disclosed, in full, on the company's website</p>	ADOPTED	<p>In addition to Items 34, 59 and 61, the corporate bodies and the specialized committees' Internal Regulations make express reference to the disclosure on EDP's institutional website of such Internal Regulations, as follows:</p> <ul style="list-style-type: none"> - Internal Regulation GSB: Article 29 - Internal Regulation EBD: Article 10 - Internal Regulation FMC/AC: Article 15 - Internal Regulation RC: Article 15 - Internal Regulation CGSC: Article 15 - Internal Regulation SPC: Article 15 	Item 34 Item 59 Item 61
<p>Recommendation I.2.4. The composition, the number of annual meetings of the managing and supervisory bodies, as well as of their committees, should be disclosed on the company's website</p>	ADOPTED	<p>This information is made available at EDP's website, is disclosed on EDP's Annual Report as well as on the General and Supervisory Board Annual Report.</p> <p>www.edp.com/en/investors/corporate-governance/governing-bodies-0</p>	Item 59

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<p>Recommendation I.2.5. The company's internal regulations should provide for the existence and ensure the functioning of mechanisms to detect and prevent irregularities, as well as the adoption of a policy for the communication of irregularities (whistleblowing) that guarantees the suitable means of communication and treatment of those irregularities, but safeguarding the confidentiality of the information transmitted and the identity of its provider, whenever such confidentiality requested</p>	ADOPTED	<p>A Whistleblowing Procedures Regulation is in force. Such Regulation sets forth reception mechanisms and procedures, irregularities communication retention and processing on several matters received by the Company.</p>	Item 49
<p>I.3. Relationships between the company bodies</p>			
<p>Principle: Members of the company's boards, especially directors, should create, considering the duties of each of the boards, the appropriate conditions to ensure balanced and efficient measures to allow for the different governing bodies of the company to act in a harmonious and coordinated way, in possession of the suitable amount of information in order to carry out their respective duties.</p>			Items 21 to 45
<p>Recommendation I.3.1. The bylaws, or other equivalent means adopted by the company, should establish mechanisms that, within the limits of applicable laws, permanently ensure the members of the managing and supervisory boards are provided with access to all the information and company's collaborators, in order to appraise the performance, current situation and perspectives for further developments of the company, namely including minutes, documents supporting decisions that have been taken, calls for meetings, and the archive of the meetings of the managing board, without impairing the access to any other documents or people that may be requested for information.</p>	ADOPTED	<p>EDP's Article of Association expressly set forth that all corporate bodies of the Company should, to the extent of their competences, create the necessary conditions for a harmonious, articulated and informed performance of their duties. It was also implemented reporting and information sharing mechanisms in accordance with recommendation I.1.1. In addition, in the Internal Regulation of the General and Supervisory Board, on the Executive Board of Directors and on the specialized committees, there are several provisions that set forth reporting mechanisms namely to supervisory bodies as well as information flow systems regarding annual activity plans, resolutions and minutes.</p>	Items 21 to 45
<p>Recommendation I.3.2. Each of the company's boards and committees should ensure the timely and suitable flow of information, especially regarding the respective calls</p>	ADOPTED	<p>All Internal Regulations set forth reporting and information sharing mechanisms. In particular, it should be highlighted the relevance of the information sharing platform between the General and Supervisory Board and the Executive Board of Directors.</p>	Items 21 to 45

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>for meetings and minutes, necessary for the exercise of the competences, determined by law and the bylaws, of each of the remaining boards and committees.</p>			
I.4. Conflicts of interest			
<p>Principle: The existence of current or potential conflicts of interest, between members of the company's boards or committees and the company, should be prevented. The non-interference of the conflicted member in the decision process should be guaranteed.</p>		<p>On 17 May 2010, the Executive Board of Directors approved rules on identification, internal reporting and respective actions to be carried out should a case of conflicts of interest occurs. This Regulation is applicable to all EDP Group employees that have a decision-making role on the completion of a transaction with related parties which was reviewed in 2015. On EDP's bodies and committees' Internal Regulations, a provision is set forth by which such bodies and committees members should inform the respective body or committee on facts that could constitute or give cause to a conflict between his/hers interests and the corporate interest. In accordance with the Regulation on Conflict of Interest and Transactions between Related Parties, the Corporate Governance and Sustainability Committee should inform the General and Supervisory Board on all activities should a conflict of interest occurs.</p>	<p>Item 10 Item 18 Item 20 Item 21 Item 91</p>
<p>Recommendation I.4.1. The duty should be imposed, to the members of the company's boards and committees, of promptly informing the respective board or committee of facts that could constitute or give rise to a conflict between their interests and the company's interest.</p>	<p>ADOPTED</p>		<p>Item 10 Item 18 Item 20 Item 21 Item 91</p>
<p>Recommendation I.4.2. Procedures should be adopted to guarantee that the member in conflict does not interfere in the decision-making process, without prejudice to the duty to provide information and other clarifications that the board, the committee or their respective members may request.</p>	<p>ADOPTED</p>	<p>All corporate bodies and specialized committees' Internal Regulations set forth a specific provision on the conduct to be adopted by the respective body or committee member in case of an effective or apparent conflict of interest as well as a duty to provide information or clarifications. The respective articles that specifically set forth this recommendation are the following:</p> <ul style="list-style-type: none"> - Internal Regulation GSB: Article 10 - Internal Regulation EBD: Article 8 - Internal Regulation FMC/AC: Article 9 - Internal Regulation RC: Article 9 - Internal Regulation CGSC: Article 9 - Internal Regulation SPC: Article 9 	<p>Item 10 Item 18 Item 20 Item 21 Item 91</p>
I.5. Related party transactions			
<p>Principle: Due to the potential risks that they may hold, transactions with related parties should be justified by the interest of the company and carried out under market conditions, subject to principles of transparency and adequate supervision.</p>		<p>As provided for in item 5.1 of the Regulation on Conflict of Interest and Transactions between Related Parties of EDP, the Executive Board of Directors should inform the General and Supervisory Board, within 20 days following the end of each quarter, of all transactions that are considered relevant situations. Item 5.2 refers to the elements that should be included on such disclosure of information. Furthermore, Article 17 (2) of EDP's Articles of Association makes reference to a set of matters that are subject to the favourable prior opinion of the General and Supervisory Board. In accordance with Article 21 (7) of EDP's Articles of Association and Article 15 of the General and Supervisory Board Internal Regulation, the General and Supervisory Board should set the parameters to measure the economic or strategic value parameters of the transactions that should be submitted for opinion, namely in case of investments and divestments of assets, rights and shares of significant economic or strategic value. It is the General and Supervisory Board's duty to, in the context of the assessment of the annual and interim management report of EDP, and taking into consideration the work</p>	<p>Item 10 Items 89 to 92</p>
<p>Recommendation I.5.1. The managing body should define, in accordance with a previous favourable and binding opinion of the supervisory body, the type, the scope and the minimum individual or aggregate value of related party transactions that: (i) require the previous authorization of the managing board, and (ii) due to their increased value require an additional</p>	<p>ADOPTED</p>		<p>Item 10 Items 89 to 92</p>

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
favourable report of the supervisory body.		developed by the Corporate Governance and Sustainability Committee, issue an opinion on the application of the Regulation on Conflict of Interest and Transactions between Related Parties, regarding transactions entered into between such parties.	
Recommendation I.5.2. The managing body should report all the transactions contained in Recommendation 1.5.1. to the supervisory body, at least every six months.	ADOPTED	As provided for in item 5 of EDP's Regulation on Conflict of Interest and Transactions between Related Parties available at its institutional website, the Executive Board of Directors should inform the General and Supervisory Board within 20 days following the end of each quarter, of all transactions that are considered relevant situations.	Item 10 Items 89 to 92
CHAPTER II – SHAREHOLDERS AND GENERAL MEETINGS			
Principle II.A As an instrument for the efficient functioning of the company and the fulfilment of the corporate purpose of the company, the suitable involvement of the shareholders in matters of corporate governance is a positive factor for the company's governance.			Item 5 Item 6 Item 7 Item 10 Item 12 to 16 Item 56
Principle II.B The company should stimulate the personal participation of shareholders in general meetings, which is a space for communication by the shareholders with the company's boards and committees and also of reflection about the company itself.			Item 5 Item 6 Item 7 Item 10 Item 12 to 16 Item 56
Principle II.C The company should also allow the participation of its shareholders in the general meeting through digital means, postal votes and, especially, electronic votes, unless this is deemed to be disproportionate, namely taking into account the associated costs.			Item 5 Item 6 Item 7 Item 10 Item 12 to 16 Item 56
Recommendation II.1. The company should not set an excessively high number of shares to confer voting rights, and it should make its choice clear in the corporate governance report every time its choice entails a diversion from the general rule: that each share has a corresponding vote.	ADOPTED	EDP establishes in Article 14 (1) and (2) of its Articles of Association that to each share corresponds one vote and that all shareholders with voting rights may participate in the Shareholders' General Meeting provided that they have such capacity on registration date.	Item 5 Item 6 Item 7 Item 10 Item 12 to 16 Item 56
Recommendation II.2. The company should not adopt mechanisms that make decision making by its shareholders (resolutions) more difficult, specifically, by setting a quorum higher than that established by law.	ADOPTED	Article 11 (3) of EDP's Articles of Association establishes that Shareholders' General Meeting resolutions are adopted by a majority of voting cast, unless a legal or statutory provision requires a qualified majority.	Item 5 Item 6 Item 7 Item 10 Item 12 to 16 Item 56
Recommendation II.3. The company should implement adequate means for the exercise of voting rights through postal votes,	ADOPTED	If on one hand EDP's Articles of Association enable the exercise by postal vote, by letter (Article 14 (6)), on the other hand, allow and determine the procedure for the exercise of postal vote, including by electronic means under Article 14 (6) to (8). As described in the	Item 5 Item 6 Item 7 Item 10 Item 12 to 16 Item 56

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>including by electronic means.</p> <p>Recommendation II.4. The company should implement adequate means in order for its shareholders to be able to digitally participate in general meetings.</p>	<p>NOT ADOPTED</p>	<p>Report, drafts for the correspondence vote are made available as well as minutes to the voting exercise for electronic correspondence. At EDP website (www.edp.com) shareholders may find the necessary minutes of the correspondence and electronic voting exercise.</p> <p>In recent years, the shareholders' participation rate in the Shareholders' General Meetings of EDP stood between 69.5% and 77.9%. From this referential, it should be pointed out that the postal vote has always represented less than 1% (exception made to the Shareholders' General Meeting that took place on 19 April 2017, in which the postal vote stood at 3.2%), which illustrates the shareholders' clear option for the on-site presence in such meetings.</p> <p>These data substantiate and comfort EDP's position striving for the maximization of the shareholders' participation in general meetings, as such involvement provides a direct interaction with shareholders and, therefore, represents a positive factor for the proximity to the shareholder structure, for the efficient operation of the Company and for the fulfilment of its corporate purpose. It is certain that, without prejudice of this matter being revisited in the future, the non-adoption of telematic mechanisms to date has not prevented the shareholders' significant participation on such forum, as referred above. Equally representative of such clear preference of the shareholders for the presential participation is the reduced participation rate by means of postal vote.</p>	
<p>Recommendation II.5. The bylaws, which specify the limitation of the number of votes that can be held or exercised by a sole shareholder, individually or in coordination with other shareholders, should equally provide that, at least every 5 years, the amendment or maintenance of this rule will be subject to a shareholder resolution — without increased quorum in comparison to the legally established — and in that resolution, all votes cast will be counted without observation of the imposed limits.</p>	<p>NOT ADOPTED</p>	<p>Over the past few years, the subject of statutory limitation on voting rights has already been discussed by the Shareholders' General Meeting of EDP on two occasions. The limitation of the number of votes set out in Article 12 of the Articles of Association reflects the will of the shareholders of EDP expressed through resolutions of the Shareholders' General Meeting, in the defence of the Company's specific interests: (i) change of the limit from 5% to 20% was approved by the shareholders at the General Meeting of 25 August 2011, involving the participation of 72.25% of the capital and approval of a majority of 94.16% of the votes cast; (ii) a later increase to the current 25% was approved at the General Meeting of 20 February 2012, involving the participation of 71.51% of the capital and approval by a majority of 89.65% of the votes cast.</p> <p>The shareholders have thus been called on to decide on limiting the number of votes. The continued existence of the limitation has prevailed and the reflection on the adjustment of the relevant ceiling for counting voting rights, precisely to progressively increase this level.</p> <p>The momentum of shareholders of the Company has thus proven to be perfectly in tune with the sense advocated in the Recommendation and sufficiently apt for pursuing its goals, avoiding rigid formulas for this review set down in the Articles of Association, which has also fostered the particularly intense scrutiny of this clause by shareholders.</p>	
<p>Recommendation II.6. The company should not adopt mechanisms that imply payments or assumption of fees in the case of the transfer of control or the change in the composition of the managing body, and which are likely to harm the free transferability of shares and a</p>	<p>ADOPTED</p>	<p>As provided for in EDP's Corporate Governance Manual, no measures that prevent free transmission of shares and free performance assessment of the members of the Executive Board of Directors are known. Identically, EDP has not entered into any significant agreements that come into force, are altered or are terminated in case of a change of control or a change to the management board</p>	<p>Items 4 and 5</p>

