

THE
LIVING ENERGY
BOOK

by *edp*

ANNUAL REPORT
2017



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We are the energy in the pathway where we go through every day. One energy which transforms, reinvents itself and adopts different shapes.

One energy living inside us, one universal language, that moves us and take us further.

One living energy, that keeps us together, inovates and together with this energy, we create the change.

The energy living inside us is contagious and is in everywhere - in a hug, in the turning on of one light, inside the houses, on the streets or even in the other side of the pavement.

One living energy, that we keep writting together, in a book that shows the present and that is also one construction of the future.

The Living Energy Book.



THE LIVING ENERGY BOOK

by *edp*

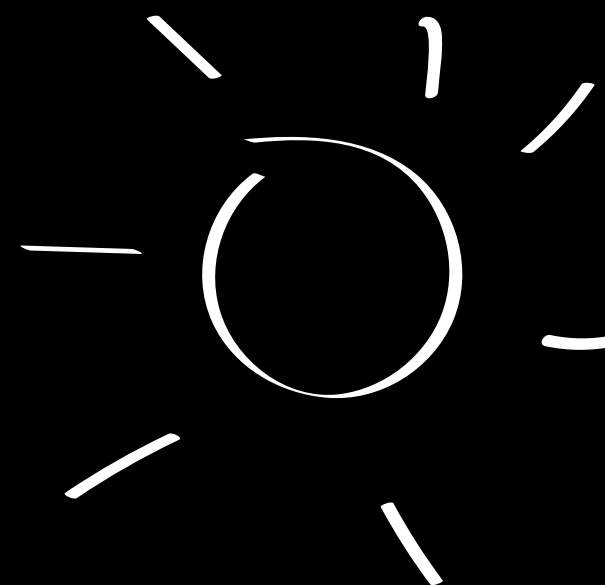


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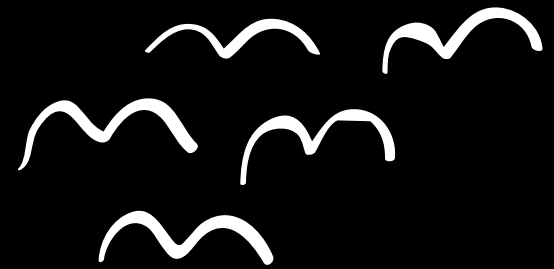
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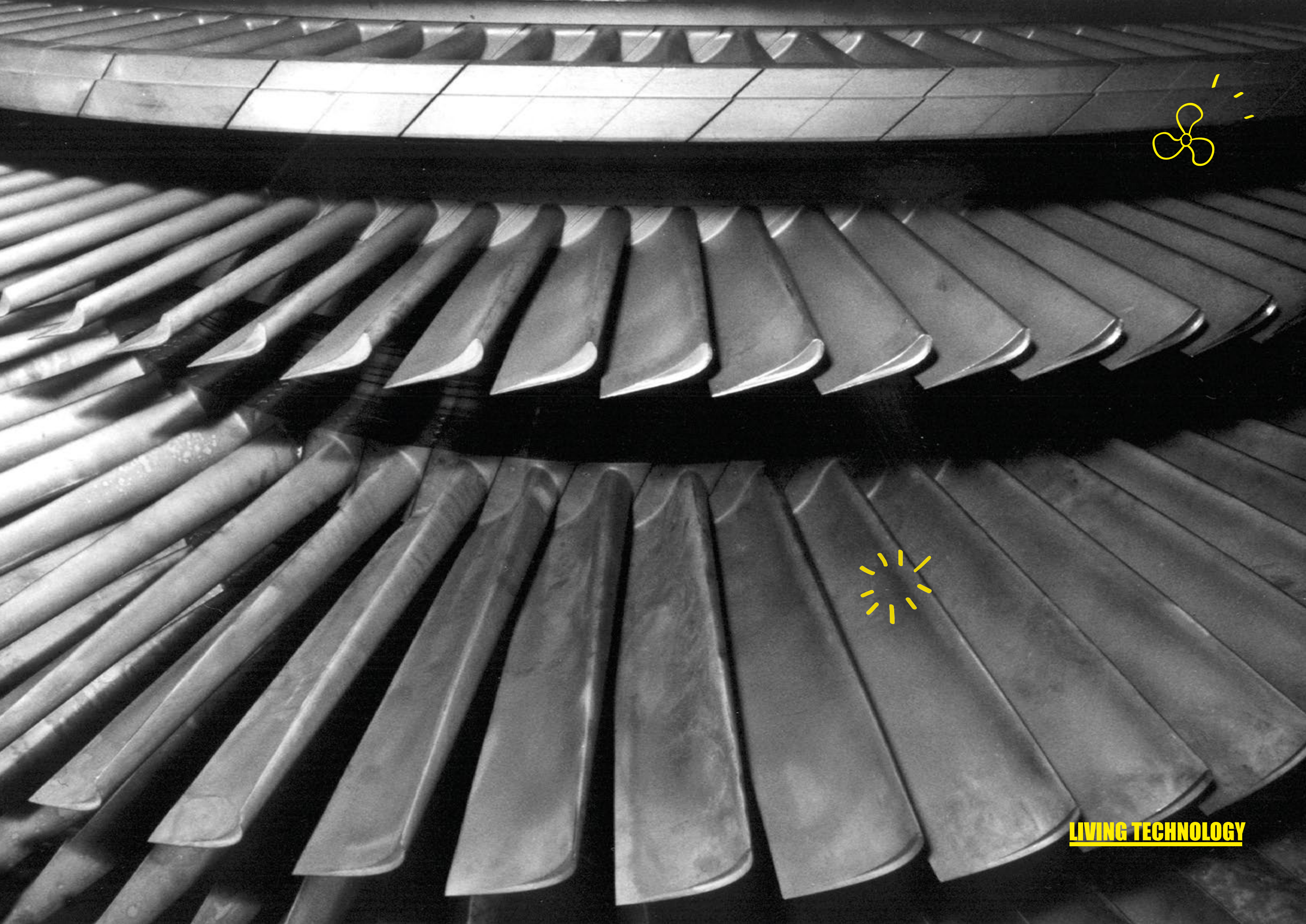
01

PRESENTATION

About this publication
Process of relevance

10
10





LIVING TECHNOLOGY

PRESENTATION

ABOUT THIS PUBLICATION

EDP Energias do Brasil S.A. (hereinafter EDP Brasil) annually discloses its economic-financial and socio-environmental performance, as well as the advances in the relationship with its stakeholders: Internal Public, Suppliers, Clients, Government, Shareholders, Financial Institutions and Civil Society. **[GRI G4-3, G4-24, G4-30]**

This document follows the guidelines of the Global Reporting Initiative (GRI) - version G4, option “de acordo” **Embracing** - and refers to the activities carried out between January 1, 2017 and December 31, 2017, of all business units and assets in joint ventures with other companies¹. **[GRI G4-17, G4-28, G4-32]**

The content was defined by a relevance process (see below) and submitted to KPMG external and independent verification. **[GRI G4-18, G4-33]**

For further information, write for sustainability.edp@edp-br.com.br. Questions, comments and suggestions are important to the constant improvement of this publication. **[GRI G4-31]**

Enjoy your reading!

1 The scope of the report encompasses all EDP’s business units in Brazil (Generation, Distribution, Transmission, Commercialization and Energy Solutions), the annual financial and non-financial results of the companies over which EDP Brasil has management control in Brazil:

- Generation: Hydroelectric power plants in operation located in the states of Espírito Santo (ES), Mato Grosso do Sul (MS), Tocantins (TO), and Pecém I Thermoelectric Power Plant (TPP) in Ceará (CE);
- Distribution: two distributors located in the states of São Paulo (SP) and Espírito Santo (ES);
- Commercialization: a company based in São Paulo, with operations throughout the country;
- Energy Solutions: a service and distributed energy company located in São Paulo and an energy efficiency company based in Porto Alegre (RS).

It also includes information on assets in joint venture with other companies: Hydroelectric Power Plant (HPP) Santo Antônio do Jari, between Amapá and Pará (AP/PA); HPP Cachoeira Caldeirão (AP); HPP São Manoel, between Mato Grosso and Pará (MT/PA); and the companies that operate and transport coal to the TPP Pecém in Ceará. **[GRI G4-17, G4-22]**

RELEVANCE PROCESS

The companies of the EDP Group periodically consult stakeholders and hierarchize, in a matrix of relevance, the main themes for these stakeholders in the relationship with the Company. The process is conducted in accordance with the principles of the Global Reporting Initiative (GRI) and the AccountAbility AA1000 standard.

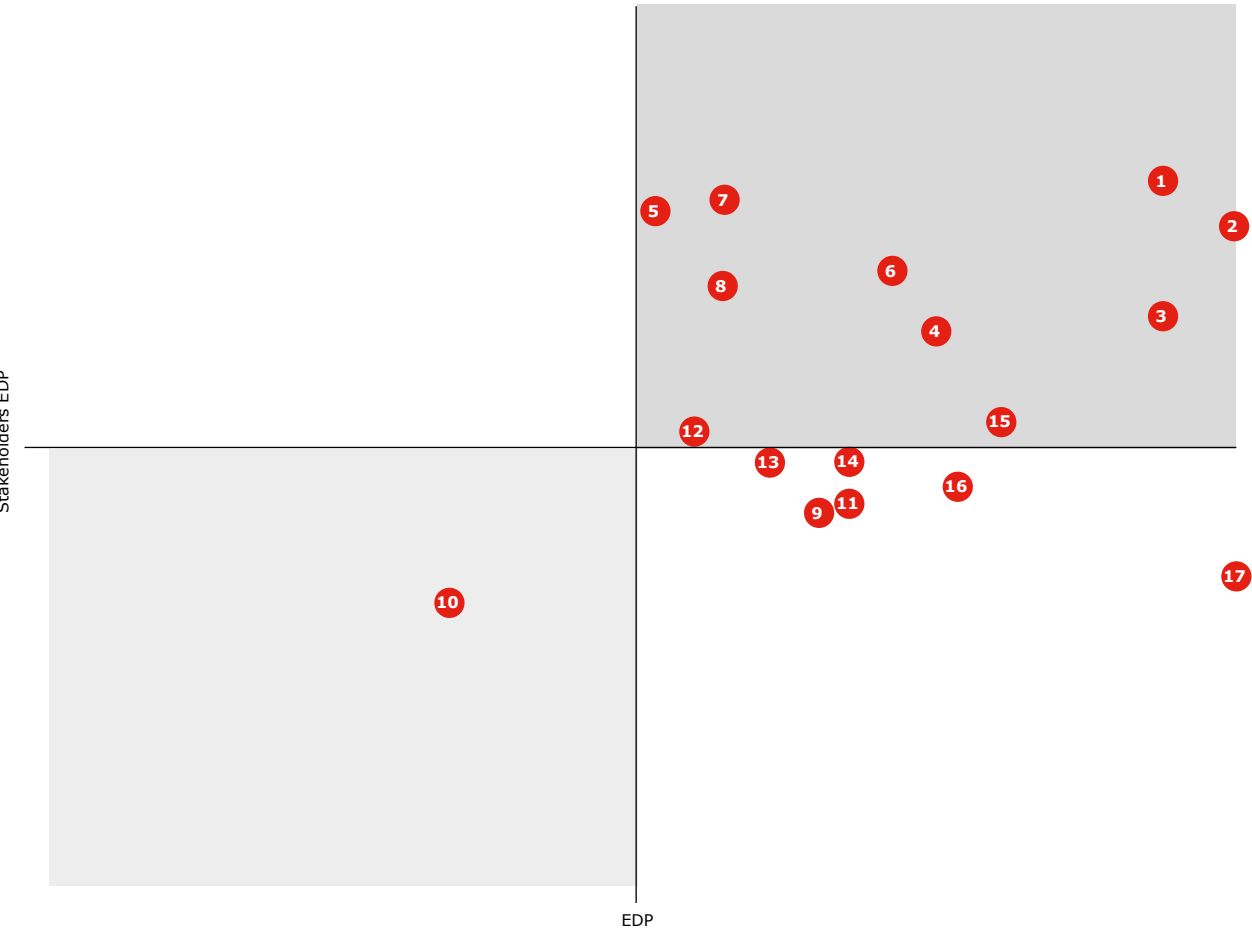
Since 2016, an internal tool has also been adopted, which evaluates the materiality of the themes for the whole Group. All Company’s companies worldwide follow a global procedure that aligns the internal and external sources of information, so as to ensure the traceability of the steps in identifying the most important topics.

During the review of the procedure for evaluating materiality in 2017, a review was conducted in the grouping of similar subjects, which resulted in a reduction in the number of material themes.

PREPARATION PROCESS



MATRIX OF CONSOLIDATED RELEVANCE



Interior da UTE Pecém



LIMITS OF THE IMPACTS OF RELEVANT ISSUES |GRI G4-19, G4-20, G4-21, G4-23|

TOPIC	WITHIN EDP (BUSINESS UNITS)	OUT OF EDP (STAKEHOLDERS)	GRI INDICATORS RELATED
1 Environmental manage- ment	All units	Public Authorities, regulatory institutions, communities and NGOs	G4-EN1, G4-EN2, G4-EN20, G4-EN21, G4-EN23, G4-EN24, G4-EN25, G4-EN27, G4-EN30, G4-EN31, G4-EN34, G4-EN8, G4-EN9, G4-EN10, G4-EN22, G4-EN26
7 Financial results /opera- ting earnings	All units	All stakeholders	G4-SO8, G4-PR9, G4-EC1, G4-EC4
5 Energy efficiency	Generation, EDP São Paulo, EDP Espírito Santo, Commercialization and Energy Solutions	Customers, communities and NGOs	EU11, EU12, EU30, G4-EN3, G4-EN5, G4-EN6 G4-EN7
2 Economic Context and regulatory	All units	All stakeholders	G4-1, G4-2
6 Climate Changes	All units	Shareholders, customers and communities	EU1, EU2, EU10
8 Involvement and develop- ment of communities	All units	Customers, communities and NGOs	G4-EC1, G4-EC6 a G4-EC9, G4SO1, G4-SO2, G4-SO11, EU22, G4-HR8
3 Security	All units	All stakeholders, except competitors	G4-LA5, G4-LA6, G4-LA7, G4-LA8, G4-PR1, G4-PR2, EU25
4 Infrastructures of ener- gies	All units	All stakeholders	EU1, EU28, EU29
15 Communication/Marketing Accountable & Trans- parent	All units	Customers and communities	G4-41, G4-PR4, G4-PR7, G4-SO3 a G4-SO5, G4-SO7
12 Corporate Governance	All units	All stakeholders	G4-34 a G4-47, G4-49, G4-50, G4-51 a G4-55
14 Customer Management	EDP São Paulo, EDP Espírito Santo, Commercialization and Energy Solutions	Customers	G4-PR5, G4-PR8, G4-PR9
13 Supplier Management	All units	Suppliers, customers and shareholders	G4-EN32, G4-EN33, G4-HR10, G4- HR11, G4-LA14, G4-LA5 a G4-LA8, G4-LA15, G4-SO9, G4-SO10, G4-EC9
16 Innovation and Research	All units	All stakeholders	EU8
11 Human Rights	All units	All stakeholders	G4-10, G4-LA12, G4-LA13, G4-HR1 a G4-HR12
9 Business Ethics	All units	All stakeholders	G4-56, G4-57, G4-58, G4-EN34, G4-LA16, G4-HR12, G4-SO3, G4-SO4, G4-SO5, G4-SO11
17 New Business	All units	All stakeholders	-
10 Labor Practices	All units	Scientific communitie, suppliers and shareholders	G4-LA9, G4-LA10, G4-LA11, G4-LA13, G4-LA16, .G4-11, G4-HR4, G4-LA1 a G4-LA5, G4-EC5, EU15

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02

MESSAGE FROM THE BOARD

19





LIVING INNOVATION



MESSAGE FROM THE BOARD | GRI G4-1 |

SOLID RESULTS IN A TRANSFORMING SECTOR

2017 was marked by several opportunities and challenges for EDP, which resulted in an 89.4% growth in net income adjusted by non-cash effects, which reached R\$ 570 million, enabling the distribution of R\$ 367 million in dividends, or 60% payout, above the minimum commitment of 50% assumed with our shareholders.

For the electric sector, 2017 brought deep reflection on structuring issues. Through the Public Consultation 33/2017, the Ministry of Mines and Energy promoted the debate on a broad set of decisive topics for the regulatory framework improvement of the electricity sector. EDP participated intensively in this debate, presenting a substantive contribution translated into about 500 diagnostic pages and concrete proposals. As early as 2018, this process culminated in the sending of a Bill by the Ministry to the President of the Republic.

In terms of the hydrological scenario, this year, as in previous years, was equally adverse, its wet period being one of the most critical in the last 87 years, which required even more assertiveness in the management of energy risk.

In this context, we actively managed this risk with a hedge strategy of the generation and commercialization portfolio, generating a positive impact of R\$ 459 million.

The management of the energy portfolio was reinforced by the consistent activity of our Merchant. In 2017, it made a remarkable result in this segment, working in an integrated way with the Regulatory and Energy Planning area, which allowed it to reach an EBITDA of R\$ 151 million.

A NEW CYCLE OF PROFITABLE GROWTH

For the EDP Group, 2017 marked the beginning of a new cycle of growth in our operations, reinforcing investment in all segments of the value chain and extending our geographic presence from 9 to 12 states of the Federal Government. It was this year that we affirmed ourselves as a significant investor in the Transmission business, having been the biggest winner of the 05/2016 Auction. Together with the line, we had already contracted in 2016, we committed to invest R\$ 3.1 billion over the next 5 years, in almost 1300 km of transmission lines in Rio Grande do Sul, Santa Catarina, São Paulo, Minas Gerais, Espírito Santo and Maranhão, and ensuring attractive returns (leveraged real shareholder TIR) between 12% and 14%.

In the segment of Distribution, we anticipate future consolidation transactions and we grew our presence in this segment with the signing of a contract to acquire a stake in CELESC, in Santa Catarina. With the completion of this transaction and the announced voluntary bid, EDP may reach a stake of more than 33% of the Company's total capital, with an estimated investment of R\$ 429 million.

A HIGHER EXECUTION TO FULFILL OUR COMMITMENTS

Once again, as we did at the Santo Antônio do Jari and Cachoeira Caldeirão power plants, we delivered, together with CTG and Furnas, the first machine from the São Manoel power plant with 4 months in advance. We also operate in the MCS D with 120 MW average downtime, which represents 30% of the power plant's energy sales contracts throughout the concession period. We also participated in the MCS D for the Santo Antônio do Jari and Cachoeira Caldeirão power plants, with a 21 MW and 95 MW average, respectively, for the second half of the year.

At TPP Pecém we recorded a positive result, with a Net Income of R\$ 74 million, because of the "turnaround" process of the power plant, which ended the year with 92% availability (over 90.14% contracted in the auction) and without technical failures in the last 12 months (February 2018 base).



António Mexia
Chairman of the Board of Directors



GREATER INVESTMENT. INCREASED EFFICIENCY.

Although the macroeconomic scenario showed positive signs, with the slowdown in inflation and the fall in interest rates, we remained active in the management of costs and in the reinforcement of the cutting and collection actions of delinquent customers. Our PMSO (costs of personnel, materials, services and others) decreased by 0.4% in real terms, which attests to the effectiveness of our Base Zero Budgeting program, already in the third edition and with gains over R\$ 200 million. Additionally, we reduced the Provision for Doubtful Accounts to 0.8% in the PDD/Gross Revenue ratio and recovered more than R\$ 23 million in the Total Losses of the Distributors. In the low-voltage non-technical losses of EDP São Paulo and EDP Espírito Santo, we are today less than 50 bps from the regulatory curve.

Our distribution investment plan for expansion and modernization of our network totaled R\$ 568 million this year in São Paulo and Espírito Santo, and we committed to invest another R\$ 630 million in 2018, with total CAPEX of the Company of R\$ 1,372 million. This is a deliberate strategy in the allocation of capital, which will translate into the aggregation of value in the context of the current tariff cycle, which ends in 2019. We are investing at levels close to twice the net depreciation (reintegration quota). Despite this investment boost, our leverage levels remain at very healthy levels, ending the year with a Net Debt/EBITDA ratio of 2.0x.

LEADERSHIP IN SUSTAINABILITY AND INNOVATION

In 2017, we reaffirm our commitment to the Global Compact Principles and incorporate into our strategy the Sustainable Development Goals (ODSs, Objetivos do Desenvolvimento Sustentável) established by the United Nations. For us, Sustainability is part of our daily business. And the acknowledgments obtained in this area were proof of this commitment.

Among others, we renewed our presence in B3's Corporate Sustainability Index (ISE, Índice de Sustentabilidade Empresarial) for the 12th consecutive year, reaching the maximum score in 5 out of the 7 dimensions of the index. We were also elected the Sustainable Industry Company by Exame magazine. We are in the top 3 of the list of the 100 most sustainable companies in emerging markets, analyzed by the European rating agency Vigeo. We were elected the "Most Sustainable Company in Latin America" by the reputed organization ALAS20. These were just some of the many highlights we achieved in the area of Sustainability, reinforcing our leadership in this area.

We continue to improve and consolidate our compliance program, reaffirming our commitment to the highest ethical standards and combating all forms of corruption in all our operations with customers, suppliers, partners and the community in general. Finally, in 2018, we learned the results of the Transparency International study, which evaluated how the 110 largest Brazilian companies disseminate information about their anticorruption practices and organizational transparency, with EDP being among the three best companies in this ranking.

In addition to investing in sustainability, we continue to follow innovative paths. This year we excelled in the electric sector because we were the first to bet on the robotization of business and administrative processes. Our competency center in São Paulo - Center of Excellence in Robotization - deployed 42 robots during the year, promoting quality and efficiency gains. This will be an area of unquestionable investment within our Digital Transformation Agenda. As we are fully aware of the organizational implications of the robotization processes, we were founding underwriters of the so-called "Brazilian Business Pact for the Humanized Digitization of Labor", together with 3 other Brazilian organizations.

OUR PEOPLE AND OUR CULTURE ARE OUR STRENGTH

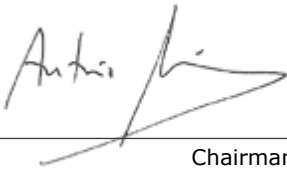
Over the past three years, we have invested heavily in the "Culture Project" to promote and strengthen our organizational identity and create an extremely rewarding work environment. As a reflection of this investment in our people and in our culture, EDP's level of engagement in Brazil rose for the third consecutive year to 84%, which compares with 75%, which is the average of the best companies in the study sample. This is a result that is very proud and gives us even greater responsibility. In addition, we were elected, for the second consecutive year, as one of the 150 best companies to work for the ranking of Você S.A. magazine.

Miguel Setas
Chief Executive Officer

The good results of 2017 come from the dedication of our employees. Without their motivation, extreme dedication and professionalism we would not be where we are today. We are very grateful to our 3,000 employees and to all our business partners.

THE FUTURE EXCITES US!

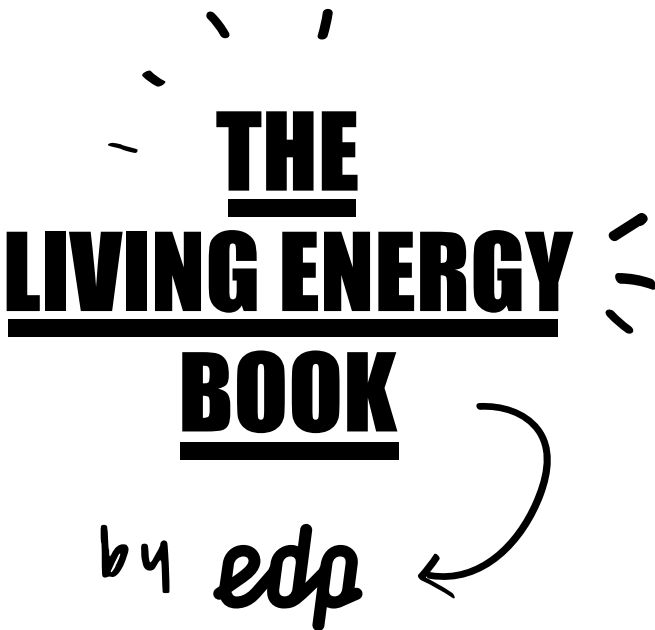
2018 will bring to EDP many business challenges. We will continue to seek new investment opportunities to grow profitably. We will continue to honor the trust of our shareholders and investors by generating attractive returns on investments. We will continue to want to exceed the expectations of our customers by providing an extremely high-quality service. We will continue to execute our investment commitments safely and expeditiously. We will continue to be an ethical and good company, which invests in sustainability as a central element of your business. We will continue to innovate with pioneering in the sector, always seeking the best technological solutions. We will continue to take care of the environment and the communities that welcome us. We will continue to invest in culture, as we are doing in the Recovery of the Museum of the Portuguese Language (Museu da Língua Portuguesa). We will continue to care for our people with respect and challenge. Anyway, we will continue to be EDP!



António Mexia
Chairman of the Board of Directors



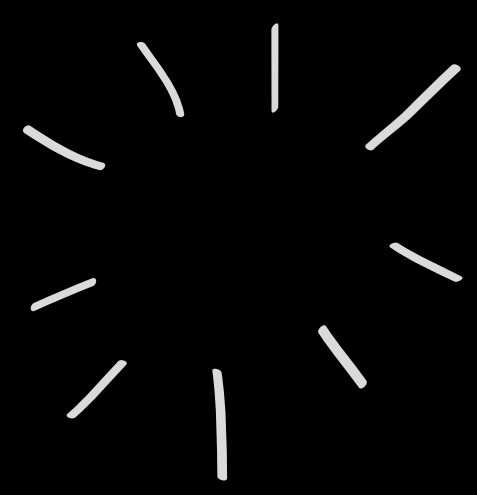
Miguel Setas
CEO





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03

EDP BRASIL

Business
EDP Brasil's value chain
Vision and values
EDP in the world
EDP in Brazil

Highlights of the year

Awards and Recognitions

The way of being EDP
EDP Culture

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LIVING SUN

EDP BRASIL

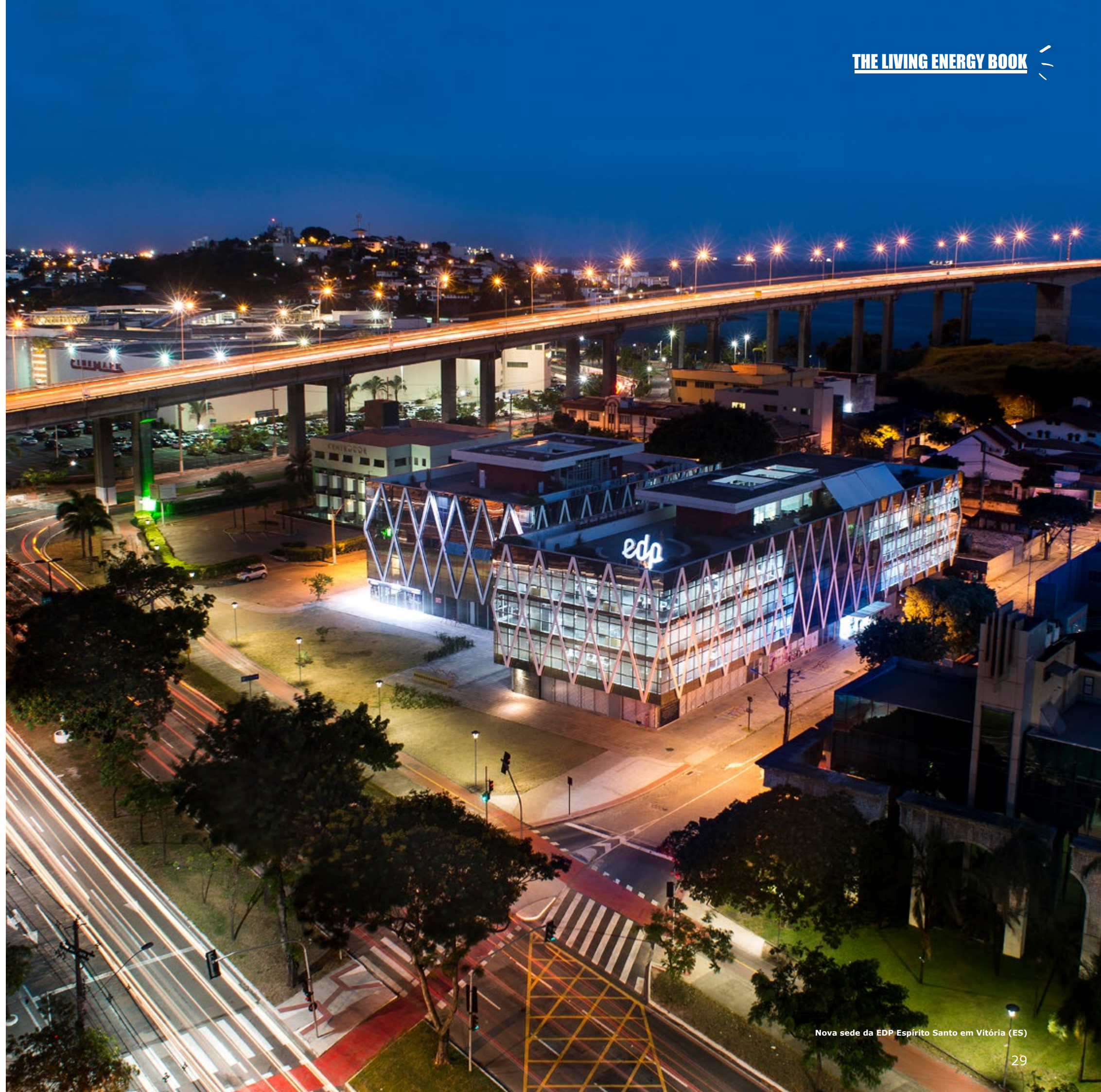
BUSINESS |G4-4|

For more than two decades, EDP Brasil has been present in the purpose to generate, distribute, market and - more recently - transmit energy to always take better care of people. In the segment of Energy Solutions, it also develops solutions to contribute to sustainable development (see below). |GRI G4-4, G4-6|

In Generation, it has 2.8 GW of installed capacity in 15 hydroelectric power plants and one thermoelectric power plant, located in seven Brazilian states; in Distribution, operates in São Paulo and Espírito Santo; in Transmission has 1,297 kilometers of a line divided into five projects under construction; and, throughout the national territory, it negotiates energy purchase and sale contracts, as well as provides services technical and commercial, to develop projects of energy efficiency and photovoltaic distributed generation for corporate clients. |GRI G4-6, G4-9|

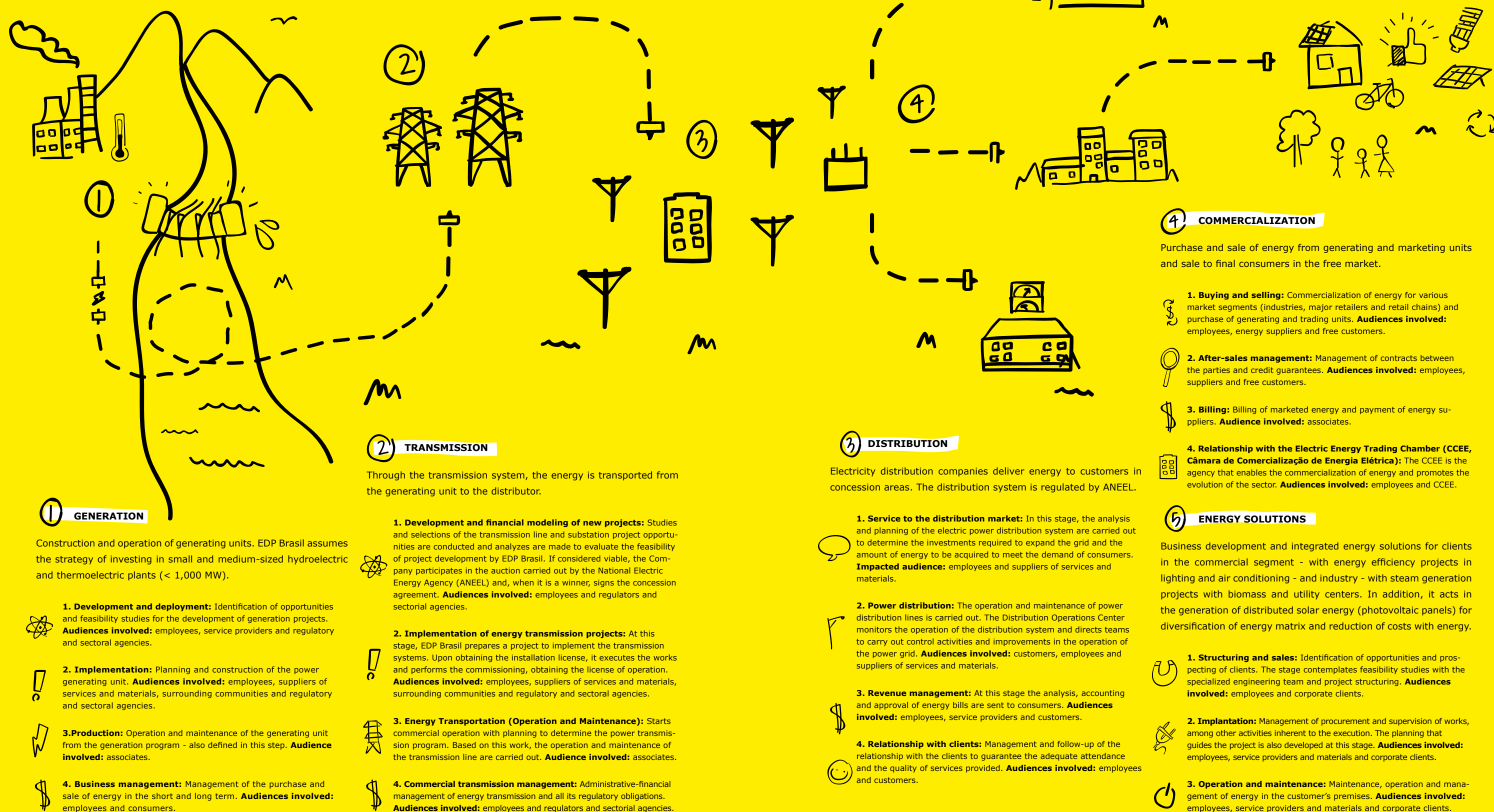
At the end of 2017, EDP Brasil also acquired 14.5% of the shares of Centrais Elétricas de Santa Catarina S.A. (Celesc), which operates in the areas of generation, distribution and transmission of energy. A voluntary public offering will also be held for the acquisition of 32% of Celesc's preferred shares for up to R\$ 199 million. As a result, EDP will have a total participation of up to 33.6% of the company's capital stock, for up to R\$ 429 million. EDP Brasil should occupy four of the 13 seats of Celesc's Board of Directors. |GRI G4-13|

As a publicly traded company, EDP Brasil trades its shares in the B3's Novo Mercado (a result of the merger of BM&FBovespa and Cetip) under the ENBR3 code and, in 2017, it remained in the Corporate Sustainability Index (ISE, Índice de Sustentabilidade Empresarial), composed of companies that are distinguished by their commitment to sustainability, fairness, accountability and transparency. The Company is also listed on the ISE in 2018. |GRI G4-7|



Nova sede da EDP Espírito Santo em Vitória (ES)

EDP BRASIL'S VALUE CHAIN



VISION AND VALUES

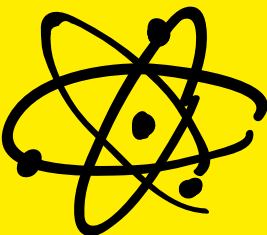
[GRI G4-56]

VISION

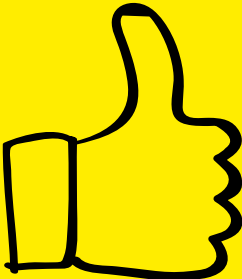
A global energy company,
a leader in value
creation, innovation
and sustainability.



VALUES



Safety at work for all our employees and business partners



Confidence of shareholders, customers, suppliers and other stakeholders.



Initiative manifested through the behaviors and attitudes of our people.



Excellence in the way we execute.



Innovation with the purpose of creating value in the different areas in which we operate.



Sustainability aiming at improving the quality of life of current and future generations.

MAP OF
EDP WORLDWIDE

[GRI G4-8]



Canada 5

USA 410

Mexico 7

Brazil 3,175

Portugal 6,537

Spain 1,886

Poland 38

Romania 32

Italy 23

United Kingdom 34

Belgium 2

France 53

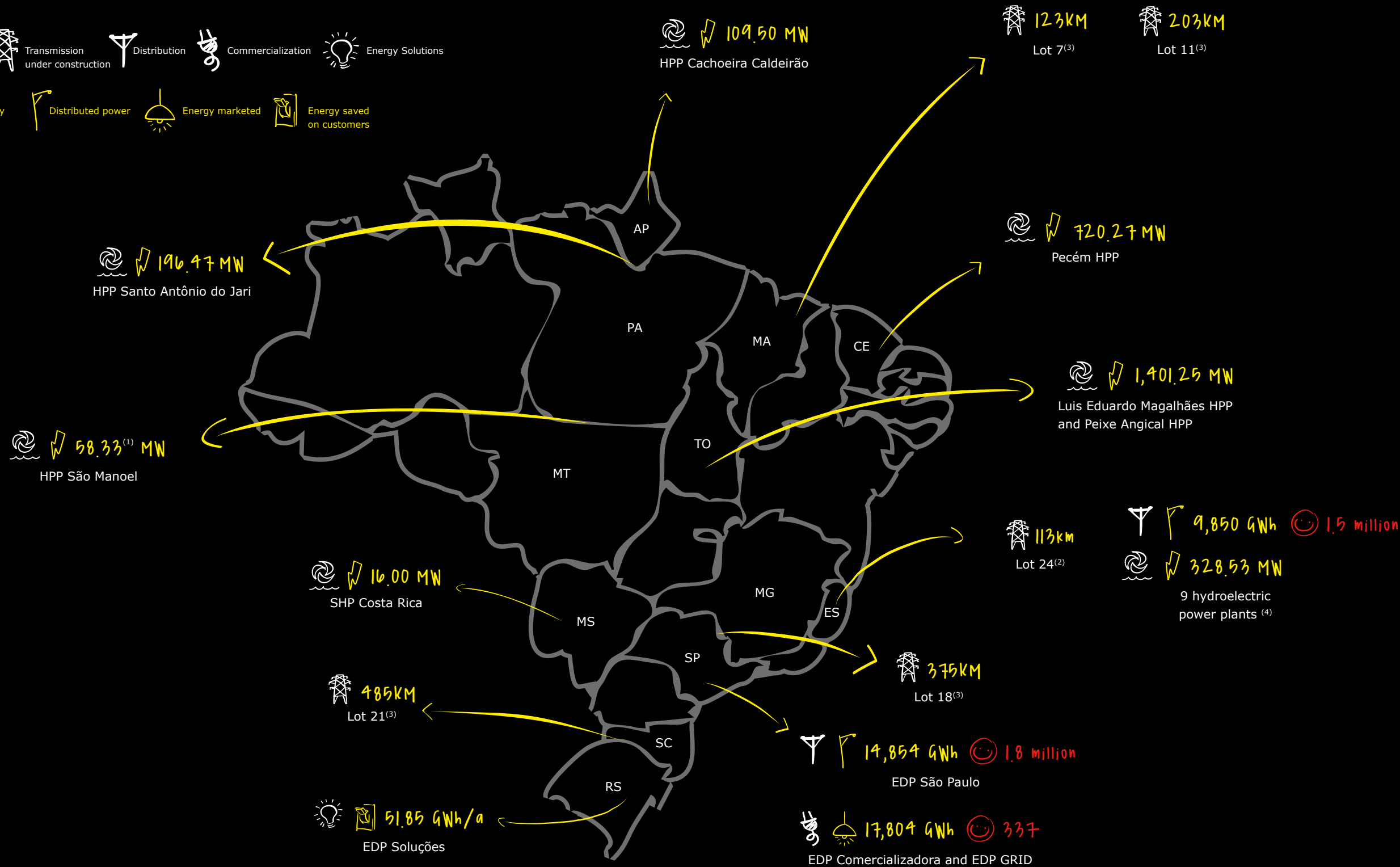
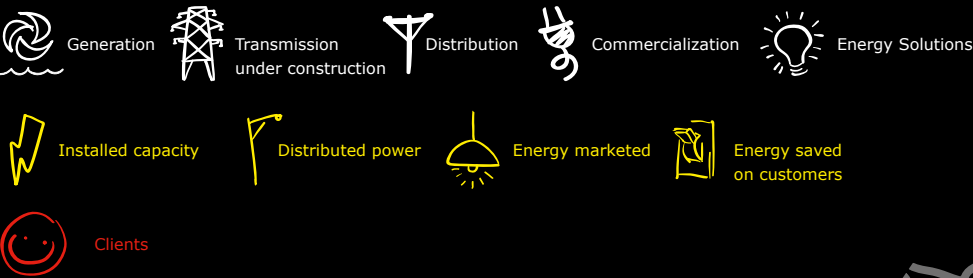
China

Angola

1 Value includes employees of joint ventures and does not include trainees and apprentices.

EDP IN BRAZIL

[GRI G4-4, G4-5, G4-8, G4-9]

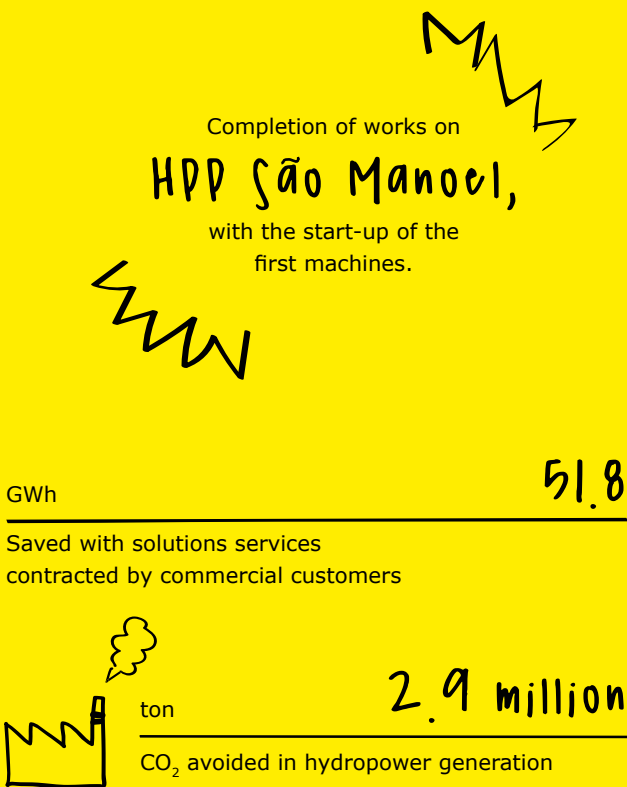
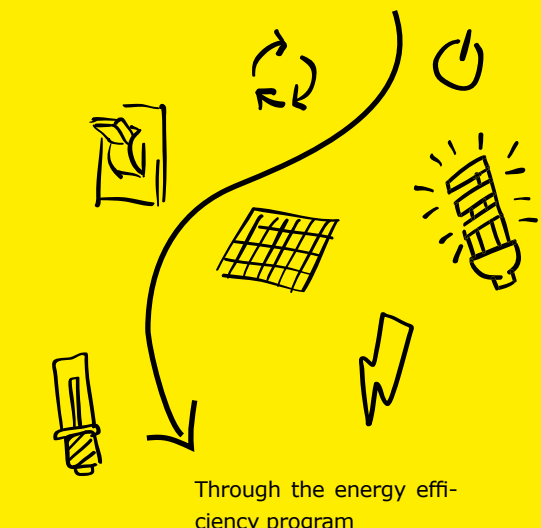
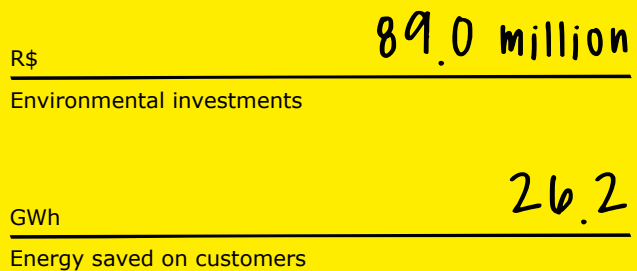
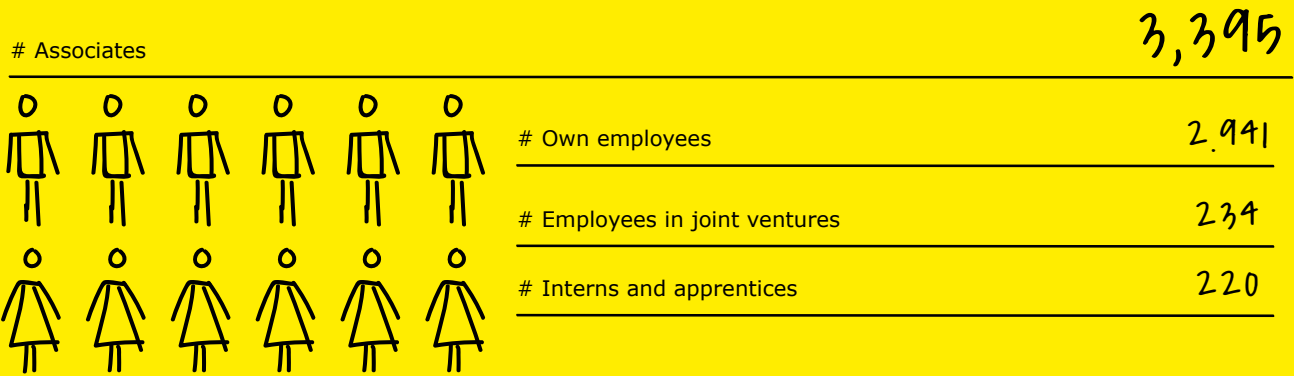
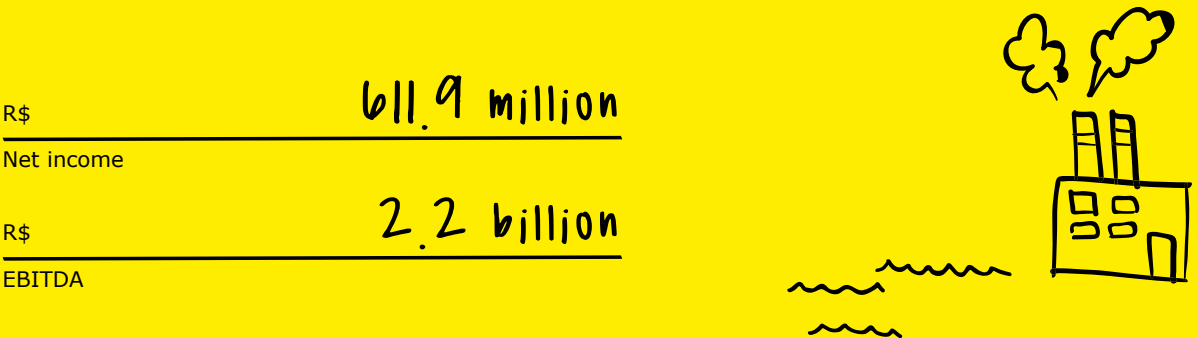
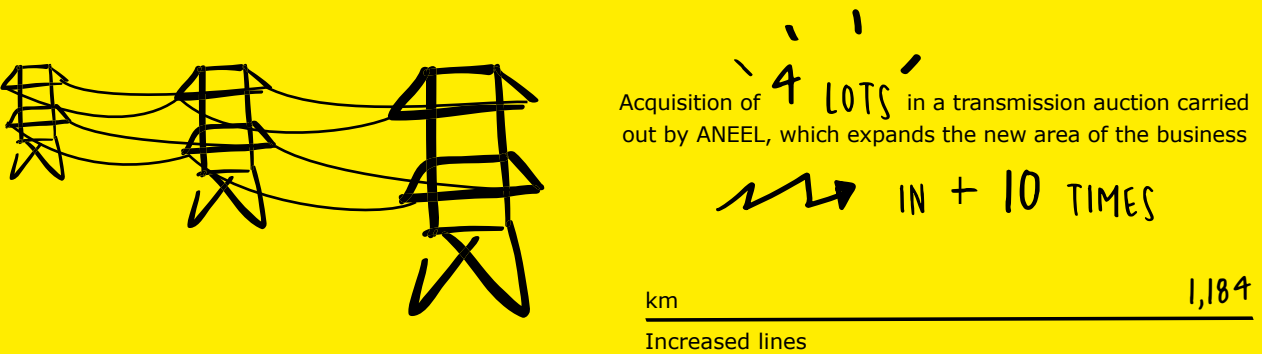
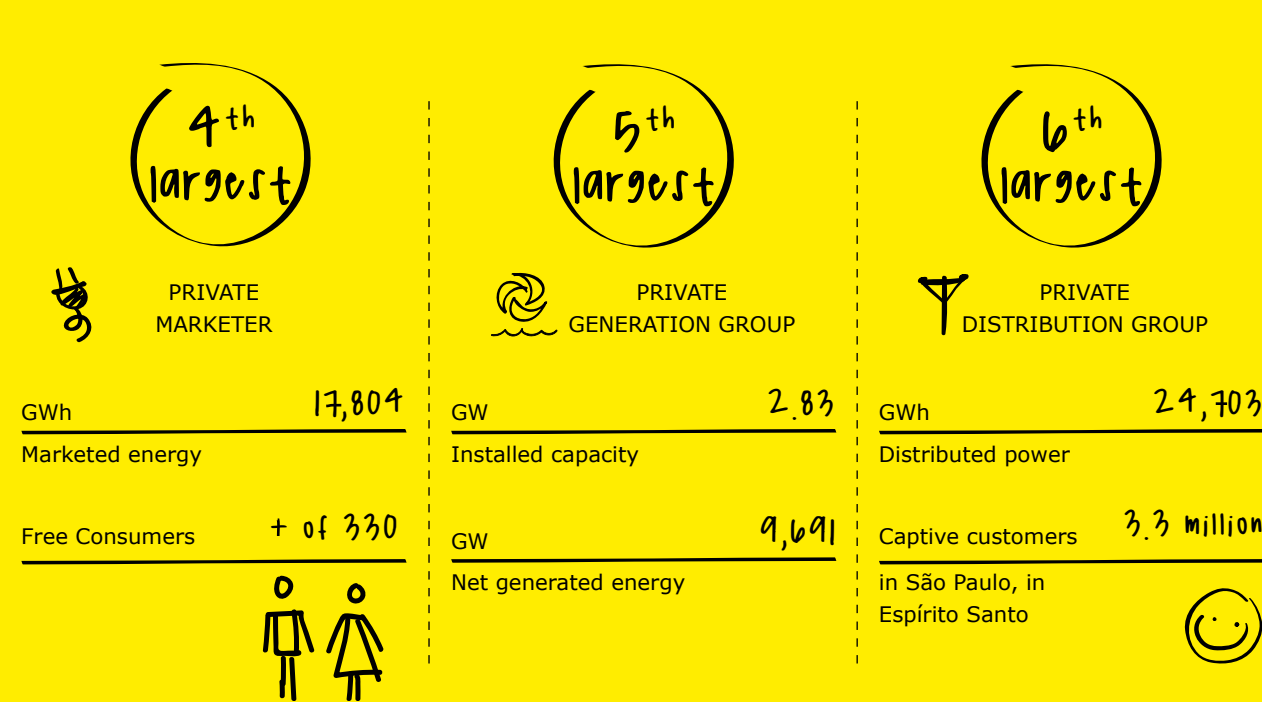


