



edp

One Earth One Choice

We Choose Earth



Our Purpose

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

Our energy and

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

heart drive a

Reflects our ambition and leadership in making change happen

better tomorrow

The reason why we work every day

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**Floating solar  
Alqueva – Portugal**

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



Our Company

# Message from the Chairman of the GSB



João Talone  
Chairman of the General and Supervisory Board

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

João Talone



#### Onshore Wind Farm Monte Mattina — Italy

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

# Message from the CEO



Miguel Stilwell d'Andrade  
CEO of EDP and EDP Renewables

## Dear Shareholders and Stakeholders,

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

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

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

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

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

## Our main achievements in 2022

### Renewables generation

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

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

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

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

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

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

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

### Networks

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

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

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

### Client Solutions

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

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

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

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

### Business enablement

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

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

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

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

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

### Our commitment to ESG excellence

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

#### Environment

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

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

#### Social

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

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

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

#### Governance

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

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

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

#### ESG recognition

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

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

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

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

### Our financial performance

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

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

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

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

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

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

### Looking ahead to 2023

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

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

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

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

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

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



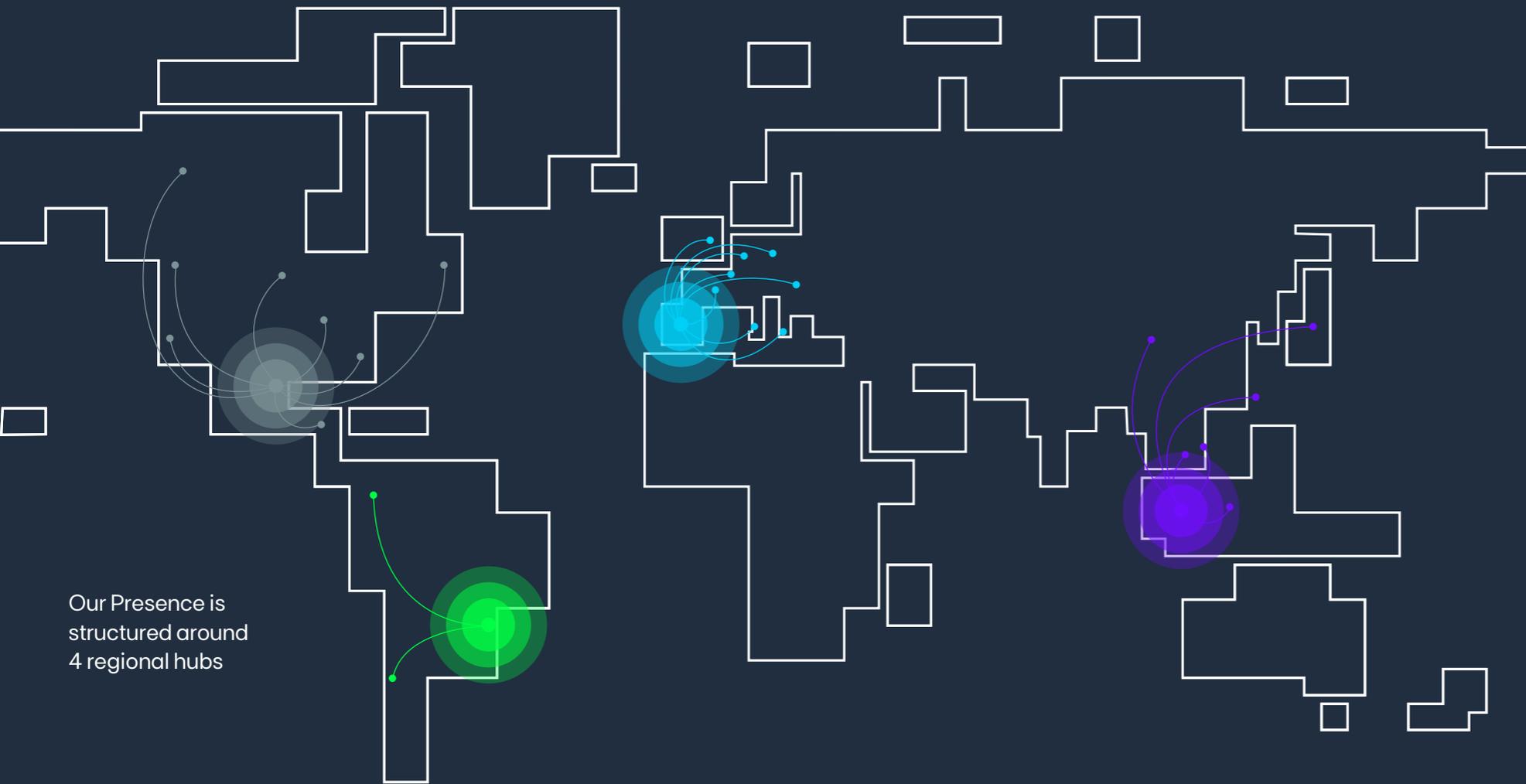
### Offshore Floating Solar Farm Singapore

