EDP, S.A.

EDP, S.A.'s rating reflects its well-diversified business profile and high revenue visibility stemming from its regulated operations, balanced integration of its generation and supply businesses and a largely long-term contracted business of renewable operations. EDP's renewable capacity expansion in the US still entails execution risk, despite lower targets, progress in projects with contracted returns and a sound local procurement strategy.

Fitch Ratings forecasts that funds from operations (FFO) net leverage (excluding capital gains (CG) from EBITDA) will average 4.6x during 2025–2027, leaving limited headroom under our negative rating sensitivity of 4.9x. The company's credible commitment to keep leverage metrics consistent with the 'BBB' Long-Term Issuer Default Rating (IDR) remains a key rating driver.

Key Rating Drivers

Resilient Current Trading: Fitch-defined EBITDA remained broadly flat at EUR4.4 billion, in 2024 and improved quarter over quarter in 1Q25, driven by exceptional hydro resources in Iberia, which helped offset delays in the deployment of renewable capacity. FFO net leverage was better-than-expected in 2024 due to lower net investments and working capital release related to the sale of regulatory receivables. The resilient performance highlights EDP's defensive business model.

Reduced Renewables Developments: The company expects to add 3.5 gigawatts (GW) of renewables capacity in 2025–2026, revised down from around 6 GW. Management has adopted a more selective approach in response to a highly uncertain macroeconomic environment, with the aim of maintaining the capital structure in line with financial targets. We forecast cumulative capex of EUR13.5 billion for 2025–2027 (25% for networks and 70% for renewables), with potential cutbacks if market conditions deteriorate further.

Mitigants to US Uncertainties: EDP's exposure to US renewables is sizable, at around 20% of EBITDA and we currently do not expect any retroactive US tariffs penalising operating assets. It is too early to ascertain the impact of the tariffs imposed by the US on new investments, given the various sudden policy changes. The company estimated a very limited effect, of USD25 million, on its 1.3 GW secured developments between 2025 and 2026, because construction materials are secured or scheduled for delivery by the local supply chain. We do not expect material losses of tax credits, as over 1.5 GW of capacity has been secured by protective provisions.

Exhausted Leverage Headroom Forecast: We forecast FFO net leverage to remain flat at 4.3x in 2025 before increasing towards 4.9x in 2027, leaving no headroom to the negative sensitivity. The rise is attributable to the normalisation of hydro generation in Iberia and lower forecast energy prices. We still expect the earnings contribution from renewables generation to rise between 2025 and 2027, but at a slower pace.

Additional Measures to Protect Rating: Despite the exhausted leverage headroom in our projections, EDP maintains the willingness and financial flexibility to protect net leverage metrics. This was proven in the past through delays to capex, acceleration of its asset-rotation programme and additional hybrid issuance.

Ratings

Long-Term IDR	BBB
Short-Term IDR	F2
Senior Unsecured Debt — Long-Term Rating	BBB
Subordinated Long-Term Rating	BB+
Outlook	
Long-Term Foreign-Currency IDR	Stable

Click here for the full list of ratings

ESG and Climate

Highest ESG Relevance Scores

Environmental	3
Social	3
Governance	3

2035 Climate Vulnerability Signal: 24

Applicable Criteria

Corporate Rating Criteria (December 2024)

Sector Navigators — Addendum to the Corporate Rating Criteria (December 2024)

Parent and Subsidiary Linkage Rating Criteria (June 2023)

Corporates Recovery Ratings and Instrument Ratings Criteria (August 2024)

Country-Specific Treatment of Recovery Ratings Criteria (March 2023)

Corporate Hybrids Treatment and Notching Criteria (April 2025)

Related Research

Global Corporates Macro and Sector Forecasts

EMEA Large Integrated Utilities — Relative Credit Analysis (February 2025)

EMEA Utilities Outlook 2025 (December 2024)

Analysts

Nicolò Meroni
+39 02 9475 8265
nicolo.meroni@fitchratings.com

Manuel Meneses Pereira, CFA
+34 93 492 9511
manuel.menesespereira@fitchratings.com

Diversification Supports Credit Profile: Diversification is crucial to EDP's resilient performance in the volatile price environment experienced since 2019. The company's share of regulated earnings (Fitch's forecast at 35% of EBITDA over 2024–2027) is lower than that of its integrated utility peers, but its revenue visibility is enhanced by the large share of long-term contracted renewables generation, at 40% of EBITDA. EDP's technology and geographic diversification mitigates resource intermittency risk, while vertical integration with supply helps to manage the exposure to the merchant business, which represents 25% of EBITDA.

Lower Price Environment Manageable: Fitch expects the progressive price reduction envisaged in electricity forward prices to have a moderate impact on EDP's earnings, as around 75% of EBITDA in our 2025–2027 forecasts is derived from regulated and quasi-regulated activities. Most of EDP's merchant generation relates to pre-hedged hydro and thermal generation volumes in Iberia.

Renewables Expansion Largely Contracted: EDP follows a disciplined approach in its renewables expansion, protecting project cash flows from price variations by securing more than 60% of their net present value, with contracts of up to 15-year duration. At end-2024, more than 90% of EDP's capacity to be deployed in 2025 was already under construction and mostly related to long-term contracted project.

