



EDP Code of Ethics Regulations

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EDP Group Code of Ethics Regulations – Proposal for Review

Review 3

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Approved by:	Date
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1. Purpose and Scope

1.1. Under Article 22, paragraph 1, item i) of the Statutes of EDP – Energias de Portugal, S.A. (“EDP” or the “Company”), of article 12, item i) of the Internal Rules of the General and Supervisory Board (“GSB”) and article 10, nº1, item i), of the Internal Rules of the Corporate Governance and Sustainability Committee of the GSB (“CGSC”), these Regulations (“Regulations”) were approved by the Corporate Governance and Sustainability Committee (CGSC) under the proposal of the Executive Board of Directors (EBD) of EDP, with the aim of the implementation in the EDP Group of the EDP Code of Ethics (“Code” or “Code of Ethics”), namely with regard to the receipt, holding and handling of information and complaints received by the companies and entities that comprise the EDP Group, reporting alleged infringements of the provisions set forth in the Code.

1.2. The provisions of these Regulations have the same scope as the Code of Ethics.

1.3. These Regulations also establish the relevant procedures for articulation of the relevant bodies concerning corporate ethics of the General and Supervisory Board, the EDP Group Corporate Centre and the companies and entities of the Group.

2. Duties and responsibilities

2.1. The correct and full application of the Code of Ethics and these Regulations is the responsibility of all employees, including the members of the managing bodies of the companies and entities comprising the Group, as well as legal representatives, attorneys, suppliers, authorised to act on behalf of EDP, who shall, in every circumstances at all times, guide its conduct by the principles and compromises contained therein.

2.2. Nonetheless, the following specific duties and responsibilities are hereby defined:

2.2.1. Pursuant to its internal regulations and regarding those aspects relating to corporate ethics, the Corporate Governance and Sustainability Committee (CGSC) of the GSB is responsible for:

- (i) Overseeing the application of the Code of Ethics, establishing regulatory guidelines and striving to ensure, on a high level, that it is correctly implemented by the companies and entities of the EDP Group;
- (ii) Appointing the EDP Group’s Ethics Committee and Ethics Ombudsman, considering the provisions of subparagraphs 2.2.2 and 2.2.3;
- (iii) Approving the internal regulations of the EDP Group’s Ethics Committee.



- (iv) Appreciate the opinions issued by the Ethics Committee about breaches to the code of ethics, decide on its relevance/acceptability and, in case of acceptance, decide on the subsequent corrective actions and monitor their implementation.

2.2.2. The EDP Group's Ethics Committee is responsible for:

- (i) Drawing up and proposing its Internal Regulations to the CGSC;
- (ii) Proposing to the CGSC the corporate ethics instruments, policies, goals and targets;
- (iii) Receiving and appreciating the infringement files instructed by the Ethics Ombudsman and formulate an opinion on the same;
- (iv) Issuing opinions, when requested to do so by any of the governing bodies of the companies and entities of the EDP Group, on practices or codes of conduct in the fields of ethics or professional conduct within the framework of specific, legal or regulatory needs;
- (v) Analyse the resolutions of the Ethics Committee of EDP Energias do Brasil and the Ethics Committee of EDP Renováveis that are submitted it in accordance with paragraph 3.3.2;
- (vi) Review the quarterly reports on the EDP Group's or Business Units ethical performance in terms of implementation of the Code of Ethics drawn up by the Ethics Ombudsman
- (vii) Annually review the Code of Ethics' adequacy to the needs of the EDP Group and procedures arising there from and draw up a report on such, in accordance with the provisions of 6.2, on proposal of the Ethics Ombudsman and Sustainability Department of the Corporate Centre (DSA).