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



# Our Vision

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



Our Presence is structured around 4 regional hubs

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

# Our Presence

2022 data

45 TWh  
74% renewable energy generation

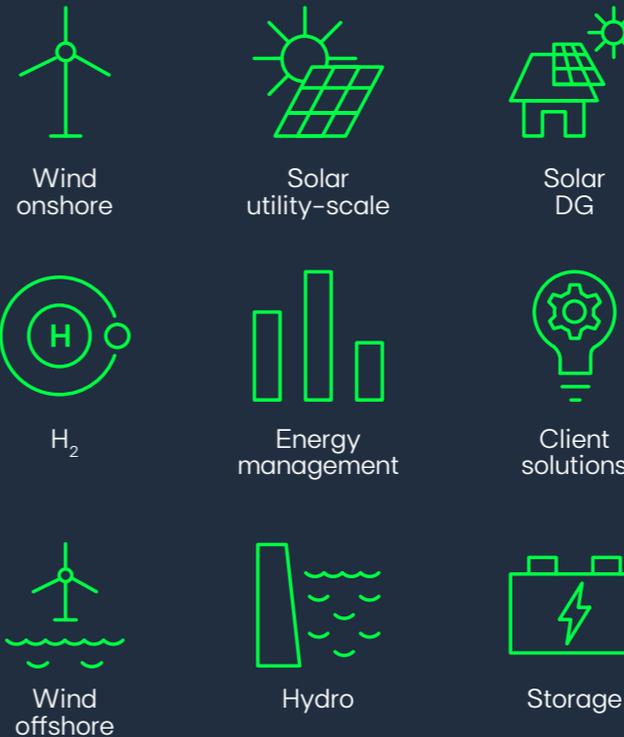
13,211 employees

# Our Platforms

## Renewables, Clients & Energy Management

# 67%

EBITDA



### Clean energy growth

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

## Electricity Networks

# 33%

EBITDA

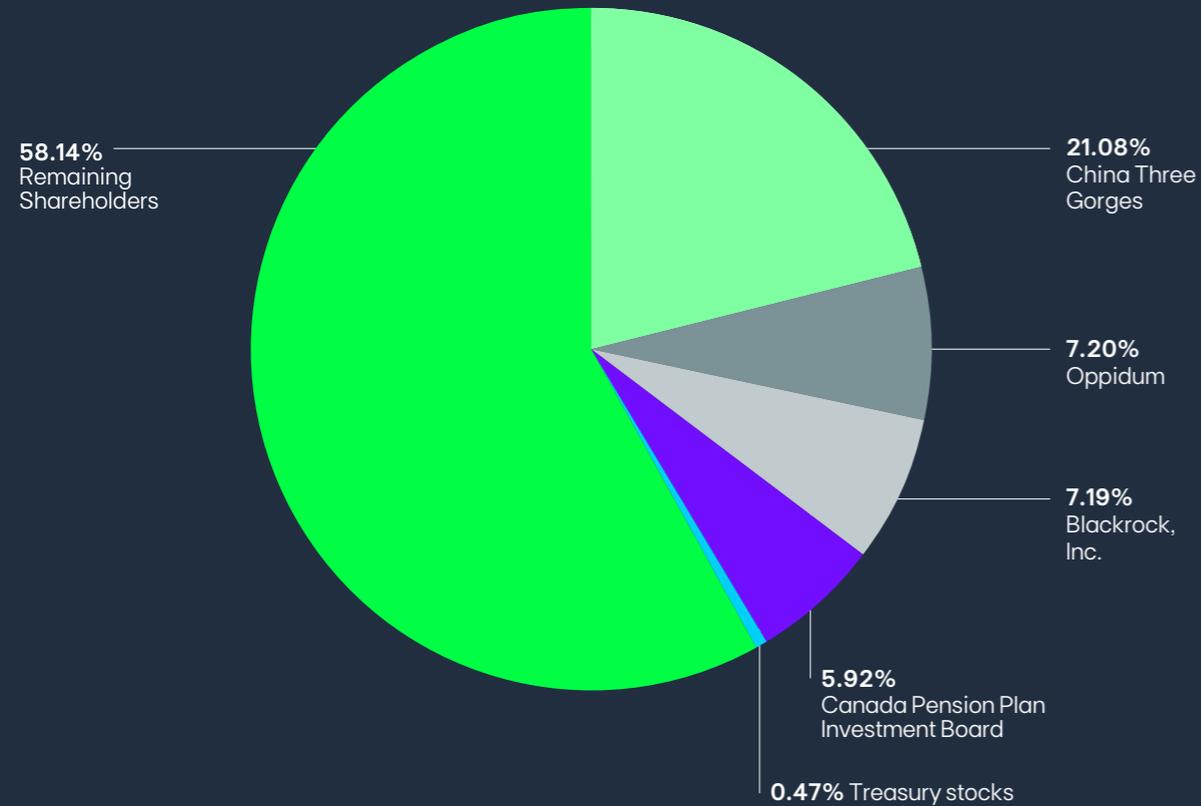


### Energy transition enabler

Stable and attractive returns with visible CAPEX opportunities

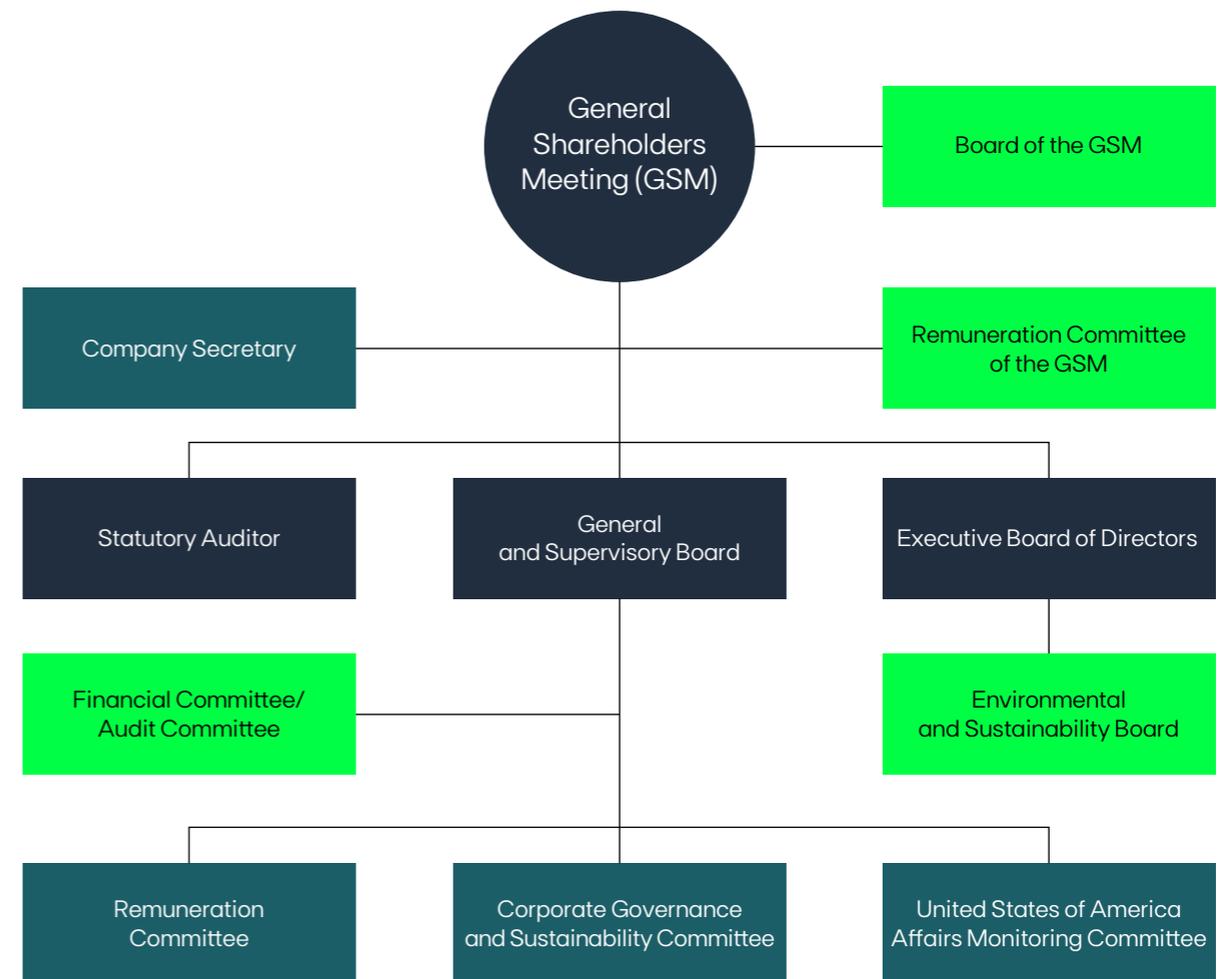
# Shareholder Structure

The share capital of EDP – Energias de Portugal, S.A, as of 31<sup>st</sup> December 2022, is 3,965,681,012 euros and is fully paid up, as provided for in article 4 of the Company Statutes, being represented by 3,965,681,012 shares with a nominal value of 1 euro each.



According to the results of the analysis prepared by Nasdaq, the volume of the Socially Responsible Investors (SRI) EDP shares represent 29.8% of EDP's share capital (up 5 percentage points compared to 2021), 67% of shares held by SRI investors are located in Europe. The other 33% are mostly located in the United States (21%); United Kingdom (18%) and France (16%).

# Corporate Governance



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

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

# Our Corporate Bodies

## Executive Board of Directors



Miguel Stilwell d'Andrade

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