(1) Capacity that came into operation in 2017. In 2018 the work will be completed, and the installed capacity will be 233.33MW
(2) Auction for Concession of the Public Service of Transmission of Electric Energy No. 013/2015

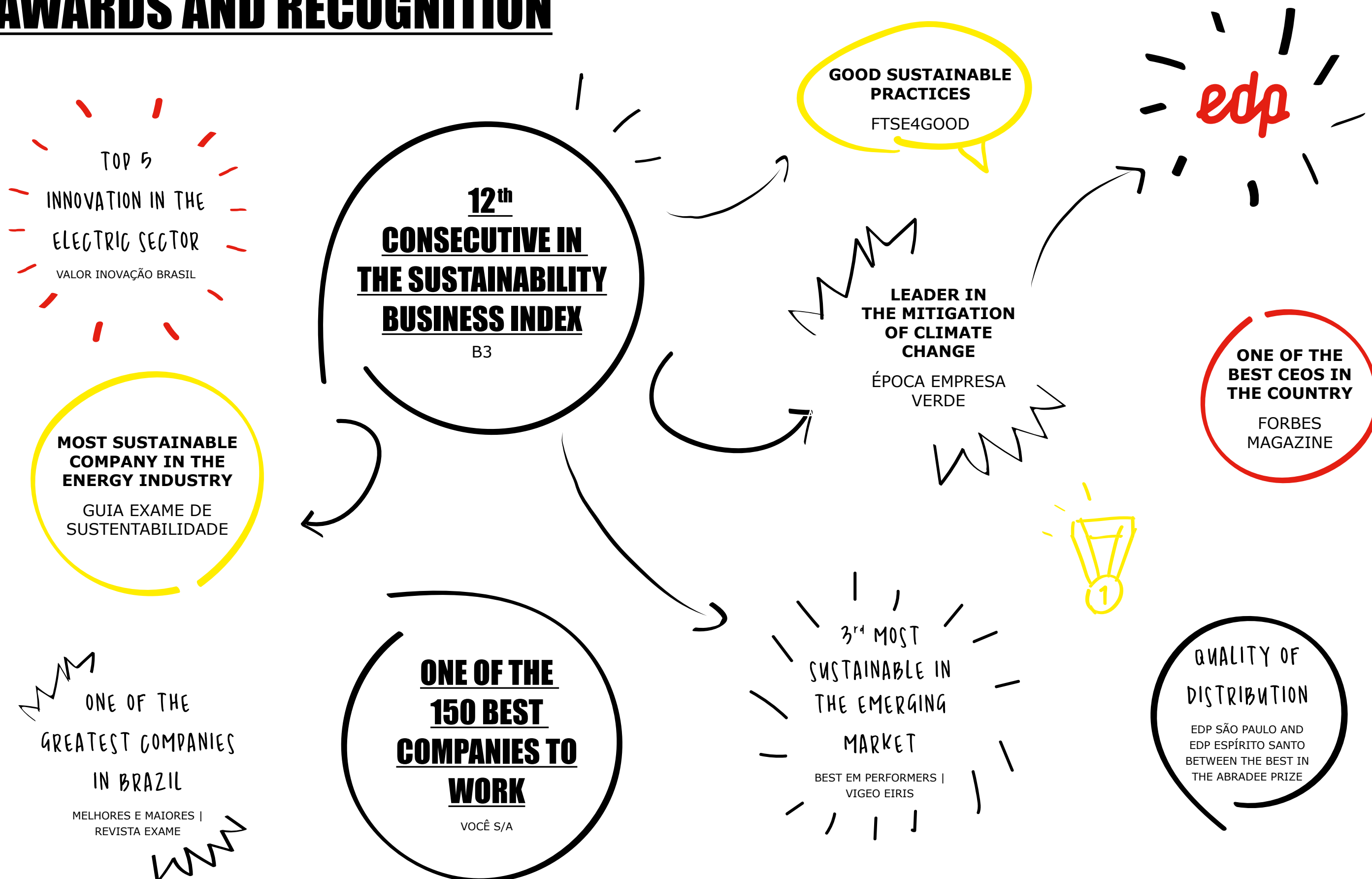
(3) Auction for Concession of the Public Service of Electric Power Transmission No. 05/2016
(4) HPP Mascarenhas , HPP Suíça , SHP Francisco Gros , SHP Rio Bonito , SHP São João, SHP Fruteiras , SHP Jucu , SHP Viçosa and SHP Alegre

HIGHLIGHTS OF THE YEAR

[GRI G4-9, G4-10]



AWARDS AND RECOGNITION



VALOR INOVAÇÃO BRASIL

Yearbook organized by Valor Econômico together with Strategy& and strategy consultancy PwC. EDP Brasil was among the five most innovative companies in the electricity industry.

MELHORES E MAIORES DE 2017

EDP Brasil was ranked in Melhores e Maiores de 2017 of Revista Exame. The publication evaluated more than 3,000 organizations to present the results of the 400 largest business groups (200 in Brazil and 200 in Latin America).

150 BEST COMPANIES FOR YOU TO WORK

The guide of Você S/A magazine recognized EDP Brasil, for the second consecutive year, as one of the 150 best companies to work in the country. The highlight is the efforts made in recent years to improve the health and well-being of the internal public.

LEADING COMPANY IN GUARANTEE OF THE RIGHTS OF CHILDREN AND ADOLESCENTS

EDP Brasil was a researcher of the Global Child Forum (GCF) for its programs to support children and combat child labor. The diffusion of the principles contained in the EDP Culture and the Company’s commitment to ensuring that its suppliers sign the Group’s Code of Ethics were also highlighted as good examples by the GCF.

INSTITUTIONAL INVESTOR

The CEO of EDP Brasil was also nominated by Institutional Investor magazine as one of the three best CEOs in the Latin American electricity industry. The publication highlighted the Company with the second best Investor Relations program and the third best website targeted at this audience.

ONE OF THE BEST CEOs IN THE COUNTRY

For the second year, EDP Brasil CEO Miguel Setas was chosen by Forbes magazine as one of the Best CEOs in the country in 2017. The executive was selected from 25 business leaders nominated by international consultancies and business and management schools.

GUIA EXAME DE SUSTENTABILIDADE

EDP Brasil was elected the Most Sustainable Energy Sector Company in Guia Exame for its innovative investments in

solar energy. The survey is the largest and most respected of the country’s corporate responsibility practices and, in 2017, evaluated information from 173 companies that answered the questionnaire prepared by Fundação Getúlio Vargas de São Paulo (GVces). The Company has already figured in eight editions of the Exame Sustainability Guide: 2009, 2010, 2011, 2013, 2014, 2015 and 2016.

PRÊMIO ÉPOCA EMPRESA VERDE

The Company received the award in the category of Climate Change for the case that highlighted the creation of EDP Soluções em Energia and the commitment to achieve savings of 100 gigawatts by 2020. The award recognizes the engagement of companies in sustainability actions, especially in environmental initiatives.

BEST IN PERFORMERS

EDP Brasil was elected by Vigeo Eiris - an important European agency rating of sustainability - as one of the most sustainable companies in the emerging market. In 2017, it was classified in both semiannual rankings, with the third place on December 1st.

FTSE4GOOD INDEX OF GOOD SUSTAINABLE PRACTICES

EDP Brasil remained at FTSE4Good, an index that recognizes companies for the adoption of sustainable practices and corporate social responsibility policies. The achievement signals to investors the Company’s commitment to environmental, social and governance requirements.

PRÊMIO ABRADÉE 2017

The distributors of EDP Brasil gained recognition among the country’s energy concessionaires. EDP São Paulo won in the categories Operational Management and Quality Management. EDP Espírito Santo was already among the best distributors in the Southeast Region and in the categories Quality of Management and Evolution of Performance. The award - one of the major in the Brazilian electricity distribution sector - is awarded by the Brazilian Association of Electric Power Distributors (Abradee).

19th ABRASCA AWARD - ANNUAL REPORT

EDP Brasil’s Annual Sustainability Report received an honorable mention from the Brazilian Association of Public Companies (Abrasca) in the Economic-Financial Performance category.

THE WAY OF BEING EDP

The principles governing EDP Brasil’s operations were defined in 2014 and are disseminated through the **EDP Culture**. The objective is to unify the Company’s corporate identity, which was constituted by several companies from different segments of the energy chain in several Brazilian states.

Since then, actions have been undertaken to disseminate, among stakeholders, attitudes that transcend practice and encompass principles that enhance a more humane work environment and in line with the Company’s purpose, which is to **use our energy to take better care**.

EDP CULTURE |GRI G4-56|

**Purpose**

Use our energy to always better care.



1. Life always in the first place

2. Unconditional Respect

3. Ethics and the pursuit of the best for all

4. Responsibility for the whole

5. Consistency in speaking and doing

6. Justice in the equality and difference



7. Focus on solutions and the larger purpose

8. The pursuit of excellence by the human

9. Team spirit and companionship

10. Shared knowledge

11. Constant Innovation

12. Customer: our reason for being

ENGAGEMENT OF STAKEHOLDERS |GRI G4-37|

EDP Brasil continuously seeks cooperation and dialogue with its stakeholders to ensure its sustainable develop-

ment and their partners. In synergy with the other companies of the Group, it maps its stakeholders on the basis of the Global Management of Stakeholders and the AA1000 Accountability Standard. In this way, 14 categories are listed, divided into four large groups. |GRI G4-25|

STAKEHOLDERS OF EDP BRASIL			
MARKET	DEMOCRACY	VALUE CHAIN	SOCIAL ORGANIZATION AND TERRITORIAL
• Competition • Financial Institutions • Shareholders	• Public Authorities and Regulatory • Parliament and Political Parties • International institutions	• Scientific community • Clients and Representative • Associates and Trade union representation • Suppliers	• NGOs • Local Communities • Autarkies • Media and Opinion Leaders



STAKEHOLDERS, RELATIONSHIP CHANNELS AND DEVELOPED ACTIONS |GRI G4-24, G4-26, G4-27|

Stakeholder	Relationship channels	Main topics raised	Actions
Value chain	Internal Audience: Climate Research, edpON intranet; edpON TV, edpON, edpON Brasil magazine; mural digital; Sustainability channel; Ethics Channel; Boa cLivre; Talk to the President; Intranet, EDP website and social networks; Annual report and results presentation roadshows by the president and vice presidents.	Climate changes; Attractiveness and retention of talent; Biodiversity; Citizenship; Responsible and transparent communication/marketing; Working conditions.	Awareness raising and awareness raising actions on social responsibility, citizenship and the environment; Initiatives to mobilize for EDP Culture and actions to improve climate; Encouraging cooperation and ethics in the relationship with the unions.
	Suppliers: Annual meeting with suppliers; EDP website and social networks; directed satisfaction survey; Annual report; Ethics Channel and Sustainability Channel.	Macroeconomic framework; Business ethics; Guarantee of supply; Environmental management; Chain management, Water consumption; Human rights; Energy efficiency in supply.	Periodic surveys, supplier's code of ethics. Incorporation of IDF from suppliers with feedback.
	Customers: energy bill; call center; service stores; Ombudsman; murals; Meeting of Consumers Council; EDP website and social networks; media campaigns; folders and information posters; Annual report; Ethics Channel and Sustainability Channel; Area of institutional relations and stakeholders management; Periodic meetings with Large Clients Managers.	Corporate governance; Innovation; New EDP Brasil businesses; Solar Energy and Distributed Generation; Financial results/operating profit and transparency; Institutional representation in localities where EDP operates; Risk management; Health and Safety at Work.	Satisfaction survey on the services provided; Development of social and relationship projects with clients of the communities; Meetings with consumer representatives, and with corporate clients; Actions to simplify energy bills; Establishment of contractual clauses with socio-environmental criteria; Adoption of the Code of Ethics EDP Brasil; Encouraging the adoption of EDP Brasil's principles, sustainability practices and policies; Training in prevention and safety; Workshops of good socio-environmental practices.
Democracy	Government and Regulatory Agencies: Regulatory area; Area of relationship with public power; Meetings between internal managers and government representatives; Reports of quarterly results; Internet; Annual Report and social and environmental reports specific to ANEEL; Area of institutional relations and stakeholders management; Members of the company on councils of renowned energy industry institutions and working groups.	Access to energy; Climate changes; Biodiversity; Citizenship; Responsible and transparent communication/marketing; Local communities; Water consumption; Energy efficiency; Macroeconomic framework; Supply management, Environmental management; Public lighting management; Investigation of energy fraud (illegal connections); Energy efficiency; Solar Energy and Distributed Generation.	Compliance with standards established by government agencies; Establishment of projects in partnership with municipal, state and federal governments to promote the sustainable development of communities; Representation in working groups and forums for the elaboration of sector policies and public interest. Workshop of the Distribution directed to Public Power, External meetings with Stakeholder Management team to collect the perception of the relationship, critical issues and potential improvements to be developed with the regional business unit.
Social and Territorial Organization	Society: Meetings with community entities, NGOs, educational and research institutions; Participation in working groups of sectoral entities; Press releases and interviews with the media; EDP website and social networks; Annual report; Ethics Channel; EDP Institute; Sustainability Channel; Institutional Relations and Stakeholders Management.	Attractiveness and retention of talent; Biodiversity; Citizenship; Responsible and transparent communication/marketing; Water consumption; Environmental management; Customer management; Street lighting.	Social, cultural and environmental programs directed to the communities in the company's areas of activity; Continuous environmental management with a focus on minimizing the social and environmental impacts of the activities; Public consultations on undertakings; Proactive and ethical relationship with the local, regional or national media and press; Partnership in R&D projects with educational institutions; External meetings with Stakeholder Management team to collect the perception of the relationship, critical issues and potential improvements to be developed with the regional business unit.

STAKEHOLDERS, RELATIONSHIP CHANNELS AND DEVELOPED ACTIONS |GRI G4-24, G4-26, G4-27|

Stakeholder	Relationship channels	Main topics raised	Actions
Market	Shareholders: General Meetings; Investor Relations and Corporate Advisory Areas; Press releases; EDP website and social networks; Annual Report and Financial Statements; Area of institutional relations and stakeholders management.	Climate changes; Attractiveness and retention of talent; Biodiversity; Citizenship; Communication.	Dissemination of information and results in quarterly conferences; Sustainability information published in the quarterly results release of the EDP Group; Exclusive meetings with national and international institutions to present the strategy and governance and social environmental practices; Continuous improvement of transparency and accountability to the market.
	Financial Institution: Regular meetings with representatives of financial institutions; Reports of quarterly results; Internet; Press releases; Annual report; Ethics Channel; Sustainability Channel; Institutional Relations and Stakeholders Management.	Responsible and transparent marketing; Macroeconomic framework; Business ethics; Guarantee of supply; Risk management; Customer management; Corporate governance; New EDP, Solar and Distributed Generation business; Transmission Networks and participation of investments/quotas of the company; Financial results/Operating profit and transparency.	Dissemination of information and results in quarterly conferences; Exclusive meetings with institutions to present the strategy and practices of governance and social and environmental; External meetings with Stakeholder Management team to collect the perception of the relationship, critical issues and potential improvements to be developed with the regional business unit.

SECTORIAL PARTICIPATION |GRI G4-16|

EDP Brasil actively works to lead and contribute to important discussions for the development of the energy sector and the Country. For this purpose, it supports and participates in the following entities:

- Board of Directors of the Brazilian Association of Electric Energy Distributors (Abradee);
- Council of the Brazilian Association of Energy Marketers (Abraceel);
- Board of Directors of the Brazilian Association of Independent Electric Power Producers (Apine);
- Brazilian Association of Thermoelectric Generators (Abraget);
- Brazilian Association of Electric Energy Companies Association (ABCE);
- Council of the Union of the Energy Industry in the State of São Paulo (SindiEnergia);
- Council of the Brazilian Association of Basic Infrastructure (ABDIB);
- Council of the Brazilian Association of Energy Conservation Services Companies;
- Business Council of Citizenship of the Federation of Industries of Espírito Santo (Findes);
- Conference of the Parties on Climate (COP);
- Technical Group on Energy and Climate of the Brazilian Grid of the Global Compact;
- Center for Sustainability Studies (GVces);
- Instituto Acende Brasil.



EDP São Paulo Substation in Biritiba Mirim

In 2017, EDP Brasil engaged 60 people - associates, specialists, consultants and representatives of three universities and a research institute - in the preparation of eight notebooks with six technical notes² in order to contribute to Public Consultation No. 033/2017 of the Ministry of Mines and Energy (MME) on the sectoral reform put in question.

This material aims to reconcile the positions of various stakeholders, including ensuring the security of supply, the economic and financial balance of industry players, economic rationality and adopting a holistic vision that includes the global analysis of the impacts of the changes. To define the proposals, the regulatory environments of 12 countries in Europe and Latin America were analyzed, in addition to the United States.

The Company argues that the transformations are gradual and proposes a transparent dialogue with society, taking the perspective of the client as the central agent of this debate.

Find out more in the Public Consultations section of the Ministry of Mines and Energy website.

BUSINESS STRATEGY

EDP Brasil is constantly evaluating market trends with the aim of defining its strategic priorities and thus achieving balance in the different businesses.

The Strategic Planning is annually reviewed, in view of the great social and regulatory transformations that the sector has been going through. In 2017, EDP Brasil held a meeting with more than 200 employees and executives to discuss and define the strategy for the 2018-2021 cycle and present the results achieved in the previous period. The work resulted in the Group's Strategic Map, with objectives for each business. Through this work, the **2018 Targets with Purpose**, a set of goals of the Company that focus not only on financial results, but also on the dimensions People, Customers, Partners, Community and Environment.

The performance of the strategy is monitored in monthly meetings with all the Company's leadership (Operations Review) and supported by Balanced Scorecard (BSC) and ISO 14001 and ISO 9001 and OHSAS 18001 certification systems. Lean (lean company) and Kaizen methodologies are also adopted, which guide to process optimization and waste reduction, as well as providing cost, productivity and quality gains. **| GRI G4-42 |**

Also within the scope of the Strategic Planning, ten projects were defined that will be closely monitored by the Board of Executive Officers during the year. Themes range from customer relationships to digital technologies. The performance of the Business Units, as well as operational indicators and relevant facts, is also presented to the Group's leadership on a weekly basis.

2014-2017 ORGANIZATIONAL PILLARS

	 Generation	 Transmission	 Distribution	 Marketing and Services
Positioning	Being a reference hydrothermal operator.	Being a new entrant recognized in the segment for the ability to execute.	Being a reference operator stands out for its quality and efficiency.	Consolidate leadership position in the marketing and services segment.
Development	• Delivery of the three ongoing projects On time and On Cost; • Growth, after 2017, with small and medium-sized hydroelectric plants (< 1,000 MW), in partnership with CTG and with coal and natural gas thermal plants; • Divestment in assets non-core.	• Consolidation of the Business Unit structure; • Completion of deployment of all Contracted Lots of Transmission On time and On Cost.	• Reduction of commercial losses for regulatory minimums; • Reinforcement of operational efficiency and productivity; • Improvement of quality of service indicators and compliance with regulatory targets.	• Focus on increasing the gross margin in marketing; • Development of higher value-added energy services (Energy Efficiency, Distributed Generation and Telecom); • Growth considering the acquisition of energy services
Priorities 2018	• Early delivery of the HPP São Manoel; • Energy risk management; • Maintaining the level of availability of the TPP Pecém above the contracted reference value; • Evaluate new contracting projects (< 1,000 MW).	• Start works of lot 24 (auction of October 2016); • Follow the timelines On time and On Cost; • Continue to monitor opportunities.	• Erase accidents and strength safety culture; • Consolidate the results in 2018, with a view to 2019; • Continue the path of reduction of total losses. • Evolve in satisfaction surveys; • Be a leader in the use of new technologies.	• Consistently deliver results; • Increase market share in the liberalization scenario; • Consolidate the Company's position in the retail market.

2 (1) Free Market, (2) Price Formation, (3) Structural Elements for the Market, (4) Expansion of the Offer, (5) Discounts and Subsidies and (6) Market Unlocking

PRINCIPLES AND COMMITMENTS

[GRI G4-15]

In line with the principles of EDP Culture, as a responsibility for the whole, the Company voluntarily subscribes to national and international initiatives that include the Global Compact¹, the Business Pact for Integrity and Anti-corruption², the National Pact for the Eradication of Slave Labor in Brazil³, the Brazilian GHG Protocol⁴ and the Carbon Disclosure Project (CDP)⁵.

Since 2015, the EDP Group has publicly assumed the task of contributing to the achievement of the Sustainable Development Goals (SDGs) established by the United Nations (UN). In this sense, it concentrates efforts to achieve eight out of 17 goals⁶ through goals set out in 2020 EDP Objectives. In accordance with the Group's position, EDP Brasil also defined its commitments up to 2020:

1 In 2006, the Company became a signatory to the UN Global Compact, a voluntary initiative that brings together more than 13,000 organizations articulated around the world. The shared principles aim at promoting sustainable development and guaranteeing human rights.

2 Developed by the Ethos Institute in partnership with Patri Government Relations & Public Policies, the United Nations Development Program (UNDP), the United Nations Office on Drugs and Crime (UNODC), the World Economic Forum and the Brazilian Global Compact. By joining the initiative, EDP Brasil is committed to disseminate the Brazilian anticorruption legislation to its employees and stakeholders, in order to be fully complied with.

3 Developed and maintained by the Ethos Institute, the Social Observatory Institute (IOS), the International Labor Organization (ILO) and the NGO Reporter Brazil. It aims to avoid any possibility of using slave labor in the productive chain of the signatory companies. EDP Brasil has joined the initiative since 2009.

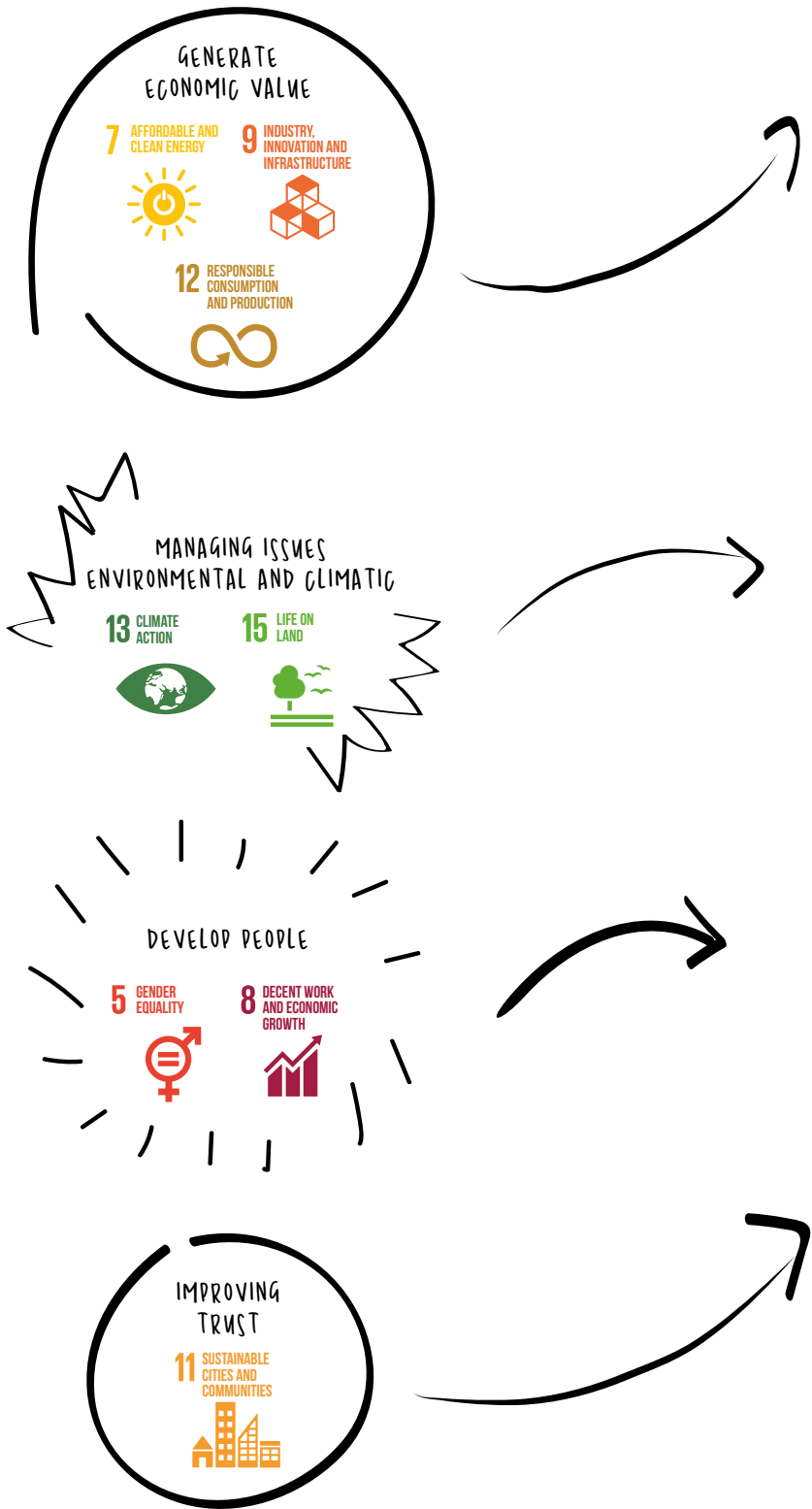
4 It aims to stimulate the corporate culture of preparing and publishing inventories of greenhouse gas emissions (GHG). The GHG Protocol is a tool used to understand, quantify, and manage GHG emissions that were originally developed in the United States in 1998 by the World Resources Institute (WRI).

5 International NGO that collects data on the environmental performance of companies and local governments to transform them into detailed information about the risks, opportunities and critical environmental impacts that can elucidate the decision-making process of investors and the government.

6 SDGs: (5) Gender equality, (7) Affordable and Clean energy, (8) Decent work and economic growth, (9) Industry, innovation and infrastructure, (11) Sustainable cities and communities, (12) Responsible Consumption and production (13) Climate Action and (15) Life on Land.

7 The avoided emissions are related to biomass and energy-efficient steam generation projects.

8 The Program includes risk mapping, process and control implementation and a channel of ethics that allows employees, suppliers, customers and other stakeholders to situations that go against EDP's Code of Ethics or legislation, ensuring anonymity and the principle of non-retaliation.



COMMITMENTS FOR 2020

- Limit the share of coal in the power generation portfolio by 25% and promote projects to reduce CO2 emissions.
- Provide energy efficiency products and services to reduce consumption in 100 GWh of energy in customers, compared to values of 2014.
- Invest R\$ 100 million by 2020 in the expansion of telemetry in low voltage customers.
- Invest R\$ 100 million in innovative projects by 2020.
- Achieve 100% environmental certification and maintain a relationship with 100% critical suppliers in the environment with the management system.
- Internalize the concept of circular economy and promote energy efficiency in EDP Brasil buildings.
- Value the environmental externalities in EDP Brasil related to priority ecosystem services.
- Maintain levels of employee engagement over 75%.
- Achieve 100% health and safety certification and 100% of critical health and safety suppliers have a management system.
- Promote diversity, ensuring equal access to hiring processes.
- Keep EDP Brasil as one of the more ethical companies in the country.
- Achieve more than 80% customer satisfaction and implement periodic consultation mechanisms with stakeholders.
- Invest R\$50 millions in social business and in projects of sustainable life style.
- Implement tools of periodic stakeholders consult.

2017 STATUS

- With the anticipated entry into operation of the first generating unit of HPP São Manoel, EDP achieved 75% of installed renewable energy capacity at the end of 2017.
- In 2017, 23 energy efficiency projects were carried out, contributing to the economy of 51.8 GWh in customers and a reduction of 30.4577 tCO₂e.
- In 2017, R\$ 53.8 million were invested in telemetry in low voltage clients. Currently, 125,479 low-voltage customers are tele-measured.
- Generation and Distribution directed, respectively, R\$ 7.5 million and R\$ 15.1 million in 2017 for Research and Development, with emphasis on projects for the reuse of ash, smart grids and distributed generation.
- There was an increase in certifications, with 24 new substations certified at EDP São Paulo. Generation reached 86% of certified installed power, Distribution 27%, and Marketing has 100% of certified activities.
- Highlight in 2017 for the beginning of the reuse of the ashes produced in the generation of energy in the TPP Pecém . 32.2% of the ashes were sent to co-processing in the cement industry.
- The development of appropriate social and environmental valuation methodologies for the electricity sector is being evaluated.
- EDP Brasil was a highlight in the EDP Group and reached 81% of engagement in the last biannual satisfaction survey (2016). The result reflects the implementation of the company's internal culture transformation program. In 2017 EDP was among the 50 most loved companies of Love Mondays and the 150 Best Companies to Work for VOCÊ S.A.
- In the year, 86% of the Generation units, 46% of Distribution and 100% of Commercialization received OHSAS18001 certification.
- Training of the Diversity Working Group, which aims to define and implement actions focused on equal opportunities.
- EDP's ethical positioning was recognized in 2017 by Vigeo Eiris, by the Ethical Boardroom Magazine as the best company in Corporate Governance practice and by FTSE4Good. The recognition reflects EDP's commitment to the highest ethical standards that were strengthened in 2016 with the compliance8 program. In 2017 the company did not obtain the Pro-Ethics Seal.
- In 2017, ABRADEE's Perceived Quality Satisfaction Index (ISQP, Índice de Satisfação da Qualidade Percebida) reached 68.0 in EDP São Paulo and 80.7 in EDP Espírito Santo. The two distributors are among the best in the Southeast region for the IASC 2017 Award, the Aneel Consumer Satisfaction Index (2nd place for EDP Espírito Santo and 4th place for EDP São Paulo). In the free market, the satisfaction index in Energy Marketing reached 91.6%.
- In 2017, EDP invested R\$ 11.8 million, highlighting initiatives such as the restoration of the Museu de Língua Portuguesa (Portuguese Language Museum) and education projects such as EDP in Schools
- As part of the stakeholder mapping and segmentation work that begun in 2014, the 1st Stakeholders Report completed in 2016 included 161 external participants and 11 internal areas. In 2017, consultation with the communities and clients benefited by the energy efficiency programs began

ENERGY PLANNING

[GRI G4-14, G4-EU1, G4-EU6]

Fundamental in the composition and continuous improvement of the Company’s strategy, energy planning anticipates scenarios and guides the purchase, sale and delivery of energy in the Generation, Distribution and Commercialization segments. The work is carried out by a multidisciplinary team that evaluates meteorological and market variables, based on the following pillars:

Market | Prognosis of demand based on statistical, sectoral and macroeconomic criteria.

Energy studies | Trends in energy balance and available supply and load, evaluated from the optimization models used in the operation.

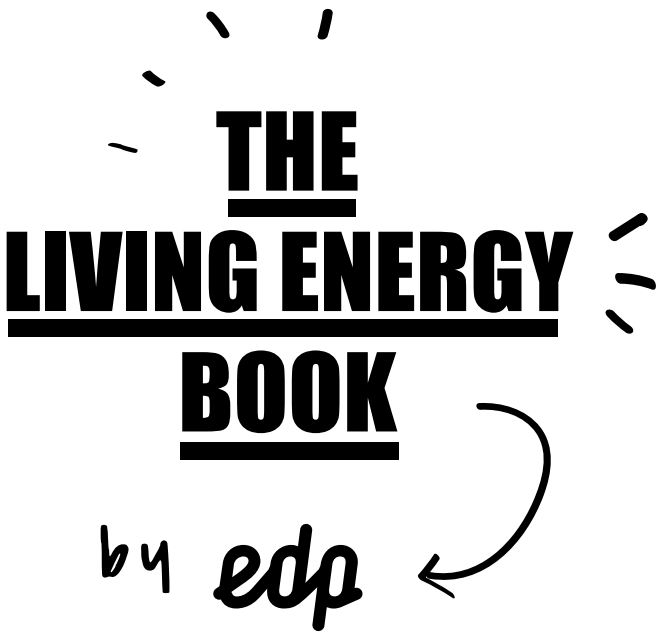
Price projection | From the maps of meteorology, rainfall history and hydrological scenario in the energy balance, the strategy of prices in the commercial transactions is established. The recommendations are updated daily. In the year, this team was reformulated, starting to act in an executive way in the definitions of purchase and sale of energy.

Energy risk | Identification of risks and definition of mitigating actions. For this purpose, consumption patterns, energy scenarios and economic conditions are considered.

Contact Us | Management of contracts and documentation and payment and billing of commercial transactions. In 2017, the two contract management offices were unified for integrated portfolios management. From this movement, it was possible to reduce the exposure to risks.



EDP São Paulo operational control



GOVERNANCE STANDARDS

| GRI G4-40, G4-41, G4-43, G4-45 |

EDP Brasil is in line with the best practices of market governance, which includes the principles of transparency, fairness, accountability and corporate responsibility.

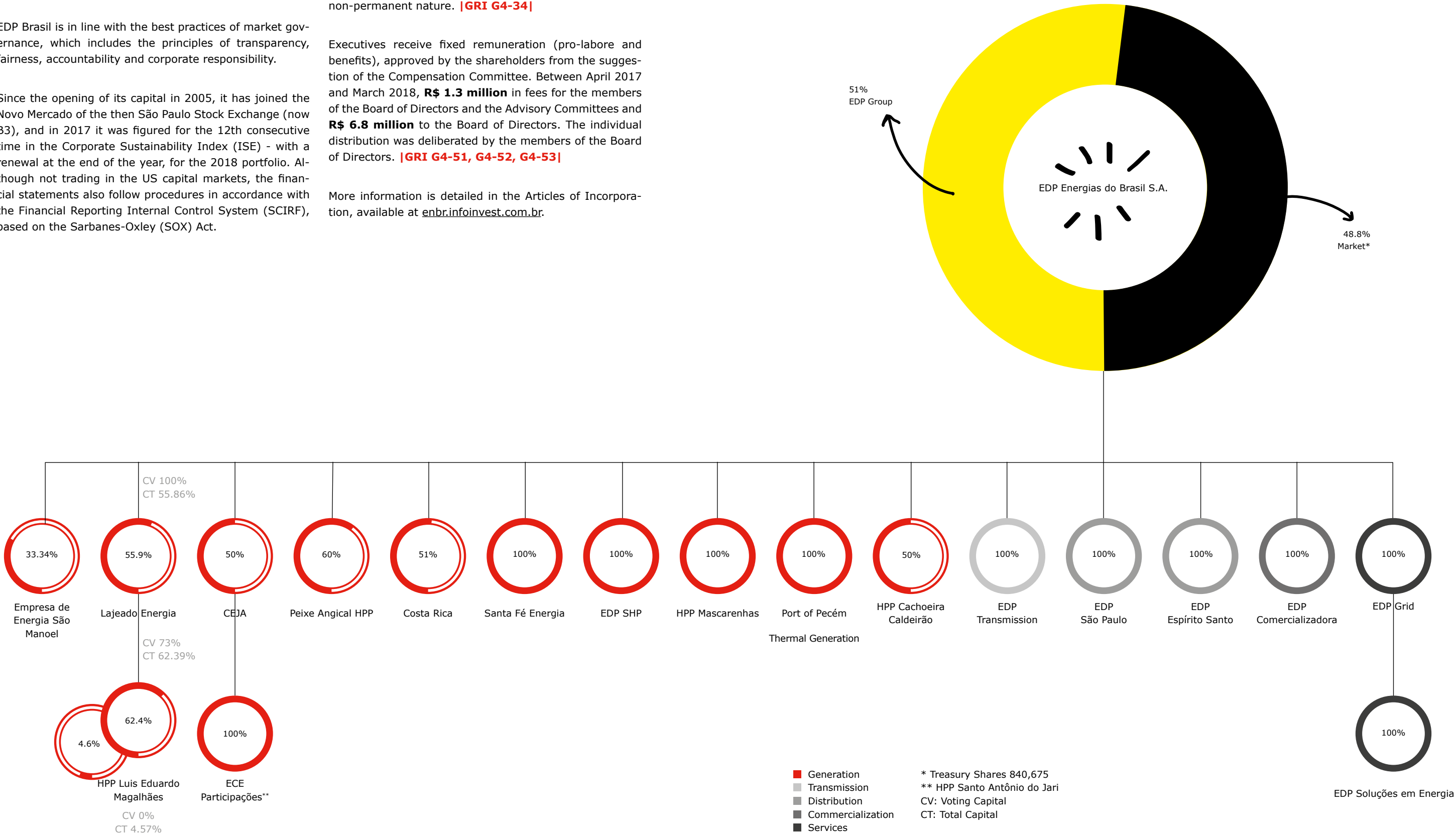
Since the opening of its capital in 2005, it has joined the Novo Mercado of the then São Paulo Stock Exchange (now B3), and in 2017 it was figured for the 12th consecutive time in the Corporate Sustainability Index (ISE) - with a renewal at the end of the year, for the 2018 portfolio. Although not trading in the US capital markets, the financial statements also follow procedures in accordance with the Financial Reporting Internal Control System (SCIRF), based on the Sarbanes-Oxley (SOX) Act.

The governance structure is composed of a General Shareholders’ Meeting, Board of Directors, supported by Advisory Committees, Board of Directors and Fiscal Council of a non-permanent nature. |GRI G4-34|

Executives receive fixed remuneration (pro-labore and benefits), approved by the shareholders from the suggestion of the Compensation Committee. Between April 2017 and March 2018, **R\$ 1.3 million** in fees for the members of the Board of Directors and the Advisory Committees and **R\$ 6.8 million** to the Board of Directors. The individual distribution was deliberated by the members of the Board of Directors. |GRI G4-51, G4-52, G4-53|

More information is detailed in the Articles of Incorporation, available at enbr.infoinvest.com.br.

SOCIETAL STRUCTURE |GRI G4-4|



GOVERNANCE STRUCTURE

|GRI G4-34, G4-50|

BOARD OF DIRECTORS (CA)

|GRI G4-38, G4-39|

MEMBERS OF THE BOARD OF DIRECTORS

|G4-38, G4-LA12|

ANTÓNIO
LUÍS GUERRA
NUNES MEXIA

Chairman of the Board of Directors of EDP Brasil from April 2006 to April 2014, and from April 2015 to the current day, and Chairman of the Committees of “Compensation” and “Sustainability”

MIGUEL NUNO
SIMÕES NUNES
FERREIRA
SETAS

Chief Executive Officer of EDP Brasil dsince January 2014, and Vice-President of the Board of Directors and member of the Committees on “Sustainability” and “Corporate Governance and Related Parties”

NUNO MARIA
PESTANA
DE ALMEIDA
ALVES

Board Member since April 2006 and Member of the “Audit” and “Remuneration”

JOÃO MANUEL
VERÍSSIMO
MARQUES DA
CRUZ

Board Member since April 2015

MODESTO
SOUZA BARROS
CARVALHOSA

Independent Board Member since September 2005, Chairman of the Committee on “Corporate Governance and Related Parties” and Member of the “Audit” and “Sustainability”

PEDRO
SAMPAIO
MALAN

Independent Board Member since April 2006 and Member of the “Remuneration Committee”

FRANCISCO
CARLOS
COUTINHO
PITELLA

Independent Board Member since April 2007, Chairman of the “Audit Committee” and member of the Committee on “Corporate Governance and Related Parties”

- Defines strategies, elects, oversees and dismisses Board members, monitors risk aspects, and evaluates and approves general business policies;
- Composition in 2017: seven members, three independent, elected at the General Shareholders’ Meeting;
- One-year term with re-election permission;
- The President of the Board of Directors is also the CEO of EDP Energias de Portugal and his Vice-President is the CEO of EDP Brasil;
- Regular quarterly meetings and special sessions whenever necessary;
- Annually carry out self-assessment and evaluation of Board members through individual and confidential questionnaires that include financial and socio-environmental aspects. |GRI G4-44, G4-47|

For more information about the directors visit enbr.infoinvest.com.br. |GRI G4-LA12|

ADVISORY COMMITTEES |GRI G4-38|

The Board of Directors counts on the advisory of four committees in the discussion of strategic issues. The bodies are composed of the members, including the independent members.

AUDIT COMMITTEE

- Permanent character.
- Three members: two independent and one appointed by the controlling shareholder and one independent.
- Chaired by the independent member.
- Accompany and evaluate the performance of internal and external audits, assists in risk management, he ensures the transparency of financial statements and defines the procedures for receiving, analyzing and handling the communications received in the Ethics Channel (see below).
- Five meetings in 2017.

SUSTAINABILITY COMMITTEE |GRI G4-36|

- Permanent character;
- Three members: two appointed by the controlling shareholder and one independent;
- Chaired by the Chairman of the Board of Directors;
- Orientates the inclusion of social and environmental aspects in the business strategy, with a view to the continuity of operations; |GRI G4-35|
- One meeting in 2017.

CORPORATE GOVERNANCE COMMITTEE AND RELATED PARTIES

- Permanent character;
- Three members: two independent and one appointed by the controlling shareholder;
- Chaired by the independent member;
- Indicates the best practices of corporate governance and business ethics;
- Four meetings in 2017.

REMUNERATION COMMITTEE

- Non-permanent character;
- Three members: two appointed by the controlling shareholder and one independent;
- Advisor on remuneration policies;
- Chaired by the member indicated by the controlling shareholder;
- Advises the Board of Directors on issues related to remuneration policies;
- One meeting in 2017.

BOARD OF EXECUTIVE OFFICERS

MIGUEL NUNO
SIMÕES NUNES
FERREIRA
SETAS

Investor
Relations Officer

HENRIQUE
MANUEL
MARQUES FARIA
LIMA FREIRE

Vice-President of
Finance

LUIZ OTÁVIO
ASSIS
HENRIQUES

Vice-President of
Generation and
Marketing

MICHEL NUNES
ITKES

Vice-President of
Networks

CARLOS
EMANUEL
BAPTISTA
ANDRADE

Vice-President of
Strategy and Business
Development

- Responsible for the correct management of the business, in line with the guidelines of the Board of Directors and decisions of the shareholders in the General Meeting. The Officers also evaluate the Company’s economic, environmental and social performance and approve the contents of this Annual Sustainability Report. |GRI G4-35, G4-48|

- Composition: no more than five members for the positions of Chief Executive Officer and Investor Relations Officer, Vice President of Finance, Vice-President of Networks, Vice-President of Generation and Vice President of Strategy and Development (being authorized the accumulation of functions);

- Weekly meetings;

- For more information about the officers, visit enbr.infoinvest.com.br. |GRI G4-LA12|

ETHICAL ATTITUDE

EDP Brasil pledges its activity by fully respecting the highest ethical values, demanding the same positioning of all its stakeholders.

In order to guarantee such a commitment, it has a set of activities coordinated by the Internal Audit and Compliance Department since 2015, under the Compliance program of EDP - Energias no Brasil.

The Company adopts severe controls to mitigate risks related to corruption, bribery, money laundering, insider trading, unfair competition; price fixing, child labor, forced and slave labor, among others.