Financial Summary

(EURm)	2022	2023	2024	2025F	2026F	2027F
EBITDA	3,701	4,327	4,424	4,701	4,365	4,399
FFO	2,079	2,400	2,851	2,862	2,648	2,552
FCF after acquisitions and divestitures	-1,508	-4,924	-2,306	-1,371	-1,085	-1,832
FFO net leverage (x)	4.8	4.8	4.3	4.3	4.7	4.9
FFO interest coverage (x)	3.7	3.6	4.2	4.3	4.2	3.8

Source: Fitch Ratings, Fitch Solutions

Peer Analysis

EDP is a vertically integrated utility and the incumbent in Portugal. EDP, along with Iberdrola S.A. (BBB+/Stable) and Enel S.p.A. (BBB+/Stable), anticipated the energy transition ahead of most other European utilities, although EDP has a smaller scale and its business risk profile is not fully comparable due to a lower share of fully regulated businesses.

EDP benefits from a higher share of long-term contracted and incentivised renewables business, which results in a regulated plus long-term contracted share, excluding asset-rotation capital gains at about 75% of EBITDA over the medium term.

EDP's higher business risk justifies the one-notch rating differential with Iberdrola and Enel, given the latter two's larger scale, greater diversification and a higher share of regulated EBITDA. Naturgy Energy Group, S.A.'s (BBB/Stable) business risk profile is slightly weaker than EDP's, due to the former's larger share of regulated business (networks) being offset by the exposure to more volatile gas activities, subdued growth and a shareholder-friendly strategy.

We do not apply a one-notch uplift to EDP's senior unsecured rating, as its fully regulated EBITDA share is below 50%, or below 40% regulated plus 10% of contribution from renewables.

Navigator Peer Comparison

	IDR/Outlook	Operating Environment	Management and Corporate Governance	Revenue Visibility	Regulatory Environment	Market Position	Asset Base and Operations	Profitability	Financial Structure	Financial Flexibility
EDP, S.A.	BBB/Stable	a- ▢	a- ▢	bbb 🟥	bbb 🟦	bbb 🟦	a- 🟦	bbb- 🟦	bbb 🟥	bbb+ 🟦
Endesa, S.A.	BBB+/Stable	a- ▢	a- ▢	bbb+ 🟥	bbb 🟦	bbb 🟦	bbb+ 🟦	bbb- 🟦	a- 🟥	a- 🟦
Enel S.p.A.	BBB+/Stable	bbb+ ▢	a- ▢	a 🟥	bbb+ 🟦	bbb 🟦	a 🟦	bbb 🟦	bbb 🟥	a- 🟦
Iberdrola, S.A.	BBB+/Stable	a ▢	a- ▢	a 🟥	bbb 🟦	bbb 🟦	a 🟦	bbb 🟦	bbb 🟥	a- 🟦
Naturgy Energy Group, S.A.	BBB/Stable	a ▢	bbb- ▢	bbb+ 🟥	bbb 🟦	bbb- 🟦	bbb+ 🟦	bbb- 🟦	bbb- 🟥	bbb+ 🟦

Source: Fitch Ratings

Relative Importance of Factor 🟥 Higher 🟦 Moderate ▢ Lower

Name	IDR/Outlook	Operating Environment	Management and Corporate Governance	Revenue Visibility	Regulatory Environment	Market Position	Asset Base and Operations	Profitability	Financial Structure	Financial Flexibility
EDP, S.A.	BBB/Stable	+2 ▨	+2 ▨	0 🟦	0 🟦	0 🟦	+2 ▨	-1 🟦	0 🟦	+1 🟦
Endesa, S.A.	BBB+/Stable	+1 🟦	+1 🟦	0 🟦	-1 🟦	-1 🟦	0 🟦	-2 🟥	+1 🟦	+1 🟦
Enel S.p.A.	BBB+/Stable	0 🟦	+1 🟦	+2 ▨	0 🟦	-1 🟦	+2 ▨	-1 🟦	-1 🟦	+1 🟦
Iberdrola, S.A.	BBB+/Stable	+2 ▨	+1 🟦	+2 ▨	-1 🟦	-1 🟦	+2 ▨	-1 🟦	-1 🟦	+1 🟦
Naturgy Energy Group, S.A.	BBB/Stable	+3 ▨	-1 🟦	+1 🟦	0 🟦	-1 🟦	+1 🟦	-1 🟦	-1 🟦	+1 🟦

Source: Fitch Ratings

Factor Score Relative to IDR 🟥 Worse positioned than IDR 🟦 Within one notch of IDR ▨ Better positioned than IDR

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- FFO net leverage above 4.9x and FFO interest coverage below 3.7x for a sustained period, for example, as a result of delays in asset rotation, in the absence of mitigating measures
- Evolution of the business mix towards higher-risk activities or countries could weaken EDP's debt capacity

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- Improvement of the business mix towards a greater EBITDA share of regulated activities
- FFO net leverage below 4.0x and FFO interest coverage above 4.6x on a sustained basis, assuming no major changes in activity mix other than that expected by Fitch

Liquidity and Debt Structure

EDP had EUR3.7 billion of readily available cash and EUR7.3 billion of available committed credit lines at end-December 2024, all of which are due after 2025. Liquidity is sufficient to cover EUR5.6 billion maturities and announced voluntary debt repayments in 2025 and 2026.

