



Ética EDP

WE ARE WHAT WE DO

Code of conduct for top management and senior financial officers

Review 1 | English version

Approved by the EBD on January 10, 2017

Scope of application

This code applies to members of the General and Supervisory Board (CGS) and members of the Executive Board of Directors (EBD) of EDP – Energias de Portugal, S.A. (EDP), as well as to other members of Top Management of the EDP Group¹, which, for this purpose, covers the Directors of the Companies of the EDP Group and the EDP Foundation, the Managers of the Corporate Centre who depend directly on the EBD, the Directors of the EDP Foundation and the Managers of the affiliate companies that depend directly on the respective Boards of Directors.

The scope of application of this code extends to the Senior Financial Officers², given the significant role they assume in governing the Company and the responsibility and authority they hold to adequately compile and report the financial situation and the results of the EDP Group, according to generally accepted accounting principles and with the highest ethical standards, defined in the EDP Code of Ethics.

The reason for this code

Today, the EDP Group has a global presence and is managed, worldwide, by men and women of different generations, cultures and patterns of behaviour. This diversity is valued and promoted as a wealth factor. The aim of this code is to promote harmony and explain, internally and externally, the matrix of conduct in effect.

Because it is recognised, as expressed in the introductory part of the Davos Global Business Oath:

The company we lead should serve the common good, through the union of resources and persons, in creating value that cannot be produced individually;

Our decisions may have consequences that affect the well-being of individuals, inside and outside our company, both today and tomorrow;

By having to unite the interests of different entities, we have encountered difficult options, both for us and for others.

It is intended that the code also be a support element at these decision-making moments. This code of conduct does not replace the EDP Code of Ethics, but rather strengthens and complements it, using as a lens the responsibility and the power of the person who was called to assume the duties of Supervision, Administration and Top Management in the EDP Group.

1. The EDP Group is the group of companies that are in a parent/subsidiary or group relationship with EDP, regardless of whether the respective head offices are in Portugal or abroad. Two companies are said to be in a parent/subsidiary relationship when the dominant company holds over the other a majority share in capital, has more than half of the votes or has the possibility of appointing more than half of the members of the administrative body or supervisory body of the subsidiary company. Companies that hold at least 90% of share capital are considered to have a Group relationship with EDP.

2. Senior Financial Officers include, besides the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, the Directors and Subdirectors with responsibilities in the areas of finance, financial reporting, internal auditing, internal control, risk management, tax, accounting, planning and control.

Commitments

The directors, the members of Top Management and the Senior Financial Officers, recognising that the example of their activity is the best and most powerful code of conduct that the organization can have and the best safeguard of the Company's reputation, agree to:

Invest the power conferred on them as a service to the organization, the persons and society in general;

Assume full responsibility for their actions and decisions, recognise the duties of competence, diligence and accountability requested of them;

Be transparent in the decision-making process, in action and communication, safeguarding the duties of secrecy, and not inducing in the stakeholders in general, by action or omission, unfounded expectations regarding the companies of the EDP Group;

Stimulate the personal development of employees, promoting an atmosphere of learning, trust and mutual respect;

Promote a culture of integrity, rigour and responsibility, empowering and granting the necessary autonomy, so that each one can give his or her best;

Foster a climate of continuous improvement that allows detecting and correcting possible deficiencies of design or operations of the internal control systems;

Always acting with the greatest correction, even in the absence of controls or when they prove to be insufficient or inadequate to needs;

Include the risk of ethical malpractices in the global management of business risk, identifying the signs of alert and qualifying employees so that they too can identify them;

Promote compliance with the legal and regulatory standards in effect in the jurisdictions applicable to the EDP Group and, actively or passively, by action or omission, not take part in, or consent to practices that could constitute any violation of legislation or applicable standards;

Ensure respect for Fundamental Rights in the various geographical areas where EDP is active, observing applicable international standards, regardless of the level of demand of national legislation, promoting over these, when applicable, a reflection that takes into account, the criteria of sustainability, solidarity, and social progress;

Commitments

Be attentive and oppose, albeit subtle, all forms of violations of Human Rights, including Labour Rights;

Respect legislation and anticipate and clarify situations that may configure or be understood as corruption or bribery;

Avoid situations that may lead to or be understood as conflicts of interests and, when they occur, noting their existence and taking adequate measures;

Maintain secrecy regarding privileged, confidential and sensitive information obtained in the exercise of their duties, communicating this information only to persons who have a legitimate right to it;

Safeguard the prudent use of information systems and technologies, including equipment, systems, software and accesses, as well as of social networks;

Provide, to the possible extent, the resources and knowledge of the company in the search for solutions of problems of a social and environmental nature considered as critical to society;

Always question when any decision seems not to conform with applicable standards or with this Code;

Use the necessary moral courage to defend the principles established herein, in the best interests of the company, even in difficult circumstances.