Rui Teixeira

- CFO EDP and EDP Renewables
- Global Energy Management
- Energy Planning and Investor Relations



Vera Pinto Pereira

- CEO EDP Comercial
- Client Solutions
- Global Brand, Social Impact and EDP Foundations



Ana Paula Marques

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



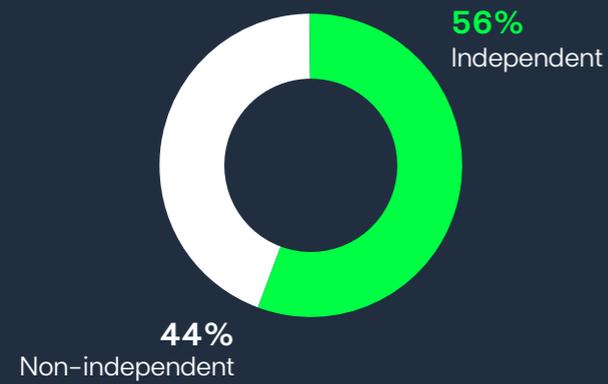
Miguel Setas

- Chairman EDP Brasil and E- REDES España
- Networks
- Risk Management, ESG and Shared Services

## Our Corporate Bodies

### General and Supervisory Board

#### Status



#### Gender diversity



**João Luís Ramalho de Carvalho Talone**  
Chairman



**Dingming Zhang**  
China Three Gorges Corporation



**Shengliang Wu**  
China Three Gorges International Limited



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



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



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



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



**Fernando Maria Masaveu Herrero**



**João Carvalho das Neves**



**Maria del Carmen Fernández Rozado**



**Laurie Lee Fitch**



**Esmeralda da Silva Santos Dourado**



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



**Sandrine Dixson-Declève**



**Zili Shao**



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

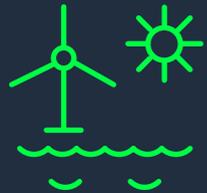
### Statutory Auditor

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

**Aurélio Adriano Rangel Amado**  
Alternate Statutory Auditor

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

**5 business areas**



**Renewables**

EDP Renewables



**Generation**

EDP Produção  
EDP ES Generación  
EDP Brasil (Generation)