The Internal Audit and Compliance Board reports quarterly on the program and its evolution to the Audit Committee.

The Compliance Program is organized as follows:

CODE OF ETHICS |GRI G4-49|

The Code of Ethics of EDP Brasil was created in 2002 and updated in 2014, this being the document that defines the behavior to be adopted by employees, third parties and business partners, containing the Company's commitments regarding:

- Compliance with legislation (including anti-corruption legislation);
- Conflict of interest;
- Respect for Human and Labor Rights (including child labor, slave labor, harassment, etc.).

The principles guiding the operations are set forth in the Code of Ethics and are reinforced through on-site and online training under the Compliance Program. Every employee, upon joining the Company, is instructed on the determinations of the Code of Ethics and, in addition, courses are given on compliance. In 2017, these initiatives engaged 1,057 people. |GRI G4-56, G4-57, G4-58, G4-SO4|

The code is published for all interested in the link: <http://www.edp.com.br/conheca-edp/codigo-de-etica/Paginas/default.aspx>

ETHICS CHANNEL

EDP Brasil receives records of non-compliance with the Code of Ethics and the legislation through the Ethics Channel, available to all employees by email, website, mailbox or voice mode. Since 2006, an Ethics Committee - formed by EDP Brasil's CEO, the four Vice Presidents with the participation of the Internal Audit and Compliance, Legal, Personnel Management and EDP Portugal representatives - supports the Board of Executive Officers in the analysis of the issues. |GRI G4-57, G4-58|

In this process, confidentiality, site monitoring, fair treatment, anonymity and non-retaliation are guaranteed.

In total, 122 reports were received in the year, an increase of 61% in relation to the previous period. This increase can be credited to the new voice modality deployed in 2016

and the channel's credibility. Throughout the year, internal campaigns guided the correct use of the tool and informed about the complete secrecy in the receipt and treatment of the allegations. |GRI G4-57, G4-58|

ETHICS CHANNEL LINK

http://www.edp.com.br/conheca-edp/canal_etica_EDP/Paginas/default.aspx

REGULATORY INSTRUMENTS

The activities related to compliance practices are defined by a set of regulations approved by the Board of Directors of EDP Brasil, the policies being published in the link:

<http://www.edp.com.br/conheca-edp/politica-corporativa/Paginas/default.aspx>

TRAINING AND COMMUNICATION

Periodic training is provided to all employees on a variety of topics, such as anticorruption, money laundering, unfair competition, slave labor, child labor, bullying, sexual harassment, conflict of interest and other issues addressed by the program in periodic cycles of 2 years.

In addition, there is a monthly communication plan of the relevant themes of compliance.

This stage is complemented by communications made by the Senior Management, as well as reinforced by the commitment and ethical and integral posture.

DUE DILIGENCE |GRI G4-SO3|

Under the Company's compliance program, an evaluation is made of the business partners - suppliers, customers, possible acquisitions of new assets or partnerships and other counterparties - in order to quantify the integrity and reputational risk of that partner.

After the evaluation stage of the counterparties, the monitoring of those that presented the highest risk for EDP Brasil is carried out.

RISK MANAGEMENT |GRI G4-2, GRI G4-46|

EDP Brasil adopts the concept of the 3 lines of defense for the activities of Risk Management, Compliance and Internal Audit:

	1 st line of defense BUSINESS AREAS	2 nd line of defense RISK (SUPPORT AND MONITORING)	3 rd line of defense INTERNAL AUDIT (INDEPENDENT)
PURPOSE	Run and deploy controls to mitigate the existing risks	Identify and analyze risks as well as define mitigation strategy	Audit processes and activities to identify opportunities for improvement
THOSE INVOLVED	All business areas	Risk management, Compliance and Health and Security	Internal Audit
BENEFITS	Bringing business areas closer to mitigation actions ensures the protection of results with the goals	Development of specialized areas that help in risk management	Independent analysis that guide the search for improvements

In this context, since 2006, EDP Brasil has developed processes for monitoring and evaluating corporate risks. As of 2010, new methods have been created, as well as a new dictionary of risks. In 2011, a Corporate Risk Standard was created. |GRI G4-46|

Integrated risk management acts as a facilitator in the integrated risk management process, helping to identify, classify, evaluate and manage risks and aims to ensure that the various risks inherent to each of the company's areas are managed by its managers and periodically reported to the Company's Board of Executive Officers.

The methodology used is based on the best governance models such as COSO ERM - Committee of Sponsoring Organizations of the Treadway Commission and ISO 31,000.

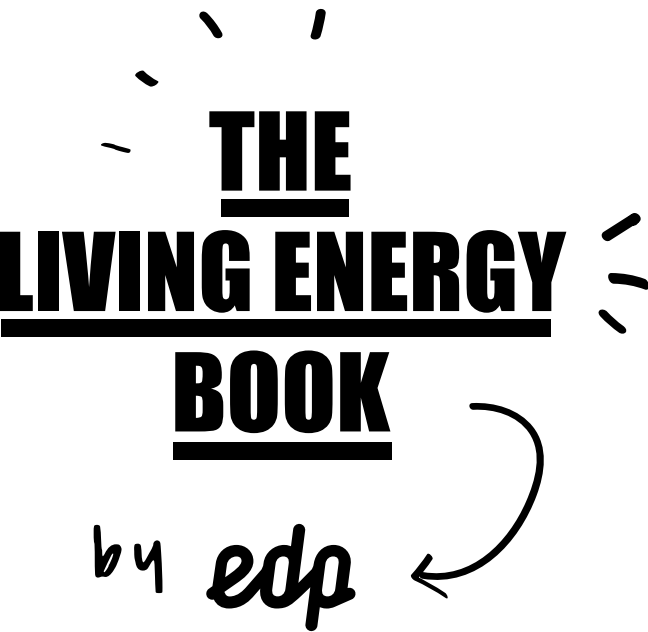
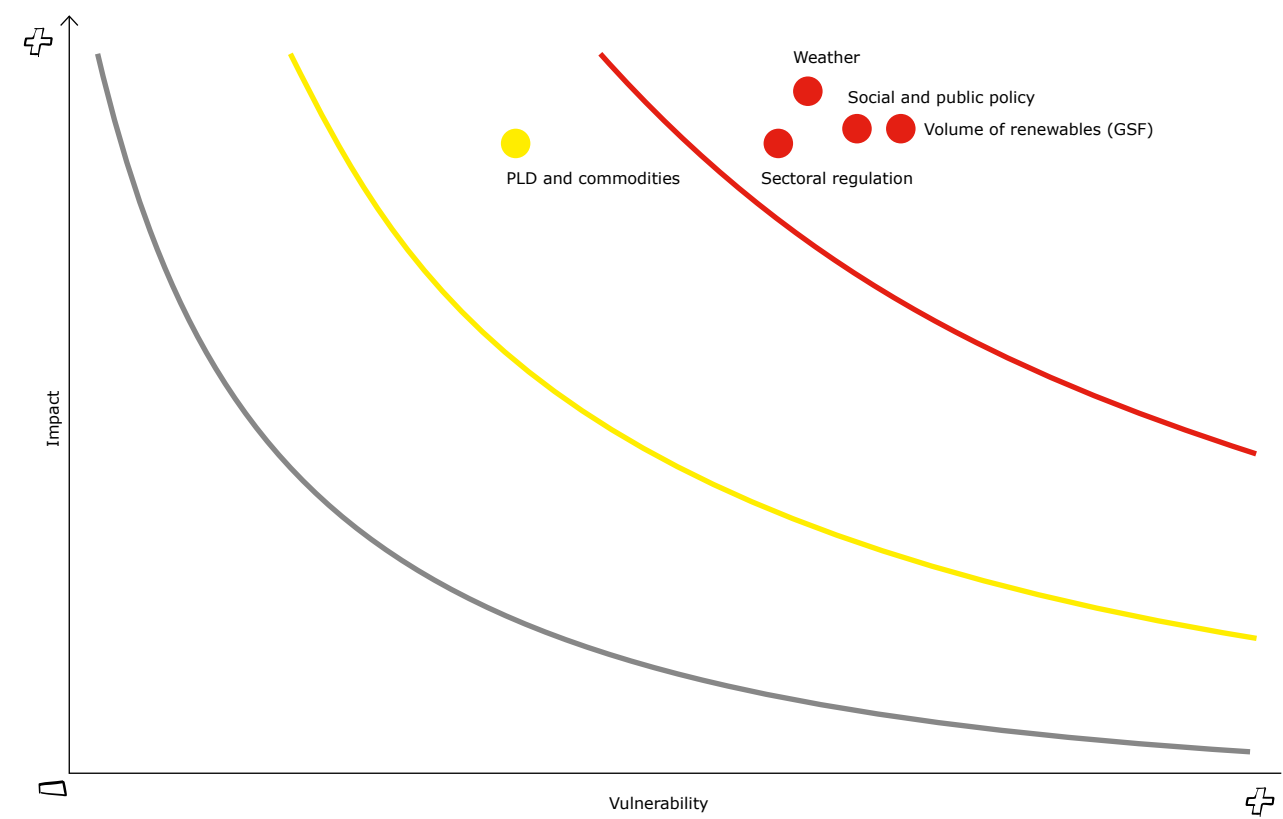
The Risk Committee of EDP Brasil is composed of three "Risk Officers" separated by the nature of the risks (Strategic, Energetic/Regulatory, Financial and Operational) and the Company's Board of Executive Officers.

A periodic report is also made to the Audit Committee to monitor the activities of Risk Management.

In addition, in order to enhance governance synergies between the Risk Management, Internal Audit and Compliance functions, these functions are gathered under the same management.

In 2017, the risk assessment was prepared following an up-to-date risk dictionary, which includes 4 large groups - Strategic, Business, Financial and Operational - and 59 risk categories covering all EDP Brasil's activities and businesses.

From this work were mapped the main risks of the company, considering vulnerability and impact.



GROUP	CATEGORY	DESCRIPTION	COMMENT
Business	Volume of renewables (GSF)	Effects associated with hydrological volumes that mainly affect hydroelectric plants and other effects associated with the Generation Scaling Factor (GSF).	The current scenario of few rains has reduced the level of hydroelectric plant reservoirs and increased hydrological risk.
Strategic	Social and public policy	Changes in the country's socio-political conditions, which include public, regulatory, security, social actions that affect the business of EDP Brasil and its subsidiaries. Social disturbances, demonstrations, attacks and terrorism are also considered.	The Brazilian political situation brings additional uncertainties in 2018, due to the presidential elections.
Strategic	Climate	How climate change affects the Company's business.	Changes attributed to climate behaviors have affected businesses, whether in distribution assets or during periods of drought.
Negócio	Sector Regulation	Determinations of the regulatory body that have an impact on the Company's operations.	The possible changes in the regulatory framework of the electric sector bring additional uncertainties in conducting business.
Negócio	Settlement Price of Differences (PLD) and commodities	Unscheduled swings in fixed prices versus expected values (for energy, coal or other energy input).	Changes in energy prices bring uncertainties in the planning and execution of EDP Brasil's business strategy.

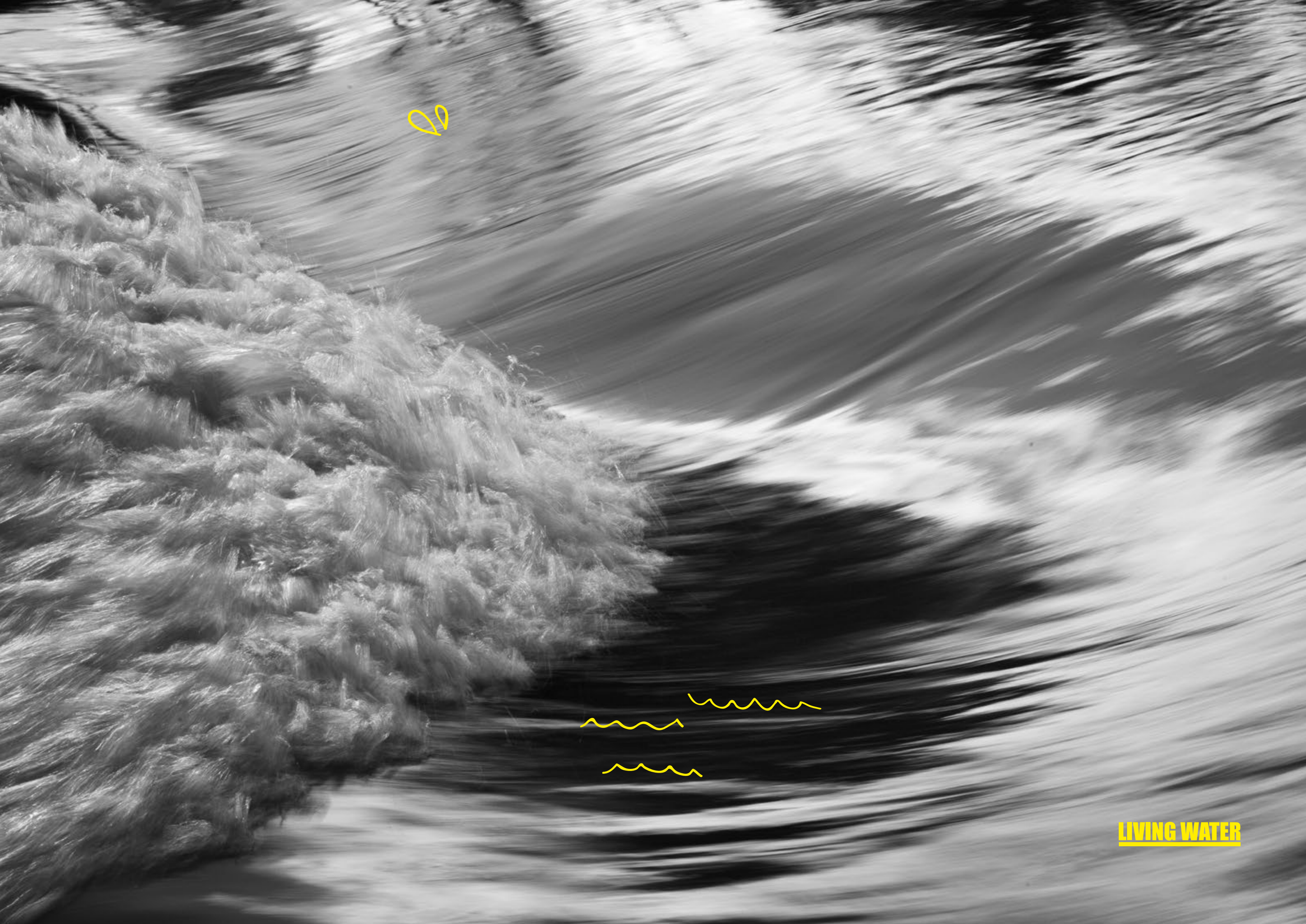
THE
LIVING ENERGY
BOOK
by *edp*



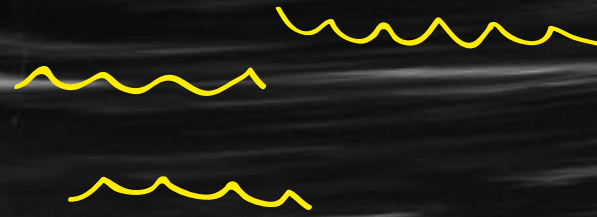
04

SHARED VALUE CREATION

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2



LIVING WATER

SHARED VALUE
CREATION

MACROECONOMIC CONTEXT

ENERGY SCENARIO

According to the National Energy Balance (BEN) 2017 - 2016 base year, published by the Energy Research Company (EPE), the domestic energy supply in Brazil reached 288.3 tonnes of oil equivalent (Mtoe), with a reduction of 3.8% compared to 2015. According to the Brazilian Institute of Geography and Statistics (IBGE), the movement reflects the weakening of economic activity, a period in which the Brazilian Gross Domestic Product (GDP) fell 3.6%. The decline in the domestic supply of oil and oil derivatives (5.6%) and natural gas (13.2%) also contributed to the decline in energy availability in Brazil.

However, an opposite tendency was verified on the supply of electric power, which presented advance of 4.0 Twatt-hour (TWh) - an increase of 0.7% in relation to 2015. The hydrological conditions, after four years of stress, were favorable, which resulted in an increase in the hydraulic energy available. In 2016, the increase was 7.0% in comparison with the previous year. There was an increase in the share of renewables in the electricity matrix (from 75.5% to 81.7%) due to the increased water supply and the expansion of wind power generation. The thermal generation based on oil derivatives and natural gas was the category that lost space in the counterpoint.

In terms of consumption, there was a drop in the sectors that most demand energy: industrial (1.1%) and transport (1.6%). Agriculture and the energy sector also recorded significant decreases of 10.4% and 5.3%, respectively. Specifically, in relation to the consumption of electricity, a retraction of 0.9% was determined. The sectors that most impacted the result were industrial (1.3%), energy (7.7%) and commercial (2.4%).

INSTALLED CAPACITY¹ IN BRAZIL (MW)

	2015	2016	Δ 16/15 (%)
Hydroelectric Power Plants	91,650	96,925	5.8
Thermal²	39,580	41,276	4.3
Nuclear	1,990	1,990	0.0
Wind	7,633	10,124	32.6
Solar	21	24	13.1
Available Capacity	140,874	150,338	6.7

¹ It does not include distributed generation.
² Includes biomass, gas, oil and coal.

CAPACITY INSTALLED IN BRAZIL –
DISTRIBUTED GENERATION (MW)

	2015	2016
Hydraulic	0.8	4.4
Thermal	2.3	11.0
Wind	0.1	0.2
Solar	13.3	56.9
Available capacity	16.5	72.5

The Brazilian economy signaled a gradual resumption in 2017. In the period up to September, the Gross Domestic Product (GDP) increased by 0.6% and household consumption increased by 0.4%, directly influenced by low inflation of 2.9% (below 3% for the first time since 1998) and by the Selic rate, which reached a historic low index of 7.0% per year since the adoption of the inflation targeting regime in 1999.

After growth of 4.0% in exports and 3.9% in imports, the trade balance registered a record balance of US\$ 67 billion in the accumulated period until September.

Industrial production also showed signs of recovery. In the year, according to the Brazilian Institute of Geography and Statistics (IBGE), only March and August had negative results. In the January to November period, the industrial sector expanded by 2.3%, with positive performances in 19 of the 26 surveyed sectors, including motor vehicles, trailers and bodies (+16.6%) and mining and quarrying industries (+5.3% %), which exerted the greatest positive influences on the formation of the industry average.

WATER CRISIS

Despite favorable hydrological conditions⁷, the water crisis of the last four years remains a point of attention for the generation sector. In Ceará, where the unfavorable hydrological situation has lasted since 2012, the TPP Pecém was subject of an extraordinary collection of the EHE - Emergency Water Charge, by the State Government. Considering that the transfer to the rate of this cost was not foreseen in the contract, the Company had its case served by a precautionary measure issued by the judiciary. This is a solution that aims to mitigate the impacts of a possible shutdown of the TPP, which could result in more expensive tariffs for consumers, considering that this TPP has one of the lowest operating costs (CVU - unit variable cost - R\$/MWh) among other thermoelectric power plants, thus obliging the ONS (National System Operator) to dispatch thermoelectric plants that use fuel oil and diesel as an energy source.

OVER-CONTRACTING OF ENERGY

In 2017, EDP Brasil registered a drop of 7.0% in the volume of energy distributed to captive customers, a movement influenced by the slowdown in the industrial market and the migration of captive customers to the free market.

EDP São Paulo’s over-contracting ratio stood at 111.87% in 2016 and 107.23% in 2017, already considering the implementation of Bilateral Agreements and the distributor’s participation in the Energy Surplus and Deficit Compensation Mechanism (MCS D) of Energia Nova. In addition, EDP São Paulo filed a petition before ANEEL with the right to consider as involuntary EDP São Paulo’s over-contracting resulting from customer migration to the free market in 2016, guaranteeing the neutrality of the sales made in the Short-Term Market.

For EDP Espírito Santo, the over-contracting was 107.00% in 2016, and 108.64% in 2017. In this case, there were no lawsuits before ANEEL.

TARIFF FLAGS

Since 2015, variable energy costs in the regulated market have been covered by additional tariff flags, which signal the actual values of electricity generation to consumers in the green, yellow and red modes (levels 1 and 2). The first one indicates favorable conditions of generation of energy, without an increase in the tariff. The latter two show more costly conditions, with increases applied to each kWh consumed.

In October 2017, the Board of Directors of ANEEL decided to establish the Public Hearing (AP No. 61/2017) in order to review the methodology of tariff flags and the values of their driving ranges. The proposal was a yellow flag in the amount of R\$ 1.00; red flag on level 1, of R\$ 3.00; and red on level 2, of R\$ 5.00, every 100 kWh consumed and fractions. The proposed values became effective in November, on a provisional basis, and the definitive values are still to be published.



São Mateus Substation, EDP Espírito Santo

7 National Energy Balance (BEN) 2017 - 2016 base year

CAPITAL OF INFRASTRUCTURE

GENERATION |GRI G4-EU30|

With 15 hydroelectric power plants and one thermoelectric power plant, EDP Brasil is the fifth largest private group in the Generation segment in Brazil. In 2017, the average availability was 93.9% in hydroelectric and 92.3% in thermoelectric. The goal is to achieve 95% availability in hydroelectric power plants by 2022.

In the Generation segment, the investment reached R\$ 457.2 million, 32.9% lower than in 2016, mainly due to the completion of the works of the HPP Cachoeira Caldeirão, in addition to the anticipation of the works at the HPP São Manoel, obtained more investments in the previous year.

INVESTMENTS (R\$) ¹	2017	2016	ANNUAL Δ (%)
Generation	151,271	44,603	4.6%
HPP Peixe Angical	4,233	27,822	-84.8%
HPP Mascarenhas	3,658	6,786	-46.1%
EDP PCH	9,277	7,342	26.4%
Lajeado / HPP Luis Eduardo Magalhães	8,928	11,804	-24.4%
TPP Pecém I	123,488	90,591	36.3%
Costa Rica	150	18	733.3%
Santa Fé	1,537	240	540.4%
HPP Santo Antonio do Jari ⁽¹⁾	2,625	11,608	-77.4%
HPP Cachoeira Caldeirão ⁽¹⁾	2,801	64,117	-95.6%
HPP São Manoel ⁽¹⁾	300,521	460,884	-34.8%
Total	457,218	681,211	-32.9%

⁽¹⁾Considers EDP Brasil’s stake.

The year was marked by the acquisition of the operating license of Hydroelectric Power Plant (HPP) São Manoel, a partnership between EDP Brasil, CTG Brasil and Furnas Centrais Elétricas, each with a 33.33% stake. The venture results in an investment of R\$ 4 billion, of which R\$ 1.31 billion comes from an appeal approved by The Brazilian Development Bank (BNDES). The plant has an installed capacity of 700 MW and, when fully operational, EDP Brasil’s total generation capacity will increase to 3.0 GW.

The energy delivery of HPP São Manoel (Energy Trading Contract in the Regulated Environment - CCEAR) is scheduled to begin in May 2018, and the Company obtained the release of ANEEL for generation under test from November 2017. The anticipation is a result of the management of the Company’s works, which repeated the fact in previous years, at the conclusion of HPP Santo Antônio do Jari in

2014 and HPP Cachoeira Caldeirão in 2016. The result reflects the assertive application of practices of the Project Management Body of Knowledge (PMBOK), as suggested by the Project Management Institute (PMI) and from which a process was developed based on efficient management of stakeholders, quality control, risk mapping, and efficient contract and schedule management. The methodology allows the use of the knowledge acquired in previous works to mitigate common problems.

EDP Brasil’s strategy in Generation is focused on the prevention of failures and reduction of machine downtime for maintenance - the reductions in the recurring failure rate in the TPP Pecém, which closed the year at 2.0% (the goal was 4%); and in the average return time, which was 10.9 hours, and cannot be less than 10 hours (ideal interval for starting the boilers).

In the first full year of operation, HPP Cachoeira Caldeirão registered an average monthly availability of 95.9%. HPP Marcarenhas, in turn, registered an availability of 95.4%, the highest in the last ten years period.

Na UHE Luís Eduardo Magalhães, tiveram continuidade os trabalhos de modernização do sistema de controle. Com conclusão prevista para 2018, o investimento visa à redução de falhas. No ano, o índice de taxa de falha da usina ficou em 1,8 falhas/ano, com tempo médio de retorno de 5,2 horas, o que contribuiu para a disponibilidade de 98,9%.

In HPP Luís Eduardo Magalhães, the works on the modernization of the control system continued. With completion planned for 2018, the investment aims to reduce failures. In the year, the failure rate index of the plant was of 1.8 failures/year, with an average return time of 5.2 hours, which contributes to the availability of 98.9%. The reductions in the failure rate index in the Peixe Angical and Lajeado HPPs closed the year by 1.2 and 1.8 failures / year, respectively.

EDP obtained by CCEE (Electric Energy Trading Chamber) the permanent reduction of 120 MW of the energy purchase and sale contract in the Regulated Contracting Environment (CCEAR) through the Mechanism for Compensation of Remainders and Deficits in the modality A4 +. The total contracted originally was 409.5 MW average. Out of average 120 MW disengaged, 90 MW were commissioned by the Distributors of the EESM shareholders in proportion of their share in society, and the remaining 30 MW average were allocated in the EESM to hedge. The Company reinforced its portfolio protection strategy against the impacts of the GSF and PLD through the disengaging of the HPP Jari and HPP Cachoeira Caldeirão through the MCSD (Surplus and Deficit Compensation Mechanism). In

Jari, out of average 20.9 MW disengaged, 17.50 MW were kept for hedge and average 3.40 MW were reengaged. In Cachoeira Caldeirão, out of average 95.0 MW disengaged, 14.30 MW were kept for hedge and average 80.70 MW were reengaged. The disengagement took effect between July and December of 2017. The amounts reengaged were sold to the shareholders’ marketers in the same proportion as their share in the company.

TRANSMISSION

In February, EDP Brasil signed a 30-year concession agreement for the Linhares - São Mateus Transmission Line, with an approximate length of 113 kilometers and construction of a new substation in São Mateus. The total investment for the implantation of the assets is R\$ 116 million and, after entering into operation, the Company has an Annual Revenue Allowance (RAP) of R\$ 20.7 million, adjusted based on the Broad National Consumer Price Index (IPCA).

EDP Brasil also won four lots, in which it plans to invest about R\$ 3 billion to add around 1.2 thousand kilometers of transmission networks in the states of Minas Gerais, São Paulo, Santa Catarina, Rio Grande do Sul and Maranhão.

In the Southeast, the aim is to connect the cities of Estreito (MG) and Cachoeira Paulista (SP) with a new system of 375 kilometers and reinforce the security of supply. The transmission structure will also be expanded in the Southern Region by integrating more 485 kilometers of lines to the distribution network, in addition to a substation in Siderópolis. On the other hand, in the Northeast Region, the works include the construction of 324 kilometers of lines and two substations to extend the energy supply in the Metropolitan Region of São Luís and Chapadinha. After completion of the works, the RAP of these four lots will be approximately R\$ 470 million for the period of 30 years, adjusted based on the IPCA.

DISTRIBUTION

The Distribution area of EDP Brasil concentrates the assets of the EDP São Paulo and EDP Espírito Santo concessionaires, which together serve more than 3.38 million customers in 28 cities of São Paulo in the Alto Tietê, Vale do Paraíba and Litoral Norte regions; and in 70 cities in Espírito Santo, which represents 90% of the territory of Espírito Santo.

In the year, the two units accounted for 24.7 TWh of distributed energy, growing 1.1% compared to 2016. Despite the growth in energy distributed in the captive market,

the number of customer migrations to the free market decreased by 7.01% compared to the previous year, due to the attractive prices of the free contracting environment (ACL), the milder temperatures recorded in the State of Espírito Santo, and the slower pace of economic activity in the country.

The investment focus has been on expansion and maintenance of the distribution network, with a view to reducing non-technical losses, improving quality of service indicators and increasing operational efficiency. In total, R\$ 568.4 million were disbursed, an increase of 18.3% over the previous year (R\$ 480.6 million).

Also in 2017, operational efficiency improvement initiatives were implemented, with gains of about R\$ 15 million, reflecting the reductions of approximately 900 thousand kilometers in field team displacements and more than 6 million minutes in service telephone, among others.

IMPROVEMENTS AND EXPANSIONS

In São Paulo, the 10-km-long Aparecida - Santa Cabeça (88 kV) Air Transmission Line (LTA) was completed to reinforce service between the cities of Aparecida and Cruzeiro, the Mogi-Suzano LTA (88 kV), of 16 kilometers, which aims to increase availability for the municipalities of Mogi das Cruzes, Suzano, Poá, Ferraz de Vasconcelos and Itaquaquecetuba; in addition to Substations in Suzano (ETD Colorado and ESD Amazonas), Mogi das Cruzes (ETD Ussu), and Biritiba Mirim (ESD Mirim). The ETD Cesar de Souza substations in Mogi das Cruzes and ETD Vila Hermínia and ETD Valter José dos Santos in Guarulhos were also expanded, among other reinforcements of the distribution network in these and other municipalities. R\$ 89 million were invested in these works, which benefited more than 210 thousand consumer units.

The Municipality of Poá received the Distribution Service Center (CSD) which, until 2016, was located in Suzano. With the double of the previous area, the new structure has 71 employees and more than 80 third parties to meet, in addition to Poá, the municipalities of Suzano, Ferraz de Vasconcelos and Itaquaquecetuba. This investment follows the expansion strategy in improving customer service and will bring more operational efficiency by concentrating the field teams (technical and commercial) in one place. Another major difference of the CSD is the concern with sustainability, having natural lighting and ventilation that covers 90% of the building, a photovoltaic system for solar energy supply, rainwater capture system, 100% LED lamps, including photocells in the external illumination, and smart showers with heat exchange.

São Mateus and João Neiva Distribution Service Centers (CSDs) in Espírito Santo were also reformed to provide a better working environment for employees, which include 100% LED lighting and a water and oil containment basin to accommodate equipment, which was also implemented in CSD Alto Lage.

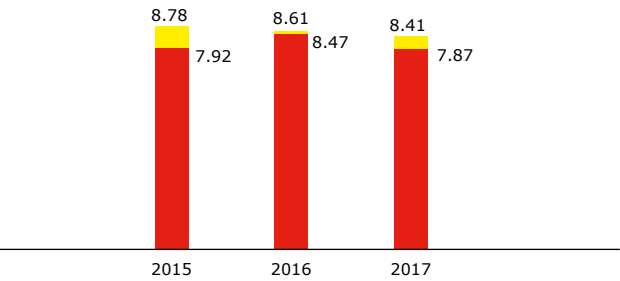
It should also be noted the new EDP headquarters in Espírito Santo, which is now located in Vitória and has a modern and standard open space, which facilitates the interaction between employees. The old headquarters building underwent renovations and received 100% LED lighting to improve the remaining areas.

Also in the state of Espírito Santo, the works to expand the Itapemirim, Itarana, São Mateus and Pinheiros substations were completed, adding 60.5 MVA of power to EDP Brasil's electricity system. 42 km of distribution lines were surveyed in 138 kV, including Viana - Guarapari, which benefited the Southern Region of the state, the Cachoeiro - Fruteiras and Cachoeiro - Itabira lines, which extended the service capacity to the municipalities of Cachoeiro de Itapemirim, Itapemirim, Vargem Alta, Castelo, Muniz Freire, Iúna, Conceição do Castelo and Venda Nova do Imigrante.

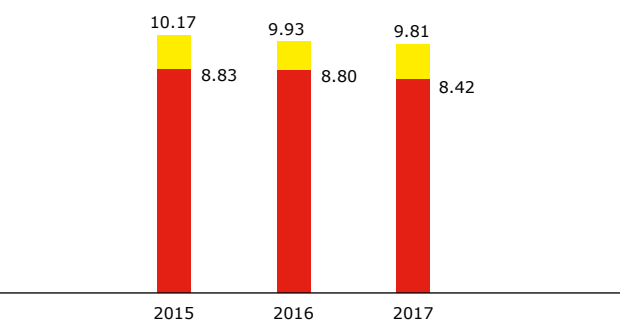
DEC AND FEC |GRI G4-EU28, G4-EU29|

The average duration of interruptions in power supply (hours)

EDP SÃO PAULO



EDP ESPÍRITO SANTO



Limit (ANEEL target)
Calculated Value

The DEC and FEC of the distributors disclosed may change due to adjustments requested from the regulatory agency ANEEL.

EDP Espírito Santo also built 32 km of 138 kV distribution line for customer service Placas do Brasil S.A., located in the municipality of Pinheiros, North Region of Espírito Santo.

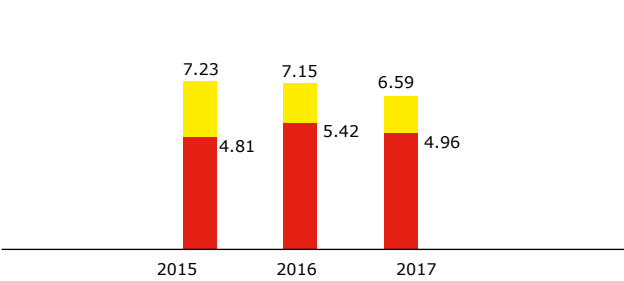
QUALITY IN SUPPLY

Equivalent Interruption Duration per Customer (DEC) and Customer Interruption Equivalent Frequency (FEC) respectively measure the time and number of times a consumer unit has run out of electricity in a given period. ANEEL sets limits to these indicators and requires distribution companies to maintain a pattern of continuity.

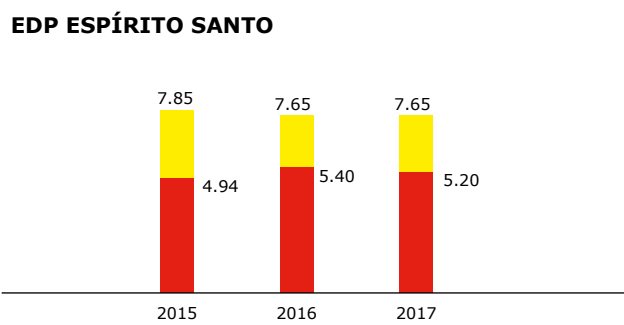
To this end, EDP Brasil distributors are constantly promoting preventive maintenance and improvement works in all areas involved in the operation of the system, initiatives created with the objective of reducing the number of occurrences in the electricity grid, limiting the impacts of occurrences and promote the rapid reestablishment of energy. **In 2017, the quality indicators of service provision remained in the standards established by ANEEL.**

The frequency of interruptions in power supply (times)

EDP SÃO PAULO



EDP ESPÍRITO SANTO



The Company also increased investments to reduce total losses. The increase of 4.9% in distribution investments was directed to the implementation of new technologies,

remote communication installation and the exchange of obsolete and faulty meters.

PERDAS TOTAIS (%) |GRI G4-EU12|

	EDP SÃO PAULO			EDP ESPÍRITO SANTO		
	2015	2016	2017	2015	2016	2017
Non-technical losses	3.55	3.37	3.23	5.28	5.28	4.67
Technical losses	5.41	5.51	5.50	8.22	8.60	8.30
Total	8.97	8.89	8.73	13.50	13.88	12.97

The continuity of the armoring strategy of the largest consumers (more than 60% of total consumption) was effective in preventing and combating fraud and theft of energy, resulting in an increase in the volume of energy billed and in the reduction of total losses. The highlight was the expansion of the BTZero low voltage centralized metering network, surpassing the mark of 50 thousand consumer units, applied in areas of high social complexity with severe operational restrictions and extremely high losses, which, in addition to reducing non-technical losses, allows that the activities of reading, suspension of supply and reconnection are done in a totally automated way, increasing the operational efficiency.

In the development of new solutions to combat losses, EDP Espírito Santo advanced in 2017 with the implementation of the centralized measurement network BT-1, which is an evolution of the BTZero network, aiming at a differentiated public, with lower cost and lower level of shielding, but still 100% automated. The pilot of this technology was taken to 1,767 consumer units in Serra (ES). With cost reduction over the previous system, BT-1 can be installed in regions of medium complexity, while BTZero will still be applied in more complex areas. It is also worth mentioning the creation of new algorithms and tools used in enforcement actions, which resulted in an

increase in the percentage accuracy, from 15% to 29.1%, from 2015 to 2017, with the increase of the Irregularity Occurrence Terms (TOI).

In the same period, it was observed the lowest level of points with minimum billing due to reading impairment, with a reduction of 83%.

EDP São Paulo has continued the integration of buildings in Guarulhos (SP) to the cut-off system connected to transmitting radios (MESH communication), which allows remote cuts, reconnections and readings, streamlining these operations and reducing costs. In 2017, 2,500 residences were contemplated, which totaled 4.3 thousand connected clients in the region.

Innovations in combating losses have also come to work in the field. New borescopes - camera probes in high definition - were purchased and are already assisting electricians in São Paulo and Espírito Santo. The technology is used to record fraud and irregular acts.

For more information on quality indicators, see page 100. |GRI G4-EU12, G4-EU28, G4-EU29|

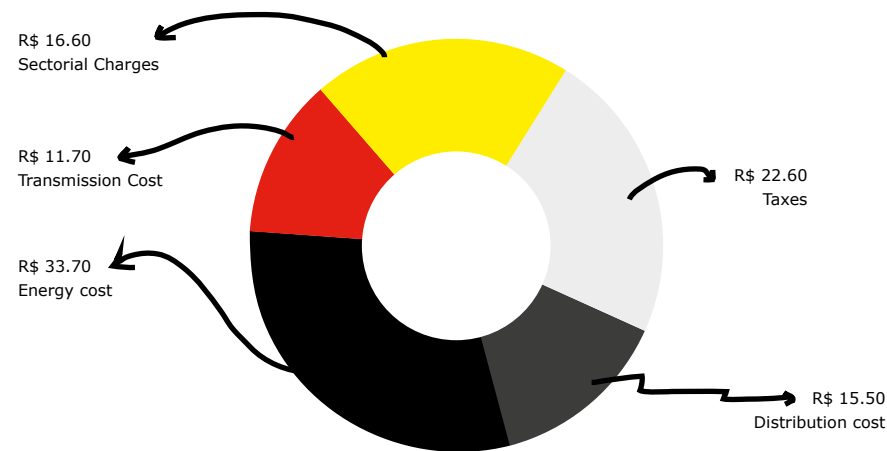
TARIFF ADJUSTMENT

ANEEL defined the Annual Tariff Adjustment for 2017, applied in the concession areas of EDP São Paulo and EDP Espírito Santo. The average effect perceived in São Paulo was 27.31% for consumer units served in high voltage (industries and large retailers) and 22.67% for low voltage (small businesses and homes). In Espírito Santo, this impact was 10.90% for high voltage and 8.53% for low voltage respectively.

In São Paulo, where the average effect was higher, it is important to compare the impact of the tariff reduction of 23.53% approved in the Adjustment of EDP São Paulo in October 2016. Therefore, even with the average readjustment of 24.37% in 2017, the distributor's tariffs are lower than 2015.

COMPOSITION OF THE ENERGY RATE

For each R\$ 100 paid in the electricity bill, approximately R\$ 15.50 is allocated to EDP Brasil distributors to cover operating, maintenance and investment costs. Other R\$ 33.70 goes to generation expenses and R\$ 11.70 for energy transmission expenses. The sector charges correspond to R\$ 16.60, while taxes and duties are R\$ 22.60.



SATISFACTION OF CLIENTS

Customers are “the reason of being” for the Company, which undertakes several actions to satisfy its public and the efficiency of operations, in line with the principles of EDP Culture.

Employees at all hierarchical levels, including directors, are engaged through the Serving Excellence project, which awakens to the understanding that each client is a unique human being. In 2017, training in business units

and corporate areas were continued within the scope of the initiative. The project has also been expanded to reach partners who have direct contact with customers, such as store clerks, readers and electricians. During the year, 1,672 people were trained and became content multipliers for teammates.

Annual and biennial surveys carried out by sector agencies, such as Abradee and ANEEL, are indicators by which the Company evaluates the satisfaction of its clients.

RESULTS OF CUSTOMER SATISFACTION (%) |GRI G4-PR5|

	SÃO PAULO			ESPÍRITO SANTO		
	2015	2016	2017	2015	2016	2017
ANEEL Consumer Satisfaction Index (IASC)	52.75	60.43	65.56	58.81	69.10	68.36
Perceived Quality Satisfaction Index (ISQP) - ABRADÉE	78.50	76.30	68.01	82.00	80.80	80.68
Customer Approval Index (IAC) – ABRADÉE	78.90	73.90	73.12	83.00	78.08	81.92
Overall Satisfaction Index (ISG) – ABRADÉE	69.70	60.10	60.45	73.67	63.84	85.44
Claimant’s Search	67.00	-	64.70	58.00	-	72.90
Customer Satisfaction Survey Clients	73.50	77.30	78.50	74.20	78.60	75.80

After a detailed analysis of this information by multidisciplinary working groups, the main demands of the clients are identified and action plans are developed. In 2017, these actions were consolidated in a new initiative, “Projeto Realize”, whose goal is to follow the process of transformation of the profile of energy customers, driven by technological advances and the decentralization of the Brazilian energy matrix.

In order to reduce the number of complaints, the Company also has the Total Satisfaction Program to identify the causes and develop action plans. The initiative evolved in the period of Projeto Resolve, whose challenge, rather than resolving complaints, is to mitigate them. For this purpose, new service standards have been defined so that solutions are presented and agreed upon in the first contact with customers. Projeto Resolve is one of more than 100 actions that make up it.

The commercial assistance area of EDP Espírito Santo has launched the Projeto Somar, which consists of monitoring the managers of several agencies in the concession area to identify improvement points and assess the quality of the services provided. Called “JÁ” (Junto ao Atendimento (Next to Attendance)), this monitoring foresees that, if the client does not have the request solved at the first time, the manager is responsible for the request until its conclusion.

MORE ACCESSIBLE SERVICES

The year was marked by the end of the EDP On-line project, which promoted the digitization of customer service. The initiative engaged more than 70 distributors’ professionals, the Company’s corporate areas and external consultancies for improvements in the SAP systems of the stores, in the call center and in the service via social networks (SAC 2.0), in addition to channels such as:

- **Service via SMS** | Launched the year before, allows customers to establish contact even in cases of power failure.
- **Contact Us** | Accessed via Website of EDP Brasil, offers 56 services through which customers can report power outages, request reconnection and deliver documents, among other facilities - all separated by nine portals, which are customized for each customer segment. The great differential is the possibility of payment agreements. The Company is the only company in the sector to offer this type of service via a virtual agency. Before its release, these functionalities were tested by the public in

São Paulo and Espírito Santo through an initiative called Customer Laboratory.

- **EDP Application** | With 19 services available, it is the largest application of its kind and the only one that offers chat with attendants to obtain information and clarification of doubts. In addition, you can sign up for the account by email, request the barcodes for invoice payments, notify about power outages, and other features. The tool is available for IOS and Android.

There was also an increase in agencies. In Jacareí (SP), clients have an agency designed to provide a comfortable, safe and affordable environment. In order to optimize the services, the structure also maintains automated totems for routine requests, such as withdrawal from the road for payment, consultation of debits and consumption, cadastral updating, reading-report, change of due date and automatic debit registration.

In Espírito Santo, there was an expansion of the agency in Serra. The space almost doubled in size from 158 m2 to 288 m2. The site receives around 700 customers a day, which started to count on self-service in the space web with computer available for access to the Virtual Agency. In the municipality of Irupi (ES) the first container agency



Inauguration of the Jacareí agency



in the state was inaugurated. The unit is the result of a project that combines functionality and sustainability from container reuse and use of materials with FSC® Forest Certification. The recycled tire tread and the container structure guarantee the reduction of the disposal of these materials in landfills and also saves natural resources, such as sand, cement and iron. The LED and air conditioning system with A-rating (Selo Procel) guarantee low power consumption, which reduces the emission of polluting gases and consequent climatic impact. The project is easily replicable since it presents low execution cost and the installation does not require the foundation and soil moving services.

In relation to payment facilities, the “Projeto Conta Extra-to” was launched. The novelty allows customers with an bill of less than or equal to R\$ 30.00 to make the payment only every two months. In this way, they began to receive a statement of consumption without a barcode and expiration date - only informing the amount generated for the period - and, in the following month, there is a normal invoice for payment, with the added value of two months without surcharge. In addition to reducing service queues, the initiative enables these consumers to have more time to plan their fees.

ENERGY EFFICIENCY PROGRAM (PEE)
|GRI G4-EU7, G4-EU23, G4-EU24|

Law No. 13.280 / 2016 establishes the application of 0.5% of the net operational revenue of the distributors in Energy Efficiency projects, out of which 0.1% is destined for the National Program for the Conservation of Electric Energy (PROCEL) and 0.4% for the Energy Efficiency Program (PEE) of the distributors, in accordance with ANEEL requirements. In 2017, EDP Brasil invested more than R\$ 27.24 million, which resulted in energy savings of 16.72 GWh / year and 9.54 GWh / year in São Paulo and Espírito Santo respectively - corresponding to 2,433 tCO2 avoided emissions.

Among the initiatives, the project “Boa Energia nas Escolas” (Good Energy in Schools) is a project that consists of training teachers from the public network of São Paulo and Espírito Santo so that they can share with their students, the information on the safe and efficient use of energy. For this purpose, it includes distribution of educational kits with materials to be used in the classroom. The initiative also has a traveling laboratory, in which students have the opportunity to know the whole process of generation, transmission and distribution of energy, from the beginning to the arrival in the residences. This work is strategic in the relationship with communities, since chil-

dren are multipliers of knowledge, taking what they learn in their homes. In 2017, in the ambit of “Boa Energia nas Escolas”, was held “Gincana Xô Desperdício” (No Waste Gymkhana), which awarded ten schools in São Paulo and ten in Espírito Santo with photovoltaic kits, with the potential to individually generate around 4,950 kWh / year. In addition to reducing the electricity bill in these educational institutions, the equipment will be used for educational purposes.

In Espírito Santo, an agreement was signed with the State Government to carry out efficiency projects in the Department of Roads and State Highway (DER), the State Secretariat of Education (Sedu) and public schools. Replacements of 10,607 light bulbs were carried out by LED technology, which allowed an annual saving of approximately 455 MWh - enough to supply 2.4 thousand residential units. An agreement was also reached with the State Public Ministry (MPES) for the modernization of the system’s lighting and air conditioning. The 2,231 light bulbs were replaced by LED technology, plus six air-conditioning units replaced by more efficient models. As a result, MPES started to show savings of about R\$ 119 thousand (93 MWh in energy) per year.

Through the PEE, EDP São Paulo benefits local communities by promoting the exchange of electric showers for solar heating systems, as well as distributing kits with six LED lamps - actions that make up the Good Solar Energy project. The objective is to combat the waste of electricity and contribute to the reduction of CO2 and consumer light bill values. To this end, awareness-raising actions are being undertaken on the efficient and safe use of electricity. For nine years, the project generated energy savings of 9 GWh / year, equivalent to the consumption of 4 thousand families.

It also should be noted the Solidarity Efficiency project, which consists of replacing inefficient bulbs of residential customers with LED lamps and counts on a mobile unit (Led Truck) as a trading post. More than 12.5 residences were contemplated, and one lamp was donated to a charity every 80 bulbs replaced.