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shareholder assessment of the performance of the members of the managing body.		occurs, as provided for in the Remuneration Policy Declaration of the Executive Board of Directors.	
CHAPTER III – NON-EXECUTIVE MANAGEMENT, MONITORING AND SUPERVISION			
Principle III.A The members of governing bodies who possess non-executive management duties or monitoring and supervisory duties should, in an effective and judicious manner, carry out monitoring duties and incentivise executive management for the full accomplishment of the corporate purpose, and such performance should be complemented by committees for areas that are central to corporate governance.			Items from 15 to 19 Item 21 Item 29
Principle III.B The composition of the supervisory body and the non-executive directors should provide the company with a balanced and suitable diversity of skills, knowledge, and professional experience.		The election proposal of any candidate of the General and Supervisory Board and of the Executive Board of Directors to be submitted to the Shareholders' General Meeting should be duly substantiated, considering the candidate's profile and function to be performed so as to enable the verification of the adequacy of the candidate's profile, knowledge and curriculum to the functions to be performed. Among the established criteria are (i) the promotion of equality of rights and opportunities in a context of diversity; (ii) the enhancement of diversity, notably in matters of age, gender, geographical origin, skills, competences, qualifications and experience; (iii) the promotion of the increase in the number of members of the under-represented gender; (iv) prevention of potential conflicts of interest. As provided in the respective recommendation, a selection policy is in force which sets forth specifically the skills that the members of the Executive Board of Directors and the General and Supervisory Board should have.	Item 21 Item 29 Item 31 Item 68
Principle III.C The supervisory body should carry out a permanent oversight of the company's managing body, also in a preventive perspective, following the company's activity and, in particular, the decisions of fundamental importance.			Items from 15 to 19 Item 21 Item 29
Recommendation III.1. Without prejudice to question the legal powers of the chair of the managing body, if he or she is not independent, the independent directors should appoint a coordinator (lead independent director), from amongst them, namely, to: (i) act, when necessary, as an interlocutor near the chair of the board of directors and other directors, (ii) make sure there are the necessary conditions and means to carry out their functions; and (iii) coordinate the independent directors in the assessment of the	NOT APPLICABLE	This recommendation is not applicable to the governance model in force.	

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>performance of the managing body, as established in recommendation V.1.1.1.</p>			
<p>Recommendation III.2. The number of non-executive members in the managing body, as well as the number of members of the supervisory body and the number of the members of the committee for financial matters should be suitable for the size of the company and the complexity of the risks intrinsic to its activity, but sufficient to ensure, with efficiency, the duties which they have been attributed.</p>	<p>ADOPTED</p>	<p>The General and Supervisory Board is composed of a number of effective members not lower than nine, but always higher than the number of directors, under Article 21 (1) of the Articles of Association. The Financial Matters Committee / Audit Committee should be composed by at least three independent members according to Article 3 of the Financial Matters Committee / Audit Committee Internal Regulation which is entirely proportional to the Company features.</p>	<p>Item 17 Item 21 Item 29</p>
<p>Recommendation III.3. In any case, the number of non-executive directors should be higher than the number of executive directors.</p>	<p>NOT APPLICABLE</p>	<p>This recommendation is not applicable to the governance model in force.</p>	
<p>Recommendation III.4. Each company should include a number of non-executive directors that corresponds to no less than one third, but always plural, who satisfy the legal requirements of independence. For the purposes of this recommendation, an independent person is one who is not associated with any specific group of interest of the company, nor under any circumstance likely to affect his/her impartiality of analysis or decision, namely due to:</p> <ul style="list-style-type: none"> i. having carried out functions in any of the company's bodies for more than twelve years, either on a consecutive or non-consecutive basis; ii. having been a prior staff member of the company or of a company which is considered to be in a controlling or 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 a company which is considered to be in a controlling or group relationship, either directly or as a shareholder, director, manager or officer of the legal person; iv. having been a beneficiary of remuneration paid by the 	<p>NOT APPLICABLE</p>	<p>This recommendation is not applicable to the governance model in force.</p>	

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<p>company or by a company which is considered to be in a controlling or group relationship other than the remuneration resulting from the exercise of a director's duties;</p> <p>v. having lived in a non-marital partnership or having been the spouse, relative or any first degree next of kin up to and including the third degree of collateral affinity of company directors or of natural persons who are direct or indirect holders of qualifying holdings, or</p> <p>vi. having been a qualified holder or representative of a shareholder of qualifying holding.</p>			
<p>Recommendation III.5. The provisions of (i) of recommendation III.4 does not inhibit the qualification of a new director as independent if, between the termination of his/her functions in any of the company's bodies and the new appointment, a period of 3 years has elapsed (cooling-off period).</p>	NOT APPLICABLE	This recommendation is not applicable to the governance model in force.	
<p>Recommendation III.6. Non-executive directors should participate in the definition, by the managing body, of the strategy, main policies, business structure and decisions that should be deemed strategic for the company due to their amount or risk, as well as in the assessment of the accomplishment of these actions.</p>	NOT APPLICABLE	This recommendation is not applicable to the governance model in force.	
<p>Recommendation III.7. The supervisory body should, within its legal and statutory competences, collaborate with the managing body in defining the strategy, main policies, business structure and decisions that should be deemed strategic for the company due to their amount or risk, as well as in the assessment of the accomplishment of these actions.</p>	ADOPTED	<p>In accordance with Article 21 (7) of EDP's Articles of Association, the General and Supervisory Board should establish the economic or strategic value parameters of the transactions that under Article 17 (2) should be submitted for opinion, as well as establish effective mechanisms to issue opinions in case of urgency or if the nature of the matter concerned justifies it, and the situations in which such opinion could be waived. Furthermore, under Article 17 (1) (g) of EDP's Articles of Association, the Executive Board of Directors may resolve on bond issuance and other securities, having to comply with annual quantitative limits set by the General and Supervisory Board. The General and Supervisory Board, in 6 April 2018, unanimously approved the mandatory determination parameters to prior opinion of the General and Supervisory Board as well as established the annual quantitative limits for the issuance of securities by the Executive Board of Directors.</p>	Item 21 Item 24 Item 29 Items from 49 to 55
<p>Recommendation III.8. The supervisory body, in observance of the powers conferred to it by law, should,</p>	ADOPTED		Item 21 Item 24 Item 29 Items from 49 to 55

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<p>in particular, monitor, evaluate, and pronounce itself on the strategic lines and the risk policy defined by the managing body.</p>			
<p>Recommendation III.9. Companies should create specialised internal committees that are adequate to their dimension and complexity, separately or cumulatively covering matters of corporate governance, remuneration, performance assessment, and appointments.</p>	ADOPTED		Item 21 Item 29
<p>Recommendation III.10. Risk management systems, internal control and internal audit systems should be structured in terms adequate to the dimension of the company and the complexity of the inherent risks of the company's activity.</p>	ADOPTED		Item 21 Item 29 Items from 50 to 55
<p>Recommendation III.11. The supervisory body and the committee for financial affairs should supervise the effectiveness of the systems of risk management, internal control and internal audit, and propose adjustments where they are deemed to be necessary.</p>	ADOPTED		Item 15 Item 17 Item 21 Item 29
<p>Recommendation III.12. The supervisory body should provide its view on the work plans and resources of the internal auditing service, including the control of compliance with the rules applied to the company (compliance services) and of internal audit, and should be the recipient of the reports prepared by these services, at least regarding matters related with approval of accounts, the identification and resolution of conflicts of interest, and the detection of potential irregularities.</p>	ADOPTED		Items from 50 to 55
CHAPTER IV – EXECUTIVE MANAGEMENT			
<p>Principle IV.A As way of increasing the efficiency and the quality of the managing body's performance and the suitable flow of information in the board, the daily management of the company should be carried out by directors with qualifications, powers and experience suitable for the role. The executive board is responsible for the management of the company, pursuing the</p>			Item 17 Item 18 Item 19 Item 21

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company's objectives and aiming to contribute towards the company's sustainable development.			
Principle IV.B In determining the number of executive directors, it should be taken into account, besides the costs and the desirable agility in the functioning of the executive board, the size of the company, the complexity of its activity, and its geographical spread.			Item 17 Item 18 Item 19 Item 21
Recommendation IV.1. The managing body should approve, by internal regulation or equivalent, the rules regarding the action of the executive directors and how these are to carry out their executive functions in entities outside of the group.	ADOPTED		Item 17 Item 18 Item 19 Item 21
Recommendation IV.2. The managing body should ensure that the company acts consistently with its objects and does not delegate powers, namely, in what regards: i. the definition of the strategy and main policies of the company; ii. the organisation and coordination of the business structure; iii. matters that should be considered strategic in virtue of the amounts involved, the risk, or special characteristics.	NOT APPLICABLE	This recommendation is not applicable to the governance model in force at EDP. In fact, in accordance with the dual governance model, the Executive Board of Directors does not grant any powers namely those provided for in this recommendation, however, the supervisory and management monitoring board issues prior opinions related to the approval of the strategic plan and to specific or significant strategic operations under the terms of Article 17 (2) of the Articles of Association.	Item 17 Item 18 Item 19 Item 21
Recommendation IV.3. In matters of risk assumption, the managing body should set objectives and look after their accomplishment.	ADOPTED		Item 21 Items 50 to 55
Recommendation IV.4. The supervisory board should be internally organised, implementing mechanisms and procedures of periodic control that seek to guarantee that risks which are effectively incurred by the company are consistent with the company's objectives, as set by the managing body.	ADOPTED		Item 21 Item 29 Items 51 to 55
CHAPTER V – EVALUATION OF PERFORMANCE, REMUNERATION AND APPOINTMENT			
V.1 Annual evaluation of performance			
Principle: The company should promote the assessment of performance of the executive board and of its members individually, and also the assessment of the overall performance of the managing body and its specialized committees.			Item 21 Item 24 and 25 Item 27 Item 29
Recommendation V.1.1. The managing body should	ADOPTED	Under Article 5 (4) of the Executive Board of Directors Internal Regulation, the Executive Board of Directors	Item 21 Item 24 and 25 Item 27 Item 29