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

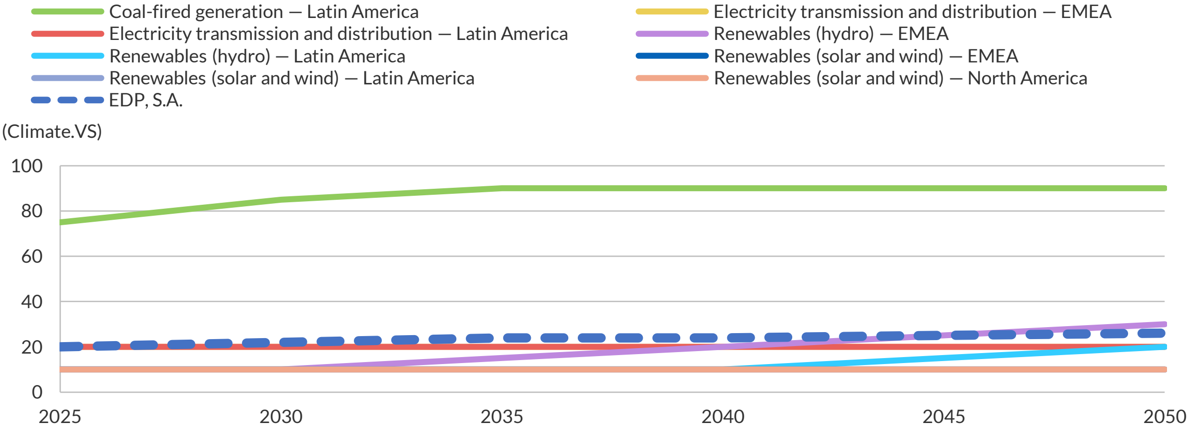
Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's Corporate Rating Criteria. For more detailed, sector-specific information on how Fitch perceives climate-related transition risks, see Climate Vulnerability Signals for Non-Financial Corporate Sectors.

The 2023 revenue weighted Climate.VS for EDP for 2035 is 24 out of 100, suggesting moderate exposure to climate related risks in that year.

Climate.VS Evolution

As of 31 December 2023



Source: Fitch Ratings

Liquidity and Debt Maturities

Liquidity Analysis

(EURm)	2025F	2026F	2027F
Available liquidity			
Beginning cash balance	3,672	-933	-4,408
Rating case FCF after acquisitions and divestitures	-1,371	-1,085	-1,832
Total available liquidity (A)	**2,301**	**-2,018**	**-6,240**
Liquidity uses			
Debt maturities	-3,234	-2,390	-1,849
Total liquidity uses (B)	**-3,234**	**-2,390**	**-1,849**
Liquidity calculation			
Ending cash balance (A+B)	-933	-4,408	-8,089
Revolver availability	7,250	7,250	7,250
Ending liquidity	**6,317**	**2,842**	**-839**
Liquidity score (x)	3.0	2.2	0.5

Source: Fitch Ratings, Fitch Solutions, EDP, S.A.

Scheduled Debt Maturities

(EURm)	31 Dec 2024
2025	3,234
2026	2,390
2027	1,849
2028	2,745
2029	2,479
Thereafter	8,647
Total	**21,344**

Source: Fitch Ratings, Fitch Solutions, EDP, S.A.

Key Assumptions

Our Key Fitch Assumptions Within Our Rating Case for the Issuer

- Wind and solar generation to increase to 50 terawatt hours (TWh) in 2027, from 43 TWh in 2025, with the selling price averaging at EUR58 per megawatt hour (MWh) throughout the period.
- Hydro generation in Iberia on average at 10.7 TWh a year, with achieved prices tracking OMIP futures for baseload energy and the company's guidance on hedged flexible generation.
- Electricity and gas supply to increase modestly to 28 TWh and 5 TWh, respectively, by 2027, with margins normalising to lower levels per TWh.
- The regulated networks business in Iberia and Brazil to evolve in line with EDP's strategic plan.
- Fitch-defined EBITDA (excluding CG) on average at EUR4.5 billion during 2025–2027.
- Effective interest rate on average at 4.2% during 2025–2027 and an effective tax rate of 24%.
- Dividends in line with the communicated dividend floor of EUR0.20 in 2025, 2026 and 2027.
- Capex on average at EUR4.5 billion a year, plus cumulative asset rotation and disposal proceeds (including CG) of EUR4.3 billion between 2025 and 2027.
- Tax equity proceeds averaging EUR1 billion a year between 2025 and 2027.