SAFE USE OF ENERGY |GRI G4-PR1|

According to Abradee, the total number of accidents among the Brazilian population involving the electric power network has dropped by 26% since 2001. The percentage of occurrences of greater severity, with fatal episodes, fell even more: 37% in the last 16 years. In order to contribute to the reduction of these figures, the Com-

pany participates annually in the National Week of Population Security with Electricity, carried out by Abradee. The initiative reached about 206 million people in 2017, with the adhesion of 47 associated companies throughout the country.

EDP constantly invests in educational campaigns that guide the safe use of electricity by consumers. In line with previous years, it ran ads in the newspaper, radio, television, and energy bills, as well as distributing leaflets and producing content in the website and social networks.

ACCIDENTS WITH THE POPULATION INVOLVING EDP’S ASSETS		EDP BRASIL			
Subdivision	Unit	2015	2016	2017	
Number of accidents with death to the population	Qty.	12	12	18	
Number of accidents with death to the population	Qty.	13	4	9	
Value of the Severity Rate (TG) of accidents with the population due to electric shock in the network of the concessionaire.	%	NA	NA	7,036.94	
Value of the Frequency Rate (TF) of accidents in the community.	%	NA	NA	3	

ACCIDENTS WITH THE POPULATION INVOLVING EDP'S ASSETS		EDP SÃO PAULO			EDP ESPÍRITO SANTO		
Subdivision	Unit	2015	2016	2017	2015	2016	2017
Number of accidents without death to the population	Qty.	8	10	13	4	2	5
Number of accidents with death to the population	Qty.	7	2	5	6	2	4
Value of the Severity Rate (TG) of accidents with the population due to electric shock in the network of the concessionaire.	%	9,407.00	3,092.00	7,176.00	5,172.00	9,640.00	6,858.66
Value of the Frequency Rate (TF) of accidents in the community.	%	3.07	2.45	3.68	2.63	1.58	2.37

MARKETING

Since 2001, the Company has been active in the marketing market so that customers optimize their purchases in the free energy market. In 2017, the unit reinforced the management of the energy portfolio, working together with the generators in the purchase and sale of energy transactions. As a result, the volume of energy traded totaled 17,804 GWh, an increase of 37.2% over the previous year (12,980 GWh). The movement is directly proportional to the growth of the customer base - 337 at the end of the year (272 in 2016).

The warming of the Marketing sector in 2017 is due, among other factors, to the price volatility associated with the high liquidity of the market, the greater volume of energy available, resulting from the distraction of energy from the distributors through the Mechanisms of Offset and Deficit Compensation (MCSD) or bilateral agreements, in 2017, the unit celebrated its authorization to act as a retailer - approved by the Electric Energy Trading Chamber (CCEE). In practice, the Company is one of the six authorized agents to be responsible for all operations of its represented in the free energy market, migration to the Free Contracting Environment (ACL) until the manage-

ment of procedures related to its operation, such as modeling, measurement, accounting and financial obligations, among others.

This is an opportunity for EDP Brasil to anticipate the opening of the free energy market, guarantee the profitability of investments in production and ensure the potential of capillarity of the market, as well as the expansion of the offer of products and services.

ENERGY SOLUTIONS

EDP Brasil assesses risks in water generation due to climate change and customer behavior change, which seek cost savings and efficiency gains. For this purpose, EDP Soluções em Energia was created, a unit that prepares the Company for the transition to the low carbon economy by developing energy efficiency services tailored to each customer. The actions aim to reduce energy consumption through services and the installation of more efficient equipment and the development of energy generation and cogeneration projects with energy sources and less polluting, with preference to the reuse of by-products and waste.

According to the Brazilian Association of Energy Conservation Services Companies (Abesco), the Brazilian energy efficiency market has business potential that can exceed R\$ 60 billion, and energy solution companies make up only 8% of the efficiency market.

In the period, 23 energy efficiency projects were carried out, which contributed to the economy of 51.85 GWh in customers, in addition to the reduction of 30,457 tCO₂⁸ emissions of greenhouse gases.

Among the achievements of 2017 is the improvement project in 69 stores of a large wholesale supermarket chain. The service included the retrofit of the lighting system in

these units and the exchange for LED lamps. In addition to the cost and energy savings, the wholesale network survey showed the satisfaction of the customers of these establishments with the modernization.

EDP Soluções developed a steam generation system from the burning of oats bark to an industrial unit that has this material as a by-product of its operations, encouraging the circular economy.

Steam generation services were also provided with reuse of wood chips. During the operation for this industrial client, the issuance of 24,577.27 tCO₂, **|GRI G4-EN6, G4-EN7|**

⁸ The avoided emissions refer to the sale of thermal energy generated from biomass and savings in the consumption of electric energy

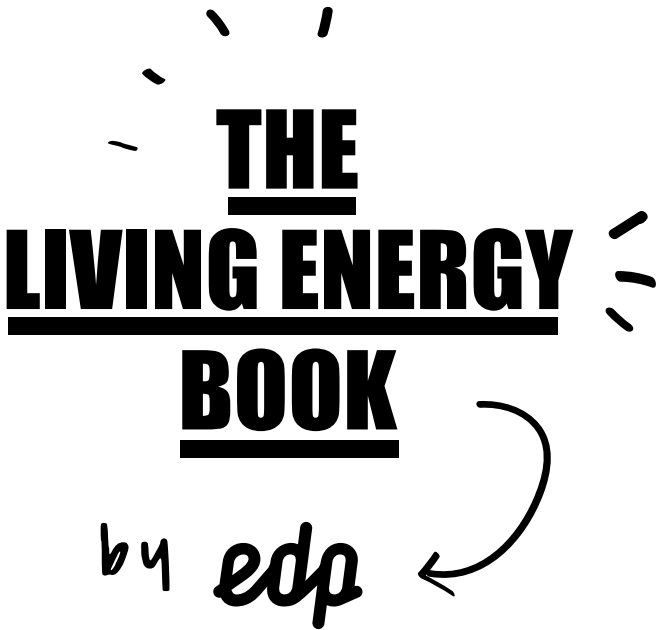
SOME ENERGY EFFICIENCY SOLUTIONS

- Construction, operation and maintenance of end-uses of energy with a view to reducing losses.
- Consulting and installation of more efficient and durable lighting equipment, such as LED or fluorescent lamps.
- Modernization of refrigeration and air conditioning systems for more efficiency.
- Elevation of the tension level.
- Quantification and control of energy consumption in order to avoid waste.
- Speed control of electric motors to decrease energy consumption.
- Planning and execution of projects of automatic compensation of reactive energy.

In 2016, EDP Brasil began to integrate the photovoltaic distributed generation market. The first project, developed internally, was completed in 2017 with the inauguration of the CSD in Poá (SP).

In 2017, 09 solar projects were agreed, totaling 10,740 kWp of installed capacity. One of them is being developed with a large network of malls for installation of solar panels in their establishments.

In partnership with BMW, EDP Brasil announced the construction of the first corridor of charging stations for electric cars. With completion scheduled for 2018, the structure will contain six stations and will link Rio de Janeiro and São Paulo.



FINANCIAL CAPITAL

ECONOMIC AND FINANCIAL RESULTS

In the year, Net Operating Revenue totaled R\$ 11.76 billion, an increase of 32.5% over the same period in 2016 (R\$ 8.88 billion). The manageable expenses increased 9.3%, from R\$ 2.3 billion in 2016 to R\$ 2.5 billion in 2017. In the same comparison, expenses with People, Materials, Services and Others (PMSO) fell 0.4%, reflecting the Company's effort and commitment to control costs and actions to combat delinquency and losses at distributors. Excluding the Provision for Doubtful Accounts (PDD) and contingencies, the PMSO increased by 1.3%, below the inflation indexes. Depreciation and amortization amounted to R\$ 578.3 million, 7.0% more than in 2016, due to the increase in investments in distributors.

EBITDA & EBITDA MARGIN

Earnings before income taxes, financial results, depreciation and amortization (EBITDA) reached R\$ 2.2 billion, 4.8% less than in the previous year. The decrease derives

from the non-recurring effects of 2016, such as the sale of Pantanal Energética, the indemnification of Pecém insurance and the adjustment of the Compensable Asset Value (VNR, Valor do Ativo Indenizável). Excluding these factors, adjusted EBITDA was R\$ 2.1 billion, an increase of 21.7%.

FINANCIAL RESULT AND NET INCOME

The financial result fell by 16.1% in relation to 2016. The movement reflects the reduction in financial investment income due to the fall in the CDI and the difference in the rates of financial investments with banks, between the periods compared, in addition to the lower balance kept in current account; and the reduction of loan and financing expenses due to the reduction of average interest rates (CDI, TJLP and IPCA) and the decrease in principal balances, especially Pecém.

Due to these effects and the lower expenses of income tax and social contribution, consolidated net income totaled R\$ 611.9 million, 8.2% less than in 2016 (R\$ 666.6 million).

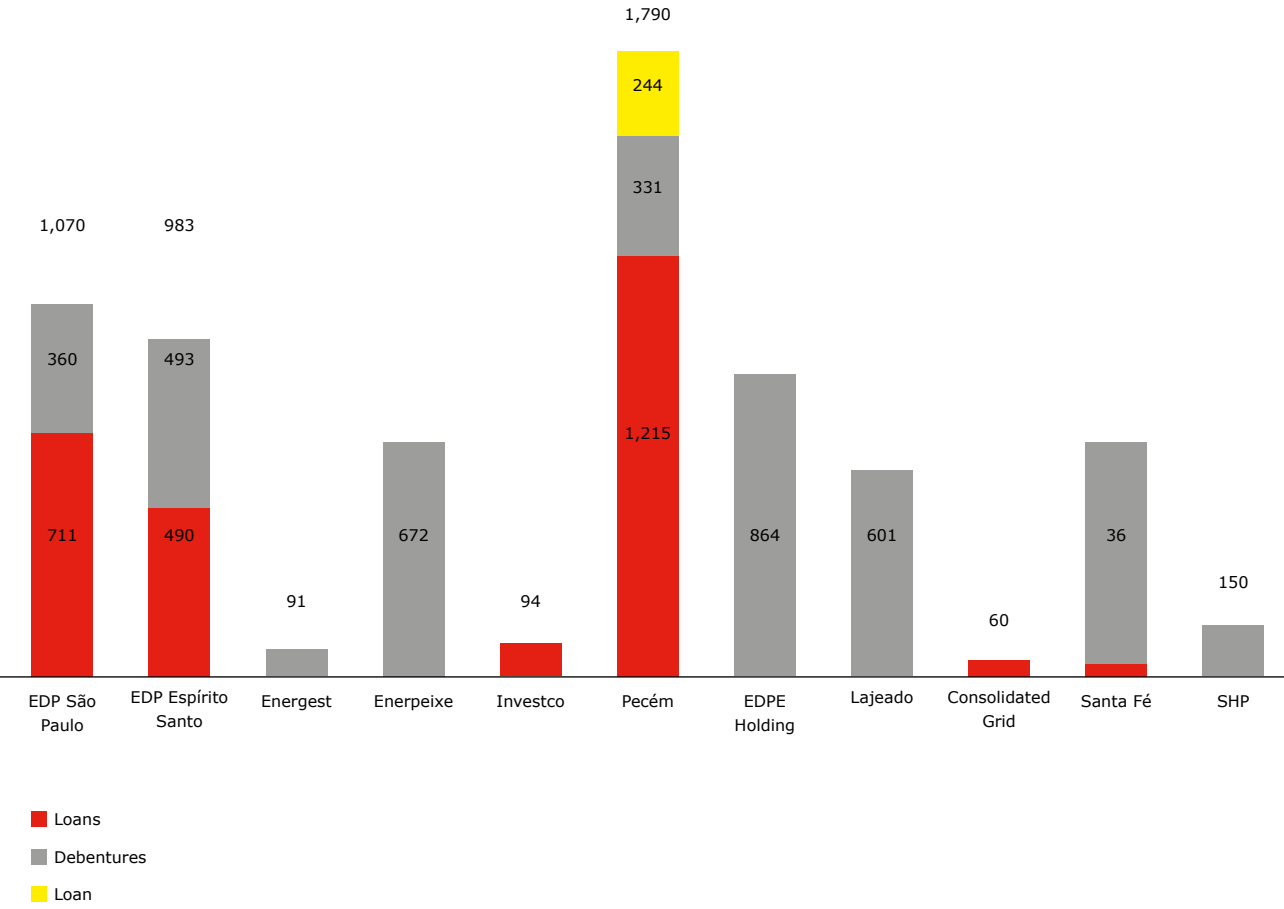
INCOME STATEMENT (THOUSAND R\$)		CONSOLIDATED		
	2017	2016	Variation	
Net operating revenue	11,767.740	8,884.122	32.5%	
Revenue from infrastructure construction	605,635	480,650	26.0%	
Non-manageable expenses	(8,261.686)	(5,594.856)	47.7%	
Gross Margin	3,506.054	3,289.266	6.6%	
Manageable expenses	(2,503.393)	(2,290.684)	9.3%	
Total PMSO	(1,250.096)	(1,255.244)	-0.4%	
Gains and losses on deactivation and disposal of assets	(72,758)	(14,357)	406.8%	
Cost with infrastructure construction	(602,197)	(480,650)	25.3%	
Gain on sale of investment	-	278,139	-100.0%	
EBITDA	2,186.638	2,297.804	-4.8%	
EBITDA Margin	18.6%	25.9%	-7.3 p.p.	
Depreciation and amortization	(578,342)	(540,433)	7.0%	
Result of service (EBIT)	1,608.296	1,757.371	-8.5%	
Results of shareholdings	(16,336)	(115,443)	85.8%	
Net financial result	(547,800)	(652,741)	-17.7%	
LAIR	1,044.160	989,187	6.6%	
Income Tax and Social Contribution	(355,822)	(158,232)	71.9%	
Attributable to non-controlling shareholders	(76,483)	(164,353)	-53.5%	
Net income before minority interests	688,338	830,955	-5.8%	
Net income	611,855	666,602	-4.3%	

INDEBTEDNESS

The consolidated gross debt was R\$ 6.1 billion, an increase of 8.7%, with an average maturity of 2.85 years. The changes in the indebtedness and the average term occurred mainly through the issuance of distributors of R\$ 690 million; prepayment of the fourth EDP Espírito Santo debenture issue (R\$ 120 million) and the sixth issue of debentures of EDP São Paulo (R\$ 100 million); disbursement

of the first issue of EDP PCH, in the total amount of R\$ 150 million; disbursements from The Brazilian Development Bank (BNDES) to the distributors in the total amount of R\$ 208 million; disbursement of the second issue of Lajeado's debentures (R\$ 300 million); settlement of the second issue of debentures of Peixe Angical HPP (R\$ 320 million); and amortizations of debts at EDP Brasil and its Generation and Distribution subsidiaries.

GROSS DEBT PER COMPANY



Note: Does not consider intragroup eliminations of R\$ 354 million. Preferred shares of São Luis Eduardo Magalhães HPP are classified as debt.

The average cost of debt at the end of 2017 was 11.15% p.y., considering capitalized interest on debt and charges incurred in the last 12 months, with the average CDI and TJLP average reduction in relation to 2016. Consolidated net debt amounted to R\$ 4.5 billion, reduction of R\$ 901.2

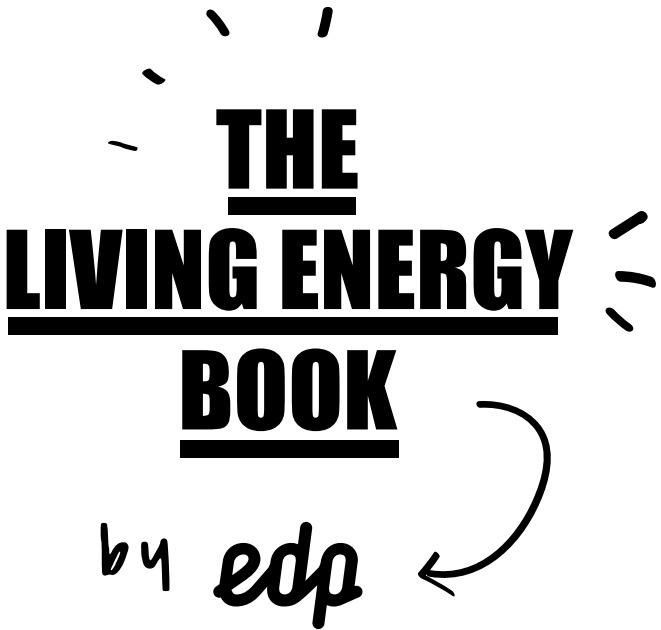
million due to the decrease in the availability and greater leverage of operating companies. The net debt / EBITDA ratio ended the year at 2.0 times.

RATINGS

	MOODY'S		S&P		FITCH	
	Domestic	Global	Domestic	Global	Domestic	Global
EDP Energias do Brasil	Aa2.br	Ba2 Stable	-	-	-	-
EDP São Paulo	Aa2.br	Ba2 Stable	BrAA-	- Stable	-	-
EDP Espírito Santo	Aa1.br	Ba2 Stable	-	-	-	-
Lajeado Energia	Aa2.br	Ba2 Stable	-	-	-	-
HPP Mascarenhas	Aa2.br	Ba2 Stable	-	-	-	-
HPP Cachoeira Caldeirão	-	-	-	-	AA	- Stable

CAPITAL MARKET

On December 28, EDP Brasil shares were priced at R\$ 14.00, appreciation of 5.4%. There was interest in all the trading sessions of the year, with a total of 421.7 million shares traded - a daily average of 1.7 million shares - in the financial volume of R\$ 7.5 billion (a daily average of R\$ 24.2 millions). The Company's market value at the end of 2017 was R\$ 8.5 billion.



INTELLECTUAL CAPITAL

INNOVATION MANAGEMENT

Based on the overall business strategy, the EDP Group defined five strategic priorities for innovation:

- Customer-focused solutions;
- Clean Energy;
- Smart Data;
- Smart Grids; and
- Energy storage.

Each Group company develops these themes based on the reality of the region in which it operates. In Brazil, in view of the regulatory changes regarding market liberalization, new technologies and decentralized generation, and structure its action on three fronts:

SUPPORT FOR ENTREPRENEURSHIP

EDP Brasil - in line with the experiences of other companies of the EDP Group - undertakes development and acceleration of startups. The objective is to stimulate solutions, both for the sector and for the business, in more agile environments and with the support of internal specialists. They stand out in this sense:

EDP Open Innovation | Global awards to boost startups, which contribute to the transformation of the energy sector. In 2017, the program had 90 entries for the prize of 50 thousand euros. The first phase of the program was for applications, in which candidates from various locations worldwide were able to submit their projects by means of a online form. The projects were then evaluated by representatives of EDP and partners of the initiative. Fifteen finalists were selected, who underwent an acceleration program in Portugal and had the chance to test the solidity and feasibility of their projects. Six Brazilian teams stood out at this stage with nine other groups from Portugal, France and Spain. Subsequently, the finalists presented their ideas in Lisbon and, in addition to the cash recognition for the winner, the top three were invited to the Web Summit, the main European innovation event. More information: edpopeninnovation.edp.pt.

EDP University Challenge | Annualized by EDP Brasil, it aims to encourage university students in the development of ideas that optimize the interaction with the consumer

and improve the existing platforms of service. The competition is aimed at undergraduates or postgraduates in Administration, Strategy, Marketing, Communication and Design. Candidates from other courses are also accepted as long as they demonstrate sufficient knowledge in the areas relevant to the awards. There are two enrollment periods, one in the first semester and the other in the second semester (all participants compete with each other). The 15 best jobs are selected by a consultant to follow the final phase. The evaluation contemplates several criteria such as creativity, innovation and sustainability of the project. The award ceremony for the winners will take place in March 2018. More details: edp.com.br/pesquisadores-estudantes/edp-university-challenge.

EDP Starter | In 2017, the Company carried out, for the first time in Brazil, the EDP Starter, a program for the development of startups conducted in Europe since 2012. The goal is to develop startups in early stages, with innovative projects and broad development potential. The first Brazilian edition included projects related to "Customer-Focused Solutions" and "Smart Data". Ten were selected for a first phase of organization, which consisted of a bootcamp (mentoring process for the structuring of the business) and a pitchfest (presentation of solutions for the Company and its partners). After this stage, five groups were chosen for the consolidation of the startup, with the development of a prototype. The proposals were presented to executives of EDP Brasil and possible investors in a DemoDay. In addition to the benefits offered by the program, the winning team participates in a trip to Silicon Valley, one of the main poles of innovation in the world. More information: edpstarterbrasil.com.br.

Free Electrons Global Accelerator | EDP Group initiative in partnership with seven other companies in the world energy market. The program encourages the creation of innovative projects related to clean energy, energy efficiency, electrical mobility, digitization, customer support services and the internet of things. Competitors are startups connected to the energy sector and able to improve their portfolios and develop a global client portfolio. Twelve companies were selected for a six-month acceleration process and underwent three modules in San Francisco / Silicon Valley, Lisbon / Dublin and Singapore. 451 entries were received from 51 countries, with Brazil being the fourth with the most entries (24 startups). The initiative delivered \$ 200,000 in prizes, \$ 25,000 to entrepreneurs with the best pitch during the module in Dublin, and \$ 175,000 to the most valued team in all phases - that also received the Free Electrons title of World's Best Energy Startup. More details: freeelectrons.com.

INTERNAL CULTURE OF INNOVATION

Based on EDP Culture principles - such as "Constant innovation" and "Focus on solutions and the larger purpose" -, the Company disseminates the practice of innovation among employees, regardless of position or function. The goal is to develop a work environment open to new ideas and solutions.

Initiatives such as **Innovation Day** and **iMentors**. The first is an event held as a result of an internal competition for employees to develop projects in two categories. The nine best projects were selected, presented during the event to employees and executives of the Company. Winners, one from each category, can develop and implement projects in their areas. In 2017, more than 150 projects were registered.

On the other hand, iMentors empowers employees to identify business opportunities and multiply the innovation culture in the Company. In 2017, the program has been redesigned to stimulate disruption, going far beyond incremental innovation. In line with the search for new looks, the Company invited directors of innovation, design thinking and user experience of companies like Google, 99 and Nubank, which guided the participants in the development of the projects. The intention was to promote the exchange of ideas and stimulate new ways of developing innovation in the work environment. In total, 36 employees were enrolled, from various business areas.

Another breakthrough in the internal culture of innovation encompasses the international formations promoted by EDP University. Four classes immersed themselves in Silicon Valley, California (USA).

RESEARCH & DEVELOPMENT (R&D)

ANEEL determines that 0.4% of the net operating revenues of the generators and 0.2% of the distributors are destined to research and development (R&D) projects. EDP Brasil intends to comply with this guideline based on the vertical themes, defined globally by the Group. In 2017, Generation and Distribution Redirected R\$ 7.54 million and R\$ 15.08 million, respectively. Among the projects undertaken in the year, the following stand out:

IN THE GENERATION

Ashes for flooring | In 2017, the new administrative headquarters of Pecém HPP was inaugurated. The build-

ing, named after the Ceará writer José de Alencar, houses 108 work positions and was designed to take advantage of the natural characteristics of the region (light and ventilation), as well as to reuse water. However, the great innovation is to add the mineral coal ashes from the plant itself to the mass that forms the concrete blocks used in the construction of the walls, the mass of the yarn and the outer pavement of the unit. The composition is 95% traditional and 5% ash, which replaced components added to the cement, such as sand and stone powder. The research continues and intends to enable the application of this material in other civil construction opportunities, such as roads pavement.

Anticorrosion protection | Current surface treatment technologies for the anticorrosion protection of systems and equipment are not adapted to the conditions found in coal-fired power plants, which can result in inefficient substrate protection, higher costs, shorter useful life of materials and equipment and operational failures, among other consequences. The project, therefore, aims to lower coal-fired thermal plants using gas desulphuriser. It also seeks to develop a methodology to diagnose and protect different types of substrates used in these facilities.

Optimization of desulphurisation systems | This project seeks to increase the sulfur abatement potential of atmospheric emissions and reduce the consumption of desulphurising substances in coal-fired power plants - resulting in a more reliable gas treatment system and a reduction in operating costs .

Routes of inspection | It consists of the development of a module, to be incorporated into the Mobile Device Management System (MDM), capable of performing condition monitoring and automatic diagnostics of power plant assets from data obtained through sensorial inspections, monitoring of vibrations by the Digital System of Supervision and Control of Lajeado HPP. In this way, it is possible to avoid failures that interrupt the generation of electric energy.

Transformer monitoring | System based on computational intelligence for the analysis of the dissolved gases in the power transformer oil and partial discharges to estimate the useful life of the equipment. These are fundamental analyzes for the planning of operation and maintenance.

IN THE DISTRIBUTION

Smart Grid Lab | EDP Brasil inaugurated the first laboratory specialized in Intelligent Electrical Networks (smart grids) in Latin America. Located at the Center for Studies in Regulation and Quality of Energy (Enerq) of the University of São Paulo (USP), such a space was developed to support pilot action and proofs of concept in Intelligent Electric Networks (REIs). It encompasses the Virtual Operation Center, which simulates the existing systems in the power distributors and allows the evaluation of new systems and technologies, before being applied in the operation. The structure also has equipment for the emulation of the operation of smart meters and devices, basic components for the creation of smart grids. The laboratory is the result of a partnership between EDP Brasil, USP and other companies in the sector.

Distributed Generation with Storage | This project was carried out jointly with the Federal University of Santa Catarina (UFSC), aiming at the use of distributed urban generation with decentralized photovoltaic solar systems and short-term storage. The initiative also evaluates auxiliary services for network stability and impacts, as well as enabling new business models through distributed solar generation. The Company was motivated by ANEEL standard 482/2012, which allows the direct connection of photovoltaic generators (up to 1 MWp) in the grid.

Autonomous-Cooperative System of Planning and Execution of Inspection of Energy Assets | The initiative consists of the monitoring and identification of anomalies in the distribution network by means of images - in the visible, infrared, ultraviolet and ultrasonic bands - captured by sensors on unmanned aerial platforms (drones).

Consumer Watch | Consumer Knowledge Methodology for the creation and development of products, services and technologies associated to Intelligent Electric Networks. The method can be applied to other segments and aims to facilitate technical and commercial decision-making.

Short Circuit Locator | Equipment to identify the permanent short-circuit in the distribution networks, with consequent agile sending of rescue teams and reduction of waiting time per service.

Live Line Robot | System that seeks to reduce risks, costs and execution time of the pruning activity. It includes the assembly of a crane at the rear of a truck, which allows

the installation of a pruning head and air basket coupled to be operated by radio with the operator on the ground.

ROBOTIZATION

In 2017, the EDP Group launched a digital transformation agenda in Madrid, Spain, aimed at stimulating the culture of disruptive innovation. In this direction, EDP Brasil announced partnerships with consultancy EY and USP for the development of artificial intelligence systems to be applied in the energy distribution sector. Over 18 months, will be directed R\$ 8.3 million in studies on impacts of automation of processes with robots of the latest generation.

It is also planned to set up an observatory for the application of research, from which a profile will be defined for employees and management bodies of the companies when facing changes resulting from the application of new advanced technologies.

Unprecedented in the energy sector, the initiative will allow the development of a third generation or higher robots (using artificial intelligence) capable of identifying patterns and making decisions.

In 2017, the Company had already pioneered the Brazilian electricity sector by deploying robots to streamline and improve internal activities. With the Shared Services Robot 1 (R1SP), EDP Brasil began its robotization of procedures with a view to efficiency and quality gains. The implementation involved an initial investment of R\$ 1 million, with a return expected in less than a year, mainly in the reduction of overtime expenses.

The Shared Services Center (CSP) was the first area to adopt the technology, applied in the completion of tax guides, bank reconciliation and receipt of invoices. By the end of 2017, 42 robotic processes had already been implemented. The plan is to expand the system for business processes and business units. Among the possible robotizable processes, we have the reorganization of inconsistencies in the technical and commercial registers of the distributors, support in the process of operation of the distribution networks, and directing and refining actions to recover revenues from distributors, among others.

The internal public assumes an important role in the supervision of robotization, assisting in the correct config-

uration and operation of the system. For this reason, the Center of Excellence in Robotization (CER) was created, a core of 05 employees, who trained and helped about 20 employees to identify viable processes for automation.

By the end of the year, 70% of the teams' work was directed to the execution of repetitive processes and only 30% of the time devoted to analytical tasks. The Company intends to rebalance this proportion, in order to achieve

10 FUNDAMENTAL PRINCIPLES OF THE BRAZILIAN BUSINESS PACT FOR HUMANIZED DIGITIZATION

Humanization | Always consider the human factor in the decision making about technology, creating the conditions to strengthen the capacity to adapt to the new organizational paradigm.

Leadership | Lead the search for solutions and stakeholder engagement in promoting the humanized digitization of work.

Integration | Promote the integration between the public sector, business organizations, third sector entities and other interested parties in the search of the applicability of the concepts of digitalization for the benefit of society in general.

Equilibrium | Guide the equilibrium vectors of change considering the adaptive capacity of the individual, the speed of absorption of the organization, changes in the social context and the involvement of other agents.

Training | Encourage partnerships with educational entities to ensure the digital inclusion in the development and training grid of the people involved in the process of transforming the new work environment.

Inclusion | Ensure equality of access to vocational training platforms regardless of age, race, gender, religion, economic or social situation.

Knowledge | Collaborate actively in studies and research that constantly stimulate the production of knowledge, promoting its sharing among all interested parties.

Transparency | Provide access to information, aiming at a better understanding of the dynamics and impact of transformation within the sphere of the individual, organization and society.

Security | Mitigate risks and maximize the benefits of technological advances by applying good information security and governance practices.

Compliance | Be committed to an ethical performance and aligned with the principles of conformity.

HUMAN CAPITAL

PERSONNEL MANAGEMENT

EDP Brasil ended the year with 2,941 employees, 234 in joint ventures and 220 trainees and apprentices. For this audience, initiatives have been implemented that aim at the development of an integrative, collaborative, healthy, safe and innovative work environment. The following are the guidelines that guide this action: **|GRI G4-10|**

- Consolidation and maintenance of EDP Culture;
- Valuing diversity;
- Non-discrimination, equal opportunities and transparency at all levels of office;
- Zeal by the principle of internal balance in remuneration;
- Promotion of safety and well-being;
- Stimulating vocational training and continuous development; and
- Guarantee of business perennality from the people.

In 2017, the model was recognized again by *Você S / A* magazine, which highlighted the Company among the 150 best companies to work in Brazil. This is an important recognition that positions us among companies with best practices and a high level of employee satisfaction and motivation.

During the year, the People Management department continued the desired cultural change in the Company. Together with the areas of Organizational Transformation and Innovation, the major challenge was to reflect on the changes that the industry and society are undergoing - including preparing employees for a less predictable and faster future that requires a new way of working.

In this way, EDP Agility was in planning, an organizational design model that promotes collaborative and agile work. It is a hybrid format that maintains the hierarchical structure but allows the creation of networks (hubs) that will respond in an agile way to the challenges that the new Age imposes on us. At the same time, we unite these three areas that are now co-managed. This design is based on all modern theory of Organizational Design, and the methodology developed to be scalable and therefore used in any department or company. The model starts to work at the value of contribution, not specifically by function or position. The teams that will work in the hubs will be 100% dedicated to the challenges, and even the hierarchical structure has been remodeled for days of experience. In March 2018, the new model comes into op-

eration, with a subsequent gradual increase to the other departments of the Company.

In the internal communication, the novelty was the implementation of Workplace, a corporate social network developed by Facebook. The Workplace platform was made specifically for the corporate environment, although the user experience is very similar to Facebook. It has a mural, chat, live broadcasts, groups, automatic translations and voice and video links. Among the benefits are the approach of associates and the encouragement of collaborative content production and shared knowledge.

For more information on the operating panel, see page 100. **|GRI G4-10|**

ATTRACTION

Young people aged 14 to 24 have the opportunity to join EDP Brasil through the Young Apprentice, a Federal Government project for insertion in the labor market. Those enrolled in undergraduate courses may participate in the Internship Program, which has a series of training and capacity building, as well as stimulating the creation of innovation projects, presented to the Board by the participants. In 2017, the initiative received 10,400 applications and selected 55 students and 26 exhibited projects.

The distributors also develop the School of Electricians, an external qualification program for electrician training of distribution networks in the communities of the concession regions. In addition to qualifying the local workforce, the initiative serves as a gateway into the Company. In 2017, 16 people participated in training in São Paulo and 32 in Espírito Santo. **|GRI G4-EU14|**

With a view to equality of opportunities between genders, measures are adopted so that, until the last stage of the selection process for a vacancy, finalists of both genders are competing. In order to improve this aspect, EDP Brasil endorsed in 2017 the Women's Empowerment Principles, created by UN Women and the Global Compact.

Thus, it aims to attract and retain people who are in line with the principles of its Culture and the values of the EDP Group. In this perspective, we reorganized ourselves into a drawing focused on Employee Experience, where we traveled the entire experience journey from attracting people, joining the Company until the end of the day, with guidelines for retirement and post-career (see following items).

DEVELOPMENT AND TRAINING

The capacity building process is continuous, with training that involves strategic alignment, knowledge management and individual development, as well as several online courses and open access lectures. All initiatives in this area are aligned with the EDP Corporate University, which defines the themes to sustain the Company's growth.

Leadership school | It aims to form transforming leaders, who act in a dynamic and innovative way, exploring their potential and the potential of their team. It also focuses on the cognitive and social skills of the leader, developing him as a human being in all its dimensions.

EDP School | Training focused on administrative tools and cross-cutting themes, connected to the Company's strategy: ethics, excellence and customer relations, among others - always in line with EDP Culture.

Business Schools (Distribution, Generation, Trading, Transmission and New Business) | It develops the specific abilities of each business, improving the technical competence and retaining the technical knowledge and talents.

In 2017, the Company allocated R\$ 4.3 million to training and employee development activities, a total of 178,071 hours of training, with an average of 56 hours per employee. For more information on training and capacity building. **|GRI G4-9, G4-HR2|**

RECOGNITION BY MERIT

The Merit Program was perfected in the year. Until 2016, it was held once a year. With the review, managers began to have more autonomy to make the recognition at the time they deem appropriate - provided that the beneficiary meets the pre-established requirements of the Company. It is a format that adapts the initiative to the reality of each area and fosters a culture of recognition.

Employees are evaluated annually in two stages: definition and measurement of goals and evaluation of competencies. The first one is aligned with the Purpose-Driven Goals and aims at evaluating the performance of the teams (shared goals). The second is the analysis of strategic competences, feedback meetings and preparation of individual development plans. The desired skills are related to the different levels of positions.

Specifically for executives, since 2016, EDP Brasil has adopted a variable remuneration program for the long-term incentive. In accordance with rules established in the internal regulations, the initiative seeks to ensure the alignment of interests and the retention of these professionals.

In 2017, a survey conducted by Love Mondays, a platform in which employees and / or former employees evaluate their companies, revealed the level of satisfaction related to the remuneration and benefits of the main companies in the country. EDP Brasil obtained the highest grade in the Energy, Mining and Sanitation category (4.35 - with 5 being the maximum). In addition, it was recognized by Love Mondays as the 50 most admired companies in Brazil.

PREVENTION AND POST-CAREER

The EDP Group companies sponsor closed complementary pension plans managed by Enerprev Complementary Pension Plan of Energias do Brasil Group. Employees have the option of joining the Energias do Brasil Plan, whose modality is a Defined Contribution (CD), in which they make contributions of up to 7% of the monthly salary and the Company contributes 100% of the amount as a normal contribution. They can also opt for contributions above this percentage as a voluntary contribution, but the sponsor's contribution is limited to 7%. Some employees still participate in the PSAP / Bandeirante plan and the Escelsos I and II plans. However, both are closed to new accessions. For further information, visit www.enerprev.com.br. **|GRI G4-EC3|**

In 2017, the Retirement Incentive Program (PIA) was also carried out, with the aim of guiding retired employees or those close to retirement through workshops about post-career life, retirement and family relationships, among others. **|GRI G4-LA10|**

HEALTH AND SAFETY **|GRI G4-LA7, G4-EU16|**

The first principle of EDP Culture is "Life always first". Directors participate in periodic meetings and forums in order to conduct the Security theme in line with Strategic Planning. Risk control is defined by the mapping of the processes. Control is reinforced daily through audits and evaluations by the Safety area and managers, which has been one of the main drivers for the Company to anticipate undesirable events and prevent high-potential work-related accidents.

The Security theme is led by the Organizational Transformation Board, which takes advantage of the work of employees and partners involved in the implementation of the EDP Culture to enhance preventive and safe behavior. This Board is responsible for defining the Security policy, strategy and program, providing technical support to all businesses to prevent critical incidents with employees, partners and the population of concession areas. The Board also has corporate representatives and in each business unit, capable and able to support the implementation of incident prevention programs and tools. Several actions are developed routinely, including the preparation of procedures and manuals, technical specifications, inspections, audits, technical reports, monitoring of indicators, verification of legal compliance, emergency response training and simulations, training courses, continuous analysis behavioral observations and interactions with the teams, according to the activities carried out at each location. All courses and training are promoted in partnership with EDP University.

In 2017, in order to better understand the company's maturity in relation to the topic of Security, and in order to subsidize the definition of a medium- and long-term strategy to improve performance in this area, the Company hired foreign consulting services of international repute and carried out a culture and safety diagnosis, which identified the current level of maturity and the main improvement points to be worked in order to reach a level of excellence that allows the prevention of high potential incidents. Based on this diagnosis, it was defined to create an Executive Management dedicated to the themes, which elaborated a strategic planning, budget and defined the organization necessary to implement the defined actions, among them the creation of critical work protocols, programs of safe behavior, "Gold Rules" and other initiatives, which will be communicated in 2018. From the operational point of view, risk prevention and safety control actions were undertaken in each business unit. In the Water and Thermal Generation, the technical engineering team and the corporate safety area mapped the risks and the outbreaks of accidents through statistics and trends, categorizing deviations and near misses by typology and area. Thus, it was possible to better target actions and programs to control specific risks in certain areas and sectors: a solution for each demand.

In the Distribution, the highlight was the Life Connected program, which intensified inspections, interactions with operational teams, and evaluations of field activities. All employees and service providers that achieved 100% adherence to the criteria checked competed for prizes such

as tablets, bicycles and t-shirts, among others. Two employees from each locality were contemplated with a trip to Curitiba (PR), where the Rodeo de Eletricistas event took place, challenging participants to test their techniques of electricity work safely, including a cultural pass through the city.

The Company's operations are further endorsed by internationally recognized certifications. In the year, 86% of the Generation units, 46% of Distribution and 100% of Commercialization received OHSAS18001 certification. In compliance with current legislation, the Company supported the work of the Internal Accident Prevention Commissions (CIPAs), which, guided by the Safety area, played a fundamental role in the implementation of preventive actions, audits and accident investigations.

In 2017, four major accidents involving EDP employees (electric shock, fall of height, vehicle collision and run-down) were recorded, as well as four fatal accidents with service providers. EDP Brasil is in solidarity with the families, to which it gave all the support in such a delicate moment. Technical commissions of analysis and investigation for each accident acted with the objective of determining the root causes of each event and preventing recurrences. The lessons learned were disseminated throughout the Company. In addition, structuring actions were taken to accelerate the change of culture in the Company, as mentioned.

MAIN RISKS AND HAZARDS IN HEALTH AND SAFETY ARISING FROM EDP BRASIL'S ACTIVITIES	
Type of activity	Risk and danger
Distribution	Pressing and bruising in the handling of heavy machinery and hoisting of loads, contusions and falls of height during electro-mechanical assemblies, electric shocks during installation and maintenance activities in electrical networks, contusions during plant suppression and multiple injuries resulting from traffic accidents.
Generation	Electrical shocks during installation and maintenance activities in electrical networks, Vegetable suppression contusions and Multiple injuries resulting from traffic accidents
Commercialization and Services in Energy	Electrical shock during maintenance activities in electrical networks, Burns due to exposure to high temperatures
Administrative	Ergonomic and falls

Issues related to health and well-being are administered by the Personnel Management Board and are aimed at balancing personal and professional lives. It should be

noted the Conciliar program, which encourages the adoption of healthy habits, encourages solidarity and allows flexible hours.

Under this initiative, the Social Assistance Program, with a support network that provides services to employees throughout the country, provides social, psychological, social security, legal and financial assistance. In 2017, 5,822 calls were made. The Labor Gymnastics Program and other actions to encourage sports, leisure, culture, good nutrition and stress reduction were also maintained.

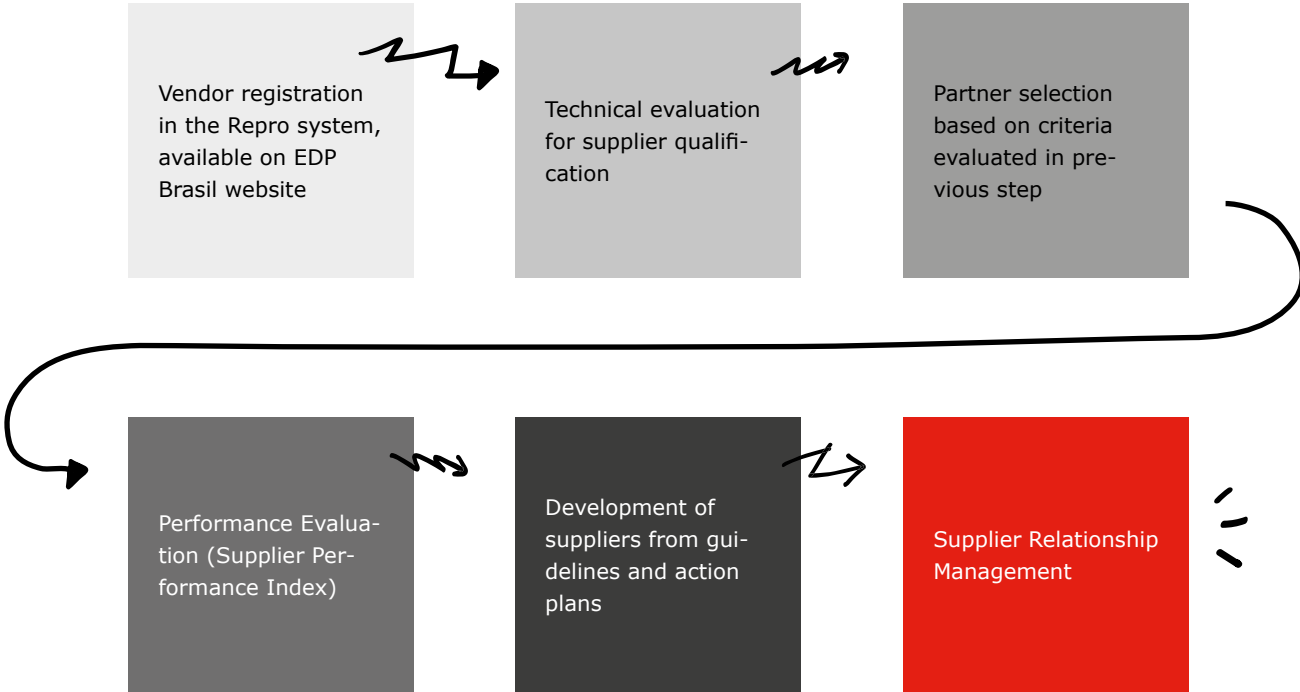
Since 2016, the Occupational Health and Benefits teams have been working in the administration of incentives offered to employees, such as health insurance, dental care, medicines, executive check-up and vaccination campaign. In addition to strengthening health management and control in the Company, this synergy enabled fewer costs - without reducing the benefits package.

BUSINESS PARTNERS

EDP Brasil counts on suppliers of materials and service providers for all segments - Generation, Transmission, Distribution, Commercialization, Energy Services and administrative areas. Whenever possible, local companies are prioritized in order to contribute to economic development around the operations. **[GRI G4-12]**

The relationship with this public begins at the registration stage, when companies register their data and portfolios in the website of the Company. The information is evaluated by an independent organization, which verifies tax, the environmental and social regularity with government agencies, as well as aspects of socio-environmental responsibility. Only after this approval, the Company is allowed to select the possible supplier.

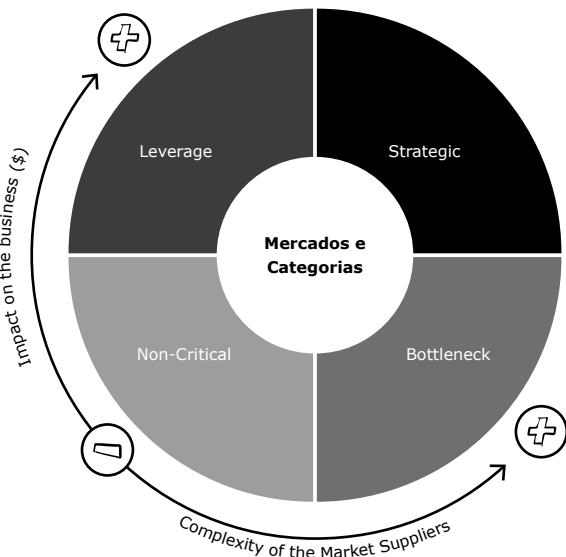
STAGES OF RELATIONSHIP WITH SUPPLIERS



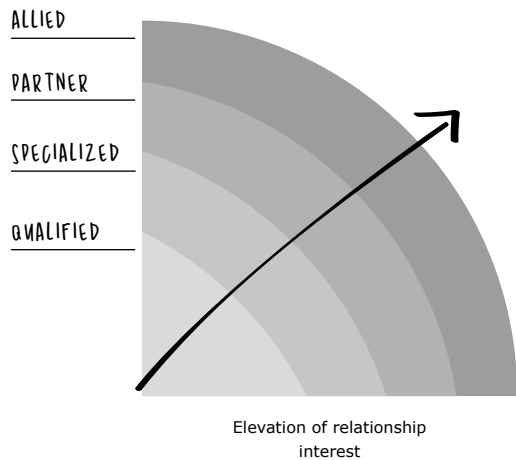
The chosen ones are segmented according to socio-environmental risk criteria and based on the complexity and impact of their operations to the business. Subsequently, they are classified among skilled, specialized, partners and allies. The segmentation process guides the intensity of the relationship with the suppliers, being partners and allies. The

segmentation process guides the intensity of the relationship with suppliers, partners and allies, in which the company seeks to be closely monitored - represent more than 75% of the total volume of purchases made.

STRATEGIC MATRIX



SUPPLIERS SEGMENTATION



During the contractual period, trading partners are evaluated through the Supplier Performance Index (IDF) (see table). It considers legal and contractual requirements, quality of service, deadlines for delivery, socio-environmental responsibility, certifications, management and innovation, and the results are presented

quarterly. This practice allows the Company to anticipate and mitigate operational, environmental, social and reputational risks. Suppliers who maintain the IDF at an unsatisfactory level or who do not meet any legal requirement for more than three consecutive evaluations may have the agreement terminated.