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<p>annually evaluate its performance as well as the performance of its committees and delegated directors, taking into account the accomplishment of the company's strategic plans and budget plans, the risk management, the internal functioning and the contribution of each member of the body to these objectives, as well as the relationship with the company's other bodies and committees.</p>		<p>Chairman should ensure the adoption of adequate mechanisms to annually evaluate the operation of the Executive Board of Directors and of each of its members.</p>	
<p>Recommendation V.1.2. The supervisory body should supervise the company's management, especially, by annually assessing the accomplishment of the company's strategic plans and of the budget, the risk management, the internal functioning and the contribution of each member of the body to these objectives, as well as the relationship with the company's other bodies and committees.</p>	ADOPTED		Item 21 Item 24 and 25 Item 27 Item 29 Item 52 Item 54
V.2 Remuneration			
<p>Principle: The remuneration policy of the members of the managing and supervisory boards should allow the company to attract qualified professionals at an economically justifiable cost in relation to its financial situation, induce the alignment of the member's interests with those of the company's shareholders — taking into account the wealth effectively created by the company, its financial situation and the market's — and constitute a factor of development of a culture of professionalization, promotion of merit and transparency within the company.</p>			Items from 66 to 88
<p>Recommendation V.2.1. The remuneration should be set by a committee, the composition of which should ensure its independence from management.</p>	ADOPTED	<p>The Remuneration Committee appointed by the General and Supervisory Board is independent from the management and aims to fix the remuneration of the Executive Board of Directors, in accordance with Article 27 of the Articles of Association and Article 28 (b) of the General and Supervisory Board Internal Regulation.</p>	Item 29
<p>Recommendation V.2.2. The remuneration committee should approve, at the start of each term of office, execute, and annually confirm the company's remuneration policy for the members of its boards and</p>	ADOPTED	<p>As stated in Article 12 of its Internal Regulation, the Remuneration Committee is responsible for (i) annually define the remuneration policy of the Executive Board of Directors Chairman and of the remaining members of the Executive Board of Directors, namely in line with the best practices corporate governance, setting criteria of the variable component of the remuneration, (ii) determine the several components</p>	Item 29 Items 66 to 88

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<p>committees, including the respective fixed components. As to executive directors or directors periodically invested with executive duties, in the case of the existence of a variable component of remuneration, the committee should also approve, execute, and confirm the respective criteria of attribution and measurement, the limitation mechanisms, the mechanisms for deferral of payment, and the remuneration mechanisms based on the allocation of options and shares of the company.</p>		<p>of the fixed and variable remuneration, namely eventual benefits and complements, in particular the retirement pension benefits due to old age or disability, (iii) setting remunerations according to the defined policy, allowing the Company to attract, within a reasonable economic cost, qualified professionals, induce the alignment of shareholders' interests and constitute a development factor of a professionalization culture, promotion of merit and transparency within the Company, (iv) determining the significant part of the multi-year variable remuneration to be deferred in time, at least for a period of three years. The said payment is conditional upon not undertaking intentional unlawful acts known after completion of the assessment and which jeopardise the sustainability of the Company's performance, (v) annually evaluating the executive management body considering, among other factors, compliance with the Company's strategy and previously defined objectives, plans and budgets, in order to ponder and determine the variable remuneration of the Executive Board of Directors Chairman and Directors, (vi) assessing the individual performance of each member of the Executive Board of Directors, including in this assessment the contribution of each member to the operating efficiency of the body and relations with the different bodies of the Company, (vii) monitoring the contractual changes of the mandates of the Chairman of the Executive Board of Directors and the executive directors, that reflect on their remuneration, particularly in the event of suspension or termination of those mandates, (viii) setting the maximum amount of compensation payable to the Chairman of the Executive Board of Directors and the executive directors in the event of termination of office, (ix) evaluating consequences, in the scope of the adopted remuneration policy, of the possible remuneration to Executive Board of Directors Chairman or Directors for holding an office in participated or Subsidiary Companies, (x) submitting before the annual General Meeting a statement on remuneration policy for Executive Board of Directors Chairman and Directors adopted by the Committee (xi) establish the necessary mechanisms to coordinate its activity with the Remuneration Committee elected by the General Meeting to set remuneration for the remaining social bodies and (xii) monitor definition of the remuneration policies of directors of Subsidiaries</p>	
<p>Recommendation V.2.3. The statement on the remuneration policy of the managing and supervisory bodies, pursuant to article 2 of Law no. 28/2009, 19th June, should additionally contain the following:</p> <p>i. the total remuneration amount itemised by each of its components, the relative proportion of fixed and variable remuneration, an explanation of how the total remuneration complies with the company's remuneration policy, including how it contributes to the company's performance in the long run, and information about how</p>	<p>ADOPTED</p>	<p>Exception made to sub-paragraph (iii) to the extent that such remuneration mechanism is inexistent at EDP, all the other references are made in the Statement of the Remuneration Committee of management and supervision bodies.</p>	<p>Items from 69 to 72 Item 80</p>

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>the performance requirements were applied;</p> <p>ii. remunerations from companies that belong to the same group as the company;</p> <p>iii. the number of shares and options on shares granted or offered, and the main conditions for the exercise of those rights, including the price and the exercise date;</p> <p>iv. information on the possibility to request the reimbursement of variable remuneration;</p> <p>v. information on any deviation from the procedures for the application of the approved remuneration policies, including an explanation of the nature of the exceptional circumstances and the indication of the specific elements subject to derogation;</p> <p>vi. information on the enforceability or non-enforceability of payments claimed in regard to the termination of office by directors.</p>			
<p>Recommendation V.2.4. For each term of office, the remuneration committee should also approve the directors' pension benefit policies, when provided for in the bylaws, and the maximum amount of all compensations payable to any member of a board or committee of the company due to the respective termination of office.</p>	<p>PARTIALLY APPLICABLE</p>	<p>Article 27 of EDP's Articles of Association sets forth that the General and Supervisory Board Remuneration Committee, which the majority of the members are independent, sets the directors' remunerations, as well as eventual supplements, namely retirement pension complements for old-age or disability. In this sense, the Remuneration Policy Declaration approved by resolution of the Shareholders' General Meeting on 5 April 2018 sets forth that the base remuneration includes the hiring of a standard financial product, a retirement savings plan type, that the Executive Board of Directors members benefit from through the application of 10% (ten per cent) of the net amount of the respective fixed annual remuneration. In relation to compensations payable to any member of a board or committee of the company due to the respective termination of office provision, no specific system have been provided for.</p>	<p>Item 69 Item 76 Item 80</p>
<p>Recommendation V.2.5. In order to provide information or clarifications to shareholders, the chair or, in case of his/her impediment, another member of the remuneration committee should be present at the annual general meeting, as well as at any other, whenever the respective agenda includes a matter linked with the remuneration of the members of the company's boards and committees or, if such presence has been</p>	<p>ADOPTED</p>	<p>Article 5 (2) of the Remuneration Committee Internal Regulation expressly sets forth that in order to provide information or clarification to shareholders, the Chairman, or in his absence, other Remuneration Committee member, ensures the presence in the Annual Shareholders' General Meeting or in any other Shareholders' General Meeting if the agenda covers any matter related to the Company's bodies or committees' members remuneration or if such presence is required by shareholders.</p>	<p>Item 29</p>

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>requested by the shareholders.</p> <p>Recommendation V.2.6. Within the company's budgetary limitations, the remuneration committee should be able to decide, freely, on the hiring, by the company, of necessary or convenient consulting services to carry out the committee's duties. The remuneration committee should ensure that the services are provided independently and that the respective providers do not provide other services to the company, or to others in controlling or group relationship, without the express authorization of the committee.</p>	ADOPTED	<p>In accordance with Article 4 (5) of its Internal Regulation, the Remuneration Committee ensures that the consultancy services on remuneration matters are provided with independence and that the respective service providers are not hired for the provision of any other services to the Company or any other controlled by the Company or subsidiary of the Company without express consent of the Committee. Furthermore, Article 4 (6) sets forth that the Remuneration Committee freely decides on the hiring of the necessary or convenient consultancy services for the performance of their duties.</p>	Item 29
V.3 Director remuneration			
<p>Principle: Directors should receive compensation: i) that suitably remunerates the responsibility taken, the availability and the competences placed at the disposal of the company; ii) that guarantees a performance aligned with the long-term interests of the shareholders, as well as others expressly defined by them; and iii) that rewards performance.</p>			Items 69 and 70
<p>Recommendation V.3.1. Taking into account the alignment of interests between the company and the executive directors, a part of their remuneration should be of a variable nature, reflecting the sustained performance of the company, and not stimulating the assumption of excessive risks.</p>	ADOPTED		Items 69 and 70
<p>Recommendation V.3.2. A significant part of the variable component should be partially deferred in time, for a period of no less than three years, thereby connecting it to the confirmation of the sustainability of the performance, in the terms defined by a company's internal regulation.</p>	ADOPTED		Items from 70 to 72
<p>Recommendation V.3.4. When variable remuneration includes the allocation of options or other instruments directly or indirectly dependent on the value of shares, the start of the exercise period should be</p>	NOT APPLICABLE	<p>There are no stock option plans or other direct or indirect instruments dependent on stock amounts.</p>	Items from 85 to 88

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>deferred in time for a period of no less than three years.</p> <p>Recommendation V.3.5. The remuneration of non-executive directors should not include components dependent on the performance of the company or on its value.</p>	<p>NOT APPLICABLE</p>	<p>This recommendation is not applicable to the governance model in force.</p>	
<p>Recommendation V.3.6. The company should be provided with suitable legal instruments so that the termination of a director's time in office before its term does not result, directly or indirectly, in the payment to such director of any amounts beyond those foreseen by law, and the company should explain the legal mechanisms adopted for such purpose in its governance report.</p>	<p>ADOPTED</p>	<p>There is no provision on payment of any amount to the corporate bodies members as compensation in case of termination of the functions before the term of the mandate, apart from those set forth in the applicable law.</p>	<p>Item 80</p>
<p>V.4. Appointments</p> <p>Principle Regardless of the manner of appointment, the profile, the knowledge, and the curriculum of the members of the company's governing bodies, and of the executive staff, should be suited to the functions carried out.</p>		<p>Taking into consideration the importance that supervision and the management of the Company assumes in the management model in force and that the composition of the General and Supervisory Board and the Executive Board of Directors are considered as one of the most relevant components of the governance, a selection procedure for the members of such bodies was implemented in accordance with the best practices and aiming to implement transparent and objective selection procedures. The members of the General and Supervisory Board and of the Executive Board of Directors Members appointment results from a transparent and objective selection procedure that evaluates the adequacy of the candidates, both individually and collectively, taking into consideration the legal and statutory competences of such corporate bodies.</p> <p>In the scope of the selection process, it must be assured the integration of a range of skills, professional experiences, diversity of knowledges, gender and culture, in accordance with the specificities of the companies' businesses.</p>	<p>Items from 17 to 19</p>
<p>Recommendation V.4.1. The company should, in terms that it considers suitable, but in a demonstrable form, promote that proposals for the appointment of the members of the company's governing bodies are accompanied by a justification in regard to the suitability of the profile, the skills and the curriculum vitae to the duties to be carried out.</p>	<p>ADOPTED</p>	<p>Regarding the General and Supervisory Board and the Executive Board of Directors, EDP has a specific policy entitled "the General and Supervisory Board and Executive Board of Directors Members selection procedure" according to which the integration of several skills, professional experiences and knowledge, as well as genre and cultural diversity should always be assured taking into account the specificities of the Company.</p> <p>It should also be highlighted the specific competences set forth the Corporate Governance and Sustainability Committee Internal Regulation in which are granted to this Committee the powers to monitor, together with the Executive Board of Directors, the selection criteria, the fixation of necessary competences to the internal bodies structures of the Company, subsidiaries and to other entities in relation to which the Company has the right to appoint the respective composition to the corporate bodies and their repercussions to the respective composition, in articulation with the Selection Policy of EDP and the criteria of merits, adequacy and diversity to the function stated therein.</p>	<p>Items from 17 to 19</p>