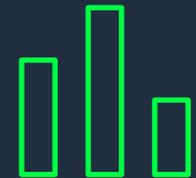
**Networks**

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



**Global Energy Management**

GEM  
EDP Brasil (Trading)



**Client Solutions**

EDP Comercial  
EDP Brasil (Clients)

**Global business enablement functions**

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

Offshore Wind Farm  
Moray East – UK

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



Our Strategy

# Commitments and targets

## Leading the energy transition to create superior value

### Our commitments

### Key figures & targets

Accelerated and sustainable growth

**€25 Bn**  
gross investment 2023-26

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

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

ESG excellence and future-proof organization

**Coal free**  
by 2025

**All Green**  
by 2030

**Net Zero**  
by 2040

Distinctive and resilient portfolio

**BBB**  
credit rating

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

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

Superior value creation for all stakeholders

**€5.7 Bn**  
EBITDA by 2026

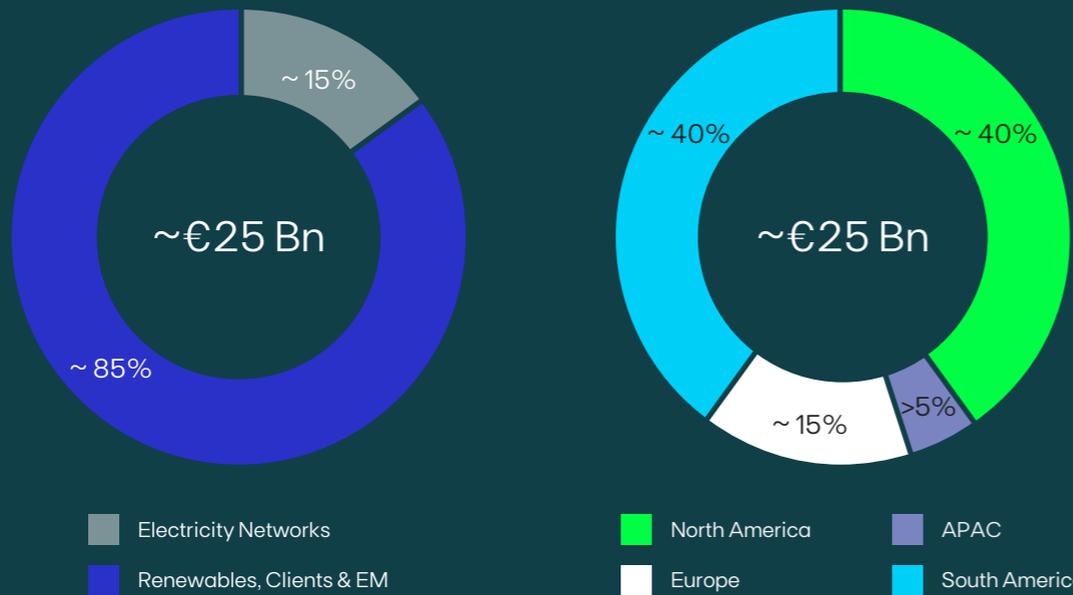
**€1.4-1.5 Bn**  
net income by 2026

**€0.20**  
new DPS floor by 2026

# Accelerated and sustainable growth

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

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



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

1. Including financial investments.

We are successfully ramping up growth with clear visibility on execution

We are scaling-up our growth rate...