EVALUATION OF SUPPLIERS IN ENVIRONMENTAL ASPECTS, LABOR, HUMAN AND SOCIAL RIGHTS [GRI G4-EN32, G4-EN33, G4-LA14, G4-LA15, G4-HR11, G4-SO10]

	2015	2016	2017
Percentage of agreements with suppliers that have environmental, labor, human rights and social clauses	100%	100%	100%
Percentage of agreements with suppliers that were selected by environmental, labor, human rights and social criteria	0%	0%	0%
Number of suppliers that have a potential negative impact on the environmental, labor, human rights and social aspects (total suppliers that are to some extent in the matrix as a significant risk)	12	52	71
Number of suppliers that have a potential negative impact on environmental, labor, human rights and social aspects (total suppliers that are to some extent in the matrix as a significant risk)	14	52	71
Percentage of suppliers identified with potential negative impact on environmental, labor, human rights and social aspects that were subject to audits	85.7%	27%	100%
Percentage of suppliers identified with potential negative impact on environmental, labor, human rights and social aspects in which improvements were agreed between the parties as a result of auditing	85.7%	27%	100%
Percentage of suppliers identified with potential negative impact on environmental, labor, human rights and social aspects and relationships were closed as a result of audit	0%	0%	0%

All suppliers in the partner segment are audited annually at their facilities by an independent certification agency to verify socio-environmental and contractual requirements.

ner company is notified and you can have your payments blocked until you regularize the pending issues.

As a means of guaranteeing the rights of those who work for EDP Brasil, proof of compliance with the contractual obligations of contracted companies is required monthly. The documentation passes through consistency analysis, performed by an entity specialized in labor legislation. If you are not in compliance with a legal condition, the part-

All suppliers whose contract exceeds the amount of R\$ 500 thousand go through a reputational analysis of compliance before hiring, in which possible company involvements, partners and board representatives are investigated in illicit acts. In case of high-risk identification in the performance of the supplier, its contracting is not recommended.

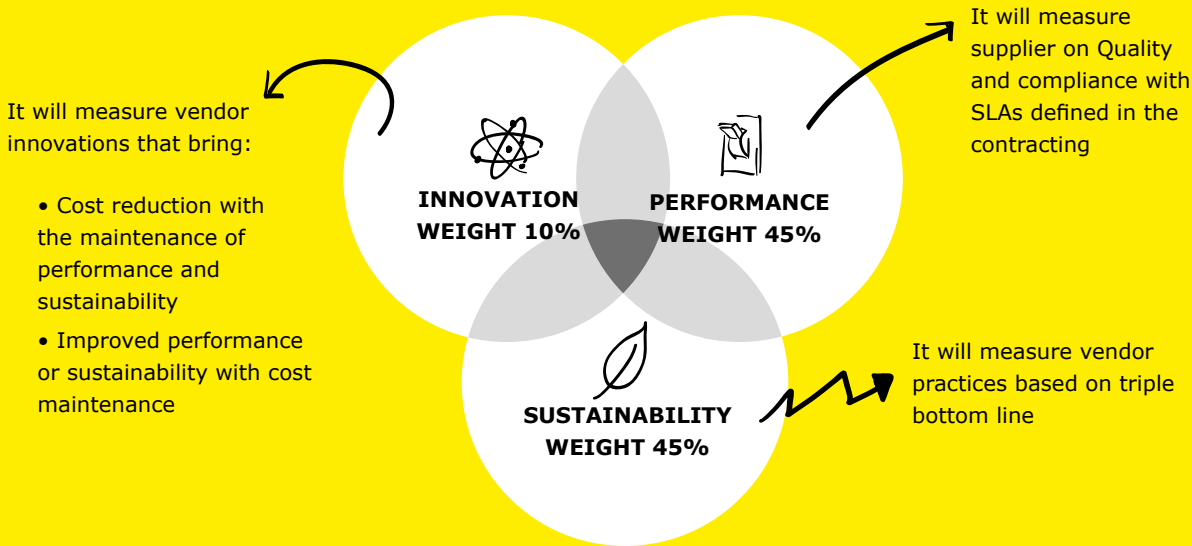
SUPPLIER PERFORMANCE INDEX (IDF)

The methodology adopted by EDP Brasil to monitor and evaluate the performance of its suppliers from indicators, which classify companies in grades from zero to 100, grouped into three pillars:

PERFORMANCE
They measured the quality of deliveries

SUSTAINABILITY
They verify compliance with social, environmental and economic laws and practices, as well as related to health and safety

INNOVATION
Evaluate management practices with a focus on constant innovation

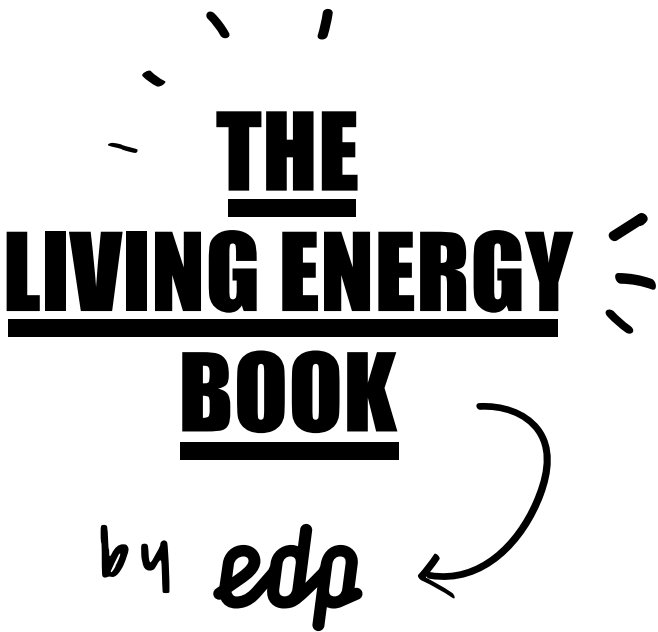


The agreements contain clauses related to human rights, require adherence to the Code of Ethics and provide for measures to combat cases of corruption and slave and child labor, repudiated by the Company. This allows the rapprochement between the principles of EDP Culture and the ethical values of contracted companies. **[GRI G4-HR5, G4-HR6, G4-HR9]**

In 2017, EDPartners was held for the first time in Brazil, an initiative that recognizes the best suppliers of the EDP Group as an incentive to good practices and the best examples of innovation and social responsibility. The Supplier's Code of Conduct was also drawn up, which became a contractual condition.

In view of this synergy of principles, EDP Brasil has not yet intensified the program of multiplying its culture for partners. Over the course of the year, more than 3,000 people were committed to the principles. The number is proportional to the number of professionals. This result was only possible thanks to the work of volunteer employees who spent time in an immersion of more than six hours, aiming to communicate how these principles can be put into practice in a daily bases.

For more information on business partners, see page 87. **[GRI G4-EC9, G4-EN32, G4-EN33, G4-LA14, G4-HR10, G4-SO9]**



CAPITAL STOCK

MANAGEMENT OF SOCIAL IMPACTS |GRI
G4-EC7, G4-EC8, G4-SO1, G4-SO2, G4-EU19,GRI
G4-EU20, G4-EU22|

Responsibility for the whole, is one of the principles of EDP Culture, the Company monitors possible impacts arising from its operations - especially in asset construction stages - and dialogues with governments, social organizations and local leaders to identify compensation and opportunities for the development of areas of influence.

EDP Brasil seeks to avoid the need to displace communities during the construction of new sites, even if this implies changes in the initial planning. Moreover, in the area of influence of São Manoel HPP, during the construction phase, 55 properties were registered, and only one riverside family was relocated.

São Manoel HPP continued the Infrastructure and Social Equipment Reinforcement Program. In order to minimize and compensate for the impacts of the construction phase of the project, the initiative foresees a total investment of R\$ 27 million during the project, an amount that has been applied in improvements to the public services offered in the municipalities surrounding the plant: Paranaíta (MT), Alta Floresta (MT) and Jacareacanga (PA).

In 2017, several initiatives were carried out for Gleba São Benedito, a rural region located in the southern portion of Jacareacanga (PA), such as the delivery of a school with a covered sports court, a health unit and housing for teachers and Health professionals. It was also given the “mechanized patrol”, a set of heavy machinery intended for the maintenance of the vicinal roads of the region.

In Paranaíta (MT), the construction of the Military Police base in the municipality was completed. Its execution is monitored by the inspecting agency and the Brazilian Institute for the Environment and Renewable Natural Resources (Ibama), in compliance with the conditions of the installation license.

The year was also a continuation of the socio-environmental programs for compensation in the surroundings of the Cachoeira Caldeirão HPP, which came on stream in the previous year. The initiatives include the expansion of Chico Mendes Institute for Biodiversity Conservation (ICMBio) in Porto Grande, and the construction of recreation and leisure areas in the municipality of Amapá.

Reforms were also undertaken in the buildings of the Military Police Battalion.

In the area of influence of Peixe Angical HPP, environmental education actions are carried out with tourists and the riverside population. Besides that, it is maintained an agreement with the Battalion of the Environmental Police of the State of Tocantins in order to assure the inspection and environmental preservation of the region. In the year, a study was carried out to preserve biodiversity.

In compensation for the implementation of Mogi - Suzano Air Transmission Line (LTA) (88/138 kV), EDP São Paulo benefited seven families with the construction of new masonry houses near their homes. The outline of this project covered an area of the municipality of Mogi das Cruzes dedicated to the planting and cultivation of vegetables and to compensate for the impacts caused in these areas during the construction period, EDP São Paulo compensated 64 farmers totaling approximately R\$ 1.3 million. In addition, during the project, social communication work was carried out with the surrounding population to resolve doubts about the activities.

In the area of influence of the Distribution Line (LD) Branch for SD Lameirão (138kV), located in the city of Guarapari (ES), a social communication program was also undertaken with a view to safety in the distribution line, in order to avoid accidents. The public directly visited were 31 residents, 2 businesses and 1 school, all around the project, in addition to the distribution of explanatory material with indirect coverage for a total of 125 people.

RELATIONSHIP WITH INDIGENOUS PEOPLES
|GRI G4-HR8|

The region where the São Manoel HPP is located comprises an Indirect Influence Area (IIA) with indigenous lands of the Kayabi, Munduruku and Apiaká ethnic groups. In the licensing of the enterprise by the involved agencies, three Basic Environmental plans were established to Indigenous Component (PBAIs) - one for each ethnic group. Each plan has 17 environmental programs, approved by the National Indian Foundation (Funai) before the beginning of the construction works of the plant. For the implementation of the programs, Management Councils were created, with representatives of EDP Brazil, Funai and each of the indigenous peoples covered. In this way, it was possible to know the needs closely and to improve the direction of the actions and resources envisaged.

The communication is strengthened within the scope of the Indigenous Social Communication and Interaction Program, which integrates each of the PBAIs. The main objective is to ensure that information reaches traditional communities in a clear and timely manner, keeping Indians up to date on the environmental licensing process and the phases of construction and operation of the enterprise. The initiative continued through the year through the production of printed newsletters, online bulletins via e-mail, radio advertising and informative pieces - including texts translated into the ethnic languages covered.

Indigenous communities are in constant contact with communication agents through radio amateurs and can file lawsuits with Fale Conosco Indígena (toll free (0800) and via e-mail). In 2017, there was an increase of this tool with the application of Whatsapp and frequent visits to the communities. All requests received are evaluated and answered to the interested party as soon as possible.
|GRI G4-26|

In spite of the Company’s investments, the São Manoel HPP was the scene of demonstrations by indigenous people dissatisfied with government policies, which occupied the construction site for five days, until an agreement was reached with Funai Presidency, the Federal Public Ministry (MPF), Empresa de Energia São Manoel (EESM) and Companhia Hidrelétrica de Teles Pires. In October, the monitoring system of the indigenous movement identified the mobilization for a second occupation. After confirmation, the Company initiated the Action Plan to Mitigate the Risk of Indigenous Invasion at the Construction Site, through which it obtained an injunction from the Federal Justice and the call, by the Federal Government, of the National Force, Federal Police, in addition to agents of the Presidency of the Republic, Ibama and Funai.

In this way, it was possible to prevent the occupation and conduct a peaceful negotiation with the natives, who stayed overnight on the banks of the Teles Pires River, outside the construction site and visited funeral urns rescued by Companhia Hidrelétrica de Teles Pires, sacred to the ethnic group Munduruku. Meetings were also held between members of the Federal Government and indigenous people.

This type of indigenous movement seeks, through occupation in projects of high national relevance, such as São Manoel HPP, to call the attention of the press and the Government to a set of demands, usually related to the demarcation and homologation of indigenous lands - however, in the cases mentioned, there are no specific complaints against the enterprise.

The recent experiences in the negotiation with this group allowed, the Company, to take cognizance of the players involved and their demands, which will provide, with support from the Federal Government, agreements to make feasible the installation of the Tapajós Complex hydroelectric power plants.

UNIVERSALIZATION OF SERVICES

Federal Law No. 12.212 / 2010 provides for the Social Tariff, which consists of cumulative discounts on the electricity bill of low-income residential customers enrolled in the Single Registry (CadÚnico, Cadastro Único) for Social Programs of the Federal Government and with equal or lower consumption to 220 kWh / month [2]. In accordance with the norm, EDP Brasil, through its distributors, establishes partnerships with municipal governments in order to stimulate the adhesion of the vulnerable population to the CadÚnico, which contributes to the control of default rates. In 2017, the two distributors added 169,148 customers registered in the Social Tariff.

In Generation, the undertaken actions aim at the universalization of electric energy. In Jacareacanga (PA), in the region where São Manoel HPP is located, the Company has already invested R\$ 8.5 million in approximately 300 kilometers of single-phase, two-phase and three-phase grids with a power of 34 Kv to bring electricity to 85 properties located in Gleba São Benedito, benefiting around 255 people.

EXTERNAL SOCIAL INVESTMENTS

The Company understands that using its “energy to take care always better” is to meet social demands that transcend the impacts of operations and concession areas while remaining in line with the principles of EDP Culture.

In this sense, the EDP Institute stands out, which completed ten years in 2017 and, during the period, reviewed the initiatives supported. The intention is to keep the amount contributed in social causes with a strategic focus, in order to optimize resources and boost results.

With the support of external consulting, criteria were defined to evaluate the approximation of the proposals received with the Company’s strategy. From this, the projects are arranged on a map of relevance, which aims to facilitate decision making for social investments.

In the year, there was an increase in the number of volunteer employees - 499 people who totaled 10,338 hours of work in support of ad hoc campaigns, donations and situations of public calamity. The growth of 8.61% in relation to the previous year reflects the engagement of employees in EDP Culture. The following initiatives were highlighted:

Desafio do Bem (The Challenge of Good Actions) | It encourages voluntary and collaborative work, through which employees have the opportunity to experience adverse realities in communities close to EDP Brasil assets and to support social organizations, while developing competencies such as solidarity, empathy, resilience and tolerance. In 2017, 16 teams with 253 employees performed more than 50 actions that benefited more than 20 thousand people from partner entities.

EDP Leadership in Schools | It motivates the voluntary action of the Company's managers with a view to promoting actions for structural improvement, educational management and appreciation of the Portuguese language in public schools.

Parte de Nós (Part of Us) | It encourages volunteers to promote environmental actions such as lectures and cleaning beaches and rivers in communities where the company is present. At Christmas time, the team visits social organizations and promotes actions that bring good energy and joy to the beneficiaries.

The following were the main causes endorsed by the EDP Institute in the course of 2017:

PORTUGUESE LANGUAGE

resources in projects of promotion to the lusophone culture and aid in the preservation of the language, main link between the two countries.

In 2017, the restoration works of the Museu da Língua Portuguesa, in São Paulo (SP), continued. Inaugurated in 2006, the first cultural space entirely dedicated to a language was destroyed by a fire in late 2015. In total, EDP Brasil is earmarking R\$ 20 million in 30 months - representing 32% of the total budget of the work. The reopening of the Museum is scheduled for 2019. However, to anticipate the experience for the public, the Portuguese Language Truck was developed, which left the Ibirapuera Park in São Paulo (SP), and passed through Guararema (SP), Guarulhos (SP), Cachoeira Paulista (SP), São José dos Campos (SP), Rio de Janeiro (RJ), Parati (RJ), Vitória (ES) and Cachoeiro do Itapemirim (ES) and Linhares (ES).

The vehicle and its scenographic structure occupy an area of 300 m2, and hosted an exhibition on the countries that speak the language, the differences of Portuguese spoken in Brazil and Portugal, as well as curiosities about common idioms.

In the outside area, activities were carried out such as poster making with the visitors' favorite literary quotations; reading room with workstation; and the light painting, in which the participants wrote words in the air that were captured by a photographer with the support of a light. In the evenings, classic movies inspired by the Portuguese language were shown, such as "Palavra Encantada" and "Língua: Vidas em Português". In 2017, more than 11,600 people visited the exhibition, which will continue to circulate next year.

Also for the Portuguese language, the EDP Institute announced sponsorship of the 15th International Literary Festival of Paraty (Flip 2017). Representatives and executives of the Company were present at a literary table that debated the work of Lima Barreto, author honored by the language fair in the year. The Truck of the Portuguese Language was present at the event.

VALUATION OF CHILDREN AND ADOLESCENTS

Through direct or incentive investment through the Fund for Children and Adolescents (FIA, Fundo para Infância e Adolescência) and laws to encourage sports or culture, the EDP Institute supports several projects aimed at child development and seek to distance young people from social vulnerability and early work:

Psychoactive Project | It was carried out in partnership with the Association of Social Activities of the Sector of Ornamental Rocks of Espírito Santo (Rochativa). It consists of individual psychological assistance to public school students in Cachoeiro do Itapemirim (ES).

Saber Viver (Know How to Live) Project | Action of the Associação Amigos da Justiça, Cidadania, Educação e Arte (Friends of Justice, Citizenship, Education and Art Association), which serves children and adolescents from 7 to 17 years of age, in Aracruz (ES). The goal is to follow the school performance of the participants and strengthen the bonds between the youth, family, school and community.

Instituto Recriar | Through art, it promotes citizen training activities to children in situations of social vulnerability, residents of the municipality of São José dos Campos (SP).

Vôlei Vida | It offers, in Espírito Santo, free volleyball classes for children and young people from 9 to 18 years of age. Prioritize attending students in places of risk, such as the regions of Garanhuns and grande Terra Vermelha.

Learning and Growing | Includes "futebol society" lessons and pedagogical accompaniment to students from municipal and state schools of needy regions in Palmas and Lajeado, Tocantins.

Sports Caravan | It empowers teachers for innovative sports education techniques and promotes sports practices and experiences to participating school students.

Due to its performance in this context, EDP Brasil is recognized by Fundação Abrinq with the seal of Empresa Amiga da Criança. In 2017, it was also recognized by the Global Child Forum (GCF) for supported programs and initiatives.

FIGHTING CHILD CANCER

The Company has for more than ten years endorsed the fight against child and adolescent cancer through actions undertaken in São Paulo and Espírito Santo. In 2017, another step was taken with the announcement of partnerships with the Cancer Assistance Group (GACC, Grupo de Assistência à Criança Com Câncer) in São José dos Campos (SP) and the Capixaba Association Against Childhood Cancer (ACACCI, Associação Capixaba Contra o Câncer Infantil) in Vitória (ES). Within the EDP Program in Fighting Childhood Cancer, institutional donations were offered to both organizations. In addition, it was announced the construction of an energy-generating micro-power plant with photovoltaic panels, as well as the donation of 1,500 LED lamps. On the other hand, ACACCI has been offered an adapted car to be used by People with Disabilities (PCDs). The institution also receives monthly donations from 12 thousand clients of EDP Espírito Santo.

The Company also continued partnerships with the Support Group for Adolescents and Children with Cancer (GRAACC) and the Association for Children and Adolescents with Cancer (TUCCA), both in São Paulo (SP).

EDUCATION

Together with Municipal Secretariats of Education, EDP in Schools engages teachers and students in initiatives to encourage the improvement of the quality of student life, citizen education, the conscious and safe consumption of energy and the preservation of natural resources.

In 2017, the action was carried out in 37 schools in the states of Amapá, Bahia, Ceará, Espírito Santo, Rio Grande do Norte, Rio Grande do Sul, Santa Catarina, São Paulo and Tocantins. More than 8,000 students received school kits with items such as a backpack, notebook, pencil, sharpener, pen and glue, and participate in the cubes challenge, which includes games that teach students how to use energy efficiently and safely.

In the year, "Safety with Electric Power: Life always in the first place" was the theme of the contest "Arte com Energia" (Arts with Energy), in which students were en-



EDP Truck - "The Energy of the Portuguese Language"

couraged to create mascots with recyclable materials. The subject was also approached in the programming of the Theater in the Schools, circuit of presentations that are part of the project. Thus, the EDP Institute began the dissemination of the EDP Culture to the communities it serves. In the coming years, the other principles will be highlighted by EDP in the Schools.

The initiative also trained 507 teachers and educators with content on developing social-emotional skills, with suggestions for educational activities on self-awareness, self-management, social awareness, relationship skills, responsible decision-making and a culture of peace. As a support material for the development of practical activities in schools, educators received a training guide and Mônica Guttmann's book "A lata de sentimentos e seus caminhos".

It was also held the edition of the Entrepreneurship Education project, which aims to stimulate social-emotional skills in students of state public schools in São Paulo and Espírito Santo. The differential is the teaching of concepts about entrepreneurial initiatives, allowing students to create and develop their business models from the assimilated content. The works are presented to the community during Entrepreneurship Fairs.

Teachers are involved in previous stages of action, in which skills are provided. In this cycle, they were instructed on the platform Dreamshaper, used throughout the process. The tool combines the data provided by the students and structure the action plan that comprises implementation, application of resources and evaluation of the phases of the business.

The project had the participation of 2,818 students and 106 teachers in 12 municipalities, as well as 719 programs created.

In 2017, in partnership with Dreamshaper, through the BNDES social sub-loan application, the Next Startup Contest was held, with the purpose of encouraging the structuring of business plans and life projects. As a result, the participation of 3,482 people and the creation of 1,753 projects related to Trade, Services and Industry are highlighted; Technology-based companies; Social Business; and Energy Solutions.

LOCAL DEVELOPMENT

EDP Brasil invests in projects that promote local development, income generation and the social inclusion of residents and clients close to the projects and concession areas of the distributors.

Community Banking | Held in partnership with the NGO Ateliê de Ideias and Rede Desenvolver, it offers housing microcredit to guarantee low-income families the right to decent housing in safe and comfortable conditions.

Community Gardens | Based on processes of organic production and urban agriculture, the project consists of the implementation of community gardens under the Aerial Distribution Lines of the municipalities of Suzano, Mogi das Cruzes and Poá, in São Paulo.

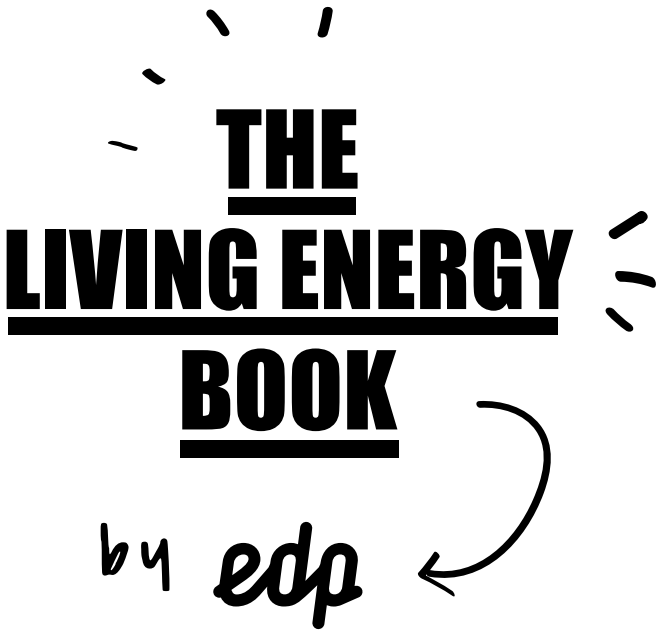
Hydroponic gardens | Production and commercialization of hydroponic vegetables in Miracema (TO). The initiative engages families in a state of vulnerability and social risk with a view to generating income. It also contemplates chemical dependents in order to reintegrate them into society.

Lajeado in action | Working group composed of several social actors from Lajeado (TO). The objective is to boost development, tourism and income generation in the municipality. In 2017, the III Annual Meeting of Art and Culture of Lajeado was held.

Recovery of springs of Castelo | It consists of geo-referenced protection and monitoring in the municipality of Castelo (ES). It also aims to sensitize the surrounding community about water conservation through actions in partnership with the Sociedade Amigos do Vale do Castelo (SAVAC).

Gurigica Engagement | An open space for dialogue and articulation among social players who seek solutions to promote positive changes in Território do Bem, in Vitória (ES) - a region with a high rate of commercial losses and social vulnerability. Several actions were carried out during the year, among them capacity building to strengthen community-leaderships and personal financial education courses.

In 2017, with the support of the EDP Institute, the Company also integrated projects related to electricity security, combating commercial losses, default and reduction of network incidents caused by kites.



NATURAL CAPITAL

Natural capital is of extreme importance for EDP, since it is linked to generation, transmission and distribution activities, which depend on natural resources such as water for hydroelectric generation and coal for thermal generation. In addition to all the distribution and transmission activities, they are subject to the weather and the harmonious coexistence of the nets with the arboreal plant species.

ENVIRONMENTAL BUSINESS
MANAGEMENT |GRI G4-EN27|

The environmental management of EDP Brasil takes place in a preventive manner and contemplates several activities, in the stages of environmental licensing such as environmental investments and the implementation of Basic Environmental Plans (PBA) and is also present in maintaining the certification of the Environmental Management System - activities carried out by the local areas of Environment of each of the business units.

Environmental themes are managed based on the guidelines of ISO 14001:2015 and standardize internal procedures in all units. This work aims to identify the environmental impacts caused by the Company's activities and to implement and maintain operational controls to mitigate them, ensure compliance with mandatory legal requirements, identify and correct deviations, and ensure a commitment to environmental preservation and continuous improvement of this process. In total, 86% of the Generation assets, 27% of the Distribution and 100% of the Energy and Commercialization unit are certified in environmental standards.

In 2017 there was an increase in the environmental certifications of EDP Brasil as a whole, with emphasis on the Distribution business units. At EDP São Paulo, there were 24 substations certified in the ISO 14001 standard, adding a total of 30 certified installations (27 ETDs - Transformation and Distribution Stations and 3 EBCs - Capacitor Bank Stations), which represents 2,050 MVA of corresponding to 50% of the Distributor's installed capacity. At EDP Espírito Santo, certifications were maintained in three substations, with a total of 124.5 MVA of power. In the same year Peixe Angical HPP guaranteed the recertification of the ISO 9001, ISO 14001 and OHSAS 18001 standards, the first two with the updated versions in 2015. It was also certified by the SHP Rio Bonito in Espírito Santo, totaling 81% of the installed capacity certified for hydroelectric power plants. And the TPP Pecém certification was maintained.

In addition to these actions, and in addition to legal obligations, EDP Brasil seeks to improve technologies and initiatives to prevent and mitigate environmental impacts arising from its operations. In 2017, R\$ 89 million was invested in this area. |GRI G4-EN31|

Principles such as "Unconditional Respect" and "Responsibility for the Whole" enhance the awareness of employees on issues related to the preservation of the environment. Environmental education actions, for example, dialogue with the EDP Culture project and encourage the correct use of natural resources in all units.

The transmission lines are at the beginning of the construction process. The environmental studies were elaborated within the scope of the environmental licensing process. Through this, the potential positive and negative impacts of the enterprise in the region will be identified and evaluated and proposals will be made to maximize the positive impacts and measures that minimize the negative ones.

WATER AND EFFLUENT

Water is fundamental for the generation of electric energy - both in hydroelectric and in thermoelectric plants. Its scarcity, therefore, can significantly impact the performance of the business. Thus, the Company invests in actions and technologies that aim at the preservation and better use of water resources.

In 2017, the new administrative building of TPP Pecém and the Poá Distribution Services Center (CSD) of EDP São Paulo were inaugurated, with a system for collecting rainwater on the roofs.

Still in EDP São Paulo, in 2017, the rainwater catchment system was maintained, which allowed the reuse of approximately 8 thousand liters of water, used for washing the floor and flushing the changing room urinals.

During the period, EDP Brasil consumed 12,036.182 m³ of water, about 6.1% lower than the consumption of 2016. The amount is lower in comparison to the total of water collected in the previous year due to the increase of the efficiency of the water consumption in the productive process of the TPP Pecém and the conclusion of the construction works of the São Manoel HPP. |GRI G4-EN8, G4-EN10|

The consumption of raw water concentrates in the thermal generation, and the other activities consume water

for administrative purposes. In the last three years, optimization projects have been carried out, which led to the reduction of 8.6% of the resource consumed per MWh from 2016 to 2017.

CONSUMPTION OF WATER BY GENERATED ENERGY
(PECÉM HPP) M³/MWH



At the construction site of the São Manoel HPP, water is collected from the Teles Pires River, treated at a Water Treatment Station (ETA) and then sent to the various points of consumption. Regarding the proper disposal of the effluents, the treatment is done through a lagoon system, being an anaerobic and an aerobic facultative.

The TPP Pecém, in turn, performs residual water analyzes to verify the quality by means of the measurement of some parameters, such as pH, temperature, sedimentable materials and total suspended solids, among other parameters. Since in 2017 all the wastewater discharged were within the standards required by the legislation. After this stage, the material is sent to the Ceará Water and Sewage Company (Cagece), responsible for the treatment and disposal of effluents - except for hazardous and contaminated by oils and greases, which are transported for treatment in specialized companies. |GRI G4-EN8, G4-EN22|

WASTE

Waste from operations is segregated, stored, treated and disposed of in an environmentally sound manner. The Generation and Distribution units periodically carry out an inventory in order to size the quantity and, subsequently, to plan actions for the reduction.

One highlight of the year in reuse was the inauguration of the new administrative building of TPP Pecém, whose structure was built by blocks with 5% of coal ash generated at the plant itself. Considering the goal of promoting circular economy, 32.2% of the ashes produced in Generation were sent to coprocessing, as a by-product of the cement industry.

Peixe Angical HPP establishes a partnership with the waste collectors association of the municipality of Gurupi (TO),

for which it transmits recyclable waste from the selective collection. In 2017, more than one tonne of recyclable waste was destined to the collectors' association. The plant also has a waste facility, where the material is properly stored until final disposal.

For the treatment of soil and sawdust residues contaminated by petroleum products, São Manoel HPP has a Waste Management Center (CGR), in which a variety of recyclable materials such as metal scrap, paper and plastic are also sorted and packed. In 2017, for example, more than 1,500 tons of metallic materials (iron, aluminum and copper) were destined. During the year, the CGR allocated 75 tons of hazardous waste.

In this plant, a solution was also created in 2016 to meet the environmental constraints of the Vegetation Suppression Authorization (ASV) issued by IBAMA, which requires the use of 30% of the wood from the vegetation suppressed in the reservoir areas of the São Manoel HPP. A wood processing unit was installed in the form of pieces (boards, rafters, beams, etc.) for use in the construction of popular houses, or in chips for industrial furnaces. In 2017, 10,515 m³ of raw wood were benefited, which generated a volume of 7,551 m³ of benefited wood. Part of this volume will be donated to Paranaíta municipal government and to São Pedro Sitting Cooperative. Another 68,464 m³ of raw wood was donated in 2017 to the neighboring owners who had unoccupied areas for the installation of the project. This volume of wood, added, represents 65% of the total amount suppressed, and 35% more than the volume required by the environmental body.

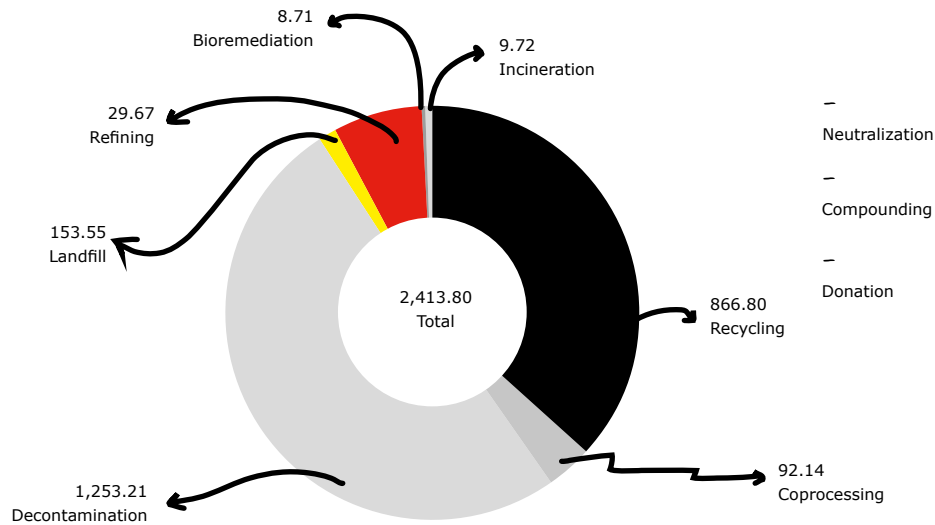
Within the scope of the commitment to the circular economy, in addition to the reduction of waste, the Company develops actions to reduce the consumption of materials. The distributors undertake plans for the recovery and reuse of transformers, through which 75% of transformers were recovered at EDP São Paulo and 48% at EDP Espírito Santo. These units also take care of the storage of hazardous waste to mitigate risks of contamination of soil, water and other materials. |GRI G4-EN2|

In 2017, 2,413 tonnes of hazardous waste and 360,779 tonnes of non-hazardous waste were generated. These figures are respectively 125% and 23% higher than in the previous year, mainly due to the exchange of various network assets such as poles and meters in distribution networks. And in the generation the increase was caused, mainly in the TPP Pecém due to the maintenance of the coal conveyor belt and the cooling towers, as well as the demobilization of the temporary building of the plant. |GRI G4-EN23|

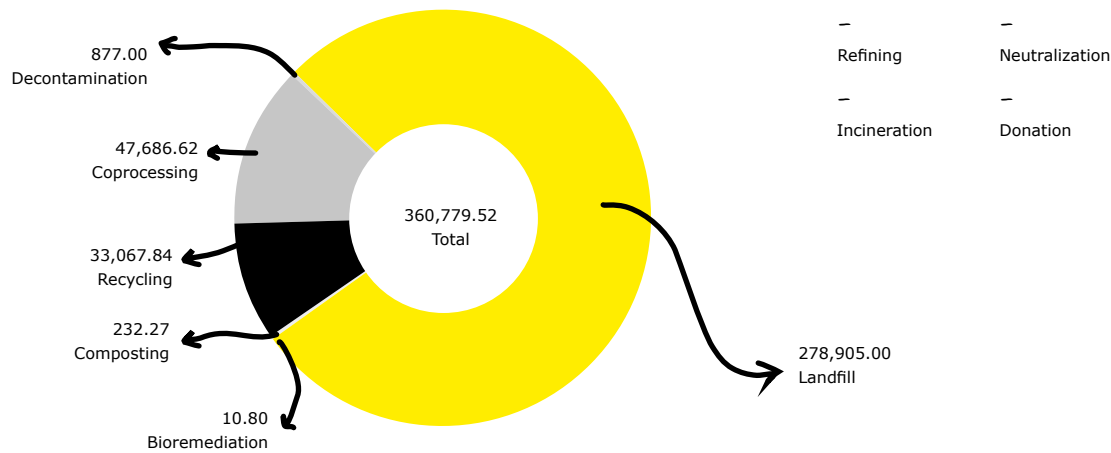
TOTAL WEIGHT OF WASTE PER TYPE OF DESTINATION (TON)



HAZARDOUS WASTE



NON-HAZARDOUS WASTE



More information on waste and use of materials is detailed on page 100. **| GRI G4-EN1, G4-EN23 |**

BIODIVERSIDADE **| GRI G4-EN12, G4-EU13 |**

Biodiversity management at EDP Brasil encompasses risk analysis in all business units. The stage of construction of a generating unit is the one with the greatest impact on biodiversity, since it can cause vegetation removal and, in the case of hydroelectric plants, change of the soil use during the reservoir filling stage.

Small-scale impacts on biodiversity around already operating plants may also occur. Thus, São Manoel HPP follows the area of influence through satellites and airplanes, as well as boats that run throughout the reservoir. The objective is to anticipate situations of environmental degradation and intervene with more agility. It also has seed banks and the Wild Animals Screening Center (CETAS) to study and preserve local biodiversity.

Peixe Angical HPP also monitors local fauna and flora. An example is the work carried out with external consultancy support to monitor the behavior of the porpoise species

of the region, as well as their interaction with fish. In the unit, the calculation of maximum fish production in the reservoir was also undertaken. The study was developed in partnership with the Brazilian Agricultural Research Corporation (Embrapa) in order to ensure that the aquaculture activity is done in an orderly manner, respecting the capacity of the reservoir.

At the Luís Eduardo de Magalhães HPP, the construction of a dam that minimizes the formation of pools to prevent fish from being trapped has been completed. And during the year 2017, a Wildlife Screening Center (CETAS) was also built in Palmas. It is a regional service center that has a hospital for animals; for its relevance and strategic location in the state capital, was redesignated as CEFAU, Tocantins Fauna Center; in addition to the activities of a screening center, also accommodates the analysts and researchers of the area of fauna of the State Environmental Agency, NATURATINS, also responsible for its general operationalization. Still in the Generation, HPP Mascarenhas started a project of socioeconomic and environmental benefit. In 2017, it released 150,000 cubs of fish on the Rio Guandu, a tributary of the Rio Doce, near its reservoir. Lambari species of the yellow tail, curimba and red piau composed the shoals given to nature, reestablishing the populations of native species of the place. The initiative is the result of an in-depth study on alternatives to fishery management, in which actions such as manual fish transposition, quarterly monitoring of aquatic biodiversity and the release of fish cubs were proposed.

In Distribution, the main impact stems from the proximity between trees and power grids. EDP São Paulo controls this risk by means of biodiversity agreements with municipalities to adjust the urban afforestation in concession areas. In 2017, an agreement was signed with the municipality of Monteiro Lobato, which enabled the construction of a nursery and the donation of 1,250 seedlings of native species to enrich the local biodiversity. In addition, in order to encourage customers to join the invoice by e-mail, there was a commitment to donate one tree seed for every 20 registered invoices. Thus, in the year, 531 seedlings were planted, and 766 seedlings of native species were donated in the municipalities of the concession area. At EDP Espírito Santo, there is a Technical Cooperation Agreement with the Agricultural and Forestry Defense Institute (Idaf), which provides services for the maintenance of services (Lines and Networks) in rural areas, as well as tree suppression for the construction of distribution lines and substations. Also, the donation of inputs to the Municipality of Atílio Vivacqua/ES, through the Municipal Environment Secretariat,

was made to be used in the “Águas de Marapé Project”, with the objective of promoting quality improvement and increase the flow rate of resources by means of actions of recovery, preservation and conservation of the springs of the municipality.

In mid-2017, occurrences of wild animals were recorded near the electric grid in the Guararema municipality. After visiting and elaborating a technical report, it was evidenced the need to replace a portion of the conventional network by multiplexed network. The substitution was performed, thus avoiding other occurrences with wild animals in the place.

There is still a need to remove vegetation in the construction of distribution assets. For this, the two distributors develop preliminary analyzes of characteristics of local fauna and flora, protection of environmental areas, among other aspects. Referred to the regulatory agencies that authorize the implementation of the project, these studies also detail actions for mitigation, including the planting of native trees and the collection of seeds at the site (in cases of threatened endangered species). **| GRI G4-EN27 |**

Upon changing the headquarters of the EDP Espírito Santo, a family with eight individuals from Sagui-de-Cara-Branca (*Callithrix geoffroyi*), who lived with employees in the old facility, was rescued with the help of professionals and researchers linked to the Biomas Institute and Federal University of Viçosa (UFV) and taken to the Wild Animals Screening Center (CETAS) of Ibama, in Serra (ES), from where it was later referred to the Cereias Project, in Aracruz (ES), for reintroduction into nature.

PROTECTED AREAS **| GRI G4-EN11, G4-EN13 |**

Some of the Company’s facilities are in environmental areas protected by Brazilian legislation or considered by Conservation International as of great biological wealth.

Generation maintains facilities in the Amazon and Cerrado biomes. In the first one, there are assets of Santo Antônio do Jari, Cachoeira Caldeirão and São Manoel HPPs, occupying 211.32 square kilometers of protected and priority areas for conservation. In the second one, all the areas of influence of the Luís Eduardo Magalhães HPP and Peixe Angical HPP are located, besides the Mascarenhas and Suíça HPPs and of Francisco Gros, Rio Bonito, São João, Jucu, Viçosa, Fruteiras, Alegre and Costa Rica PCHs, located in the transition zone between the Cerrado and the Atlantic Forest, totaling 299.34 km².

In Distribution, EDP São Paulo manages 3,055 kilometers of lines and seven substations in the Atlantic Forest, in federal, state and municipal conservation units, as well as areas for protection and recovery of the sources of the Alto Tietê Basin. EDP Espírito Santo concentrates 855 kilometers of lines and a substation in areas of conservation units in the same biome.

CLIMATE CHANGE AND EMISSIONS |GRI G4-EC2, G4-EU5|

Climate change impacts water availability and, consequently, the generation market, whose installed capacity in Brazil is 61% from hydroelectric plants, according to ANEEL. In periods of low water availability, as in recent years, it is necessary to activate thermal generation, which implies an increase in consumer tariffs.

For this reason, EDP Brasil follows discussions about the climate and is present in external initiatives such as Empresas pelo Clima (EPC), Fundação Getúlio Vargas, and Working Group on Energy and Climate, Global Compact. The theme is also included in its risk map and guides commitments with which it is committed up to 2020. These goals are aligned with the goals set by the Intergovernmental Panel on Climate Change (IPCC) and aim to contribute to the strengthening of a low carbon economy.

Considering the risks of water generation deficit due to climate change, changing customer behavior for cost savings and potential market gains, still under-explored energy efficiency, EDP Brasil is looking for the diversification of operations and investments focused on energy efficiency and the generation of photovoltaic solar energy. Actions are also undertaken to reduce greenhouse gas emissions (GHG) - among which stand out planting of carbon sequestration seedlings, facilities with use of natural conditions (wind and lighting) and reuse of rainwater in the administrative buildings.

The Company conducts annual GHG Emissions Inventory to plan mitigation initiatives. In 2017, 5.7 million tonnes

of direct and indirect CO2 (Scope 1 and Scope 2) were issued, an amount 4% higher/lower than in 2016 (5.4 million TCO₂e). |GRI G4-EN19|

During 2017, EDP prepared a Strategic Plan with a focus on the Climate Change theme, in order to know the climatic vulnerabilities and to be prepared for the physical, operational, regulatory and reputational changes that can happen in one climate change scenario.

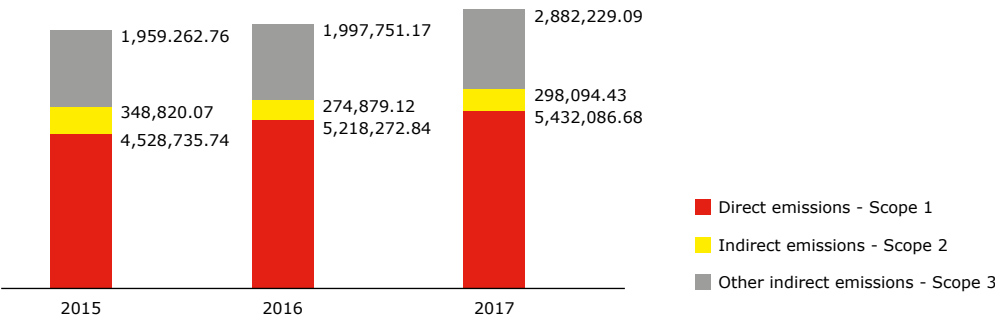
The study analyzed the possible scenarios in the localities where EDP has assets in a 2021-2050 time period. With these scenarios, it was possible to identify the main effects on the Company's operations. After identification of the main effects, a prioritization section was carried out with the technicians and managers of the business units. With this work it was possible to create a matrix of risks by the degree of severity of the risk.

Another step in the plan was to measure the possible impacts on EDP against a carbon pricing scenario. For this, the carbon prices in existing markets and national studies on the subject were analyzed. With this information, EDP has defined an internal carbon price that will be used to assess impacts on its activities.

In addition to the identification of risks and pricing, targets were set for reduction of direct and indirect issuances. For the year 2017, the reduction target was 32 thousand TCO₂e. To reduce emissions, actions were taken to reduce energy consumption in administrative buildings, reduce fuel consumption in vehicles of the fleet and in actions to improve the efficiency of the burning of diesel used at the start of TPP Pecém .

In 2017, the Company also voluntarily invested in biodiversity conservation and Reducing Emissions from Deforestation and Forest Degradation) (REDD) projects. EDP Brasil acquired 8,330 tCO₂e to offset unrealized reduction targets. The project, located near the Santo Antônio de Jari HPP, contributes to the conservation of the forest and encourages the sustainable development of local communities.