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
Recommendation V.4.2. The overview and support to the appointment of members of senior management should be attributed to a nomination committee, unless this is not justified by the company's size.	ADOPTED	The Corporate Governance and Sustainability Committee shall also seek to oversee the drafting, in coordination with the Executive Board of Directors, of the succession plans regarding the internal structures and bodies of the Company and its Subsidiaries, as well as of other entities in which the Company has the right to appoint corporate bodies members. In this respect, it is an objective the early identification of eventual additional human resources needs in order to ensure the continuity of the Company's regular operation.	Items from 17 to 19
Recommendation V.4.3. This nomination committee includes a majority of nonexecutive, independent members	ADOPTED	Under the selection procedure of the candidates it is considered advisable the use of external independent consultants with specific expertise on these matters which on the identification of candidates should comply with the criteria and skills sets forth on such policy. The Corporate Governance and Sustainability Committee should carry out a periodic reflexion on the execution and compliance of the selection policy, and should draft alteration proposals deemed necessary and report to the General and Supervisory Board the respective conclusions on the adoption of the provisions set forth on this policy. The members to be appointed for the General and Supervisory Board and the Executive Board of Directors shall be individuals of recognised national and/or international prestige, with adequate professional knowledge and experience for the exercise of the respective functions.	Items from 17 to 19
Recommendation V.4.4. The nomination committee should make its terms of reference available, and should foster, to the extent of its powers, transparent selection processes that include effective mechanisms of identification of potential candidates, and that those chosen for proposal are those who present a higher degree of merit, who are best suited to the demands of the functions to be carried out, and who will best promote, within the organisation, a suitable diversity, including gender diversity.	ADOPTED	The corporate bodies candidates' curricula should be made available on the institutional website of the Company. Along with the concern for each member's individual adequacy, it is also aimed at the composition of the corporate bodies demonstrates a collective adequacy, by gathering as a whole the professional and personal qualities required for the proper performance of the functions of each EDP corporate body. Likewise, in order to determine the Executive Board of Directors number it shall be weighted, in addition to the costs and the desirable operational agility of the management, the size of the Company, the complexity of its activity and the geographical dispersion.	Items from 17 to 19
CHAPTER VI – RISK MANAGEMENT			
Principle Based on its mid and long-term strategies, the company should establish a system of risk management and control, and of internal audit, which allow for the anticipation and minimization of risks inherent to the company's activity.		The Executive Board of Directors is the highest responsible for the risk management decision-making, supervision and control, and is in charge to set objectives and management policies within EDP Group. Among other competences, the Executive Board of Directors is responsible for the Business Plan, risk policies definition namely the respective exposure limits by risk category and by resources allocation, according to risk profile. On the other hand, the General and Supervisory Board permanently monitors and assesses the risk management system efficiency.	Items 50 to 55
Recommendation VI.1. The managing body should debate and approve the company's strategic plan and risk policy, which should include a definition of the levels of risk considered acceptable.	ADOPTED	As stated on Article 4 (2) (k) of the its Internal Regulation, the Executive Board of Directors should "ensure that the Company risks are identified, assessed, controlled and managed, define risk objectives, set risk profiles of the Company and coordinate the decisions related to material risks managements." In this regard, the set of EDP's strategic objectives on risk assumptions (i) should be subject to the General and Supervisory Board and the Financial Matters Committee/Audit Committee appreciation following proposal of the Executive Board of Directors, namely	Items 50 to 55

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>Recommendation VI.2. Based on its risk policy, the company should establish a system of risk management, identifying (i) the main risks it is subject to in carrying out its activity; (ii) the probability of occurrence of those risks and their respective impact; (iii) the devices and measures to adopt towards their mitigation; (iv) the monitoring procedures, aiming at their accompaniment; and (v) the procedure for control, periodic evaluation and adjustment of the system.</p>	<p>ADOPTED</p>	<p>within the scope of the business plan appreciation; (ii) the Executive Board of Directors should develop a continuous effort to improve the internal control and risk management systems, assessing its efficiency and implementing measure deemed adequate to reinforce and assure the quality levels; (iii) periodically, the Executive Board of Directors reports to the General and Supervisory Board and to the Financial Matters Committee/Audit Committee the identification and evaluation of the main risks related to EDP's activity, quantifying its impact and the occurrence probability of the deemed relevant risks.</p> <p>EDP has set several internal rules that set forth provisions on risk management strategies and policies.</p> <p>On the Group Business Risk Management Manual of EDP it should be highlighted the specific chapters on business risk management structures, on risks management procedures, on business risk management tools and on periodic updating.</p> <p>Regarding EDP's Risk Appetite Execution document, the objective is to formalize and to disclose EDP's risk approach, as a relevant element of alignment and transparency towards shareholders and other stakeholders, as well as further explain the controlled risk pillar.</p> <p>For further information please see: www.edp.com/pt-pt/investidores/governo-da-sociedade/gestao-de-risco www.edp.com/pt-pt/node/10491 www.edp.com/pt-pt/fornecedores/compras-sustentaveis/risco-cadeia-de-fornecimento/analise-de-risco</p>	<p>Items 53 and 54</p>
<p>Recommendation VI.3. The company should annually evaluate the level of internal compliance and the performance of the risk management system, as well as future perspectives for amendments of the structures of risk previously defined.</p>	<p>ADOPTED</p>	<p>The Financial Matters Committee/Audit Committee should according to Article 12 (2) (h) monitor with special attention the risk identification, evaluation, control and management and to assess the internal compliance standards, as well as to continuously monitor the risk management system performance and efficiency with the Executive Board of Directors, accompanied namely by the risk control policies, the key risk indicators (KRI) identification and the integrated risk assessment methodologies, having the possibility to request to the Risk Management Department and to the Corporate Risk Committee the deemed relevant information. In addition to Article 12 (1) paragraph d) provision which specifically sets forth the Financial Matters Committee/Audit Committee competence to supervise the risk management, the internal control and internal audit systems efficiency, it should also be taken into consideration that the Financial Matters Committee/Audit Committee is authorized to propose to the General and Supervisory Board and to the Executive Board of Directors the measures aimed to guarantee the financial information integrity and improve the operation of financial information internal control systems, of the risk management and internal audit system, in accordance with 12 no. 3 paragraph a). It is also important to point out that, according to Article 12 (3) (f), the Financial Matters Committee/Audit Committee should annually evaluate the activity and performance of Compliance and Internal Audit Department, as well as the working conditions namely on human resources and technical means adequacy.</p>	<p>Items 50 to 55</p>
<p>CHAPTER VII – FINANCIAL INFORMATION VII.1 Financial Information</p>			

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
<p>Principle VII.A The supervisory body should, with independence and in a diligent manner, ensure that the managing body complies with its duties when choosing appropriate accounting policies and standards for the company, and when establishing suitable systems of financial reporting, risk management, internal control, and internal audit.</p>		<p>The General and Supervisory Board is responsible for the monitoring and permanent assessment of internal proceedings related to accounting and auditing matters as well the monitoring of the risk profile of the Company, the risk management system efficiency, the internal control system and the internal auditing system including the reception and processing of claims and complaints whether or not arising from employees under Article 14 (1) (e). In particular, the Financial Matters Committee/Audit Committee has the authority to (i) verify if the accounting and metrical criteria policies adopted by the Company are consistent with the general accounting principles accepted and adequate to the correct presentation of its assets, responsibilities and results under Article 12 (1) (a) and (ii) supervise the risk management system, the internal control system and the internal auditing system efficiency under Article 12 (1) (d).</p>	<p>Item 15 Item 17 Item 21 Item 29 Items 30 to 41</p>
<p>Principle VII.B The supervisory body should promote an adequate coordination between the internal audit and the statutory audit of accounts.</p>		<p>The Financial Matters Committee/Audit Committee Internal Regulation specifically sets forth the competence to monitor, with special care, the activity and contractual relations with the statutory auditor, without interfering with its performance, being allowed to formulate recommendations or request clarifications under the relation with the General and Supervisory Board, the Executive Board of Directors and the statutory auditor, in relation with the financial information as well as the monitoring and evaluation, under the legal terms, of the objectivity and independence of the statutory auditor, namely regarding the provision of non-audit services under 12 (2) (i).</p>	<p>Item 15 Item 17 Item 21 Item 29 Items 30 to 41</p>
<p>Recommendation VII.1.1. The supervisory body's internal regulation should impose the obligation to supervise the suitability of the preparation process and the disclosure of financial information by the managing body, including suitable accounting policies, estimates, judgments, relevant disclosure and its consistent application between financial years, in a duly documented and communicated form.</p>	<p>ADOPTED</p>	<p>The Financial Matters Committee/Audit Committee Internal Regulation sets forth in Article 12 (2) (f) the competence of supervising the adequacy of the preparation and financial disclosure of information process as well as to prepare a report addressed to the General and Supervisory Board which includes the analysis of the Financial Matters Committee/Audit Committee of such process, namely on the adequacy of accounting policies, estimates, judgements and relevant disclosures procedures and its consistent implementation between financial years.</p>	<p>Item 21 Item 27 Item 29 Item 46 Item 50 Item 55</p>
<p>VII.2 Statutory audit of accounts and supervision</p>			
<p>Principle The supervisory body should establish and monitor clear and transparent formal procedures on the form of selection of the company's statutory auditor and on their relationship with the company, as well as on the supervision of compliance, by the auditor. with rules regarding independence imposed by law and professional regulations.</p>		<p>Article 14 (1) (d) of the General and Supervisory Board Internal Regulation sets forth that this body should permanently monitor the Statutory Auditor activity and give its opinion on the respective election or appointment, on its exoneration and on the terms of its independency. Particularly, the Financial Matters Committee/Audit Committee is responsible for the (i) proposal to the General and Supervisory Board of the hiring and the dismissal of the Statutory Auditor as well as its remuneration under Article 12 (1) (j), (ii) issue of a reasoned opinion in accordance with the applicable law on the renewal and extension of the Statutory Auditor mandate to be submitted to the General and Supervisory Board under Article 12 (1) (i), (iii) monitoring, with special care, of the activity and contractual relations with the Statutory Auditor, without interfering on its performance, being allowed to formulate recommendations or request clarifications under the relation with the General and Supervisory Board, the Executive Board of Directors and the Statutory Auditor, in relation with the financial</p>	<p>Item 29 Item 42 Items from 44 to 46 Item 50</p>

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
		<p>information as well as the monitoring and evaluation, pursuant to the applicable law, of the objectivity and independence of the Statutory Auditor, namely regarding the provision of non-audit services under Article 12 (2) (i) and (iv) supervise the activity and the independence of the Statutory Auditor and the compliance of legal, regulatory and contractual provisions, as well as principles and good practices which regulate the statutory audit companies and its representatives operation before the audited under Article 12 (1) (l).</p>	
<p>Recommendation VII.2.1. Through the use of internal regulations, the supervisory body should define: i. the criteria and the process of selection of the statutory auditor; ii. the methodology of communication between the company and the statutory auditor; iii. the monitoring procedures destined to ensure the independence of the statutory auditor; iv. the services, besides those of accounting, which may not be provided by the statutory auditor.</p>	<p>ADOPTED</p>	<p>EDP has an Internal Regulation on the provision of audit services by the Statutory Auditor or the Statutory Auditor Company which defines and promotes criteria and methodologies to ensure the Statutory Auditor or the Statutory Auditor Company independent provision of audit services and of non-audit services to EDP or to companies under its control. This Regulation is available at EDP website: www.edp.com/pt-pt/governo-da-sociedade/orgaos-da-sociedade/revisor-oficial-de-contas</p>	<p>Items from 39 to 41</p>
<p>Recommendation VII.2.2. The supervisory body should be the main interlocutor of the statutory auditor in the company and the first recipient of the respective reports, having the powers, namely, to propose the respective remuneration and to ensure that adequate conditions for the provision of services are ensured within the company.</p>	<p>ADOPTED</p>	<p>The Financial Matters Committee/Audit Committee is responsible for the assessment of the account certification of annual reports content together with the Statutory Auditor under Article 12 (1) (k) and for monitoring, with special care, the activity and contractual relations with the Statutory Auditor, without interfering with its performance, being allowed to formulate recommendations or request clarifications to the General and Supervisory Board, the Executive Board of Directors and the Statutory Auditor, regarding financial information as well as to monitor and assess, pursuant to the applicable law, the Statutory Auditor objectivity and independence, namely with respect to the provision of non-audit services under Article 12 (2) (i) Furthermore, this Internal Regulation sets forth the specific competences of the Financial Matters Committee/Audit Committee to propose to the General and Supervisory Board, the hiring and dismissal of the Statutory Auditor.</p>	<p>Item 21 Item 29</p>
<p>Recommendation VII.2.3. The supervisory body should annually assess the services provided by the statutory auditor, their independence and their suitability in carrying out their functions and propose their dismissal or the termination of their service contract by the competent body when this is justified for due cause.</p>	<p>ADOPTED</p>	<p>The Financial Matters Committee/Audit Committee Internal Regulation establishes specific prerogatives and competences to annually assess the activity pursued by the Statutory Auditor namely on (i) submitting to the General and Supervisory Board the hiring and dismissal of the Statutory Auditor as well as its remuneration under Article 12 (1) (j), (ii) issuing a reasoned opinion in accordance with the applicable law on the renewal and extension of the Statutory Auditor mandate to be presented to the General and Supervisory Board under Article 12 (1) (i), (iii) monitoring with special care the activity and contractual relations with the Statutory Auditor, without interfering with its performance, being allowed to formulate recommendations or request clarifications under the relation with the General and Supervisory Board, the Executive Board of Directors and the Statutory Auditor, regarding financial information as well as to monitor and assess, pursuant to the applicable law, the Statutory Auditor objectivity and independence, namely with respect to the provision of non-audit</p>	<p>Item 21 Item 29 Item 45</p>

PRINCIPLES AND RECOMMENDATIONS	ADOPTED NOT ADOPTED NOT APPLICABLE	COMMENTS	REPORT DESCRIPTION
		services under Article 12 (2) (i) and (iv) supervising the activity and the independence of the Statutory Auditor and the compliance of legal, regulatory and contractual provisions, as well as principles and good practices which regulate the statutory auditor companies and its representatives performance before the audited under Article 12 (1) (I).	
<p>Recommendation VII.2.4. The statutory auditor should, within their powers, verify the application of policies and systems of remuneration of governing bodies, the effectiveness and the functioning of the mechanisms of internal control, and report any irregularities to the supervisory body.</p>	NOT APPLICABLE	This recommendation is addressed to the statutory auditor and therefore is not applicable to companies other than statutory auditor companies.	
<p>Recommendation VII.2.5. The statutory auditor should collaborate with the supervisory body, immediately providing information on the detection of any relevant irregularities as to the accomplishment of the duties of the supervisory body, as well as any difficulties encountered whilst carrying out their duties.</p>	NOT APPLICABLE	This recommendation is addressed to the statutory auditor and therefore is not applicable to companies other than statutory auditor companies.	