Financial Data

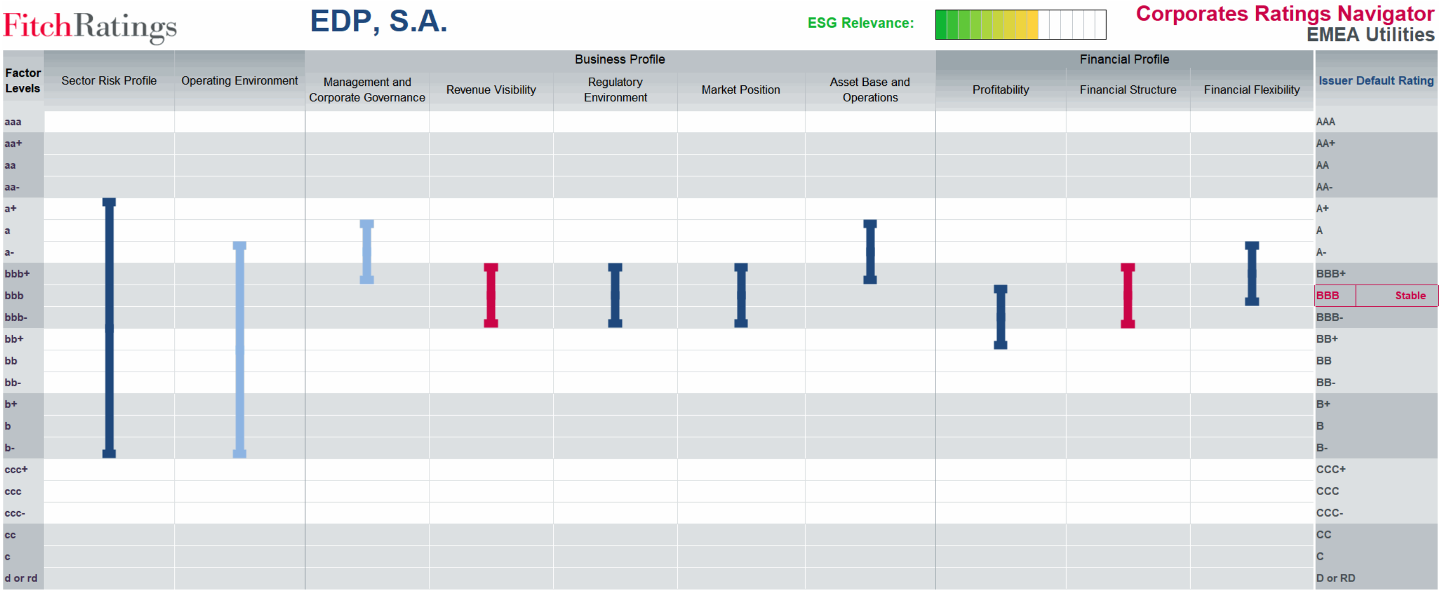
(EURm)	2022	2023	2024	2025F	2026F	2027F
Summary income statement						
Gross revenue	20,651	16,202	14,966	16,708	16,788	17,594
Revenue growth (%)	37.8	-21.5	-7.6	11.6	0.5	4.8
EBITDA before income from associates	3,701	4,327	4,424	4,701	4,365	4,399
EBITDA margin (%)	17.9	26.7	29.6	28.1	26.0	25.0
EBITDA after associates and minorities	3,579	4,239	4,464	4,601	4,265	4,299
EBIT	1,836	2,253	2,160	2,236	1,651	1,434
EBIT margin (%)	8.9	13.9	14.4	13.4	9.8	8.2
Gross interest expense	-921	-1,127	-1,093	-849	-815	-881
Pretax income including associate income/loss	1,568	1,839	1,332	1,948	1,410	1,091
Summary balance sheet						
Readily available cash and equivalents	4,952	3,440	3,672	2,351	1,483	2,526
Debt	17,874	18,244	18,969	17,958	17,516	19,230
Net debt	12,922	14,803	15,296	15,608	16,033	16,705
Summary cash flow statement						
EBITDA	3,701	4,327	4,424	4,701	4,365	4,399
Cash interest paid	-729	-865	-854	-849	-815	-881
Cash tax	-259	-384	-376	-390	-282	-316
Dividends received less dividends paid to minorities (inflow/outflow)	-122	-88	40	-100	-100	-100
Other items before FFO	-614	-751	-527	-600	-600	-600
FFO	2,079	2,400	2,851	2,862	2,648	2,552
FFO margin (%)	10.1	14.8	19.1	17.1	15.8	14.5
Change in working capital	1,139	-1,166	530	-50	-50	-50
CFO (Fitch-defined)	3,218	1,235	3,381	2,812	2,598	2,502
Total non-operating/nonrecurring cash flow	-380	-6	-11	-500	—	—
Capex	-3,434	-5,342	-5,508	—	—	—
Capital intensity (capex/revenue) (%)	16.6	33.0	36.8	—	—	—
Common dividends	-750	-791	-812	—	—	—
FCF	-1,346	-4,904	-2,950	—	—	—
FCF margin (%)	-6.5	-30.3	-19.7	—	—	—
Net acquisitions and divestitures	-163	-20	644	—	—	—
Other investing and financing cash flow items	183	368	1,010	—	—	—
Net debt proceeds	3,065	1,103	1,770	-1,010	-443	1,714
Net equity proceeds	-92	1,925	—	-100	—	—
Total change in cash	1,647	-1,528	259	-1,322	-868	1,043
Calculations for forecast publication						
Capex, dividends, acquisitions and other items before FCF	-4,726	-6,158	-5,687	-4,183	-3,683	-4,333
FCF after acquisitions and divestitures	-1,508	-4,924	-2,306	-1,371	-1,085	-1,832
FCF margin after net acquisitions (%)	-7.3	-30.4	-15.4	-8.2	-6.5	-10.4
Gross leverage ratios (x)						
FFO leverage	6.6	5.9	5.3	5.0	5.2	5.7
(CFO-capex)/debt	-1.2	-22.5	-11.2	-12.2	-10.9	-7.8
Net leverage ratios (x)						
FFO net leverage	4.8	4.8	4.3	4.3	4.7	4.9
(CFO-capex)/net debt	-1.7	-27.7	-13.9	-14.0	-11.9	-9.0
Coverage ratios (x)						
FFO interest coverage	3.7	3.6	4.2	4.3	4.2	3.8
FFO fixed-charge coverage	3.7	3.6	4.2	4.3	4.2	3.8