GREENHOUSE GAS EMISSIONS¹ (TCO₂e) |GRI G4-EN15, G4-EN16, G4-EN17|



1 Emissions are subject to change as updated by the Brazilian GHG Protocol Program.

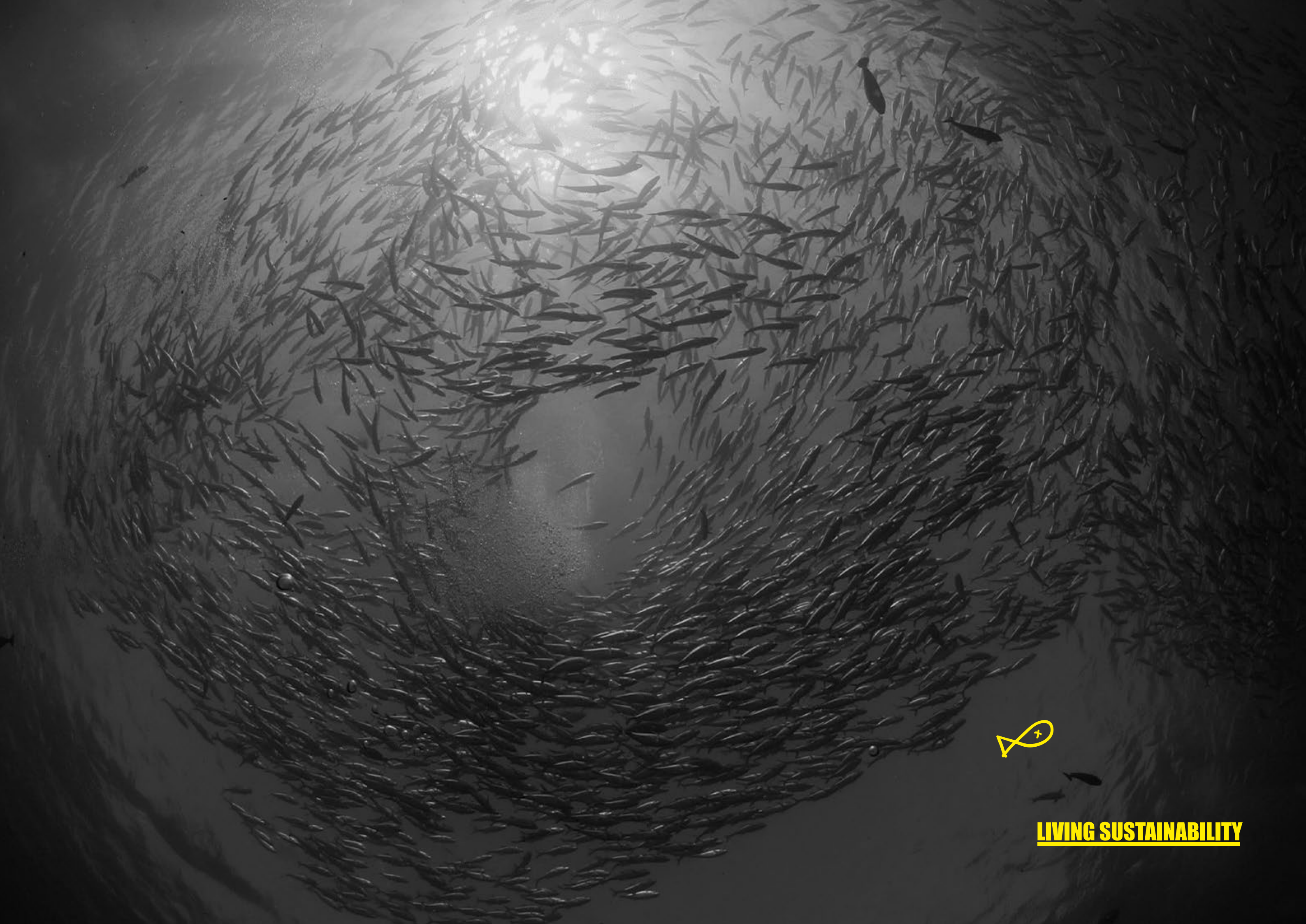
INTENSITY OF GHG EMISSIONS (SCOPE 1 AND 2) |GRI G4-EN18|

EDP BRASIL			
	2015	2016	2017
GHG emission intensity rate - Emissions from generated hydropower	0.19	0.22	0.49
GHG emission intensity rate - Emissions from generated thermal energy	1,129.83	1,176.27	1,049.63
GHG emission intensity rate - Emissions from distributed energy	28.97	11.43	12.20
GHG emission intensity rate - Emissions by net revenue	0.48	0.59	0.46

05

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LIVING SUSTAINABILITY

ANNEXES

GRI INDICATORS

ECONOMIC CATEGORY

ASPECT: ECONOMIC PERFORMANCE

STATEMENT OF VALUE ADDED (THOUSAND R\$) |GRI G4-EC1|

EDP BRASIL			
	2015	2016	2017
1 - Revenue	17.702.076,00	14.858.434,00	17.648.375,00
1.1) Sales of goods, products and services	16.239.427,00	14.001.379,00	16.937.616,00
1.2) Other revenues	1.437.393,00	826.473,00	627.499,00
1.3) Revenues related to the construction of own assets	99.770,00	133.383,00	165.555,00
1.4) Allowance for doubtful accounts - Reversal / (Constitution)	- 74.514,00	- 102.801.00	- 82.295,00
2 - Inputs acquired from third parties (includes amounts of taxes - ICMS, IPI, PIS and COFINS) - 8.694.145,00	- 7.533.915,00	- 10.597.587,00	
2.1) Costs of products, goods and services sold	- 6.679.561.00	- 5.085.331.00	- 8.992.438,00
2.2) Materials, energy, third-party services and other	- 937.494,00	- 1.262.990,00	- 703.472,00
2.3) Loss / Recovery of active values	ND	ND	ND
2.4) Other (please specify)	- 1.077.090,00	- 1.185.594,00	- 901.677,00
3 - Gross added value (1-2)	9.007.931.00	7.324.519,00	7.050.788,00
4 - Depreciation, amortization and depletion	- 468.556,00	- 552.568,00	- 592.979,00
5 - Net added value produced by the entity (3-4)	8.539.375,00	6.771.951.00	6.457.809,00
6 - Added value received in transfer	424.043,00	534.374,00	407.837,00
6.1) Equity in results	- 113.774,00	- 115.443,00	- 42.648,00
6.2) Financial income	537.817,00	649.817,00	450.485,00
6.3) Other	ND	ND	0
7 - Total added value to be distributed (5 + 6)	8.963.418,00	7.306.325,00	6.865.646,00
8 - Distribution of added value	8.963.418,00	7.306.325,00	6.865.646,00
8.1) Personnel	363.659,00	393.062,00	411.598,00
8.1.1 - Direct remuneration	262.561.00	286.461.00	293.473,00
8.1.2 - Benefits	68.384,00	85.224,00	91.790,00
8.1.3 - F.G.T.S	32.714,00	21.377,00	26.335,00
8.2) Taxes, fees and contributions	6.036.920,00	4.790.879,00	4.743.870,00
8.2.1 - Federal	3.596.984,00	2.369.564,00	2.506.007,00
8.2.2 - State	2.431.552,00	2.410.299,00	2.225.574,00
8.2.3 - Municipal	8.384,00	11.016,00	12.289,00
8.3) Remuneration of third-party capital	1.156.467,00	1.291.429,00	964.629,00
8.3.1 - Interest	1.133.938,00	1.265.905,00	937.131.00
8.3.2 - Rentals	22.529,00	25.524,00	27.498,00
8.3.3 - Other	0	0	0
8.4) Remuneration of Shareholders' Equity	1.396.108,00	571.381.00	297.167,00
8.4.1 - Interest on Shareholders' Equity	14.592,00	336.851.00	72.709,00
8.4.2 - Dividends	288.257,00	70.177,00	85.513,00
8.4.4 - Non-controlling interest in retained earnings (only for consolidation)	130.172,00	164.353,00	140.945,00
9 - Retained earnings / Loss for the year	963.087,00	259.574,00	448.382,00

FINANCIAL AID RECEIVED BY THE GOVERNMENT (THOUSAND R\$) |GRI G4-EC4|

EDP BRASIL			
	2015	2016	2017
Benefits and tax credits	42,784.15	50,303.24	1,231,680.82
Subsidies	0	0	0
Investments Subsidized	2,355.00	0	0
Incentive to Culture / Rouanet Law	1,612.00	8,312.50	5,506.20
Incentive to sport	582.00	1,596.10	760.00
Childhood and Adolescence Fund	150.00	1,400.00	1,114.50
Cultural Action Program	0	732.60	670.20
PRONON - National Support Program for Oncology Care	11.00	77.00	836.90
Others	146.00	576.90	0

EDP SÃO PAULO			
	2015	2016	2017
Benefits and tax credits	0	5,087.00	431,145.96
Subsidies	83,409.00	98,678.00	89,165.00
Investments Subsidized	0	0	0
Incentive to Culture / Rouanet Law	770.00	5,156.00	1,031.30
Incentive to sport	150.00	1,125.00	112.80
Childhood and Adolescence Fund	150.00	1,125.00	100.00
Cultural Action Program	0	732.60	0
PRONON - National Support Program for Oncology Care	0	0	0
Others	146.00	576.90	115.00

EDP ESPÍRITO SANTO			
	2015	2016	2017
Benefits and tax credits	0	3,687.00	191,144.20
Subsidies	250,526.00	320,039.00	244,436.00
Investments Subsidized	0	0	0
Incentive to Culture / Rouanet Law	505,00	1.298,00	817,00
Incentive to sport	165.00	244.10	170.00
Childhood and Adolescence Fund	0	275.00	50.00
Cultural Action Program	0	0	0
PRONON - National Support Program for Oncology Care	11.00	77.00	0
Others	0	0	39.30

MASCARENHAS HPP		
	2016	2017
Benefits and tax credits	50,303.00	66,591.88
Subsidies	0	0
Investments Subsidized	0	0
Incentive to Culture / Rouanet Law	600.50	13.70
Incentive to sport	0	0
Childhood and Adolescence Fund	0	0
Cultural Action Program	0	0
PRONON - National Support Program for Oncology Care	0	0
Others	0	70.70

EDP PCH		
Subdivision	2016	2017
Benefits and tax credits	13,661.98	1,486.59
Subsidies	0	0
Investments Subsidized	0	0
Incentive to Culture / Rouanet Law	0	0
Incentive to sport	0	0
Childhood and Adolescence Fund	0	0
Cultural Action Program	0	0
PRONON - National Program to Support Ophthalmology Care	0	0
Others	0	0

HPP LUIS EDUARDO MAGALHÃES		
	2016	2017
Benefits and tax credits	7,694.97	18,040.31
Subsidies	0	0
Investments Subsidized	0	0
Incentive to Culture / Rouanet Law	706.00	56.10
Incentive to sport	147.00	39.00
Childhood and Adolescence Fund	0	58.30
Cultural Action Program	0	0
PRONON - National Program to Support Ophthalmology Care	0	0
Others	0	0

HPP PEIXE ANGICAL		
	2016	2017
Benefits and tax credits	13,694.00	22,996.00
Subsidies	0	0
Investments Subsidized	0	0
Incentive to Culture / Rouanet Law	356.00	58.60
Incentive to sport	80.00	0
Childhood and Adolescence Fund	0	0
Cultural Action Program	0	0
PRONON - National Support Program for Oncology Care	0	0
Others	0	10.90

HPP SANTO ANTÔNIO DO JARI		
	2016	2017
Benefits and tax credits	0	6,785.64
Subsidies	0	0
Investments Subsidized	0	0
Incentive to Culture / Rouanet Law	196.00	13.00
Incentive to sport	0	0
Childhood and Adolescence Fund	0	0
Cultural Action Program	0	0
PRONON - National Support Program for Oncology Care	0	0
Others	0	0

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Benefits and tax credits		0	47,360.00
Subsidies		0	0
Investments Subsidized		0	0
Incentive to Culture / Rouanet Law		0	87.80
Incentive to sport		0	0
Childhood and Adolescence Fund		0	0
Cultural Action Program		0	0
PRONON - National Support Program for Oncology Care		0	0
Others		0	0

HPP SÃO MANOEL			
	2015	2016	2017
Benefits and tax credits		0	152,336.00
Subsidies		0	0
Investments Subsidized		0	0
Incentive to Culture / Rouanet Law		0	0
Incentive to sport		0	0
Childhood and Adolescence Fund		0	0
Cultural Action Program		0	0
PRONON - National Support Program for Oncology Care		0	0
Others		0	0

TPP PECÉM			
	2015	2016	2017
Benefits and tax credits		0	77,858.00
Subsidies		0	0
Investments Subsidized		0	0
Incentive to Culture / Rouanet Law		0	136.40
Incentive to sport		0	0
Childhood and Adolescence Fund		0	0
Cultural Action Program		0	0
PRONON - National Support Program for Oncology Care		0	0
Others		0	0

EDP COMERCIALIZADORA			
	2015	2016	2017
Benefits and tax credits	0	0	0
Subsidies	0	0	0
Investments Subsidized	0	0	0
Incentive to Culture / Rouanet Law	50.00	0	15.00
Incentive to sport	0	0	0
Childhood and Adolescence Fund	0	0	0
Cultural Action Program	0	0	0
PRONON - National Support Program for Oncology Care	0	0	0
Others	0	0	0



ASPECT: PRESENCE IN THE MARKET

VARIATION OF THE LOWEST WAGE
 ROPTION COMPARED TO MINIMUM WAGE
 |GRI G4-EC5|

EDP BRASIL						
	2015		2016		2017	
	Men	Women	Men	Women	Men	Women
National minimum wage (R\$)	788.00	788.00	880.00	880.00	937.00	937.00
Variation between the lowest wage and the minimum wage (%)	158.17	162.94	149.25	161.36	143.49	143.47
Proportional variation between highest and lowest wage (%)	4,412.72	2,647.98	4,377.85	2,307.08	4,462.66	2,231.58

ASPECT: INDIRECT ECONOMIC IMPACTS

EXTERNAL SOCIAL INVESTMENT OWNED AND INCENTIVATED (THOUSAND R\$)
 |GRI G4-EC7|

EDP BRASIL			
	2015	2016	2017
Education	120.50	2,045.00	2,561.40
Culture	1,612.00	9,152.70	6,498.20
Health and sanitation	161.00	1,082.00	1,393.90
Sport	728.00	2,173.00	1,135.00
Combating hunger and food security	75.00	0	0
Others	372.50	450.40	294.20
Total	3,069.00	14,903.10	11,882.70

EDP SÃO PAULO			
	2015	2016	2017
Education	0	1,055.00	1,201.30
Culture	770.00	5,888.60	2,106.50
Health and sanitation	150.00	1.005.00	350.00
Sport	296.00	1,701.90	350.00
Combating hunger and food security	75.00	0	0
Others	13.00	13.50	115.00
Total	1,304.00	9,664.00	4,122.80

EDP ESPÍRITO SANTO			
	2015	2016	2017
Education	17.00	885.00	917.00
Culture	505.00	1,298.00	992.40
Health and sanitation	11.00	77.00	150.00
Sport	165.00	244.10	100.00
Combating hunger and food security	0	0	0
Others	241.00	305.10	39.30
Total	939.00	2,809.20	2,198.70

HPP MASCARENHAS			
	2015	2016	2017
Education	11.00	14.00	13.70
Culture	242.00	600.50	648.50
Health and sanitation	0	0	124.00
Sport	0	0	290.00
Combating hunger and food security	0	0	0
Others	80.00	77.00	70.70
Total	333.00	691.50	1,146.90

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Education	13.50	15.00	56.10
Culture	95.00	763.60	935.40
Health and sanitation	0	0	399.50
Sport	169.00	147.00	0
Combating hunger and food security	0	0	0
Others	38.50	0	58.30
Total	316.00	925.60	1,449.30

HPP PEIXE ANGICAL			
	2015	2016	2017
Education	29.00	40.00	58.60
Culture	0	356.00	716..60
Health and sanitation	0	0	0
Sport	49.00	80.00	140.00
Combating hunger and food security	0	0	0
Others	0	54.80	10.90
Total	78.00	530.80	926.10

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Education	0	9.00	13.00
Culture	0	196.00	242.50
Health and sanitation	0	0	55.00
Sport	0	0	55.00
Combating hunger and food security	0	0	0
Others	0	0	0
Total	0	205.00	365.50

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Education	0	0	87.80
Culture	0	0	0
Health and sanitation	0	0	0
Sport	0	0	0
Combating hunger and food security	0	0	0
Others	0	0	0
Total	0	0	87.80

TPP PECÉM			
	2015	2016	2017
Education	0	27.00	136.40
Culture	0	0	0
Health and sanitation	0	0	0
Sport	0	0	0
Combating hunger and food security	0	0	0
Others	0	0	0
Total	0	27.00	136.40

EDP COMERCIALIZADORA			
	2015	2016	2017
Education	50.00	0	77.50
Culture	0	0	856.30
Health and sanitation	0	0	315.40
Sport	0	0	200.00
Combating hunger and food security	49.00	0	0
Others	0	0	0
Total	99.00	0	1,449.20

EXTERNAL SOCIAL INVESTMENT (THOUSAND R\$) |GRI G4-EC7|

EDP BRASIL			
	2015	2016	2017
Education	120.50	1,805.00	2,228.90
Culture	0	107.60	321.80
Health and sanitation	0	0	208.30
Sport	0	0	0
Combating hunger and food security	75.00	0	0
Others	372.50	295.40	235.90
Total	568.00	2,208.00	2,994.90

EDP SÃO PAULO			
	2015	2016	2017
Education	0	935.00	1,323.50
Culture	0	0	260.00
Health and sanitation	0	0	260.00
Sport	0	0	670.20
Combating hunger and food security	75.00	0	250.00
Others	13.00	13.50	0
Total	88.00	948.50	2,763.70

EDP ESPÍRITO SANTO			
	2015	2016	2017
Education	17.00	765.00	822.40
Culture	0	0	100.00
Health and sanitation	0	0	100.00
Sport	0	0	0
Combating hunger and food security	0	0	100.00
Others	241.00	150.10	0
Total	258.00	915.10	1,122.40

HPP MASCARENHAS			
	2015	2016	2017
Education	11.00	14.00	648.50
Culture	0	0	145.00
Health and sanitation	0	0	145.00
Sport	0	0	0
Combating hunger and food security	0	0	124.00
Others	80.00	77.00	0
Total	91.00	91.00	1,062.50

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Education	13.50	15.00	896.40
Culture	0	57.60	0
Health and sanitation	0	0	215.00
Sport	0	0	0
Combating hunger and food security	0	0	184.50
Others	38.50	0	0
Total	52.00	72.60	1,295.90

HPP PEIXE ANGICAL			
	2015	2016	2017
Education	29.00	40.00	716.60
Culture	0	0	0
Health and sanitation	0	0	140.00
Sport	0	0	0
Combating hunger and food security	0	0	0
Others	0	54.80	0
Total	29.00	94.80	856.60

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Education	0	9.00	242.50
Culture	0	0	55.00
Health and sanitation	0	0	55.00
Sport	0	0	0
Combating hunger and food security	0	0	0
Others	0	0	0
Total	0	9.00	352.50

TPP PECÉM			
	2015	2016	2017
Education	0	27.00	0
Culture	0	0	0
Health and sanitation	0	0	0
Sport	0	0	0
Combating hunger and food security	0	0	0
Others	0	0	0
Total	0	27.00	0

EDP COMERCIALIZADORA			
	2015	2016	2017
Education	50,00	0	856.30
Culture	0	0	200.00
Health and sanitation	0	0	199.50
Sport	0	0	0
Combating hunger and food security	0	0	178.40
Others	0	0	0
Total	50.00	0	1,434.20

ASPECT: PURCHASE PRACTICES

PERCENTAGE OF PURCHASE VOLUME EXPENDITURE WITH LOCAL SUPPLIERS |GRI G4-EC9|

EDP BRASIL						
	2015		2016		2017	
	Materials	Services	Materials	Services	Materials	Services
São Paulo	61.33		61.90		58.65	
Espírito Santo	23.97		27.20		29.19	
Mato Grosso do Sul	7.93		28.60		NA	
Tocantins	8.42		22.58		9.69	
Amapá	4.16		12.10		4.33	
Ceará	23.94		30.28		27.44	
Mato Grosso	0.58		1.36		2.31	
Pará	NA		NA		15.93	
Rio Grande do Sul	ND		ND		17.72	
Others	0		13.11		0	
Total	ND		35.51		ND	

ENVIRONMENTAL CATEGORY

ASPECT: MATERIALS

MATERIALS USED IN OPERATIONS |GRI G4-EN1|

EDP BRASIL			
	2015	2016	2017
	Generation	Generation	Generation
Coal (ton)	1,676,614.50	1,929,264.17	2,041,641.61
Diesel (m³)	4,094.01	3,847.84	2,739.53
Chemicals (kg)	1,388,292.50	2,310,820.00	1,458,182.00

ASPECT: ENERGY

DIRECT ENERGY CONSUMPTION (GJ) |GRI G4-EN3|

EDP BRASIL			
	2015	2016	2017
Renewable sources	14,986.10	14,594.39	753,571.07
Ethanol	7,795.04	8,355.96	7,163.10
Portion of ethanol in gasoline	3,336.31	2,576.59	2,227.33
Portion of diesel ´s biodiesel	3,854.74	3,661.84	7,144.57
Biomass	0	0	737,036.07
Non-renewable sources	40,217,480.36	46,232,503.15	48,909,264.47
Gasoline	13,006.16	10,044.47	8,684.94
Diesel	54,826.97	51,583.28	147,533.26
Diesel used in generators	145,319.83	137,305.40	37,680.46
Coal	40,004,021.97	46,032,243.10	48,713,568.70
LPG	305.43	378.07	341.34
Natural gas	0	948.83	1,455.77
Total	40,232,466.46	46,247,097.54	49,662,835.54

EDP HOLDING			
	2015	2016	2017
Renewable sources	601.34	501.25	473.91
Ethanol	141.98	95.68	159.96
Portion of ethanol in gasoline	459.37	405.56	313.94
Portion of diesel ´s biodiesel	0	0	0
Non-renewable sources	1,790.78	1,581.04	2,679.63
Gasoline	1,790.78	1,581.04	1,223.86
Diesel	0	0	0
Diesel used in generators	0	0	0
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	0	948.83	1,455.77
Total	2,392.12	2,082.29	3,153.54

EDP SÃO PAULO			
	2015	2016	2017
Renewable sources	9,305.49	9,913.06	9,232.28
Ethanol	7,112.32	7,745.88	6,863.76
Portion of ethanol in gasoline	279.87	327.23	274.80
Portion of diesel ´s biodiesel	1,913.29	1,839.95	2,093.71
Non-renewable sources	28,304.25	27,445.76	26,848.05
Gasoline	1,091.05	1,275.66	1,071.27
Diesel	27,213.20	26,160.29	25,763.06
Diesel used in generators	0	9,80	13,71
Coal	NA	NA	NA
LPG	NA	NA	NA
Natural gas	NA	NA	NA
Total	37,609.74	37,358.82	36,080.32

EDP ESPÍRITO SANTO			
	2015	2016	2017
Renewable sources	2,967.24	2,638.26	2,621.76
Ethanol	10.21	8.09	0.91
Portion of ethanol in gasoline	1,386.90	1,144.75	964.04
Portion of diesel ´s biodiesel	1,570.12	1,485.42	1,656.81
Non-renewable sources	27,738.91	25,590.17	24,156.04
Gasoline	5,406.65	4,462.65	3,758.17
Diesel	22,332.25	21,120.92	20,397.86
Diesel used in generators	0	6,60	0
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	NA	NA	NA
Total	30,706.15	28,228.43	26,777.80

HPP MASCARENHAS			
	2015	2016	2017
Renewable sources	262.72	232.45	202.87
Ethanol	6.04	5.63	0
Portion of ethanol in gasoline	183.53	163.64	144.09
Portion of diesel ´s biodiesel	73.15	63.19	58.78
Non-renewable sources	1,898.04	1,536.63	1,287.39
Gasoline	715.46	637.91	563.69
Diesel	1,040.50	870.22	703.42
Diesel used in generators	142.09	28.49	20.28
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	0	0	NA
Total	2,160.77	1,769.07	1,490.25

EDP PCH		
	2016	2017
Renewable sources	7.45	7.06
Ethanol	0	0
Portion of ethanol in gasoline	0	0
Portion of diesel ´s biodiesel	7.45	7..06
Non-renewable sources	105.93	86.91
Gasoline	0	0
Diesel	0	0
Diesel used in generators	105.93	86.91
Coal	NA	NA
LPG	NA	NA
Natural gas	0	NA
Total	113.38	93.97

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Renewable sources	253.48	254.57	236.10
Ethanol	0	0	0
Portion of ethanol in gasoline	196.14	191.59	181.53
Portion of diesel´s biodiesel	57.35	62.98	54.57
Non-renewable sources	1,580.28	1,642.66	1,379.54
Gasoline	764.62	746.87	707.66
Diesel	815.66	752.84	665.32
Diesel used in generators	0	142.95	6.56
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	0	0	NA
Total	1,833.76	1,897.23	1,615.64

HPP PEIXE ANGICAL			
	2015	2016	2017
Renewable sources	504.79	461.69	131.83
Ethanol	442.15	385.26	0
Portion of ethanol in gasoline	1.81	5.95	19.76
Portion of diesel´s biodiesel	60.83	70.48	112.07
Non-renewable sources	961.34	1,025.65	1,456.79
Gasoline	7.06	23.18	77.04
Diesel	865.15	1,002.47	1,311.17
Diesel used in generators	89.14	0	68.58
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	0	0	NA
Total	1,466.14	1,487.35	1,588.62

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Renewable sources	19.49	15.61	19.33
Ethanol	3.93	0.67	0
Portion of ethanol in gasoline	14.70	3.75	5.45
Portion of diesel´s biodiesel	0.86	11.19	13.89
Non-renewable sources	619.86	380.85	192.20
Gasoline	57.31	14.61	21.23
Diesel	12.30	159.11	135.31
Diesel used in generators	550.25	207.14	35.66
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	0	0	NA
Total	639.36	396.45	211.53

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Renewable sources	652.52	19.57	40.07
Ethanol	0	0	0
Portion of ethanol in gasoline	559.76	10.06	22.63
Portion of diesel´s biodiesel	92.77	9,51	17.44
Non-renewable sources	3,522.25	174.44	302.92
Gasoline	2,182.13	39.22	88.20
Diesel	1,319.42	75.79	214.72
Diesel used in generators	20.70	59.43	0
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	0	0	NA
Total	4,174.77	194.00	342.99

HPP SÃO MANOEL			
	2015	2016	2017
Renewable sources	125.62	137.71	3.162,87
Ethanol	76.45	14.40	0
Portion of ethanol in gasoline	21.94	80.25	70,37
Portion of diesel´s biodiesel	27.23	43.06	3,092,50
Non-renewable sources	472.88	925.35	38,347.68
Gasoline	85.52	312.85	274.34
Diesel	387.36	612.50	649.78
Diesel used in generators	0	0	37,423.56
Coal	NA	NA	NA
LPG	0	NA	NA
Natural gas	0	0	NA
Total	598.51	1,063.06	41,510.55

TPP PECÉM			
	2015	2016	2017
Renewable sources	293.39	246.99	202.60
Ethanol	1.96	10.94	4.06
Portion of ethanol in gasoline	232.30	177.75	162.85
Portion of diesel´s biodiesel	59.14	58.30	35.69
Non-renewable sources	40,150,591.75	46,188,326.22	48,812,237.53
Gasoline	905.57	692.95	634.87
Diesel	841,13	829,15	97.692,63
Diesel used in generators	144.517,66	154.182,95	0
Coal	40.004.021,97	46.032.243,10	48.713.568,70
LPG	305,43	378,07	341,34
Natural gas	0	0	NA
Total	40.150.885,15	46.188.573,21	48.812.440,14

EDP COMERCIALIZADORA		
	2016	2017
Renewable sources	155.47	202,28
Ethanol	89.41	134,40
Portion of ethanol in gasoline	66.06	67,88
Portion of diesel´s biodiesel	0	0
Non-renewable sources	257.52	264.61
Gasoline	257.52	264.61
Diesel	0	0
Diesel used in generators	0	NA
Coal	NA	NA
LPG	NA	NA
Natural gas	0	NA
Total	412.98	466.89

EDP SOLUÇÕES DE ENERGIA		
	2016	2017
Renewable sources	3.49	737,036.07
Ethanol	0	0
Portion of ethanol in gasoline	0	0
Portion of diesel´s biodiesel	3.48	0
Biomass	0	737,036.07
Non-renewable sources	49.62	0
Gasoline	0	0
Diesel	0	0
Diesel used in generators	49.62	0
Coal	NA	NA
LPG	NA	NA
Natural gas	0	NA
Total	53.11	737,036.07

ELECTRIC ENERGY CONSUMPTION (GJ) | GRI G4-EN3|

EDP BRASIL			
	2015	2016	2017
Non-renewable sources	24,782.72	26,951.00	21,739.84
Oil Derivatives	4,835.65	5,258.73	2,851.13
Coal and derivatives	4,533.42	4,930.06	4,989.47
Natural gas	12,995.82	14,132.84	10,810.52
Nuclear energy	2,417.83	2,629.37	3,088.72
Renewable sources	139,451.83	137,296.42	174,658.24
Hydroelectric	127,856.34	124,686.68	158,489.97
Solar	10.07	10.69	11.88
Wind	3,526.00	3,834.49	6,415.03
Origin of biomass	8,059.42	8,764.55	9,741.35
Total	164,234.55	164,247.42	196,398.07

EDP HOLDING			
	2015	2016	2017
Non-renewable sources	626.06	601.81	524.99
Oil Derivatives	122.16	117.43	68.85
Coal and derivatives	114.52	110.09	120.49
Natural gas	328.30	315.58	261.06
Nuclear energy	61.08	58.71	74.58
Renewable sources	1,921.69	1,847.27	2,344.10
Hydroelectric	1,628.77	1,565.69	1,953.66
Solar	0.25	0.24	0.29
Wind	89.07	85.62	154.92
Origin of biomass	203.60	195.71	235.24
Total	2,547.75	2,449.09	2,869.09

EDP SÃO PAULO			
	2015	2016	2017
Non-renewable sources	5,651.51	5,514.77	4,038.99
Oil Derivatives	1,102.73	1,076.05	529.70
Coal and derivatives	1,033.81	1,008.80	926.98
Natural gas	2,963.59	2,891.89	2,008.46
Nuclear energy	551.37	538.03	573.84
Renewable sources	17,347.37	16,927.67	18,034.18
Hydroelectric	14,703.10	14,347.38	15,030.32
Solar	2.30	2.24	2.21
Wind	804.08	784.62	1,191.83
Origin of biomass	1,837.89	1,793.42	1,809.82
Total	22,998.87	22,442.44	22,073.17

EDP ESPÍRITO SANTO			
	2015	2016	2017
Non-renewable sources	7,195.04	6,822.97	4,933.79
Oil Derivatives	1,403.91	1,331.31	647.05
Coal and derivatives	1,316.16	1,248.10	1,132.34
Natural gas	3,773.01	3,577.90	2,453.41
Nuclear energy	701.95	665.66	700.97
Renewable sources	22,085.25	20,943.18	22,029.50
Hydroelectric	18,718.79	17,750.80	18,360.16
Solar	2.92	2.77	2.70
Wind	1,023.68	970.75	1,455.87
Origin of biomass	2,339.85	2,218.85	2,210.77
Total	29,280.28	27,766.14	26,963.29

HPP MASCARENHAS			
	2015	2016	2017
Non-renewable sources	126.94	1,423.95	802.77
Oil Derivatives	24.77	277.84	105.281
Coal and derivatives	23.22	260.48	184.24
Natural gas	66.56	746.70	399.19
Nuclear energy	12.38	138.92	114.05
Renewable sources	40,608.59	19,831.74	22,053.99
Hydroelectric	40,549.20	19,165.50	21,456.96
Solar	0.05	0.58	0.44
Wind	18.06	202.59	236.88
Origin of biomass	41.28	463.07	359.71
Total	40,735.52	21,255.69	22,856.76

EDP PCH		
	2016	2017
Non-renewable sources	645.23	713.51
Oil Derivatives	84.62	93.57
Coal and derivatives	148.08	163.76
Natural gas	320.85	354.80
Nuclear energy	91.67	101.37
Renewable sources	7,201.93	9,036.17
Hydroelectric	6,722.33	8,505.52
Solar	0.09	0.39
Wind	190.39	210.54
Origin of biomass	289.12	319.71
Total	7,847.15	9,749.68

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Non-renewable sources	174.41	172.10	130.28
Oil Derivatives	34.03	33.58	17.08
Coal and derivatives	31.90	31.48	29.90
Natural gas	91.46	90.25	64.78
Nuclear energy	17.02	16.79	18.50
Renewable sources	23,438.27	22,555.07	21,377.30
Hydroelectric	23,356.67	22,474.55	21,280.41
Solar	0.07	0.07	0,07
Wind	24.81	24.49	38.44
Origin of biomass	56.72	55.97	58.37
Total	23,612.68	22,727.16	21,507.58

HPP PEIXE ANGICAL			
	2015	2016	2017
Non-renewable sources	91.32	94.08	79.92
Oil Derivatives	17.82	18.36	10.48
Coal and derivatives	16.71	17.21	18.34
Natural gas	47.89	49.33	39.74
Nuclear energy	8.91	9.18	11.35
Renewable sources	539.41	11,401.79	15,167.95
Hydroelectric	496.68	11,357.77	15,108.52
Solar	0.04	0.04	0.04
Wind	12.99	13.38	23.58
Origin of biomass	29.70	30.59	35.81
Total	630.73	11,495.86	15,247.87

HPP SANTO ANTÔNIO DO JARI		
	2016	2017
Non-renewable sources	22.83	16.44
Oil Derivatives	4.45	2.15
Coal and derivatives	4.18	3.77
Natural gas	11.97	8.18
Nuclear energy	2.23	2.33
Renewable sources	70.08	16,757.72
Hydroelectric	59.40	16,745.49
Solar	0.01	0.01
Wind	3.25	4.85
Origin of biomass	7.42	7.37
Total	92.91	16,774.16

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Non-renewable sources	114.34	145.36	0
Oil Derivatives	22.31	28.36	0
Coal and derivatives	20.92	26.59	0
Natural gas	59.96	76.22	0
Nuclear energy	11.16	14.18	0
Renewable sources	350.98	446.18	97.48
Hydroelectric	297.48	378.16	97.48
Solar	0.05	0.06	0
Wind	16.27	20.68	0
Origin of biomass	37.19	47.27	0
Total	465.33	591.53	97.48

HPP SÃO MANOEL			
	2015	2016	2017
Non-renewable sources	14.35	18.57	10.37
Oil Derivatives	2.80	3.62	1.36
Coal and derivatives	2.62	3.40	2.38
Natural gas	7.52	9.74	5.16
Nuclear energy	1.40	1.81	1.47
Renewable sources	44.04	56.99	46.30
Hydroelectric	37.32	48.30	38.59
Solar	0.01	0.01	0.01
Wind	2.04	2.64	3.06
Origin of biomass	4.67	6.04	4.65
Total	58.38	75.56	56.67

TPP PÉCEM			
	2015	2016	2017
Non-renewable sources	10,788.76	11,071.46	10,434.52
Oil Derivatives	2,105.12	2,160.28	1,368.46
Coal and derivatives	1,973.55	2,025.27	2,394.81
Natural gas	5,657.52	5,805.76	5,188.75
Nuclear energy	1,052.56	1,080.14	1,482.500
Renewable sources	33,116.24	33,983.98	46,590.43
Hydroelectric	28,068.32	28,803.79	38,830.11
Solar	4.39	4.50	5.70
Wind	1,534.99	1,575.21	3,079.04
Origin of biomass	3,508.54	3,600.47	4,675.58
Total	43,905.00	45,055.43	57,024.95

EDP SOLUÇÕES DE ENERGIA		
	2016	2017
Non-renewable sources	34.22	31.16
Oil Derivatives	4.49	4.08
Coal and derivatives	7.85	7.15
Natural gas	17.02	15.50
Nuclear energy	4.86	4.42
Renewable sources	152.81	139.15
Hydroelectric	127.36	115.97
Solar	0.02	0.02
Wind	10.10	9.20
Origin of biomass	15.34	13.96
Total	187.04	170.31

ENERGY INTENSITY (MWH/R\$) |GRI G4-EN5|

EDP BRASIL			
	2015	2016	2017
Report the energy intensity rate (total consumption MWh / revenue (Thousand R\$)	0.02	0.03	0.03

ASPECT: WATER

TOTAL WATER WITHDRAWAL BY SOURCE (M³) |GRI G4-EN8|

EDP BRASIL			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	9,551.45	389,222.28	205,647.75
Groundwater	43,643.84	11,535.13	8,892.94
Rainwater directly collected and stored by the organization	0	0	7.24
Municipal water supply or other water supply companies	10,565,401.06	12,412,009.48	11,821,634.18
Total	10,618,596.35	12,812,766.89	12,036,182.11

EDP HOLDING			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	0	0
Groundwater	0	0	0
Rainwater directly collected and stored by the organization	0	0	ND
Municipal water supply or other water supply companies	717.50	573.10	1,509.41
Total	717.50	573.10	1,509.41

EDP SÃO PAULO			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	0	0
Groundwater	0	0	0
Rainwater directly collected and stored by the organization	ND	ND	7.24
Municipal water supply or other water supply companies	19,513.00	18,505.00	24,689.00
Total	19,513.00	18,505.00	24,696.24

EDP ESPÍRITO SANTO			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	0	0
Groundwater	32,233.00	9,726.00	8,528.00
Rainwater directly collected and stored by the organization	0	NA	NA
Municipal water supply or other water supply companies	17,726.00	17,495.00	14,300.60
Total	49,959.00	27,221.00	22,828.60

HPP MASCARENHAS			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	1,850.59	0	0
Groundwater	478.51	0	0
Rainwater directly collected and stored by the organization	NA	NA	NA
Municipal water supply or other water supply companies	540.00	279.00	391.00
Total	2,869.10	279.00	391.00

EDP PCH		
	2016	2017
Surface water including wetlands, rivers, lakes and oceans	403.18	287.19
Groundwater	638.21	197.75
Rainwater directly collected and stored by the organization	NA	NA
Municipal water supply or other water supply companies	10	522.00
Total	1.051.38	1.006.94

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	0	0
Groundwater	0	0	0
Rainwater directly collected and stored by the organization	NA	NA	NA
Municipal water supply or other water supply companies	2028.00	2,002.00	1,419.00
Total	2,028.00	2,002.00	1,419.00

HPP PEIXE ANGICAL			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	7,068.00	6,025.34	5,645.36
Groundwater	0	0	0
Rainwater directly collected and stored by the organization	0	0	0
Municipal water supply or other water supply companies	0	NA	0
Total	7,068.00	6,025.34	5,645.36

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	172.00	59.50	1,533.87
Groundwater	0	0	0
Rainwater directly collected and stored by the organization	NA	NA	NA
Municipal water supply or other water supply companies	0	NA	0
Total	172.00	59.50	1,533.87

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	0.27	47,448.00
Groundwater	0	0	0
Rainwater directly collected and stored by the organization	NA	na	NA
Municipal water supply or other water supply companies	0	nd	0
Total	0	0.27	47,448.00

HPP SÃO MANOEL			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	382,734.00	150,733.33
Groundwater	0	0	0
Rainwater directly collected and stored by the organization	NA	NA	NA
Municipal water supply or other water supply companies	195.84	168.30	74.67
Total	195.84	382,902.30	150,808.00

TPP PECÉM			
	2015	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	0	0
Groundwater	713.33	967,00	0
Rainwater directly collected and stored by the organization	NA	NA	NA
Municipal water supply or other water supply companies	10,524,680.72	12,372,725.08	11,778,404.50
Total	10,525,394.05	12,373,692.08	11,778,404.50

EDP SOLUÇÕES DE ENERGIA		
	2016	2017
Surface water including wetlands, rivers, lakes and oceans	0	0
Groundwater	0	0
Rainwater directly collected and stored by the organization	0	NA
Municipal water supply or other water supply companies	252.00	324.00
Total	252.00	324.00

TOTAL WATER RECYCLED AND REUTILIZED IN THE ORGANIZATION (M³) | GRI G4-EN10 |

EDP BRASIL			
	2015	2016	2017
Total volume of recycled and reused water	2,174.12	2,445.11	2,550.48
Percentage of water recycled and reused of the total water withdrawn	0.02%	0.02%	0%

ASPECT: EMISSIONS

GHG EMISSIONS (tCO₂e)¹ |GRI G4-EN15, G4-EN16, G4-EN17|

EDP BRASIL			
	2015	2016	2017
Direct emissions - Scope 1	4,529,463.33	5,218,272.84	5,432,068.68
Indirect emissions - Scope 2	441,243.39	274,879.12	298,094.43
Other indirect emissions - Scope 3	1,954,075.27	1,997.751.17	2,882,229.09

EDP HOLDING/COMERCIALIZADORA/EDP GRID			
	2015	2016	2017
Direct emissions - Scope 1	129.28	191.16	188.72
Indirect emissions - Scope 2	87.93	55.51	73.90
Other indirect emissions - Scope 3	801.72	610.15	647.40

EDP SÃO PAULO			
	2015	2016	2017
Direct emissions - Scope 1	2,341.68	3,006.65	2,706.28
Indirect emissions - Scope 2	205,217.54	132,252.58	149,237.76
Other indirect emissions - Scope 3	1,146,337.05	1,185,136.61	1,378,745.14

EDP ESPÍRITO SANTO			
	2015	2016	2017
Direct emissions - Scope 1	3,091.47	2,557.76	2,322.32
Indirect emissions - Scope 2	233,697.59	141,278.69	147,059.57
Other indirect emissions - Scope 3	805,830.84	811,034.08	914,159.87

HPP MASCARENHAS			
	2015	2016	2017
Direct emissions - Scope 1	139.98	112.82	93.96
Indirect emissions - Scope 2	623.46	131.34	113.00
Other indirect emissions - Scope 3	193.38	152.75	99.32

EDP PCH			
		2016	2017
Direct emissions - Scope 1		7.88	6.48
Indirect emissions - Scope 2		80.00	100.43
Other indirect emissions - Scope 3		17.87	86.68

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Direct emissions - Scope 1	124.20	120.48	100.98
Indirect emissions - Scope 2	24.60	15.87	18.33
Other indirect emissions - Scope 3	76.50	57.63	136.48

HPP PEIXE ANGICAL			
	2015	2016	2017
Direct emissions - Scope 1	72.31	76.70	213.99
Indirect emissions - Scope 2	12.83	8.68	11.24
Other indirect emissions - Scope 3	54.64	23.23	24.31

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Direct emissions - Scope 1	5.05	28.33	14.30
Indirect emissions - Scope 2	40.94	2.11	2.31
Other indirect emissions - Scope 3	114.10	38.53	69.51

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Direct emissions - Scope 1	273.28	12.89	22.38
Indirect emissions - Scope 2	16.07	13.41	0
Other indirect emissions - Scope 3	305.71	80.39	44.94

HPP SÃO MANOEL			
	2015	2016	2017
Direct emissions - Scope 1	36.20	68.01	2,857.59
Indirect emissions - Scope 2	2,02	1,71	1,46
Other indirect emissions - Scope 3	216.35	98.45	508.89

TPP PECÉM			
	2015	2016	2017
Direct emissions - Scope 1	4,523.056.00	5,212,084.59	5,421,981.34
Indirect emissions - Scope 2	1,516.00	1,021.18	1,468.77
Other indirect emissions - Scope 3	129.21	452.56	587,587.71

1 Emissions are subject to change as updated by the Brazilian Program GHG Protocol.

EDP SOLUÇÕES DE ENERGIA		
	2016	2017
Direct emissions - Scope 1 ¹	3.70	1,576.46
Indirect emissions - Scope 2	4.24	4.39
Other indirect emissions - Scope 3	48.91	118.82

1 In 2016 emissions from biomass burning for steam generation in customers were not considered.

INTENSITY OF GHG EMISSIONS (SCOPE 1 AND 2) |GRI G4-EN18|

EDP BRASIL			
	2015	2016	2017
GHG emission intensity rate - Emissions from generated hydropower	0.19	0.22	0.49
GHG emission intensity rate - Emissions from generated thermal energy	1,129.83	1,176.27	1,049.63
GHG emission intensity rate - Distributed energy emissions	28.97	11.43	12.20
GHG emission intensity rate - Emissions by net revenue	0.48	0.59	0.46

NOx AND SOx EMISSIONS AND OTHER
SIGNIFICANT ATMOSPHERIC EMISSIONS (TON) |GRI G4-EN21|

NOX AND SOX EMISSIONS AND OTHER SIGNIFICANT ATMOSPHERIC EMISSIONS		TPP PECÉM		
Subdivision	2015	2016	2017	
NOX	5,078.32	5,185.13	4,935.09	
SOX ¹	8,439.78	9,917.75	17,232.05	
Persistent organic pollutants (POPs)	ND	ND	ND	
Volatile organic compounds (VOCs)	ND	ND	ND	
Hazardous Atmospheric Pollutants (HAP)	ND	ND	ND	
Particulate matter (MP)	777.15	517.04	894.02	
Other standard categories of atmospheric emissions	NA	ND	ND	

1 Increased SO2 emission due to decreased use of FGD and higher sulfur content in the coal used.

ASPECT: EFFLUENTS AND WASTE

TOTAL WATER DISPOSAL |GRI G4-EN22|

EDP BRASIL ¹			
	2015	2016	2017
Total volume of water disposals	1,674.904	1,842.513	867,765

1 The effluent data are relevant only to TPP Pecém unit, so this indicator only contemplates this unit.

TOTAL WASTE WEIGHT PER TYPE OF DESTINATION (TON) |GRI G4-EN23|

EDP BRASIL						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	542.00	11,485.69	675.45	150,843.41	866.80	33,067.84
Coprocessing	44.55	1,716.34	84.32	2.96	92.14	47,686.62
Decontamination	5.42	4.581.39	72.89	0	1,253.21	877.00
Refining	73.41	0	55.44	0	29.67	0
Sanitary landfill	12.12	163,162.11	161.17	143,245.59	153.55	278,905.00
Neutralization	0.35	0	0	0	0	0
Incineration	0.25	0	24.00	0	9.72	0
Composting	0	0	0	0	0	232.27
Bioremediation	0	0	0	0	8.71	10.80
Total	678.11	180,945.54	1,073.28	294,091.97	2,413.80	360,779.52

EDP SÃO PAULO						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	293.73	5,019.94	395.17	6,519.45	325,66	9,725.60
Coprocessing	0	0	4.18	0.43	1,33	0
Decontamination	5.10	0	38.56	0	629,16	0
Refining	0	0	6.90	0	0	0
Sanitary landfill	0	0	120.46	96.82	7,10	193.17
Neutralization	0	0	0	0	0	0
Incineration	0.02	0	0.04	0	0	0
Composting	0	0	0	0	0	0
Bioremediation	0	0	0	0	0	0
Total	298.85	5,019.95	565.33	6,616.71	963.26	9,918.78

EDP ESPÍRITO SANTO						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	240.48	6,039.47	251.87	7,316.22	496.75	11,195.15
Coprocessing	0	0	0	0	0	0
Decontamination	0	0	34.04	0	621.60	0
Refining	27.01	0	0.03	0	0,05	0
Sanitary landfill	9.48	42.87	39.00	148.49	82.42	220.64
Neutralization	0	0	0	0	0	0
Incineration	0	0	0	0	0	0
Composting	0	0	0	0	0	0
Bioremediation	0	0	0	0	0	0
Total	276.98	6,082.34	324.95	7,464.72	1,200.82	11,415.79

HPP MASCARENHAS						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	0	62.36	0.19	14.09	0	8.14
Coprocessing	0	0	0	2.53	0	4.99
Decontamination	0.22	8	0.14	0	0.04	1.10
Refining	1.93	0	1.15	0	1.22	0
Sanitary landfill	2.57	97.35	0.75	0	3.11	19.21
Neutralization	0	0	0	0	0	0
Incineration	0	0	0	0	0	0
Composting	0	0	0	0	0	0
Bioremediation	0	0	0	0	0	0
Total	4.73	167.72	2.23	16.62	4.38	33.44

HPP LUIS EDUARDO MAGALHÃES						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	0	0.38	3.51	0	0	0.47
Coprocessing	1.91	0	2.24	0	1.06	0.01
Decontamination	0	0	0.01	0	1.86	0
Refining	0	0	0	0	3.3	0
Sanitary landfill	0.06	0.18	0	0	0	0
Neutralization	0.34	0	0	0	0	0
Incineration	0	0	0	0	0	0
Composting					0	0
Bioremediation					0	0
Total	2.33	0.56	5.76	0	6.22	0.48

HPP PEIXE ANGICAL						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	5.34	4.63	17.12	2.66	0	7.39
Coprocessing	0	0	3.94	0	1.95	0
Decontamination	0	0	0	0	0.13	0
Refining	1.61	0	2.65	0	1.50	0
Sanitary landfill	0	0	0	0	0	0
Neutralization	0	0	0	0	0	0
Incineration	0	0	0	0	0	0
Composting	0	0	0	0	0	0
Bioremediation	0	0	0	0	0	0
Total	6.95	4.63	23.72	2.67	3.60	7.39