Gross additions, GW



... and have clear visibility on execution

€ Bn, 2023-26



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

## Decarbonize: For a climate-positive world

Coal free by 2025

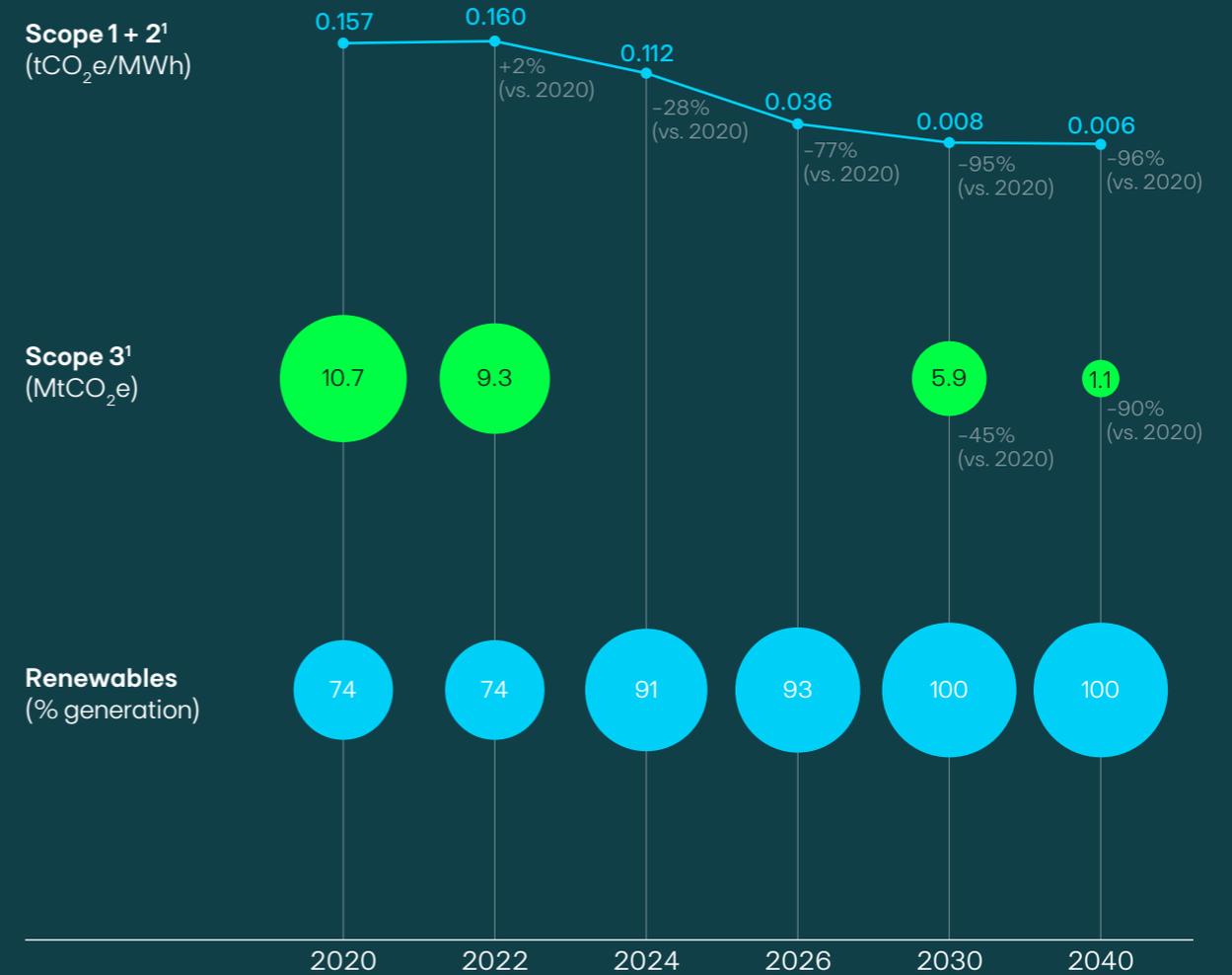
All green by 2030

Net Zero by 2040

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



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



- Key milestones** Decommission coal plants with a clear plan to mitigate impact on the community (e.g., reskilling, repurposing assets)
- Decommission/repurpose gas assets (full portfolio)
- Ensure green procurement from all suppliers (start to engage now and provide support to ensure compliance by 2040)

1. 2020 as base year.

# ESG excellence and future-proof organization

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

ESG Framework, 2026 Targets

## We will

Decarbonize for a climate-positive world



Coal free by 2025



All green by 2030



Net Zero by 2040

## We are



Empowering our communities for an active role in the transition

~€200 Mn in social investments (accumulated)

>3,000 new hires



Protecting our planet, contributing to its regeneration

100% projects with Net Gain Biodiversity tracking system

90% waste recovery along the value chain



Engaging our partners for an impactful transformation

100% suppliers compliant with ESG Due Diligence

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

## We have

A strong ESG culture protecting and empowering human life

Aim to Zero fatal accidents

70% employees received ESG training

Remuneration linked to ESG

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



~€2 Bn  
Digital TOTEX  
2023-26

### Digital empowering business transformation

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

#### Digital First Company

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

#### Digital & AI Enabled Business

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

#### Digital ways of working

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

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



~€1 Bn  
Innovation TOTEX  
2023-26

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

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

#### Internal Delivery

Develop and scale internally incubated projects

#### Energy Innovation Ecosystem

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

#### Venture Capital

Invest in high potential strategic start-ups

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

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

Recognized as top employer across markets



# A way for a better tomorrow

## All in all – our ESG commitments

Ambition	Goal	2022	2026 target	2030 ambition
<b>Decarbonize:</b> for a climate-positive world	SBTi: Scope 1 + Scope 2, gCO <sub>2</sub> e/kWh (% vs, 2020) <sup>1</sup>	160 (+2%)	36 (-77%)	8 (-95%)
	SBTi: Scope 3, MtCO <sub>2</sub> e (% vs, 2020) <sup>1</sup>	—	—	~6Mn (-45%)
	Renewables generation, %	74%	93%	100%
<b>Communities:</b> empowering our Communities for an active role in the transition	Global investment in communities, cumulative <sup>2</sup>	~€54 Mn	~€200 Mn	>€300 Mn
	Social impact investment beneficiaries <sup>3</sup>	~6 m	20 m	>30 m
	New hires, number	>2,000	>3,000	>6,500
	Training in upskilling and reskilling program, % training <sup>4</sup>	40%	45%	>45%
<b>Planet:</b> protecting our planet contributing to its regeneration	Total recovered waste <sup>5</sup> , % per year	95%	90%	>90%
	Biodiversity Net Gain in new projects	n.a.	—	100%
	Projects with Net Gain Biodiversity tracking system	n.a.	100%	100%
<b>Partners:</b> engaging our Partners for an impactful transformation	Suppliers compliant with ESG Due Diligence <sup>6</sup> , %	100%	100%	100%
	Purchases volume aligned with EDP ESG goals, %	>50%	90%	>90%
<b>ESG Culture:</b> a strong ESG culture protecting and empowering human life	Fatal accidents, number	5	0	0
	Women employees, %	27%	31%	35%
	Women employees in leadership, %	28%	31%	35%
	Employees receiving ESG training	60%	70%	90%

1. 2020 as base year. 2. Accumulated OPEX 2021-2030. Includes voluntary & mandatory investment + management costs.