3. OTHER INFORMATION

Attached to this report and considered part of it there are the following documents:

Annex I – General and Supervisory Board and Executive Board of Directors Members brief curricula

Annex II - Attendance list of the General and Supervisory Board

Annex III - Attendance list of the Executive Board of Directors

Annex IV - Positions held by the members of the Executive Board of Directors in other companies belonging or not to the EDP Group

Annex V - Attendance list of:

- i. The Financial Matters Committee/Audit Committee;
- ii. The Remuneration Committee;
- iii. The Corporate Governance and Sustainability Committee;
- iv. Strategy and Performance Committee

ANNEX I

GENERAL AND SUPERVISORY BOARD



Full name

LUÍS FILIPE MARQUES AMADO

Status

Independent

Position

General and Supervisory Board Chairman

Committees

Corporate Governance and Sustainability Committee Chairman | Financial Matters Committee/Audit Committee Chairman

Skills and Experience

Degree in Economics – Lisbon University (79) | Auditor – Court of Auditors | Auditor – National Defence Institute (89-90) | Deputy –National Assembly of Portugal (el. 91/95/99/05/09) | Deputy Secretary of State – Internal Administration Minister (95-97) | Secretary of State – Foreign Affairs and Cooperation Minister (97-02) | National Defence Minister (05-06) | State and Foreign Affairs Minister (06-11) | Non Executive Board Member - Sociedade de Desenvolvimento da Madeira (13-19) | Chairman of the Board of Directors - Banco Intemacional do Funchal, S.A. (12-16) | Chairman of the General Meeting Board - Banco Cabo-Verdiano de Negócios, S.A. (13-14) | Chairman of the Board of Directors - Banco Cabo-Verdiano de Negócios, S.A. (15-17) | Non executive member of the Board of Directors - Francisco Manuel dos Santos Foundation (13-17)

EDP's Historic

General and Supervisory Board Vice Chairman (April 2015 - April 2018) | General and Supervisory Board Chairman (April 2018)

Current External Appointments

Curator - Oriente Foundation (12) | Curator - Francisco Manuel dos Santos Foundation (18) | Member of Global Advisory Board - SONAE (18) | Chairman of the General Meeting Board - Tabaqueira, S.A. (18) | Invited Professor - ISCSP (12) | Invited Professor - Paris School of International Affairs (16)



Full name

DINGMING ZHANG

Status

Non-independent

Position

General and Supervisory Board Vice Chairman

Committees

-

Skills and Experience

Bachelor's degree in Power System and Automation - Huazhong University of Science and Technology (84) | Master's degree in Management - Huazhong University of Science and Technology (01) | Deputy Director of Power Production Department - China Three Gorges Corporation (02) | Executive Vice President - China Yangtze Power Company (02-11) | Director - Guangzhou Development Industry

EDP's Historic

General and Supervisory Board Vice Chairman, in representation of China Three Gorges (February 2012 – April 2015) | General and Supervisory Board Member, in representation of CWEI (EUROPE), S.A. (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, since December 2018

Current External Appointments

President - Beijing Yangtze Power Capital (15)

**Full name**

SHENGLIANG WU

Status

Non-independent

Position

General and Supervisory Board Member

Committees

Remuneration Committee Chairman | Strategy and Performance Committee Member

Skills and Experience

Bachelor's degree in Engineering –Wuhan University (92) | Master's degree in Technical Economics and Management – Chongqing University (00) | Secretary of Corporate Affairs Department - Gezhouba Hydropower Plant (98-00) | Deputy Director of the Board - China Yangtze Power Company (02-03) | Director of Capital Operating Department - China Yangtze Power Company (04-06) | Executive Vice-President - Beijing Yangtze Power Capital (06-11) | Deputy Director of Strategic Planning Department – China Three Gorges Corporation (11-15)

EDP's Historic

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), S.A (April 2018 - December 2018) | General and Supervisory Board Vice-Chairman in representation of China Three Gorges International Corporation, since December 2018

Current External Appointments

Executive Vice-President – China Three Gorges International Corporation (15) | Chairman - China Three Gorges (Europe), S.A. (15)

**Full name**

IGNACIO HERRERO RUIZ

Status

Non-independent

Position

General and Supervisory Board Member

Committees

Corporate Governance and Sustainability Committee Member | Strategy and Performance Committee Member

Skills and Experience

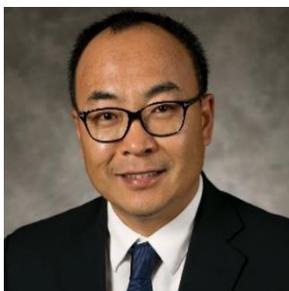
Degree in Economics - Carlos III University (Madrid) (97) | Mergers and Acquisitions Department - Citigroup (97-98) | Mergers and Acquisitions Department - Deutsche Bank Investment (98- 03) | Mergers and Acquisitions Department - Credit Suisse (03-16)

EDP's Historic

General and Supervisory Board Member, in representation of China Three Gorges (Europe), S.A., since December 2018

Current External Appointments

Executive Vice-Chairman at China Three Gorges Corporation (Europe), S.A. (16)

**Full name**

YINSHENG LI

Status

Non-independent

Position

General and Supervisory Board Member

Committees

Corporate Governance and Sustainability Committee Member

Skills and Experience

Bachelor's degree in Science - Tsinghua University (96) | Master's degree in Engineering – Tsinghua University (04) | MBA – Fundação Getúlio Vargas (18) | Country Manager - China International Water & Electric Corporation (96-09) | Business Unit Deputy General Manager - China International Water & Electric Corporation (06) | Division Chief of International Department – China Three Gorges (09) | Deputy Director CTG/EDP Collaboration Department – China Three Gorges (12)

EDP's Historic

General and Supervisory Board Member, in representation of China Three Gorges Brasil Energia Ltda., since April 2018

Current External Appointments

Chief Executive Officer – China Three Gorges Brazil (13) | Executive Vice President - China Three Gorges International Corporation (16)

**Full name****EDUARDO DE ALMEIDA CATROGA****Status**

Non-independent

Position

General and Supervisory Board Member

Committees

Strategy and Performance Committee Chairman

Skills and Experience

Degree in Finance – Instituto Superior de Economia e Gestão (66) | Program for Management Development Course - *Harvard Business School* (79) | Honorary Doctor – Lisbon University | Minister of Finance – Portuguese Government (93-95) | Invited Full Professor - MBA of Instituto Superior de Economia e Gestão | Director with executive and non-executive functions in particular as Chief Executive Officer and Chairman on several national and international companies in several fields namely chemical, agrochemical, major consumer products, energy and investment banking

EDP's Historic

Independent member of the General and Supervisory Board (June 2006 – February 2012) | Chairman and independent member of the General and Supervisory Board (February 2012 - April 2015) | Chairman and Member of the General and Supervisory Board, in representation of China Three Gorges Corporation (April 2015 – April 2018) | General and Supervisory Board Member, in representation of China Three Gorges (Portugal), Sociedade Unipessoal, Lda., since April 2018

Current External Appointments

Chairman (non-executive) of the Board of Directors – Finantipar, holding which control Finantia Bank (17) | Investment Committee Member - Portugal Venture Capital Initiative managed by the European Investment Fund (08)

**Full name****FELIPE FERNÁNDEZ FERNÁNDEZ****Status**

Non-independent

Position

General and Supervisory Board Member

Committees

Corporate Governance and Sustainability Committee Member

Skills and Experience

Degree in Administrative and Economic Sciences – Bilbao University (75) | Professor of Business and Economic Faculty – Oviedo University (84-90) | Director of Economics and Regional Planning - Principality of Asturias (84-90) | Counsellor of Organisation of the Territory and Housing – Principality of Asturias (90-91) | Counsellor of countryside and fishing - Principality of Asturias (91-93) | Manager on several companies on in numerous fields

EDP's Historic

General and Supervisory Board Member in representation of Cajastur Inversiones S.A., (February 2012 - April 2015) | General and Supervisory Board Member, in representation of DRAURSA, S.A., since April 2018

Current External Appointments

Board of Director Member – Liberbank (11) | Chairman of Board of Directors - Lico Leasing (17) | Executive Commission Member - Lico Leasing (18) | Board of Director Member - Tudela Veguín (11) | Masaveu Inmobiliaria (14) | Cimento Verde do Brasil (14) | Board of Director Member – Molecular Oncology Medicine Institute of Asturias (14)

**Full name****FERNANDO MARÍA MASAVEU HERRERO****Status**

Non-independent

Position

General and Supervisory Board Member

Committees

Remuneration Committee Member | Strategy and Performance Committee Member

Skills and Experience

Law Degree – Navarra University (92) | Manager on several companies of Masaveu Group in numerous fields such as energy, finance, transport, environment and real state, among others.