§ The composition of the Ethics Committee is established by the CGSC on proposal of the EBD. One of the members is the Ethics Ombudsman, who has a secretarial role. The names of the Ethics Committee members shall be published within and outside the EDP Group (in EDP's webpage);

2.2.3. The Ethics Ombudsman is responsible for:

- (i) Receiving complaints, preparing and documenting cases and submitting them to the Ethics Committee.
- (ii) Monitoring each infraction case he/she has prepared until its conclusion and liaising with the complainant whenever necessary and appropriate.
- (iii) Provide the technical secretariat and support the functioning of the Ethics Committee.
- (iv) Ensuring the continued compliance of the management system in terms of ethics with the requirements set out in the internal control systems, with the principles of sustainable development and other voluntary commitments by EDP Group;
- (v) Produce quarterly reports on the ethic performance of EDP Group

2.2.3.1 The Ethics Ombudsman is proposed by the EBD and appointed for a four-year term.



2.2.3.2 The Ethics Committee of EDP Energias do Brasil, the Ethics Committee of EDP Renováveis and the Board of Directors of HC Energías, Naturgas shall indicate to the Ethics Ombudsman of EDP their liaison officer for the effects and procedures provided for in the Code of Ethics and these Regulations.

2.2.3.3 The identification and individual contact details of the Ethics Ombudsman and the liaison officer appointed under the preceding provision will always be available and accessible on the general purpose communication channels of the EDP Group.

3. Procedures

3.1. Reporting infringements of the Code of Ethics

3.1.1. Reports originating from employees, suppliers, customers or other stakeholders of alleged infringements of the Code of Ethics must be submitted in writing by letter, fax or e-mail to the Ethics Ombudsman or the identified liaison officers pursuant to 2.2.3.

§. These reports must indicate a detailed description of the claimed situation and must indicate the identity and the contact of the complainant, except when the use of communication channels expressly foresee the possibility of anonymity.

3.1.2. Reports originating from internal or external auditors of infringements of the Code of Ethics must be sent directly to the Chairman of the Ethics Committee, with copy to the Ethics Ombudsman, together with all supporting information deemed pertinent.

3.1.3. The procedure for reporting and registering reports of infringements of the Code of Ethics is disseminated to employees, customers, suppliers and other stakeholders via the appropriate channels.

3.2. Legal Counselling

3.2.1. EDP provides, to employees, a legal advice service to answer queries as to whether certain behaviour, actions or decisions may constitute infringements of the EDP Code of Ethics. Employees are encouraged to use this service if in any doubt, before reporting any supposed infringement.

3.2.2. The referred legal advice service is assured by an attorney.

3.2.3. All employees are informed of the existence of the legal advice service via the EDP Group's communication channels.

3.3. Procedure

3.3.1. Registering Complaints

The Ethics Ombudsman shall ensure that a register is kept of all complaints received. The register shall indicate the complaint number and the date of receipt.



3.3.2. Notification of the Ethics Committee

The Chairman of the Ethics Committee must be notified of the complaints registered and investigated by the Ethics Ombudsman within two weeks of their registration, accompanied by the preliminary reports referred to in 4.1.1.

Irrespective of this notification, all reports of infringements of the Code of Ethics that may involve irregular accounting and financial practices shall be immediately reported to the GSB's Financial Committee/Audit Committee, as set out in its procedures in force and specific regulations on whistleblowing procedures.

All decisions taken by the Ethics Committee of EDP Energias do Brasil and by the Ethics Committee of EDP Renováveis will be sent to the Ethics Ombudsman so that they may be quarterly submitted to the Ethics Committee, accompanied by the complaints associated with such decisions, to be reported at the corporate level. In the other Group companies, referred to in 2.2.3.2, a channel for complaint on ethical issues will be ensured and the procedures for handling and registering the complaints received will be maintained. The complete content of each complaint will be referred to the EDP Ethics Ombudsman by the liaison officers appointed by these companies, within one week of registration. All information deemed relevant will also be sent.

3.3.3. Issuance of an opinion by the Ethics Committee

As a rule, the preliminary assessment of the complaint and the issuance of the Ethic Committee opinion by the Ethics Committee shall take place within an indicative period of three months, from the date of presentation of the complaint.

3.3.4. Settlement of the complaint

As a rule, the structures of the EDP Group shall take the necessary steps to settle the complaint within an indicative period of six months, from the date of presentation of the complaint.