CFO — Cash flow from operations.
Source: Fitch Ratings, Fitch Solutions

How to Interpret the Forecast Presented

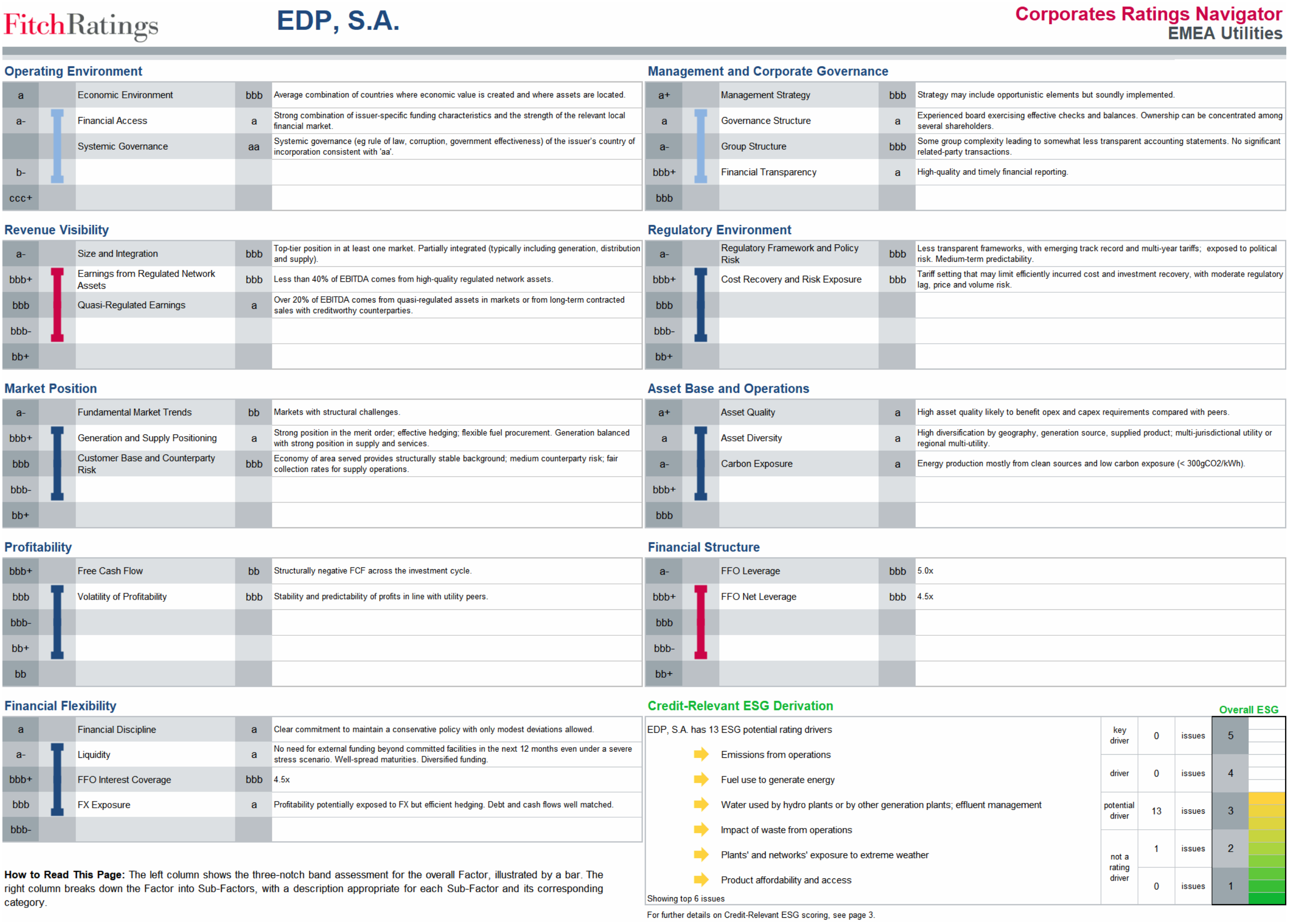
The forecast presented above is based on Fitch Ratings' internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch Ratings to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch Ratings' rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch Ratings' forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch Ratings' own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch Ratings' own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch Ratings may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch Ratings' own internal deliberations, where Fitch Ratings, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch Ratings may update the forecast in future reports but assumes no responsibility to do so. Original financial statement data for historical periods is processed by Fitch Solutions on behalf of Fitch Ratings. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by rating agency staff.

Ratings Navigator



Bar Chart Legend:

Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
🟥 Higher Importance	⇩ Negative
🟦 Average Importance	⇳ Evolving
🟦 Lower Importance	☐ Stable



FitchRatings

EDP, S.A.

Corporates Ratings Navigator
EMEA Utilities

Operating Environment

a	Economic Environment	bbb	Average combination of countries where economic value is created and where assets are located.
a-	Financial Access	a	Strong combination of issuer-specific funding characteristics and the strength of the relevant local financial market.
	Systemic Governance	aa	Systemic governance (eg rule of law, corruption, government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-			
ccc+			

Revenue Visibility

a-	Size and Integration	bbb	Top-tier position in at least one market. Partially integrated (typically including generation, distribution and supply).
bbb+	Earnings from Regulated Network Assets	bbb	Less than 40% of EBITDA comes from high-quality regulated network assets.
bbb	Quasi-Regulated Earnings	a	Over 20% of EBITDA comes from quasi-regulated assets in markets or from long-term contracted sales with creditworthy counterparties.
bbb-			
bb+			

Market Position

a-	Fundamental Market Trends	bb	Markets with structural challenges.
bbb+	Generation and Supply Positioning	a	Strong position in the merit order; effective hedging; flexible fuel procurement. Generation balanced with strong position in supply and services.
bbb	Customer Base and Counterparty Risk	bbb	Economy of area served provides structurally stable background; medium counterparty risk; fair collection rates for supply operations.
bbb-			
bb+			

Profitability

bbb+	Free Cash Flow	bb	Structurally negative FCF across the investment cycle.
bbb	Volatility of Profitability	bbb	Stability and predictability of profits in line with utility peers.
bbb-			
bb+			
bb			