EDP's Historic

General and Supervisory Board Member, since February 2012 (re-elected in April 2015 and April 2018)

Current External Appointments

Chairman - Masaveu Corporation | Chairman - Cementos Anónima Tudela Veguín | Chairman - Masaveu International | Board Member - Bankinter | Executive Committee Member - Bankinter | Board Member - EGEO, SGPS | Board Member - Olmea Internacional | Chairman - Maria Cristina Masaveu Peterson Foundation | Chairman - San Ignacio de Loyola Foundation | Protector - Asturias Princess Foundation | Executive Committee Member - Asturias Princess Foundation | Chairman of the Board of Directors - Oppidum Capital

**Full name****MOHAMMED ISSA KHALFAN AL-HURAIMEL AL-SHAMSII****Status**

Non-independent

Position

General and Supervisory Board Member

Committees

Strategy and Performance Committee Member

Skills and Experience

Bachelor's degree in Business Administration – American University of Sharjah (01) | MBA - HEC School of Management (05) | Consultant - McKinsey & Company (05-07) | Director of Strategy & Policy - UAE Prime Minister's Office (09-11) | Board Member - Tabreed District Cooling (14) | Board Member - Jiangsu Suyadi (12-14) | Board Member - Shariket Kahraba Hadjret-En-Nous (14-16) | Board Member - SMN Power Company (13-16)

EDP's Historic

General and Supervisory Board Member, in representation of Senfora BV, since October 2017 (re-elected in April 2018)

Current External Appointments

Director of Utilities Investments - Mubadala Investments Company (11)

**Full name****NUNO MANUEL DA SILVA AMADO****Status**

Non-independent

Position

General and Supervisory Board Member

Committees

Strategy and Performance Committee Member

Skills and Experience

Degree in Companies Organization and Management – Advances Institute of Labour and Business Sciences (80) | Advanced Program in Management – INSEAD (04) | Audit and Consulting Department - KPMG Peat Marwick (80-85) | Citibank (85-90) | Banco Fonsecas & Burnay (90-92) | Board of Director Member - Deutsche Bank Portugal (93-97) | Executive Committee Member - Banco de Comércio e Indústria (97-04) | Vice-Chairman of the Executive Committee - Crédito Predial Português (00-04) | Vice-Chairman of the Board of Directors and Chairman of the Executive Committee - Banco Santander Totta, SGPS (06-12) | Chairman of the Executive Committee - Banco Comercial Português (12-18)

EDP's Historic

General and Supervisory Board Member, since May 2013 (re-appointed in April 2015 and April 2018)

Current External Appointments

Chairman – Banco Comercial Português (18)

**Full name****KARIM DJEBBOUR****Status**

Non-independent

Position

General and Supervisory Board Member

Committees

Strategy and Performance Committee Member

Skills and Experience

Degree in Agronomic Engineering - (83) | Degree in Assessment Economic and Financial Project - C.E.F.E.B Paris (89) | Several positions - *Banque de l'Agriculture et du Développement Rural* (84-91) | Sub-director - Ministry of Economy (91-93) | General Manager Assistant in Project Financing, Finance Director - SONATRACH's branch, General Manager (93-99) | CEO - Brown and Root Condor (07) | General Manager - SONATRACH Investissements et Participations SIP (08) | Chief of Staff of the CEO – Sonatrach (14-15)

EDP's Historic

General and Supervisory Board Member, in representation of Sonatrach, since April 2018

Current External Appointments

Official in the General Directorate – Sonatrach Group(15)

**Full name****MARIA CELESTE FERREIRA LOPES CARDONA****Status**

Independent

Position

General and Supervisory Board Member

Committees

Corporate Governance and Sustainability Committee Member | Financial Matters Committee/Audit Committee Member

Skills and Experience

Law Degree – Lisbon University (81) | Master degree in Law - Lisbon University (94) | Doctorate in Law - Lisbon University (15) | Assistant Professor – Lisbon University (82) | Tax Studies Center Member (83) | Portuguese Representative – Organization for Economic Cooperation and Development (85) | Justice Minister – Portuguese Government (02-04) | Non Executive Member of the Board of Directors - Caixa Geral de Depósitos, S.A. (04-08)

EDP's Historic

Independent General and Supervisory Board Member since February 2012 (re-elected in April 2015 and April 2018)

Current External Appointments

Lawyer (82) | Consultant - M. Cardona Consulting, Unipessoal, Lda. (93) | Supervisory Board Member - SIBS (12) | Associate Professor – Lusíada University (17)

**Full name****ILÍDIO DA COSTA LEITE DE PINHO****Status**

Independent

Position

General and Supervisory Board Member

Committees

Remuneration Committee Member

Skills and Experience

Electronic and Machinery Engineering degree – Porto Industrial Institute (64) | Non Executive member, in representation of the National Industry, of the Board of Directors – ICEP (86-91) | President – Municipal Council of Vale de Cambra (73-83) | President – General Meeting of Vale de Cambra (93-97) | Founder of COLEP Group | Founder of Nacional Gás and its associates | CEO of several companies and associations

EDP's Historic

Independent General and Supervisory Board Member since February 2012 (re-elected in April 2015 and April 2018)

Current External Appointments

CEO – Grupo Ilídio Pinho (94)



Full name JORGE AVELINO BRAGA DE MACEDO

Status Independent

Position General and Supervisory Board Member

Committees Corporate Governance and Sustainability Committee Member | Strategy and Performance Committee Member

Skills and Experience Law Degree – Lisbon University (71) | International Relations Master degree – Yale University (73) | Doctorate in Economics – Yale University (79) | Professor – Princeton University (80-86) | Minister of Finances – Portuguese Government (91-93) | Chairman of the European Affairs Parliamentary Committee (94-95) | President – Tropical Research Institute (04-15) | Consultant – European Bank for Reconstruction and Development (96-99) | Consultant – United Nations (82-84) | Consultant – World Bank (84-88) | Trainee – International Monetary Fund (78-79)

EDP’s Historic Independent General and Supervisory Board Member since February 2012 (re-elected in April 2015 and April 2018)

Current External Appointments Economics Professor – Nova University of Lisbon (76) | Director – Globalization and Governance Center – Economy Faculty - Universidade Nova de Lisboa (08) | Distinguished Fellow - Board of Governors of the International Centre for International Governance Innovation in Waterloo (14) | Chairman of the General Meeting Board – Sociedade de Desenvolvimento da Madeira (12)



Full name VASCO JOAQUIM ROCHA VIEIRA

Status Independent

Position General and Supervisory Board Member

Committees Remuneration Committee Member | Strategy and Performance Committee Member

Skills and Experience Degree in Civil Engineering – Military Academia (69-70) | Complementary Course of General Staff at the Army (70-72) | Course of Command and Direction for Official General (82-83) | Course of National Defence (84) | Brigadier (84) | General (87) | Governor of Macao (91-99) | Minister of the Republic for the Azores (86-91) | Deputy Secretary of Communications and Public Works – Macao Government (74-75) | Chief of Army Staff (76-78) | National Military Representative at NATO Supreme Headquarters Allied Powers in Europe (78-84)

EDP’s Historic Independent General and Supervisory Board Member since February 2012 (re-elected in April 2015 and April 2018)

Current External Appointments Council Member of the Order of Engineers (00) | Member of the Representatives General Meeting of the Order of Engineers (04)



Full name AUGUSTO CARLOS SERRA VENTURA MATEUS

Status Independent

Position General and Supervisory Board Member

Committees Corporate Governance and Sustainability Committee Member | Strategy and Performance Committee Member

Skills and Experience Economics Degree – Higher Economics and Management Institute (72) | Invited Professor - Higher Economics and Management Institute (72-14) | Industry Secretary of State (95-96) | Minister of Economy (96-97)

EDP’s Historic Independent General and Supervisory Board Member since May 2013 (re-elected in April 2015 and April 2018)

Current External Appointments Consultant on macroeconomics fields, economic policies, strategy and business (86)



Full name

JOÃO CARVALHO DAS NEVES

Status

Independent

Position

General and Supervisory Board Member

Committees

Remuneration Committee Member | Financial Matters Committee/Audit Committee Vice-Chairman

Skills and Experience

Degree in Companies Organization and Management - Economics and Management College Institute - Lisbon University (81) | MBA – Economics and Management College Institute (85) | Doctorate - Manchester Business School (92) | Leadership Development Program - Creative Leadership Center (10) | Coaching for Performance - London Business School (10) | Leadership - Kennedy Harvard Government School (09) | Finance and Control - IMD (86) | Management Control - HEC Paris (87) | Executive course - International Finance - INSEAD (87) | Chairman – Central Administration of Health System (11-14) | Director - BPN (08) | CEO and CFO - SLN (08-09); Judicial Manager: TVI (98); Torralta (93-98) - Casino Hotel de Tróia (94-95) | Chairman Management Department – ISEG (10-11)

EDP's Historic

Independent General and Supervisory Board Member since April 2015 (re-elected in April 2018)

Current External Appointments

School Board Member (14) | Professor – Financing and Management Control (92) | Director – Post-graduation in Management and Real Estate Evaluation - ISEG (00) | Invited Professor in Financing, Negotiation and Health Contracting - ISCSP (12) | Independent non-executive member - Montepio - Valor SGFI (17) | Management Consultant in Management through the company Zenaction Business Consulting (14) | Statutory Auditor (16)



Full name

MARÍA DEL CARMEN FERNÁNDEZ ROZADO

Status

Independent

Position

General and Supervisory Board Member

Committees

Financial Matters Committee/Audit Committee Member

Skills and Experience

Degree in Economics and Business Administration and Political Sciences and Sociology - Complutense University of Madrid (78) | PhD in Public Finance - Complutense University of Madrid (04-05) | PADE Management Program MBA - IESE Business School (04-05) | Chief-Inspector – Spanish Minister of Economy and Finance Economy and Finance Minister (84-99) | Member of the Board - Spanish National Energy Commission (99-11) | President of the Task Force for Renewable Energies, Sustainability and Carbon Markets - ARIAE (99-11) | Member of the Advisory Board - EY (12-13) | Chief Inspector - Ministry of Economy and Finance of Spain (84 -99) | Auditor (88)

EDP's Historic

Independent General and Supervisory Board Member since April 2015 (re-elected in April 2018)

Current External Appointments

Consultant (11) | Chairman of Audit Committee – ACS Group (17) | Member of the Advisory Board - Beragua Capital | Lecturer in several Universities

**Full name****LAURIE LEE FITCH****Status**

Independent

Position

General and Supervisory Board Member

Committees

Strategy and Performance Committee Member

Skills and Experience

B.A. in Arabic - American University (91) | M.A. - Georgetown University's School of Foreign Service (94) | Assistant Vice-President - Bank of New York (94-99) | Associate - Schroders plc (99-00) | Associate - UBS Warburg (00-02) | Managing Director and Director of International Equity Research - TIAA-CREF (02-06) | Senior Analyst and Partner - Artisan Partners (06-11) | Managing Director and Co-Head, Global Industrial Group, Investment Division - Morgan Stanley (12-16);

EDP's Historic

General and Supervisory Board Member since April 2018

Current External Appointments

Partner at PJT Partners (16) | Non-Executive Director and member of the Remuneration Committee - Enquest PLC (18) | Member of the Audit and Finance & Operations subcommittees - Tate Board of Trustees (15) | Chairs the Advisory Board of Georgetown University's Center for Contemporary Arab Studies (13) | Trustee of The American University in Cairo (19)

**Full name****CLEMENTINA MARIA DÂMASO DE JESUS SILVA BARROSO****Status**

Independent

Position

General and Supervisory Board Member

Committees

Financial Matters Committee/Audit Committee Member

Skills and Experience

Degree in Management - Advanced Institute of Labour and Business Sciences (ISCTE) (76-81) | Master in Business Management - Economy and Management Superior Institute (ISEG) (84-85) | Doctorate in Advanced Company Management - ISCTE (05) | Several positions - Banco Espírito Santo e Comercial Lisboa (88-90) | Board of Directors Member and General Director - INDEG ISCTE (99-03)

EDP's Historic

General and Supervisory Board Member since April 2018

Current External Appointments

Invited Professor - ISCTE (82) | Statutory auditor and external auditor (90) | Non-Executive Director and Audit Committee Member - CTT Bank, S.A. (15) | Non-Executive Director and Audit Committee Member - Sociedade Gestora de Fundo de Investimento FundBox, SFIM, S.A. (11) | Board of Directors Member - Portuguese Corporate Governance Institute (16) | Chairman of the Board of the General Meeting - Science4You, S.A. (14)

EXECUTIVE BOARD OF DIRECTORS



Full Name

ANTÓNIO LUÍS GUERRA NUNES MEXIA

Position

Executive Board of Directors Chairman elected in March 2006 (reappointed in April 2009, February 2012, April 2015 and April 2018)

Skills and Experience

Degree in Economy – Geneva University (80) | Assistant of the Economy Department | Professor at Nova University of Lisbon and Portuguese Catholic University (82-95) | Portuguese Institute for foreign Trade Vice-Chairman of the Board of Directors (88-90) | Board of Directors Member – Banco Espírito Santo de Investimentos (90-98) | Board of Directors Chairman - Gás de Portugal and Transgás (98-00) | Board of Directors Vice-Chairman - Galp Energia (00-01) | Executive Chairman - Galp Energia (01-04) | Minister of Public Works, Transport and Communications - Portuguese Government (04-05) | President - Eurelectric (15-17)

Current External Appointments

Does not hold any other office or was appointed to any executive position outside EDP Group



Full Name

JOÃO MANUEL MANSO NETO

Position

Executive Board of Directors Member elected in March 2006 (reappointed in April 2009, February 2012, April 2015 and April 2018)