3. Accumulated 2021-2030. Includes direct and indirect beneficiaries & A2E clients.

4. Excludes transversal training. 5. Includes construction, operational and dismantling phases and considers the change in EDP's technology mix. 6. Purchases >25k€

**Solar and Wind Hybrid  
Sabugal – Portugal**

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



3

Performance 2022

# Our Main Achievements

## Jan

- 17 EDP expands its footprint in offshore wind, with OW being awarded exclusive rights to develop 1GW offshore wind project in Scotland
- 20 EDP is distinguished as TOP Employer by the Top Employer Institute
- 26 EDP is distinguished by gender equality policies and integrates Bloomberg Gender-Equality Index

## Feb

- 07 EDP Brasil concludes CELG Transmission Business acquisition
- 24 EDP concludes Sunseap acquisition, establishing a growth platform for APAC
- 27 EDP increases its offshore wind footprint, with OW being awarded lease area to develop up to 1.7 GW offshore wind project in the US

## Jun

- 02 EDP launches new identity aligned with its commitment to the energy transition

## Apr

- 28 Payment of dividends relating to the 2021 financial year
- 22 EDP secures PPA for a 425 MW solar portfolio in the US
- 06 EDP holds its Annual General Shareholders' Meeting and approves the distribution of dividends relating to 2021 financial year

## Jul

- 15 EDP enters Germany and the Netherlands markets by acquiring solar development platform based in Germany
- 29 EDP's pioneer floating solar power plant in Alqueva is inaugurated

## Aug

- 04 EDP issues its first sustainability-linked loan, amounting to €3.65 Bn

## Oct

- 06 EDP completes the acquisition of a solar development platform in Germany

## Dec

- 01 EDP was recognised, for the 6<sup>th</sup> consecutive year, as one of the world's leading companies in the fight against climate changes by the CDP
- 08 EDP enters the Californian market, with OW being awarded exclusive rights to develop a 2GW offshore wind project in California, US
- EDP completes disposal of Mascarenhas Hydro Plant in Brazil
- 12 EDP recognised as the world's most sustainable integrated electric utility, by the Dow Jones World Sustainability Index
- 16 EDP produces the first green hydrogen molecule in Brazil

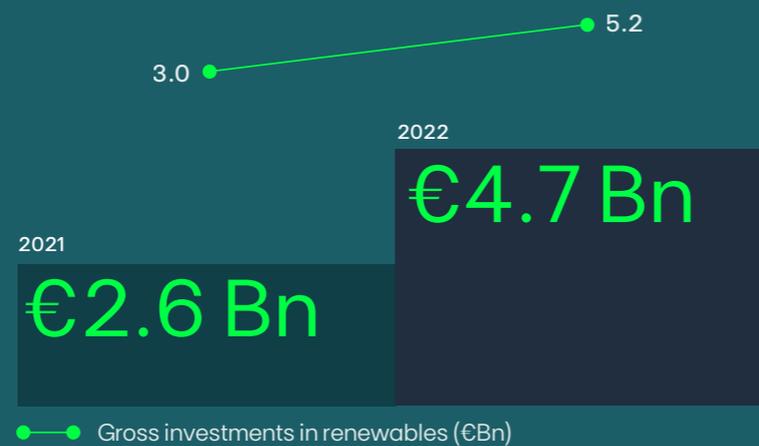
# Our Key Metrics

## Financial Data

EBITDA  
Recurring<sup>3</sup>



Net Investments<sup>2</sup>



Net Profit  
Recurring<sup>1,4</sup>



Net Debt



1. Net profit attributable to EDP equity shareholders.

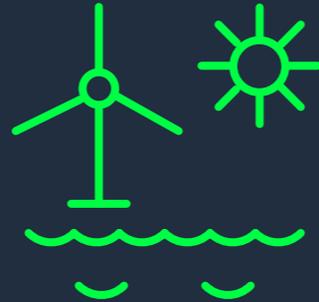
2. Considers capex of EDP group, organic financial investment €2,115M (31 Dec 2021: €414M) and asset rotation -€1,967M (31 Dec 2021: -€1,356M).

3. Non-recurring adjustments in 2021 -€12M including (i) the one-off gain on the sale of our 50% stake in the energy supplier CHC in Spain to our partner CIDE (-€21M), (ii) cost with Sonatrach agreement (€17M) and (iii) HR restructuring costs (€16M); Non-recurring adjustments in 2022: +€1M, including net gain related with portfolio optimization in LatAm (+€4M) and HR restructuring costs (-€3M).

4. Adjustments and non-recurring items impact at net profit level: In 2022 -€192M, including (i) impairments in thermal assets and other (-€154M) and EDPR(-€41M); and (ii) net gain related to portfolio optimization in LatAm (+€6M) and HR restructuring costs (+€3M). In 2021 -€169M, including (i) impairments, mostly CCGTs in Iberia (-€164M), (ii) acquisition of debt in minority stake in Spain (+€36M); (iii) provision on competition authority penalty (-€33M), (iv) gain from CIDE disposal (+€21M), (v) debt buyback prepayment fees (-€19M), (vi) HR restructuring costs (-€10M).