Financial Flexibility

a	Financial Discipline	a	Clear commitment to maintain a conservative policy with only modest deviations allowed.
a-	Liquidity	a	No need for external funding beyond committed facilities in the next 12 months even under a severe stress scenario. Well-spread maturities. Diversified funding.
bbb+	FFO Interest Coverage	bbb	4.5x
bbb	FX Exposure	a	Profitability potentially exposed to FX but efficient hedging. Debt and cash flows well matched.
bbb-			

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Management and Corporate Governance

a+	Management Strategy	bbb	Strategy may include opportunistic elements but soundly implemented.
a	Governance Structure	a	Experienced board exercising effective checks and balances. Ownership can be concentrated among several shareholders.
a-	Group Structure	bbb	Some group complexity leading to somewhat less transparent accounting statements. No significant related-party transactions.
bbb+	Financial Transparency	a	High-quality and timely financial reporting.
bbb			

Regulatory Environment

a-	Regulatory Framework and Policy Risk	bbb	Less transparent frameworks, with emerging track record and multi-year tariffs; exposed to political risk. Medium-term predictability.
bbb+	Cost Recovery and Risk Exposure	bbb	Tariff setting that may limit efficiently incurred cost and investment recovery, with moderate regulatory lag, price and volume risk.
bbb			
bbb-			
bb+			

Asset Base and Operations

a+	Asset Quality	a	High asset quality likely to benefit opex and capex requirements compared with peers.
a	Asset Diversity	a	High diversification by geography, generation source, supplied product; multi-jurisdictional utility or regional multi-utility.
a-	Carbon Exposure	a	Energy production mostly from clean sources and low carbon exposure (< 300gCO2/kWh).
bbb+			
bbb			

Financial Structure

a-	FFO Leverage	bbb	5.0x
bbb+	FFO Net Leverage	bbb	4.5x
bbb			
bbb-			
bb+			

Credit-Relevant ESG Derivation

Overall ESG

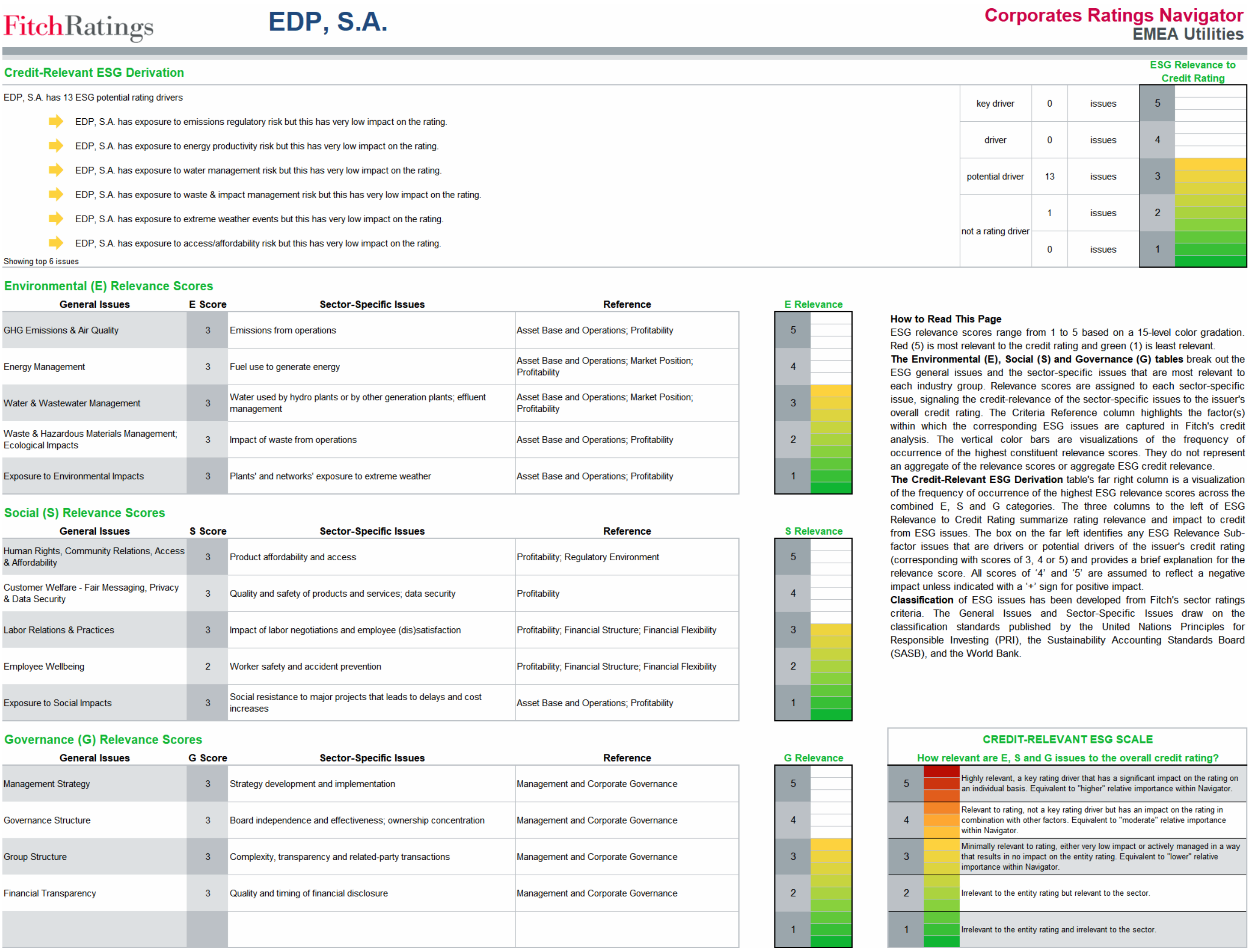
EDP, S.A. has 13 ESG potential rating drivers

- ➡ Emissions from operations
- ➡ Fuel use to generate energy
- ➡ Water used by hydro plants or by other generation plants; effluent management
- ➡ Impact of waste from operations
- ➡ Plants' and networks' exposure to extreme weather
- ➡ Product affordability and access

Showing top 6 issues

key driver	0	issues	5
driver	0	issues	4
potential driver	13	issues	3
not a rating driver	1	issues	2
	0	issues	1

For further details on Credit-Relevant ESG scoring, see page 3.