HPP SANTO ANTÔNIO DO JARI						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	0	0.2	7,15	1.5	44.31	0.40
Coprocessing	0	0	0	0	0	0
Decontamination	0	0	0,01	0	0	0
Refining	0	0	0	0	0.02	0
Sanitary landfill	0	154.2	0	15.45	0	0
Neutralization	0	0	0	0	0	0
Incineration	0	0	0	0	0	0
Composting	0	0	0	0	0	0
Bioremediation	0	0	0	0	0	0
Total	0	154.40	7,16	16.95	44.34	0.40

HPP SÃO MANOEL						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	0	20.91	0	136,789.91	0.06	30.63
Coprocessing	0	0	23.92	0	0.03	0
Decontamination	0	0	0	0	0	0
Refining	0	0	23.35	0	10.32	0
Sanitary landfill	0	2.35	0.59	205.39	0	763.90
Neutralization	0	0	0	0	0	0
Incineration	0.12	0	23.94	0	9.70	0
Composting	0	0	0	0	0	137.35
Bioremediation	0	0	0	0	8.71	0
Total	0.12	23.27	71.82	136,995.31	28.84	931.90

TPP PECÉM						
	2015		2016		2017	
	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Recycling	1.63	101.26	0	199.55	0	12,095.46
Coprocessing	26.38	1,716.34	50.04	0	40.69	47,588.61
Decontamination	0.1	4,573.39	0.11	0	0.40	875.90
Refining	20.46	0	20.21	0	13.25	0
Sanitary landfill	0	162,411.26	0	142,779.42	0	277,666.44
Neutralization	0	0	0	0	0	0
Incineration	0.02	0	0.01	0	0.01	0
Composting	0	0	0	0	0	0
Bioremediation	0	0	0	0	0	0
Total	48.60	168,802.25	70.39	142,978.98	54.36	338,226.41

1 Landfill stands for the internal landfill of TPP Pecém

EDP SOLUÇÕES DE ENERGIA		
	2017	
	Hazardous	Non-hazardous
Recycling	0	1.33
Coprocessing	47.05	93.01
Decontamination	0	0
Refining	0	0
Sanitary landfill	60.92	38.4
Neutralization	0	0
Incineration	0	0
Composting	0	94.92
Bioremediation	0	10.80
Total	107.98	238.46

ASPECT: COMPLIANCE

ENVIRONMENTAL FINES AND PENALTIES |GRI G4-EN29|

ENVIRONMENTAL FINES AND PENALTIES		EDP BRASIL					
Subdivisão		2015		2016		2017	
		Adm.	Judicial	Adm.	Judicial	Adm.	Judicial
Environmental processes started in the year		8	11	17	9	5	3
Portfolio processes at the end of the year		14	1	6	2	10	4
Total amount of environmental fines		0	0	0	0	0	0

GENERAL ASPECT

INVESTMENTS AND ENVIRONMENTAL EXPENSES (R\$) |GRI G4-EN31|

EDP BRASIL			
	2015	2016	2017
Treatment of emissions	0	19,209,675.70	7,177,414.36
Waste treatment	8,730,887.23	2,905,955.55	1,511,378.32
Remedial expenses	1,384,277.72	3,474,352.94	3,986,497.23
Expenses with eco-efficiency	0	34,906.00	22,479.32
Biodiversity protection	34,078,140.47	20,737,027.42	22,486,870.26
Expenditure on environmental management	74,753,437.91	43,127,431.63	52,069,788.72
Others	0	67,003.98	1,805,310.00
Total	118,946,743.33	89,556,353.22	89,059,738.21

EDP SÃO PAULO			
	2015	2016	2017
Treatment of emissions	0	0	0
Waste treatment	100,744.00	139,032.95	26,184.03
Remedial expenses	0	920.00	6,257.82
Expenses with eco-efficiency	0	13,746.00	0
Biodiversity protection	3,387,225.00	7,796,148.59	10,356,317.19
Expenditure on environmental management	49,620.82	401,375.41	2,503,838.01
Others	0	145.00	1,805,310.00
Total	3,537,589.82	8,351,367.95	14,697,907.05

EDP ESPÍRITO SANTO			
	2015	2016	2017
Treatment of emissions	0	37.50	0
Waste treatment	0	77,849.88	31,882.25
Remedial expenses	0	20,245.05	249,748.63
Expenses with eco-efficiency	ND	21,160.00	22,479.32
Biodiversity protection	3,774,613.46	6,853,996.60	4,500,219.97
Expenditure on environmental management	296,717.59	321,216.31	1,160,001.74
Others	0	980.00	0
Total	4,071,331.05	7,295,485.34	5,964,331.91

HPP MASCARENHAS			
	2015	2016	2017
Treatment of emissions	0	0	4,901.05
Waste treatment	507,883.51	0	16,579.49
Remedial expenses	0	504,552.37	201,789.65
Expenses with eco-efficiency	0	0	0
Biodiversity protection	370,661.90	208,101.69	207,097.74
Expenditure on environmental management	156,817.08	25,168.96	2,567,611.30
Others	0	0	0
Total	1,035,362.49	737.823.02	2,997,979.23

EDP PCH		
	2016	2017
Treatment of emissions	0	3,984.30
Waste treatment	0	28,764.06
Remedial expenses	148,453.26	433,385.97
Expenses with eco-efficiency	0	0
Biodiversity protection	0	28,481.89
Expenditure on environmental management	21,058.06	1,190,494.18
Others	0	0
Total	169,511.32	1,685,110.40

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Treatment of emissions	0	0	1,800.00
Waste treatment	2,141,692.12	0	0
Remedial expenses	862,264.75	1,544,832.42	575,732.75
Expenses with eco-efficiency	0	0	0
Biodiversity protection	0	3,607,694.04	4,719,991.67
Expenditure on environmental management	3,065,806.50	1,792,136.29	3,654,095.93
Others	0	0	0
Total	6,069,763.37	6,944,662.75	8,951,620.35

HPP PEIXE ANGICAL			
	2015	2016	2017
Treatment of emissions	0	9,992.40	8,951.00
Waste treatment	533,970.00	26,827.34	18,515.00
Remedial expenses	0	396,217.08	723,815.18
Expenses with eco-efficiency	0	0	0
Biodiversity protection	228,247.00	1,070,288.68	1,457,652.33
Expenditure on environmental management	121,643.00	686,706.84	1,424,516.86
Others	0	65,878.98	0
Total	883,860.00	2,255,911.32	3,633,450.37

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Treatment of emissions	0	0	0
Waste treatment	1,634,380.55	0	26,197.00
Remedial expenses	0	414,835.20	285,355.91
Expenses with eco-efficiency	0	0	0
Biodiversity protection	1,590,221.05	857,107.35	681,516.15
Expenditure on environmental management	2,709,113.56	333,546.75	358,374.40
Others	0	0	0
Total	5,933,715.16	1,605,489.29	1,351,443.45

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Treatment of emissions	0	0	0
Waste treatment	877,483.23	0	976.57
Remedial expenses	0	249,848.68	371,899.76
Expenses with eco-efficiency	0	0	0
Biodiversity protection	17,584,255.75	308,434.06	513,422.24
Expenditure on environmental management	40,566,148.78	8,285,165.97	3,018,477.06
Others	0	0	0
Total	59,027,887.76	8,843,448.70	3,904,775.63

HPP SÃO MANOEL			
	2015	2016	2017
Treatment of emissions	0	0	0
Waste treatment	2,361,509.53	0	0
Remedial expenses	0	0	0
Expenses with eco-efficiency	0	0	0
Biodiversity protection	7,135,594.31	0	0
Expenditure on environmental management	27,767,545.96	27,750,401.19	28,727,370.87
Others	0	0	0
Total	37,264,649.80	27,750,401.19	28,727,370.87

TPP PECÉM			
	2015	2016	2017
Treatment of emissions	0	19,182,504.06	7,157,778.01
Waste treatment	9,922.00	2,649,818.58	1,360,177.02
Remedial expenses	0	0	816,686.95
Expenses with eco-efficiency		0	0
Biodiversity protection	7,322.00	0	0
Expenditure on environmental management	2,151.00	3,481,018.78	7,452,757.22
Others		0	0
Total	19,395.00	25,313,341.42	16,787,399.20

ASPECT: ENVIRONMENTAL EVALUATION OF SUPPLIERS

EVALUATION OF SUPPLIERS IN LABOR PRACTICES |GRI G4-EN33|

EDP BRASIL			
	2015	2016	2017
Number of suppliers subject to impact assessment in relation to labor practices	12	52	71
Number of suppliers identified as having real and potential negative impacts on labor practices	14	52	71
Percentage of suppliers that cause actual or potential negative impacts in relation to labor practices for which action plans have been defined	85.71%	26.92%	100.00%
Percentage of suppliers that cause actual or potential negative impacts in relation to labor practices that have had their agreements terminated	0%	0%	0%

ASPECT: MECHANISMS OF COMPLAINTS AND CLAIMS RELATED TO ENVIRONMENTAL IMPACTS

CLAIMS RELATED TO ENVIRONMENTAL IMPACTS |GRI G4-EN34|

EDP BRASIL			
	2015	2016	2017
Number of environmental complaints registered	71.00	75.00	52.00
Number of environmental complaints processed	4.00	34.00	19.00
Number of environmental complaints resolved	4.00	29.00	19.00

SOCIAL CATEGORY

SUBCATEGORY: LABOR PRACTICES AND DECENT WORK

ASPECT: EMPLOYMENT

TURNOVER IN 2017 |GRI G4-LA1|

EDP BRASIL									
	2015								
	Under 30 years old			From 30 to 50 years old			Over 50 years old		
	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Hired	99	33	132	122	28	150	13	2	15
Dismissed	37	23	60	89	31	120	53	18	71
Turnover (%)	14.65	15.57	14.90	7.52	7.57	7.56	7.96	11.08	8.62
	2016								
	Under 30 years old			From 30 to 50 years old			Over 50 years old		
	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Hired	96	41	137	117	38	155	23	4	27
Dismissed	59	15	74	151	43	194	103	27	130
Turnover (%)	15.26	16.31	15.53	8.25	9.61	8.53	15.94	17.88	16.29
	2017								
	Under 30 years old			From 30 to 50 years old			Over 50 years old		
	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Hired	106	61	167	175	40	215	12	0	12
Dismissed	40	28	68	181	50	231	77	14	91
Turnover (%)	15.50	24.45	17.99	10.42	10.00	10.33	14.83	10.94	14.15

RETURN TO WORK AFTER PAID-MATERNITY LEAVE¹ |GRI G4-LA3|

EDP BRASIL			
	2015	2016	2017
Number of employees entitled to leave	31	40	30
Number of employees on leave	31	40	30
Number of employees returning to work after end of leave	35	35	29
Number of employees who were still in the company 12 months after returning to work	12	35	25
Rate of return of employees returning to work upon end of leave	100%	100%	100%
Retention rate of employees returning to work and remaining 12 months after end of leave	75%	88%	100%

¹The return rate of paid-paternity leave is not reported because the indicator is not material. In Brazil, the paternity leave is only 5 days, and therefore, it is not common cases of abandonment of work after the birth of children.

ASPECT: HEALTH AND SAFETY AT WORK

HEALTH AND SAFETY AT WORK OF OWN PERSONNEL |GRI G4-LA6|

EDP BRASIL			
	2015	2016	2017
Number of lost-time accidents	11	4	4
Number of non-lost time accidents	20	16	18
Absolute number of deaths	1	0	0
Injury rate (frequency rate)	1.71	0.59	0.59
Severity rate	961.37	26.80	986.07
Occupational disease rate	ND	0	0
Lost days rate	106.19	26.80	101.98

EDP SÃO PAULO			
	2015	2016	2017
Number of lost-time accidents	1	1	2
Number of non-lost time accidents	7	6	15
Absolute number of deaths	1	0	0
Injury rate (frequency rate)	0.78	0.39	0.79
Severity rate	2,330.98	12.91	2,639.17
Occupational disease rate	ND	0	0
Lost days rate	1.16	12.91	268.30

EDP ESPÍRITO SANTO			
	2015	2016	2017
Number of lost-time accidents	5	0	0
Number of non-lost time accidents	8	3	0
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	2.38	0	0
Severity rate	232.81	0	0
Occupational disease rate	ND	0	0
Lost days rate	232.81	0	0

HPP SÃO MANOEL			
	2015	2016	2017
Number of lost-time accidents	1	1	1
Number of non-lost time accidents	0	0	1
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	14.57	8.52	4.51
Severity rate	203.97	8.52	31.59
Occupational disease rate	ND	0	0
Lost days rate	203.97	8.52	31.29

TPP PECÉM		
	2016	2017
Number of lost-time accidents	1	0
Number of non-lost time accidents	4	0
Absolute number of deaths	0	0
Injury rate (frequency rate)	2.05	0
Severity rate	29.00	0
Occupational disease rate	0	0
Lost days rate	28.67	0

HEALTH AND SAFETY AT WORK WITH THIRD PARTIES |GRI G4-LA6|

EDP BRASIL			
	2015	2016	2017
Number of lost-time accidents	58	59	31
Number of non-lost time accidents	178	120	60
Absolute number of deaths	6	0	4
Injury rate (frequency rate)	2.64	2.30	1.64
Severity rate	1,602.00	99.25	1,216.00
Occupational disease rate	ND	0	0
Lost days rate	115.00	99.25	80.00

EDP SÃO PAULO			
	2015	2016	2017
Number of lost-time accidents	2	2	11
Number of non-lost time accidents	12	29	19
Absolute number of deaths	0	0	1
Injury rate (frequency rate)	0.44	0.42	2.29
Severity rate	25.81	15.63	1,241.01
Occupational disease rate	ND	0	0
Lost days rate	25.81	15.63	95.29

EDP ESPÍRITO SANTO			
	2015	2016	2017
Number of lost-time accidents	9	8	8
Number of non-lost time accidents	8	7	10
Absolute number of deaths	2	0	1
Injury rate (frequency rate)	1.92	1.36	1.38
Severity rate	2,183.00	35.97	947.27
Occupational disease rate	ND	0	0
Lost days rate	86.99	35.97	30.41

HPP MASCARENHAS			
	2015	2016	2017
Number of lost-time accidents	2	0	0
Number of non-lost time accidents	1	0	0
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	10.82	0	0
Severity rate	16.22	0	0
Occupational disease rate	ND	0	0
Lost days rate	16.22	0	0

HPP PEIXE ANGICAL			
	2015	2016	2017
Number of lost-time accidents	0	1	0
Number of non-lost time accidents	0	0	0
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	0	11.56	0
Severity rate	0	57.82	0
Occupational disease rate	ND	0	0
Lost days rate	0	57.82	0

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Number of lost-time accidents	0	0	1
Number of non-lost time accidents	0	1	2
Absolute number of deaths	1	0	0
Injury rate (frequency rate)	2.80	0	15.44
Severity rate	16,812.52	0	46.31
Occupational disease rate	ND	0	0
Lost days rate	0	0	46.31

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Number of lost-time accidents	4	0	0
Number of non-lost time accidents	20	1	0
Absolute number of deaths	2	0	0
Injury rate (frequency rate)	1.16	0	0
Severity rate	2,368.00	330.46	0
Occupational disease rate	ND	0	0
Lost days rate	50.59	330.46	0

HPP SÃO MANOEL			
	2015	2016	2017
Number of lost-time accidents	37	45	10
Number of non-lost time accidents	130	75	24
Absolute number of deaths	1	0	0
Injury rate (frequency rate)	5,70	3.89	1.84
Severity rate	1,162.00	158.27	224.97
Occupational disease rate	ND	0	0
Lost days rate	261.92	158.27	169.83

TPP PECÉM			
	2015	2016	2017
Number of lost-time accidents	4	2	1
Number of non-lost time accidents	7	6	4
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	3.21	1.35	0.79
Severity rate	136.50	46.00	64.00
Occupational disease rate	ND	0	0
Lost days rate	137.11	46.00	64.00

HEALTH AND SAFETY AT WORK WITH OWN PERSONNEL AND THIRD PARTY |GRI G4-LA6|

EDP BRASIL			
	2015	2016	2017
Number of lost-time accidents	69	63	35
Number of non-lost time accidents	198	136	78
Absolute number of deaths	7	0	4
Injury rate (frequency rate)	2.43	1.94	1.38
Severity rate	1,458.33	84.16	1,160.93
Occupational disease rate	ND	0	0
Lost days rate	113.39	84.16	85.14

EDP SÃO PAULO			
	2015	2016	2017
Number of lost-time accidents	3	3	13
Number of non-lost time accidents	19	35	34
Absolute number of deaths	1	0	1
Injury rate (frequency rate)	0.56	0.41	1,80
Severity rate	860.87	14.68	1,696.54
Occupational disease rate	ND	0	0
Lost days rate	16.88	14.68	151.66

EDP ESPÍRITO SANTO			
	2015	2016	2017
Number of lost-time accidents	14	8	8
Number of non-lost time accidents	16	10	10
Absolute number of deaths	2	0	1
Injury rate (frequency rate)	2.04	1,01	1.04
Severity rate	1,658.79	26.59	719.00
Occupational disease rate	ND	0	0
Lost days rate	126.18	26.59	23.08

HPP MASCARENHAS			
	2015	2016	2017
Number of lost-time accidents	2	0	0
Number of non-lost time accidents	1	0	0
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	5.40	0	0
Severity rate	8.09	0	0
Occupational disease rate	ND	0	0
Lost days rate	8.09	0	0

HPP PEIXE ANGICAL			
	2015	2016	2017
Number of lost-time accidents	0	1	0
Number of non-lost time accidents	0	0	0
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	0	5.27	0
Severity rate	0	26.36	0
Occupational disease rate	ND	0	0
Lost days rate	0	26.36	0

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Number of lost-time accidents	0	0	1
Number of non-lost time accidents	0	1	2
Absolute number of deaths	1	0	0
Injury rate (frequency rate)	2.31	0	8.64
Severity rate	13,834.54	0	25.93
Occupational disease rate	ND	0	0
Lost days rate	0	0	25.93

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Number of lost-time accidents	4	0	0
Number of non-lost time accidents	20	1	0
Absolute number of deaths	2	0	0
Injury rate (frequency rate)	1.12	0	0
Severity rate	2,294.70	301.43	0
Occupational disease rate	ND	0	0
Lost days rate	49.03	0	0

HPP SÃO MANOEL			
	2015	2016	2017
Number of lost-time accidents	38	46	11
Number of non-lost time accidents	130	75	25
Absolute number of deaths	1	0	0
Injury rate (frequency rate)	5.79	3.94	1.94
Severity rate	1,152.72	156.76	217.40
Occupational disease rate	ND	0	0
Lost days rate	261,33	3,94	164,42

TPP PECÉM			
	2015	2016	2017
Number of lost-time accidents	8	3	1
Number of non-lost time accidents	12	10	4
Absolute number of deaths	0	0	0
Injury rate (frequency rate)	3.51	1.52	0.55
Severity rate	179.64	42.00	44.66
Occupational disease rate	ND	0	0
Lost days rate	179.64	41.61	44.66

ASPECT: TRAINING AND EDUCATION

AVERAGE HOURS OF TRAINING (HOURS) |GRI G4-LA9|

EDP BRASIL									
	2015			2016			2017		
	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Top Management	16	0	16	0	0	0	0,5	0	0,5
Administration	20	19	20	589	20	609	80	61	78
Management	31	39	33	3,070	442	3,512	50	42	49
Specialists	41	27	36	19,405	6,268	25,673	27	24	26
Administrative1	28	43	36	3,582	5,481	9,063	31	22	25
Operational	59	59	59	68,101	2,497	70,598	82	43	80
Total hours of training	124,758	28,342	153,100	94,747	14,708	109,455	159,501	18,570	178,071

1Includes trainees and apprentices.

ASPECT: DIVERSITY AND EQUAL OPPORTUNITY

COMPOSITION OF THE WORKFORCE |GRI G4-10, G4-LA12|

EDP BRASIL						
Tipo de Contrato	2015		2016		2017	
	Man	Woman	Man	Woman	Man	Woman
Employees	2,430	674	2,487	688	2,479	696
Outsourced	12,205		12,783		10,801	

EDP BRASIL						
Functional Category	2015		2016		2017	
	Man	Woman	Man	Woman	Man	Woman
Top Management	5	0	6	0	4	0
Administration	24	2	25	2	25	3
Management	138	32	164	34	126	24
Specialists	597	352	577	365	585	377
Administrative	173	231	138	220	138	197
Operational	1,493	57	1,577	67	1,601	95
Trainees	80	58	79	67	77	74
Apprentices	19	36	27	37	24	45

EDP BRASIL						
Age Group	2015		2016		2017	
	Man	Woman	Man	Woman	Man	Woman
Under 30 years old	527	189	515	187	471	182
From 30 to 50 years old	1,495	397	1,603	423	1,708	450
Over 50 years old	408	88	369	78	300	64

EDP BRASIL						
Race	2015		2016		2017	
	Man	Woman	Man	Woman	Man	Woman
White	1,623	519	1,696	531	1,738	537
Black	114	10	115	12	115	14
Mixed	637	128	616	127	572	125
Yellow	36	16	33	14	28	15
Indigenous people	6	1	9	1	8	2
Not informed	14	0	18	3	18	3

EDP BRASIL						
Minority Groups	2015		2016		2017	
	Man	Woman	Man	Woman	Man	Woman
Disabled people	0	0	32	25	30	25

EDP BRASIL						
Diversity in managerial positions	2015		2016		2017	
	Man	Woman	Man	Woman	Man	Woman
Black	4	0	5	0	4	0
Disabled people	0	1	1	0	0	0
Foreigners	7	1	7	2	7	1

EDP BRASIL						
Education	2015		2016		2017	
	Man	Woman	Man	Woman	Man	Woman
Illiterate employees	1	0	0	0	0	0
Incomplete primary education	19	0	14	0	8	0
Complete primary education	89	3	75	5	69	4
Incomplete secondary education	47	3	45	2	38	2
Complete secondary education	1,359	187	1,466	192	1,103	93
Higher education	655	342	619	347	1,020	469
Graduate (specialization, master, doctorate)	260	139	268	142	241	128

ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN

PROFILE OF REMUNERATION (AVERAGE SALARY - R\$)¹ | GRI G4-LA13 |

EDP BRASIL			
	2015	2016	2017
Top Management	36,379.25	31,958.33	40,250.00
Administration	27,853.94	29,949.17	25,606.05
Management	14,784.79	15,000.54	15,548.66
Specialists	7,217.90	7,680.13	7,284.66
Administrative	3,159.10	3,390.30	2,791.94
Operational	3,261.11	3,330.44	3,017.80

¹For Directors with multiple links in companies of the EDP Group, only one of the links was considered (the most representative).

EDP SÃO PAULO			
	2015	2016	2017
Top Management	0	0	R\$ 0
Administration	30,423.34	30,423.34	24,647.00
Management	13,346.30	12,130.16	14,842.06
Specialists	6,536.18	7,030.87	6,994.42
Administrative	2,758.95	2,824.21	2,883.22
Operational	2,608.14	2,831.60	2,791.66

EDP ESPÍRITO SANTO			
	2015	2016	2017
Top Management	0	0	0
Administration	40,815.60	50,059.20	23,950.00
Management	11,106.88	10,067.16	12,942.16
Specialists	6,180.84	6,599.23	6,692.55
Administrative	2,495.09	2,598.77	2,798.39
Operational	2,746.49	2,768.11	2,716.18

HPP MASCARENHAS			
	2015	2016	2017
Top Management	0	0	0
Administration	21,074.33	12,277.39	17,120.03
Management	15,220.45	16,665.24	17,707.71
Specialists	7,866.04	9,106.74	9,150.72
Administrative	4,572.98	5,758.68	5,959.76
Operational	3,326.02	3,298.23	3,110.99

EDP PCH		
	2016	2017
Top Management	0	0
Administration	0	0
Management	20,563.75	21,775.54
Specialists	8,885.65	8,691.76
Administrative	3,441.69	2,995.98
Operational	3,080.60	2,964.89

HPP LUIS EDUARDO MAGALHÃES		
	2016	2017
Top Management	0	0
Administration	12,681.00	12,681.00
Management	14,725.65	17,953.72
Specialists	7,001.22	6,967.94
Administrative	2,394.27	2,576.60
Operational	4,306.02	4,417.31

HPP PEIXE ANGICAL		
	2016	2017
Top Management	25,000.00	0
Administration	22,000.00	26,027.00
Management	16,504.00	17,183.00
Specialists	6,209.18	6,479.64
Administrative	2,711.33	0
Operational	3,601.88	3,594.10

HPP SANTO ANTÔNIO DO JARI		
	2016	2017
Top Management	0	0
Administration	0	0
Management	10,000.00	10,000.00
Specialists	8,990.80	7,893.19
Administrative	2,400.09	2,464.80
Operational	3,826.74	3,667.68

HPP CACHOEIRA CALDEIRÃO		
	2016	2017
Top Management	0	0
Administration	0	0
Management	13,100.56	14,953.05
Specialists	6,569.75	8,113.71
Administrative	0	0
Operational	3,823.11	3,978.14

HPP SÃO MANOEL		
	2016	2017
Top Management	0	0
Administration	34,355.54	30,047.53
Management	20,750.62	19,366.14
Specialists	8,523.11	8,292.88
Administrative	2,536.35	2,393.83
Operational	5,330.50	4,741.33

TPP PECÉM		
	2016	2017
Top Management	0	0
Administration	35,017.50	31,837.50
Management	12,029.99	15,247.09
Specialists	7,192.31	7,544.27
Administrative	2,260.07	1,804.68
Operational	3,147.97	3,913.97

PROPORTION BETWEEN BASE SALARY FOR WOMEN AND MEN (%) |GRI G4-LA13|

EDP BRASIL			
	2015	2016	2017
Top Management	0	0	0
Administration	116.47	98.91	89
Management	86.10	95.74	90
Specialists	75.89	76.36	80
Administrative	118.19	119.62	116
Operational	93.35	98.59	88

EDP HOLDING			
	2015	2016	2017
Top Management	0	0	0
Administration	111.84	89.32	90
Management	103.39	90.96	81
Specialists	87.19	93.68	93
Administrative	350.93	305.74	221
Operational	80.77	80.94	81

EDP SÃO PAULO			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	102.66	100.64	90
Specialists	80.79	79.22	79
Administrative	87.56	91.78	93
Operational	102.44	107.51	90

EDP ESPÍRITO SANTO			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	68.60	75.54	79
Specialists	74.95	74.07	77
Administrative	101.76	104.84	97
Operational	106.55	98.71	94

HPP MASCARENHAS			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	103.01	0	0
Specialists	76.80	81.42	73
Administrative	174.07	0	0
Operational	0	0	62

EDP PCH			
	2016	2017	
Top Management	0	0	
Administration	0	0	
Management	72.30	72	
Specialists	78.13	81	
Administrative	92.10	70	
Operational	0	0	

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	84.69	70.20	62
Administrative	0	0	106
Operational	0	0	0

HPP PEIXE ANGICAL			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	62.65	69.43	79
Administrative	98.22	109.87	82
Operational	0	0	0

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	0	0	0
Administrative	39.89	0	0
Operational	58.59	0	0

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	60.64	48.60	47
Administrative	57.98	0	0
Operational	83.27	0	0

HPP SÃO MANOEL			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	62.35	107.31	128
Specialists	95.14	75.42	56
Administrative	158.36	102.37	119
Operational	119.07	78.64	57

TPP PECÉM			
	2015	2016	2017
Top Management	0	0	0
Administration	84.51	87.89	0
Management	106.28	108.79	0
Specialists	76.05	62.77	74
Administrative	112.50	76.37	117
Operational	105.01	119.16	104

PROPORTION BETWEEN REMUNERATION FOR WOMEN AND MEN (%) |GRI G4-LA13|

EDP BRASIL			
	2015	2016	2017
Top Management	0	0	0
Administration	116.5	98.9	89
Management	84.7	90.7	87
Specialists	71.3	69.5	74
Administrative	114.5	116.4	107
Operational	88.0	89.3	75

EDP HOLDING			
	2015	2016	2017
Top Management	0	0	0
Administration	111.8	89.0	90
Management	103.4	91.0	81
Specialists	87.2	93.7	93
Administrative	350.9	314.7	227
Operational	80.8	80.9	81

EDP SÃO PAULO			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	103.4	97.4	90
Specialists	80.5	72.0	73
Administrative	86.3	90.2	92
Operational	101.0	89.5	74

EDP ESPÍRITO SANTO			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	69.3	73.0	79
Specialists	69.3	68.4	71
Administrative	95.7	99.4	90
Operational	85.0	78.5	74

HPP MASCARENHAS			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	102.7	0	0
Specialists	70.9	72.5	67
Administrative	169.4	0	0
Operational	0	0	56

EDP PCH		
	2016	2017
Top Management	0	0
Administration	0	0
Management	72.3	72
Specialists	77.2	79
Administrative	90.9	74
Operational	0	0

HPP LUIS EDUARDO MAGALHÃES			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	71.4	59.1	54
Administrative	0	0	99
Operational	0	0	0

HPP PEIXE ANGICAL			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	62.6	69.4	79
Administrative	98.2	109.9	82
Operational	0	0	0

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	0	0	0
Administrative	39.9	0	0
Operational	61.1	0	0

HPP CACHOEIRA CALDEIRÃO			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	0	0	0
Specialists	60.6	37.4	36
Administrative	58.0	0	0
Operational	80.7	0	0

HPP SÃO MANOEL			
	2015	2016	2017
Top Management	0	0	0
Administration	0	0	0
Management	62.3	107.3	124
Specialists	95.1	75.4	54
Administrative	158.4	102.4	125
Operational	119.1	78.6	65

TPP PECÉM			
	2015	2016	2017
Top Management	0	0	0
Administration	84.5	87.9	0
Management	103.3	97.5	0
Specialists	64.5	52.2	62
Administrative	95.7	67.2	98
Operational	104.3	103.5	88

ASPECT: MECHANISMS OF COMPLAINTS AND CLAIMS RELATED TO WORKPLACE PRACTICES

COMPLAINTS AND CLAIMS RELATED TO LABOR PRACTICES |GRI G4-LA16|

EDP BRASIL			
	2015	2016	2017
Registered	497	486	570
Processed	1,562	1,670	1,840
Solved	592	442	406
Amount provisioned in the period (Thousand R\$)	27,485.30	77,422.60	102,785.42

EDP SÃO PAULO			
	2015	2016	2017
Registered	205	187	210
Processed	573	559	584
Solved	291	193	181
Amount provisioned in the period (Thousand R\$)	9,703.51	21,749.75	25,985.32

EDP ESPÍRITO SANTO			
	2015	2016	2017
Registered	184	152	99
Processed	823	847	811
Solved	239	142	121
Amount provisioned in the period (Thousand R\$)	16,632.31	51,499.49	64,069.54

HPP MASCARENHAS			
	2015	2016	2017
Registered	16	11	12
Processed	77	70	68
Solved	10	21	9
Amount provisioned in the period (Thousand R\$)	828.28	3,146.86	5,060.50

EDP PCH		
	2016	2017
Registered	0	0
Processed	0	3
Solved	0	0
Amount provisioned in the period (Thousand R\$)	0	0

INVESCO		
	2016	2017
Registered	3	1
Processed	9	6
Solved	3	3
Amount provisioned in the period (Thousand R\$)	109.79	125.28

HPP PEIXE ANGICAL		
	2016	2017
Registered	0	0
Processed	2	0
Solved	0	0
Amount provisioned in the period (Thousand R\$)	0	0

HPP SANTO ANTÔNIO DO JARI		
	2016	2017
Registered	51	31
Processed	88	97
Solved	34	37
Amount provisioned in the period (Thousand R\$)	327.12	1,943.32

HPP CACHOEIRA CALDEIRÃO		
	2016	2017
Registered	30	28
Processed	34	45
Solved	8	26
Amount provisioned in the period (Thousand R\$)	3.54	463.62

HPP SÃO MANOEL		
	2016	2017
Registered	0	151
Processed	1	152
Solved	0	0
Amount provisioned in the period (Thousand R\$)	0	0

PECÉM		
	2016	2017
Registered	31	21
Processed	39	44
Solved	18	15
Amount provisioned in the period (Thousand R\$)	198.64	243.61

SUBCATEGORY: HUMAN RIGHTS

ASPECT: INVESTMENTS

AGREEMENTS AND INVESTMENT CONTRACTS WITH
HUMAN RIGHTS CLAUSES |GRI G4-HR1|

EDP BRASIL			
	2015	2016	2017
Total number of significant investment agreements and contracts	2,498	2,715	3,170
Percentage of significant investment agreements and contracts that include human rights clauses or that have undergone human rights assessment (%)	100	100	100

TRAINING ON HUMAN RIGHTS ASPECTS |GRI G4-HR2|

TRAINING ON HUMAN RIGHTS ASPECTS		EDP BRASIL		
		2015	2016	2017
Total hours of employee training in human rights policies and / or procedures		50.0	131.0	10.5
Percentage of employees trained in human rights policies and procedures		11.4	57.0	0

ASPECT: NON-DISCRIMINATION

PERCENTAGE OF EMPLOYEES RECEIVING ANTI-CORRUPTION TRAINING |GRI G4-HR3|

EDP BRASIL			
	2015	2016	2017
Top Management	0	0	100
Administration	1	1	100
Management	5	6	100
Specialists	6	5	100
Administrative	13	58	100
Operational	75	29	100

ASPECT: EVALUATION OF SUPPLIERS IN HUMAN RIGHTS

EVALUATION OF SUPPLIERS IN ENVIRONMENTAL ASPECTS, LABOR, HUMAN,
SOCIAL, AND HUMAN RIGHTS |GRI G4-HR11, G4-LA15, G4-SO10, G4-HR-10|

EDP BRASIL			
	2015	2016	2017
Percentage of contracts with suppliers that have environmental, labor, human rights, social clauses	100	100	100
Percentage of suppliers selected by environmental, labor, human and social rights criteria	0	0	0
Number of suppliers subject to environmental, labor, human rights and social impact assessments (Critical risk matrix suppliers)	12	52	71
Number of suppliers that have a potential negative impact on the environmental, labor, human rights and social aspects (total suppliers that are in some dimension of the matrix as significant)	14	52	71
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human rights and social aspects that have been audited	86	27	100
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human rights and social aspects in which improvements were agreed between the parties because of auditing	86	27	100
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human and social rights, and that relationships were terminated as a result of the audit	0	0	0

EDP SÃO PAULO			
	2015	2016	2017
Percentage of contracts with suppliers that have environmental, labor, human rights, social clauses	100	100	100
Percentage of suppliers selected by environmental, labor, human and social rights criteria	0	0	0
Number of suppliers subject to environmental, labor, human rights and social impact assessments (Critical risk matrix suppliers)	6	8	29
Number of suppliers that have a potential negative impact on the environmental, labor, human rights and social aspects (total suppliers that are in some dimension of the matrix as significant)	6	8	29
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human rights and social aspects that have been audited	100	88	100
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human rights and social aspects in which improvements were agreed between the parties as a result of auditing	100	88	100
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human and social rights, and that relationships were terminated as a result of the audit	0	0	0

EDP ESPÍRITO SANTO			
	2015	2016	2017
Percentage of contracts with suppliers that have environmental, labor, human rights, social clauses	100	100	100
Percentage of suppliers selected by environmental, labor, human and social rights criteria	0	0	0
Number of suppliers subject to environmental, labor, human rights and social impact assessments (Critical risk matrix suppliers)	8	8	23
Number of suppliers that have a potential negative impact on the environmental, labor, human rights and social aspects (total suppliers that are in some dimension of the matrix as significant)	8	8	23
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human rights and social aspects that have been audited	100	88	100
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human rights and social aspects in which improvements were agreed between the parties as a result of auditing	100	88	100
Percentage of suppliers identified as having a potential negative impact on environmental, labor, human and social rights, and that relationships were terminated as a result of the audit	0	0	0

SUBCATEGORY: SOCIETY

ASPECT: COMBATING CORRUPTION

NUMBER OF EMPLOYEES TRAINED IN CORRUPTION POLICIES AND PROCEDURES |GRI G4-SO4|

EDP BRASIL			
	2015	2016	2017
Top Management	0	8	6
Administration	3	20	18
Management	21	117	36
Specialists	25	107	32
Administrative	51	1,140	3
Operational	294	562	30

ASPECT: COMPLIANCE

NON-MONETARY FINES AND PENALTIES AS A RESULT OF NON-COMPLIANCE WITH LAWS AND REGULATIONS |GRI G4-SO8|

EDP BRASIL			
	2015	2016	2017
Monetary value of significant fines	ND	ND	ND
Total number of non-monetary sanctions	9	ND	24
Number of processes promoted through arbitration mechanisms	0	ND	1

SUBCATEGORY: PRODUCT LIABILITY

ASPECT: LABELING OF PRODUCTS AND SERVICES

CUSTOMER SATISFACTION RESEARCH RESULTS (%) |GRI G4-PR5|

EDP SÃO PAULO			
	2015	2016	2017
ANEEL Consumer Satisfaction Index (IASC)	52.75	60.43	65.56
Perceived Quality Satisfaction Index (ISQP) 0 ABRADÉE	78.50	76.30	68.01
Customer Approval Index (IAC) 0 ABRADÉE	78.90	73.90	73.12
Overall Satisfaction Index (ISG) 0 ABRADÉE	69.70	60.10	60.45
Customer Satisfaction Index with Service Execution (ISES)	NA	NA	NA
Customer Satisfaction Survey	73.50	77.30	78.50

EDP ESPÍRITO SANTO			
	2015	2016	2017
ANEEL Consumer Satisfaction Index (IASC)	58.81	69.10	68.36
Perceived Quality Satisfaction Index (ISQP) 0 ABRADÉE	82.00	80.80	80.68
Customer Approval Index (IAC) 0 ABRADÉE	83.00	78.08	81.92
Overall Satisfaction Index (ISG) 0 ABRADÉE	73.67	63.84	85.44
Customer Satisfaction Index with Service Execution (ISES)	NA	NA	NA
Customer Satisfaction Survey	74.20	78.60	75.80

ASPECT: COMPLIANCE

NON-MONETARY FINES AND PENALTIES AS A RESULT OF NON-COMPLIANCE WITH LAWS AND REGULATIONS (R\$ MIL) |GRI G4-PR9|

EDP SÃO PAULO			
	2015	2016	2017
DIC	1,497.47	3,253.47	2,613.67
FIC	387.56	835.89	786.25
DMIC	2,518.84	3,113.15	2,448.45
DICRI	0	ND	ND
Other compensations paid	4,089.76	36.93	57.28
Total	8,493.62	7,239.44	5,905.66
Commercial quality (Transgression for non-service term)	ND	ND	ND



EDP ESPÍRITO SANTO			
	2015	2016	2017
DIC	1,661.92	2,178.14	2,238.68
FIC	281.38	262.36	277.52
DMIC	1,818.10	2,230.54	2,293.00
DICRI	ND	ND	ND
Other compensations paid	5,348.02	47.37	26.94
Total	9,109.42	4,718.41	4,836.14
Commercial quality (Transgression for non-service term)	ND	ND	ND

SECTORAL DIMENSION

ASPECT: ORGANIZATIONAL PROFILE

INSTALLED CAPACITY (MW) |GRI EU1|

CAPACITY INSTALLED				EDP BRASIL
Operating Units	2015	2016	2017	
Hidraulic	1,983.58	2,041.98	2,110.08	
HPP PEIXE ANGICAL (TO)	498.75	498.75	498.75	
Lajeado HPP (TO)	902.50	902.50	902.50	
HPP Mascarenhas (ES)	198.00	198.00	198.00	
HPP Suíça (ES)	33.90	33.90	33.90	
HPP Santo Antônio do Jari (AP)	186.70	186.70	196.47	
HPP Cachoeira Caldeirão(AP)	0	109.50	109.50	
HPP SÃO MANOEL	NA	NA	58.33	
Alegre PCH (ES)	2.06	2.06	2.06	
Fruteiras PCH (ES)	8.74	8.74	8.74	
Jucu PCH (ES)	4.84	4.84	4.84	
Francisco Gros PCH (former Santa Fé) (ES)	29.00	29.00	29.00	
São João PCH (ES)	25.00	25.00	25.00	
Viçosa PCH (ES)	4.50	4.50	4.50	
Rio Bonito HPP (ES)	22.50	22.50	22.50	
HPP Mimoso (MS)	29.50	NA	NA	
Costa Rica HPP (MS)	16.00	16.00	16.00	
Paraíso HPP (MS)	21.60	NA	NA	
Thermoelectric	720.27	720.27	720.27	
Port of Pecém (CE)	720.27	720.27	720.27	
Total	2,703.86	2,762.26	2,830.36	

ENERGY ASSURED (AVERAGE MW) |GRI EU1|

CAPACITY INSTALLED				EDP BRASIL
Operating Units	2015	2016	2017	
Hidraulic	1,167.76	1,199.12	811.58	
HPP PEIXE ANGICAL (TO)	280.50	280.50	280.50	
Lajeado HPP (TO)	526.60	526.60	505.10	
HPP Mascarenhas (ES)	138.50	138.50	134.80	
HPP Suíça (ES)	18.91	18.91	18.91	
HPP Santo Antônio do Jari (AP)	108.85	108.85	108.90	
HPP Cachoeira Caldeirão(AP)	0	64.85	64.90	
HPP SÃO MANOEL	NA	NA	141.50	
Alegre PCH (ES)	1.16	1.16	1.16	
Fruteiras PCH (ES)	4.93	5.56	5.56	
Jucu PCH (ES)	2.62	2.52	2.62	
Francisco Gros PCH (former Santa Fé) (ES)	15.58	15.58	15.58	
São João PCH (ES)	12.95	12.95	12.95	
Viçosa PCH (ES)	1.99	2.52	2.52	
Rio Bonito HPP (ES)	9.40	9.40	9.40	
HPP Mimoso (MS)	20.90	NA	NA	
Costa Rica HPP (MS)	12.28	12.28	12.28	
Paraíso HPP (MS)	12.59	NA	NA	
Thermoelectric	645.30	645.30	645.30	
Port of Pecém (CE)	645.30	645.30	645.30	
Total	1,813.06	1,844.42	1,456.88	

NET ENERGY PRODUCTION (GWH) |GRI EU2|

EDP BRASIL			
	2015	2016	2017
Hydraulic	8,147.95	5,237.01	5,093.93
Thermoelectric	4,004.62	4,432.29	4,597.50
Total	12,152.57	9,669.30	9,691.43

NUMBER OF CUSTOMERS |GRI EU3|

EDP SÃO PAULO			
	2015	2016	2017
Residential	1,625.456	1.646.098	1.676.680
Industrial	12.300	12.402	13.022
Commercial	120.558	123.741	126.737
Rural	8.002	7.962	7.904
Public Power	9.122	8.996	8.968
Street lighting	3.070	3.289	3.611
Public service	1.382	1.389	1.423
Conventional supply	2	2	2
Supply	0	0	0
Energy in transit (USD)	174	379	452
Own consumption	162	167	165
Others	0	0	0
Total	1,780.228	1,804.425	1,838.964

EDP ESPÍRITO SANTO			
	2015	2016	2017
Residential	1,152.580	1,182.668	1,201.006
Industrial	11,856	11,470	11,163
Commercial	121,013	122,213	124,253
Rural	177,539	181,478	187,394
Public Power	11,344	11,228	11,389
Street lighting	420	658	616
Public service	1,398	1,440	1,535
Conventional supply	0	0	0
Supply	1	1	1
Energy in transit (USD)	81	230	282
Own consumption	209	208	222
Others	0	0	0
Total	1,476.441	1,511.594	1,537.861

EDP COMERCIALIZADORA			
	2015	2016	2017
Total Comercializadora’s customers	195	272	337

DISTRIBUTION LINES LENGTH (KM) |GRI EU4|

EDP SÃO PAULO						
	2015		2016		2017	
	Aerial	Underground	Aerial	Underground	Aerial	Underground
Low voltage (less than 1kV)	12,845.00	78.70	12,853.18	81.95	12,391.46	82.13
Medium-voltage (greater than 1kV and less than 69kV)	14,412.00	110.69	14,428.40	114.94	14,574.78	116.39
High-voltage (greater than or equal to 69 kV)	953.00	6.32	946.35	6.32	946.43	6.32

EDP ESPÍRITO SANTO						
	2015		2016		2017	
	Aerial	Underground	Aerial	Underground	Aerial	Underground
Low voltage (less than 1kV)	9,361.44	0.32	9,500.63	0.42	9,538.93	0.38
Medium-voltage (greater than 1kV and less than 69kV)	50,148.57	34.71	50,637.61	35.26	51,109.64	39.37
High-voltage (greater than or equal to 69 kV)	2,685.80	0	2,732.12	0	2,732.26	0

ASPECT: ECONOMIC

RESOURCES APPLIED IN RESEARCH AND TECHNOLOGICAL AND SCIENTIFIC DEVELOPMENT (R\$ THOUSAND)' |GRI EU8|

EDP SÃO PAULO			
	2015	2016	2017
FA - Alternative sources of electric energy generation	246.97	310.13	342.09
GT - Thermoelectric Generation	0	0	0
GB - Basin and Reservoir Management	0	0	0
MA - Environment	0	0	0
SE - Security	0	896.59	2,044.24
EE - Energy Efficiency	256.28	22.24	228.93
PL - Electric Energy Systems Planning	0	0	604.86
OP - Operation of Electric Power Systems	100.82	0	273.06
SC - Supervision, Control and Protection of Electric Power Systems	0	303.65	552.81
QC - Quality and Reliability of Electric Energy Services	11.69	5.58	672.31
MF - Measurement, billing and combating of commercial losses	1,538.34	1,625.70	279.40
OU - Other	1,952.11	1,626.63	1,930.32
Total	4,106.21	4,790.52	6,928.02

EDP ESPÍRITO SANTO			
	2015	2016	2017
FA - Alternative sources of electric energy generation	122,01	402,33	302,26
GT - Thermoelectric Generation	0	0	0
GB - Basin and Reservoir Management	0	0	0
MA - Environment	0	0	0
SE - Security	0	791,75	2.080,55
EE - Energy Efficiency	0	0	0
PL - Electric Energy Systems Planning	0	0	617.64
OP - Operation of Electric Power Systems	103.22	0	268.58
SC - Supervision, Control and Protection of Electric Power Systems	0	236.72	578.23
QC - Quality and Reliability of Electric Energy Services	034,11	0	595.19
MF - Measurement, billing and combating of commercial losses	798.32	704.03	1,572.27
OU - Other	1,583.23	1,537.45	3,144.01
Total	2,572.67	3,672.28	9,158.72

HPP MASCARENHAS			
	2015	2016	2017
FA - Alternative sources of electric energy generation	0	0	0
GT - Thermoelectric Generation	0	0	0
GB - Basin and Reservoir Management	100.00	113,159.35	123.17
MA - Environment	0	0	0
SE - Security	483.18	0	0
EE - Energy Efficiency	0	0	0
PL - Electric Energy Systems Planning	0	0	0
OP - Operation of Electric Power Systems	0	0	0
SC - Supervision, Control and Protection of Electric Power Systems	622.35	168,221.24	1,116.39
QC - Quality and Reliability of Electric Energy Services	0	0	0
MF - Measurement, billing and combating of commercial losses	0	0	0
OU - Other	0	11,773.74	0
Total	1,205.52	293,154.33	1,239.56

LUIZ EDUARDO MAGALHÃES			
	2015	2016	2017
FA - Alternative sources of electric energy generation	0	0	0
GT - Thermoelectric Generation	0	0	0
GB - Basin and Reservoir Management	499.77	744.80	0
MA - Environment	0	757.11	47.21
SE - Security	0	0	0
EE - Energy Efficiency	0	0	0
PL - Electric Energy Systems Planning	0	0	0
OP - Operation of Electric Power Systems	0	0	0
SC - Supervision, Control and Protection of Electric Power Systems	525.45	1,912.73	17.29
QC - Quality and Reliability of Electric Energy Services	0	0	0
MF - Measurement, billing and combating of commercial losses	0	0	0
OU - Other	0	27.93	0
Total	1,025.22	3,422.58	64.50

HPP PEIXE ANGICAL			
	2015	2016	2017
FA - Alternative sources of electric energy generation	0	601.11	0
GT - Thermoelectric Generation	0	0	0
GB - Basin and Reservoir Management	0	0	0
MA - Environment	0	38	0
SE - Security	0	0	0
EE - Energy Efficiency	0	0	0
PL - Electric Energy Systems Planning	0	0	0
OP - Operation of Electric Power Systems	0	0	0
SC - Supervision, Control and Protection of Electric Power Systems	2,606.33	659.77	0
QC - Quality and Reliability of Electric Energy Services	0	0	0
MF - Measurement, billing and combating of commercial losses	0	0	0
OU - Other	0	87.12	0
Total	2,606.33	1,386.01	0

HPP SANTO ANTÔNIO DO JARI			
	2015	2016	2017
FA - Alternative sources of electric energy generation	3,909.46	277,243.50	0
GT - Thermoelectric Generation	0	0	0
GB - Basin and Reservoir Management	0	0	0
MA - Environment	0	0	0
SE - Security	0	0	0
EE - Energy Efficiency	0	0	0
PL - Electric Energy Systems Planning	0	0	0
OP - Operation of Electric Power Systems	0	0	0
SC - Supervision, Control and Protection of Electric Power Systems	0	0	0
QC - Quality and Reliability of Electric Energy Services	0	0	0
MF - Measurement, billing and combating of commercial losses	0	0	0
OU - Other	0	0	0
Total	3,909.46	277,243.50	0

TPP PECÉM			
	2015	2016	2017
FA - Alternative sources of electric energy generation	0	0	0
GT - Thermoelectric Generation	0	624.85	2,308.51
GB - Basin and Reservoir Management	0	0	0
MA - Environment	1,623.42	1,911.65	1,948.63
SE - Security	0	0	0
EE - Energy Efficiency	4,605.38	3,310.35	883.85
PL - Electric Energy Systems Planning	0	0	0
OP - Operation of Electric Power Systems	0	0	0
SC - Supervision, Control and Protection of Electric Power Systems	0	0	0
QC - Quality and Reliability of Electric Energy Services	2,657.89	676.37	0
MF - Measurement, billing and combating of commercial losses	0	0	0
OU - Other	0	0	0
Total	2,349.757	6,523.22	5,140.99

PLANNED CAPACITY COMPARED TO THE LONG-TERM
ELECTRICITY DEMAND PROJECTION |GRI G4-EU10|

EDP ENERGIAS DO BRASIL									
	Unit	2015			2016			2017	
		Hdraulic	Thermoelectric	Wind	Hdraulic	Thermoelectric	Wind	Hdraulic	Thermoelectric
Capacity installed	MW	1,983.58	720.27	0	2,041.98	720.27	NA	2,269.08	720.27
Capacity under construction	MW	342.83	0	77.47	233.33	0	NA	0	0
Planned capacity	MW	0	0	0	0	0	NA	0	0
Expected date of capacity expansion	Month/year	2,018	0	0	2,018	0	NA	2,018	0
Projected demand	MW	2,326.41	720.27	77.47	2,275.31	720.27	NA	2,269.08	720.27

1 Em 2017 alguns dados operacionais internos de P&D não foram incluídos no número reportado.



AVERAGE EFFICIENCY OF GENERATING THERMELECTRIC POWER PLANTS (%) |GRI EU11|

ENERGIA TPP PECÉM			
	2015	2016	2017
Global Efficiency	32.00	35.60	35.31
Average Efficiency of Generating Unit 1 (UG1)	31.80	35.00	36.19
Average Efficiency of Generating Unit 2 (UG2)	32.20	36.10	34.42

PERCENTAGE OF LOSSES ON TRANSMISSION AND DISTRIBUTION
IN RELATION TO TOTAL ENERGY |GRI EU12|

	EDP SÃO PAULO			EDP ESPÍRITO SANTO		
	2015	2016	2017	2015	2016	2017
Loss in transmission	1.85	1.84	1.92	1.63	1.43	1.44
Loss in distribution	8.97	8.89	8.73	13.50	13.88	12.97
Technical losses	5.41	5.51	5.50	8.22	8.60	8.30
Non-technical (commercial) losses	3.55	3.37	3.23	5.28	5.28	4.67

ASPECT: SOCIAL

PERCENTAGE OF EMPLOYEES WITH A RIGHT TO RETIREMENT
BY FUNCTIONAL CATEGORY (%) |GRI EU15|

EDP BRASIL ¹				
	2016		2017	
	In 5 years	In 10 years	In 5 years	In 10 years
Top Management	16.67	33.33	0	50.00
Administration	3.70	22.22	3.57	14.29
Management	2.02	6.57	2.67	8.00
Specialists	3.18	9.45	3.01	8.94
Administrative	2.51	6.70	2.99	8.66
Operational	0.79	4.56	1.12	4.72

PERCENTAGE OF EMPLOYEES WITH A RIGHT TO RETIREMENT BY REGION |GRI EU15|

EDP BRASIL						
	2015		2016		2017	
	In 5 years	In 10 years	In 5 years	In 10 years	In 5 years	In 10 years
São Paulo	1.0	4.9	1.1	4.4	1.4	4.4
Espírito Santo	3.4	13.3	2.8	11.6	3.2	12.4
Mato Grosso do Sul	0	15.0	0	0	0	0
Tocantins	6.5	8.4	5.9	9.8	2.1	7.5
Amapá	2.8	7.5	0	0	0	2.5
Ceará	0.7	2.6	1.1	2.4	1.1	2.8
Other	15.8	15.8	4.5	7.9	2.1	3.6

1 The premise for the calculation of this indicator was changed, so from 2016, the amount presented in the item “10 years” includes the persons reported in the “5 years” column.

