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**RELATED-PARTY TRANSACTIONS COMMITTEE**  
**“EDP RENOVÁVEIS, S.A.”**

**ACTIVITY DURING 2011**

The Related-Party Transactions Committee of EDP Renováveis S.A., hereinafter Committee, met regularly, during 2011, with the purpose to analyze and make a report on all the matters submitted to its consideration during 2011. All the meetings took place in Lisbon, at Praça Marquês de Pombal, nº 12. In all the meetings were present the Chairperson of the Committee, António Nogueira Leite and the two members, João Manuel de Mello Franco and João Manuel Manso Neto.

The Committee analyzed, during 2011, a number of agreements and protocols between EDP Renováveis and other entities of the EDP Group (EDP - Energias de Portugal, S.A. (EDP) or other companies belonging to EDP that are not consolidated in EDP Renováveis S.A.).

Concretely, in its meeting held on January 26<sup>th</sup> 2011, the Committee analyzed the *Framework Agreement* between EDP – Energias de Portugal, S.A. regarding the transmission of judicial matters and the definition of the prices of the operations related to energy transactions, other energy products and financial products. Having the Secretary General declaration confirming that the agreement is in accordance with the general principles of the *Framework Agreement* and the Articles of Association of EDP Renováveis, S.A.. The Related-Party Transactions Committee verified the agreement and proposed to submit it to the approval of the Board of Directors of EDP Renováveis S.A.

On that same meeting also analyzed the possible amendment do the *Counter Guarantee Agreement* adding at the end of paragraph 1 of Clause 3, the following paragraph:

*“In the event that the Guarantors provide credit support on behalf of EDP Renováveis or any of its subsidiaries in connection with a tax equity agreement, then the Guarantors will be entitled to receive a fee, which fee shall be the maximum amount of: (i) the amount which the Guarantors, EDP Renováveis or any of its subsidiaries are allowed to collect according to such tax equity agreements’ provisions and (ii) the amount that the Guarantors would otherwise receive according to the previous sentence”.*

Having the Secretary General declaration confirming that the agreement is in accordance with the general principles of the *Framework Agreement* and the Articles of Association of EDP Renováveis, S.A.. The Related-Party Transactions Committee verified the agreement and proposed to submit it to the approval of the Board of Directors of EDP Renováveis S.A.

On the meeting held on May 4th 2011, the Company Secretary informed the Committee that the *Executive Management Services Agreement* approved by the Committee on February 26<sup>th</sup> 2009 needed to be renewed since its term has elapsed. The new term should be June 21<sup>st</sup> 2014 since it is the date when the Board Members and managers will end their terms and the services rendered in accordance with the contract. It is proposed to make a partial amendment of the Management Agreement with the following purposes: i) to not include the services of Mr. António Martins da Costa since his term as Board member wasn't renewed on the General Shareholders Meeting of April 11<sup>th</sup> 2011 and ii) adjust the regulation of the fee to reflect a lesser number of *managers* and include the principles of the Remuneration Policy of EDP Renováveis approved by the Nominations and Remunerations Committee on February 22<sup>nd</sup> 2011.

On October 27th 2011, the Committee verified that according to the actual contractual relation, HC Energia (hereinafter HC) provides services of market representation and risk management to EDP Renováveis for a fixed tariff based on the volume (0,12€/MWh) and on the electricity market.

After a Request for Services made by EDP Renováveis, HC presented a new offer that adjusts better to the structure that the actual market offers. According to that proposal the tariff will be 0,09€/MWh and HC will be responsible for the strategies of trading to minimize the balancing cost. Additionally, EDP Renováveis that used to support all the operational costs will now share part of that costs with HC (on a basis of 80%/20%).

With these new conditions the purpose is to minimize the balancing cost, sell incentives through the division of costs and revenues (without the previous guarantee of results and with maximum total limits).

Having the General Secretary's declaration confirming that the agreement is in accordance with the general principles of the *Framework Agreement* and the Articles of Association of EDP Renováveis, S.A.. The Related-Party Transactions Committee verified the agreement and proposed to submit it to the approval of the Board of Directors of EDP Renováveis S.A.

The Committee also analyzed in 2011 the Management Services Agreement between EDP Brasil and EDP Renováveis Brasil and verified that the agreement *is in accordance with the general principles of the Framework Agreement* and the Articles of Association of EDP Renováveis, S.A.. The Related-Party Transactions Committee verified the agreement and proposed to submit it to the approval of the Board of Directors of EDP Renováveis S.A.

The Related-Party Transactions Committee was informed that in 2011, the average value and the maximum value regarding the transactions analyzed by the Committee was EUR 1.575.657,42 and EUR 3.132.771, respectively.

The total value of the operations with the EDP Group in 2011 was EUR17 million which corresponds to a 7.6% of the total value of Supply&Services, and EUR 225 millions for total operational costs.

Additionally, on the meeting that took place on February 22<sup>nd</sup> 2012, the Committee approved this report and agreed to submit to the Board of Directors the amendment of the Committee's regulation with the purpose to increase the concept of Related Party.

Lisbon, 22nd of February of 2012

The Chairperson

(António Nogueira Leite)

Members:

(João Manuel Manso Neto)

(João Manuel de Mello Franco)