FitchRatings

EDP, S.A.

Corporates Ratings Navigator
EMEA Utilities

Credit-Relevant ESG Derivation

EDP, S.A. has 13 ESG potential rating drivers

- EDP, S.A. has exposure to emissions regulatory risk but this has very low impact on the rating.
- EDP, S.A. has exposure to energy productivity risk but this has very low impact on the rating.
- EDP, S.A. has exposure to water management risk but this has very low impact on the rating.
- EDP, S.A. has exposure to waste & impact management risk but this has very low impact on the rating.
- EDP, S.A. has exposure to extreme weather events but this has very low impact on the rating.
- EDP, S.A. has exposure to access/affordability risk but this has very low impact on the rating.

Showing top 6 issues

			ESG Relevance to Credit Rating
key driver	0	issues	5
driver	0	issues	4
potential driver	13	issues	3
not a rating driver	1	issues	2
	0	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference	E Relevance
GHG Emissions & Air Quality	3	Emissions from operations	Asset Base and Operations; Profitability	5
Energy Management	3	Fuel use to generate energy	Asset Base and Operations; Market Position; Profitability	4
Water & Wastewater Management	3	Water used by hydro plants or by other generation plants; effluent management	Asset Base and Operations; Market Position; Profitability	3
Waste & Hazardous Materials Management; Ecological Impacts	3	Impact of waste from operations	Asset Base and Operations; Profitability	2
Exposure to Environmental Impacts	3	Plants' and networks' exposure to extreme weather	Asset Base and Operations; Profitability	1

How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.
The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.
The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference	S Relevance
Human Rights, Community Relations, Access & Affordability	3	Product affordability and access	Profitability; Regulatory Environment	5
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Quality and safety of products and services; data security	Profitability	4
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Profitability; Financial Structure; Financial Flexibility	3
Employee Wellbeing	2	Worker safety and accident prevention	Profitability; Financial Structure; Financial Flexibility	2
Exposure to Social Impacts	3	Social resistance to major projects that leads to delays and cost increases	Asset Base and Operations; Profitability	1

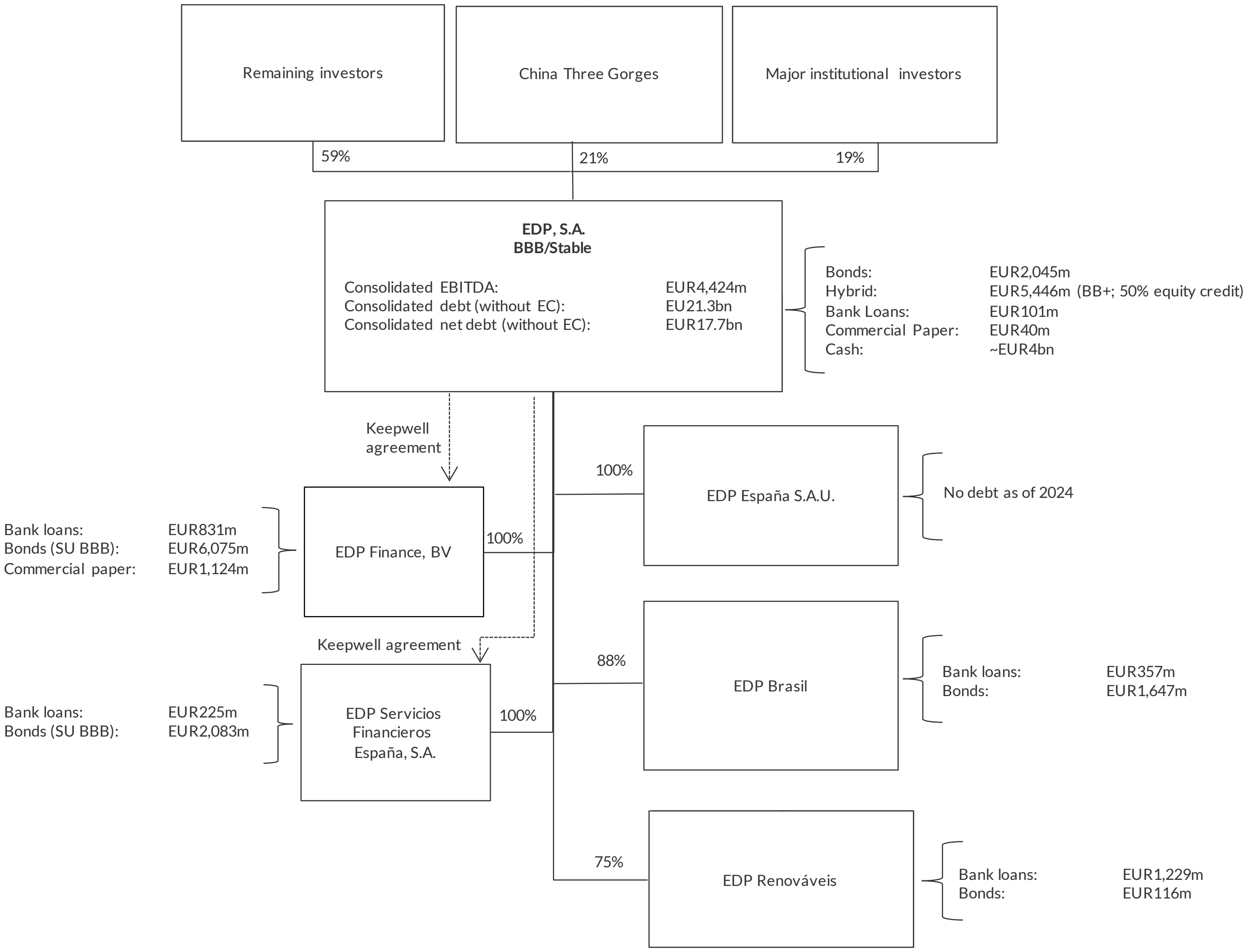
Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference	G Relevance
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance	5
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance	4
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance	3
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance	2
				1