Skills and Experience

Degree in Economy – Higher Institute of Economics (81) | Postgraduate in European Economy - Portuguese Catholic University (82) | Course - American Bankers Association (82) | Advanced Management Program for Overseas Bankers - Wharton School (85) | Financial and Commercial Retail South Central Director – Banco Português do Atlântico (81-95) | Financial Directorate, Large Institutional Businesses and Treasury General Director, Board Member - BCP – Investment Bank and Vice Chairman of BIG Bank Gdansk (95-02) | Board Member - Grupo Banco Português de Negócios (02-03) | General Director and Board Member - EDP Produção (03-05)

Current External Appointments

Director - Mibgas, S.A. | Director - OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A. | Counsellor - Operador del Mercado Ibérico de Energía, Polo Español, S.A. (OMEL) | CEO – EDP Renováveis



Full Name

ANTÓNIO FERNANDO MELO MARTINS DA COSTA

Position

Executive Board of Directors Member elected in March 2006 (reappointed in April 2009, February 2012, April 2015 and April 2018)

Skills and Experience

Degree in civil engineering – Porto University (76) | MBA - Porto Business School (89) | Executive Course - INSEAD, Fontainebleau – (95) | PADE - AESE (00) | Advanced Management Program - Wharton School (03) | Assistant Professor – Engineering Institute of Oporto (76-89) | Hydraulic Production – EDP (81-89) | General Director - Banco Millennium BCP and Executive Board Member of several insurance, pension and financial asset management companies – BCP Group (89-03) | Executive Director - Eureka BV, Chairman - Eureka Polska and Executive Vice-Chairman – PZU (99-02) | Director and Board of Directors Vice-Chairman – EDP Brasil (03-07) | Vice-Chairman – Portuguese Chamber of Commerce in Brazil (03-07) | Chairman – Brazilian Electricity Distributors Association (03-07) | Chairman and CEO - EDP Renováveis EUA (07-09) | Member of the Board of Directors - EDP Renováveis (08-11) | Vice-Chairman - Chamber of Commerce of USA in Portugal | Vice-Chairman - Proforum | Vice-Chairman- APGEI

Current External Appointments

Does not hold any other office or was appointed to any executive position outside EDP Group

**Full Name****JOÃO MANUEL VERÍSSIMO MARQUES DA CRUZ****Position**

Executive Board of Directors Member elected in February 2012, (reappointed in April 2015 and April 2018)

Skills and Experience

Degree in Management – Technical University of Lisbon (84) | MBA - Technical University of Lisbon (89) | Post-graduation in Marketing and Airlines Marketing - International Air Travel Association / Bath University (92) | Several positions including General Director - TAP Air Portugal (84-99) | Director - TAPGER (97-99) | Director – EMEF and other companies - Grupo CP (00-02) | Executive Committee Chairman - Air Luxor (02-05) | President – External Trade Institute of Portugal (05-07)

Current External Appointments

Vice-Chairman - Companhia de Electricidade de Macau - CEM, S.A. | Director - KNJ Global Limitada (Macau) | President – Portuguese-Chinese Chamber of Commerce and Industry

**Full Name****MIGUEL STILWELL DE ANDRADE****Position**

Executive Board of Directors Member elected in February 2012, (reappointed in April 2015 and April 2018)

Skills and Experience

Degree in Mechanic Engineering – Strathclyde University (98) | MBA - MIT Sloan (03) | Mergers and Acquisitions – UBS Investment Bank (UK) (98-00) | Strategy and Corporate Development Area – EDP (00-05) | Strategy and Corporate Development Director – EDP (05-09) | Board of Directors Member – EDP Distribuição and Board Member of other companies within the Group (09-12)

Current External Appointments

Does not hold any other office or was appointed to any executive position outside EDP Group

**Full Name****MIGUEL NUNO SIMÕES NUNES FERREIRA SETAS****Position**

Executive Board of Directors Member elected in April 2015 (reappointed in April 2018)

Skills and Experience

Degree in Physics Engineering – Higher Technical Institute (93) | Masters in Electronic and Computing Engineering – Higher Technical Institute (95) | MBA – Nova University of Lisbon (96) | Consultant – McKinsey & Company (95-98) | Corporate Director - GDP - Gás de Portugal (98-00) | Board Member - Setgás (99-01) | Executive Board Member – LisboaGás (00-01) | Strategic Marketing Director – Galp Energia (01-04) | Board Member – Comboios de Portugal (04-06) | Chief of Staff of the Chairman of the Executive Board of Directors Chairman – EDP (06-07) | Board Member – EDP Comercial (07-08) | Board Member - EDP Inovação (07-08 / 12-14) | Vice-Chairman – EDP Brasil (08-13)

Current External Appointments

CEO – EDP Brasil (14)



Full Name

Position

Skills and Experience

Current External Appointments

RUI MANUEL RODRIGUES LOPES TEIXEIRA

Executive Board of Directors Member elected in April 2015 (reappointed in April 2018)

Degree in in Naval Engineering - Higher Technical Institute (95) | MBA – Nova University of Lisbon (01) | Advanced Management Program - Harvard Business School (13) | Assistant Director of the Naval Commercial Department - Gellweiler (96-97) | Project manager - Det Norske Veritas (97-01) | Consultant - McKinsey & Company (01-04) | Corporate Control and Planning Director – EDP (04-07) | Board Member – EDP Renováveis (07-15)

Does not hold any other office or was appointed to any executive position outside EDP Group



Full Name

Position

Skills and Experience

Current External Appointments

MARIA TERESA ISABEL PEREIRA

Executive Board of Directors Member elected in April 2018

Law Degree – Law School, Lisbon University (93) | Lecturer in Law of Obligations – Law School, Lisbon University (93-97) | Post-graduation in Information Society Law – Lisbon Law School (00-01) | Lawyer registered at the Portuguese Bar Association (97) | Jurist - Proet Projectos (EDP Group) (94-98) | Legal Director - ONI SGPS (98-05) | Legal Director and General Secretariat, Company Secretary – EDP (06-18)

Does not hold any other office or was appointed to any executive position outside EDP Group



Full Name

Position

Skills and Experience

Current External Appointments

VERA DE MORAIS PINTO PEREIRA CARNEIRO

Executive Board of Directors Member elected in April 2018

Economics Degree – Nova University of Lisbon (96) | Post-graduation in Economics – Nova University of Lisbon (98) | MBA – INSEAD, Fontainebleau (00) | Associate – Mercer (96-99) | Founder – Innovagency Consulting (01-03) | Television Service Director – TV Cabo – PT Multimédia (03-07) | Television Service Director – MEO (07-14) | Executive Vice-Chairman and General Director (Portugal and Spain) - Fox Networks Group (14-18)

Does not hold any other office or was appointed to any executive position outside EDP Group

ANNEX II

Meetings of the General and Supervisory Board and each member's attendance:

NAME	25-Jan	1-Mar	%
Eduardo Almeida Catroga – Chairman	P	P	100
Luis Filipe Marques Amado – Vice-Chairman	P	P	100
Alberto Joaquim Milheiro Barbosa	P	P	100
António Manuel de Carvalho Ferreira Vitorino	P	P	100
António Sarmento Gomes Mota	P	P	100
Augusto Carlos Serra Ventura Mateus	P	P	100
Dingming Zhang	P	P	100
Felipe Fernández Fernández	P	P	100
Ferhat Ounoughi	A	P	50
Fernando María Masaveu Herrero	R	R	0
Guojun Lu	R	R	0
Ilídio da Costa Leite de Pinho	P	P	100
João Carvalho das Neves	P	P	100
Jorge Avelino Braga de Macedo	P	P	100
Maria Celeste Ferreira Lopes Cardona	P	P	100
María del Carmen Fernandez Rozado	P	P	100
Mohammed Al-Huraimel Al-Shamsi	A	P	50
Nuno Manuel da Silva Amado	A	P	50
Shengliang Wu	P	P	100
Vasco Joaquim Rocha Vieira	P	P	100
Ya Yang	P	P	100

P = Presence; A = Absence; R = Represented

NAME	6-Apr	10-May	16-May	7-Jun	8-Jun	26-Jul	27-Sep	8-Nov	%
Luis Filipe Marques Amado – Chairman	P	P	P	P	P	P	P	P	100
Ya Yang – Vice-Chairman	P	P	#	P	#	P	A	A	67
António Manuel de Carvalho Ferreira Vitorino*	P	P	A	A	A	A			33
Augusto Carlos Serra Ventura Mateus	P	P	P	P	P	P	A	P	88
Clementina Maria Dâmaso de Jesus da Silva Barroso	P	P	P	P	P	P	P	P	100
Dingming Zhang	A	P	#	A	#	P	P	R	50
Eduardo Almeida Catroga	P	P	#	P	#	P	P	R	83
Felipe Fernández Fernández	P	P	P	P	P	P	P	P	100
Fernando María Masaveu Herrero	P	P	P	R	P	P	P	P	88
Ilídio da Costa Leite de Pinho	P	P	A	P	P	A	P	P	75
João Carvalho das Neves	P	P	P	P	P	P	P	P	100
Jorge Avelino Braga de Macedo	R	P	P	P	P	R	P	P	75
Karim Djebbour	P	P	P	P	P	P	P	A	88
Laurie Fitch	P	P	P	P	P	P	P	P	100
Maria Celeste Ferreira Lopes Cardona	P	P	P	P	P	P	P	P	100
María del Carmen Fernandez Rozado	P	P	P	P	P	P	P	P	100
Mohammed Al-Huraimel Al-Shamsi	P	A	P	P	P	P	P	A	75
Nuno Manuel da Silva Amado	P	P	#	P	#	A	P	P	83
Shengliang Wu	P	P	#	P	#	P	P	P	100
Vasco Joaquim Rocha Vieira	P	P	P	P	P	P	P	P	100
Yinsheng Li	P	P	#	A	#	P	P	P	83

* Antonio Vitorino resigned on 26 July 2018

P = Presence; A = Absence; R = Represented

Regarding the sole item of the agenda and despite that all General and Supervisory Board members received the call, it was stated that “ having been raised the question, under the legal and statutory provisions and taking into consideration the sole item of the agenda, one or some General and Supervisory Board members may or could be prevented to participate in the meeting, for alleged conflicts of interest, the General and Supervisory Board Chairman has requested a Legal Opinion, in which is concluded that the Offeror, companies in parent-subsiary or group relationship as well as companies with members associated with the Offeror (including providers or entities that provide services under the public takeover bid) should not participate and vote on the General and Supervisory Board meeting in which matters related to such public takeover bid are discussed and/or resolved (...)”, and therefore the Vice Chairman, Yang Ya, and members Dingming Zhang, Eduardo de Almeida Catroga, Shengliang Wu, Yinsheng Li and Nuno Amado despite expressing a different understanding, accept not to show up at the meeting.

