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**REGULATIONS  
OF  
RELATED PARTY TRANSACTIONS COMMITTEE  
OF  
EDP RENOVÁVEIS, S.A.**



**renováveis**

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## **INTRODUCTION**

### **Article 1.- Definitions**

For the purposes of these regulations:

1. EDP: Refers to EDP - Energias de Portugal, S.A.
2. EDP Renováveis/ the Company: Refers to EDP Renováveis, S.A.
3. Related Enterprises: Refers to the companies and other entities which are directly or indirectly controlled by EDP or EDP Renováveis at any given time.

When referring to entities related to EDP, the definition excludes EDP Renováveis itself and its related entities.

4. EDP Group: Refers to EDP-Energias de Portugal, S.A. and all of the companies directly or indirectly controlled by EDP-Energias de Portugal, S.A.
5. EDP Renováveis Group: Refers to EDP Renováveis, S.A. and all of the companies directly or indirectly controlled by EDP Renováveis, S.A.
6. Board Member: each of the members of the Board of Directors of EDP Renováveis.
7. “Key Employee”: the employees of EDP Renováveis Group that in each moment the Nominations and Remunerations Committee determines.
8. Family members: refers to the spouse or similar of the Board Member and/or “Key Employee”, as well as the descendants or ascendants of the Board Member and/or “Key Employee”.
9. Qualifying Holders: Shareholders who hold a direct participation equal or superior to 2% of EDP Renováveis’ share capital.

### **Article 2.-Object and Purpose**

The purpose of these regulations is to regulate the basic operation and actions of the Related Party Transactions Committee, a committee of the Board of Directors of EDP Renováveis, S.A. and to establish the norms of conduct of its members so as to ensure the greatest transparency and efficiency in the functions of representation inherent to the Committee.

### **Article 3.- Interpretation**

These Regulations shall be interpreted in accordance with the laws and Articles of Association applicable to them and in keeping with their spirit and purpose. The Related

Party Transactions Committee and the Board of Directors shall settle any doubts regarding the interpretation of these Regulations as they arise.

#### **Article 4.- Hierarchy and Predominance**

1. In the event of a discrepancy between these Regulations and the legal rules and Articles of Association and the Regulations of the Board of Directors, the latter shall prevail.
2. The Regulations of the Board shall apply to all matters not specifically regulated herein, to the extent that the provisions do not contravene the nature of the Related Party Transactions Committee.

#### **Article 5.-Scope of Application**

These Regulations apply to the Related Party Transactions Committee and to its members. The persons to whom these Regulations apply are obligated to understand them, comply with them and enforce them.

#### **Article 6.- Modification**

1. These Regulations may only be modified by the Board of Directors at the request of the Chairman, one-third of the directors and the Related Party Transactions Committee itself.
2. The proposed modification must be accompanied by a report justifying the change prepared by the Related Party Transactions Committee.
3. The proposed modification and the report of the Related Party Transactions Committee must be included with the announcement of the Board of Directors meeting at which the change will be debated and must be specifically included on the meeting agenda.
4. An absolute majority of the directors present or represented at the meeting must vote in favour of the change in order for it to be validly passed.

#### **Article 7.- Distribution**

These Regulations and any changes made to them shall be publicised as required by the rules applicable to them.

## **TITLE I. BASIC PRINCIPLES AND OBJECTIVES OF THE RELATED PARTY TRANSACTIONS COMMITTEE**

### **Article 8.- Principles of Action**

The Related Party Transactions Committee shall perform its functions in keeping with the principles and strategies defined by the Board of Directors and always with the best interest of the Company in mind.

### **Article 9.- Nature and Competence**

1. The Related Party Transactions Committee is a standing committee of the Board of Directors. The Related Party Transactions Committee shall perform the following tasks entrusted to it by the Board of Directors, which may assign other tasks as well:
  - a. Periodically reporting to the Board of Directors on the commercial and legal relations between EDP or related entities and EDP Renováveis or related entities.
  - b. In connection with the approval of the Company's annual results, reporting on the commercial and legal relations between the EDP Group and the EDP Renováveis Group, and the transactions between related entities during the fiscal year in question.
  - c. Ratifying transactions between EDP and/or related entities with EDP Renováveis and/or related entities by the stipulated deadline in each case, provided that the value of the transaction exceeds €5.000,000 or represents 0.3% of the consolidated annual income of the EDP Renováveis Group for the fiscal year before.
  - d. Ratifying any modification of the Framework Agreement signed by EDP and EDP Renováveis on 7 May 2008.
  - e. Making recommendations to the Board of Directors of the Company or its Executive Committee regarding the transactions between EDP Renováveis and related entities with EDP and related entities.
  - f. Asking EDP for access to the information needed to perform its duties.
  - g. Ratifying, in the correspondent term according to the necessities of each specific case, the transactions between Qualifying Holdings other than EDP with entities from the EDP Renováveis Group whose annual value is superior to 1.000.000€.