Operational Data

Renewables



**22.2 GW**  
 Installed Capacity  
 Equity + EBITDA  
 +5% vs 2021

**45.2 GWh**  
 Generation Output  
 -1% vs 2021

**4.0 GW**  
 Capacity U/C  
 +109% vs 2021

Electricity  
 Networks



**85.3 TWh**  
 Electricity distributed  
 +0% vs 2021

**381**  
 Distribution operating  
 network ('000 km)  
 +1% vs 2021

**0.4**  
 Transmission under  
 construction network  
 ('000 km)  
 -72% vs 2021

**11,583**  
 Supply Points ('000)  
 +1% vs 2021

**2.2**  
 Transmission operating  
 network ('000 km)  
 +1249% vs 2021

**6,429**  
 Smart Meters ('000)  
 +13% vs 2021

Client Solutions  
 & Energy  
 Management



**5.6 GW**  
 Installed capacity thermal  
 +11% vs 2021

**65.9 TWh**  
 Electricity sales  
 +10% vs 2021

**8,495**  
 Electricity customers  
 ('000)  
 -2% vs 2021

**10.4 TWh**  
 Gas supplied  
 -28% vs 2021

**631**  
 Gas customers ('000)  
 -8% vs 2021

# Business analysis

Renewables

€2,528M  
EBITDA

+10% vs. 2021

- Wind and solar EBITDA increased 23% to €2,157M, supported by increased wind resources (+3 p.p, YoY), higher average installed capacity (+9% YoY), positive FX impact and higher average selling prices
- Hydro EBITDA decreased €163M to €370M, impacted by the extreme dry weather in Iberia in a context of very high wholesale electricity prices. Recovery of hydro resources in Brazil compensated the weak performance in Iberia, contributing with +10 million euros EBITDA YoY.

Networks

€1,506M  
EBITDA

+13% vs. 2021

- EBITDA in the electricity networks segment registered a +13% growth, reaching €1,506M, mainly driven by the 44% increase in networks EBITDA in Brazil, reflecting the update to inflation of regulated revenues, the commercial operation of four transmission lines, as well as the positive FX impact in the period.

Client Solutions &amp; Energy Management

€486M  
EBITDA

+297% vs. 2021

- EBITDA from Client Solutions and Energy Management increased to €486M following:
  - The strong performance in Iberia, driven by increased thermal generation and positive impact of energy management results
  - Higher volume of electricity and better optimization of the intermediation in Brazil.

## Operational analysis

- 14.7 GW of wind and solar installed capacity, +1.2 GW YoY explained by the growth of EDPR portfolio, net of deconsolidations, resulting from the asset rotation strategy
- Wind and solar generation increased by 10% in 2022, reflecting the higher average installed capacity (+1 GW)
- 4.0 GW of wind and solar capacity under construction at the end of 2022
- Hydro portfolio comprises 5.5 GW in Iberia (45% of which with pumping capacity) and 2.0 GW in Brazil
- Hydro generation in Iberia in 2022 decreased 38% YoY (-3.8 TWh), to 6.0 TWh, reflecting the most extreme drought in the last 90 years, with IPH of 0.63 in Portugal, vs. 0.93 in 2021.
- Distribution network length achieved 380,788 km in 2022, of which 96,055 km in Brazil and 284,733 km in Iberia
- In 2022 the volume of electricity distributed in Iberia remained flat, In Brazil, the volume of electricity distributed increased 1.8%, reflecting the resumption of economic activity after the pandemic which still affected the initial months of 2021.
- Thermal portfolio comprises 5.6 GW of which 4.9 GW in Iberia and 0.7 GW in Brazil
- Thermal generation increased 45% vs. 2021 (+5.3 TWh), to 17.2 TWh, reflecting the response to the impact of the drought in Iberia
- In Iberia, the number of electricity clients reached 4.9M (-1% YoY) and volumes sold increased +6% to 33 TWh, driven by an increase in the B2B segment, following the abnormal low economic activity in early 2021
- Volume of electricity sold in Brazil increased by 8% to 15 TWh, mainly from the liberalized B2B business
- Gas customers stood at 631k, with gas supplied decreasing 28%, to 10 TWh.

## ESG Performance



- Significant increase in electricity generation from coal-fired thermoelectric plants in Spain (+64%) alongside the closure of coal-fired plants in Portugal, and together with the severe drought that was felt until November, led to a considerable increase in electricity generation in the CCGTs. This effect was mitigated by the absence of thermal production in Brazil throughout the year and by the reduction in emission factors in Portugal and Brazil which impacted on network losses
- The higher thermal generation in Iberia was the main cause for the increase in the production of waste materials, with fly ash and coal slag representing almost 80% of the total waste materials
- The set of energy efficiency, sustainable mobility and distributed generation initiatives implemented in 2022, resulted in energy savings estimated at 490 GWh, avoiding the emission of 1,755 ktCO<sub>2</sub>, including those corresponding to the sale of electricity from renewable sources, through guarantees of origin.
- Global female representation at EDP increased by 0.8%, The first Global Diversity, Equity, Inclusion and Belonging Council (DEIB) was held, which established the priorities for the next business cycle, The Gender Equality Plan (2022-2023) and the Equal Pay project were reviewed, ensuring internal cross-cutting practices to guarantee pay parity
- EDP voluntarily invested €31.2M in projects of 634 entities with a total of 3.2M direct beneficiaries. Most of these investments were monetary donations, corresponding to 90% of the total amount. Of this investment, 48% was aligned with the United Nations Sustainable Development Goals, benefiting 512 entities and resulting in 1.7M direct beneficiaries
- There were 133 work accidents for EDP employees and service providers, a 13% reduction compared to 2021. However, the number of worked hours also decreased, which justifies the indicator's evolution.
- 1.9% increase in female representation in leadership positions
- In Portugal, there was an increase in satisfaction, both in the liberalised and regulated markets, to 88% and 80%, respectively. In Brazil, EDP's position improved in the ISQP/ABRADEE ranking (EDP São Paulo 69.5% and EDP Espírito Santo 74%)
- In March 2022, EDP updated its Green Financing Framework. In the end of 2022, sustainable finance amounted to €12.4 Bn. The issuance of green bonds amounted to €8.7 Bn and, for the first time, a €3.3 Bn sustainability linked loan was signed.