NAME	13-Dec	%
Luís Filipe Marques Amado – Chairman	P	100
Dingming Zhang – Vice-Chairman	R	0
Augusto Carlos Serra Ventura Mateus	P	100
Clementina Maria Dâmaso de Jesus da Silva Barroso	P	100
Shenliang Wu	P	100
Eduardo Almeida Catroga	P	100
Felipe Fernández Fernández	P	100
Fernando María Masaveu Herrero	P	100
Ignacio Herero Ruiz	P	100
Ilídio da Costa Leite de Pinho	P	100
João Carvalho das Neves	P	100
Jorge Avelino Braga de Macedo	P	100
Karim Djebbour	P	100
Laurie Lee Fitch	P	100
Maria Celeste Ferreira Lopes Cardona	P	100
María del Carmen Fernandez Rozado	P	100
Mohammed Al-Huraimel Al-Shamsi	P	100
Nuno Manuel da Silva Amado	P	100
Vasco Joaquim Rocha Vieira	P	100
Yinsheng Li	R	0

P = Presence; A = Absence; R = Represented

Total meetings in 2018: 11

Average participation: 86%

ANNEX III

Meetings of the Executive Board of Directors and each member's attendance:

NAME	9-JAN	16-JAN	30-JAN	6-FEB	20-FEB	23-FEB	27-FEB	1-MAR	6-MAR	20-MAR	27-MAR	% Presences
António Luís Guerra Nunes Mexia	P	P	P	P	P	P	P	P	P	P	P	100%
Nuno Maria Pestana de Almeida Alves	P	P	P	P	P	P	P	P	A	P	P	91%
João Manuel Manso Neto	P	P	P	P	P	P	P	P	P	P	P	100%
António Fernando Melo Martins da Costa	P	P	P	P	P	P	P	P	P	P	A	91%
João Manuel Veríssimo Marques da Cruz	P	P	P	P	P	A	P	P	P	P	P	91%
Miguel Stilwell de Andrade	P	P	P	P	P	P	P	P	A	P	P	91%
Miguel Nuno Simões Nunes Ferreira Setas	P	P	P	P	P	P	P	P	A	P	P	91%
Rui Manuel Rodrigues Lopes Teixeira	P	P	P	P	P	P	P	P	P	P	A	91%

P = Presence; A = Absence

Total meetings in 2018: 11

Average participation: 93.2%

NAME	5-APR	17-APR	24-APR	03-MAY	08-MAY	10-MAY	14-MAY	15-MAY	21-MAY	29-MAY	06-JUN	07-JUN	08-JUN	19-JUN	05-JUL	10-JUL	17-JUL	23-JUL	24-JUL	26-JUL	
António Luís Guerra Nunes Mexia	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
João Manuel Manso Neto	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
António Fernando Melo Martins da Costa	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
João Manuel Veríssimo Marques da Cruz	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
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
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
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
Maria Teresa Isabel Pereira	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Vera Morais Pinto Pereira Carneiro	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P

NAME	31-JUL	04-SEP	11-SEP	18-SEP	25-SEP	26-SEP	02-OCT	09-OCT	15-OCT	23-OCT	30-OCT	06-NOV	08-NOV	13-NOV	26-NOV	29-NOV	03-DEC	11-DEC	13-DEC	20-DEC	% 2018	
António Luís Guerra Nunes Mexia	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100%
João Manuel Manso Neto	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100%
António Fernando Melo Martins da Costa	A	A	P	P	P	P	P	P	P	A	P	P	P	P	P	P	P	P	P	P	P	93%
João Manuel Veríssimo Marques da Cruz	P	P	P	P	P	P	P	P	A	P	P	P	P	P	P	P	P	P	P	P	P	98%
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	100%
Miguel Nuno Simões Nunes Ferreira Setas	P	P	P	P	P	P	P	P	P	P	P	P	P	A	P	P	P	P	P	P	P	98%
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	100%
Maria Teresa Isabel Pereira	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	100%
Vera Morais Pinto Pereira Carneiro	A	P	P	P	P	P	P	P	P	P	P	P	P	P	A	P	P	P	P	P	P	95%

P = Presence; A = Absence

Total meetings in 2018: 40

Average participation: 98.1%

ANNEX IV

Positions held by the members of the Executive Board of Directors in other companies belonging or not to the EDP Group:

	ANTÓNIO MEXIA	JOÃO MANSO NETO	ANTÓNIO MARTINS DA COSTA	JOÃO MARQUES DA CRUZ	MIGUEL STILWELL ANDRADE	MIGUEL SETAS	RUI TEIXEIRA	TERESA PEREIRA	VERA PINTO PEREIRA
CNET – Centre for New Energy Technologies, S.A.	-	-	-	CBD	-	-	-	-	-
SCNET – Sino-Portuguese Centre for Energy Technologies (Shanghai) co., Ltd.	-	-	-	D	-	-	-	-	-
EDP - Ásia Soluções Energéticas Lda.	-	-	-	CBD	-	-	-	-	-
EDP - Energias de Portugal Sociedade Anónima, Sucursal en España	PR	PR	PR	-	PR	-	PR	-	-
EDP - Energias do Brasil, S.A.	CBD	-	-	D	C	VP/MD	-	-	-
EDP - Estudos e Consultoria, S.A.	-	-	-	-	-	-	-	CBD	-
EDP - Gestão da Produção de Energia, S.A.	-	-	-	-	-	-	CBD	-	-
EDP - Soluções Comerciais, S.A.	-	-	-	-	-	-	-	-	CBD
EDP Comercial - Comercialização de Energia, S.A.	-	-	-	-	-	-	-	-	CBD
EDP Comercializadora de Último Recurso S.A.	-	-	-	-	-	-	CBD	-	-
EDP España, S.A.U.	-	C	-	-	C	-	VP/MD	-	C
EDP Espírito Santo Distribuição de Energia S.A.	-	-	-	-	-	CBD	-	-	-
EDP Finance BV	R	R	R	R	R	R	R	R	R
EDP Gás.Com - Comércio de Gás Natural, S.A.	-	CBD	-	-	-	-	-	-	D
EDP Imobiliária e Participações, S.A.	-	-	-	-	-	-	-	CBD	-
EDP Internacional, S.A.	-	-	-	CBD	-	-	-	-	-
EDP International Investments and Services SL	-	-	-	CBD	-	-	-	-	-
EDP IS - Investimentos e Serviços, Sociedade Unipessoal, Lda.	-	-	-	-	M	-	-	-	-
EDP Renewables Europe SL	-	CBD	-	-	-	-	-	-	-
EDP Renováveis Brasil, S.A.	-	CBD	-	-	-	-	-	-	-
EDP Renováveis Servicios Financieros S.A.	-	CBD	-	-	-	-	-	-	-
EDP Renováveis, S.A.	CBD	VP/MD	-	-	-	-	-	-	-
EDP São Paulo Distribuição de Energia S.A.	-	-	-	-	-	CBD	-	-	-
EDP Transmissão Aliança SC S.A.	-	-	-	-	-	CBD	-	-	-
EDP Transmissão MA I S.A.	-	-	-	-	-	CBD	-	-	-
EDP Transmissão MA II S.A.	-	-	-	-	-	CBD	-	-	-
EDP Transmissão S.A.	-	-	-	-	-	CBD	-	-	-
EDP Transmissão SP-MG S.A.	-	-	-	-	-	CBD	-	-	-
EDP Valor - Gestão Integrada de Serviços, S.A.	-	-	-	-	-	-	-	CBD	-
Empresa Hidroelétrica do Guadiana, S.A.	-	-	-	-	-	-	CBD	-	-
Enagás – S.G.P.S, S.A.	-	-	CBD	-	-	-	-	-	-
ENERGEST S.A.	-	-	-	-	-	CBD	-	-	-
Energia Ásia Consultoria, Lda.	-	-	-	CBD	-	-	-	-	-
Energia RE, S.A.	-	-	D	-	CBD	-	-	-	-
Hydro Global Investment Limited	-	-	-	CBD	-	-	-	-	-
INVESTCO S.A.	-	-	-	-	-	CBD	-	-	-
Labeltec - Estudos, Desenvolvimento e Actividades Laboratoriais, S.A.	-	-	-	CBD	-	-	-	-	-
Lajeado Energia S.A.	-	-	-	-	-	CBD	-	-	-
Pecém Operação e Manutenção de Unidades de Geração Elétrica S.A.	-	-	-	-	-	CBD	-	-	-
Porto do Pecém Geração de Energia S.A.	-	-	-	-	-	CBD	-	-	-
Sávida - Medicina Apoiada, S.A.	-	-	-	-	-	CBD	-	-	-
EDP Energia, S.A.	-	-	-	-	-	-	CBD	-	-
EDP Iberia, S.L.	-	-	-	-	-	-	CBD	-	-
EDP Ventures Brasil S.A.	-	-	-	-	-	CBD	-	-	-
Companhia de Electricidade de Macau - CEM, S.A.	-	-	-	VP	-	-	-	-	-
Mibgas, S.A.	-	D	-	-	-	-	-	-	-
OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A.	-	D	-	-	-	-	-	-	-
KNJ Global Limitada (Macau)	-	-	-	D	-	-	-	-	-
Operador del Mercado Ibérico de Energia, Polo Español, S.A. (OMEL)	-	C	-	-	-	-	-	-	-

D – Director
C – Counsellor
M – Manager
CBD – Chairman of Board of Directors
R – Representative
PR – Permanent Representative
VP – Vice-President
VP/MD – Vice President and Managing Director

ANNEX V

i. Financial Matters Committee/Audit Committee

NAME	1-Feb	22-Feb	1-Mar	4-Apr	5-Apr	%
António Sarmiento Gomes Mota (Chairman)	P	P	P	P	P	100
João Carvalho das Neves (Vice-Chairman)	P	P	P	P	P	100
Alberto Joaquim Milheiro Barbosa	P	P	P	P	P	100
Maria Celeste Ferreira Lopes Cardona	P	P	P	P	P	100
Maria del Carmen Fernández Rozado	P	P	P	P	P	100

P = Presence; A = Absence;

NAME	3-mai	10-mai	24-mai	20-jun	23-jul	26-jul	17/19 sep	30-oct	8-nov	7-dec	%
Luís Filipe Marques Amado (Chairman)	P	P	P	P	P	P	P	P	P	P	100
João Carvalho das Neves (Vice-Chairman)	P	P	P	P	P	P	P	P	P	P	100
Clementina Dâmaso Barroso	P	P	P	P	P	P	P	P	P	P	100
Maria Celeste Ferreira Lopes Cardona	P	P	P	P	P	P	A	P	P	P	90
Maria del Carmen Fernandez Rozado	P	P	P	P	P	P	P	P	P	P	100

P = Presence; A = Absence;

Total meetings in 2018: 15

Average participation: 99%

ii. Remuneration Committee

NAME	1-Mar	6-Apr	%
Yang Ya – Chairman	P	P	100
Fernado María Masaveu Herrero	R	A	0
Ilídio da Costa Leite de Pinho	P	P	100
João Carvalho das Neves	P	P	100
Vasco Joaquim Rocha Vieira	P	P	100

P = Presence; A = Absence; R = Represented

Total meetings in 2018: 2

Average participation: 80%

iii. Corporate Governance and Sustainability Committee

NAME	28-Feb	%
Luís Filipe Marques Amado - Chairman	P	100
Felipe Fernández Fernández	P	100
Jorge Avelino Braga de Macedo	P	100
Maria Celeste Ferreira Lopes Cardona	P	100
Shengliang Wu	A	0

P = Presence; A = Absence

NAME	9-May	25-Jul	26-Sep	7-Nov	%
Luís Filipe Marques Amado - Chairman	P	P	P	P	100
Augusto Mateus	P	P	A	P	75
Felipe Fernández Fernández	P	P	P	P	100
Jorge Avelino Braga de Macedo	P	R	P	P	75
Maria Celeste Ferreira Lopes Cardona	P	P	P	P	100
Shengliang Wu	P	P	P	P	100
Yinsheng Li	P	P	P	P	100

P = Presence; A = Absence; R = Represented

Total meetings in 2018: 5
Average participation: 91%

iv. Strategy and Performance Committee

NAME	24-Jan	28-Feb	%
Eduardo de Almeida Catroga	P	P	100
Alberto Joaquim Milheiro Barbosa	P	P	100
Augusto Carlos Serra Ventura Mateus	P	P	100
Dingming Zhang	R	A	0
Ferhat Ounoughi	A	P	50
Fernando Maria Masaveu Herrero	R	R	0
João Carvalho das Neves	P	P	100
Jorge Avelino Braga de Macedo	P	P	100
Mohammed Al-Shamsi	A	P	50
Shengliang Wu	P	P	100

P = Presence; A = Absence; R = Represented

NAME	5-May	25-Jul	26-Sep	7-Nov	6-Dec	%
Eduardo de Almeida Catroga	P	P	P	P	P	100
Augusto Carlos Serra Ventura Mateus	P	P	A	P	P	80
Dingming Zhang	R	P	P	R	A	40
Fernando Maria Masaveu Herrero	R	R	P	R	R	20
Jorge Avelino Braga de Macedo	P	A	P	P	P	80
Karim Djebbour	P	P	P	A	A	60
Laurie Fitch	P	P	P	P	P	100
Mohammed Al-Shamsi	P	P	P	A	P	80
Nuno Amado	A	A	P	A	A	20
Shengliang Wu	P	P	P	P	A	80
Vasco Rocha Vieira	P	P	P	P	P	100

P = Presence; A = Absence; R = Represented

Average participation: 69%

Total meetings in 2018: 7



WATER



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