- h. Ratifying, in the correspondent terms according to the necessities of each specific case, the transactions between Board Members, “Key Employess” and/or Family Members with entitled from EDP Renováveis Group whose annual value is superior to 75.000€.
2. If the Related Party Transactions Committee does not ratify the commercial or legal relations between EDP or its related entities and EDP Renováveis and its related entities, the validity of such relations must be approved by 2/3 of the members of the Board of Directors, provided that at least one half of the members proposed by entities other than EDP, as well as those related with Qualifying Holders other than EDP, Board Members, “Key Employess” and/or there Famili Members, including independent directors, vote in favour, except when a majority of members expresses its approval prior to submitting the matter to the Related Party Transactions Committee for its approval.
  3. The terms of part 1 above shall not apply to transactions between EDP or its related entities and EDP Renováveis or its related entities are carried out under standardised conditions and are applied equally to different related entities of EDP and EDP, even standardised price conditions.

#### **Article 10.- Composition and Designation**

1. The Related Party Transactions Committee shall be composed of a minimum of three (3) members, who shall be members of the Board of Directors.

A majority of the members of the Related Party Transactions Committee must be independent.

For the purposes of the Related Party Transactions Committee, independent members are those who perform their functions without being conditioned by their relations with EDP Renováveis, its majority shareholders or its directors and who meet all of the other applicable legal requirements.

2. The members of the Related Party Transactions Committee may be re-elected and removed at the will of the Board of Directors.
3. The members of the Related Party Transactions Committee may resign from the Committee but remain as company directors.

#### **Article 11.- President of the Related Party Transactions Committee**

1. The Chairman of the Related Party Transactions Committee must necessarily be an independent director.
2. Notwithstanding the legal or statutory powers vested in him, the powers of the Chairman of the Related Party Transactions Committee include:

- a. Convening and presiding over the meetings of the Related Party Transactions Committee, setting the meeting agenda and overseeing the discussions and deliberations.
- b. Representing the Related Party Transactions Committee before other bodies and departments of the Company.

#### **Article 12.- The Secretary of the Related Party Transactions Committee**

1. The Secretary of the Board of Directors or, in his/her absence, the Assistant Secretary shall be the Secretary of the Related Party Transactions Committee. In the absence of both, the Secretary for each meeting shall be designated by the Related Party Transactions Committee.
2. The Secretary may or may not be a Director.
3. The Secretary's functions are as follows:
  - a. Assisting the Chairman in the performance of his functions.
  - b. Overseeing the operations of the Related Party Transactions Committee, advising and reporting to the Committee and its members.
  - c. Providing the Secretary of the Board with information and documentation relative to the Related Party Transactions Committee
  - d. Documenting the sessions of the Related Party Transactions Committee and drafting the meeting minutes.
  - e. Supervising the legal and material formality of the actions of the Related Party Transactions Committee to ensure that they comply with the Articles of Association and with these Regulations.

### **TITLE II. OPERATION OF THE RELATED PARTY TRANSACTIONS COMMITTEE**

#### **Article 13.- Applicability of the Regulations of the Board**

The provisions of the Regulations of the Board regarding its operation and in particular regarding meeting announcements and sessions, the representation of members, the universal sessions held, the passage of resolutions in writing and without a session, and the approval of meeting minutes shall also apply to the Related Party Transactions Committee to the extent that they do not contravene these Regulations and not incompatible with the nature of the Related Party Transactions Committee.

**Article 14.- Meetings of the Related Party Transactions Committee**

1. The Related Party Transactions Committee shall meet at least once per quarter and whenever the Chairman deems it is necessary. The Related Party Transactions Committee shall be validly convened when one-half plus one of its members are present or represented at the meeting.
2. The resolutions of the Related Party Transactions Committee shall be passed by majority vote with the Chairman casting the deciding vote in the event of a tie.
3. The Related Party Transactions Committee shall inform the Board of Directors of the resolutions it passes at the first meeting of the Board following the Committee meeting in which the resolution was passed.