4. Confirmation, Investigation and Corrective Action

4.1. Initial confirmation

4.1.1. The Ethics Ombudsman shall make a preliminary assessment of the events and contact data initially reported in the complaint. This initial confirmation shall be based on the preliminary information provided, including initial contacts with the complainant. In view of the completion of the confirmation of the plausibility of the complaint, the Ethics Ombudsman shall require the support of EDP group structures as needed:

Factors to be considered include:

- (i) The nature of the complaint and a description – as detailed and well-founded as possible - of the infringement(s) in question;
- (ii) The names and positions of the employees or third parties potentially involved in the situation under analysis or who may have relevant information about it;



- (iii) The preliminary analysis of the possible implications of the events reported, including liability for the entity involved and the risk of associated damage, including to its reputation;
- (iv) The analysis of whether the reported events may involve ongoing misconduct or whether the risk of recurrence and need for corrective or preventive measures.

4.1.2. The Ethics Ombudsman shall submit a preliminary report on the initial confirmation of the complaints to the Chairman of the Ethics Committee within an indicative period time of two weeks from the registration of the complaint. That report shall describe the reported situation and all relevant aspects of it that are known and relate to it. The Ethics Ombudsman shall also issue a preliminary opinion on the pertinence or classification of the situation as an infringement of the Code of Ethics and, if so, it shall indicate the levels of risks in presence. This preliminary report will not identify the source of the information, which the Ethics Ombudsman shall keep confidential throughout the entire process, provided that such confidentiality does not jeopardise the success of any investigation or performance of any corrective action.

4.2. Investigation and Corrective action

4.2.1. The Ethics Committee shall analyse every situation reported issuing an opinion as to whether it should be classified as an infringement of the Code of Ethics and whether there is any need for a more in-depth investigation to ascertain the implications and persons involved.

4.2.2. The Ethics Committee may, for this purpose, use internal auditors or hire external auditors or other resources to assist in the investigation. The applicable legal regulations and internal rules of the EDP Group shall be complied with in the conducting of the investigation. The people involved in any alleged infringement of the Code of Ethics shall be advised of their right to legal counsel before they make any statements on such to an auditor or investigator.

4.2.3. After the investigation has been completed, the Ethics Committee shall issue an opinion and send it to the CGSC, on the classification of the situation reported as a breach of the code of ethics and, if so, whether there is any need for corrective and/or disciplinary action, as well as for a preventive action related to an eventual recurrence.

The decided actions may include modification to methods of work and interaction between employees and or other stakeholders, as well as reinforcement and establishment of controlling procedures or modifications of EDP Group policies.

4.2.4. The CGSC will analyse the opinion submitted by the Ethics Committee, make additional investigations as it deems appropriate, resorting if necessary to internal and/or external consultants and decide whether the reported situation configures, in fact, a breach of the Code of Ethics, in which case it shall decide on the possible application of corrective and/or disciplinary actions and shall inform the relevant managing bodies, as well as the Ethics Committee. The action decided upon may include changes to working methods, interaction between employees



and/or stakeholders, as well as the establishment or strengthening of control procedures or the modification of EDP Group policies.

4.3. Conflicts of interest

4.3.1. If a report of an infringement of the Code of Ethics involves a conflict of interest for the Ethics Ombudsman handling it, he/she shall inform the Chairman of the Ethics Committee of such, who shall appoint an *ad hoc* substitute for the case in question, this fact should be reported to the CGSC Chairman

4.3.2. Likewise, if the Ethics Committee identifies a possible conflict of interest on the part of some of its members in the course of the investigation, it will take the necessary steps and make the corresponding decisions without their participation. Such fact shall be communicated to the Chairman of the CGSC.

5. Confidentiality and Anonymity

5.1. All reports of infringements of the Code of Ethics will be treated as confidential and the identity of the complainant kept secret, to the extent permitted by the need to investigate the report.

5.2. Given the EDP Group's commitment to confidentiality in its Code of Ethics, anonymous accusations, except in the cases referred in 3.1.1 §.