1. These KPIs were part of Business Plan 21-25 but not part of Business Plan 23-26

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

Entities and ratings

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



**FTSE4Good**

**90/100**

#1 integrated electric utilities (Dec-22)

**4,5/5**

Top 5% (Sep-22)



**20/100**

Medium risk (Jan-23)



**A list**

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



**AAA/AAA**

Top 12% (Feb-23)



VE (ex, Vigeo)

**72/100**

Top 3 in utilities (May-22)

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

Other recognitions

**S&P Global Clean Energy Index**



**ISEB3**

Brazil



**G R E S B**  
★★★★★ 2022

E-REDES España

## Consolidated Income Statement

Thousand Euros	Notes	2022	2021*
Revenues from energy sales and services and other	7	20,650,764	14,982,909
Cost of energy sales and other	7	-14,529,713	-10,075,747
		6,121,051	4,907,162
Other income	8	927,450	1,023,988
Supplies and services	9	-1,103,668	-888,954
Personnel costs and employee benefits	10	-770,800	-666,459
Other expenses	11	-829,724	-727,965
Impairment losses on trade receivables and debtors	26	-60,199	-32,828
		-1,836,941	-1,292,218
Joint ventures and associates	21	239,429	108,106
		4,523,539	3,723,050
Provisions	36	-14,539	-60,510
Depreciation, amortisation and impairment	12	-1,979,007	-1,731,755
		2,529,993	1,930,785
Financial income	13	843,000	364,883
Financial expenses	13	-1,753,220	-875,816
Profit before income tax and CESE		1,619,773	1,419,852
Income tax expense	14	-398,490	-261,892
Extraordinary contribution to the energy sector	15	-51,534	-53,314
		-450,024	-315,206
<b>Net profit for the period</b>		<b>1,169,749</b>	<b>1,104,646</b>
<b>Attributable to:</b>			
Equity holders of EDP	30	679,001	656,717
Non-controlling Interests	33	490,748	447,929
<b>Net profit for the period</b>		<b>1,169,749</b>	<b>1,104,646</b>
Earnings per share (Basic and Diluted) - Euros	30	0.17	0.17

\* Includes restatement originated by changing the classification of the Social Tariff Costs as described in note 2a)

## Consolidated Statements of Financial Position

Thousand Euros	Notas	2022	2021*
<b>Assets</b>			
Property, plant and equipment	16	24,216,807	21,099,241
Right-of-use assets	17	1,320,270	1,007,029
Intangible assets	18	4,984,002	4,757,493
Goodwill	19	3,469,228	2,379,386
Investments in joint ventures and associates	21	1,605,743	1,350,445
Equity instruments at fair value	22	216,418	189,942
Investment property	23	27,294	20,668
Deferred tax assets	24	1,784,292	1,509,092
Debtors and other assets from commercial activities	26	3,772,126	2,668,506
Other debtors and other assets	27	1,924,510	1,841,147
Non-Current tax assets	28	109,902	173,846
Collateral deposits associated to financial debt	34	23,765	23,397
<b>Total Non-Current Assets</b>		<b>43,454,357</b>	<b>37,020,192</b>
Inventories	25	1,256,300	733,381
Debtors and other assets from commercial activities	26	4,888,220	5,928,004
Other debtors and other assets	27	3,371,795	2,810,855
Current tax assets	28	814,298	551,842
Collateral deposits associated to financial debt	34	29,336	26,678
Cash and cash equivalents	29	4,900,205	3,222,409
Non-Current Assets held for sale	41	101,900	700,791
<b>Total Current Assets</b>		<b>15,362,054</b>	<b>13,973,960</b>
<b>Total Assets</b>		<b>58,816,411</b>	<b>50,994,152</b>
<b>Equity</b>			
Share capital	30	3,965,681	3,965,681
Treasury stock	31	-51,288	-52,660
Share premium	30	1,196,522	1,196,522
Reserves and retained earnings	32	3,093,533	3,556,549
Consolidated net profit attributable to equity holders of EDP		679,001	656,717
<b>Total Equity attributable to equity holders of EDP</b>		<b>8,883,449</b>	<b>9,322,809</b>
Non-controlling Interests	33	4,951,159	4,654,756
<b>Total Equity</b>		<b>13,834,608</b>	<b>13,977,565</b>
<b>Liabilities</b>			
Financial debt	34	15,782,604	15,299,588
Employee benefits	35	644,299	940,266
Provisions	36	922,059	976,588
Deferred tax liabilities	24	1,244,593	989,078
Institutional partnerships in North America	37	2,212,162	2,259,741
Trade payables and other liabilities from commercial activities	38	1,412,454	1,806,925
Other liabilities and other payables	39	5,159,496	3,039,975
Non-current tax liabilities	40	179,250	124,362
<b>Total Non-Current Liabilities</b>		<b>27,556,917</b>	<b>25,436,523</b>
Financial debt	34	4,239,869	1,518,348
Employee benefits	35	126,767	179,534
Provisions	36	51,285	110,319
Trade payables and other liabilities from commercial activities	38	8,404,970	6,320,011
Other liabilities and other payables	39	3,600,893	2,781,101
Current tax liabilities	40	1,001,102	582,686
Non-Current Liabilities held for sale	41	—	88,065
<b>Total Current Liabilities</b>		<b>17,424,886</b>	<b>11,580,064</b>
<b>Total Liabilities</b>		<b>44,981,803</b>	<b>37,016,587</b>
<b>Total Equity and Liabilities</b>		<b>58,816,411</b>	<b>50,994,152</b>

\* Includes restatement originated by the change in the classification of Green Certificates as described in note 2a)



We Choose Earth