CREDIT-RELEVANT ESG SCALE
How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

Simplified Group Structure Diagram



EC — Equity credit.
SU — Senior unsecured.
Source: Fitch Ratings, Fitch Solutions, EDP, S.A., as of December 2024

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	EBITDA (EURm)	FFO (EURm)	FCF after acquisitions and divestitures (EURm)	FFO net leverage (x)	FFO interest coverage (x)
EDP, S.A.	BBB						
	BBB	2024	4,424	2,851	-2,306	4.3	4.2
	BBB	2023	4,327	2,400	-4,924	4.8	3.6
	BBB	2022	3,701	2,079	-1,508	4.8	3.7
Iberdrola, S.A.	BBB+						
	BBB+	2024	14,559	10,275	5,262	4.4	5.2
	BBB+	2023	14,166	9,271	-2,037	4.2	4.5
	BBB+	2022	12,983	9,251	-1,933	4.1	5.9
Naturgy Energy Group, S.A.	BBB						
	BBB	2024	5,149	3,494	15	3.0	5.5
	BBB	2023	5,259	3,660	-53	3.1	6.1
	BBB	2022	4,744	4,039	1,190	2.9	8.8
Enel S.p.A.	BBB+						
	BBB+	2023	21,504	13,528	-1,323	4.1	4.5
	BBB+	2022	19,260	11,248	-9,162	5.7	5.0
	A–	2021	18,834	9,459	-8,994	5.4	4.9
Endesa, S.A.	BBB+						
	BBB+	2023	3,638	3,511	7,054	3.1	8.2
	BBB+	2022	5,437	4,801	-7,824	3.8	21.1
	A–	2021	4,157	3,577	-3,632	3.0	25.5

Source: Fitch Ratings, Fitch Solutions

Fitch Adjusted Financials

(EURm as of 31 Dec 2024)	Notes and formulas	Standardised values	Cash adjustment	Lease treatment	Other adjustments	Adjusted values
Income statement summary						
Revenue		14,966	—	—	—	14,966
EBITDA	(a)	4,508	—	-158	74	4,424
Depreciation and amortisation		-2,370	—	106	0	-2,264
EBIT		2,137	—	-52	74	2,160
Balance sheet summary						
Debt	(b)	18,621	—	—	—	18,621
Of which other off-balance-sheet debt		—	—	—	—	—
Lease-equivalent debt		—	—	—	—	—
Lease-adjusted debt		18,621	—	—	—	18,621
Readily available cash and equivalents	(c)	3,631	41	—	-0	3,672
Not readily available cash and equivalents		—	2	—	—	2
Cash flow summary						
EBITDA	(a)	4,508	—	-158	74	4,424
Dividends received from associates less dividends paid to minorities	(d)	40	—	—	—	40
Interest paid	(e)	-854	—	—	—	-854
Interest received	(f)	144	—	—	—	144
Preferred dividends paid	(g)	—	—	—	—	—
Cash tax paid		-376	—	—	—	-376
Other items before FFO		188	—	—	-715	-527
FFO	(h)	3,649	—	-158	-641	2,851
Change in working capital		-122	—	—	652	530
CFO	(i)	3,528	—	-158	11	3,381
Non-operating/nonrecurring cash flow		—	—	—	-11	-11
Capex	(j)	-5,508	—	—	—	-5,508
Common dividends paid		-812	—	—	—	-812
FCF		-2,792	—	-158	-0	-2,950
Gross leverage (x)						
FFO leverage	b/(h-e-f-g)	4.3	—	—	—	5.2
(CFO-capex)/debt (%)	(i+j)/b	-10.6	—	—	—	-11.4
Net leverage (x)						
FFO net leverage	(b-c)/(h-e-f-g)	3.4	—	—	—	4.2
(CFO-capex)/net debt (%)	(i+j)/(b-c)	-13.2	—	—	—	-14.2
Coverage (x)						
FFO interest coverage	(h-e-f-g)/(-e-g)	5.1	—	—	—	4.2

CFO — Cash flow from operations.
Note: The standardised items presented above are based on Fitch's taxonomy for the given sector and region. Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly.
Debt includes other off-balance-sheet debt.
Debt in the standardised values column excludes lease liabilities of EUR1322.153 million.
Source: Fitch Ratings, Fitch Solutions, EDP, S.A.

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