5.3. Beyond the confidentiality guarantee regarding the complaint identity, the facts and documents regarding the claims will be classified and reserved. In view of their confidentiality, only the following shall have access to the cases of complaints of infringements of the Code of Ethics:

- (i) The Chairman of the GSB;
- (ii) The Chairman and the members of the CGSC;
- (iii) The members of the Ethics Committee;
- (iv) The Ethics Ombudsman and its liaison officers;
- (v) The employees of the Ombudsman's Office and the DSA specifically appointed to support the work of the Ethics Committee;
- (vi) The members of audit or inspection teams set up to investigate a reported infringement.
- (vii) The employees of the GSB Support Office explicitly designed to support the CGSC

5.4. Everyone with access to information in the case files of reports of infringement of the Code of Ethics shall be obliged to comply with the required confidentiality.

6. Supervision and Review

6.1. Supervision



6.1.1. The GSB, through its Corporate Governance and Sustainability Committee (CGSC), is responsible for supervising the performance of the management system with regard to the functional principles and compromises set forth in the Code of Ethics.

6.1.2. The CGSC will receive from the Ethics Committee for this purpose, and without prejudice to the possibility of requesting at any time information from the Executive Board of Directors that it considers necessary to fully perform its duties, quarterly reports on the Company's performance with regard to application of the Code of Ethics and the annual review report, as described in sub-paragraphs (vi) and (vii) of 2.2.2.

6.1.3. All documents submitted to the Ethics Committee, including those referred to in 3.3, shall be sent to the Chairman of CGSC within the deadlines.

6.1.4. The Chairman of the CGSC may attend meetings of the Ethics Committee, without having any voting rights.

6.2. Review

6.2.1. The Ethics Committee shall conduct an annual review of the Code of Ethics and these Regulations in order to ensure that they are appropriately disseminated and applied and they remain adequate to the goals of transparency, impartiality, integrity of actions and the management excellence they aim to achieve.

6.2.2. The report of the review shall be submitted to the CGSC for evaluation and approval.

6.2.3. The following relevant indicators, among others, may be considered for the purposes of the review referred to in 6.2.1:

- (i) Number of alleged infringements reported (complaints);
- (ii) Complaint acceptance rate (number of complaints investigated/total number of complaints reported);
- (iii) Complaint clearance rate (number of cases closed/number of complaints investigated);
- (iv) Employees' perception of management practices being consistent with the values and commitments set out in the Code of Ethics;
- (v) Perception of other stakeholders (i.e. important customers, suppliers and institutional partners) regarding management practices being consistent with the values and commitments set out in the Code of Ethics

6.2.4. A summary of the annual review report containing the conclusions of the review and the EDP Group's main ethics performance indicators, which will be made available on communication channels open to employees and the EDP Groups other stakeholders.



7. Training and Raising Awareness of Employees and other Stakeholders

7.1. Disclosure

7.1.1. The Code of Ethics is distributed to all EDP Group employees regardless of the nature of their work contract, and it is also available in digital form on the intranet and on the EDP Group's website.

Particularly, reception programme of employees will include the handling of the Ethics Code and awareness actions and training about corporate ethical themes.

7.1.2. All EDP Group suppliers are also asked to acknowledge the principles of action and compromises established in the Code of Ethics when registering in the supplier qualification system.

7.2. Training and Raising Awareness

7.2.1. With the aim of raising awareness and provide explanations regarding the Code of Ethics Code and its Regulations, the Ethics Ombudsman Office, in articulation with the other organisational units involved, will promote the holding of the awareness raising initiatives deemed appropriate.

7.2.2. Likewise, periodic initiatives will also be organised for the Group's priority suppliers in the different geographical areas, in order to raise awareness of/reassert the established rules of ethical conduct.

8. Commitment to the EDP Code of Ethics' principles and compromises

8.1. The Code of Ethics lays down principles of action and compromises that, when not arising from the legal obligations incumbent on each of the organisational members or the entities forming the EDP Group, state the values of ethics and citizenship reflected in management options that, in the organisational and market environment in which the EDP Group operates, are believed to be those that most foster the long-term sustainability of its business and the achievement of the targeted excellence goals.

8.2. The rules contained in the Code of Ethics and these Regulations are imperative, therefore failure to comply by employees of EDP makes them liable for disciplinary action and any others penalties that may apply.

8.3. Suppliers and providers of services, to whom the code may be applicable, are subject to measures or sanctions contractually set up or arising from assessment and qualification procedures in force within EDP Group.