PERCENTAGE OF THIRD-PARTY WORKERS AND SUBCONTRACTORS
SUBMITTED TO HEALTH AND SAFETY TRAINING |GRI EU18|

EDP BRASIL			
	2015	2016	2017
Construction activities	1.00	1.00	1.00
Operating activities	1.00	1.00	1.00
Maintenance activities	1.00	1.00	1.00

ACCIDENTS WITH THE POPULATION INVOLVING EDP BRASIL’S ASSETS |GRI EU25|

EDP BRASIL			
	2015	2016	2017
Number of accidents without death to the population	12	12	18
Number of accidents with death to the population	13	4	9

JUDICIAL PROCESSES RELATED TO HEALTH AND SAFETY OF THE POPULATION |GRI EU25|

EDP BRASIL			
	2015	2016	2017
Number of lawsuits initiated	23	17	35
Number of lawsuits settled	33	26	30
Number of pending lawsuits	160	153	201

NUMBER OF RESIDENTIAL DISCONNECTION FOR LACK OF PAYMENT |GRI EU27|

	EDP SÃO PAULO			EDP ESPÍRITO SANTO		
	2015	2016	2017	2015	2016	2017
Less than 48 hours	81,972	102,578	147,316	49,046	37,693	36,219
48 hours to 1 week	16,942	56,666	46,938	17,112	94,716	153,020
1 week to 1 month	23,461	49,667	44,222	19,408	92,402	99,333
1 month to 1 year	24,381	41,525	38,630	22,723	3,332	4,080
More than a year	17	0	0	1,422	1	0
Unclassified	0	0	0	0	0	0

NUMBER OF RESIDENTIAL RECONNECTIONS AFTER PAYMENT OF UNPAID ACCOUNTS |GRI EU27|

	EDP SÃO PAULO			EDP ESPÍRITO SANTO		
	2015	2016	2017	2015	2016	2017
Less than 24 hours	170,275	254,143	278,662	62,537	172,904	193,185
Between 24 hours and 1 week	5,020	21,896	21,910	37,094	21,271	53,521
More than a week	1,000	2,174	3,110	8,047	974	1,487
Unclassified	0	0	0	0	0	0

AVERAGE AVAILABILITY FACTOR |GRI EU30|

EDP BRASIL									
	2015			2016			2017		
	Planned stop	Unplanned Stop	Average Availability	Planned stop	Unplanned Stop	Average Availability	Planned stop	Unplanned Stop	Average Availability
Hidraulic	15,083.00	2,694.53	91	13,524.21	2,011.60	95	18,386.13	1,664.87	94
HPP PEIXE ANGICAL (TO)	1,825.33	55.48	93	1,255.02	44.97	95	1,178.77	18.43	95
Lajeado HPP (TO)	3065.03	81.25	93	494.93	33.57	99	422.98	31.37	99
HPP Mascarenhas (ES)	1,114.58	72.07	96	896.67	76.85	97	1,416.83	209.23	95
HPP Suíça (ES)	320.97	0.85	98	2,199.85	24.98	82	2,599.48	86.00	85
HPP Santo antonio do Jari (AP)	5,245.65	705.03	80	5,689.41	745.97	81	3,995.94	903.15	84
HPP Cachoeira Caldeirão (AP)	0	0	0	354.68	64.93	98	850.68	190.48	96
Alegre PCH (ES)	147.23	4.40	98	113.48	4.90	99	144.08	17.90	98
Fruteiras PCH (ES)	289.45	17.88	98	172.85	10.25	99	1,660.28	5.07	91
Jucu PCH (ES)	396.67	541.30	95	490.30	57.38	97	361.47	15.67	98
Francisco Gros PCH (former Santa Fé (ES)	760.90	258.40	94	212.43	223.78	98	812.17	14.98	95
São João PCH (ES)	155.40	218.88	98	499.83	7.00	97	500.72	14.97	97
Viçosa PCH (ES)	374.88	275.20	96	353.58	670.40	94	598.80	14.57	97
Rio Bonito HPP (ES)	626.10	53.57	97	439.37	38.97	98	2,762.83	15.43	90
HPP Mimoso (MS)	303.87	205.02	97	0	0	0	0	0	0
Costa Rica HPP (MS)	213.53	34.50	99	351.80	7,65	99	1,081.10	127.62	96
Paraíso HPP (MS)	243.40	170.70	98	0	0	0	0	0	0
Thermoelectric	996.02	759.52	88	929.55	659.32	88	697.62	320.10	92
TPP Pecém (CE)	996.02	759.52	88	929.55	659.32	88	697.62	320.10	92

PROPORTION OF EMPLOYEE REMUNERATION |GRI G4-54, G4-55|

EDP BRASIL				
	Unit	2015	2016	2017
Highest compensation paid	R\$	734,582.76	959,632.66	780,000
Lowest compensation paid	R\$	16,062.44	17,240.53	17,892
Division of the highest remuneration for the lowest remuneration paid by	%	4,573	5,566	4,359
Proportion of the total annual compensation of EDP's highest paid individual and the average annual remuneration of all employees (excluding the highest paid)	%	10	10	10
Percentage increase in the compensation of the highest paid individuals in the year prior to that covered by the report	%	51	31	5
Percent increase in average annual total compensation of all employees	%	8	8	1
Ratio between the percentage of increase in the total compensation of the highest paid individual and the percentage of increase in the average annual total compensation of all employees	%	637	920	304
Division of the lowest compensation of the company for the current minimum wage	Rate	20.38	19.59	19.10



GRI CONTENT INDEX |GRI G4-32|

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G4-11	Percentage of employees covered by collective bargaining agreements	The collective bargaining agreements cover 99% of EDP's own employees. Employees who, even if not formally received, partially receive the benefits of collective bargaining agreements for freedom of the Company (Collective Agreements of companies located in the States of São Paulo, Ceará and Amapá)		3	8 - Decent employment and economic growth
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GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
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Environmental Category					
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G4-DMA	Management form				
G4-EN3	Energy consumption within the organization	118, 122		7 8	7 - Accessible and clean energy 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
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G4-EN5	Energy intensity	126		8	7 - Accessible and clean energy 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change
G4-EN6	Reduction of energy consumption	74		8 9	7 - Accessible and clean energy 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change
G4-EN7	Reductions in energy requirements for products and services	74		8 9	7 - Accessible and clean energy 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change
WATER					
G4-DMA	Management form				
G4-EN8	Total water withdrawn by source	98, 99, 127		7 8	6 - Clean water and sanitation
G4-EN9	Water sources significantly affected by water withdrawal	The TPP Pecém uses water from a public utility that is extracted from Açude Castanhão in Ceará (CE) for the generation of energy. To see how EDP minimizes its impact, refer to page 98.		8	6 - Clean water and sanitation
G4-EN10	Percentage and total volume of water recycled and reused	98, 129		8	6 - Clean water and sanitation 8 - Decent employment and economic growth 12 - Responsible production and consumption
BIODIVERSITY					
G4-DMA	Management form				
G4-EN11	Location and size of area owned	101		8	6 - Clean water and sanitation 14 - Life under the water 15 - Life on earth
G4-EN12	Significant impacts on biodiversity of activities, products and services	100		8	6 - Clean water and sanitation 14 - Life under the water 15 - Life on earth
G4-EN13	Habitats protected or restored	101		8	6 - Clean water and sanitation 14 - Life under the water 15 - Life on earth
G4-EN14	Total number of species included in the IUCN red list and other conservation lists	In the region of the HPP SÃO MA-NOEL and Cachoeira Caldeirão HPP, there are species listed in the IUCN, 26 of them in a vulnerable situation and four in danger.		8	6 - Clean water and sanitation 14 - Life under the water 15 - Life on earth
EMISSIONS					
G4-DMA	Management form				

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G4-EN16	Indirect emissions of greenhouse gases from the purchase of energy	103, 130		7 8	3 - Good health and well-being 12 - Responsible production and consumption 13 - Combating climate change 14 - Life underwater 15 - Life on earth
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G4-EN18	Intensity of greenhouse gas emissions	132		8	13 - Combating climate change 14 - Life underwater 15 - Life on earth
G4-EN19	Reduction of greenhouse gas emissions	102		8 9	13 - Combating climate change 14 - Life underwater 15 - Life on earth
G4-EN20	Emissions of substances that deplete the ozone layer	CFC emissions are produced by refrigeration equipment that is used in administrative spaces and does not have a significant impact.		7 8	3 - Good health and well-being 12 - Responsible production and consumption
G4-EN21	Emissions of NOx, SOx and other significant atmospheric emissions	132		7 8	3 - Good health and well-being 12 - Responsible production and consumption 14 - Life underwater 15 - Life on earth
EFFLUENTS AND WASTE					
G4-DMA	Management form				
G4-EN22	Total water discharge, broken down by quality and destination	99, 132		8	3 - Good health and well-being 6 - Clean water and sanitation 12 - Responsible production and consumption 14 - Life underwater
G4-EN23	Total weight of waste, broken down by type and method of disposal	100, 133		8	3 - Good health and well-being 6 - Clean water and sanitation 12 - Responsible production and consumption
G4-EN24	Total number and volume of significant spills	There were no significant spills in 2017. The monitoring of the new HPP Cachoeira Caldeirão and HPP Santo Antônio do Jari units are under development		8	3 - Good health and well-being 6 - Clean water and sanitation 12 - Responsible production and consumption 14 - Life underwater 15 - Life on earth
G4-EN25	Weight of transported waste considered to be hazardous	The hazardous waste generated by EDP units is carried by duly licensed waste operators.		8	3 - Good health and well-being 12 - Responsible production and consumption
G4-EN26	Protection and biodiversity index of affected water bodies and habitats	There are no bodies of water and habitats significantly affected by water discharges and drainage of liquid effluents. EDP follows the legislation and works to reduce the volumes of liquid effluents generated		8	6 - Clean water and sanitation 14 - Life underwater 15 - Life on earth
PRODUCTS AND SERVICES					
G4-DMA	Management form				

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
G4-EN27	Initiatives to mitigate environmental impacts	98, 101		7 8 9	6 - Clean water and sanitation 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change 14 - Life underwater 15 - Life on earth
G4-EN28	Percentage of products and packaging recovered by product category		Not applicable	8	8 - Decent employment and economic growth 12 - Responsible production and consumption
CONFORMITY					
G4-DMA	Management form				
G4-EN29	Amount of fines and total number of sanctions resulting from non-compliance with laws	136		8	16 - Peace, justice and strong institutions
TRANSPORT					
G4-DMA	Management form				
G4-EN30	Significant environmental impacts related to transport of products and workers	Although there is no significant impact on the transport of products and other goods and materials in EDP's operations, the most significant aspects of the indicator - fuel consumption (renewable and non-renewable) and greenhouse gas emissions - are distribution segment			11 - Sustainable Cities and Communities 12-Responsible production and consumption 13 - Combating climate change
GERAL					
G4-DMA	Form of management				
G4-EN31	Total investments and expenditures on environmental protection	98, 136		7 8 9	7 - Accessible and clean energy 9 - Industry, innovation and infrastructure 12 - Responsible production and consumption 13 - Combating climate change 14 - Life underwater 15 - Life on earth 17 - Partnership for the Goals
ENVIRONMENTAL EVALUATION OF SUPPLIERS					
G4-DMA	Form of management				
G4-EN32	Proportion of new suppliers selected based on environmental criteria	89, 90		8	
G4-EN33	Significant, actual and potential negative environmental impacts in the supply chain	89, 90, 139		8	
MECHANISMS OF COMPLAINTS AND CLAIMS CONCERNING ENVIRONMENTAL IMPACTS					
G4-DMA	Form of management				
G4-EN34	Number of complaints and claims related to environmental impacts	139		8	16 - Peace, justice and strong institutions
Social category - Labor practices and decent work					
EMPLOYMENT					
G4-DMA	Form of management				
G4-LA1	Total number and rates of new hires and employee turnover	140		6	5 - Gender equality 8 - Decent employment and economic growth

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
G4-LA2	Comparison of benefits to full-time and temporary employees	The retirement fund is the only benefit granted to full-time workers that is not offered to temporary workers.			8 - Decent employment and economic growth
G4-LA3	Rates of return to work and retention after maternity / paternity leave	140		6	5 - Gender equality 8 - Decent employment and economic growth
WORKING RELATIONSHIPS					
G4-DMA	Management form				
G4-LA4	Minimum notice period for operational changes	Conventions made with the union do not include specific clauses on the subject. However, EDP communicates to all leaders on each stage of the negotiations, as well as providing a deadline for all employees to clarify their doubts. Based on the open relationship maintained with the trade union entities, any extraordinary situations that significantly impact employees are informed shortly to their representatives.			8 - Decent employment and economic growth
HEALTH AND SAFETY AT WORK					
G4-DMA	Management form				
G4-LA5	Percentage of employees represented in formal safety and health committees	100% of EDP's employees are represented in the Internal Commissions for the Prevention of Accidents (CIPA).			8 - Decent employment and economic growth
G4-LA6	Rates of injuries, occupational diseases and days lost	141, 142, 144	The rate of absenteeism in the EDP is not relevant, since the overtime bank is used, so the absenteeism rate does not represent reality		3 - Good health and well-being / 8 - Decent employment and economic growth
G4-LA7	Employees with high incidence or high risk of diseases related to their occupation	85			3 - Good health and well-being / 8 - Decent employment and economic growth
G4-LA8	Health and safety issues covered by formal agreements with trade unions	The issue of Health and Safety is not covered by formal agreements with trade unions. However, EDP follows all current legislation on the subject.			8 - Decent employment and economic growth
TRAINING AND EDUCATION					
G4-DMA	Management form				
G4-LA9	Average hours of training per year	147		6	4 - Quality education 5 0 Gender equality 8 - Decent employment and economic growth
G4-LA10	Programs for skills management and continuous learning	85			8 - Decent employment and economic growth
G4-LA11	Percentage of employees receiving performance reviews		The 2017 performance review cycle was not finalized by the date of publication of this report.	6	5 0 Gender equality 8 - Decent employment and economic growth
DIVERSITY AND EQUAL OPPORTUNITIES					
G4-DMA	Management form				
G4-LA12	Composition of groups responsible for governance and discrimination of employees by functional category	54, 55, 147		6	5 0 Gender equality 8 - Decent employment and economic growth
EQUAL REMUNERATION BETWEEN WOMEN AND MEN					
G4-DMA	Management form				

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
G4-LA13	Proportion of basic salary between men and women, by functional category and by relevant operational units	149, 151, 154		6	5 0 Gender equality 8 - Decent employment and economic growth Reducing inequalities
EVALUATION OF SUPPLIERS IN LABOR PRACTICES					
G4-DMA	Management form				
G4-LA14	Percentage of new suppliers selected based on criteria related to labor practices	89, 90			5 0 Gender equality 8 - Decent employment and economic growth 16 - Peace, justice and strong institutions
G4-LA15	Significant, actual and potential negative impacts on labor practices in the supply chain	89, 159			5 0 Gender equality 8 - Decent employment and economic growth 16 - Peace, justice and strong institutions
MECHANISMS OF COMPLAINTS AND COMPLAINTS RELATED TO LABOR PRACTICES					
G4-DMA	Management form				
G4-LA16	Number of complaints and complaints related to registered labor practices through a formal mechanism	156			16 - Peace, justice and strong institutions
Social category - Human rights					
INVESTMENTS					
G4-DMA	Management form				
G4-HR1	Significant investment agreements and contracts that include clauses referring to human rights	158		2	
G4-HR2	Total hours of employee training in human rights policies and percentage of trained employees	85, 158		1	
NON-DISCRIMINATION					
G4-DMA	Management form				
G4-HR3	Total number of cases of discrimination and corrective measures taken	159		6	5 - Gender equality 8 - Decent employment and economic growth 16 - Peace, justice and strong institutions
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-DMA	Management form				
G4-HR4	Degree of application of the right of free association and operations and suppliers identified as risk	The IDF (Suppliers Performance Index) evaluates the payment compliance criteria according to the Collective Bargaining Agreement. In 2017 no occurrences were identified 9		3	8 - Decent employment and economic growth
CHILD LABOR					
G4-DMA	Management form				
G4-HR5	Operations and suppliers with risk of occurrences of child labor and measures taken	90		5	8 - Decent employment and economic growth 16 - Peace, justice and strong institutions
FORCED OR COMPULSORY SLAVE LABOR					
G4-DMA	Management form				
G4-HR6	Operations and suppliers identified with risk of forced or slave labor and measures taken	90		4	8 - Decent employment and economic growth

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
SAFETY PRACTICES					
G4-DMA	Management form				
G4-HR7	Percentage of security personnel trained in human rights policies or procedures	In 2017, 100% of the vigilantes and porters received training focused on customer service, which addressed, among other issues, ethical conduct and aspects of human rights and non-discrimination in the work environment		1	16 - Peace, justice and strong institutions
INDIGENOUS RIGHTS					
G4-DMA	Management form				
G4-HR8	Total cases of violation of rights of indigenous peoples and measures taken	92		1	2 – Zero hunger
EVALUATION					
G4-DMA	Management form				
G4-HR9	Total number and percentage of operations subject to human rights analysis	90		1	
EVALUATION OF SUPPLIERS IN HUMAN RIGHTS					
G4-DMA	Management form				
G4-HR10	Percentage of new suppliers selected based on criteria related to human rights	90		2	
G4-HR11	Significant, actual and potential negative impacts on human rights in the supply chain and measures taken	89, 159		2	
MECHANISMS OF COMPLAINTS AND CLAIMS RELATING TO HUMAN RIGHTS					
G4-DMA	Management form				
G4-HR12	Number of complaints and claims related to human rights impacts recorded, processed and resolved	No human rights complaint or claim was filed in the year 2017		1	16 - Peace, justice and strong institutions
Social category - Society					
LOCAL COMMUNITIES					
G4-DMA	Management form				
G4-SO1	Percentage of operations with local community engagement programs, impact assessment and local development	92		1	
G4-SO2	Operations with significant, actual and potential negative impacts on local communities	92		1	1 - Eradication of poverty 2 - Zero Hunger
FIGHT AGAINST CORRUPTION					
G4-DMA	Management form				
G4-SO3	Units subject to risk assessments related to corruption	56		10	16 - Peace, justice and strong institutions
G4-SO4	Percentage of employees trained in anti-corruption policies and procedures	56, 160		10	16 - Peace, justice and strong institutions
G4-SO5	Confirmed cases of corruption and measures taken	In 2017, there were no cases of corruption involving EDP Brasil.		10	16 - Peace, justice and strong institutions
PUBLIC POLICY					
G4-DMA	Management form				16 - Peace, justice and strong institutions

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
G4-SO6	Policies on financial contributions to political parties, politicians or institutions	The company does not contribute to political parties, politicians or related institutions.		10	16 - Peace, justice and strong institutions
UNFAIR COMPETITION					
G4-DMA	Management form				
G4-SO7	Total number of lawsuits for unfair competition	There have been no lawsuits filed by unfair competition, trust and monopoly practices			16 - Peace, justice and strong institutions
CONFORMITY					
G4-DMA	Management form				
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions	160			16 - Peace, justice and strong institutions
EVALUATION OF SUPPLIERS IN IMPACTS IN SOCIETY					
G4-DMA	Management form				
G4-SO9	Percentage of new suppliers selected with criteria of impacts on society	90			
G4-SO10	Significant, actual and potential negative impacts of the supply chain in society and measures taken	89, 159			
MECHANISMS OF COMPLAINTS AND COMPLAINTS RELATED TO IMPACTS IN THE COMPANY					
G4-DMA	Management form				
G4-SO11	Complaints related to impacts on society registered, processed and resolved through a formal mechanism	In 2017, there were no claims related to impacts on society caused by EDP's activities			16 - Peace, justice and strong institutions
Social category - Product liability					
CUSTOMER HEALTH AND SAFETY					
G4-DMA	Management form				
G4-PR1	Assessment of health and safety impacts during the life cycle of products and services,	72			
G4-PR2	Non-conformities related to impacts caused by products and services	There is no adherence to regulations and voluntary codes related to the impacts caused by products and services to health and safety during their life cycle, but there are operational units certified by OHSAS 18001 to reduce the risk of impacts			16 - Peace, justice and strong institutions
LABELING OF PRODUCTS AND SERVICES					
G4-DMA	Management form				

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
G4-PR3	Type of information about products and services required by labeling procedures	The electric energy distributors must disclose in the energy bill a set of information determined by ANEEL Resolution 414/2010. Among them, the date of the previous and current readings of the meters, the date of the next scheduled reading, the portion related to taxes levied on the billing, the total amount payable and the due date of the account, indicators of supply quality (duration and frequency of interruptions of energy), and telephone numbers of the Call Center and ANEEL for complaints. In the case of a low-income residential customer, the tariff for each block of consumption must be broken down. From 2015, reference was included to the tariff banners, as a way of presenting the cost of energy to be paid by the consumer as a result of the extra cost with the use of thermoelectric plants: red (energy more expensive), yellow (attention signal, with high cost less than the red flag) and green (rate without extra charge).			12 - Responsible production and consumption
G4-PR4	Non-conformities related to the labeling of products and services	There is no adherence to regulations and voluntary codes regarding the provision of information about the service provided.			16 - Peace, justice and strong institutions
G4-PR5	Search Results Measuring Customer Satisfaction	70, 161			
COMMUNICATIONS AND MARKETING					
G4-DMA	Management form				
G4-PR6	Sale of prohibited or contested products	DP does not market prohibited or uncontested products.			
G4-PR7	Cases of non-compliance related to the communication of products and services	The EDP distributors do not carry out commercial advertising for the sale of the electric energy product; however, in order to guarantee transparency in communication between the Company and its internal and external stakeholders, the Corporate Communication Policy is considered as the guiding instrument for this dialogue. When construction work begins, namely Transformer Distribution Stations, Transmission Lines and hydroelectric power plants, some environmental and social impacts are generated in the respective regions. In these cases, the Executive Management of Communication works in partnership with the IEDP and the business units to listen and clarify the expectations of the community in public hearings.			16 - Peace, justice and strong institutions
CUSTOMER'S PRIVACY					
G4-DMA	Management form				
G4-PR8	Total of substantiated complaints regarding breach of privacy and loss of customer data	In 2017, there were no complaints and claims regarding breach of privacy and loss of customer data.			16 - Peace, justice and strong institutions

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
CONFORMITY					
G4-DMA	Management form				
G4-PR9	Fines for non-compliance relating to the provision and use of products and services	161			16 - Peace, justice and strong institutions
Sectoral Indicators					
EU1	Installed capacity (MW), by primary energy source and regulatory regime	50			7 - Accessible and clean energy
EU2	Net energy production by primary energy source and regulatory regime	163			7 - Accessible and clean energy 14 - Life underwater
EU3	Number of consumer units - residential, industrial, institutional and commercial	164			
EU4	Length of overhead and underground transmission and distribution lines, broken down by regulatory system	164			13 - Combating climate change 14 - Life underwater 15 - Life on earth
EU5	Allocation of allowances for emissions of CO2 equivalents broken down by structure of the carbon credit market	102	In Brazil there is no legislation that requires CO2 emissions permits. EDP Brasil has CDM projects that generate carbon credits for sale. However, in 2017 none of these projects were generated / monitored. Thus, no new credits were released during the year		
EU6	Describe how planning and management occurs to ensure availability and security of supply of energy	50			7 - Accessible and clean energy
EU7	Report demand management programs covering residential, commercial, institutional and industrial consumers	72			7 - Accessible and clean energy 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change
EU8	Activities and expenditure related to research and development aiming at the reliability of the electricity supply to the promotion of sustainable development	165			7 - Accessible and clean energy 9 - Industry, innovation and infrastructure 17 - Partnership for the Goals
EU9	Provision for decommissioning nuclear power plants		There are no decommissioning plants. EDP does not operate nuclear power plants		12 - Responsible production and consumption
EU10	Planned capacity compared to the projection of long-term electricity demand, broken down by energy source and regulatory system	167			7 - Accessible and clean energy
EU11	Average generation efficiency of thermoelectric power plants, by energy source and by regulatory system	168			7 - Accessible and clean energy 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change 14 - Life underwater
EU12	Percentage of loss of transmission and distribution in relation to total energy	69, 168			7 - Accessible and clean energy 8 - Decent employment and economic growth 12 - Responsible production and consumption 13 - Combating climate change 14 - Life underwater

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
EU13	Biodiversity of substitute habitats compared to biodiversity in affected areas	100			6 - Clean water and sanitation 14 - Life underwater 15 - Life on earth
EU14	Programs and processes that ensure the availability of skilled labor	84			4 - Quality education 8 - Decent employment and economic growth
EU15	Percentage of employees entitled to retirement in the next five and 10 years, broken down by functional category and region	168			8 - Decent employment and economic growth
EU16	Policies and requirements concerning the health and safety of employees, outsourced workers and subcontractors	85			8 - Decent employment and economic growth
EU17	Days worked by outsourced workers and subcontractors involved in construction, operation and maintenance activities		Information is currently unavailable. It was not possible to measure the indicator in 2017, since it is not structured a methodology to determine the days worked by third parties and by type of activity.		8 - Decent employment and economic growth
EU18	Percentage of outsourced and subcontracted workers undergoing relevant health and safety training	169 100% of contracted and partner workers participate in training provided in legislation on safety in electricity facilities and services.			8 - Decent employment and economic growth
EU19	Participation of stakeholders in decision-making processes related to energy planning for infrastructure development	92			1 - Eradication of poverty 2 - Zero Hunger 9 - Industry, innovation and infrastructure 16 - Peace, justice and strong institutions
EU20	Approach to management of displacement impacts	92			1 - Eradication of poverty 2 - Zero Hunger 11 - Sustainable Cities and Communities
EU22	Number of persons physically and economically displaced and indemnity, broken down by type of project	92			1 - Eradication of poverty 2 - Zero Hunger
EU23	Programs, including those carried out in partnership with the government, to improve or maintain access to electricity and customer support services	72			1 - Eradication of poverty 7 - Accessible and clean energy
EU24	Practices to address barriers related to language, culture, low schooling and special needs hamper access to electricity and consumer assistance services as well as their safe use	72			1 - Eradication of poverty 7 - Accessible and clean energy
EU25	Number of accidents and deaths of service users involving company property, including judicial decisions and settlements, as well as outstanding judicial cases relating to diseases	169			
EU26	Percentage of unattended population in areas with regulated distribution or service	Rural and urban populations are 100% met.			1 - Eradication of poverty 7 - Accessible and clean energy
EU27	Number of residential disconnections due to non-payment, broken down by length of disconnection and by regulatory system	169			1 - Eradication of poverty 7 - Accessible and clean energy

GENERAL STANDARDS DISCLOSURE		PAGE/ ANSWER	OMISSIONS	GLOBAL PACT	SUSTAINABLE DEVELOPMENT GOALS
EU28	Frequency of interruptions in power supply	68, 69			1 - Eradication of poverty 7 - Accessible and clean energy
EU29	Average duration of interruptions in power supply	68, 69			1 - Eradication of poverty 7 - Accessible and clean energy

EU30	Average plant availability factor, broken down by energy source and regulatory system	66, 170			1 - Eradication of poverty 7 - Accessible and clean energy
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SOCIAL REPORT IBASE

1 – CALCULATION BASIS		2017 (THOUSAND R\$)		2016 (THOUSAND R\$)		
Net revenue (RL)		12,373,375.00		9,364,772.00		
Operating income (RO)		1,591,960.00		989,187.00		
Gross Payroll		345,127.00		359,178.42		
(FPB) 2 – Social Indicators	Thousand R\$	% on FPB	% on RL	Thousand R\$	% on FPB	% on RL
Food & Beverage	44,278.59	12.83%	0.36%	42,257.64	11.77%	0.45%
Compulsory social charges	98,467.29	28.53%	0.80%	98,085.94	27.31%	1.05%
Private pension	11,776.33	3.41%	0.10%	12,706.45	3.54%	0.14%
Health	39,017.62	11.31%	0.32%	35,899.06	9.99%	0.38%
Occupational health and safety	2,572.82	0.75%	0.02%	2,494.93	0.69%	0.03%
Education	609.66	0.18%	0	576.61	0..16%	0.01%
Culture	0	0	0	0	0	0
Capacity building and professional development	3,699.06	1.07%	0.03%	2,107.82	0.59%	0.02%
Day care or child care	1,989.19	0.58%	0.02%	1,730.49	0.48%	0.02%
Profit sharing or results	44,221.51	12.81%	0.36%	41,834.82	11.65%	0.45%
Voluntary Early Retirement Program - POS	0	0	0	0	0	0
Others	3,134.38	0.91%	0.03%	3,218.29	0.90%	0.03%
Total - External Social Indicators	249,766.45	72.37%	2.02%	240,912.06	67.07%	2.57%
3 - External Social Indicators	Thousand R\$	% on FPB	% on RL	Thousand R\$	% on FPB	% on RL
Education	2,561.40	0.16%	0.02%	2,045.00	0.21%	0.02%
Culture	6,498.20	0.41%	0.05%	9,152.70	0.93%	0.10%
Health and sanitation	1,393.90	0.09%	0.01%	1,082.00	0.11%	0.01%
Sport	1,135.00	0.07%	0.01%	2,,173.00	0.22%	0.02%
Combating hunger and food security	0	0	0	0	0	0
Others	294.20	0.02%	0	450.40	0.05%	0
Total contributions to society	11,882.70	0.75%	0.10%	14,903.10	1.51%	0.16%
Taxes (excluding social charges)	0	0	0	0	0	0
Total - External social indicators	11,882.70	0.75%	0.10%	14,903.10	1.51%	0.16%
4 - Environmental Indicators	Thousand R\$	% on FPB	% on RL	Thousand R\$	% on FPB	% on RL
Investments related to the production / operation of the company	89,060	5.6%	0.7%	89,556	9.05%	0.96%
Investments in external programs and/or projects	0	0	0	0	0	0
Total investments in the environment*	89,060	5.6%	0.7%	89,556	9.05%	0.96%
Regarding the establishment of “annual targets” to minimize waste, general consumption in production / operation and increase the efficiency in the use of natural resources, the company	does not have goals ☐ meets 0 to 50% ☐ meets 51 to 75% ☐ meets 76 to 100%		does not have goals ☐ meets 0 to 50% ☐ meets 51 to 75% ☐ meets 76 to 100%			
5 – Functional Body Indicators	2017	2016				
Number of employees at the end of the period			3,175	3,175		
Number of admissions during the period			394	319		
Number of outsourced employees			10,801	12,783		
Number of interns			151	146		
Number of employees over 45 years old			ND	ND		
No. of women working in the company			696	688		
% of management positions held by women			15%	16%		
Number of black people working in the company			129	127		
% of management positions held by black people			2%	2%		
Number of people with disabilities or special needs			55	57		

6 - Relevant information on the exercise of corporate citizenship				2017		2016	
Ratio between the highest and lowest remuneration in the company				43.59		55.66	
Total number of work accidents				22		20	
The social and environmental projects developed by the company were defined by:		☐ Administration		☐ Administration		☐ Administration	
		☒ Administration and managements		☒ Administration and managements		☒ Administration and managements	
The safety and health standards in the workplace were defined by:		☐ All employees		☐ All employees		☐ All employees	
		☒ Administration and managements		☒ Administration and managements		☒ Administration and managements	
Regarding freedom of association, the right to collective bargaining and the internal representation of workers, the company:		☐ All employees		☐ All employees		☐ All employees	
		☐ Everyone + Cipa		☐ Everyone + Cipa		☐ Everyone + Cipa	
Private pension plans include:		☐ Does not get involved		☐ Does not get involved		☐ Does not get involved	
		☒ Follows OIT standards		☒ Follows OIT standards		☒ Follows OIT standards	
The profit or profit sharing includes:		☐ Encourages and follows OIT		☐ Encourages and follows OIT		☐ Encourages and follows OIT	
		☐ Administration		☐ Administration		☐ Administration	
In the selection of suppliers, the same ethical standards and social and environmental responsibility adopted by the company:		☐ Administration and managements		☐ Administration and managements		☐ Administration and managements	
		☒ All employees		☒ All employees		☒ All employees	
Regarding the participation of employees in voluntary work programs, the company:		☐ Administration		☐ Administration		☐ Administration	
		☐ Administration and managements		☐ Administration and managements		☐ Administration and managements	
Total number of consumer complaints and criticisms: (in the company, in the procon, in the justice)		☒ All employees		☒ All employees		☒ All employees	
		☐ Not considered		☐ Not considered		☐ Not considered	
Total added value to be distributed (Thousand R\$):		☐ Suggested		☐ Suggested		☐ Suggested	
		☒ Required		☒ Required		☒ Required	
Distribution of Value Added (DVA):		☐ Does not get involved		☐ Does not get involved		☐ Does not get involved	
		☐ Supports		☐ Supports		☐ Supports	
7 – Other information		☒ Organizes and encourages		☒ Organizes and encourages		☒ Organizes and encourages	
N/A – Not applicable							



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Limited assurance report of the independent auditors

To the Board of Directors, Shareholders and Other Stakeholders
EDP Energias do Brasil S.A.
São Paulo – SP

Introduction

We were contracted by EDP Energias do Brasil S.A. (“EDP” or “Company”) with the purpose of applying limited assurance procedures on the sustainability information disclosed in EDP’s Annual Report 2017 for the year ended December 31, 2017.

Responsibility of EDP’s management

EDP management is responsible for preparing and properly presenting the sustainability information disclosed in the Annual Report 2017 in accordance with the GRI Global Reporting Initiative’s Sustainability Reporting Guidelines (GRI-G4), with the sector supplement “GRI Electric Utilities Sector Supplement” and with the internal controls that it has determined as necessary to enable the preparation of such information free of material misstatement, whether caused by fraud or error.

Independent auditors’ responsibility

Our responsibility is to express a conclusion on the information disclosed in the Annual Report 2017, based on the limited assurance engagement conducted in accordance with Technical Notice (CT) 07/2012, approved by the Federal Accounting Council and prepared based on NBC TO 3000 (Non-Audit Assurance and Revision Work), issued by the Federal Accounting Council - CFC, which is equivalent to the international standard ISAE 3000, issued by the International Federation of Accountants, applicable to historical non-financial information. These standards require the fulfillment of ethical, including historical, requirements. These standards require compliance with ethical requirements, including independence requirements, and that the work is performed for the purpose of obtaining limited security that the information disclosed in the Annual Report 2017, taken as a whole, is free from material misstatement.



A limited assurance study conducted in accordance with NBC TO 3000 (ISAE 3000) consists primarily of inquiries of EDP’s management and other Company professionals involved in the preparation of information in the Annual Report 2017, as well as in the application of procedures to obtain evidence to enable us to conclude in the form of limited assurance on the sustainability information taken as a whole. A limited assurance study also requires the execution of additional procedures when the independent auditor becomes aware of matters that lead them to believe that the information disclosed in the Annual Report 2017 taken together may present material misstatements.

The procedures selected were based on our understanding of the aspects relating to the compilation, materiality and presentation of the information contained in the Annual Report 2017 and other circumstances of the study and our consideration of areas and processes associated with the material sustainability information disclosed in the Annual Report 2017, where relevant misstatements could exist. The procedures comprised:

- (a) Work planning: consideration of the materiality of the aspects for EDP’s activities, the relevance of the disclosed information, the volume of quantitative and qualitative information, and the operational systems and internal controls that served as the basis for the preparation of the 2017 Annual Report of EDP. This analysis defined the indicators to be tested in detail;
- (b) Understanding and analysis of the information disclosed in relation to the management of material aspects;
- (c) Analysis of the processes for the preparation of the 2017 Annual Report and its structure and content, based on the Content and Quality Principles of the Sustainability Reporting Guidelines of the Global Reporting Initiative - GRI (GRI-G4);
- (d) Evaluation of the non-financial indicators sampled;
 - Understanding the methodology of calculations and the procedures for compiling the indicators through interviews with the managers responsible for reporting;
 - Application of analytical procedures on quantitative information and inquiries on qualitative information and its correlation with the indicators disclosed in the 2017 Annual Report;
 - Analysis of evidence supporting the information disclosed;
 - Visits to EDP offices to apply these procedures, as well as items (b) and (c);
- (e) Analysis of the reasonableness of justifications for the omissions of performance indicators associated with aspects and topics identified as material in the Company’s materiality analysis;
- (f) Confrontation of indicators of a financial nature with the financial statements and/or accounting records;

Assurance work was also carried out in accordance with Standard AA1000AS (Assurance Standard - 2008). Type/Moderate, with the purpose of evaluating the nature and level of adherence to the AA1000 Main Accountability, namely: Inclusion, Relevance and Responsibility.

We believe that the information, evidence, and results obtained in our work are sufficient and appropriate to substantiate our conclusion in a limited manner.

Scope and Limitations

The procedures applied in a limited assurance study are substantially less extensive than those applied in a reasonable assurance engagement. Consequently, we are unable to obtain assurance that we are aware of all matters that would be identified in a reasonable assurance engagement, we may have identified other matters and possible distortions that may exist in the information contained in the 2017 Annual Report.

Non-financial data are subject to more inherent limitations than financial data given the nature and diversity of the methods used to determine, calculate or estimate such data. Qualitative interpretations of materiality, relevance and accuracy of data are subject to individual assumptions and judgments.

In addition, we do not perform any work on data reported for prior periods, to assess the adequacy of its policies, practices and performance in sustainability, nor in relation to future projections.

Conclusion

Based on the procedures performed, described in this report, nothing has come to our attention that leads us to believe that the information contained in EDP's 2017 Annual Report has not been compiled in all material respects in accordance with the Reporting Guidelines for Sustainability Report of the Global Reporting Initiative - GRI (GRI-G4), with the GRI - Electric Utilities Sector Supplement and the records and files that served as the basis for its preparation.

São Paulo, February 27, 2018.

KPMG Assessores Ltda.
CRC 2SP034262/O-6

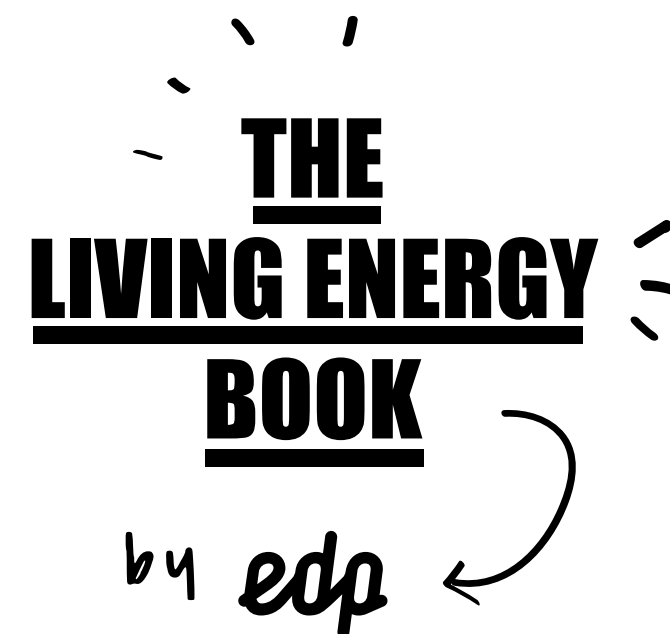


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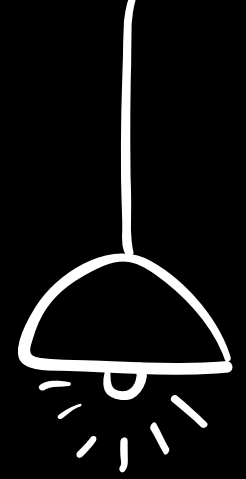


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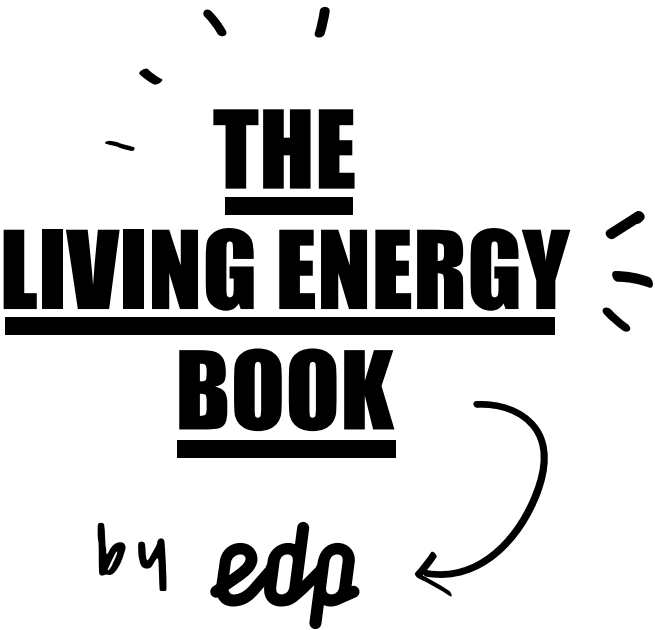
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